

Court File No.: CV-09-8241-00CL

*ONTARIO*  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PROPOSED PLAN OF  
COMPROMISE OR ARRANGEMENT WITH RESPECT TO  
**FRASER PAPERS INC.**, FPS CANADA INC., FRASER  
PAPERS HOLDINGS INC., FRASER TIMBER LTD., FRASER  
PAPERS LIMITED and FRASER N.H. LLC

Applicants

**MOTION RECORD**  
**(Returnable December 2, 2009)**

November 26, 2009

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**NOTICE OF MOTION**

The Applicants will make a motion before a Judge of the Ontario Superior Court of Justice (Commercial List) on Wednesday, December 2, 2009 at 10:00 o'clock in the morning or as soon thereafter as this motion can be heard at 330 University Avenue, in the City of Toronto, Ontario.

**PROPOSED METHOD OF HEARING:** The motion is to be heard orally.

**THE MOTION IS FOR:**

1. an Order extending to and including December 11, 2009, or such later date as this Court may order, the stay of proceedings granted under the Order of the Honourable Mr. Justice Morawetz dated June 18, 2009, as amended (the "Initial Order");

2. an Order authorizing the Applicants to provide additional security by way of increasing an existing letters of credit by the amount of USD\$940,500 in favour of its insurer covering workers' compensation for the Applicants' employees in the United States;
3. an Order requiring Cascades Fine Papers Group Inc / Cascades Groupe Papiers Fin Inc. ("Cascades") to pay FPS Canada Inc. the amount of CDN\$401,497.36 within ten (10) days of the date of the requested Order;
4. an Order requiring Lauzon (Thurso) Ressources Forestieres Inc. ("Lauzon") to pay Fraser Papers Inc. the amount of CDN\$370,366.26 within ten (10) days of the date of the requested Order; and
5. such further and other relief as this Honourable Court may deem just.

**THE GROUNDS FOR THE MOTION ARE:**

1. On June 18, 2009, the Applicants filed for and obtained protection from their creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, C. C-36 as amended (the "CCAA"), and PricewaterhouseCoopers Inc. was appointed as monitor (the "Monitor") of the Applicants pursuant to the Initial Order;
2. The Applicants sought and obtained recognition of these proceedings as foreign main proceedings pursuant to Chapter 15 of the *U.S. Bankruptcy Code* in the United States Bankruptcy Court for the District of Delaware;
3. The stay of proceedings provided by the Initial Order currently expires on December 4, 2009. The Applicants require a short extension of the stay period to permit the hearing of

a motion returnable on December 9, 2009 at which time the Applicants will seek a longer extension of the stay period, approval of a sale transaction and commencement of a stalking horse process, all in accordance with motion materials to be filed shortly;

4. The Applicants are required to post letters of credit as security for workers' compensation insurance policies relating to employees in the United States. Each year these letters of credit are subject to review and potential increase, based on each insurers' loss projections;
5. This year the Applicants' were able to negotiate a new policy of insurance on more competitive terms. The policy requires an increase in the amount of USD\$940,500 be made to an existing letter of credit posted in favour of its existing insurer, which is the parent company to its new insurer;
6. Paragraph 8(b) of the Initial Order authorizes the Applicants to pay "*all outstanding and future claims, premiums or other amounts payable in respect of workers' compensation programs applicable to the Applicants' employees, whether incurred prior to, on or after the date of this Order, all in the ordinary course of business and in accordance with the terms of any existing insurance or other policies*". However, paragraph 11(b) of the Initial Order prohibits the Applicants from granting any security interest, charge of encumbrance upon or in respect of its Property. To the extent that approval of this Honourable Court is required to increase the letters of credit, the Applicants request such approval;
7. Each of Cascades and Lauzon have failed to make payment of a substantial account receivable owing to the Applicants, without any legal basis. It is not in the best interests

of the Applicants' creditors including the DIP Lenders, nor is it consistent with the required and intended focus of management in a CCAA proceeding, that additional time and money be spent in pursuing payment of such amounts through litigation proceedings or otherwise;

8. The Applicants are proceeding in good faith and with due diligence;
9. Section 11(4) of the CCAA;
10. Rules 2.03, 3 and 37 of the *Rules of Civil Procedure*, R.R.O. 1994, Reg. 194, as amended; and
11. such further and other grounds as counsel may advise and this Honourable Court may permit.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of this Motion:

1. the Affidavit of Glen McMillan, sworn November 26, 2009 and the exhibits thereto;
2. such further and other materials as counsel may advise and this Honourable Court may permit.



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

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Court File No.: CV-09-8241-00CL

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Proceedings commenced at Toronto

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**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

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

AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR  
ARRANGEMENT WITH RESPECT TO **FRASER PAPERS INC.**, FPS  
CANADA INC., FRASER PAPERS HOLDINGS INC., FRASER TIMBER  
LTD., FRASER PAPERS LIMITED and FRASER N.H. LLC

Applicants

**AFFIDAVIT OF GLEN McMILLAN  
(Sworn November 26, 2009)**

**I, Glen McMillan**, of the City of Toronto, in the Province of Ontario, **MAKE OATH  
AND SAY AS FOLLOWS:**

1. I am the Chief Financial Officer of Fraser Papers Inc. ("Fraser Papers" or the "Company", and with the other Applicants, collectively, the "Applicants"), and as such I have personal knowledge of the matters to which I herein depose. Where the source of my information or belief is other than my own personal knowledge, I have identified the source and the basis for my information and believe it to be true.

2. This Affidavit is made in support of a motion brought by the Applicants for the relief set out in the Notice of Motion dated November 26, 2009. In particular, this Affidavit is sworn in support of the following relief requested by the Applicants:

- (i) an Order requiring that Cascades Fine Papers Group Inc. or Cascades Groupe Papier Fins Inc. ("Cascades") pay to FPS Canada Inc. ("FPS") the total amount outstanding on account of the Issued Invoices (as defined herein);
- (ii) an Order requiring that Lauzon (Thurso) Ressources Forestieres Inc. ("Lauzon") pay to Fraser Papers Inc. the total amount outstanding on account of wood products purchased and paid for by Fraser Papers Inc. and stored on Lauzon's premises (as described herein); and
- (iii) an Order authorizing the posting of a letter of credit in favour of Chartis Inc. ("Chartis") on account of the workers' compensation insurance policy recently entered into by Fraser Papers with Chartis.

**Indebtedness of Cascades Groupe Papier Fins Inc.**

3. FPS is a wholly-owned subsidiary of Fraser Papers Inc. and is responsible for managing the Applicants' operations in Canada, specifically those located in (i) Thurso, Quebec; (ii) Edmundston, New Brunswick; and (iii) Plaster Rock and Juniper, New Brunswick.

4. Cascades is a company located in Quebec that is engaged in the business of manufacturing and distributing printing and writing paper and operates a paper mill in St. Jerome, Quebec.

5. FPS and Cascades entered into an agreement dated January 23, 2007, (as amended, the "Agreement"). Pursuant to the Agreement, FPS agreed to sell and deliver to Cascades "Thurso Prime" bleached hardwood kraft woodpulp ("BHKP"), or any other BHKP that met

specifications agreed to by FPS and Cascades, manufactured at Applicants' Thurso pulp mill. Attached hereto as Exhibit "A" is a copy of the Agreement between FPS and Cascades.

6. Cascades purchased BHKP from FPS pursuant to purchase orders sent by Cascades on a regular basis. The purchase orders set out the amount of BHKP that Cascades required for the coming month. FPS would deliver the BHKP and issue invoices to Cascades. The terms and conditions of the invoices provided that payment was due within thirty (30) days of the invoice's date. The invoices also provided that all claims of whatever nature in relation to the invoice were required to be raised within five (5) days of delivery of the BHKP.

7. On April 29, 2009, Cascades issued purchase order 46539 to FPS ("Purchase Order 46539"), requesting delivery of 16 truckloads of BHKP over the course of several dates in May 2009. Attached hereto as Exhibit "B" is a copy of purchase order 46539 dated April 29, 2009.

8. On May 29, 2009, Cascades issued purchase order 46936 to FPS ("Purchase Order 46936" and, collectively with Purchase Order 46539, the "Purchase Orders"), requesting delivery of an additional 16 truckloads of BHKP over the course of several dates in June 2009. Attached hereto as Exhibit "C" is a copy of purchase order 46936 dated May 29, 2009.

9. FPS delivered the BHKP to Cascades as requested pursuant to the Purchase Orders. Upon delivery, FPS issued corresponding invoices to Cascades in the aggregate amount of USD \$401,497.36 (the "Issued Invoices"). Attached hereto as Exhibit "D" are copies of the Issued Invoices.

10. Since the delivery of the Issued Invoices, Cascades has failed to make any payment, partial or otherwise, on account of the amount owing to FPS.

11. On June 18, 2009, the Applicants commenced the within proceeding. Starting in early July 2009, FPS began to contact Cascades to determine why the Issued Invoices had not been paid. FPS' efforts to determine why payment had not yet been made on account of the Issued Invoices were unsuccessful. I am advised by Ms. Darcy Ouellette, credit and accounts receivable supervisor with Fraser Papers, that on July 24, 2009, Guy Boudoin, Cascades' controller, contacted her and advised that Cascades would not be making any payment on account of the Issued Invoices.

12. I am advised by Danny Nunes of ThorntonGroutFinnigan LLP ("TGF"), FPS' counsel, that after a number of calls and messages requesting an explanation as to why Cascades refused to make any payment on account of the Issued Invoices, he sent correspondence to Pierre Brochu ("Brochu"), Cascades' internal counsel, on September 8, 2009 requesting an explanation. I am advised by Danny Nunes that TGF made further efforts to contact Cascades and on September 23, 2009, sent further correspondence to Brochu demanding the immediate payment of the Issued Invoices. I am further advised by Danny Nunes that no response was ever received from Brochu or Cascades. Attached as Exhibits "E" and "F" are copies of email correspondence from Danny Nunes to Brochu dated September 8, 2009 and a letter from Danny Nunes to Brochu dated September 23, 2009, respectively.

13. Pursuant to my instructions, on November 12, 2009 TGF sent a further letter to Cascades demanding payment of the Issued Invoices and advising of the Applicants' motion seeking an Order requiring payment of the Issued Invoices. Only after this most recent letter was sent did Cascades respond by telephone call from its counsel Bruce Darlington of Davis LLP, that they would review the matter and respond to our letter. As at the time of swearing this Affidavit, neither the Applicants nor our counsel have received a response to the November 12, 2009 letter.



Attached hereto as Exhibit "G" is a copy of the letter to Brochu dated November 12, 2009 from TGF.

14. The indebtedness owed by Cascades on account of the Issued Invoices is substantial and it is in the best interests of the Applicants' creditors that it be collected immediately, without further time or money being spent in pursuit of collection.

**Indebtedness of Lauzon (Thurso) Ressources Forestieres Inc.**

15. FPS Canada Inc., under its French language operating name, Nexfor Papiers Fraser (Canada) Inc., and Fiducie Lauzon, now Lauzon, entered into the Convention d'Achat de Matiere Ligneuse dated March 28, 2003 (the "Lauzon Agreement"). Pursuant to the Lauzon Agreement, Lauzon agreed to supply Fraser Papers with wood products. The wood products purchased pursuant to the Lauzon Agreement came in the form of sawmill chips, roundwood and wood that formed part of Fraser Papers' logging allocation. Attached hereto as Exhibit "H" is a copy of the Lauzon Agreement.

16. Pursuant to the Lauzon Agreement, Fraser Papers would, on occasion, store wood on Lauzon's premises prior to its delivery by Lauzon. Fraser Papers prepaid Lauzon in respect of the wood products that would be supplied, including the wood that was stored on Lauzon's premises. In total, Fraser Papers prepaid CAD \$1,720,561.46 between February and April 2009 on account of wood that was to be delivered by Lauzon pursuant to the terms of the Lauzon Agreement. Attached hereto as Exhibit "I" are copies of Fraser Papers' Business Account Statements with Royal Bank of Canada for the period January 23, 2009 to April 24, 2009 evidencing these prepayments made to Lauzon.

17. In June 2009, Fraser Papers' pulp mill located in Thurso, Quebec was shut down indefinitely. At that time, Lauzon was in possession of 5000 cubic metres of wood having a value of CAD \$370,366.26, which had been prepaid by Fraser Papers.

18. I am advised by Marco Veilleux ("Veilleux"), Operations Manager with Fraser Papers, that Lauzon refused to deliver any of the wood located on its premises despite instructions to do so. Lauzon has not reimbursed Fraser Papers for the prepaid wood which was not delivered and has not provided any reason for its failure to do so.

19. I am advised by Veilleux that prior to the mill's closing, he made efforts to secure the delivery of the prepaid wood but was unsuccessful in doing so. I am also advised by Gilles Couturier, manager for woodlands and procurement with Fraser Papers, that in late May 2009, he met with Mario Therrien ("Therrien"), Manager (Strategic Planning) with Lauzon, and requested the immediate delivery of the prepaid wood and was advised by Therrien that he would discuss the matter with David Lauzon, President of Lauzon. Despite the efforts of Veilleux and Couturier, Lauzon refused to deliver the prepaid wood.

20. I am advised by Veilleux that the wood which Fraser Papers had prepaid and which Lauzon refused to deliver is no longer located at Lauzon's premises and may have been sold without Fraser Papers' knowledge or consent.

21. Based on my instructions, a letter was sent by TGF to Lauzon dated November 17, 2009 advising Lauzon of the Applicants' motion seeking an Order requiring payment on account of the prepaid wood. I am advised by Danny Nunes that a response to the aforementioned letter was received on November 20, 2009 from Lauzon's counsel, Marchand Melancon Forget LLP,

requesting further information on account of the prepaid wood. Attached hereto as Exhibit "J" is a copy of a letter to Lauzon dated November 17, 2009 from TGF.

22. I am advised by Veilleux that information on account of the prepaid wood had been previously provided to Lauzon when it initially refused to deliver the wood and Veilleux made efforts to secure its delivery. The information was also subsequently provided when payment on account of the wood was requested by Gilles Couturier in his email dated September 24, 2009 to Pierre Levasseur, manager of Lauzon's Thurso business premises, and Michel Pitre, VP (Business Development and Special Projects) for Lauzon. Attached as Exhibit "K" is a copy of email correspondence from Gilles Couturier to Pierre Levasseur and Michel Pitre dated September 24, 2009.

23. Based on my instructions, a letter was sent by TGF to Lauzon dated November 24, 2009 once again providing the information on account of the prepaid wood. Additional correspondence was sent to Lauzon's counsel on November 25, 2009 once again providing information on account of the prepaid wood. Attached as Exhibits "L" and "M" are copies of a letter to Lauzon dated November 24, 2009 from TGF to Daniel Radulescu and email correspondence from Danny Nunes to Daniel Radulescu dated November 25, 2009.

24. I am advised by Mona Law of PricewaterhouseCoopers Inc., the Court-appointed monitor (the "Monitor"), that a Proof of Claim document package was sent to Lauzon on August 7, 2009.

