



This is the 2nd affidavit of
R. Lindstrom in this case and was
made on March 16, 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 THE PETITIONERS LISTED IN SCHEDULE "A"

PETITIONERS

AFFIDAVIT

I, Robert H. Lindstrom, businessperson, of 2nd Floor, 3600 Lysander Lane, Richmond,
British Columbia, SWEAR THAT:

1. I am the Vice President, Supply Chain, Energy and Information Technology of
Catalyst Paper Corporation ("CPC"), a Petitioner in this proceeding (along with the other
Petitioners and Catalyst Paper General Partnership, the "Company" or "Catalyst"), and

as such I have personal knowledge of the matters deposed to in this Affidavit except where I depose to a matter based on information from an informant I identify, in which case I believe that both the information from the informant and the resulting statement are true.

2. This Affidavit is made in support of an application by the Company for an Order permitting the sale of certain assets at the Company's mill near Campbell River, B.C.

3. All capitalized terms used and not defined below shall have the same meaning as that ascribed to them in the Affidavit #1 of Brian Baarda, made January 31, 2012.

The Amended and Restated Initial Order

4. On January 31, 2012, the Company was granted relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") pursuant to the initial Order of this Court (the "**Initial Order**"). At that time, PricewaterhouseCoopers Inc. was appointed as Monitor. On February 3, 2012, the Initial Order was amended and restated (the "**Amended and Restated Initial Order**"). Under the Amended and Restated Initial Order, the Company could dispose of redundant or non-material assets not exceeding \$500,000 in any one transaction or \$2,000,000 in the aggregate.

The Elk Falls Order

Background on the Property

5. The company's manufacturing plant near Campbell River, B.C. is a large integrated pulp and paper mill (the "**Elk Falls Mill**").

6. In 2008, the pulp mill production at the Elk Falls Mill was shut down due to its high costs for operation and a lack of supply.

7. In 2009, all three paper machines at the Elk Falls Mill were shut down due to poor market conditions for paper products and continued high costs.

8. In September 2010, the Elk Falls Mill was permanently closed in light of persistent weak markets for commodity paper grades combined with uncompetitive manufacturing costs, including labour, municipal taxes, fibre, and other input costs. The closure of the Elk Falls Mill reduced the Company's annual production capacity of pulp and paper and resulted in a reduction to the available ABL Facility. The closure of the Elk Falls Mill, in combination with the closure of the Company's paper recycling division in Coquitlam in 2010, resulted in, among other things, a \$304.2 million loss due to asset impairment, severance and other closure costs.

The Bidding Process

9. Since the closure of the Elk Falls Mill, the Company has been attempting to liquidate the assets at the mill site in an orderly way to achieve the highest value for Catalyst.

10. In September 2010, the equipment at the Elk Falls Mill was made available for sale through the auction company Maynards Industries Ltd. ("Maynards"). Maynards listed all major pieces of equipment for sale. The auction was marketed globally to attract potential buyers. The brochure was translated into Mandarin Chinese to encourage equipment sales to China.

11. Despite many enquiries, less than \$2 million in equipment sales were actually made. This was due to several factors. One such factor is that there are many pulp and paper mills with equipment for sale worldwide. In addition, the Chinese pulp and paper companies appear to have become less interested in used equipment as they have started to buy either the latest new imported technology or Chinese-made equipment.

12. After more than one year of continuous effort to sell the major equipment without significant success, the Company developed a plan to sell the equipment for scrap value and use the proceeds to demolish the non-useable buildings and infrastructure down to slab level. It was expected this process would take up to 18 months.

13. In order to ensure a competitive process, the Company contacted 40 scrap/demolition companies with a bid package in order for those companies to make a

bid to sell the scrap and demolish the site as per Catalyst's specifications. The bid package identified all the major pieces of equipment by area, identified potential hazardous materials and provided a process which all bidders had access to both necessary information and the Elk Falls Mill itself to develop their bids.

14. The Company held an information meeting at the Elk Falls Mill in November 2011 with all interested bidders. The interested bidders received the information related to the Elk Falls Mill at the same time. The interested bidders were all provided with lengthy time at the Elk Falls Mill and access to personnel of the Company in order to address their questions.

15. There were approximately 19 companies who participated as interested bidders. Of these, nine companies provided comprehensive bids for the scrap/demolition of the site in January 2012. There was a considerable range of values submitted.

The Revised Bids and the Construction Agreement

16. In February 2012, after the Company entered the CCAA process, the Company decided to alter the plan for the Elk Falls Mill to provide an opportunity to maximize revenues for the Company by scrapping and selling most of the assets of the Elk Falls Mill but not demolishing the key equipment components or buildings. To conduct this altered plan, two of the top bidders from the initial bidding process were selected to re-bid scrap and equipment sales but not include any significant demolition. The work would still be performed safely, addressing any specific hazardous materials and adhering to government regulations.

17. Due to the tight timeline to start and finish the three month objective of the Company in this part of the Elk Falls Mill liquidation, Catalyst selected two of the top bidders who the Company considered the most qualified for consideration. These companies resubmitted bids for removing/selling some useable equipment pieces and scrapping much of the equipment that could be accomplished in a three-month period.

18. Catalyst Paper General Partnership (the "**Partnership**") and Schnitzer Steel BC, Inc. (the "**Contractor**") intend to execute the Construction Agreement and commence the

work described therein as soon as possible following authorization of the Construction Agreement by this Court. The Construction Agreement provides that Contractor will take title to and ownership of the scrap steel at the point of loading. The assets that will be subject to sale or scrap under the Construction Agreement is the pulp and paper ferrous components and non-ferrous components and equipment in and around the entire Elk Falls Mill, excluding buildings, or other permanent structures and equipment relating to the safety and environmental security of the Elk Falls Mill (the “**Purchased Assets**”). A copy of the Construction Agreement has been provided to the Monitor.

19. The nature of the information contained in the Construction Agreement is sensitive and confidential to both the Company and the Contractor. Those documents disclose certain confidential and sensitive details concerning the Company’s assets and the Company’s arrangements with the Contractor. As part of the restructuring, the Company may make further asset sales. Any prospective purchasers may use the details in the Construction Agreement to provide them with leverage in their negotiations with the Company for more attractive terms. As such, disclosure of the Construction Agreement as part of the public record may negatively affect the Company’s ability to pursue some of its strategic options in its restructuring efforts, to the detriment of the Company and all of its stakeholders.

Material Terms of the Construction Agreement

20. The Construction Agreement has the following material terms:

- (a) the Contractor shall perform the Work (as that term is defined in the Construction Agreement);
- (b) the Contractor shall pay the Partnership for all scrap metal removed and a percentage of all retail sales of equipment;
- (c) the Contractor shall receive the percentage of all retail sales of equipment not paid to the Partnership;
- (d) the cost of the labour and equipment for removal provided by the Contractor is included in the pricing and not paid directly by the Partnership;

- (e) the Contractor's costs for mobilization, demobilization, demolition, processing and loading will be included in its final scrap sales proceeds;
- (f) the Partnership shall set the commencement and completion dates, which are estimated to provide approximately a ninety-day work period; and
- (g) the Contractor shall be the prime contractor and ensure observance of all safety precautions set by statute, regulation and the Contractor.

The Purchase Price is Fair and Reasonable

21. Based on the minimal level of interest for the equipment and assets of the Elk Falls Mill since the Company shut down the mill and considering the consequent benefits obtained by the Petitioner Parties, the Company believes that the Construction Agreement contains the best possible terms that the Company is likely to achieve under the circumstances. The Company is estimated to receive well over \$10 million by virtue of the Construction Agreement.

22. The market for pulp and paper manufacturing equipment is saturated with numerous other vendors. In addition, many potential purchasers would prefer new more advanced technology rather than used equipment.

23. In light of the depressed market for pulp and paper manufacturing equipment and the difficulty that the Company has had in selling the assets of the Elk Falls Mill, I believe that the Construction Agreement provides the Company with the best available price for the Purchased Assets.

24. The Construction Agreement has the following additional benefits:

- (a) it divests the Company of assets that are non-core to its business at a time when the Company seeks to reduce the amount of money it directs to maintaining non-essential assets;
- (b) the transaction contemplated by the Construction Agreement is scheduled to be completed quickly;
- (c) the consummation of the transaction will enable the Company to avoid any additional cost and delay associated with re-marketing the assets of the Elk Falls Mill through Maynards or other avenues;

- (d) the proceeds of the transaction will be used to provide the Company with some much needed funds; and
- (e) the transaction will enable the Company to avoid additional costs associated with the Purchased Assets.

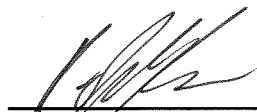
Discussions with Stakeholders

25. The Company has discussed the terms of the Construction Agreement with counsel to the 2016 Noteholders and the Monitor. I understand that the Monitor is also supportive of the Construction Agreement.

26. The Company is expressly permitted to dispose of the Purchased Assets pursuant to section 6.12 of the DIP Credit Agreement. In particular, section 6.12 of the DIP Credit Agreement provides that the fixed assets and equipment located on the real property of the Elk Falls Mill does not form part of the prohibition of the disposal of assets.

27. Attached hereto and marked as **Exhibit "A"** is a copy of the Security Agreement between CPC and Computershare Trust Company of Canada dated March 10, 2010.

SWORN BEFORE ME at Vancouver,
British Columbia on March 16, 2012.



A Commissioner for taking Affidavits for
British Columbia




Robert H. Lindstrom

Anthony Purgas
Barrister & Solicitor
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SCHEDULE "A"

LIST OF ADDITIONAL PETITIONERS

Catalyst Pulp Operations Limited
Catalyst Pulp Sales Inc.
Pacifica Poplars Ltd.
Catalyst Pulp and Paper Sales Inc.
Elk Falls Pulp and Paper Limited
Catalyst Paper Energy Holdings Inc.
0606890 B.C. Ltd.
Catalyst Paper Recycling Inc.
Catalyst Paper (Snowflake) Inc.
Catalyst Paper Holdings Inc.
Pacifica Papers U.S. Inc.
Pacifica Poplars Inc.
Pacifica Papers Sales Inc.
Catalyst Paper (USA) Inc.
The Apache Railway Company

This is Exhibit "A" referred to in the
affidavit of R. Lindstrom
sworn before me at Vancouver
this 16th day of March, 2010

A Commissioner for taking Affidavits
for British Columbia

CATALYST PAPER CORPORATION

as Obligor

and

COMPUTERSHARE TRUST COMPANY OF CANADA

as Collateral Trustee

SECURITY AGREEMENT

March 10, 2010

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SECURITY AGREEMENT

Security agreement dated as of March ____, 2010 made by Catalyst Paper Corporation, to and in favour of Computershare Trust Company of Canada, as Collateral Trustee for the benefit of itself, the Trustee and the Secured Debtholders.

RECITALS:

- (a) The Obligor is issuing Notes in an aggregate principal amount of U.S. \$311,720 million pursuant to the Note Indenture; and
- (b) The Obligor and the Guarantors intend to secure the obligations under the Notes, the Guarantees and the Note Indenture and any future Priority Lien Debt and Subordinated Lien Debt with Liens in favour of the Collateral Trustee, for the benefit of itself, the Trustee and the Secured Debtholders, on all current and future Collateral.

In consideration of the foregoing and other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Obligor agrees as follows.

ARTICLE 1 INTERPRETATION

Section 1.1 Defined Terms.

As used in this Agreement, the following terms have the following meanings:

"ABL Agent" means CIT Business Credit Canada Inc. acting as agent for the lenders under the ABL Credit Agreement and any successor agent appointed under the ABL Credit Agreement and its successors and assigns.

"ABL Credit Agreement" means the credit agreement dated as of August 13, 2008 as amended pursuant to a first amending agreement dated as of the date hereof, among the Obligor, Catalyst Paper, Catalyst Paper Holdings Inc. and Catalyst Paper (Snowflake) Inc., as borrowers and guarantors, Catalyst Pulp and Paper Sales Inc., Catalyst Pulp Sales Inc., Catalyst Pulp Operations Limited, Catalyst Paper Finance Limited, Elks Falls Pulp and Paper Limited, 0606890 B.C. Ltd., Pacifica Poplars Ltd., Catalyst Paper Energy Holdings Inc., Catalyst Paper Recycling Inc., Catalyst Paper (USA) Inc., Pacifica Paper Sales Inc., Pacifica Papers US Inc., Pacifica Poplars Inc., The Apache Railway Company and Catalyst Paper Services (Hungary) Limited Liability Company, as guarantors, the lenders from time to time party thereto, the ABL Agent, as agent, co-lead arranger, joint bookrunner, syndication agent, collateral agent and documentation agent, and J.P. Morgan Securities Inc., as Co-Lead Arranger and joint bookrunner.

"Agreement" means this security agreement.

"Capitalized Lease Obligations" means, with respect to any Person, Debt represented by obligations under a lease that is required to be capitalized for financial reporting purposes in accordance with GAAP, and the amount of such Debt will be the capitalized amount of such obligations determined in accordance with GAAP.

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"Capital Stock" means, with respect to any Person, any and all shares, interests, participations or other equivalents (however designated and whether or not voting) of corporate stock, shares, partnership interests or any other participation, right or other interest in the nature of an equity interest in such Person including, without limitation, common stock and preferred stock of such Person, or any option, warrant or other security convertible into any of the foregoing.

"Collateral" has the meaning specified in Section 2.1(1).

"Collateral Trust Agreement" means the collateral trust agreement dated as of the date hereof among the Obligor, the Guarantors party thereto, the Trustee and the Collateral Trustee.

"Collateral Trustee" means Computershare Trust Company of Canada and any successor collateral trustee appointed under the Collateral Trust Agreement and its successors and assigns.

"Debt" has the meaning specified in the Note Indenture.

"Event of Default" has the meaning specified in the Note Indenture or as otherwise defined in any applicable Secured Debt Documents.

"Excluded Equipment" means at any date any Property of the Obligor which is the subject of, or secures, Purchase Money Debt or a Capitalized Lease Obligation if and to the extent that (i) a restriction in favour of a Person who is not the Obligor or a Guarantor contained in the agreements or documents creating or governing such Capitalized Lease Obligation or Purchase Money Debt prohibits, or requires any consent or establishes any other conditions for or would result in the termination of such agreement or document because of an assignment thereof, or a grant of a security interest therein, by the Obligor and (ii) such restriction relates only to the asset or assets acquired by the Obligor with the proceeds of such Purchase Money Debt or Capitalized Lease Obligation and all attachments thereto, improvements thereof and substitutions therefor.

"Excluded Equity Interests" means all Capital Stock and other equity interests owned at any time by the Obligor in any Subsidiary or any other Person or joint venture.

"Excluded Interest" means at any date any rights or interest of the Obligor under any agreement, contract, license, instrument, document or other general intangible (as defined in the Uniform Commercial Code as in effect in the State of New York from time to time) (any such agreement, contract, license, instrument, document or other general intangible referred to solely for purposes of this definition as an "Interest") to the extent that such Interest by its terms, or any requirement of law, prohibits, or requires any consent (which has not been obtained) or establishes any other condition for or would terminate or be violated because of, an assignment thereof or a grant of a security interest therein by the Obligor (unless such consent is obtained or condition is satisfied), it being understood that the Obligor shall have no obligation to seek to obtain any such consent or satisfy any such condition.

