

This is the 1<sup>st</sup> affidavit  
of Steven Dalton Dvorak in this case  
and was made on 03/Feb/2012

No. S-120712  
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57

AND

IN THE MATTER OF CATALYST PAPER CORPORATION  
AND OTHER PETITIONERS

**PETITIONERS**

**AFFIDAVIT**

I, Steven Dalton Dvorak, Lawyer, of 3000 – 1055 West Georgia Street, Vancouver, British Columbia, MAKE OATH AND SAY AS FOLLOWS:

1. I am a partner with Bull, Housser & Tupper LLP, solicitors of record for Western Forest Products Inc. ("Western"), International Forest Products Limited ("Interfor"), and Seaspan Marine Corporation ("Seaspan") (collectively referred to herein as the "Supplier Respondents"), and as such I have personal knowledge of the facts and matters hereinafter deposed to, save and except where the same are stated to be made upon information and belief, and, as to such facts, I verily believe the same to be true.


2. I am advised by Nancy McKenzie, Chief Financial Officer of Seaspan, and do believe, that:
  - (a) The typical credit exposure of Seaspan to the Petitioners, based upon their contractual arrangements, ranges between \$750,000 to \$1,000,000 weekly, and \$3,000,000 to \$4,000,000 monthly. Seaspan is owed approximately \$750,000 for accounts pre-dating the Interim Order.
  - (b) Seaspan has ongoing contractual arrangements with the Petitioners, pursuant to which it is obligated to provide an ongoing supply of goods, services, or both, to some or all of the Petitioners;
  - (c) Since the filing of the Interim Order, Seaspan has made arrangements to be paid by the Petitioners in advance for ongoing supply of goods and services, and is continuing to supply those goods and services in accordance with the terms of the Interim Order; and
  - (d) Seaspan is aware of its obligations under, and will comply with, paragraphs 22 and 23 of the Interim Order pronounced in this proceeding on January 31, 2012.
3. I am advised by Neil Stevens, Vice President, Fibre Optimization of Western, and do believe, that:
  - (a) The typical credit exposure of Western to the Petitioners, based upon their contractual arrangements, ranges on an average between approximately \$2,500,000 and \$4,000,000 monthly. Western is owed approximately \$1,300,000 for accounts pre-dating the Interim Order.
  - (b) Western has ongoing contractual arrangements with the Petitioners, pursuant to which it is obligated to provide an ongoing supply of goods, services, or both, to some or all of the Petitioners;
  - (c) Since the filing of the Interim Order, Western has made arrangements to be paid by the Petitioners in advance for ongoing supply of goods and services, and is continuing to supply those goods and services in accordance with the terms of the Interim Order; and

- (d) Western is aware of its obligations under, and will comply with, paragraphs 22 and 23 of the Interim Order pronounced in this proceeding on January 31, 2012.

4. I am advised by John Horning, Chief Financial Officer of Interfor, and do believe, that:

- (a) The typical credit exposure of Interfor to the Petitioners, based upon their contractual arrangements and under current production ranges on an average between \$1,500,000 and \$2,500,000 monthly. Interfor is owed approximately \$500,000 for accounts pre-dating the Interim Order;
- (b) Interfor has ongoing contractual arrangements with the Petitioners, pursuant to which it is obligated to provide an ongoing supply of goods, services, or both, to some or all of the Petitioners;
- (c) Since the filing of the Interim Order, Interfor has made arrangements to be paid by the Petitioners in advance for ongoing supply of goods and services, and is continuing to supply those goods and services in accordance with the terms of the Interim Order; and
- (d) Interfor is aware of its obligations under, and will comply with, paragraphs 22 and 23 of the Interim Order pronounced in this proceeding on January 31, 2012.

SWORN (OR AFFIRMED) BEFORE ME )  
at Vancouver, British Columbia, on )  
03/Feb/2012. )

  
\_\_\_\_\_  
A Commissioner for taking )  
Affidavits for British Columbia )

  
\_\_\_\_\_  
STEVEN DALTON DVORAK

KIERAN E. SIDDALL  
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**AFFIDAVIT #1 of STEVEN DALTON DVORAK**

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