25. The indebtedness owed by Lauzon on account of its failure to deliver the prepaid wood to Fraser Papers and its subsequent sale of the wood is substantial and, like the indebtedness owed by Cascades, it is in the best interests of the Applicants' creditors that it be collected immediately, without further time or money being spent in pursuit of collection.

**Increase in Workers' Compensation Policy Letters of Credit**

26. Fraser Papers maintains workers' compensation insurance at its locations in the United States which is purchased from private insurers. As part of securing workers' compensation insurance policies in the United States, in addition to payment of an insurance premium, insurers will often require that letters of credit be posted in their favour, upon which the insurer may draw in the event that the insured fails to make its payments on account of any outstanding claims that are within the insured's deductible limits.

27. Each year, additional letters of credit are posted at renewal in anticipation of a new policy year. Fraser Papers' policy year ends on October 31<sup>st</sup> of each year. Letters of credit in prior years are maintained, based on each insurers' loss projections. If loss projections for a given policy year are below the levels of the letter of credit, the letter of credit requirement could be reduced.

28. Prior to November 2006, Fraser Papers' workers' compensation insurance policy was provided by America International Group Inc. ("AIG") (the "AIG Policy"). To secure the AIG Policy, Fraser Papers had posted a letter of credit in the amount of approximately USD\$3.2 million. Pursuant to the terms of the AIG Policy, AIG would send a monthly statement to Fraser Papers detailing payments that had to be made on account of outstanding claims. In the event that Fraser Papers failed to pay the monthly claims payments, the letter of credit could be drawn upon by AIG. Attached as Exhibit "N" is the letter of credit issued in favour of AIG in the amount of USD\$3.2 million ("LC #1").

29. In November 2006 Fraser Papers changed insurers, moving from AIG to Old Republic Insurance Company ("Old Republic") (the "OR Policy"). To secure the OR Policy, Fraser

Papers posted a letter of credit in the amount of approximately USD\$3.225 million. Again, Old Republic's claims representatives would send a monthly statement to Fraser Papers detailing those payments that had to be made on account of outstanding claims and Old Republic could draw on the letter of credit in the event that Fraser Papers failed to make the payments. Attached as Exhibit "O" is the letter of credit issued in favour of Old Republic in the amount of USD\$3.225 million ("LC #2").

30. Fraser Papers decided to change insurers in 2009 for competitive reasons and has negotiated a new policy with Chartis which is effective November 1, 2009 (the "Chartis Policy"). Attached as Exhibit "P" is a copy of the Binder for Casualty Insurance Program for Fraser Papers Inc. dated October 30, 2009.

31. As a condition of securing the Chartis Policy, Chartis has requested a USD\$940,500 increase in the amount of LC #1. As a result of the increase, the principal amount of LC #1 will now be USD\$4,140,500.

32. Chartis requires an increase to LC #1, rather than requiring the posting of a new letter of credit, which I believe is due to the relationship between AIG and Chartis. I understand that Chartis is an affiliate of AIG. Attached as Exhibit "Q" is a copy of a press release dated July 27, 2009 from Chartis' website, [www.chartisinsurance.com](http://www.chartisinsurance.com), detailing the creation of Chartis.

33. Paragraph 11 of the Initial Order provides that, except as specifically permitted therein, the Applicants are prohibited from granting any security interests, trust, liens, charge or encumbrances upon or in respect of any of their Property.

34. The requested increase in LC #1 resulted from negotiations I engaged in with the assistance of Fraser Papers' insurance broker, Aon Risk Services ("AON"), and Chartis. At Fraser Papers' request, AON approached several insurers with respect to a new workers' compensation policy. Of the five (5) insurers approached by AON, only two, Old Republic and Chartis, provided formal quotes. The insurers that did not provide formal quotes either sought extensive additional financial information and documentation that was confidential and/or they advised that, due to the CCAA proceeding, a required increase in the letter of credit would be significant.

35. Both the Chartis and Old Republic quotes provided for an increase in LC #1 and LC #2, however, the increase requested by Chartis was substantially smaller. In addition, the Chartis quote provided for a smaller premium payment.

36. A comparison of the costs associated with each of the Chartis and Old Republic quotes and the coverage provided by each policy showed significant savings for the Applicants and, by extension, their creditors.

37. If Fraser Papers does not have a workers' compensation policy in place, it must immediately cease operations in the United States. Normally, an insurer would require an immediate increase in the letter of credit prior to providing coverage, however, Chartis extended the deadline for an increase in view of the timing of the motion for Court approval. Anne Stites ("Stites"), the broker who arranged the Chartis Policy, has advised that if an increase to LC #1 is not granted, Chartis will cancel the policy.

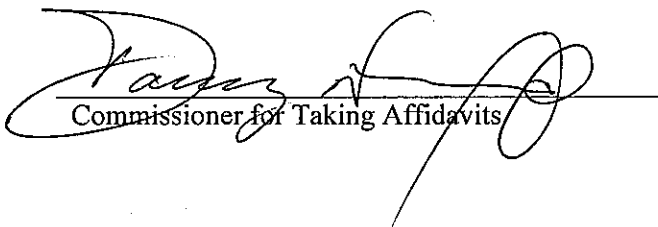
38. The workers' compensation insurance premium being paid to Chartis assumes Fraser Papers retains a certain deductible for claims made. If Fraser Papers is not permitted to post a

letter of credit in support of the Chartis Policy, its only alternative will be a zero deductible policy which requires a significant, immediate increase in payment of cash premiums. I am advised by Stites that such an increase could be in excess of \$2.5 million. If Fraser Papers must resort to the zero deductible policy, it would have to negotiate such a policy with an insurer. During that period, Fraser Papers' U.S. operations would cease.

39. The Monitor and the DIP lenders have been advised of the requested increase in LC #1 and have approved the increase.

40. I swear this affidavit in support of a motion by the Applicants for the relief set out in paragraph two of this Affidavit and for no other or improper purpose.

SWORN before me at the City of Toronto,  
in the Province of Ontario, this 26<sup>th</sup> day of  
November, 2009.



Commissioner for Taking Affidavits



GLEN MCMILLAN

## **EXHIBIT “A”**



28

REVISED JANUARY 23, 2007

## WOODPULP SALE AGREEMENT

THIS SALE AGREEMENT, is entered on this 23<sup>rd</sup> day of January, 2007 (this "Agreement")

**BETWEEN:** **FPS CANADA INC.**, a corporation incorporated under the laws of Canada, having a place of business at its Thurso wood pulp mill at 451 Victoria Street, Thurso, Quebec, JOX3B0

(hereinafter referred to as the "Seller")

**AND:** **CASCADES FINE PAPERS GROUP INC.**, Rolland Division, a corporation incorporated under the laws of Canada, having its place of business at 455 Avenue Rolland, Saint-Jérôme, Quebec, J7Z5S1

(hereinafter referred to as the "Purchaser")

(The Seller and the Purchaser are each individually referred as a "Party" and collectively referred to as the "Parties")

WHEREAS the Seller operates a hardwood pulp mill in Thurso, Quebec;

WHEREAS the Purchaser is a distributor of printing and office papers in Canada and operates a pulp mill in Saint-Jérôme, Quebec;

WHEREAS the Seller agrees to sell, and deliver to the Purchaser and the Purchaser agrees to purchase from the Seller Woodpulp (hereinafter defined) produced at Seller's Thurso mill;

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENTS HEREIN CONTAINED AND FOR SUCH OTHER GOOD AND VALUABLE CONSIDERATION, THE SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED BY THE PARTIES, THE PARTIES INTENDING TO BE LEGALLY BOUND, AGREE AS FOLLOWS:

### 1. Definitions

- 1.1 "ADMT" means Air-dry metric ton.
- 1.2 "Air-dry" means ninety per cent (90%) bone dry fiber and ten per cent (10%) moisture.
- 1.3 "Force Majeure" means fires, explosions, accidents, labor disturbances, floods, droughts, earthquakes, embargoes, wars (whether or not declared), civil commotions, acts of God or the public enemy, action of any governmental authority, delays, or failures of carriers, power failures, or any causes beyond the reasonable control of the party hereto affected thereby, whether or not of the kind herein before specified.
- 1.4 "List Price" shall be the price of Woodpulp, as determined in Section 2.3, before the discounts described in Section 2.4.
- 1.5 "Net Price" means the List Price of Woodpulp, as determined in Section 2.3, after the discounts described in Section 2.4.

- 1.6 "Term of this Agreement" means the period commencing on the date first written above ("Commencement Date") and continuing until the expiration of one (1) year. The Term of this Agreement shall continue thereafter from year to year unless sooner terminated by either party, by written notice to the other given not less than ninety (90) days prior to the date of termination.
- 1.7 "Woodpulp" means "Thurso Prime" fully Bleached Hardwood Kraft Woodpulp manufactured by Seller at its Thurso, Quebec mill having the specifications set forth in Exhibit A hereto or any other Bleached Hardwood Kraft Woodpulp with such specifications as may be agreed by Purchaser and Seller, both acting reasonably.
- 1.8 "Year" means a contract year, beginning on the Commencement Date of this Agreement or, with respect to renewal terms, on the anniversary of the Commencement Date, in each case ending twelve months later.

## 2. Sale and Purchase of Woodpulp

Throughout the term of this Agreement, the Seller agrees to sell to the Purchaser and the Purchaser agrees to purchase from the Seller Woodpulp on the following terms and conditions:

- 2.1 Tonnage - The Purchaser and the Seller will use their respective reasonable commercial efforts to purchase and sell, as the case may be, up to twenty-one thousand (21,000) ADMT of Woodpulp during each Year of the Term of this Agreement. The Seller shall not be obligated to sell to the Purchaser more than one thousand seven hundred and fifty (1,750) ADMT of Woodpulp in any calendar month during the Term of this Agreement. The Seller shall not be obligated to make up for any ADMT of Woodpulp not delivered to the Purchaser in any month as the result of a Force Majeure event. Seller and Purchaser agree that the annual maximum of twenty one thousand (21,000) ADMT of Woodpulp per year during the Term of this Agreement shall be reduced by one thousand seven hundred and fifty (1,750) ADMT of Woodpulp per month whether or not Purchaser has purchased one thousand seven hundred and fifty (1,750) ADMT in any month during the Term of this Agreement.
- 2.2 Monthly Orders - On or before the 20th day preceding each calendar month, the Purchaser shall order its Woodpulp for the next month and provide a delivery schedule. To the extent reasonably practicable, the Seller shall make Woodpulp shipments in accordance with the schedule suggested by the Purchaser.
- 2.3 Price - The List Price per Tonne of Woodpulp, including insurance and transportation to the loading dock at the Purchaser's Mill in Saint-Jérôme, Quebec ("purchase price"), shall be the lesser of (i) the Seller's announced list price for that grade of Woodpulp in the USA for that calendar month and (ii) the mid-point published price in Pulp and Paper Week Price Watch: Market Pulp Bleached Hardwood Kraft, Northern mixed (Canada/U.S.) for the immediately preceding month. The selling price is payable in United States dollars.

At no time throughout the Term of this Agreement will the Net Price be less than \$465 US per ADMT, or more than \$600 US per ADMT.

- 2.4 Discounts - The Purchaser shall be entitled to a discount on monthly volumes of Woodpulp purchased and paid for under this Agreement as shown in the table below.

Monthly purchase	ADMT	%
From	to	Discount
0	709	0%
710	1,149	11.5%
1,150	1,249	15.5%
1,250	1,750	17.5%

If the monthly volume differs from the monthly volume ordered under Section 2.2, the discount will be adjusted in the following month in accordance with the table above and the volume actually purchased. A credit note or a debit note will be issued following the end of each month and shall be payable within thirty (30) days of the issuance of such note. Notwithstanding the discounts available under this Section, the minimum Net Price shall never be less than the amount specified in Section 2.3.

3. Mode and Place of Delivery - The Seller will deliver the Woodpulp to the loading dock of the Purchaser's Mill in Saint-Jérôme, Quebec. Shipment will be made by carriers selected by the Seller, provided that the Seller will give due consideration to a request by the Purchaser for the removal of a carrier so selected by Seller if the Purchaser reasonably concludes that such carrier is unacceptable to the Purchaser. Unloading and storage at the Purchaser's Mill will be for the account of, and will be paid, by the Purchaser.
4. Payment - The Purchaser shall make payment in United States dollars, no later than thirty (30) days after the date of the invoice requesting such payment. The Purchaser shall pay Seller a late charge on overdue accounts at the rate of one and a half percent (1.5%) per month, pro rated for each day such amount is overdue, but not to exceed the maximum rate allowed by law on overdue accounts.
5. Transfer of Title - Title to all Woodpulp purchased hereunder shall pass to the Purchaser when the Woodpulp is delivered and unloaded at the Purchaser's Mill.
6. Claims - Written notice of any claim by the Purchaser under this Agreement must be given within thirty (30) days after transfer of title, and the Purchaser must afford the Seller a reasonable opportunity to inspect the Woodpulp in unaltered condition and evaluate the claim in accordance with procedures customary in the industry. Not less than one-half the shipment in dispute shall be held intact pending examination by the Seller or its nominee. The Purchaser shall properly store such goods and cover the same by appropriate insurance against all casualties pending disposition of such claim, and shall pay the Seller's original invoices in full when due, subject to refund by the Seller, if any, upon final settlement of the claim.

Claims shall be based only upon the condition of the Woodpulp at the time of title transfer.

Any claim regarding the air-dry weight of the Woodpulp sold hereunder shall be supported by a certificate indicating that the Woodpulp has been tested in accordance with methods approved by the Technical Association of the Canadian Pulp and Paper Association and is more than one percent (1%) short of the quantity invoiced.

The Seller may elect to have the shipment retested by a recognized chemist of good standing, such chemist to be approved by the Purchaser and the Seller, acting reasonably, in which event such chemist's report shall be final and settlement shall be based thereon. On retest, not less than twenty per cent (20%) of the entire shipment in dispute, nor less than six (6) bales shall be weighed by a sworn weigher, such weigher to be approved by the Purchaser and the Seller, acting reasonably, and sampled. Samples are to be drawn only from bales in good condition, such bales to be determined and agreed to by the Purchaser and the Seller acting reasonably. Should the shortage be found on retest not to exceed one percent (1%) of the amount of Woodpulp fiber invoiced, the invoice shall be considered accurate and retest costs shall be borne by the Purchaser. If the shortage is found to exceed one per cent (1%), the Seller shall bear the costs of the re-test and shall adjust its invoice to reflect the weight shown in the re-test. No claim shall be allowed for consequential, punitive or exemplary damages. The Seller's maximum liability in respect of claims shall be, at the Seller's option, to replace any Woodpulp that fails to meet the specifications set forth in this Agreement or to reimburse Purchaser for the purchase price.