"Excluded Property" has the meaning specified in Section 2.2(b).

"Fair Market Value" has the meaning specified in the Note Indenture.

"Guarantee" has the meaning specified in the Note Indenture.

"Guarantor" has the meaning specified in the Note Indenture.

"Instruments" means (i) a bill, note or cheque within the meaning of the *Bills of Exchange Act* (Canada) or any other writing that evidences a right to the payment of money and is of a type that in the ordinary course of business is transferred by delivery with any necessary endorsement or assignment, or (ii) a letter of credit and an advice of credit if the letter or advice states that it must be surrendered upon claiming payment thereunder; or (iii) chattel paper or any other writing that evidences both a monetary obligation and a security interest in or a lease of specific goods, or (iv) documents of title or any other writing that purports to be issued by or addressed to a bailee and purports to cover such goods in the bailee's possession as are identified or fungible portions of an identified mass, and that in the ordinary course of business is treated as establishing that the Person in possession of it is entitled to receive, hold and dispose of the document and the goods it covers, or (v) any document or writing commonly known as an instrument, but excludes investment property.

"Intellectual Property" means domestic and foreign: (i) patents, applications for patents and reissues, divisions, continuations, renewals, extensions and continuations-in-part of patents or patent applications; (ii) proprietary and non-public business information, including inventions (whether patentable or not), invention disclosures, improvements, discoveries, trade secrets, confidential information, know-how, methods, processes, designs, technology, technical data, schematics, formulae and customer lists, and documentation relating to any of the foregoing; (iii) copyrights, copyright registrations and applications for copyright registration; (iv) mask works, mask work registrations and applications for mask work registrations; (v) designs, design registrations, design registration applications and integrated circuit topographies; (vi) trade names, business names, corporate names, domain names, website names and world wide web addresses, common law trade-marks, trade-mark registrations, trade mark applications, trade dress and logos, and the goodwill associated with any of the foregoing; (vii) computer software and programs (both source code and object code form), all proprietary rights in the computer software and programs and all documentation and other materials related to the computer software and programs; and (viii) any other intellectual property and industrial property.

"Intercreditor Agreement" means the intercreditor agreement dated as of the date hereof among the Obligor, the Guarantors party thereto from time to time, the ABL Agent and the Collateral Trustee.

"Noteholders" means the holders of the Notes issued from time to time under the Note Indenture.

"Notes" means collectively, the 11% senior secured notes due December 15, 2016 issued from time to time by the Obligor pursuant to the Note Indenture.

"Notes First Lien Collateral" has the meaning specified in the Intercreditor Agreement.

"Note Indenture" means the note indenture among the Obligor, the Guarantors, the Trustee and the Collateral Trustee, dated as of the date hereof, which governs the terms of the Notes.

"Obligor" means Catalyst Paper Corporation, a corporation incorporated and existing under the laws of Canada, and its successors and permitted assigns.

"Priority Lien Debt" has the meaning specified in the Note Indenture.

"Priority Lien Documents" has the meaning specified in the Note Indenture.

"Priority Lien Obligations" has the meaning specified in the Note Indenture, and, for the sake of clarity, shall only include such obligations (other than in respect of the Notes, the Note Indenture and the Guarantees thereof) to the extent that they have been designated under Section 3.8(b) of the Collateral Trust Agreement.

"Property" of any Person means all types of personal property owned by such Person, including all goods, intangibles, instruments, investment property, chattel paper, documents of title and money owned by such Person or in which such Person has an interest, whether or not included in the most recent consolidated balance sheet of such Person and its Subsidiaries under GAAP.

"Purchase Money Debt" means any Debt incurred by a Person to finance the cost (including the cost of acquisition, construction, lease, installation or improvement) of an item of Property or assumed in connection with the acquisition of any item of Property, the principal amount of which Debt does not exceed the sum of:

- (a) the lesser of (a) the Fair Market Value of such property and (b) 100% of such cost or acquisition consideration; and
- (b) reasonable fees and expenses of such Person incurred in connection therewith.

"Registered Intellectual Property" means any Intellectual Property in respect of which ownership, title, security interests, charges or encumbrances have been registered, recorded or noted with any Governmental Entity pursuant to applicable laws.

"Required Priority Lien Debtholders" has the meaning specified in the Collateral Trust Agreement.

"Required Secured Debtholders" means the Required Priority Lien Debtholders or the Required Subordinated Lien Debtholders, as the Collateral Trust Agreement requires.

"Required Subordinated Lien Debtholders" has the meaning specified in the Collateral Trust Agreement.

"Scheduled Financial Assets" has the meaning set forth in Section 2.3(2).

"Secured Debt Documents" means the Priority Lien Documents and the Subordinated Lien Documents.

"Secured Debtholders" means the holders of Priority Lien Obligations and Subordinated Lien Obligations, and shall include, without limitation, the Noteholders.

"Secured Obligations" has the meaning specified in Section 2.2(a).

"Security Interest" has the meaning specified in Section 2.2.

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"Subordinated Lien Debt" has the meaning specified in the Note Indenture.

"Subordinated Lien Documents" has the meaning specified in the Note Indenture.

"Subordinated Lien Obligations" has the meaning specified in the Note Indenture, and, for the sake of clarity, shall only include such obligations (other than in respect of the Notes, the Note Indenture and the Guarantees thereof) to the extent that they have been designated under Section 3.8(b) of the Collateral Trust Agreement.

"Trustee" means Wilmington Trust FSB.

"ULC Shares" means shares in any unlimited company or unlimited liability corporation at any time owned or otherwise held by the Obligor.

Section 1.2 Interpretation.

- (1) Terms defined in the *Personal Property Security Act* British Columbia ("PPSA") or the *Securities Transfer Act, 2007* (British Columbia) ("STA") and used but not otherwise defined in this Agreement have the same meanings. For greater certainty, the terms "account", "chattel paper", "document of title", "equipment", "instrument", "intangible", "investment property", "money", "personal property" and "proceeds" have the meanings given to them in the PPSA; and the terms "certificated security", "control", "deliver", "entitlement holder", "financial asset", "securities account", "securities intermediary", "security", "security entitlement" and "uncertificated security" have the meanings given to them in the STA. Capitalized terms used in this Agreement but not defined have the meanings given to them in the Note Indenture.
- (2) Any reference in this Agreement to Liens permitted by the Note Indenture and any right of the Obligor to create or suffer to exist Liens permitted by the Note Indenture are not intended to and do not and will not subordinate the Security Interest to any such Lien or give priority to any Person over the Secured Debtholders.
- (3) In this Agreement the words "including", "includes" and "include" mean "including (or includes or include) without limitation". The expressions "Article", "Section" and other subdivision followed by a number mean and refer to the specified Article, Section or other subdivision of this Agreement.
- (4) Any reference in this Agreement to gender includes all genders. Words importing the singular number only include the plural and vice versa.
- (5) The division of this Agreement into Articles, Sections and other subdivisions and the insertion of headings are for convenient reference only and do not affect its interpretation.
- (6) The schedules attached to this Agreement form an integral part of it for all purposes of it.
- (7) Any reference to this Agreement, or any Secured Debt Document refers to this Agreement or such Secured Debt Document as the same may have been or may from time to time be amended, modified, extended, renewed, restated, replaced or supplemented and includes all schedules attached to it. Except as otherwise provided in

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this Agreement, any reference in this Agreement to a statute refers to such statute and all rules and regulations made under it as the same may have been or may from time to time be amended or re-enacted.

- (8) Unless the context shall otherwise require, wherever a reference is made in this Agreement to a dollar amount or an amount in "\$", the amount referred to is to be considered as the amount in Canadian Dollars.

ARTICLE 2 SECURITY

Section 2.1 Grant of Security.

- (1) Subject to Section 2.1(2) and to Section 2.4, the Obligor hereby grants to the Collateral Trustee, for the benefit of itself, the Trustee and the Secured Debtholders, a security interest in, and assigns, mortgages, charges, hypothecates and pledges to the Collateral Trustee, for the benefit of itself, the Trustee and the Secured Debtholders, all of the present and after-acquired personal property of the Obligor or in which the Obligor now has or hereafter acquires any interest, in either case of whatsoever kind and wheresoever situate, including, without limitation:
- (i) all inventory, including goods held for sale, lease or resale, goods furnished or to be furnished to third parties under contracts of lease, consignment or service, goods which are raw materials or work in process, supplies and goods used in or procured for packing and materials used or consumed in the business of the Obligor;
 - (ii) all accounts due or accruing and all related agreements, books, accounts, invoices, letters, documents and papers recording, evidencing or relating to them;
 - (iii) all monies and claims for monies now or hereafter due and payable in connection with any or all of the property described in Section 2.1(1)(i) through Section 2.1(1)(ii) inclusive, all present and future acquired deposit accounts and other accounts of the Obligor, all cash and other monies of the Obligor and all cash and non-cash proceeds of the foregoing;
 - (iv) all goods which do not constitute inventory referred to in Section 2.1(1)(i) including all such goods constituting machinery, furniture, fixtures, tools and plant and all licences and other rights and all related records, files, charts, plans, drawings, specifications, manuals and documents;
 - (v) all investment property, including without limitation all securities accounts, including the securities accounts listed in Schedule "A" and all of the credit balances, securities entitlements, other financial assets and items or property (or their value) standing to the credit from time to time in such securities accounts;

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- (vi) all Instruments and securities, including the Scheduled Financial Assets listed in Schedule "A";
- (vii) all intangibles including all security interests, goodwill, choses in action, contracts, contract rights, licenses and other contractual benefits;
- (viii) all Intellectual Property including the Registered Intellectual Property listed in Schedule "B";
- (ix) all books and records, documents, instruments, documents of title, investment property, financial assets, chattel paper, supporting obligations, commercial tort claims, letters of credit and letter of credit rights, other claims and causes of action, in each case, in connection with any and all of the property described in Section 2.1(1)(i) through Section 2.1(1)(viii)(vii);
- (x) all substitutions and replacements of and increases, additions and, where applicable, accessions to the property described in Section 2.1(1)(i) through Section 2.1(1)(ix)(ix) inclusive; and
- (xi) all proceeds in any form derived directly or indirectly from any dealing with all or any part of the property described in Section 2.1(1)(i) through Section 2.1(1)(x)(x) inclusive, including the proceeds of such proceeds.

Subject to Section 2.1(2) and to Section 2.4, all of the property and assets of the Obligor which are identified in Section 2.1(1) are collectively referred to herein as the "Collateral".

- (2) Notwithstanding Section 2.1(1), the Security Interest shall not extend or attach to and the Collateral shall not include the following property and assets (the "Excluded Property"):
 - (a) all Excluded Equipment and all motor vehicles and other goods (other than inventory) comprising "serial numbered goods" for the purposes of the PPSA or any other applicable personal property security laws;
 - (b) all Excluded Interests;
 - (c) all Excluded Equity Interests; and
 - (d) all goods held by the Obligor as nominee for Persons that are not Guarantors or required to become Guarantors under the terms of the Note Indenture or the Intercreditor Agreement.

Section 2.2 Secured Obligations.

The security interest, assignment, mortgage, charge, hypothecation and pledge granted by this Agreement (collectively, the "Security Interest") secures the payment and performance of:

- (a) the Priority Lien Obligations and the Subordinated Lien Obligations (collectively, and together with the Expenses, the "Secured Obligations"); and

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- (b) all expenses, costs and charges incurred by or on behalf of the Collateral Trustee, the Trustee or the Secured Debtholders in connection with this Agreement, the Security Interest or the Collateral, including all reasonable legal fees and all court costs, receiver's or agent's remuneration and other expenses of taking possession of, repairing, protecting, insuring, preparing for disposition, realizing, collecting, selling, transferring, delivering or obtaining payment for the Collateral, and of taking, defending or participating in any action or proceeding in connection with any of the foregoing matters or otherwise in connection with the Secured Debtholders' interest in any Collateral, whether or not directly relating to the enforcement of this Agreement or any other Secured Debt Document (collectively, the "Expenses").

Section 2.3 Attachment.

- (1) The Obligor acknowledges that (i) value has been given; (ii) it has rights in the Collateral or the power to transfer rights in the Collateral to the Collateral Trustee (other than after-acquired Collateral); (iii) it has not agreed to postpone the time of attachment of the Security Interest; and (iv) it has received a copy of this Agreement.
- (2) If the Obligor (i) acquires any security; (ii) acquires any other financial asset that has not been credited to a securities account specified in Schedule "A"; (iii) acquires any promissory note evidencing Debt owing to the Obligor or chattel paper (excluding, in the case of clauses (i) through (iii) above, any such items which either (y) are in an amount of less than \$250,000 or (z) constitute an Excluded Equity Interest or Excluded Interest; all such non-excluded items are collectively referred to herein as the "Scheduled Financial Assets") or (iv) establishes or maintains a securities account that is not specified in Schedule "A", the Obligor will notify the Collateral Trustee in writing and provide the Collateral Trustee with a revised Schedule "A" recording the acquisition or establishment of and particulars relating to such Scheduled Financial Assets or securities account within ten (10) Business Days after such acquisition.
- (3) At the written request of the Collateral Trustee, the Obligor will take all action that the Collateral Trustee may reasonably require to cause the Collateral Trustee to have control over any Scheduled Financial Assets that now or at any time hereafter becomes Notes First Lien Collateral, including, (i) causing Scheduled Financial Assets to be transferred to or registered in the name of the Collateral Trustee or its nominee or otherwise as the Collateral Trustee may direct; (ii) endorsing any such certificated Scheduled Financial Assets that are securities to the Collateral Trustee or in blank by an effective endorsement; (iii) delivering such Scheduled Financial Assets to the Collateral Trustee or someone on its behalf as the Collateral Trustee may direct; (iv) delivering to the Collateral Trustee any and all consents or other documents or agreements which may be necessary to, effect the transfer of any such Scheduled Financial Assets to the Collateral Trustee or any third party; and (v) in the case of such securities accounts which now or at any time hereafter become Notes First Lien Collateral, entering into control agreements with the Collateral Trustee and the applicable securities intermediary or issuer in respect of any Collateral, such control agreements to be in form and substance satisfactory to the Collateral Trustee, acting reasonably..

Section 2.4 Scope of Security Interest.

- (1) The Security Interest with respect to trade-marks constitutes a security interest in, and a charge, hypothecation and pledge of, such Collateral in favour of the Collateral Trustee for the benefit of itself, the Trustee and the Secured Debtholders, but does not constitute an assignment or mortgage of such Collateral to the Collateral Trustee, the Trustee or any Secured Debtholder.
- (2) Until the Security Interest is enforceable, the grant of the Security Interest in the Intellectual Property does not affect in any way the Obligor's rights to commercially exploit the Intellectual Property, defend it, enforce the Obligor's rights in it or with respect to it against third parties in any court or claim and be entitled to receive any damages with respect to any infringement of it.
- (3) The Security Interest does not extend or attach to and the Collateral shall not include any consumer goods or ULC Shares.
- (4) The Security Interest does not extend or apply to the last day of the term of any lease or sublease of real property or any agreement for a lease or sublease of real property, now held or hereafter acquired by the Obligor, but the Obligor will stand possessed of any such last day upon trust to assign and dispose of it as the Collateral Trustee may reasonably direct.

Section 2.5 Grant of Licence to Use Intellectual Property.

- (1) At such time and for so long as the Collateral Trustee is lawfully entitled to exercise its rights and remedies under Article 3, the Obligor grants to the Collateral Trustee an irrevocable, nonexclusive licence (exercisable without payment of royalty or other compensation to the Obligor) to use, assign or sublicense any Intellectual Property in which the Obligor has rights, to the extent required to enable the Collateral Trustee to exercise its rights and remedies in respect of the Collateral as contemplated in Article 3, including in such licence access to (i) all media in which any of the licensed items may be recorded or stored, and (ii) all software and computer programs used for compilation or print-out. The license granted under this Section is to enable the Collateral Trustee to exercise its rights and remedies under Article 3 and for no other purpose.
- (2) The Collateral Trustee acknowledges that the standard of quality for the use, assignment or sublicensing of Intellectual Property of the Obligor shall be no less than the standard of quality employed by the Obligor as of the day before the exercise of rights and remedies under Article 3 by the Collateral Trustee in conjunction with wares and/or services sold in association with such Intellectual Property.

Section 2.6 Care and Custody of Collateral.

- (1) The Collateral Trustee has no obligation to keep Collateral in its possession identifiable.
- (2) Subject to the Intercreditor Agreement, the Collateral Trustee may, after and for so long as the Security Interest is enforceable, (i) notify any Person obligated on an account to make payments to the Collateral Trustee, whether or not the Obligor was previously

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making collections on such accounts, chattel paper, instruments, and (ii) assume control of any proceeds arising from the Collateral.

- (3) The Collateral Trustee has no obligation to collect dividends, distributions or interest payable on, or exercise any option or right in connection with any Collateral. The Collateral Trustee has no obligation to protect or preserve any Collateral from depreciating in value or becoming worthless and is released from all responsibility for any loss of value, whether such Collateral is in the possession of, is a security entitlement of, or is subject to the control of, the Collateral Trustee, a securities intermediary, the Obligor or any other Person. In the physical keeping of any Securities, the Collateral Trustee is only obliged to exercise the same degree of care as it would exercise with respect to its own Securities kept at the same place.
- (4) The Collateral Trustee may, after the Security Interest has become and for so long as it remains enforceable sell, transfer, use or otherwise deal with any investment property included in the Collateral over which the Collateral Trustee has control, on such conditions and in such manner as the Collateral Trustee in its sole discretion may determine.

Section 2.7 Rights of the Obligor.

- (1) Until the Security Interest is enforceable, the Obligor is entitled to vote the securities and other financial assets that are part of the Collateral and to receive all dividends and distributions on such securities and financial assets as permitted by the Note Indenture. Whenever the Security Interest is enforceable, all rights of the Obligor to vote (under any proxy given by the Collateral Trustee (or its nominee) or otherwise) or to receive distributions or dividends in respect of any such securities and financial assets cease and all such rights become vested solely and absolutely in the Collateral Trustee. For greater clarity, nothing contained in this Section 2.7(1) shall in any way limit or compromise the rights of the Obligor to at any time vote or to receive distributions or dividends as permitted by the Note Indenture in respect of any and all securities or other financial assets which do not form part of the Collateral.
- (2) Any moneys or property which constitute Collateral and are received by the Obligor after and for so long as the Security Interest is enforceable will be received as trustee for the Collateral Trustee, the Trustee and the Secured Debtholders and shall be immediately paid over to the Collateral Trustee.

Section 2.8 Note Indenture and Collateral Trust Agreement.

All Secured Obligations shall be subject in all respects to the Note Indenture and the Collateral Trust Agreement.

Section 2.9 Expenses.

The Obligor is liable for and will pay on demand by the Collateral Trustee any and all Expenses.

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ARTICLE 3 ENFORCEMENT

Section 3.1 Enforcement.

The Security Interest becomes and is enforceable against the Obligor upon the occurrence and during the continuance of an Event of Default.

Section 3.2 Remedies.

Whenever the Security Interest is enforceable, the Collateral Trustee may realize upon the Collateral and enforce the rights of the Collateral Trustee, the Trustee and the Secured Debtholders by:

- (a) entry onto any premises where Collateral consisting of tangible personal property may be located;
- (b) entry into possession of the Collateral by any method permitted by law;
- (c) sale, grant of options to purchase, or lease of all or any part of the Collateral;
- (d) holding, storing and keeping idle or operating all or any part of the Collateral;
- (e) exercising and enforcing all rights and remedies of a holder of the Collateral as if the Collateral Trustee were the absolute owner thereof (including, if necessary, causing the Collateral to be registered in the name of the Collateral Trustee or its nominee if not already done);
- (f) collection of any proceeds arising in respect of the Collateral;
- (g) collection, realization or sale of, or other dealing with, accounts;
- (h) license or sublicense, whether on an exclusive or nonexclusive basis, of any Intellectual Property for such term and on such conditions and in such manner as the Collateral Trustee in its sole judgment determines (taking into account such provisions as may be necessary to protect and preserve such Intellectual Property);
- (i) instruction or order to any issuer or securities intermediary pursuant to any control the Collateral Trustee has over the Collateral;
- (j) instruction to any bank to transfer all moneys constituting Collateral held by such bank to an account maintained with or by the Collateral Trustee;
- (k) application of any moneys constituting Collateral or proceeds thereof in accordance with Section 5.12;

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- (l) appointment by instrument in writing of a receiver (which term as used in this Agreement includes a receiver and manager) or agent of all or any part of the Collateral and removal or replacement from time to time of any receiver or agent;
- (m) institution of proceedings in any court of competent jurisdiction for the appointment of a receiver of all or any part of the Collateral;
- (n) institution of proceedings in any court of competent jurisdiction for sale or foreclosure of all or any part of the Collateral;
- (o) filing of proofs of claim and other documents to establish claims to the Collateral in any proceeding relating to the Obligor; and
- (p) any other remedy or proceeding authorized or permitted under the PPSA or otherwise by law or equity.

Section 3.3 Additional Rights.

In addition to the remedies set forth in Section 3.2 and elsewhere in this Agreement, whenever the Security Interest is enforceable, the Collateral Trustee may:

- (a) require the Obligor, at the Obligor's expense, to assemble the Collateral to the extent reasonably practicable at a place or places designated by the Collateral Trustee by notice in writing and the Obligor agrees to so assemble the Collateral immediately upon receipt of such notice;
- (b) require the Obligor, by notice in writing, to disclose to the Collateral Trustee the location or locations of the Collateral and the Obligor agrees to promptly make such disclosure when so required;
- (c) repair, process, modify, complete or otherwise deal with the Collateral and prepare for the disposition of the Collateral, whether on the premises of the Obligor or otherwise;
- (d) redeem any prior security interest against any Collateral, procure the transfer of such security interest to itself, or settle and pass the accounts of the prior mortgagee, chargee or encumbrancer (any accounts to be conclusive and binding on Obligor);
- (e) notwithstanding Section 2.3(3), require the Obligor, at the Obligor's expense to take all action that the Collateral Trustee deems advisable to cause the Collateral Trustee to have control over any and all Notes First Lien Collateral. For greater clarity, whenever the Security Interest is enforceable, the Collateral Trustee will not be limited to taking control over the Scheduled Financial Assets;
- (f) pay any liability secured by any Lien against any Collateral (the Obligor will immediately on demand reimburse the Collateral Trustee for all such payments);

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- (g) carry on all or any part of the business of the Obligor and, to the exclusion of all others including the Obligor, enter upon, occupy and use all or any of the premises, buildings, and other property of or used by the Obligor for such time as the Collateral Trustee sees fit, free of charge, and the Collateral Trustee, the Trustee and the Secured Debtholders are not liable to the Obligor for any act, omission or negligence in so doing or for any rent, charges, depreciation or damages incurred in connection with or resulting from such action;
- (h) borrow for the purpose of carrying on the business of the Obligor or for the maintenance, preservation or protection of the Collateral and grant a security interest in the Collateral, whether or not in priority to the Security Interest, to secure repayment;
- (i) commence, continue or defend any judicial or administrative proceedings for the purpose of protecting, seizing, collecting, realizing or obtaining possession or payment of the Collateral, and give good and valid receipts and discharges in respect of the Collateral and compromise or give time for the payment or performance of all or any part of the accounts or any other obligation of any third party to the Obligor; and
- (j) at any public sale, and to the extent permitted by law on any private sale, bid for and purchase any or all of the Collateral offered for sale and upon compliance with the terms of such sale, hold, retain and dispose of such Collateral without any further accountability to the Obligor or any other Person with respect to such holding, retention or disposition, except as required by law. In any such sale to the Collateral Trustee, the Collateral Trustee may, for the purpose of making payment for all or any part of the Collateral so purchased, use any claim for Secured Obligations then due and payable to it as a credit against the purchase price.

Section 3.4 Exercise of Remedies.

The remedies under Section 3.2 and Section 3.3 may be exercised from time to time separately or in combination and are in addition to, and not in substitution for, any other rights of the Collateral Trustee, the Trustee and the Secured Debtholders however arising or created. The Collateral Trustee, the Trustee and the Secured Debtholders are not bound to exercise any right or remedy, and the exercise of rights and remedies is without prejudice to the rights of the Collateral Trustee, the Trustee and the Secured Debtholders in respect of the Secured Obligations including the right to claim for any deficiency.

Section 3.5 Receiver's Powers.

- (1) Any receiver appointed by the Collateral Trustee is vested with the rights and remedies which could have been exercised by the Collateral Trustee in respect of the Obligor or the Collateral and such other powers and discretions as are granted in the instrument of appointment and any supplemental instruments. The identity of the receiver, its replacement and its remuneration are within the sole and unfettered discretion of the Collateral Trustee.

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- (2) Any receiver appointed by the Collateral Trustee will act as agent for the Collateral Trustee for the purposes of taking possession of the Collateral, but otherwise and for all other purposes (except as provided below), as agent for the Obligor. The receiver may sell, lease, or otherwise dispose of Collateral as agent for the Obligor or as agent for the Collateral Trustee as the Collateral Trustee may determine in its discretion. The Obligor agrees to ratify and confirm all actions of the receiver acting as agent for the Obligor, and to release and indemnify the receiver in respect of all such actions.
- (3) The Collateral Trustee, in appointing or refraining from appointing any receiver, does not incur liability to the receiver, the Obligor or otherwise and is not responsible for any misconduct or negligence of such receiver.

Section 3.6 Appointment of Attorney.

The Obligor hereby irrevocably constitutes and appoints the Collateral Trustee (and any officer of the Collateral Trustee) the true and lawful attorney of the Obligor. As the attorney of the Obligor, the Collateral Trustee has the power to exercise for and in the name of the Obligor with full power of substitution, after and for so long as the Security Interest is enforceable, any of the Obligor's right (including the right of disposal), title and interest in and to the Collateral including the execution, endorsement, delivery and transfer of the Collateral to the Collateral Trustee, its nominees or transferees, and the Collateral Trustee and its nominees or transferees are hereby empowered to exercise all rights and powers and to perform all acts of ownership with respect to the Collateral to the same extent as the Obligor might do. This power of attorney is irrevocable, is coupled with an interest, has been given for valuable consideration (the receipt and adequacy of which is acknowledged) and survives, and does not terminate upon, the bankruptcy, dissolution, winding up or insolvency of the Obligor. This power of attorney extends to and is binding upon the Obligor's successors and permitted assigns. The Obligor authorizes the Collateral Trustee to delegate in writing to another Person any power and authority of the Collateral Trustee under this power of attorney as may be necessary or desirable in the opinion of the Collateral Trustee, and to revoke or suspend such delegation.

Section 3.7 Dealing with the Collateral.

- (1) The Collateral Trustee, the Trustee and the Secured Debtholders are not obliged to exhaust their recourse against the Obligor or any other Person or against any other security they may hold in respect of the Secured Obligations before realizing upon or otherwise dealing with the Collateral in such manner as the Collateral Trustee may consider desirable.
- (2) The Collateral Trustee, the Trustee and the Secured Debtholders may grant extensions or other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Obligor and with other Persons, sureties or securities as they may see fit without prejudice to the Secured Obligations, the liability of the Obligor or the rights of the Collateral Trustee, the Trustee and the Secured Debtholders in respect of the Collateral.
- (3) Except as otherwise provided by law or this Agreement, the Collateral Trustee, the Trustee and the Secured Debtholders are not (i) liable or accountable for any failure to

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collect, realize or obtain payment in respect of the Collateral, (ii) bound to institute proceedings for the purpose of collecting, enforcing, realizing or obtaining payment of the Collateral or for the purpose of preserving any rights of any Persons in respect of the Collateral, (iii) responsible for any loss occasioned by any sale or other dealing with the Collateral or by the retention of or failure to sell or otherwise deal with the Collateral, or (iv) bound to protect the Collateral from depreciating in value or becoming worthless.

Section 3.8 Standards of Sale.

Without prejudice to the ability of the Collateral Trustee to dispose of the Collateral in any manner which is commercially reasonable, the Obligor acknowledges that:

- (a) the Collateral may be disposed of in whole or in part;
- (b) the Collateral may be disposed of by public auction, public tender or private contract, with or without advertising and without any other formality;
- (c) any assignee of such Collateral may be the Collateral Trustee, the Trustee, a Secured Debtholder or a customer of any such Person;
- (d) any sale conducted by the Collateral Trustee will be at such time and place, on such notice and in accordance with such procedures as the Collateral Trustee, in its sole discretion, may deem advantageous;
- (e) the Collateral may be disposed of in any manner and on any terms necessary to avoid violation of applicable law (including compliance with such procedures as may restrict the number of prospective bidders and purchasers, require that the prospective bidders and purchasers have certain qualifications, and restrict the prospective bidders and purchasers to Persons who will represent and agree that they are purchasing for their own account for investment and not with a view to the distribution or resale of the Collateral) or in order to obtain any required approval of the disposition (or of the resulting purchase) by any governmental or regulatory authority or official;
- (f) a disposition of the Collateral may be on such terms and conditions as to credit or otherwise as the Collateral Trustee, in its sole discretion, may deem advantageous; and
- (g) the Collateral Trustee may establish an upset or reserve bid or price in respect of the Collateral.

Section 3.9 Dealings by Third Parties.

- (1) No Person dealing with the Collateral Trustee, the Trustee, any of the Secured Debtholders or an agent or receiver is required to determine (i) whether the Security Interest has become enforceable, (ii) whether the powers which such Person is purporting to exercise have become exercisable, (iii) whether any money remains due to the Collateral Trustee, the Trustee or the Secured Debtholders by the Obligor, (iv) the necessity or expediency of the stipulations and conditions subject to which any sale or

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lease is made, (v) the propriety or regularity of any sale or other dealing by the Collateral Trustee, the Trustee or any Secured Debtholder with the Collateral, or (vi) how any money paid to the Collateral Trustee, the Trustee or the Secured Debtholders has been applied.