7. **Default** - Either Party may terminate this Agreement at any time by written notice to the other Party (the "Defaulting Party") in the event that:

- a) the Defaulting Party breaches any of its material obligations under this Agreement (other than as the result of a Force Majeure event or a Plant Closure as defined in the this section) and fails to cure such breach within ten (10) days after its receipt of written notice thereof; or
- b) the Defaulting Party makes any assignment for the benefit of its creditors or commences voluntary proceedings for liquidation in bankruptcy, or consents to the appointment of a receiver, trustee or liquidator or if there is an execution sale of a material portion of its assets.

8. **Plant Closure** - In the event that either Party (the "Announcing Party") announces its intention to close its Plant during the Term of this Agreement for an indefinite period of time and that Party reasonably believes that such indefinite period could extend to at least ninety (90) consecutive days (the "Plant Closure"), the Announcing Party shall provide to the other Party as soon as practicable, a written notice to that effect (the "Written Notice") specifying the anticipated first day of the Plant Closure (the "Closure Date"). The Announcing Party shall continue to assume its obligations in accordance with the Terms of this Agreement, a) in the case of Purchaser up to, but not beyond the Closure Date, and b) in the case of Seller, for a period of 90 days after the date of written notice, at which time this Agreement will terminate without penalty, liability or further obligation save and except that termination of this Agreement shall not affect the rights hereunder of either Party against the other Party for the performance or non-performance of each party's respective obligations hereunder prior to such termination.

9. **Force Majeure** - Neither party hereto shall be liable for any non-performance hereunder due to Force Majeure; provided, however, that the party so affected will use its reasonable commercial efforts to remedy any such non-performance, except that nothing herein contained shall require such party to make settlement of any labor dispute on terms unacceptable to it. Seller shall be under no obligation during such contingency to make shipments if the contingency shall be one immediately affecting Seller and the shipments which otherwise would have been made during such period shall be canceled unless Purchaser and Seller otherwise mutually agree. If any such contingency shall cause partial interruption of Seller's operations, Seller may distribute its production and supply among its customers in reduced proportions. However, in no event shall such reduction of Seller's production and supply of Woodpulp distributed to Purchaser be proportionately greater than the reduction made in the production and supply of Woodpulp distributed by Seller to any of its other non-affiliated customers for grades of Woodpulp comparable to those specified in this Agreement. If the contingency shall be one immediately affecting Purchaser, Purchaser shall be under no obligation during the period thereof to accept shipments except such as have been delivered to common carrier or loaded on board a carrier's vehicle prior to the receipt by Seller of notice from Purchaser of said contingency.

Upon the termination of any such contingency, the obligations of the parties hereundershall (except as herein otherwise provided) again become fully effective as to the then unexpired portion of this Agreement; provided, however, that neither the Seller nor the Purchaser shall be obligated to sell or purchase, as the case may be, quantities of Woodpulp that were not provided to Purchaser during the continuation of the event of Force Majeure.

10. **Taxes** - All taxes (including sales and use taxes and imposts), duties (including customs duties) or other charges of any kind levied on the sale of Woodpulp to the Purchaser and importation thereof shall be paid by the Purchaser.

11. **Assignment** - The Parties hereto shall not directly or indirectly assign, transfer or convey in whole or in part their rights, title and interest in this Agreement or delegate their obligations to any third party without the prior written consent of the other Party, which consent shall not be unreasonably withheld.


12. Dispute Resolution - If any dispute arises between the Parties during the Term of this Agreement, the Parties agree that they shall use all reasonable efforts to resolve any dispute that may arise in an amicable manner. If the Parties are unable to resolve such a dispute within ten (10) days, any party may, by notice to the other party, have such dispute referred to their respective management nominees. No action shall be brought by either Party until the mediation has been pursued for at least fifteen (15) days. Thereafter, if the designated nominees are not able to resolve such a dispute, then either Party shall at such time initiate arbitration procedures pursuant to the rules of the International Chamber of Commerce. Each party shall bear its own costs of mediation and arbitration.
13. Notices - Any notice to be given to either Party hereunder shall be deemed to have been properly given if in writing and delivered personally, or sent by airmail, postage prepaid, or by facsimile, addressed to the other Party at its place of business specified at the beginning of this Agreement. Any such notice shall be effective upon receipt.
14. Warranty - Seller warrants that a) Woodpulp shall be as described herein and in the attached specification schedule and b) Seller shall have good title to the Woodpulp. EXCEPT AS EXPRESSLY HEREIN SET FORTH, SELLER MAKES NO WARRANTY OF ANY KIND WITH RESPECT TO THE WOODPULP, AND DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.
15. Governing Law - The validity of this Agreement and the obligations of the parties hereunder shall be governed by and construed according to the laws of Québec and, to the extent not inconsistent therewith, the federal laws of Canada applicable therein, without giving effect to the principles of conflicts of laws thereof.
16. General - This Agreement shall not be modified except in writing duly signed by the Parties hereto. The captions in this Agreement are for reference purposes only and shall not in any way affect the interpretation of the provisions hereof. This Agreement shall constitute the entire agreement between the Parties hereto with respect to the subject matter of this Agreement. Neither Party shall be liable for or bound in any manner by any representations, warranties, guarantees or commitments except as specifically provided herein. It is understood by both parties that this Agreement is not a take or pay agreement. This Agreement may be executed in any number of counterparts (either facsimiles or originals) each of which shall be deemed an original and all of which together shall constitute one and the same Agreement. In the event that one or more provisions contained in this Agreement is held to be illegal, invalid, or unenforceable in any respect under any applicable law, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby and in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as part of this Agreement, a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.
17. Binding Effect - This Agreement shall enure to the benefit of and be binding upon both Parties, their respective successors and permitted assigns.
18. Language - The Parties have requested that this Agreement as well as any other document incidental thereto shall be drawn up in the English language. Les Parties ont demandé que ce contrat, ainsi que tout autre document qui s'y rattache soient rédigés en anglais.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first above written.


FPS Canada Inc.

Per:   
Mr. Gerry Clapperton  
General Manager Pulp Sales


Per:   
Mr. Jean-Pierre Benoit  
General Manager Thurso

Per:   
Mr. Bill Manzer  
Sr. Vice-President  
Pulp and Paper Operations

CASCADES FINE PAPERS GROUP INC.

Per:   
Mr. Robert Birch  
Corporate Director of  
purchasing

Per:   
Mr. Pierre Guay  
Mill Manager

Per:   
Mr. Gino Levesque  
Vice-President  
Manufacturing

January 31, 2008

Addendum – revised February 18, 2008

**PROPOSAL ON COMMERCIAL TERMS TO  
AMEND EXISTING WOODPULP CONTRACT  
BETWEEN**

**FPS INC. and  
CASCADES GROUPE PAPIERS FINS INC.**

**Total volume:** 12,000 to 14,000 ADMTPY ( plus or minus 5% on a Quarterly basis) including 300 to 400 tonnes per month of Certified FSC Pulp

**Grades:** Prime Fully Bleached Hardwood Kraft Woodpulp  
UNDER THE NAME OF THURSO PRIME (specs sheet).  
Also THURSO PRIME - FSC Certified WOODPULP PRODUCT.

**List Price:** Monthly list price for Thurso Prime NBHK will be equivalent to the Pulp and Paper Week price (in U.S. Funds) as indicated in the Price Watch Index: Market Pulp and equivalent to the mid-range price for Northern Bleached Hardwood Kraft sold in the U.S. **List price will lag one month.** No floor and ceiling.

FSC Certified Pulp has a premium of (+10\$ /admt) on previous Thurso Prime list price definition

Table below will be used to determine Net Price based on discount per monthly volume.

**1. St-Jérôme Operations:**

Monthly From:	to:	ADMT	Thurso Prime % Discount	FSC Pulp % Discount
1000	1250	12000 - 14000	PPW less 18.5	PPW less 18.5 + 10\$
801	999	9612 - 11988	PPW less 16.0	PPW less 16.0 + 10\$
501	800	6012 - 9600	PPW less 14.0	PPW less 14.0 + 10\$
0	500	0 - 6000	PPW less 11.0	PPW less 11.0 + 10\$

## **EXHIBIT “B”**



**ENVOI PAR TÉLÉCOPIEUR/FAX TRANSMISSION**



CASCADES GROUPE PAPIERS FINS INC.  
DIVISION ROLLAND  
455, avenue Rolland,  
St-Jérôme, (Québec) J7Z 5S2

Le 29 avril 2009

A/TO : PAPIER FRASER  
Myreille Leduc, Daniel Charron  
customer service

Télécopieur : (819)985-5005

Courriel : [customer\\_service@th.fraserpapers.com](mailto:customer_service@th.fraserpapers.com)

De/From ALAIN DE LISLE

Numéro de téléphone Travail : (450)569-3932

Numéro de télécopieur (450)436-2290

Nombre de pages incluant la page couverture  
Number of pages including cover page

2

**MESSAGE IMPORTANT**

OBJET: Schedule of pulp

Please note our need for the month of may 2009.

500 admt on P.O. : 46539

\*\*\* TRUCK WILL BE UNLOADED BETWEEN 8 AM AND NOON \*\*\*

BE SUR THAT YOUR CARRIER FOLLOW THE SCHEDULE AND BE SURE THAT  
HE IS AWARE OF OUR UNLOADING SCHEDULE. THE RECEIVING DATE  
REQUEST ON THE SCHEDULE MUST APPEAR ON ALL SHIPPING DOCUMENT.

Alain De Lisle

C.C.: P. Lapierre

## **EXHIBIT “C”**

37

**ENVOI PAR TÉLÉCOPIEUR/FAX TRANSMISSION**



**CASCADES GROUPE PAPIERS FINS INC.**  
**DIVISION ROLLAND**  
455, avenue Rolland,  
St-Jérôme, (Québec) J7Z 5S2

Le 29 mai 2008

**A/TO : PAPIER FRASER**  
Myreille Leduc, Daniel Charron  
customer service

Télécopieur : (819)985-5005

Courriel : [customer.service@th.fraserpapers.com](mailto:customer.service@th.fraserpapers.com)

**De/From ALAIN DE LISLE**

Numéro de téléphone Travail : (450)569-3932  
Our Phone

Numéro de télécopieur (450)436-2290  
Our Fax

Nombre de pages incluant la page couverture  
Number of pages including cover page

2

**MESSAGE MODIFICATION NO 2**

**OBJET: Modification to the qty on Schedule of pulp for june 2009**

Please note our need for the month of JUNE 2009 is:

500 admt on P.O. : 46936

Alain De Lisle

**Cascades Groupe Papiers fins inc.**  
**Division Rolland**

vendredi 29 mai 2009

PAPIER FRASER .  
Pulp Sales Division  
C.P. 400  
THURSO (Québec), JOX 3B0

Attention: SALES DEPT  
Tel: (819) 985-5006  
Fax: (819) 985-5005

Subject: THURSO PRIME ECF BLEACHED HARDWOOD PULP (HORS dégel 32t& 25t pour dégel) Receiving schedule for our St-Jerome mill is, 500 M.T.;  
( rails cars x 68 admt= ADMT), ( 16 trucks x 32 admt = ADMT)

P.O. 46936 for june 2009

[illegible]

Alain DeLisle

c.c.: P. Lapierre

## **EXHIBIT “D”**

# PapiersFraser

**FPS Canada Inc.**  
THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUM0239  
# TPS - GST # 854616604  
# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO		01108	CONSIGNÉ À CONSIGNE TO		21008
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2			CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2		
DATE 2009/05/13	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46339		DATE D'EXPÉDITION SHIPPING DATE 2009/05/13	EXPÉDIÉ PAR SHIPPED VIA WARNETT 93294	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds

U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009/05/13

DESCRIPTION:

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
<del>0126-088859</del>					
Lot: 20096370	10 98.72%	2,401.6	2,370.9		
Lot: 20096393	128 102.34%	30,559.6	31,274.6		
Total	138	32,961.2	33,645.5	427.8800	14,396.24
WT. AVG. TAPPI	102.08%				
					14,396.24
		Taux TPS - GST rate		5.00 %	719.81
		Taux TVQ - PST rate		7.50 %	15,116.05
				Total ----	1,133.70
					16,249.75
PRIME --	PRIME --	PRIME			

NO DE FACTURE  
RFP0905-104507

Confidential Ethics Reporting through ClearView Connects  
1-866-863-4264 or [www.clearviewconnects.com](http://www.clearviewconnects.com)  
Mail: P.O. Box 90505, Toronto, Ontario M1J 3N7

NO DE FACTURE  
K INVOICE NO 5 - 104538



# PapiersFraser

## FPS Canada Inc.

THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUM0239

# TPS - GST # 854616604

# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO		01108	CONSIGNÉ À CONSIGNED TO		21008
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2			CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2		
DATE 2009/05/15	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46539		DATE D'EXPÉDITION SHIPPING DATE 2009/05/15	EXPÉDIÉ PAR SHIPPED VIA WARNETT 93294	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds

U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009/05/15

DESCRIPTION:

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
<del>0126-088896</del> Lot: 20096365	136 97.47%	33,048.2	32,211.7		
Total	136	33,048.2	32,211.7	427.8800	13,782.74
WT. AVG. TAPPI	97.47%				
					13,782.74
		Taux TPS - GST rate		5.00 %	689.14
		Taux TVQ - PST rate		7.50 %	1,085.39
				Total ---	15,557.27
PRIME --	PRIME --	PRIME			

NO DE FACTURE  
K1009905-104545

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**FPS Canada Inc.**  
THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUM0239

# TPS - GST # 854616604

# TVO - OST # 1207284528

FACTURÉ À INVOICE TO		D1108		CONSIGNÉ À CONSIGNED TO		21008	
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2				CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2			
DATE 2009/05/19		NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46539		DATE D'EXPÉDITION SHIPPING DATE 2009/05/19		EXPÉDIÉ PAR SHIPPED VIA WARNETT 53294	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds

U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./ Sched.: 2009/05/19

DESCRIPTION:

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
0126-088963 Lot: 20096418	136 97.58%	33,041.2	32,241.6		
Total WT. AVG. TAPPI	136 97.58%	33,041.2	32,241.6	427.8800	13,795.54
		Taux TPS - GST rate		5.00 %	13,795.54 689.78
		Taux TVQ - PST rate		7.50 %	14,485.32 1,086.40
				Total ---	15,571.72
PRIME --	PRIME --	PRIME			
NO DE FACTURE	Confidential Ethics Reporting through ClearView Connects				