- (2) Any bona fide purchaser of all or any part of the Collateral from the Collateral Trustee or any receiver or agent will hold the Collateral absolutely, free from any claim or right of whatever kind, including any equity of redemption, of the Obligor, which it specifically waives (to the fullest extent permitted by law) as against any such purchaser together with all rights of redemption, stay or appraisal which the Obligor has or may have under any rule of law or statute now existing or hereafter adopted.

Section 3.10 Collateral Trust Agreement.

For any exercise of the remedies in this Article III, the Collateral Trustee shall take instruction from the Required Secured Debtholders as provided in the Collateral Trust Agreement.

ARTICLE 4 REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 4.1 General Representations, Warranties and Covenants.

The Obligor represents and warrants and covenants and agrees, acknowledging and confirming that the Collateral Trustee, the Trustee and each Secured Debtholder is relying on such representations, warranties, covenants and agreements, that:

- (a) **Continuous Perfection.** Schedule "C" sets out the Obligor's place of business or, if more than one, the Obligor's chief executive office as at the date of this Agreement. Such place of business or chief executive office, as the case may be, has been located at such address for the 60 days immediately preceding the date of this Agreement. Schedule "C" also sets out the address at which the books and records of the Obligor are located, the address at which senior management of the Obligor are located and conduct their deliberations and make their decisions with respect to the business of the Obligor and the address from which the invoices and accounts of the Obligor are issued, in each case, as at the date of this Agreement. Except for inventory sold in the ordinary course of business and any goods in transit to or between any of such locations, Schedule "C" identifies all locations at which the Obligor has, during the 60 days immediately preceding the date of this Agreement, held or maintained goods constituting Collateral the aggregate value of which exceeds \$250,000. The Obligor will not, except upon ten (10) days' prior written notice to the Collateral Trustee and delivery to the Collateral Trustee of all additional financing statements and other documents reasonably requested by the Collateral Trustee to maintain the validity, perfection and priority of the security interests provided for herein: (i) change its jurisdiction of incorporation or formation, as applicable, (ii) change the jurisdiction in which its place of business (or chief executive office, if there is more than one place of business) is located as set out in Schedule "C"; or (iii) change its name.

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(b) **Investment Property and Instruments.**

- (i) Schedule "A" lists all Scheduled Financial Assets owned or held by the Obligor and all securities accounts of the Obligor, on the date of this Agreement. Schedule "A" sets out, for each class of securities listed in the schedule, the percentage amount that such securities represent of all issued and outstanding securities of that class and whether the securities are certificated securities or uncertificated securities.
- (ii) No Person other than ABL Agent has or will have any written or oral option, warrant, right, call, commitment, conversion right, right of exchange or other agreement or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an option, warrant, right, call, commitment, conversion right, right of exchange or other agreement to acquire any right or interest in any of the securities and Instruments that are Scheduled Financial Assets.
- (iii) The pledge, assignment, delivery to and control by the Collateral Trustee of investment property which is a Scheduled Financial Asset pursuant to this Agreement creates a valid and perfected security interest in such Collateral and the proceeds of it. The Collateral Trustee is entitled to all of the rights, priorities and benefits afforded by the PPSA or other relevant personal property securities legislation as enacted in any relevant jurisdiction to perfect security interests in respect of such Scheduled Financial Assets.
- (iv) The Obligor will notify the Collateral Trustee immediately upon becoming aware of any change in an "issuer's jurisdiction" in respect of any uncertificated securities that are Scheduled Financial Assets or any change in a "securities intermediary's jurisdiction" in respect of any security entitlements, financial assets or securities accounts that are Scheduled Financial Assets.
- (v) The Obligor will not, after the date of this Agreement, establish and maintain with any securities intermediary any securities accounts with respect to any financial assets that constitutes Collateral, unless (1) it gives the Collateral Trustee 30 days' prior written notice of its intention to establish such new securities account, (2) such securities intermediary is reasonably acceptable to the Collateral Trustee, and (3) the securities intermediary and the Obligor (i) execute and deliver a control agreement with respect to such securities account that is in form and substance, satisfactory to the Collateral Trustee, acting reasonably, or (ii) transfer the financial assets in such securities account into a securities account in the name of the Collateral Trustee.

- (c) **Status of Accounts Collateral.** The Obligor will maintain books and records pertaining to the Collateral in such detail, form and scope as the Collateral Trustee

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reasonably requires, and keep all originals of the chattel paper which evidence accounts at locations specified on Schedule "A".

- (d) **Right of Inspection.** The Obligor will permit any representatives designated by the Collateral Trustee or the Secured Debtholders to visit and inspect its properties at such reasonable times during normal business hours and within five Business Days after written notification of any proposed visit to the Obligor, which visit or inspection shall not occur more than once in a six-month period, except that while any Event of Default has occurred which is continuing, no such restrictions shall apply.
- (e) **Further Identification of Collateral.** The Obligor will promptly furnish to the Collateral Trustee such statements and schedules further identifying and describing the Collateral, and such other reports in connection with the Collateral, as the Collateral Trustee may from time to time reasonably request.
- (f) **Additional Security Perfection and Protection of Security Interest.** The Obligor will grant to the Collateral Trustee, for the benefit of itself, the Trustee and the Secured Debtholders, security interests, assignments, mortgages, charges, hypothecations and pledges in such property and undertaking of the Obligor that is not subject to a valid and perfected first ranking security interest (subject only to Permitted Liens and the Intercreditor Agreement) constituted by the Secured Debt Documents, in each relevant jurisdiction as determined by the Collateral Trustee. The Obligor will perform all acts, execute and deliver all agreements, documents and instruments and take such other steps as are requested by the Collateral Trustee at any time to register, file, signify, publish, perfect, maintain, protect, and upon the Security Interest becoming enforceable under Article 3 hereof, enforce the Security Interest including: (i) executing, recording and filing of financing or other statements, and paying all taxes, fees and other charges payable, (ii) placing notations on its books of account to disclose the Security Interest, (iii) delivering acknowledgements, confirmations and subordinations that may be necessary to ensure that the Secured Debt Documents constitute a valid and perfected first ranking security interest (subject only to Permitted Liens), (iv) executing and delivering any certificates, endorsements, instructions, agreements, documents and instruments that may be required and (v) delivering opinions of counsel in respect of matters contemplated by this paragraph. The documents and opinions contemplated by this paragraph must be in form and substance satisfactory to the Collateral Trustee.

Section 4.2 Representations, Warranties and Covenants Concerning Intellectual Property.

The Obligor represents and warrants and covenants and agrees, acknowledging and confirming that the Collateral Trustee, the Trustee and each Secured Debtholder is relying on such representations, warranties, covenants and agreements, that:

- (a) Schedule "B" lists all Registered Intellectual Property that is owned by the Obligor on the date of this Agreement.

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- (b) Within fifteen (15) Business Days of the written request of the Collateral Trustee, therefor, (i) the Obligor will provide to the Collateral Trustee in writing a current description of all Registered Intellectual Property or applications before any Governmental Entity in respect thereof and (ii) the Obligor will deliver to the Collateral Trustee with (if available) the aforementioned description a copy of the certificate of registration of, or application for, any such Registered Intellectual Property not previously provided to the Collateral Trustee together with a Confirmation of Security Interest in the form of Schedule "D" in respect of such Registered Intellectual Property confirming the assignment for security of such Registered Intellectual Property to the Collateral Trustee and as soon as reasonably practicable make all such filings, registrations and recordings as are necessary or appropriate to perfect the Security Interest granted to the Collateral Trustee in the Registered Intellectual Property.

ARTICLE 5 GENERAL

Section 5.1 Notices.

Any notices, directions or other communications provided for in this Agreement must be in writing and given in accordance with the Collateral Trust Agreement.

Section 5.2 Discharge.

The Security Interest will not be discharged except by a written release or discharge signed by the Collateral Trustee. The Obligor will be entitled to require a discharge by notice to the Collateral Trustee upon, but only upon, (i) full and indefeasible payment and performance of the Secured Obligations and (ii) the Collateral Trustee, the Trustee, and the Secured Debtholders having no obligations under any Secured Debt Document. Upon discharge of the Security Interest and at the request and expense of the Obligor, the Collateral Trustee will execute and deliver to the Obligor such releases, discharges, financing statements and other documents or instruments as the Obligor may reasonably require and the Collateral Trustee will redeliver to the Obligor, or as the Obligor may otherwise direct the Collateral Trustee, any Collateral in its possession.

Section 5.3 No Merger, Survival of Representations and Warranties.

This Agreement does not operate by way of merger of any of the Secured Obligations and no judgment received by the Collateral Trustee, the Trustee or any of the Secured Debtholders will operate by way of merger of, or in any way affect, the Security Interest, which is in addition to, and not in substitution for, any other security now or hereafter held by the Collateral Trustee, the Trustee and the Secured Debtholders in respect of the Secured Obligations. The representations, warranties and covenants, of the Obligor in this Agreement survive the execution and delivery of this Agreement and any issuances under the Note Indenture. Notwithstanding any investigation made by or on behalf of the Collateral Trustee, the Trustee or the Secured Debtholders these covenants, representations and warranties continue in full force and effect.

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Section 5.4 Further Assurances.

The Obligor will do all acts and things and execute and deliver, or cause to be executed and delivered, all agreements, documents and instruments that the Collateral Trustee may require and take all further steps relating to the Collateral or any other property or assets of the Obligor that the Collateral Trustee may require for (i) protecting the Collateral, (ii) perfecting, preserving and protecting the Security Interest, and (iii) exercising all powers, authorities and discretions conferred upon the Collateral Trustee. After the Security Interest becomes enforceable, the Obligor will do all acts and things and execute and deliver all documents and instruments that the Collateral Trustee may require for facilitating the sale or other disposition of the Collateral in connection with its realization.

Section 5.5 Supplemental Security.

This Agreement is in addition to, without prejudice to and supplemental to all other security now held or which may hereafter be held by the Collateral Trustee, the Trustee or the Secured Debtholders.

Section 5.6 Paramountcy.

In the event of any conflict or inconsistency between any provision in this Agreement and any provision of the Note Indenture or the Collateral Trust Agreement, the provisions of the Note Indenture or the Collateral Trust Agreement shall prevail. In the event of any conflict or inconsistency between any provision in this Agreement and any provision of the Intercreditor Agreement, the provisions of the Intercreditor Agreement shall prevail.

Section 5.7 Successors and Assigns.

This Agreement is binding on the Obligor and its successors and assigns, and enures to the benefit of the Collateral Trustee, the Trustee, the Secured Debtholders and their respective successors and assigns. This Agreement may be assigned by the Collateral Trustee without the consent of, or notice to, the Obligor, to such Person as the Collateral Trustee may determine and, in such event, such Person will be entitled to all of the rights and remedies of the Collateral Trustee as set forth in this Agreement or otherwise. In any action brought by an assignee to enforce any such right or remedy, the Obligor will not assert against the assignee any claim or defence which the Obligor now has or may have against the Collateral Trustee, the Trustee or any of the Secured Debtholders. The Obligor may not assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of the Collateral Trustee which may be unreasonably withheld.

Section 5.8 Amalgamation.

The Obligor acknowledges and agrees that in the event it amalgamates with any other corporation or corporations, it is the intention of the parties that the Security Interest (i) subject to Section 2.1(2) and Section 2.4, extends to: (A) all of the property and undertaking that any of the amalgamating corporations then owns that is Collateral, (B) all of the property and undertaking that the amalgamated corporation thereafter acquires that is Collateral, (C) all of the property and undertaking in which any of the amalgamating corporations then has any interest

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that is Collateral and (D) all of the property and undertaking in which the amalgamated corporation thereafter acquires any interest that is Collateral; and (ii) secures the payment and performance of all debts, liabilities and obligations, present or future, direct or indirect, absolute or contingent, matured or unmatured, at any time or from time to time due or accruing due and owing by or otherwise payable by each of the amalgamating corporations and the amalgamated corporation to the Secured Debtholders under, in connection with or pursuant to the Note Indenture and any other Secured Debt Document, in any currency, however or wherever incurred, and whether incurred alone or jointly with another or others and whether as principal, guarantor or surety and whether incurred prior to, at the time of or subsequent to the amalgamation. The Security Interest attaches to the additional collateral at the time of amalgamation and to any collateral thereafter owned or acquired by the amalgamated corporation when such becomes owned or is acquired. Upon any such amalgamation, the defined term "Obligor" means, collectively, each of the amalgamating corporations and the amalgamated corporation, the defined term "Collateral" means all of the property and undertaking and interests described in (i) above, and the defined term "Secured Obligations" means the obligations described in (ii) above.

Section 5.9 Severability.

If any court of competent jurisdiction from which no appeal exists or is taken, determines any provision of this Agreement to be illegal, invalid or unenforceable, that provision will be severed from this Agreement and the remaining provisions will remain in full force and effect.

Section 5.10 Amendment.

This Agreement may only be amended, supplemented or otherwise modified by written agreement executed by the Collateral Trustee (with the consent of the Required Secured Debtholders) and the Obligor.

Section 5.11 Waivers, etc.

- (1) No consent or waiver by the Collateral Trustee, the Trustee or the Secured Debtholders in respect of this Agreement is binding unless made in writing and signed by an authorized officer of the Collateral Trustee (with the consent of the Required Secured Debtholders). Any consent or waiver given under this Agreement is effective only in the specific instance and for the specific purpose for which given. No waiver of any of the provisions of this Agreement constitutes a waiver of any other provision.
- (2) A failure or delay on the part of the Collateral Trustee, the Trustee or the Secured Debtholders in exercising a right under this Agreement does not operate as a waiver of, or impair, any right of the Collateral Trustee, the Trustee or the Secured Debtholders however arising. A single or partial exercise of a right on the part of the Collateral Trustee, the Trustee or the Secured Debtholders does not preclude any other or further exercise of that right or the exercise of any other right by the Collateral Trustee, the Trustee or the Secured Debtholders.

Section 5.12 Application of Proceeds of Security.

All monies collected by the Collateral Trustee upon the enforcement of the Collateral Trustee's, the Trustee's or the Secured Debtholders' rights and remedies under the Secured Debt Documents and the Liens created by them including any sale or other disposition of the Collateral, together with all other monies received by the Collateral Trustee, the Trustee and the Secured Debtholders under the Secured Debt Documents, will be applied as provided in the Collateral Trust Agreement and the Intercreditor Agreement. To the extent any other Secured Debt Document requires proceeds of collateral under such Secured Debt Document to be applied in accordance with the provisions of this Agreement, the Collateral Trustee or holder under such other Secured Debt Document shall apply such proceeds in accordance with the Collateral Trust Agreement.

Section 5.13 Governing Law.