Confidential Ethics Reporting through ClearView Connects

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4/3

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Summary Id. - # du sommaire: SUM0239
# TPS - GST #      854616604
# TVO - QST #      1207284528
```

CONDITIONS DE VENTE  
TERMS OF SALE

Devises / Funds

U.S.A.

Date Ced./Sched.: 2009/05/20

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
0126-089000					
Lot: 20096364	7 98.60%	1,666.9	1,643.5		
Lot: 20096365	27 97.47%	6,611.2	6,443.8		
Lot: 20096417	39 98.48%	9,417.1	9,274.1		
Lot: 20096418	38 97.58%	9,170.1	8,948.2		
Lot: 20096435	25 98.63%	6,026.3	5,943.8		
	-----	-----	-----		
Total	136	32,891.6	32,253.4	427.8800	13,800.58
WT. AVG. TAPPI	98.06%				
					13,800.58
		Taux TPS - GST rate		5.00 %	690.03
					14,490.61
		Taux TVQ - PST rate		7.50 %	1,086.80
				Total ----	15,577.41
PRIME --	PRIME --	PRIME			

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# PapiersFraser

**FPS Canada Inc.**  
THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUM0239  
# TPS - GST # 854616604  
# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO		01108	CONSIGNÉ À CONSIGNED TO		21008
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2			CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2		
DATE 2009/05/21	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46539		DATE D'EXPÉDITION SHIPPING DATE 2009/05/21	EXPÉDIÉ PAR SHIPPED VIA WARNETT 4027	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds

U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009/05/21

DESCRIPTION :

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
<del>0126-089029</del> Lot: 20096435	138 98.63%	33,050.4	32,597.6		
Total	138	33,050.4	32,597.6	427.8800	13,947.86
WT. AVG. TAPPI	98.63%				
					13,947.86
		Taux TPS - GST rate		5.00 %	697.39
		Taux TVQ - PST rate		7.50 %	1,098.39
				Total ----	15,743.64
PRIME --	PRIME --	PRIME			

NO DE FACTURE  
KND0005-104663

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# PapiersFraser

**FPS Canada Inc.**  
THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUM0239

# TPS - GST # 854616604

# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO		01108	CONSIGNÉ À CONSIGNED TO		21008
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND			CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND		
ST-JEROME, QUEBEC J7Z5S2			ST-JEROME, QUEBEC J7Z5S2		
DATE 2009/05/22	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46539		DATE D'EXPÉDITION SHIPPING DATE 2009/05/22	EXPÉDIÉ PAR SHIPPED VIA WARNETT 4027	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds

U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009/05/22

DESCRIPTION:

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
0126-089030 Lot: 20096435	136 98.63%	32,932.5	32,481.2		
Total	136	32,932.5	32,481.2	427.8800	13,898.06
WT. AVG. TAPPI	98.63%				
					13,898.06
		Taux TPS - GST rate		5.00 %	694.90
		Taux TVQ - PST rate		7.50 %	1,094.47
				Total ---	15,687.43
PRIME --	PRIME --	PRIME			

NO DE FACTURE

200905-104671

Confidential Ethics Reporting through ClearView Connects

1-866-863-4264 or [www.clearviewconnects.com](http://www.clearviewconnects.com)

Mail: P.O. Box 90505, Toronto, Ontario M1J 3N7

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

# TVO - OST # 1207284528

DESCRIPTION :

Date Ced./Sched.: 2009/05/25

## DESCRIPTION :

Confidential Ethics Reporting through ClearView Connects  
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Mail: P.O. Box 90505, Toronto, Ontario M1J 3N7

PapiersFraser

FPS Canada Inc.  
THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUM0239  
# TPS - GST # 854616604  
# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO		01108	CONSIGNÉ À CONSIGNE TO		21008
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2			CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2		
DATE 2009/05/27	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46539		DATE D'EXPÉDITION SHIPPING DATE 2009/05/26	EXPÉDIÉ PAR SHIPPED VIA WARNETT 4027	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds

U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009/05/26

DESCRIPTION :

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
0126-089089 Lot: 20096495	138 99.17%	32,986.8	32,712.5		
Total	138	32,986.8	32,712.5	427.8800	13,997.02
WT. AVG. TAPPI	99.17%				
					13,997.02
		Taux TPS - GST rate		5.00 %	699.85
		Taux TVQ - PST rate		7.50 %	1,102.27
				Total ---	15,799.14
PRIME --	PRIME --	PRIME			

NO DE FACTURE  
R2005NPS-104721

Confidential Ethics Reporting through ClearView Connects  
1-866-863-4264 or [www.clearviewconnects.com](http://www.clearviewconnects.com)  
Mail: P.O. Box 90505, Toronto, Ontario M1J 3N7

PapiersFraser

FPS Canada Inc.  
THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUM0239  
# TPS - GST # 854616604  
# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO		01108	CONSIGNÉ À CONSIGNED TO		21008
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2			CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2		
DATE 2009/05/28	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46539		DATE D'EXPÉDITION SHIPPING DATE 2009/05/27	EXPÉDIÉ PAR SHIPPED VIA WARNETT 4027	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds

U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009/05/27

DESCRIPTION:

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
<del>0126-009091</del>					
Lot: 20096494	28 101.32%	6,630.9	6,718.6		
Lot: 20096495	111 99.17%	26,422.7	26,203.1		
Total	139	33,053.6	32,921.7	427.8800	14,086.54
WT. AVG. TAPPI	99.60%				
					14,086.54
		Taux TPS - GST rate		5.00 %	704.33
					14,790.87
		Taux TVQ - PST rate		7.50 %	1,109.32
				Total ---	15,900.19
PRIME --	PRIME --	PRIME			

NO DE FACTURE  
RFP0905-104733

Confidential Ethics Reporting through ClearView Connects  
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Mail: P.O. Box 90505, Toronto, Ontario M1J 3N7



PapiersFraser

FPS Canada Inc.  
THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUN0239

# TPS - GST # 854616604

# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO		01108	CONSIGNÉ À CONSIGNED TO		21008
CASCADES GROUPE PAPIERS PINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND			CASCADES GROUPE PAPIERS PINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND		
ST-JEROME, QUEBEC J7Z5S2			ST-JEROME, QUEBEC J7Z5S2		
DATE 2009/06/01	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46936		DATE D'EXPÉDITION SHIPPING DATE 2009/06/01	EXPÉDIÉ PAR SHIPPED VIA WARNETT 4029	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds

U.S.A.

DLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009/06/01

DESCRIPTION:

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
0151-089149 Lot: 20096529	140 96.34%	32,900.1	31,695.7		
Total	140	32,900.1	31,695.7	427.8800	13,561.96
WT. AVG. TAPPI	96.34%				
					13,561.96
		Taux TPS - GST rate		5.00 %	678.10
		Taux TVQ - PST rate		7.50 %	1,068.00
				Total ----	15,308.06
PRIME --	PRIME --	PRIME			

NO DE FACTURE  
INVOICE NO - 104781

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# PapiersFraser

**FPS Canada Inc.**  
THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUM0239  
# TPS - GST # 854616604  
# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO		01108	CONSIGNÉ À CONSIGNED TO		21008
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND			CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND		
ST-JEROME, QUEBEC J7Z5S2			ST-JEROME, QUEBEC J7Z5S2		
DATE 2009/06/01	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46936		DATE D'EXPÉDITION SHIPPING DATE 2009/06/01	EXPÉDIÉ PAR SHIPPED VIA WARNETT 4024	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds

U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009/06/01

DESCRIPTION:

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
0151-089150 Lot: 20096529	138 96.34%	32,936.7	31,731.7		
Total	138	32,936.7	31,731.7	427.8800	13,577.36
WT. AVG. TAPPI	96.34%				
					13,577.36
		Taux TPS - GST rate		5.00 %	678.87
		Taux TVQ - PST rate		7.50 %	1,069.22
				Total ----	15,325.45
PRIME --	PRIME --	PRIME			

NO DE FACTURE  
INVOICE NO - 104782

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PapiersFraser

FPS Canada Inc.  
THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUM0239

# TPS - GST = 854616604

# TVQ - QST = 1207284528

FACTURÉ À INVOICE TO	01108	CONSIGNÉ À CONSIGNED TO	21008
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2		CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2	
DATE 2009/06/02	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46936	DATE D'EXPÉDITION SHIPPING DATE 2009/06/02	EXPÉDIÉ PAR SHIPPED VIA WARNETT 4029

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds

U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009/06/02

DESCRIPTION:

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
<del>0151-089167</del>					
Lot: 20096517	98 97.75%	23,048.0	22,529.5		
Lot: 20096529	42 96.34%	10,037.7	9,670.4		
Total	140	33,085.7	32,199.9	427.8800	13,777.69
WT. AVG. TAPPI	97.32%				
					13,777.69
		Taux TPS - GST rate		5.00 %	688.88
					14,466.57
		Taux TVQ - PST rate		7.50 %	1,084.99
				Total ----	15,551.56
PRIME --	PRIME --	PRIME			

NO DE FACTURE  
INVOICE NO. - 104798

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**FPS Canada Inc.**  
THURSO, QUÉBEC J0X 3B0

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CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUM0239  
# TPS - GST # 854616604  
# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO  CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2		01108	CONSIGNÉ À CONSIGNED TO  CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2		21008
DATE 2009/06/03	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46936		DATE D'EXPÉDITION SHIPPING DATE 2009/06/02	EXPÉDIÉ PAR SHIPPED VIA WARNETT 4024	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds

U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009/06/02

DESCRIPTION:

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
0151-089168 Lot: 20096517	137 97.75%	32,972.2	32,230.3		
Total	137	32,972.2	32,230.3	427.8800	13,790.70
WT. AVG. TAPPI	97.75%				
					13,790.70
		Taux TPS - GST rate		5.00 %	689.54
		Taux TVQ - PST rate		7.50 %	1,086.02
				Total ----	15,566.26
PRIME --	PRIME --	PRIME			

NO DE FACTURE  
1-866-863-4264 or www.clearviewconnects.com

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## FPS Canada Co.

THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUM0239

# TPS - GST # 854616604

# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO		01108	CONSIGNÉ À CONSIGNED TO		21008
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND			CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND		
ST-JEROME, QUEBEC J7Z5S2			ST-JEROME, QUEBEC J7Z5S2		
DATE 2009/06/04	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46936		DATE D'EXPÉDITION SHIPPING DATE 2009/06/03	EXPÉDIÉ PAR SHIPPED VIA WARNETT 4022	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009/06/03

### DESCRIPTION:

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
<del>0151-089176</del>					
Lot: 20096517	50 97.75%	11,814.5	11,548.8		
Lot: 20096522	13 101.67%	3,122.4	3,174.6		
Lot: 20096523	74 99.42%	17,937.0	17,833.7		
Total	137	32,873.9	32,557.1	427.8800	13,930.53
WT. AVG. TAPPI	99.04%				
					13,930.53
		Taux TPS - GST rate		5.00 %	696.53
		Taux TVQ - PST rate		7.50 %	1,097.03
				Total ---	15,724.09
PRIME --	PRIME --	PRIME			

NO DE FACTURE  
K1VDCS005-104814

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FPS Canada  
THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUM0239

# TPS - GST # 854616604

# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO		01108	CONSIGNÉ À CONSIGNED TO		21008
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2			CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2		
DATE 2009/06/04	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46936		DATE D'EXPÉDITION SHIPPING DATE 2009/06/03	EXPÉDIÉ PAR SHIPPED VIA WARNETT 4024	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds

U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.:2009/06/03

DESCRIPTION :

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
0151-089177 Lot: 20096523	138 99.42%	32,831.6	32,641.5		
Total	138	32,831.6	32,641.5	427.8800	13,966.65
WT. AVG. TAPPI	99.42%				
					13,966.65
		Taux TPS - GST rate		5.00 %	698.33
		Taux TVQ - PST rate		7.50 %	1,099.87
				Total ---	15,764.85
PRIME --	PRIME --	PRIME			

NO DE FACTURE  
R11909506-104815

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# Papiers**Fraser**

**FPS Canada**   
THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUM0239

# TPS - GST # 854616604

# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO		01108	CONSIGNÉ À CONSIGNE TO		21008
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2			CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2		
DATE 2009/06/05	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46936		DATE D'EXPÉDITION SHIPPING DATE 2009/06/04	EXPÉDIÉ PAR SHIPPED VIA WARNETT 4022	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises / Funds

U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009/06/04

DESCRIPTION :

[illegible]

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THURSO, QUÉBEC J0X 3B0

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# TPS - GST # 854616604

# TVQ - QST # 1207284528

30 JOURS - DAYS

Devises / Funds U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009/06/04

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THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh,PA 15251

Summary Id. - # du sommaire: SUM0239

# TPS - GST # 854616604

# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO		01108		CONSIGNÉ À CONSIGNE TO		21008	
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z582				CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z582			
DATE 2009/06/05		NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46936		DATE D'EXPÉDITION SHIPPING DATE 2009/06/05		EXPÉDIÉ PAR SHIPPED VIA WARNETT 4022	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises / Funds

0.53 Å

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009-06-05

DESCRIPTION :

[illegible]

Confidential Ethics Reporting through ClearView Connects

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PapiersFraser

FPS Canada Inc.  
THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUN0239  