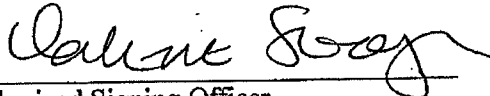
- (1) This Agreement will be governed by, interpreted and enforced in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.
- (2) The Obligor irrevocably attorns and submits to the non-exclusive jurisdiction of any court of competent jurisdiction of the Province of British Columbia sitting in Vancouver, British Columbia in any action or proceeding arising out of or relating to this Agreement and the other Secured Debt Documents to which it is a party. The Obligor irrevocably waives objection to the venue of any action or proceeding in such court or that such court provides an inconvenient forum. Nothing in this Section limits the right of the Collateral Trustee to bring proceedings against the Obligor in the courts of any other jurisdiction.
- (3) The Obligor hereby irrevocably consents to the service of any and all process in any such action or proceeding by the delivery of copies of such process to the Obligor at 2nd Floor, 3600 Lysander Lane, Richmond, British Columbia V7B 1C3. Nothing in this Section affects the right of the Collateral Trustee to serve process in any manner permitted by law.

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IN WITNESS WHEREOF the Obligor has executed this Agreement.

CATALYST PAPER CORPORATION

By:


Authorized Signing Officer

GENERAL SECURITY AGREEMENT

SCHEDULE "A"
INSTRUMENTS AND SECURITIES
SECURITIES

Nil

PROMISSORY NOTES

Promissory note dated January 31, 2001 in the amount of \$92,542,413 issued by Export Sales Company (now Catalyst Pulp Operations Limited) in favour of Pacifica Papers Inc. (now Catalyst Paper Corporation).

SECURITIES ACCOUNTS

Nil

SCHEDULE "B"
REGISTERED INTELLECTUAL PROPERTY

COPYRIGHTS

Copyright	Country	Registration Number
Catalyst design	Canada	444423 45666
Curved Sheet Design	Canada	444890 45696
Folded Paper Design	Canada	1013789

TRADEMARKS

Please see the attached Trade-mark Status Report for registration information relating to the following Trade-marks as at January 14, 2010:

Advance
 Triax
 Tri-Delta Design
 Catalyst & design
 Catalyst Cooled
 Fresh Thinking on Paper
 Protocol V.S.O.P.
 Circle & Arrow design (aka Spruce Tree Design)
 Curved Sheets Design
 Bronzeline
 Chromiumliner
 Silverliner
 Titaniumliner
 Pacifica
 Stylized M Design
 Platinumliner
 The World Prints on Us
 Catalyst
 Electraplus
 Electrabrite
 Electracal
 Electrastar
 Electrocoate
 Electrasoft
 Electraprime
 Norskecanada
 FC & Design (the "Lion's Head")
 Echelon

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Catalyst Paper
 Folded Paper Design
 Catalyst and Folded Paper design
 Marathon & Design

PATENTS

Patent	Country	Patent Number
Coat Weight Profiling	Canada	2,167,724
	U.S.A.	5,376,177
	Finland	100813
	France	0713549
	Sweden	713549
	Germany	694 04 040 1
Coater Head	Canada	2,294,065
	U.S.A.	5,902,401
	Finland	119651
	Sweden	514541
Membrane Separation Process	Canada	2,079,238
	U.S.A.	4,995,983
Method of Brightening Mechanical Pulp Using Silicate-free Peroxide Bleaching	U.S.A.	5,223,091
Peroxide Bleaching of Mechanical Pulps	Canada	1,328,714
Peroxide Brightening of Mechanical Pulps	Canada	2,081,002
Disposable/Reusable Core Adapter	Canada	2,483,466
		2,546,134
	U.S.A. European	7,481,392.B2 067218834
Neutral Papermaking	Canada	2,118,109
	U.S.A.	5,505,819

INDUSTRIAL DESIGNS

Nil

TRADE-MARK STATUS REPORT

CATALYST PAPER CORPORATION

PENDING APPLICATIONS

MARK	APP. DATE	APP. NO.	WARES/SERVICES	STATUS
CANADIAN TRADE-MARKS				
ECHELON	April 20, 2006	1,299,925	<p>Wares: paper, namely, paper used for commercial printing, paper for printing directories, newsprint printing paper, cardboard, gummed paper, lightweight coated papers, paper bags, kraft paper, wrapping paper, waxed paper, paper napkins, and paper freezer wrap; stationery, namely, writing paper, photocopier paper, and envelopes; woodpulp for manufacturing purposes; and container board;</p> <p>Services: advising others on the selection and utilization of commercial printing paper; technical consulting services in the field of printing and the use of newsprint in printing; technical consultation services to operators of commercial newsprint printing presses, namely to minimize newsprint waste, and maximize the speed of printing press operations; technical consulting services in the field of container board packaging; and the operation of a business selling, transporting and exporting wood pulp to others;</p>	Allowed - January 26, 2007 (deadline to file Declaration of Use is April 20, 2010)
UNITED STATES TRADE-MARKS				
FRESH THINKING ON PAPER	January 19, 2007	77/086,438	<p>Wares: paper, namely, paper used for commercial printing, paper for printing directories, newsprint printing paper, cardboard, gummed paper, lightweight coated papers, paper bags, kraft paper, wrapping paper, waxed paper, paper napkins, and paper freezer wrap; stationery, namely, writing paper, photocopier paper, and envelopes; wood pulp for manufacturing purposes; and container board;</p> <p>Services: advising others on the selection and utilization of commercial printing paper; technical consulting services in the field of printing and the use of newsprint in printing; technical consultation services to operators of commercial newsprint printing presses, namely to minimize newsprint waste, and maximize the speed of printing press operations; technical consulting services in the field of container board packaging;</p>	Advertisement Pending - Jan. 4, 2010

MARK	REG DATE	REG NO	WARES/SERVICES	STATUS
CATALYST COOLED	December 12, 2007	77/349,807	<p>Wares: paper, namely, paper used for commercial printing, paper for printing directories, newsprint printing paper, cardboard, gummed paper, lightweight coated papers, paper bags, kraft paper, wrapping paper, waxed paper, paper napkins, and paper freezer wrap; stationery, namely, writing paper, photocopier paper, and envelopes; wood pulp for manufacturing purposes; and container board;</p> <p>Services: advising others on the selection and utilization of commercial printing paper; technical consulting services in the field of printing and the use of newsprint in printing; technical consultation services to operators of commercial newsprint printing presses, namely to minimize newsprint waste, and maximize the speed of printing press operations; technical consulting services in the field of container board packaging; and the operation of a business selling, transporting and exporting wood pulp to others;</p>	Advertisement Pending - Jan. 4, 2010

ISSUED REGISTRATIONS

MARK	REG DATE	REG NO	WARES/SERVICES	STATUS
ADVANCE	April 26, 1996	TMA456,870	paper used for commercial printing the custom development and manufacture of commercial printing paper for others, and advising others on the selection and utilization of commercial printing paper	Registered (Expires April 26, 2011)
TRIAX	Aug. 21, 1997	TMA481,248	pulp	Registered (expires August 21, 2012)
Tri-Delta Design	Aug. 14, 1997	TMA480,569	pulp	Registered (Expires August 14, 2012)
CATALYST & design	Nov. 24, 1995	TMA450,829	paper for printing directories consulting services in the field of directory paper	Registered (expires Nov. 24, 2010) ***Do not renew - per Valerie Seager September 14, 2009 ***

MARK	REG. DATE	REG. NO.	TRADE SERVICES	STATUS
PROTOCOL V.S.O.P.	Oct. 13, 1995	TMA448,912	wood pulp the operation of a business selling, transporting and exporting wood pulp to others	Registered (Expires October 13, 2010) ***Do not renew – per Valerie Seager September 14, 2009 ***
CIRCLE & ARROW design (aka Spruce Tree Design)	June 4, 1965	TMA140,658	rough, dressed or otherwise processed lumber, plywood, shingles, paper pulp and newsprint	Registered (expires June 4, 2010) ***Do not renew – per Valerie Seager May 8, 2009 ***
Curved Sheets Design	December 22, 1995	TMA452,217	container board technical consulting services in the field of container board packaging	Registered (expires December 22, 2010) ***Do not renew – per Valerie Seager September 14, 2009 ***
BRONZELINER	Jan. 5, 1996	TMA452,760	container board	Registered (Expires January 5, 2011)
CHROMIUMLINER	Feb. 2, 1996	TMA453,483	container board	Registered (Expires February 2, 2011)
SILVERLINER	Jan. 23, 1997	TMA469,588	container board technical consulting services in the field of container board packaging	Registered (expires January 23, 2012)
TITANIUMLINER	Feb. 2, 1996	TMA453,484	container board	Registered (expires February 2, 2011)
PACIFICA	August 5, 1997	TMA479,549	coated printing papers	Registered (expires August 5, 2012) Do not renew - per Valerie Seager's instructions of July 29, 2003
Stylized M Design		TMA524,745	Newsprint Technical and consulting services in the field of newsprint	Registered (expires: March 13, 2015)
PLATINUMLINER	February 11, 2003	TMA575,377	container board technical consulting services in the field of container board packaging	Registered (expires February 11, 2018)

COMPANY	REC. DATE	REC. NO.	WARES SERVICES	STATUS
THE WORLD PRINTS ON US	Feb. 11, 2004	TMA601,882	wood pulp; paper; container board; operation of a wholesale and retail business selling pulp, paper, and container board to others; advising others on the selection and utilization of commercial printing paper; technical consulting services in the field of printing and the use of newsprint in printing; technical consulting services in the field of container board packaging; operation of a website providing information and technical advice on the subjects of pulp, paper, and container board to others;	Registered (expires February 11, 2019)
FRESH THINKING ON PAPER	Dec. 21, 2009	TMA755,775	Wares: paper, namely, paper used for commercial printing, paper for printing directories, newsprint printing paper, cardboard, gummed paper, lightweight coated papers, paper bags, kraft paper, wrapping paper, waxed paper, paper napkins, and paper freezer wrap; stationery, namely, writing paper, photocopy paper, and envelopes; wood pulp for manufacturing purposes; and container board; Services: advising others on the selection and utilization of commercial printing paper; technical consulting services in the field of printing and the use of newsprint in printing; technical consultation services to operators of commercial newsprint printing presses, namely to minimize newsprint waste, and maximize the speed of printing press operations; technical consulting services in the field of container board packaging; and the operation of a business selling, transporting and exporting wood pulp to others;	Registered (expires December 21, 2024)
CATALYST COOLED	Dec. 17, 2009	TMA755,518	Wares: paper, namely, paper used for commercial printing, paper for printing directories, newsprint printing paper, cardboard, gummed paper, lightweight coated papers, paper bags, kraft paper, wrapping paper, waxed paper, paper napkins, and paper freezer wrap; stationery, namely, writing paper, photocopy paper, and envelopes; wood pulp for manufacturing purposes; and container board; Services: advising others on the selection and utilization of commercial printing paper; technical consulting services in the field of printing and the use of newsprint in printing; technical consultation services to operators of commercial newsprint printing presses, namely to minimize newsprint waste, and maximize the speed of printing press operations; technical consulting services in the field of container board packaging; and the operation of a business selling, transporting and exporting wood pulp to others;	Registered (expires December 17, 2024)

MARK	REG. DATE	REG. NO.	WARES/SERVICES	STATUS
U.S. TRADE MARKS				
BRONZELINER	June 25, 1996	1,983,053	Class 16: container board	Registered (expires June 25, 2016)
CHROMIUMLINER	June 25, 1996	1,983,054	Class 16: container board	Registered (expires June 25, 2016)
TITANIUMLINER	May 21, 1996	1,975,423	Class 16: container board	Registered (expires May 21, 2016)
SILVERLINER	June 17, 1997	2,071,194	Class 16: container board	Registered (expires June 17, 2017)
PLATINUMLINER	Oct. 7, 2003	2,770,711	container board	Registered (expires October 7, 2013)
THE WORLD PRINTS ON US	Oct. 19, 2004	2,895,143	wood pulp; paper; container board; operation of a wholesale and retail business selling pulp, paper, and container board to others; advising others on the selection and utilization of commercial printing paper; technical consulting services in the field of printing and the use of newsprint in printing; technical consulting services in the field of container board packaging; operation of a website providing information and technical advice on the subjects of pulp, paper, and container board to others;	Registered (expires October 19, 2014) Affidavit of Use due between October 19, 2009 and October 19, 2010 Valerie Seager reports that efforts may be undertaken to insert mark throughout website. She is conferring with Stuart Allan regarding same.
MEXICAN TRADE MARKS				
PLATINUMLINER	April 30, 2001	715,329	Class 16: container board	Registered (expires April 30, 2011)
	April 30, 2001	712,544	Class 35: technical consulting services in the field of container board	
BENELUX TRADE MARKS				
CATALYST PAPER	Dec. 23, 2005	785633	Classes 1, 16, 40	Registered (expires December 23, 2015)

COPYRIGHT STATUS REPORT
CATALYST PAPER CORPORATION

CANADIAN COPYRIGHT REGISTRATIONS						
Title of Work	Nature of Work	Author	Reg. Due	Reg. No.	Class	Status
CATALYST design	Artistic	Paul Joseph Belserene Donald Robert Chisholm Peter Mason Woods	June 30/95	444423		Registered
			June 30/95	45666		
Curved Sheets Design	Artistic	Paul Joseph Belserene Donald Robert Chisholm Peter Mason Woods	July 21/95	444890		Registered
			July 21/95	45696		
Folded Paper Design	Artistic	Brendán J. Murphy	Aug. 11, 203	1013789		Registered

TRADE-MARK: CATALYST

PENDING APPLICATIONS

JURISDICTION	APP. DATE	PENDING NO.	WARES/SERVICES	STATUS
India	Nov. 14, 2005	1399453	Classes 1, 16, and 42	Advertised – September 1, 2008
Bangladesh	Nov. 10, 2005	95229	Class 1	Approved for Advertisement – August 16, 2009
		95230	Class 16	
Pakistan	Jan. 25, 2006	217149	Class 1	Opposed (by The Katalyst International)
		217150	Class 16	Opposed (by The Katalyst International)
Sri Lanka	Nov. 10, 2005	128692	Class 1	Approved for Publication – July 29, 2009
		128693	Class 16	Pending - not yet examined (Registrar is expediting process as of July 29, 2009)
		128694	Class 42	Pending - not yet examined (Registrar is expediting process as of July 29, 2009)
Venezuela	May 4, 2009	P-293254	Class 1	Registered (expires May 4, 2024) Due to lengthy delays at TMO, Certificate of Registration will not issue until the end of 2011
	Dec. 14, 2005	27850-2005	Class 16	Office Action- preparation of response underway (February 5, 2010)
	Dec. 14, 2005	27851-2005	Class 42	Office Action- preparation of response underway (February 5, 2010)

JURISDICTION	APPEAL DATE	PENDING	STATUS	STATUS
Honduras	March 9, 2007	1606/2006	Class 1	Registered (expires March 9, 2017) Note: Maintenance fees have been paid
	January 11, 2008	1604/2006	Class 16	Registered (expires January 11, 2018) Note: Maintenance fees have been paid
	Jan. 12, 2006	1605/2006	Class 42	Pending - not yet examined
Dominica	Dec. 29, 2005	n/a	39 (paper), 50 (container board, pulp) [local classification]	Jan/2010 - agent is obtaining status from TMO
				Pending - Examination not expected to complete until 2011