# TPS - GST # 854616604  
# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO  01108  CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2		CONSIGNÉ À CONSIGNE TO  21008  CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2	
DATE 2009/06/08	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46936	DATE D'EXPÉDITION SHIPPING DATE 2009/06/05	EXPÉDIÉ PAR SHIPPED VIA WARNETT 4024

CONDITIONS DE VENTE 30 JOURS - DAYS Devises/Funds U.S.A.  
TERMS OF SALE  
BLEACHED HARDWOOD KRAFT PULP Date Ced./Sched.: 2009/06/05

DESCRIPTION:

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
0151-089194 Lot: 20096514	137 96.32%	33,033.6	31,817.9		
Total	137	33,033.6	31,817.9	427.8800	13,614.24
WT. AVG. TAPPI	96.32%				
					13,614.24
		Taux TPS - GST rate		5.00 %	680.71
		Taux TVQ - PST rate		7.50 %	14,294.95
				Total ---	1,072.12
					15,367.07
PRIME --	PRIME --	PRIME			

NO DE FACTURE  
K2005N06-104844

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PapiersFraser

FPS Canada C.  
THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15231

Summary Id. - # du sommaire: SUM0239

# TPS - GST # 854616604

# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO		01108	CONSIGNÉ À CONSIGNED TO		21008
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND			CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND		
ST-JEROME, QUEBEC J7Z5S2			ST-JEROME, QUEBEC J7Z5S2		
DATE 2009/06/09	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46936		DATE D'EXPÉDITION SHIPPING DATE 2009/06/08	EXPÉDIÉ PAR SHIPPED VIA WARNETT 4022	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds

U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009/06/08

DESCRIPTION :

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
0151-089230					
Lot: 20096514	96 96.32%	23,194.5	22,340.5		
Lot: 20096515	24 97.09%	5,816.1	5,646.8		
Total	120	29,010.6	27,987.3	427.8800	11,975.21
WT. AVG. TAPPI	96.47%				
		Taux TPS - GST rate		5.00 %	11,975.21
					598.76
		Taux TVQ - PST rate		7.50 %	12,573.97
					943.05
				Total ----	13,517.02
PRIME --	PRIME --	PRIME			

NO DE FACTURE  
REVOCATION-104864

Confidential Ethics Reporting through ClearView Connects

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PapiersFraser

FPS Canada C.  
THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: 30M0239

# TPS - GST # 854616604

# TVQ - QST # 1207264528

FACTURÉ À INVOICE TO		01108	CONSIGNÉ À CONSIGNE TO		21008
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2			CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2		
DATE 2009/06/09	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46936		DATE D'EXPÉDITION SHIPPING DATE 2009/06/08	EXPÉDIÉ PAR SHIPPED VIA WARNETT 4024	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds

U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009/06/08

DESCRIPTION :

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
0151-089231 Lot: 20096515	121 97.09%	29,100.7	28,254.2		
Total	121	29,100.7	28,254.2	427.8800	12,089.41
WT. AVG. TAPPI	97.09%				
					12,089.41
		Taux TPS - GST rate		5.00 %	604.47
		Taux TVQ - PST rate		7.50 %	952.04
				Total ---	13,645.92
PRIME --	PRIME --	PRIME			

NO DE FACTURE  
KND0906-104865

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# PapiersFraser

**FPS Canada Inc.**  
THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUM0239  
# TPS - GST # 854616604  
# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO		01108	CONSIGNÉ À CONSIGNED TO		21008
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND			CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND		
ST-JEROME, QUEBEC J7Z5S2			ST-JEROME, QUEBEC J7Z5S2		
DATE 2009/06/09	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46936		DATE D'EXPÉDITION SHIPPING DATE 2009/06/09	EXPÉDIÉ PAR SHIPPED VIA WARNETT 4022	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds

U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009/06/09

DESCRIPTION :

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
0151-009232					
Lot: 20096515	17 97.10%	4,076.7	3,958.3		
Lot: 20096516	119 96.63%	28,824.0	27,852.7		
Total	136	32,900.7	31,811.0	427.8800	13,611.29
WT. AVG. TAPPI	96.69%				
		Taux TPS - GST rate		5.00 %	13,611.29
					680.56
		Taux TVQ - PST rate		7.50 %	14,291.85
					1,071.89
				Total ----	15,363.74
PRIME --	PRIME --	PRIME			

NO DE FACTURE  
INV0906-104866

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PapiersFraser

FPS Canada Co.  
THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUM0239  
# TPS - GST # 854616604  
# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO		01108	CONSIGNÉ À CONSIGNED TO		21008
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2			CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2		
DATE 2009/06/10	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46936		DATE D'EXPÉDITION SHIPPING DATE 2009/06/09	EXPÉDIE PAR SHIPPED VIA WARNETT 4028	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds

U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009/06/09

DESCRIPTION:

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
0151-089233 Lot: 20096516	135 96.63%	32,908.4	31,799.6		
Total	135	32,908.4	31,799.6	427.8800	13,606.41
WT. AVG. TAPPI	96.63%				
					13,606.41
		Taux TPS - GST rate		5.00 %	680.32
		Taux TVQ - PST rate		7.50 %	1,071.50
				Total ---	15,358.23
PRIME --	PRIME --	PRIME			

NO DE FACTURE

R200906-104880

Confidential Ethics Reporting through ClearView Connects  
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PapiersFraser

FPS Canada Inc.  
THURSO, QUÉBEC J0X 3B0

63

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUM0239  
# TPS - GST # 854616604  
# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO		01108	CONSIGNÉ À CONSIGNE TO		21008
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND			CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND		
ST-JEROME, QUEBEC J7Z5S2			ST-JEROME, QUEBEC J7Z5S2		
DATE	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO.		DATE D'EXPÉDITION SHIPPING DATE	EXPÉDIÉ PAR SHIPPED VIA	
2009/06/11	46936		2009/06/10	WARNETT 4028	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds

U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced./Sched.: 2009/06/10

DESCRIPTION:

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
0151-089234					
Lot: 20096513	106 97.16%	25,602.0	24,875.1		
Lot: 20096516	31 96.63%	7,481.7	7,229.7		
	-----	-----	-----		
Total	137	33,083.7	32,104.8	427.8800	13,737.00
WT. AVG. TAPPI	97.04%				
					13,737.00
		Taux TPS - GST rate		5.00 %	686.85
					14,423.85
		Taux TVQ - PST rate		7.50 %	1,081.79
				Total ----	15,505.64
PRIME --	PRIME --	PRIME			

NO DE FACTURE

200906-104899

Confidential Ethics Reporting through ClearView Connects  
1-866-863-4264 or [www.clearviewconnects.com](http://www.clearviewconnects.com)  
Mail: P.O. Box 90505, Toronto, Ontario M1J 3N7

PapiersFraser

FPS Canada Inc.  
THURSO, QUÉBEC J0X 3B0

CANADA

Payments To: FPS Canada Inc., P.O.Box 371186 Pittsburgh, PA 15251

Summary Id. - # du sommaire: SUM0239

# TPS - GST # 854616604

# TVQ - QST # 1207284528

FACTURÉ À INVOICE TO		01108	CONSIGNÉ À CONSIGNED TO		21008
CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2			CASCADES GROUPE PAPIERS FINS INC. DIVISION ST-JEROME 455 AVENUE ROLLAND  ST-JEROME, QUEBEC J7Z5S2		
DATE 2009/06/11	NO DE COMMANDE DU CLIENT CUSTOMER ORDER NO. 46936		DATE D'EXPÉDITION SHIPPING DATE 2009/06/10	EXPÉDIE PAR SHIPPED VIA WARNETT 4022	

CONDITIONS DE VENTE  
TERMS OF SALE

30 JOURS - DAYS

Devises/Funds

U.S.A.

BLEACHED HARDWOOD KRAFT PULP

Date Ced. Sched.: 2009/06/10

DESCRIPTION:

NOTRE NO DE RÉFÉRENCE OUR REFERENCE NO.	NOMBRE DE BALLOTS NO. OF BALES	POIDS BRUT GROSS WEIGHT	POIDS SEC AIR AIR DRY WEIGHT	PRIX UNITAIRE UNIT PRICE	TOTAL
0151-089242 Lot: 20096513	137 97.16%	32,880.6	31,947.2		
Total	137	32,880.6	31,947.2	427.8800	13,669.57
WT. AVG. TAPPI	97.16%				
		Taux TPS - GST rate		5.00 %	13,669.57 683.48
		Taux TVQ - PST rate		7.50 %	14,353.05 1,076.48
				Total ---	15,429.53
PRIME --	PRIME --	PRIME			

NO DE FACTURE  
N200906-104902

Confidential Ethics Reporting through ClearView Connects  
1-866-863-4264 or [www.clearviewconnects.com](http://www.clearviewconnects.com)  
Mail: P.O. Box 90505, Toronto, Ontario M1J 3N7



## **EXHIBIT “E”**

**Danny Nunes**

---

**From:** Danny Nunes  
**Sent:** September 8, 2009 3:38 PM  
**To:** 'pbrochu@cascades.com'  
**Subject:** Fraser Papers

Mr. Brochu,

Further to our brief discussion this afternoon, the issue of amounts owed to and by Fraser Papers with respect to Cascades remains outstanding and I am sure Cascades would like this matter resolved as quickly as possible, as would our client. My numbers may be slightly dated but as at the end of July, Cascades owed Fraser Papers approximately \$402,000 while Fraser owed Cascades approximately \$229,881 on account of pre-petition goods and services.

During a previous discussion, you mentioned that Cascades is making a claim for set off of the above amounts. As I am sure you are aware, to claim legal set-off, there must be mutuality of parties which is not the case with Fraser Papers and Cascades. We have Cascades Fine Papers and Cascades Auburn and FPS Canada Inc., Fraser Papers Limited and Fraser NH LLC. All of the parties may reside under the Cascades and Fraser Papers corporate "umbrellas" but case law on this issue is clear that being part of the same corporate family does not satisfy the requirement for mutuality. Thus, as an example, a claim of legal set-off cannot be made with respect to a contract between Cascades Fine Paper and FPS Canada Inc., where Cascades owes FPS Canada money, and a contract between Cascades Auburn and Fraser Papers Limited where Fraser Papers owes amounts to Cascades Auburn.

I am happy to discuss this further at your earliest convenience.

Regards,

**Danny M. Nunes**  
**Direct Line:** (416) 304-0592  
**Email:** [dnunes@tgf.ca](mailto:dnunes@tgf.ca)

**ThorntonGroutFinnigan LLP | The Restructuring & Litigation Boutique | Suite 3200, Canadian Pacific Tower,  
100 Wellington Street West, P.O. Box 329, Toronto-Dominion Centre, Toronto, Ontario M5K 1K7 | 416-304-1616  
| Fax: 416-304-1313 | [www.tgf.ca](http://www.tgf.ca)**

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## **EXHIBIT “F”**

# ThorntonGroutFinnigan

THE RESTRUCTURING & LITIGATION BOUTIQUE

Danny M. Nunes  
Direct: 416-304-0592 E-mail: [dnunes@tgf.ca](mailto:dnunes@tgf.ca)  
File No.: 1296-001

September 23, 2009

**VIA EMAIL**

Cascades Groupe Papiers Fins Inc.  
Division St-Jerome  
455 Avenue Rolland  
St-Jerome, QC J7Z 5S2

**Attention: Pierre Brochu**

Dear Sir:

**Re: Fraser Papers Inc. ("Fraser Papers")**

As you are aware, we are counsel to Fraser Papers Inc. and its subsidiaries (together, the "Companies"). The Companies commenced a court proceeding and were granted protection under the *Companies' Creditors Arrangement Act* (Canada) by Order of the Ontario Superior Court of Justice dated June 18, 2009.

We have been advised by our client that there is a long outstanding balance owed by Cascades Groupe Papiers Fins Inc. ("Cascades") to FPS Canada Inc. ("FPS") in the aggregate amount of approximately CAD \$401,000.00. You previously advised during telephone discussions with the undersigned that Cascades is claiming a set-off of amounts allegedly owed by Fraser Papers Limited and Fraser NH LLC to Cascades Auburn against those amounts owed by Cascades to FPS.

Despite numerous messages left by the undersigned requesting the opportunity to speak to you about the alleged set-off claim and email correspondence setting out our client's position regarding same, you have made no effort to resolve this matter, either through the advancement of the alleged set-off claim or through payment of the outstanding balance.

This matter has been outstanding for a significant period of time and must be resolved immediately. We have received instructions to draft a Statement of Claim and commence litigation to collect the outstanding amount, which we are in the process of doing. All costs incurred by the Companies in this regard will be added to the amount payable by Cascades.

**ThorntonGroutFinnigan LLP**

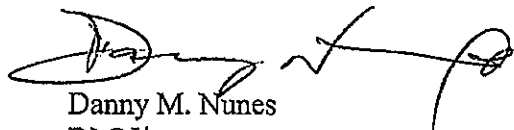
Suite 3200, Canadian Pacific Tower, 100 Wellington St. West, P.O. Box 329, Toronto-Dominion Centre, Toronto, Canada M5K 1K7  
Phone: 416-304-1616 Fax: 416-304-1313 [www.tgf.ca](http://www.tgf.ca)

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Please govern yourselves accordingly.

Yours truly,

**ThorntonGroutFinnigan LLP**

A handwritten signature in black ink, appearing to read "Danny M. Nunes", with a stylized flourish at the end.

Danny M. Nunes  
DMN/mm

## **EXHIBIT “G”**

# ThorntonGroutFinnigan

THE RESTRUCTURING & LITIGATION BOUTIQUE

D.J. Miller  
Direct: 416-304-0559 E-mail: djmiller@tgf.ca  
File No.: 1296-001

November 12, 2009

## VIA EMAIL

Cascades Fine Papers Group Inc. /  
Groupe Papiers Fins Inc.  
Division St-Jerome  
455 Avenue Rolland  
St-Jerome, QC J7Z 5S2

Attention: Pierre Brochu

Dear Sir:

**Re: Fraser Papers Inc., FPS Canada Inc., Fraser Paper Holdings Inc., Fraser Timber Ltd.,  
Fraser Papers Limited, Fraser N.H. LLC (collectively, the "Applicants")**

We refer to our letter dated September 23, 2009 wherein we confirmed that we represent the Applicants in connection with a Court proceeding brought under the *Companies' Creditors Arrangement Act* (Canada) ("CCAA"), by Order of the Ontario Superior Court of Justice dated June 18, 2009 (the "Initial Order"). An ancillary proceeding was commenced on June 19, 2009 pursuant to Chapter 15 of the *U.S. Bankruptcy Code*. Accordingly, parallel proceedings are in place in Canada and the U.S. in respect of the Applicants.

There is a long-overdue account receivable owed by Cascades Fine Papers Group Inc. / Cascades Groupe Papiers Fins Inc. ("Cascades") to FPS Canada Inc. ("FPS") in the total amount of CAD \$401,497.36 as set out in the attached Schedule "A" (the "Outstanding Amount"). This Outstanding Amount arises from Cascades' purchase of pulp from FPS pursuant to a Wood Pulp Sale Agreement dated January 23, 2007, as amended (the "Agreement"). By letter dated November 12, 2009 FPS repudiated the Agreement in accordance with its rights under paragraph 13(e) of the Initial Order. Cascades is entitled to file a Restructuring Claim for any damages it asserts arising out of FPS' repudiation of the Agreement, on or before December 13, 2009.