ISSUED REGISTRATIONS

JURISDICTION	REG. DATE	REG. NO.	MARKS/SERVICES	STATUS
Canada	Dec. 9, 1994	TMA436,998	paper for printing directories	Registered (Expires Dec. 9, 2024)
	February 7, 2006	TMA658,210	Classes 16 and 42	Registered (Expires Feb. 7, 2021)
Dominican Republic	May 15, 2006	154303	Class 1 and 16 (rejected in Class 42)	Registered (Expires May 15, 2016)
Malaysia	March 9, 2000	2000-02696	Class 16	Registered (expires September 10, 2009)
		2000-02694	Class 40	Renewal Underway
Thailand	November 23, 2005	TM244648	Class 1	Registered (expires November 22, 2015)
		TM250010	Class 16	
		SM31933	Class 42	
Jordan	Dec. 5, 2005	82923	Class 1	Registered (expires December 5, 2015)
	Dec. 5, 2005	83635	Class 16	Registered (expires December 5, 2016)
	Dec. 5, 2005	82924	Class 42	Registered (expires December 5, 2015)
Bahrain	June 26, 2006	48735	Class 1	Registered (expires June 26, 2016)
		48736	Class 16	
		48737	Class 42	

JURISDICTION	REG. DATE	REG. NO.	AWARDS SERVICES	STATUS
Kuwait	Dec. 28, 2005	62455	Class 1	Registered (expires December 27, 2015)
		61732	Class 16	
		63449	Class 42	
Cuba	August 2, 2007	2005-0654	Classes 1, 16, and 42	Registered (Expires Nov. 1, 2015)
Costa Rica	Oct. 6, 2005	163868	Class 1	Registered (expires Nov. 24, 2016)
		164461	Class 16	Registered (expires Dec. 5, 2016)
		170150	Class 42	Registered (expires September 7, 2017)
United States	Sept. 12, 1995	1,918,830	paper for printing directories	Registered (Expires Sept. 12, 2015)
Nepal	Feb 8, 2007	24781	Class 1	Registered (expires February 8, 2014)
	March 5, 2007	24876	Class 16	Registered (expires March 5, 2014)
Brazil	Jan. 3, 2006	822528380	Class 16	Registered (Expires January 3, 2016)
		822528363	Class 42	
Cambodia	Apr. 10, 2006	23589/06	Class 16	Registered (expires Nov. 10, 2015) Affidavit of Use to be filed between Apr. 10, 2011 and 2012
	Jan. 3, 2006	23010/06	Class 42	Registered (expires Nov. 10, 2015) Affidavit of Use to be filed between Jan. 3, 2011 and 2012

JURISDICTION	REG. DATE	REG. NO.	MARKS/SERVICES	STATUS
Paraguay	July 27, 2006	291141	1	Registered (expires July 27, 2016)
		291140	16	Registered (expires July 27, 2016)
	Sept. 15, 2006	292758	42	Registered (expires Sept. 14, 2016)
Guatemala	June 6, 2006	143,304	1	Registered (expires June 25, 2016)
		143,165	16	Registered (expires June 19, 2016)
		143,189	42	Registered (expires June 19, 2016)
Laos	April 26, 2006	13194	Class 1	Registered (expires November 15, 2015)
		13195	Class 16	
		13196	Class 42	
Japan	March 10, 2000	4557748	Classes 16, 39, and 42	Registered (Expires Apr. 5, 2012)
	July 7, 2006	4050685	Class 1	Registered (Expires July 7, 2016)
Panama	Nov. 24, 2005	146998	Class 1	Registered (expires November 24, 2015)
		146999	Class 16	
		147000	Class 42	
Europe	March 10, 2000	1548080	Classes 1, 16, and 42	Registered (Expires March 9, 2010)
				Renewal underway

JURISDICTION	REG. DATE	REG. NO.	ADVANCE SERVICES	STATUS
Peru	February 10, 2006	268844	Class 1	Registered (expires Oct. 5, 2016)
		268842	Class 16	Registered (expires Oct. 5, 2016)
		268843	Class 40	Registered (expires Oct. 5, 2016)
Qatar	April 3, 2008	38150	Class 1	Registered (Expires January 2, 2016)
		38151	Class 16	
		38152	Class 42	
Indonesia	Nov. 11, 2005	IDM000128961	Class 1	Registered (expires November 11, 2015)
		IDM000128854	Class 16	
		IDM000128852	Class 42	
Philippines	July 30, 2007	4-2006-006505	Classes 1, 16, 35	Registered (Expires July 30, 2017) Affidavit of Use to be filed between July 30, 2012 and July 30, 2013)
Iran	July 9, 2006	133664	Classes 1, 16, and 42	Registered (expires Nov. 22, 2015)
El Salvador	Nov. 10, 2005	42 Book 62	Class 1	Registered (expires May 4, 2016)
		44 Book 62	Class 16	Registered (expires May 4, 2016)
		123 Book 68	Class 42	Registered (expires Aug. 24, 2016)

JURISDICTION	REG. DATE	REG. NO.	MARKS/SERVICES	STATUS
Saudi Arabia	Apr. 26, 2007	912/22	Class 1	Registered (Expires August 19, 2015)
		912/05	Class 16	
		912/18	Class 42	
Hong Kong	March 7, 2000	200100037AA	Classes 16 and 42	Registered (Expires Sept. 9, 2016)
	October 29, 2005	300520361	Class 1	Registered (October 28, 2015)
Myanmar	Dec. 14, 2005	IV9700/2005 in Book IV, Vol 1854 at pp 35/37	Classes 1, 16, 42	Registered (expires Dec. 14, 2015)
China	March 7, 2000	1561730	Class 16	Registered (expires August 6, 2011)
		2000025489	Class 42	Registered (expires April 27, 2011)
New Zealand	Sept. 27, 2005	736364	Class 1	Registered (Expires Sept. 10, 2015)
	March 8, 2000	609778	Class 16	Registered (Expires Sept 10, 2016)
		609779	Class 42	
Australia	Sept. 27, 2005	1077885	Class 1	Registered (Expires Sept. 27, 2015)
	March 2, 2000	826049	Classes 16, and 42	Registered (Expires March 2, 2020)
Singapore	March 7, 2000	T00/04213A	Class 16	Registered. (Expires Sept. 10, 2019)
		T00/04214Z	Class 42	
Korea	February 26, 2007	19088	Classes 1, 16, and 40	Registered (expires Feb. 26, 2017)

JURISDICTION	FILE DATE	REG. NO.	MARKS/SERVICES	STATUS
Neth. Antilles	March 9, 2000	000592	Class 16	Registered. (Expires March 9, 2010) Renewal underway
Chile	March 10, 2000	478,588	Class 16	Registered (Expires Oct. 20, 2010)
		478,586	Class 42	Renewal Underway
Barbados	March 10, 2000	81/14946	Class 16	Registered (Expires October 25, 2020)
		81/14947	Class 42	
Br. Virgin Islands	June 13, 2000	Reg. 3496	Pulp, paper, container board	Registered (Expires June 13, 2014)
Mexico	March 7, 2000	Reg 676,740	Class 16	Registered (Expires March 7, 2010)
				Renewal underway
United States	January 16, 2017	3,197,816	Classes 1, 16, and 42	Registered (expires July 16, 2017)
				Affidavit of Use to be filed between January 16, 2012 and July 16, 2013
United Arab Emirates	Aug. 23, 2006	64265	Class 1	Registered (expires Dec. 5, 2015)
		64266	Class 16	
		62493	Class 42	
Taiwan	August 16, 2006	1224734	Classes 1, 16, and 42	Registered (expires August 15, 2016)

JURISDICTION	REG. DATE	REG. NO.	MARKS/SERVICES	STATUS
Ecuador	Nov. 20, 2006	828-07	Class 1	Registered (expires November 20, 2016)
		829-07	Class 16	
		217-07	Class 42	
Uruguay	Oct. 23, 2006	367.031	1, 16, 42	Registered (expires October 23, 2016)
Switzerland	Sept. 29, 2005	540.041	1, 16, 42	Registered (expires September 29, 2015)
United Kingdom	Oct. 3, 2005	2403013A	1 and 42	Registered (expires October 3, 2015)
Vietnam	Nov. 9, 2005	92386	1, 16, 42	Registered (expires Nov. 9, 2015)

FCC HOLDINGS (BARBADOS) LIMITED

TRADE-MARK: ECHELON

JURISDICTION	APPLICANT	APP NO.	STATUS
Japan	March 10, 2000	4541037	Registered (expires February 1, 2012)
Brazil	Reg. Jan. 3, 2006	822528371 (Class 42)	Registered (expires January 3, 2016) Certificate for Class 16 has not yet issued - agent instructed not to incur additional expense and files closed.
		822528398 (Class 16)	
Europe	March 10, 2000	001547389	Registered (Expires March 9, 2010) ***Do Not Renew - per instructions of Valerie Seager of May 8, 2009 ***
Hong Kong	March 7, 2000	(Class 16) 12653/00	Registered (expires September 9, 2016)
		(Class 42) 12654/00	
China	March 7, 2000	(Class 16) 1596661	Registered (expires July 6, 2011)
		(Class 42) 1667951	Registered (expires November 13, 2011)
Malaysia	September 10, 1999	02693 (Class 16)	Expired for Non-Renewal - per instructions of Valerie Seager of August 7, 2008
New Zealand	March 9, 2000	2000-02694 (Class 42)	Advertised - Oct. 24, 2002 - reg. delayed due to delays at TMO
		610013 (Class 16)	Registered (Expires September 10, 2016)
		610014 (Class 35)	
Australia	March 2, 2000	826,051	Registered (Expires March 2, 2010) ***Do Not Renew - per instructions of Valerie Seager of May 8, 2009 ***

JURISDICTION	APPLICANT	TRADE NO.	STATUS
Neth. Antilles	March 9, 2000	07635	Re-registered (Expires March 9, 2010)***Do Not Renew - per instructions of Valerie Seager of May 8, 2009 ***
Chile	March 10, 2000	579,804 (Cl. 16)	Registered (Expires October 20, 2010)***Do not renew - per Valerie Seager September 9, 2009 ***
		579,806 (Cl. 42)	
Barbados	March 10, 2000	81/14951(Cl. 16)	Registered (Expires October 25, 2010)***Do not renew - per Valerie Seager September 9, 2009 ***
		81/14952(Cl. 42)	
Br. Virgin Islands	June 13, 2000	3497	Registered (expires June 13, 2014)***Do Not Renew - per instructions of Valerie Seager of May 8, 2009 ***
United States	April 4, 2006	3,075,001	Registered (expires April 4, 2016) Affidavit of Use due between April 4, 2011 and April 4, 2012
Mexico	March 7, 2000	660,469 (Class 16)	Registered (Expires March 7, 2010) ***Do Not Renew - per instructions of Valerie Seager of May 8, 2009 ***
		696,676 (Class 35)	

TRADE-MARK: FC & DESIGN (THE "LION'S HEAD")

JURISDICTION	REG. DATE	REG. NO.	CLASSES & SERVICES	STATUS
United States	Nov. 12, 1991	1,664,078	Class 16	• Registered (expires Nov. 12, 2011)
	Nov. 26, 1991	1,665,579	Class 1	• Registered (expires Nov. 26, 2011)
Japan	July 31, 1992	2434235	Class 9	• Registered (expires July 31, 2012)
	June 30, 1992	2428094	Class 18	• Registered (expires June 30, 2012)
	July 31, 1992	2440179	Class 25	• Registered (expires July 31, 2012)
	Nov. 30, 1992	2475146	Class 34	• Registered (expires Nov. 30, 2012)
	Nov. 30, 1992	2448312	Class 07	• Registered (expires Nov. 30, 2012)
Hong Kong	Feb. 24, 1994	432/96	Class 1	• Registered (expires February 24, 2015)
		431/96	Class 16	

TRADE-MARK: ELECTRAPLUS

JURISDICTION	FILE DATE	APP NO.	WADS/SERVICES	STATUS
Canada	January 20, 2009	1,425,037	paper, namely, paper used for commercial printing, paper for printing directories, newsprint printing paper, cardboard, gummed paper, lightweight coated papers, paper bags, kraft paper, wrapping paper, waxed paper, paper napkins, paper freezer wrap, and stationery, namely, writing paper, photocopier paper, and envelopes	Advertised - October 14, 2009
United States	January 26, 2009	77/656,635	Class 16	Suspended - pending filing of Canadian registration.

TRADE-MARK: ELECTRABRITE

JURISDICTION	REG. DATE	REG. NO.	WARES/SERVICES	STATUS
Canada	Sept. 4, 2003	TMA588,883	paper, namely, paper used for commercial printing, paper for printing directories, newspaper printing paper, cardboard, gummed paper, lightweight coated papers, paper bags, kraft paper, wrapping paper, waxed paper, paper napkins, paper freezer wrap, and stationery, namely, writing paper, photocopier paper, and envelopes	Registered (expires Sept. 4, 2018)
United States	May 11, 2004	2,839,533	Class 16	Registered (expires May 11, 2014)
Brazil	June 12, 2007	824599802	Class 16	Registered (expires June 12, 2017)
Thailand	May 23, 2003	TM179876	Class 16	Registered (expires June 27, 2012)
Japan	Jan, 10, 2003	4635133	Class 16	Registered (expires January 10, 2013)
Hong Kong	May 7, 2002	14391/2002	Class 16	Registered (expires February 19, 2019)
China	Sept. 7, 2013	3202995	Class 16	Registered (expires September 7, 2013)
Malaysia	Feb. 19, 2002	02007828	Class 16	Registered (expires February 19, 2012)
Singapore	Feb. 19, 2002	T02/0608D	Class 16	Registered (expires February 19, 2012)
Taiwan	July 16, 2003	1050920	Class 16	Registered (expires June 30, 2013)
Australia	April 30, 2002	911019	Class 16	Registered (expires April 30, 2012)
India	May 15, 2002	1104647	Class 16	Registered (expires May 15, 2012)

JURISDICTION	PRICING DATE	REG. NO.	AWARDS SERVICES	STATUS
Pakistan	Sept. 3, 2002	180082	Class 16	Opposed – by Century Paper & Board Mills Limited
Guatemala	Jan. 10, 2003	121703	Class 16	Registered (expires January 9, 2013)
Venezuela	Dec. 19, 2003	P-248,555	Class 16	Registered (expires December 19, 2013) It is not anticipated that the Certificate of Registration will issue before 2010. As such, the file has been closed and sent to outside storage.
El Salvador	Apr. 29, 2003	115 Book 1	Class 16	Registered (expires April 29, 2013)
Colombia	Mar. 27, 2003	283470	Class 16	Registered (expires March 27, 2013)