Pulp was delivered by FPS, received by Cascades and invoiced by FPS, all in accordance with the Agreement. Payment was required to be made by Cascades within 30 days of the invoice date. Any alleged claims asserted by Cascades in respect of the pulp were required to have been made within 30 days after delivery of the pulp by FPS, pursuant to the terms of the Agreement. No such claim or issue has been raised by Cascades at any time in connection with the pulp.

Rather, Cascades has simply asserted that it does not intend to pay the Outstanding Amount due to an amount that it claims is owing by Fraser N.H. LLC and Fraser Papers Limited (the "US Applicants") to Cascades Auburn Fiber Inc., a U.S. company ("Cascades Auburn") relating to purchases made by the US Applicants from Cascades Auburn.

ThorntonGroutFinnigan LLP

Suite 3200, Canadian Pacific Tower, 100 Wellington St. West, P.O. Box 329, Toronto-Dominion Centre, Toronto, Canada M5K 1K7  
Phone: 416-304-1616 Fax: 416-304-1313 www.tgf.ca

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You have advised that Cascades believes it is entitled to set-off amounts owing to FPS, with any amount owing by the US Applicants to Cascades Auburn. As you are aware, and as confirmed by the documentation evidencing the contractual relationship between the various parties, there is no mutuality involving the same parties, so as to allow one outstanding amount to be set-off against another by way of legal set-off. In our view there is also no basis for a claim of equitable set-off, as the circumstances do not arise out of the same transaction, but rather, are distinct contractual arrangements involving different businesses and different legal entities.

In any event, any claim that Cascades Auburn may have been entitled to assert against any of the Applicants is now extinguished. Cascades Auburn received a Proof of Claim Document Package from PricewaterhouseCoopers Inc., the court-appointed Monitor, in accordance with the Order of Madam Justice Pepall dated July 15, 2009 (the "Claims Order"). The Proof of Claim package was mailed to Cascades Auburn on August 7 and pursuant to section 19 of the Claims Order, is deemed to have been received on August 21, 2009. In accordance with the Claims Order, any claim asserted by Cascades Auburn was required to be filed with the Monitor on or before September 30, 2009 (the "Claims Bar Date"). Cascades Auburn failed to file a proof of claim against any of the Applicants on or before the Claims Bar Date, and is now forever barred from asserting a claim against any of the Applicants.

We and our client have made repeated efforts over the past four months to collect payment of this Outstanding Amount, without success. Even if your view on the right to assert set-off was correct (had the claim for payment not also been extinguished under the Claims Order), the net Outstanding Amount owing to FPS by Cascades would be \$171,616.36 [\$401,497.36 - \$229,881.00], which amount has also not been paid.


The CCAA proceeding is intended to facilitate a restructuring of the Applicants' operations and minimize unnecessary costs. Our continuing efforts to recover payment of this Outstanding Amount are not consistent with the Applicants' efforts to minimize unnecessary expenditures, pursuant to the Initial Order.

**Please be advised that we have scheduled a motion before Madam Justice Pepall, the presiding judge in this matter, for Wednesday, December 2, 2009 at 10:00 a.m. at the Ontario Superior Court of Justice, 330 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario.** At that time we will be seeking an Order requiring that Cascades pay the entire Outstanding Amount within 10 days of the date of the Order. At that time we will also request that Cascades be required to pay all costs incurred by FPS (including the legal costs of this firm) in attempting to recover payment of the Outstanding Amount. We will serve and file a Notice of Motion in support of the Order we are seeking, later this month. We are providing you with ample advance notice in the event you wish to make arrangements for payment prior to our Court attendance on December 2, 2009.

Please govern yourself accordingly.

Yours truly,

**ThorntonGroutFinnigan LLP**

  
D.J. Miller  
DJM:gk



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## SCHEDULE "A"

FPS CANADA INC.'S SALE OF PULP TO  
CASCADES FINE PAPERS GROUP INC. /  
CASCADES GROUPE PAPIERS FINS INC.

<u>Invoice Date</u>	<u>Invoice No.</u>	<u>Amount</u>
5/13/2009	104507	\$16,249.75
5/14/2009	104538	15,588.56
5/15/2009	104545	15,557.27
5/19/2009	104602	15,571.72
5/21/2009	104642	15,577.41
5/21/2009	104663	15,743.64
5/22/2009	104671	15,687.43
5/25/2009	104696	15,697.61
5/27/2009	104721	15,799.14
5/28/2009	104733	15,900.19
6/01/2009	104781	15,308.06
6/01/2009	104782	15,325.45
6/02/2009	104798	15,551.56
6/03/2009	104800	15,566.26
6/04/2009	104814	15,724.09
6/04/2009	104815	15,764.85
6/05/2009	104825	15,647.25
6/05/2009	104826	15,563.07
6/05/2009	104828	15,486.90
6/08/2009	104844	15,367.07
6/09/2009	104864	13,517.02
6/09/2009	104865	13,645.92
6/09/2009	104866	15,363.74
6/10/2009	104880	15,358.23
6/11/2009	104899	15,505.64
6/11/2009	104902	15,429.53
<b>Total:</b>		<b>\$401,497.36</b>

## **EXHIBIT “H”**

**CONVENTION D'ACHAT DE MATIÈRE LIGNEUSE**

Entre : **Fiducie Lauzon (Thurso)**

fiducie légalement constituée, ayant une place d'affaires au **2101, Côte des Cascades, Papineauville (Québec) J0V 1R0** ici représentée par **David Lauzon, Président, et Michel Pitre, Directeur général**, dûment autorisés.

Ci-après désignée le vendeur

Et : **Nexfor Papiers Fraser (Canada) inc., (Pâtes Thurso)**

compagnie légalement constituée, ayant une place d'affaires au **451, rue Victoria, Thurso (Québec) J0X 3B0** ici représentée par **Gilles Couturier, Directeur, Approvisionnement et Foresterie, Jean-Pierre Benoît, Directeur général, et Berthier Martin**, dûment autorisés tels qu'ils le déclarent.

Ci-après désignée l'acheteur

Les parties conviennent de ce qui suit :

**ARTICLE 1: DÉFINITIONS**

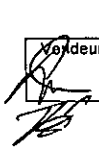
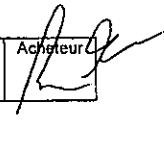
Aux fins des présentes, l'expression :

«**Bois à pâte sous CAAF**» désigne la matière ligneuse de qualité "pâte" allouée à l'usine de l'acheteur sous Contrat d'Aménagement et d'Approvisionnement Forestier sur forêt publique (CAAF) ;

«**Copeaux**» désigne les minces lamelles de particules ligneuses de forme parallélépipède, allongée dans le sens de la fibre, qui sont produites par un déchiqueteur ;

«**Copeaux de bois ronds**» désigne les copeaux produits par une mise en copeaux de bois ronds appartenant au vendeur ;

«**Copeaux de sciage**» désigne les copeaux produits à partir des résidus de bois générés par une opération de sciage ;

Vendeur	Acheteur
	

«**Matière ligneuse**» désigne l'ensemble du bois à pâte et des copeaux destiné à la fabrication de pâte de feuillus ;

«**Mètre cube solide**» désigne l'unité de mesure équivalente à 1 mètre cube de matière ligneuse, de laquelle a été soustrait l'écorce et la carie ;

«**MRN**» désigne le Ministère des Ressources Naturelles du Québec ;

«**Prix NBHK**» désigne le prix mensuel moyen de la pâte kraft de feuillus blanchis "Northern Bleached Hardwood Kraft" tel que publié par le "RISI" ;

«**Tonne métrique anhydre nette (tman)**» désigne l'unité de mesure équivalente à 1000 kg de matière ligneuse à 0% d'humidité, de laquelle a été soustrait le poids en écorces, en éclisses et en sciures qui excède les tolérances précisées à l'annexe F.

«**Vendeur**» désigne Fiducie Lauzon (Thurso) ainsi que tout affilié ou personne liée, directement ou indirectement.

## ARTICLE 2 : POLITIQUE ENVIRONNEMENTALE

Le vendeur s'engage à collaborer pleinement avec l'acheteur pour l'atteinte de ses objectifs de nature environnementale et forestière, notamment à la mise en place et au maintien de systèmes de gestion environnementale et d'aménagement forestier durable.

## ARTICLE 3: OBJET DE LA CONVENTION

**3.1** L'achat par l'acheteur et la vente par le vendeur de matière ligneuse, le tout suivant les conditions et dispositions de la présente convention.



## ARTICLE 4: DURÉE

**4.1** La durée de l'entente qui s'appliquera pour la matière ligneuse provenant de :

- a) **Les terrains privés de Fiducie Lauzon (Thurso)** : sera pour une période de vingt-cinq (25) ans se renouvelant automatiquement à tous les cinq (5) ans : (formule « Evergreen »).

L'acheteur ou le vendeur pourra exercer son droit de non-renouvellement automatique ci-haut précité en avisant l'autre partie par écrit au moins trente (30) jours avant la date du renouvellement automatique.

Le vendeur et l'acheteur reconnaissent la date du 1er février 2003 comme date d'anniversaire de la présente convention.

Vendeur	Acheteur
	

- b) **Les forêts publiques (sauf l'usine de Bellerive Kanenda Inc.)** : sera pour une période de quinze (15) ans se renouvelant automatiquement à tous les cinq (5) ans : (formule « Evergreen »).

L'acheteur ou le vendeur pourra exercer son droit de non-renouvellement automatique ci-haut précité en avisant l'autre partie par écrit au moins trente (30) jours avant la date du renouvellement automatique.

Le vendeur et l'acheteur reconnaissent la date du 1er février 2003 comme date d'anniversaire de la présente convention.

- c) **Les forêts publiques Bellerive Kanenda Inc.** : sera pour une période de cinq (5) ans.

Toutefois, à la fin de la troisième année de l'entente, les deux parties conviennent de renégocier une entente additionnelle de cinq (5) ans. À défaut d'entente, la présente entente se prolongera pour une période additionnelle de trois (3) ans, ce après quoi elle prendra fin.

#### ARTICLE 5 : QUANTITÉS ET ESSENCES

- 5.1 Le vendeur s'engage à vendre à l'acheteur et l'acheteur s'engage à acheter du vendeur la matière ligneuse produite par les usines et les propriétés privées du vendeur tel que présenté à l'annexe C.

#### ARTICLE 6 : VOLUME MINIMUM

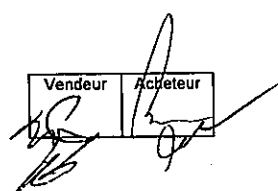
- 6.1 Le vendeur s'engage à livrer à l'acheteur un minimum de 75% de ses copeaux d'usine et 75% de ses copeaux de bois de rémanant. Le bois de CAAF sera livré sous forme de bois de pâte ou, s'il y a entente entre les parties, sous forme de copeaux.

#### ARTICLE 7: LIVRAISON ET HORAIRE

- 7.1 Le vendeur et l'acheteur conviennent que :

- la livraison des copeaux s'effectuera à un rythme régulier, i.e. journalier ;
- la livraison des bois à pâte sous CAAF s'effectuera selon le calendrier de livraison convenu entre l'acheteur et le vendeur au plus tard le 1<sup>er</sup> septembre de chaque saison de coupe. Au moment de convenir du calendrier de livraison, l'acheteur et le vendeur conviendront également du partage des essences et des produits à être livrés à l'usine de l'acheteur.

Vendeur	Acheteur
---------	----------



- 7.2 Le vendeur et l'acheteur conviennent de l'horaire de réception présenté à l'annexe D. Le vendeur et l'acheteur conviennent également que l'acheteur pourra modifier cet horaire de livraison suivant un avis verbal ou écrit de vingt-quatre (24) heures signifié au vendeur, pour tenir compte des intempéries, des saisons, de l'état des routes ou des besoins d'inventaire de l'acheteur.
- 7.3 Advenant une baisse de la demande d'approvisionnement, les livraisons de Fiducie Lauzon (Thurso) seront les dernières touchées après les livraisons venant des producteurs privés



#### ARTICLE 8 : VENTE ET CESSION

- 8.1 Toute vente ou cession par le vendeur d'une ou plusieurs de ses usines tel que présenté à l'annexe C devra obligatoirement comporter une obligation pour le nouveau propriétaire de l'une des usines ou propriétés du vendeur à respecter la présente convention en son entier.

Le vendeur ne pourra céder ou transférer ses droits et obligations aux termes du présent contrat, sans avoir obtenu au préalable le consentement écrit de l'acheteur lequel consentement ne pourra pas être refusé sans motif valable.

#### ARTICLE 9 : PRIX ET MODALITÉS DE PAIEMENT

- 9.1 Les prix pour l'achat de matières ligneuses sont indiqués à l'annexe C.
- Les prix seront en vigueur du 1<sup>er</sup> mai 2003 jusqu'au 30 avril 2004 sauf pour l'usine de Thurso où les prix prendront effet dès le 1<sup>er</sup> février 2003. Après le 30 avril 2004 les prix seront ajustés selon le mécanisme d'indexation prévu à l'annexe B. Le mécanisme d'indexation prévu à l'annexe B sera révisé à la requête de l'une ou l'autre des parties après la 7<sup>e</sup> année d'anniversaire de la dite entente.
- 9.2 Le prix payé pour les copeaux en provenance des terrains privés (de Fiducie Lauzon (Thurso) et de leur approvisionnement des syndicats de producteurs forestiers) sera celui indiqué à l'annexe C à compter du 1<sup>er</sup> mai 2003 et sera ajusté selon le mécanisme convenu entre Papiers Fraser Inc. et le Syndicat des producteurs de bois Outaouais-Laurentides.
- 9.3 Les prix indiqués à l'annexe C reflètent l'utilisation de différents facteurs de conversion tel qu'indiqué en note à l'annexe C. Il est entendu que ces facteurs seront révisés en fin de chaque année afin de refléter la situation

Vendeur	Acheteur
	



réelle. La/les méthode(s) utilisée(s) pour calculer les prix est/sont acceptée(s) par les deux parties.

#### ARTICLE 10 : INITIATIVE MIP (Programme d'amélioration des coûts)

- 10.1 Les parties s'accordent à coopérer au développement d'initiatives MIP. Le bénéfice de toute initiative MIP sera partagé sur une base de 50% au vendeur et 50% à l'acheteur, lors de l'ajustement annuel du prix. Par exemple, pour une initiative qui aurait pour effet de réduire les coûts d'opérations forestières de \$1.00 le mètre cube solide, le prix de vente serait diminué de \$0.50 le mètre cube solide lors de la saison de coupe suivante.

#### ARTICLE 11 : AJUSTEMENTS RELIÉS AU PRIX DU DIESEL

- 11.1 L'acheteur reconnaît que le prix du diesel a un impact sur l'ensemble des opérations forestières du vendeur et s'engage à négocier d'ici le 1<sup>er</sup> juin 2003 avec le vendeur un mécanisme d'indexation des prix en fonction de l'évolution des prix du diesel. Une fois accepté, ce mécanisme serait réévalué à chaque 5 ans.

#### ARTICLE 12 : ÉCHÉANCE DES PAIEMENTS

- 12.1 Le vendeur sera payé dans les 7 jours suivant la livraison de ses produits.