TRADE-MARK: ELECTRACAL

JURISDICTION	REG. DATE	REG. NO.	WARES/SERVICES	STATUS
Canada	Reg. Sept. 3, 2003	TMA588,683	paper, namely, paper used for commercial printing, paper for printing directories, newspaper printing paper, cardboard, gummed paper, lightweight coated paper, paper bags, kraft paper, wrapping paper, waxed paper, paper napkins, paper freezer wrap, and stationery, namely, writing paper, photocopier paper, and envelopes	Registered (expires September 3, 2018)
United States	Aug. 24, 2004	2,876,098	Class 16	Registered (expires August 24, 2014)
Brazil	June 12, 2007	824599522	Class 16	Registered (expires June 12, 2017)
Thailand	May 23, 2003	TM179873	Class 16	Registered (expires June 27, 2012)
Japan	Jan. 10, 2003	4635130	Class 16	Registered (expires Jan 10, 2013)
Hong Kong	May 7, 2002	14387/2002	Class 16	Registered (expires Feb 19, 2019)
China	Sept. 7, 2003	3202999	Class 16	Registered (expires Sept 7, 2013)
Malaysia	Feb 19, 2002	02007821	Class 16	Registered (Expires Feb 19, 2012)
Singapore	Reg. Feb 19, 2002	T02/0604A	Class 16	Registered (expires Feb 19, 2012)
Taiwan	July 1, 2003	1049006	Class 16	Registered (expires June 30, 2013)
Australia	April 30, 2002	911021	Class 16	Registered (expires April 30, 2012)
India	May 15, 2002	1104643	Class 16	Registered (expires May 15, 2012)
Pakistan	Sept. 3, 2002	180087	Class 16	Registered (expires September 3, 2019)

JURISDICTION	REG. DATE	REG. NO.	CLASS/RES/SERVICES	STATUS
Guatemala	Jan 9, 2003	121706	Class 16	Registered (expires January 9, 2013)
Venezuela	Dec. 19, 2003	P-248,558	Class 16	Registered (expires Dec. 19, 2013) It is not anticipated that the Certificate of Registration will issue before 2010. As such, the file has been closed and sent to outside storage.
El Salvador	June 30, 2003	Reg. 32 Book 2	Class 16	Registered (expires June 30, 2013)
Colombia	Sept. 26, 2003	Cert. 274162 Res. No. 027468	Class 16	Registered (expires Sept. 26, 2013)

TRADE-MARK: ELECTRASTAR

JURISDICTION	REG. DATE	REG. NO.	CLASS	GOODS AND SERVICES	REGISTRATION STATUS
Canada	Reg. Dec. 4, 2003	TMA596,449		paper, namely, paper used for commercial printing, paper for printing directories, newsprint printing paper, cardboard, gummed paper, lightweight coated papers, paper bags, kraft paper, wrapping paper, waxed paper, paper napkins, paper freezer wrap, and stationery, namely, writing paper, photocopier paper, and envelopes	Registered (expires December 4, 2018)
United States	August 10, 2004	2,870,843	Class 16		Registered (expires August 10, 2014)
Brazil	June 12, 2007	824599530	Class 16		Registered (expires June 12, 2017)
Thailand	May 23, 2003	TM179875	Class 16		Registered (expires June 27, 2012)
Japan	Jan 10, 2003	4635132	Class 16		Registered (expires January 10, 2013)
Hong Kong	May 7, 2002	14390/2002	Class 16		Registered (expires February 19, 2019)
China	Sept. 7, 2003	3202997	Class 16		Registered (expires September 7, 2013)
Malaysia	July 4, 2002	2002-07820	Class 16		Registered (expires February 19, 2012)
Singapore	Feb 19, 2002	T02/0607F	Class 16		Registered (expires February 19, 2012)
Taiwan	July 16, 2003	1050919	Class 16		Registered (expires June 30, 2013)
Australia	April 30, 2002	911018	Class 16		Registered (expires April 30, 2012)
India	May 15, 2002	1104645	Class 16		Registered (expires May 15, 2012)

JURISDICTION	REG. DATE	REC. NO.	MARKS/SERIALS	STATUS
Pakistan	Sept. 3, 2002	180081	Class 16	Registration fees paid - June 15, 2009 (Registrar is still processing name change and address change which is holding up registration)
Guatemala	January 9, 2013	121704	Class 16	Registered (expires January 9, 2013)
Venezuela	Dec. 19, 2004	P-248,557	Class 16	Registered (expires December 19, 2013) It is not anticipated that the Certificate of Registration will issue before 2010. As such, the file has been closed and sent to outside storage.
El Salvador	Sept 18, 2003	39 Book 3	Class 16	Registered (expires September 18, 2013)
Colombia	August 29, 2003	24737	Class 16	Registered (expires August 29, 2013)

TRADE-MARK: ELECTRACOTE

JURISDICTION	REG. DATE	REG. NO.	WARES/SERVICES	STATUS
Canada	Sept. 25, 2003	TMA590,772	paper, namely, paper used for commercial printing, paper for printing directories, newspaper printing paper, cardboard, gummed paper, lightweight coated papers, paper bags, kraft paper, wrapping paper, waxed paper, paper napkins, paper freezer wrap, and stationery, namely, writing paper, photocopier paper and envelopes	Registered (expires September 25, 2018)
United States	June 15, 2004	2,852,488	Class 16	Registered (expires June 15, 2014)
Brazil	June 12, 2007	824599549	Class 16	Registered (expires June 12, 2017)
Thailand	May 23, 2003	TM179874	Class 16	Registered (expires June 27, 2012)
Japan	Jan 10, 2003	4635131	Class 16	Registered (expires January 10, 2013)
Hong Kong	May 7, 2002	14388/2002	Class 16	Registered (expires February 19, 2019)
China	Sept. 7, 2003	3202998	Class 16	Registered (expires Sept. 7, 2013)
Malaysia	Feb. 19, 2002	2002-07829	Class 16	Registered (expires Feb. 19, 2012)
Singapore	Feb 19, 2002	T02/0605Z	Class 16	Registered (expires Feb. 19, 2012)
Taiwan	July 16, 2003	1050917	Class 16	Registered (expires June 30, 2013)
Australia	April 30, 2002	911020	Class 16	Registered (expires April 30, 2012)
India	May 15, 2002	1104644	Class 16	Registered (expires May 15, 2012)
Pakistan	Sept. 3, 2002	180088	Class 16	Registered (expires September 3, 2019)

JURISDICTION	REC. DATE	REC. NO.	WARS/SERVICES	STATUS
Guatemala	August 6, 2002	122369	Class 16	Registered (Expires Feb. 20, 2013)
Venezuela	Dec. 19, 2003	P-248,554	Class 16	Registered (expires December 19, 2013) It is not anticipated that the Certificate of Registration will issue before 2010. As such, the file has been closed and sent to outside storage.
El Salvador	April 29, 2003	116 Book 1	Class 16	Registered (expires April 29, 2013)
Colombia	August 29, 2003	24738	Class 16	Registered (expires August 29, 2013)

TRADE-MARK: ELECTRASOFT

JURISDICTION	REGISTRATION DATE	REG. NO.	TRADE MARKS/SERVICES	STATUS
Canada	Reg. Dec. 4, 2003	TMA596,518	paper, namely, paper used for commercial printing, paper for printing directories, newsprint printing paper, cardboard, gummed paper, lightweight coated paper, paper bags, kraft paper, wrapping paper, waxed paper, paper napkins, paper freezer wrap, and stationery, namely, writing paper, photocopier paper and envelopes	Registered (expires December 4, 2018)
United States	Dec. 21, 2004	2,911,981	Class 16	Registered (expires December 21, 2014)
Brazil	June 12, 2007	824599514	Class 16	Registered (expires June 12, 2017)
Thailand	May 23, 2003	TM179882	Class 16	Registered (expires June 27, 2012)
Japan	March 14, 2003	4652699	Class 16	Registered (expires March 14, 2013)
Hong Kong	May 7, 2002	14389/2002	Class 16	Registered (expires February 19, 2019)
China	Sept. 7, 2003	3202996	Class 16	Registered (expires September 7, 2013)
Malaysia	Feb 19, 2002	02007830	Class 16	Registered (expires February 19, 2012)
Singapore	Feb 19, 2002	T02/0606H	Class 16	Registered (expires February 19, 2012)
Taiwan	July 16, 2003	1050918	Class 16	Registered (expires June 30, 2013)
Australia	April 30, 2002	911017	Class 16	Registered (expires April 30, 2012)
India	May 15, 2002	1104646	Class 16	Registered (expires May 15, 2012)
Pakistan	Sept. 3, 2002	180080	Class 16	Registered (expires September 3, 2019)

JURISDICTION	REG. DATE	REG. NO.	MARKS/SERVICES	STATUS
Guatemala	January 9, 2003	121705	Class 16	Registered (expires January 9, 2013)
Venezuela	Dec. 19, 2003	P-248,556	Class 16	Registered (expires December 19, 2013) As of June 23, 2004, Certificate of Registration not yet issued - lengthy delays at TMO
El Salvador	August 16, 2002	20020028529	Class 16	Registered (expires April 30, 2013)
Colombia	August 29, 2003	Res. 24736 Cert. 271800	Class 16	Registered (expires Aug. 29, 2013)

TRADE-MARK: ELECTRAPRIME

JURISDICTION	REC. DATE	REC. NO.	WARES/RACES	STATUS
Canada	July 12, 2004	TMA614,624	Class 16	Registered (expires July 12, 2019)
United States	May 24, 2005	2,954,759	Class 16	Registered (expires May 24, 2015) Affidavit of Use required between May 24, 2010 and May 24, 2011 Filing Underway
Brazil	Sept. 22, 2003	825935857	Class 16	Registered - (expires December 18, 2017)
Thailand	August 22, 2003	TM217554	Class 16	Registered (expires August 21, 2013)
Japan	Feb. 27, 2004	4752226	Class 16	Registered (expires February 27, 2014)
Hong Kong	August 12, 2003	300061668	Class 16	Registered (expires August 11, 2013)
China	Nov. 14, 2005	3694866	Class 16	Registered (expires November 13, 2015)
Malaysia	June 25, 2003	03010342	Class 16	Registered (expires June 25, 2013)
Singapore	Aug. 13, 2003	T03/123291	Class 16	Registered (expires June 25, 2014)
Taiwan	April 16, 2004	1097554	Class 16	Registered (expires April 15, 2014)
Australia	July 30, 2003	964112	Class 16	Registered (expires July 30, 2013)
India	July 26, 2003	1226260	Class 16	Registered (expires August 26, 2013)
Pakistan	October 6, 2003	189033	Class 16	Approved for Publication - July 15, 2009
Guatemala	Mar. 7, 2004	128250	Class 16	Registered (expires March 7, 2014)

JURISDICTION	REG. DATE	REG. NO.	MARKS/SERVICES	STATUS
Venezuela	Sept. 14, 2004	P-254832	Class 16	Registered (expires September 14, 2014) Certificate of Registration has not yet issued
El Salvador	January 23, 2004	107 Book 7	Class 16	Registered (expires January 23, 2014)
Colombia	May 24, 2004	283029	Class 16	Registered (expires May 28, 2014)

TRADE-MARK: NORSKECANADA

JURISDICTION	REG. DATE	REG. NO.	MARKS/SERVICES	STATUS
Europe	Sept. 23, 2003	002689420	Classes 1, 35, 42	Registered (expires May 8, 2012)
Mexico	Reg. May 6, 2002	832,446	Class 1	Registered (expires May 6, 2012)
	May 6, 2002	545,891	Class 35	Registered (expires May 6, 2012)
	May 6, 2002	545,893	Class 39	Registered (expires July 31, 2012)
	May 7, 2002	545,997	Class 42	Registered (expires May 7, 2012)
	July 15, 2002	TM177732	Class 1	Registered (expires July 14, 2012)
Thailand		TM178572	Class 16	Registered (expires July 14, 2012)
		sm19471	Class 35	Registered (expires July 14, 2012)
		SM19458	Class 39	Registered (expires July 14, 2012)
		SM19608	Class 42	Registered (expires July 14, 2012)
	June 13, 2003	4681921	Classes 1, 16, 35, 39, 42	Registered (expires June 13, 2013)
Japan	Feb. 7, 2006	3202994	Class 1	Registered (expires February 6, 2016)
China	Feb. 7, 2006	3203001	Class 16	Registered (expires February 6, 2016)
	Feb. 7, 2006	3203375	Class 40	Registered (expires February 6, 2016)

JURISDICTION	REG. DATE	REG. NO.	MARKS SERVICES	STATUS
Malaysia	July 4, 2002	2002-07824	Class 01	Registered (expires March 5, 2012)
		2002-07827	Class 16	
		2002-07826	Class 35	
		2002-07825	Class 39	
		2002-07823	Class 40	
Myanmar	July 31, 2002	4125/2002	Paper Products	Registered in Book IV, Vol. 1351 at pages 42/46 Cautionary Notice: "The New Light of Myanmar" Friday October 11, 2002;
Indonesia	July 16, 2002	544216	Class 1	Registered (expires July 16, 2012)
		544217	Class 16	Registered (expires July 16, 2012)
		545214	Class 42	Registered (expires July 16, 2012)
Singapore	March 5, 2002	T02/061441I	Class 16	Registered (expires March 5, 2012)
		T02/06143E	Class 42	
Taiwan	April 16, 2003	1039722	Class 1	Registered (expires April 15, 2013)
	June 16, 2003	1047264	Class 16	Registered (expires June 16, 2013)
	September 1, 2003	186593	Class 42	Registered (expires August 31, 2013)
Benelux	May 8, 2003	0727839	Classes 1, 16, 35, 39, 40, 42	Registered (expires May 8, 2012)
Australia	May 8, 2002	912092	Classes 1, 16, and 42	Registered (expires May 8, 2012)

JURISDICTION	REG. DATE	REG. NO.	CLASSIFICATIONS	STATUS
India	May 15, 2002	1104639	Class 1	Registered (expires May 15, 2012)
		1104640	Class 16	
United Kingdom	April 29, 2002	2299198	Classes 1, 16, 35, 39, 40, 42	Registered (expires April 29, 2012)
Germany	May 2, 2002	302 22	Classes 1, 16, and 42	Registered (expires May 31, 2012)
		182.4/16		
Italy	March 7, 2006	997073	Classes 16, 39, and 42	Registered (expires March 7, 2016) Note: no certificate issued
France	June 12, 2002	0231688869	Classes 1, 16, 35, 42	Registered (expires June 12, 2012)
Denmark	July 12, 2002	VA2002 02855	Classes 1, 16, 39, and 42	Registered (expires February 13, 2013)
Chile	Dec 17, 2002	652,450	Classes 1 and 16	Registered (expires April 29, 2013)
	Dec 20, 2002	652,941	Classes 35 and 42	
El Salvador	June 25, 2003	20 Book 2	Class 1	Registered (expires June 25, 2013)
	July 1, 2003	36 Book 2	Class 16	Registered (expires July 1, 2013)
	Jan. 20, 2004	35 Book 7	Class 42	Registered (expires January 20, 2014)
Guatemala	Jan. 15, 2003	121797	Class 1	Registered (expires January 14, 2013)
	Aug. 11, 2003	125089	Class 16	Registered (expires August 10, 2013)
	Aug. 8, 2003	125031	Class 42	Registered (expires August 10, 2013)