De plus, une avance de paiement représentant 90% du prix à être payé sera versée au vendeur pour le bois à pâte livré et pesé dans la cour du vendeur (l'usine Produits Forestiers Turpin inc. située à Thurso, ledit bois à pâte appartenant à l'acheteur.



Ledit paiement s'effectuera le vendredi de chaque semaine.

#### ARTICLE 13: NORMES DE QUALITÉ ET SPÉCIFICATIONS

- 13.1 L'acheteur se réserve le droit de n'accepter que les fibres d'essences spécifiées propres à la fabrication de pâtes, saines et fraîches, libres de tout corps étranger et rencontrant toutes les caractéristiques et spécifications prévues à l'annexe E pour les bois à pâte et à l'annexe F pour les copeaux.
- 13.2 En cas de refus, l'acheteur remettra immédiatement au camionneur concerné un avis indiquant les motifs de refus d'un chargement et en transmettra copie au vendeur dans les plus brefs délais.

#### ARTICLE 14 : CHARGEMENT, TRANSPORT ET DÉCHARGEMENT

Vendeur	Acheteur
	



- 14.1** Le chargement et le transport des copeaux et des bois à pâte de la cour de Produits Forestiers Turpin inc. à Thurso à la cour de l'acheteur sont sous l'entière responsabilité du vendeur et de l'acheteur et ces derniers en assument les frais à 50% chacun.



L'acheteur et le vendeur doivent convenir ensemble du choix du transporteur et des coûts dudit transporteur.

- 14.2** Pour les bois à pâte alloués à l'usine de l'acheteur sous CAAF, le vendeur a l'entière responsabilité de toutes les activités liées à la récolte et à la livraison des bois à pâte à l'usine de l'acheteur sauf pour l'usine de Thurso et le vendeur en assume tous les frais inhérents.
- 14.3** Le déchargement des copeaux et des bois à pâte sont sous l'entière responsabilité de l'acheteur et ce dernier en assume tous les frais inhérents.
- 14.4** L'acheteur se réserve le droit d'interdire les livraisons pendant certaines heures de la journée. Toutefois l'acheteur fera tout en son possible pour ne pas interrompre sans raison les livraisons.
- 14.5** Il est convenu qu'aucune des parties ne sera responsable envers l'autre pour le défaut d'effectuer ou de recevoir les livraisons pour cause de bris mécanique majeur ou de fermeture nécessaire à la réparation d'équipements. Cependant, il est entendu que les livraisons devront recommencer dès que les réparations auront été complétées.
- 14.6** Le vendeur ou son représentant devra se conformer à la signalisation et à la réglementation sur le site de l'acheteur.

#### **ARTICLE 15 : PESÉE ET MESURAGE DES BOIS RONDS**

- 15.1** La pesée des bois à pâte est effectuée par l'acheteur lors de la livraison de ce bois par camion et est constatée par un relevé de masse.
- 15.2** Le relevé de masse doit comprendre, notamment, les informations suivantes :
- la masse totale
  - la masse du véhicule vide servant à transporter le bois à pâte
  - la masse nette humide de chaque livraison
- 15.3** Le mesurage des bois à pâte sous forme de tronçons améliorés sera effectué par l'acheteur selon les normes de mesurage du Ministère des Ressources Naturelles (MRN).

Vendeur	Acheteur
	



  


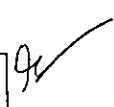




- 15.4 L'acheteur s'engage à faire effectuer le mesurage des bois ronds par un mesureur de bois licencié du Québec, et ce selon la méthode qu'il aura choisie.
- 15.5 Ledit relevé de masse devra être numéroté et une copie sera remise à l'opérateur du camion lors de la livraison et sera considéré, pour les présentes, dûment remis au vendeur.
- 15.6 Les balances utilisées pour la pesée sont soumises aux normes et règlements concernant les balances à pesée, tels que publiés et en application, suivant les dispositions du département de Mesures Canada, ou de tout autre organisme qui pourrait être habilité, par le gouvernement canadien, à émettre de tels règlements ou ordonnances.
- 15.7 Les parties peuvent, en tout temps, au poste de pesée, faire effectuer une vérification des balances par les inspecteurs du département des Mesures du Canada ou par des vérificateurs accrédités par ce département. Cette vérification s'effectuera aux heures normales de réception et ce, sans nuire au travail de l'acheteur.
- 15.8 La partie demandant la vérification des balances devra en faire la demande par écrit, en expédiant un avis, par courrier recommandé, à la partie opposée. Tous les frais inhérents à cette vérification seront l'entière responsabilité de la partie qui la demande, à moins que la balance utilisée ne soit défectueuse. Dans ce cas, l'acheteur assumera les frais inhérents à ladite vérification.
- 15.9 Si la vérification démontre que la balance utilisée est défectueuse, des ajustements concernant la livraison de bois à pâte seront faits à compter de la date de la demande de vérification pour toute livraison effectuée après ladite date. Les parties aux présentes s'engagent et consentent à payer ou à rembourser immédiatement sur avis écrit, accompagné du rapport écrit de vérification, toute différence, suivant le cas.

#### ARTICLE 16 : PESÉE ET TESTS DES COPEAUX

- 16.1 La pesée des copeaux est effectuée par l'acheteur lors de la livraison par camion et est constatée par un feuillet de pesantier.
- 16.2 Le taux d'humidité et le niveau de qualité des copeaux est établi selon la procédure d'analyse des copeaux décrite à l'annexe G de la présente convention, et ce à l'aide de l'échantillon recueilli à la réception de chacun des chargements de copeaux à la balance de l'acheteur.

Vendeur	Acheteur
	

**ARTICLE 17 : INSPECTION**

- 17.1 Pour les bois à pâte alloués à l'usine de l'acheteur sous CAAF, tous les travaux seront exécutés de façon à ce qu'un représentant de l'acheteur puisse en faire l'inspection.

**ARTICLE 18 : TITRES DE PROPRIÉTÉ**



- 18.1 L'acheteur devient propriétaire des copeaux et des bois à pâte lorsqu'ils ont été acceptés et pesés par l'acheteur.
- 18.2 Tant que l'acheteur n'est pas devenu propriétaire des copeaux et des bois à pâte, le vendeur assume toute perte de ceux-ci pour quelque cause que ce soit.
- 18.3 Le vendeur convient que les copeaux et les bois à pâte livrés et acceptés par l'acheteur sont libres de tout privilège, hypothèque mobilière ou de tout autre droit ou réclamation qui pourrait y être afférent.
- 18.4 En tout temps, l'acheteur peut acquitter toute réclamation résultant d'une ordonnance d'un tribunal ou d'un autre ordre judiciaire, relative aux copeaux et bois à pâte livrés et acceptés par l'acheteur.
- 18.5 Le vendeur doit rembourser à l'acheteur toute somme payée par lui, pour quelque cause que ce soit, reliée à l'acquisition desdits copeaux et bois à pâte ou à toute autre cause relative à ceux-ci.


**ARTICLE 19 : COMPENSATION GÉNÉRALE**

- 19.1 L'acheteur est autorisé par les présentes à opérer compensation pour toute somme lui étant due par le vendeur. De ce fait, toute somme due par le vendeur à l'acheteur est automatiquement déduite du paiement effectué par l'acheteur au vendeur.

**ARTICLE 20 : SANTÉ ET SÉCURITÉ**

- 20.1 Le vendeur reconnaît l'importance d'assurer la sécurité des individus dans l'enceinte de l'usine de l'acheteur et reconnaît les efforts faits par l'acheteur pour éviter toute situation pouvant mener à un accident tant corporel que matériel. Le vendeur s'engage à se conformer aux directives inscrites à l'annexe H et se porte garant de tous ses camionneurs.
- 20.2 Le vendeur s'engage à :

Vendeur	Acheteur
	



- se conformer aux exigences de l'acheteur en matière de santé et sécurité au travail ;
  - fournir à l'acheteur son numéro d'enregistrement de la Commission de la Santé et de la Sécurité au Travail (CSST) ;
  - être en règle avec la CSST pour toute la durée de la présente convention ;
  - respecter les normes et règlements de la CSST ;
  - respecter toute norme ou directive émanant de l'acheteur, et ce même si elles s'avèrent plus sévères que celles de la CSST sur les terrains de l'acheteur;
- 20.3 Le vendeur s'engage à se conformer aux règlements, avis et directives émanant des Sociétés de Protection contre le Feu (SOPFEU) et les Insectes et Maladies (SOPFIM).

- 20.4 Après formation, le vendeur s'engage à compléter et à remettre à l'acheteur, à la fin de chaque mois, la grille de fréquence OSHA qui se retrouve en annexe I pour ses opérations forestières en forêt publique (CAAF).
- 20.5 Le vendeur, avec la collaboration de l'acheteur, convient de mettre en place, dès la première année de la présente convention, un programme d'observation des comportements sécuritaires en milieu de travail pour ses opérations forestières en forêt publique (CAAF).



#### ARTICLE 21 : ENVIRONNEMENT ET AMÉNAGEMENT FORESTIER DURABLE


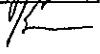
##### 21.1 Certification

Le vendeur s'engage pleinement à collaborer avec l'acheteur à l'élaboration et à la mise en place de modes de gestion et d'opération menant à une éventuelle certification de l'acheteur en matière de protection de l'environnement et d'aménagement forestier durable.

- 21.2 Le vendeur s'engage à respecter la *Loi sur les forêts* ainsi que les règlements, les normes et directives (*Règlement sur les normes d'intervention en forêt publique*) de cette même loi, et déclare avoir lu et compris chacun des articles de ces lois et règlements.

- 21.3 Le vendeur, avec la collaboration de l'acheteur, convient de mettre en place,



Vendeur	Acheteur
	

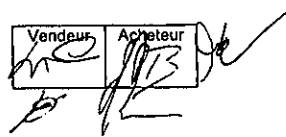
 

dès la première année de la présente convention, un système de gestion visant la déclaration des déversements d'hydrocarbures de plus de vingt (20) litres pour ses opérations forestières en forêt publique (CAAF).

**ARTICLE 22 : RESPONSABILITÉS**

- 22.1 Pour l'ensemble des activités réalisées pour l'exécution de la présente convention, le vendeur et l'acheteur s'engagent à respecter, en tout temps, les lois, règlements, ordonnances et autres obligations prévues par ces lois et règlements.
- 22.2 L'acheteur se réserve le droit d'acquitter toute pénalité, amende ou réclamation relative au non-respect d'une loi ou d'un règlement par le vendeur, résultant d'une ordonnance d'un tribunal ou d'un autre ordre judiciaire relativement aux activités réalisées par ce dernier dans l'exécution de la présente convention.
- 22.3 Il est convenu que le vendeur assumera l'entière responsabilité de l'ensemble des blessures, lésions, accidents et incidents causés à lui, à ses employés, représentants ou toute autre personne sous son autorité, relativement aux activités réalisées pour l'exécution de la présente convention sur les terrains du domaine public ou ailleurs. Le vendeur dégage l'acheteur de toute réclamation découlant de ces événements.
- 22.4 L'acheteur ne pourra être tenu responsable des préjudices corporels ou matériels que pourrait subir le vendeur, ses employés, représentants ou toute autre personne sous son autorité, ainsi que ses équipements, outillages et véhicules, lors d'activités réalisées pour l'exécution de la présente convention sur les terrains du domaine public ou ailleurs.
- 22.5 Le vendeur assumera l'entière responsabilité des actes et omissions de ses sous-traitants, ses fournisseurs et des personnes directement ou indirectement à l'emploi de celui-ci, comme s'il s'agissait d'actes et d'omissions de personnes directement à son emploi. Il en est de même pour les actes et omissions de ses employés.
- 22.6 Le vendeur devra rembourser à l'acheteur, sans délai, toute somme payée par lui, pour le vendeur, pour quelque cause que ce soit, reliée aux termes du présent contrat et précisée aux paragraphes précédents.
- 22.7 En tout temps, le vendeur prendra fait et cause pour l'acheteur et devra rembourser à l'acheteur tous les frais payés par lui, s'il y a réclamation ou poursuite intentée contre ce dernier et si cette réclamation est le résultat d'une faute, omission ou négligence de la part du vendeur ou d'une personne sous sa responsabilité.

Vendeur	Acheteur
	



**ARTICLE 23 : INFRACTION**

- 23.1 Dans l'exécution de ses obligations en vertu de la présente convention d'achat, le vendeur doit respecter et s'assurer que ses employés, ses entrepreneurs, ses sous-entrepreneurs et leurs employés respectent l'ensemble des lois, règlements, directives, politiques et autres normes en vigueur. Le vendeur est tenu d'indemniser l'acheteur pour toute perte dommage ou préjudice causé à ce dernier par le défaut du vendeur, de ses employés, de ses entrepreneurs, de ses sous-entrepreneurs et de leurs employés de respecter l'ensemble des lois, règlements, directives, politiques et autres normes en vigueur. Sans restreindre la généralité de ce qui précède, le vendeur est également tenu d'indemniser l'acheteur pour tout dommage, perte ou préjudice causé à ce dernier par tout acte ou omission du vendeur, de ses employés, de ses entrepreneurs, de ses sous-entrepreneurs et de leurs employés dans l'exécution de tout contrat avec le MRN.

**ARTICLE 24 : CRÉDITS POUR TRAVAUX SYLVICOLES**

- 24.1 L'acheteur s'engage à remettre au vendeur les crédits de travaux sylvicoles qui pourraient être remis par le MRN dans le cadre des travaux effectués sous CAAF pour les bois à pâte alloués à l'usine de l'acheteur et ce jusqu'à concurrence de la valeur des droits de coupe des bois de CAAF de l'acheteur livrés par le vendeur en provenance des secteurs d'intervention où il est personne désignée au plan annuel d'intervention. Les crédits seront remis au vendeur par l'acheteur dans une proportion de 95% lorsque ce dernier aura reçu la note de crédit du MRN. Le résiduel sera payable suite à l'émission du rapport annuel d'intervention homologué par le MRN. Tous les frais (planification et autres) de ces travaux sont à la charge de l'acheteur. Les crédits seront remis au vendeur par l'acheteur lorsque ce dernier aura reçu lesdits crédits, à condition que les travaux soient acceptés par MRN. Aussi, tous les frais de ces travaux sont à la charge du vendeur.

**ARTICLE 25 : SOUS-CONTRAT**

- 25.1 Le vendeur n'aura pas le droit de transporter cette entente, ni de la donner à un sous-contractant sans le consentement écrit de l'acheteur. Tout sous-contrat devra obliger le sous-entrepreneur à se conformer à toutes les clauses de la présente convention et le vendeur devra fournir une copie du sous-contrat à l'acheteur avant que le sous-entrepreneur ne débute ses opérations. Aux fins des présentes, l'acheteur consent à ce que le vendeur retienne les services de sous-entrepreneurs pour l'exécution de ses obligations, à condition que ces sous-entrepreneurs aient été approuvés par l'acheteur et qu'ils se soient engagés par écrit à se conformer aux dispositions du présent contrat.