JURISDICTION	RECEIPT DATE	REG. NO.	WAREHOUSE SERVICES	STATUS
Colombia	July 15, 2003	19716	Class 1	Registered (expires July 15, 2013)
		02074345	Class 16	Registration Approved - Certificate Pending
	June 18, 2003	283484	Class 42	Registered (expires June 18, 2013)
Venezuela	Dec. 19, 2004	P-248,559	Class 1	Registered (expires December 19, 2013)
		P-248,560	Class 16	
		11599-2002	Class 35	Re-Advertised - February 5, 2004 (re-advertised)
		S-023,460	Class 42	Registered (expires December 19, 2013)
Honduras	March 26, 2003	87,331	Class 1	Registered (expires March 26, 2013)
		87,397	Class 16	
		87,989	Class 42	
Peru	Aug. 29, 2002	84808	Class 1	Registered (expires November 13, 2012)
		88269	Class 16	Registered - (expires April 3, 2013)
		30985	Class 42	Registered (expires November 15, 2012)
Costa Rica	Dec. 15, 2005	155281	Class 1	Registered (expires December 15, 2015)
	May 28, 2004	147687	Class 16	Registered (expires May 28, 2014)
	Oct. 10, 2003	142116	Class 35	Registered (expires October 10, 2013)
	Sept. 23, 2005	153941	Class 39	Registered (expires September 23, 2015)
	Sept. 23, 2005	154136	Class 42	Registered (expires September 23, 2015)

TRADE-MARK: FOLDED PAPER DESIGN

JURISDICTION	REG. DATE	REG. NO.	WARES/SERVICES	STATUS
Canada	Sept. 2, 2003	TMA588,647	<p>Wares: paper, namely, paper used for commercial printing, paper for printing directories, newsprint printing paper, cardboard, gummed paper, lightweight coated papers, paper bags, kraft paper, wrapping paper, waxed paper, paper napkins, and paper freezer wrap; stationery, namely, writing paper, photocopier paper, and envelopes; wood pulp for manufacturing purposes; and container board;</p> <p>Services: advising others on the selection and utilization of commercial printing paper; technical consulting services in the field of printing and the use of newsprint in printing; technical consultation services to operators of commercial newsprint printing presses, namely to minimize newsprint waste, and maximize the speed of printing press operations; technical consulting services in the field of container board packaging; and the operation of a business selling, transporting and exporting wood pulp to others;</p>	Registered (expires September 2, 2018)
United States	July 1, 2003	2,731,592	Class 1, 16, and 42	Registered (expires July 1, 2013)
Mexico	August 27, 2002	761,480	Class 1	Registered (expires May 6, 2012)
	June 14, 2002	750,709	Class 16	Registered (expires May 6, 2012)
	Nov. 14, 2002	768,397	Class 35	Registered (expires May 6, 2012)
	June 25, 2003	796,132	Class 35	Registered (expires May 7, 2012) This application was originally filed in Class 42, however, two Examiners determined that the services belong in Class 35. Rather than simply amalgamate the services into the Class 35 application, they proceeded to examine it as a separate application. Hence, two registrations in Class 35 and none in Class 42.
	January 30, 2003	776,106	Class 39	Registered (expires May 6, 2012)

JURISDICTION	REG. DATE	REG. NO.	MARKS/DESIGNATIONS	STATUS
Thailand	Sept. 23, 2003	TM285369	Class 1	Registered (expires July 14, 2012)
	June 10, 2003	TM181923	Class 16	
	May 19, 2003	SM19459	Class 35	
	June 10, 2003	SM19609	Class 39	
	June 10, 2003	SM19610	Class 42	
Japan	June 13, 2003	4681922	Classes 16, 35, 39, 42	Registered (expires June 13, 2013)
Hong Kong	May 10, 2002	200214395AA	Classes 1, 16, 35, and 42	Registered (expires March 5, 2019)
China	June 10, 2002	3203261	Class 1	Registered (expires January 27, 2014)
		3203377	Class 16	Registered (expires Sept. 13, 2013)
		3203262	Class 39	Registered (expires October 20, 2013)
		3203373	Class 40	Registered (expires February 27, 2014)
Korea	March 5, 2004	9444	Classes 1, 16, 35, 40, and 42	Registered (expires March 5, 2014)

JURISDICTION	REG. DATE	REG. NO.	CLASSIFICATIONS	STATUS
Malaysia	March 5, 2002	2002-07882	Class 01	Registered - (expires March 5, 2012)
	March 5, 2002	2002-07884	Class 16	
	July 5, 2002	2002-07885	Class 35	
	July 5, 2002	2002-07886	Class 39	
	July 5, 2002	2002-07888	Class 40	
Indonesia	July 16, 2002	Reg. 544214	Class 1	Registered (expires July 16, 2012)
		Reg. 544215	Class 16	Registered (expires July 16, 2012)
		Reg. 545213	Class 42	Registered (expires July 16, 2012)
Myanmar	July 31, 2002	4126/2002	paper products	Registered in Book IV, Vol. 1350 at pages 79/83 Cautionary Notice: "The New Light of Myanmar" Friday October 11, 2002;
Singapore	March 5, 2002	T02/06144C	Class 16	Registered (expires March 5, 2012)
		T02/06147H	Class 42	
Taiwan	May 16, 2003	1042461	Class 1	Registered (expires May 15, 2013)
	June 16, 2013	047265	Class 16	Registered (expires June 15, 2013)
	Sept. 1, 2003	186594	Class 42	Registered (expires Aug. 31, 2013)
Philippines	May 12, 2005	4-2002-0004990	Classes 16 and 42	Registered (expires May 12, 2010) Maintenance filing underway

JURISDICTION	REG. DATE	REG. NO.	AWARDS SERVICES	STATUS
Australia	May 8, 2002	912093	Classes 1, 16, and 40	Registered (expires May 8, 2012)
New Zealand	May 9, 2002	656867	Class 1	Registered (expires March 5, 2019)
		656868	Class 16	Registered (expires March 5, 2019)
		656869	Class 40	Registered (expires March 5, 2019)
		659390	Class 39	Registered (expires March 5, 2019)
India	May 15, 2002	1104641	Class 1	Registered (expires May 15, 2012)
		1104642	Class 16	Registered (expires May 15, 2012)
Bangladesh	May 15, 2002	75358	Class 16	Approved for Advertisement - August 16, 2009
Pakistan	Sept. 3, 2002	180085	Class 1	Registered (expires September 3, 2019)
		180086	Class 16	
Europe	Sept. 23, 2003	002689701	Classes 1, 35, 42	Registered (expires May 8, 2012)
Benelux	May 8, 2003	0727838	Classes 1, 16, 35, 39, 40, 42	Registered (expires May 8, 2012)
United Kingdom	April 29, 2002	2299192	Classes 1, 16, 35, 39, 40, 42	Registered (expires April 29, 2012)
Germany	May 2, 2002	302 22 183.2/16	Classes 1, 16, and 42	Registered (expires May 31, 2012)
France	June 12, 2002	0231688867	Classes 1, 16, 35, 42	Registered (expires June 12, 2012)
Denmark	Aug. 20, 2002	VR2002 02796	Classes 1, 16, 39, and 40	Registered (expires August 7, 2012)

JURISDICTION	REGISTRATION DATE	REG. NO.	MARKS/SERVICES	STATUS
Italy	March 7, 2007	997074	Classes 16, 39, and 42	Registered (expires March 7, 2016)
Brazil	June 12, 2007	824598997	Class 1	Registered (expires June 12, 2017)
		824599020	Class 16	
		824599012	Class 35	
		824599004	Class 42	
Chile	Dec. 17, 2002	652,452	Classes 1 and 16	Registered (expires April 29, 2013)
	Dec. 20, 2002	652,942	Classes 35 and 42	
El Salvador	Sept. 18, 2003	31 Book 3	Class 1	Registered (expires September 18, 2013)
		38 Book 3	Class 16	
		37 Book 3	Class 42	
Guatemala	June 4, 2003	123601	Class 1	Registered (expires June 4, 2013)
	July 28, 2003	124841	Class 16	Registered (expires July 27, 2013)
	Aug. 14, 2003	125157	Class 42	Registered (expires Aug. 13, 2013)
Colombia	May 23, 2007	327353	Class 1	Registered (expired June 19, 2013)
	August 23, 2002	02074342	Class 16	
	August 23, 2002	02074343	Class 42	

JURISDICTION	REG. DATE	REG. NO.	AWARDS SERVICES	STATUS
Venezuela	Nov. 10, 2004	P-257298	Class 1	Registered (expires November 10, 2014) Certificates of Registration have not yet issued.
		P257299	Class 16	
		239334	Class 35	
		S-026497	Class 42	
Honduras	July 17, 2002	8781/2006	Class 1	Registered (July 17, 2012)
		8780/2006	Class 16	
		8779/2006	Class 42	
Peru	Aug. 29, 2002	160771	Class 1	Registered (expires Nov. 13, 2012)
		160772	Class 16	Registered (expires Nov. 13, 2012)
		160773	Class 42	Registered (expires Nov. 25, 2013)
Costa Rica	Dec. 15, 2015	155280	Class 1	Registered (expires Dec. 15, 2015)
	Dec. 15, 2015	155279	Class 16	Registered (expires Dec. 15, 2015)
	Sept. 23, 2015	153942	Class 35	Registered (expires Sept. 23, 2015)
	Sept. 23, 2015	153943	Class 39	Registered (expires Sept. 23, 2015)
	Sept. 23, 2015	153944	Class 42	Registered (expires Sept. 23, 2015)

SCHEDULE "C"

LOCATIONS OF COLLATERAL

1. Chief Executive Office:

2nd Floor, 3600 Lysander Lane, Richmond, British Columbia, Canada V7B 1C3

2. Locations of Collateral:

Crofton Mill, 8541 Hay Road, Crofton, British Columbia, Canada V0R 1R0

Elk Falls Mill, 4405 North Island Highway, Campbell River, British Columbia, Canada V9W 5C9

Powell River Mill, 5775 Ash Avenue, Powell River, British Columbia, Canada V8A 4R3

Port Alberni Mill, 4000 Stamp Avenue, Port Alberni, British Columbia, Canada V9Y 5J7

Paper Recycling Division, 1050 United Boulevard, Coquitlam, British Columbia, Canada V3K 6V4

Surrey Distribution Centre, 10555 Timberland Road, Surrey, British Columbia, Canada

Paper Recycling Division, 1200 United Boulevard, Coquitlam, British Columbia, Canada V3K 6T4

Teakerne Arm foreshore, Powell River (north), British Columbia, Canada (Property Record No. H-1288, No. H-1367 and No. H-1287)

Lot 511, Gowlland Harbour, Quadra Island, British Columbia, Canada

Alberni Harbour foreshore, Port Alberni, British Columbia, Canada (Property Record No. H-4234 and No. H-2565)

Stamp Point foreshore, Port Alberni, British Columbia, Canada (Property Record No. H-1301)

Foreshore property (3 and 4) on Woolridge Island, Howe Sound, British Columbia, Canada

18887 98 A Avenue, Surrey British Columbia, Canada

525 South Trans Canada Highway, Cache Creek, British Columbia, Canada V0K 1H0

1209 McKeen Avenue, North Vancouver, British Columbia, Canada V7P 3H9

6 Alley, 10 Alley, 12 Alley and 14 Alley, Fraser River (mouth), British Columbia, Canada

1A, 2C, and 2D, Fraser River (at Coquitlam), British Columbia, Canada

6A, Fraser River (at Coquitlam), British Columbia, Canada

Ambrook and Houstons, Fraser River, British Columbia, Canada

AP3A, AP8, HT13, HT6A, and HT8A, Fraser River, British Columbia, Canada

CWP1, CWP4, VPD8 and Iona, Fraser River (mouth), British Columbia, Canada

MacDonald Slough, Fraser River (north arm), British Columbia, Canada

PCLS, Fraser River (at Coquitlam), British Columbia, Canada

- 2 -

Perkins, RT1 and RT3, Fraser River (Port Kells area east of Port Mann), British Columbia, Canada

Redband, Fraser River, British Columbia, Canada

RT5A, Fraser River (Mission area), British Columbia, Canada

Winkies, Fraser River (Port Kells area east of Port Mann), British Columbia, Canada

Andy's Bay, Gambier Island, Howe Sound, British Columbia, Canada

Avalon, Howe Sound, British Columbia, Canada

Cates Bay, Gambier Island, Howe Sound, British Columbia, Canada

Cotton Bay #1-#4, Howe Sound, British Columbia, Canada

KN5, Howe Sound (at Port Mellon), British Columbia, Canada

Shannon Falls, Squamish, Howe Sound, British Columbia, Canada

Terminal Grounds, Howe Sound, British Columbia, Canada

Twin Creeks, Howe Sound, British Columbia, Canada

Wooldrige Island #1, and #2, Howe Sound, British Columbia, Canada

Blind Bay, Nelson Island (south of Powell River), British Columbia, Canada

Menzies Bay, Campbell River, British Columbia, Canada

CRF, Campbell River, British Columbia, Canada

Chambers chip plant, Chemainus, British Columbia, Canada

3. Locations of Books and Records:

2nd Floor, 3600 Lysander Lane, Richmond, British Columbia, Canada V7B 1C3

4. Locations of Senior Management:

2nd Floor, 3600 Lysander Lane, Richmond, British Columbia, Canada V7B 1C3

5. Address from which Invoices and Accounts are sent:

2nd Floor, 3600 Lysander Lane, Richmond, British Columbia, Canada V7B 1C3

SCHEDULE "D"
FORM OF CONFIRMATION OF SECURITY INTEREST
IN INTELLECTUAL PROPERTY

WHEREAS:

● (the "Debtor"), a corporation incorporated and existing under the laws of ● with offices at [address], is the owner of the [trade-marks/patents/copyrights/industrial designs] set forth in Exhibit "A" hereto, the registrations and applications for the [trade-marks/patents/copyrights/industrial designs] identified therein and the underlying goodwill associated with such [trade-marks/patents/copyrights/ industrial designs] (collectively, the "[Trade-Marks/ Patents/Copyrights/Industrial Designs]"); and

●, as collateral trustee for certain secured debtholders (the "Collateral Trustee"), with offices at [address], has entered into an agreement with the Debtor, as reflected by a separate document entitled the "Security Agreement" dated as of the [●] day of ●, ● by which the Debtor granted to the Collateral Trustee, a security interest in certain property, including the [Trade-Marks/Patents/Copyrights/Industrial Designs], in relation to the issuance of the 11% senior secured notes by [Catalyst Paper Corporation] from time to time;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged and in accordance with the terms and obligations set forth in the Security Agreement, the Debtor confirms the grant to the Collateral Trustee of a security interest in and to the [Trade-Marks/Patents/Copyrights/Industrial Designs].

DATED at _____ on this [●] day of [●], [●].

[OBLIGOR]

Per: _____

Authorized Signing Officer

DATED at _____ on this [●] day of [●], [●], before me appeared and the person who signed this instrument, who acknowledged that [he/she] signed it as a free act on [his/her] behalf or on behalf of the corporation identified and referred to herein as the Debtor.

[Signature of Notary Public/Witness]

EXHIBIT "A"**TRADE MARKS/PATENTS/COPYRIGHTS/INDUSTRIAL DESIGNS**