Vendeur	Acheteur
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**ARTICLE 26 : REGISTRE DES VOLUMES RÉCOLTÉS**

- 26.1 Pour les bois à pâte alloués à l'usine de l'acheteur sous CAAF, le vendeur doit tenir un registre indiquant les quantités de matière ligneuse récoltées, transportées et livrées à l'acheteur sur une base mensuelle. Aussi, le vendeur devra fournir à l'acheteur les quantités de matière ligneuse qui se trouvent en forêt (inventaire) à la fin de chaque mois.

**ARTICLE 27 : ACCIDENT**

- 27.1 Le vendeur sera seul responsable des accidents qui pourraient être causés par lui-même, ses entrepreneurs, ses sous-entrepreneurs, leurs employés ou leurs équipements, résultant de sa négligence, lors de l'exécution de ses obligations en vertu de la présente convention et renonce à tout recours contre l'acheteur. Le vendeur s'engage donc à indemniser l'acheteur pour toute poursuite, action, jugement, relativement à tout accident causé par lui-même, ses entrepreneurs, ses sous-entrepreneurs, leurs employés ou leurs équipements, pour quelque cause que ce soit.

**ARTICLE 28 : ANNULATION ET DÉFAUT**

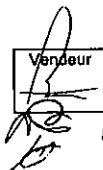
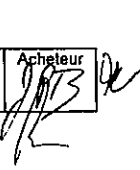
- 28.1 Advenant le défaut, par l'une ou l'autre des parties, de respecter l'une des obligations contenues dans le présent contrat, l'autre partie pourra expédier un avis écrit, lui spécifiant le défaut et lui demandant d'y remédier, dans les vingt et un (21) jours de sa réception. À défaut d'y remédier, les parties pourront considérer la présente entente comme ayant pris fin, sans préjudice à leurs recours en dommages et intérêts contre l'autre partie ;

- 28.2 Le présent contrat sera automatiquement annulé dans les cas suivants :

- a) une partie devient insolvable
- b) une partie fait cession de ses biens au bénéfice de ses créanciers
- c) une partie est déclarée faillie
- d) un séquestre est nommé pour voir aux affaires d'une partie.

Dans chacun de ces cas, l'autre partie pourra considérer le contrat comme annulé de plein droit et ce, sans préjudice à son recours en dommages et intérêts contre l'autre partie.

**ARTICLE 29 : ASSURANCES**

Vendeur	Acheteur
	

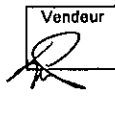

- 29.1 Le vendeur s'engage, pour toute la durée de la présente convention, à maintenir en vigueur une police d'assurance responsabilité civile pour un montant minimum de deux millions de dollars (\$2 000 000.00). Telle police d'assurance responsabilité devra indiquer qu'un avis de résiliation sera transmis à l'acheteur au moins trente (30) jours précédant la date d'une telle résiliation. Copie de cette police d'assurance devra être remise à l'acheteur dans les quinze (15) jours de la signature du contrat.
- 29.2 Le vendeur s'engage à exonérer et à tenir l'acheteur indemne de toute réclamation, poursuite, jugement pouvant intervenir, par sa faute, dans l'exécution de la présente convention.
- 29.3 L'acheteur s'engage pour toute la durée de la présente convention à maintenir une police d'assurance en vigueur pour un montant minimum de deux millions de dollars (\$2 000 000.00), pour tout accident causé par sa négligence pouvant se produire sur ses terrains.

#### ARTICLE 30 : RENONCIATION

- 30.1 Aucune clause ou condition de la présente convention ne pourra être mise de côté sans le consentement écrit de l'acheteur et du vendeur. L'omission par l'acheteur d'insister sur l'exécution de toutes les clauses faisant partie de cette convention ne sera pas interprétée comme une renonciation à de telles clauses ou de toute autre clause, d'un droit, d'une condition ou d'un privilège.

#### ARTICLE 31 : FORCE MAJEURE

- 31.1 Si le vendeur omet ou est dans l'impossibilité de livrer la matière ligneuse ou si l'acheteur omet ou est dans l'impossibilité de prendre livraison de la matière ligneuse par suite d'incendie, d'explosion, d'accident, de lois, de règlements, d'ordonnances gouvernementales, de grèves (légales ou illégales) y compris celles mettant en cause les employés des parties aux présentes, de débrayages, de lock-out, de conspiration de travailleurs, d'inondations, de sécheresses, d'embargo, d'émeutes, de guerre, de pénurie de matières premières ou d'énergie, de tout délai ou manquement de la part des transporteurs, ou de toute autre cause indépendante de la volonté de l'une ou l'autre des parties, qu'elle soit ou non de nature spécifiée aux présentes, le vendeur ne sera pas responsable vis-à-vis de l'acheteur de toute omission de vendre et livrer la matière ligneuse, l'acheteur ne sera pas responsable vis-à-vis du vendeur de toute omission d'acheter et d'accepter livraison de la matière ligneuse qui aurait été livrée au cours de la période d'incapacité, n'eut été de la force majeure, et les volumes spécifiés aux présentes et applicables à ladite période d'incapacité seront présumés avoir été éliminés de ce contrat pour l'année alors courante de sorte que les parties seront relevées de toute obligation à leur égard.

Vendeur	Acheteur
	

- 31.2 La partie affectée par l'incapacité devra, dans les plus brefs délais, donner un avis écrit à l'autre partie de la cause, de la date de commencement et de la date prévisible de cessation de toute telle incapacité. Si cette date tombait au-delà de la durée stipulée de ce contrat, celui-ci prendra fin automatiquement à la réception de l'avis.

#### ARTICLE 32 : DÉFAUT DE PAIEMENT

- 32.1 Dans le cas de reprise de possession des marchandises vendues par le vendeur, faute de paiement du prix, il est expressément convenu que l'acheteur devra payer au vendeur tout solde constitué par la différence entre le montant de la dette de l'acheteur envers le vendeur, incluant les frais de transport et les intérêts s'il y a lieu et la somme nette que pourra rapporter au vendeur la disposition de la matière ligneuse récupérée.

#### ARTICLE 33 : AVIS

- 33.1 Un avis, une communication écrite, un rapport ou un document dont l'envoi ou la transmission par une partie à l'autre est exigé ou permis par ce contrat, n'est valable que s'il est signifié, transmis par télécopieur ou envoyé par courrier recommandé à l'adresse de son destinataire indiquée aux présentes, ou à toute adresse que l'une des parties pourra indiquer à l'autre par un avis écrit, et ne sera réputé reçu que le jour de sa signification ou de l'envoi du télécopieur ou le quatrième (4<sup>e</sup>) jour ouvrable suivant sa mise à la poste, selon le cas :

Au vendeur :

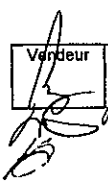

Fiducie Lauzon (Thurso)  
2101, Côte des Cascades  
Papineauville (Québec) J0V 1R0  
À l'attention de M. David Lauzon

À l'acheteur :

Nexfor Papiers Fraser (Canada) inc., Pâtes Thurso  
451, rue Victoria  
Thurso (Québec) J0X 3B0

À l'attention de MM Gilles Couturier, Jean-Pierre Benoît et  
Don Tardie

#### ARTICLE 34 : SUCCESSEURS ET CESSIONNAIRES

Vendeur	Acheteur
	



- 34.1 La présente convention bénéficiera aux parties aux présentes et les liera, de même que leurs héritiers, exécuteurs, administrateurs, successeurs, cessionnaires et leurs ayants-droits.

#### ARTICLE 35 : CONTENU

- 35.1 Les annexes indiquées à la présente convention en font partie intégrante. Cette convention constitue l'entente intégrale intervenue entre les parties et toute convention, promesse ou représentation non insérée dans cette convention est nulle et sans effet. Toutefois, la présente convention pourra être amendée par un écrit reconnu et signé par les deux parties aux présentes.

#### ARTICLE 36 : ÉLECTION DE DOMICILE



- 36.1 De toutes fins que de droit, les parties aux présentes élisent domicile dans le district judiciaire de Hull, province de Québec.

#### ARTICLE 37 : LOI APPLICABLE

- 37.1 La présente convention est régie et interprétée en conformité avec les lois de la province de Québec ainsi qu'en vertu des lois du Canada qui s'y appliquent.

#### ARTICLE 38 : GARANTIE DE SUPPLÉANCE

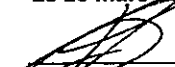
- 38.1 Nonobstant la clause de force majeure à la présente convention, à défaut du vendeur de livrer à l'acheteur la matière ligneuse provenant de ses propriétés privées tel que stipulé à l'annexe C, le vendeur reconnaît et cède à l'acheteur un droit de coupe sur ses propriétés privées selon la possibilité forestière et les plans d'aménagements des lots privés achetés de Papier Fraser afin de suppléer le volume de matière ligneuse non-livré. Le vendeur et l'acheteur conviennent d'appliquer, à titre de paiement le revenu prévu selon l'annexe C moins les coûts de la coupe. Le vendeur peut compenser l'acheteur pour l'équivalent autrement.

Vendeur	Acheteur
	

EN FOI DE QUOI, ce contrat a été signé par les représentants des parties, ces derniers étant dûment autorisés à le faire, en deux copies originales aux dates suivantes :

SIGNÉ À MONTRÉAL

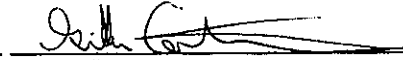
Le 28 mars 2003

  
DAVID LAUZON

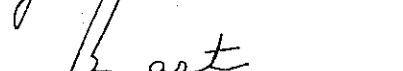
  
MICHEL PITRE

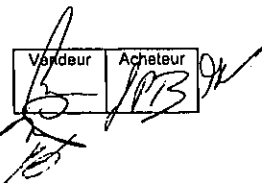
SIGNÉ À MONTRÉAL

Le 28 mars 2003

  
GILLES COUTURIER

  
JEAN-PIERRE BENOÎT

  
DON TARDIE

  
Vendeur Acheteur

## ANNEXE B

## MÉCANISME D'AJUSTEMENT DES PRIX

## 1. Paramètres de l'ajustement du prix.

Les prix des bois à pâte et des copeaux est ajusté une fois l'an, à la fin de l'année financière de Lauzon, soit le 30 avril et s'applique intégralement à tous les bois à pâte récoltés dans la saison de coupe et les copeaux produits de ces bois, peu importe le moment de leur livraison à l'usine de l'acheteur.

L'ajustement des prix à la fin avril se fera selon un index combiné composé à 50% de la variation des prix NBHK entre l'année courante (mai-avril) et l'année précédente et 50% de l'IPC de l'année courante.

Cependant, aucun ajustement annuel ne pourra être supérieur à trois pourcents (3%) et ce, à la hausse comme à la baisse (borne supérieure/inférieure).

## 2. Calcul de l'ajustement des prix des bois à pâte.

Étape 1 : Calcul de l'ajustement selon 50% NBHK et 50% IPC

$$A = (((NBHK\ C2 - NBHK\ C1) / NBHK\ C1) \times .5) + (IPC \times .5)$$

Étape 2 : Ajustement retenu "NBHK Vs borne supérieure/inférieure"

Si  $A > 3$  alors l'ajustement du prix sera trois pourcent (3%);  
 Si  $A < -3$  alors l'ajustement du prix sera moins trois pourcent (-3%);  
 Si  $-3 < A < 3$  alors l'ajustement du prix sera (+/- A%).

Légende : A : ajustement

NBHK C2 : Prix moyen NBHK de l'année courante (Somme des prix moyens mensuels/12)

NBHK C1 : Prix moyen NBHK l'année précédente (Somme des prix moyens mensuels/12)

IPC : l'IPC de l'année courante

Exemple 1 : calcul de l'ajustement des prix pour la 3<sup>e</sup> année

$$\text{Étape 1 : } A = (((\$609,00 - \$520,00) / \$520,00) \times .5) + (3 \times .5) = 10.1\%$$

$$\text{Étape 2 : } A > 3 \text{ donc l'ajustement du prix sera de trois pourcent (+3\%)}$$

$$\text{Étape 3 : Prix de la 3<sup>e</sup> saison de coupe} = \text{Prix de la 2<sup>e</sup> saison de coupe} \times 1,03$$

Exemple 2 : calcul de l'ajustement des prix pour la 4<sup>e</sup> année.

$$\text{Étape 1 : } A = (((\$594,00 - \$609,00) / \$609,00) \times .5) + (2 \times .5) = -0.2\%$$

$$\text{Étape 2 : } A < -3 \text{ donc l'ajustement du prix sera de moins zéro point deux (-0.2\%)}$$

$$\text{Étape 3 : Prix de la 4<sup>e</sup> saison de coupe} = \text{Prix de la 3<sup>e</sup> saison de coupe} \times 0,998$$

	IPC (50%) & NBHK (50%)			Balises +/- 3%	
	IPC	NBHK		Indice	
	%	Prix	Variation %	Calculé	Retenu
1	2.2%	\$446.00			
2	2.0%	\$520.00	16.6%	9.3%	3.0%
3	3.0%	\$609.00	17.1%	10.1%	3.0%
4	2.0%	\$594.00	-2.5%	-0.2%	-0.2%
5	2.0%	\$456.00	-23.2%	-10.6%	-3.0%
6	2.0%	\$429.00	-5.9%	-2.0%	-2.0%
7	2.0%	\$500.00	16.6%	9.3%	3.0%
8	3.0%	\$600.00	20.0%	11.5%	3.0%
9	2.0%	\$550.00	-8.3%	-3.2%	-3.0%

Vendeur  
 Acheteur

## Annexe G

Important: Les prix qui sont soulignés à double ligne et en gras sont les prix qui seront indexés annuellement.

## 1- Produits Forestiers Turpin Inc.

## Bois de CAAF Papier Fraser

## Volume

Tous les volumes autorisés dans les aires communes 64-02, 72-02 et 72-03 pour Papier Fraser seront donnés à Produit Forestier Turpin Inc.

Si le bois est envoyé en bois rond

Transport 50%	47.54 \$ /m <sup>3</sup>
	1.00 \$ /m <sup>3</sup>
	<u>48.54 \$ /m<sup>3</sup></u>

Prix de départ négocié entre les parties

Le coût du transport pour amener le bois de la cour de PFT à la cour de Fraser est payé à 50-50 par les parties

Si le bois est envoyé en copeau

Prix du bois rond alloué par Fraser avant transport	47.54 \$ /m <sup>3</sup>
Mise en copeau	6.00 \$ /m <sup>3</sup>
Ajustement	0.48 \$ /m <sup>3</sup>
	54.02 \$ /m <sup>3</sup>
Conversion en tma	1.86
Transport 50%	100.48 \$ /tma
	1.86 \$ /tma
	<u>102.34 \$ /tma</u>

Ajustement arbitraire

Le facteur de conversion utilisé durant l'année est de 1,86 et sera ajusté en fin d'année selon les données réelles

Le coût du transport pour amener le bois de la cour de PFT à la cour de Fraser est payé à 50-50 par les parties

## Bois de rémanant

Doit être envoyé en copeau (Fraser prend tous les copeaux de rémanant)

Prix du bois rond alloué par Fraser avant transport	47.54 \$ /m <sup>3</sup>
Mise en copeau	6.00 \$ /m <sup>3</sup>
Ajustement	-1.52 \$ /m <sup>3</sup>
Droit de coupe	3.09 \$ /m <sup>3</sup>
	55.11 \$ /m <sup>3</sup>
Conversion en tma	1.86
Transport 50%	102.50 \$ /tma
	1.86 \$ /tma
	<u>104.36 \$ /tma</u>

Ajustement arbitraire car Fraser ne peut payer plus

Le droit de coupe de la pâte utilisé durant l'année est de 3,09 et sera ajusté en fin d'année selon les données réelles

Le facteur de conversion utilisé durant l'année est de 1,86 et sera ajusté en fin d'année selon les données réelles

Le coût du transport pour amener le bois de la cour de PFT à la cour de Fraser est payé à 50-50 par les parties

## Bois privé

Doit être envoyé en copeau (Fraser prend tous les copeaux de bois privé)

Prix payé aux fournisseurs privés	41.82 \$ /tongue
Conversion en m <sup>3</sup>	1.10
	46.00 \$ /m <sup>3</sup>
Agence	1.25 \$ /m <sup>3</sup>
Prix total pour le bois rond	47.25 \$ /m <sup>3</sup>
Mise en copeau	6.00 \$ /m <sup>3</sup>
	53.25 \$ /m <sup>3</sup>
Conversion en tma	1.86
Transport 50%	98.05 \$ /tma
	1.86 \$ /tma
	<u>100.91 \$</u>

Prix qui doit suivre l'entente de prix négocié entre les syndicats de producteur de bois privé et Papier Fraser et sera ajusté au six mois. De plus, le prix va varier en fonction de la région où le bois sera coupé.

Le facteur de conversion utilisé est la moyenne des 5 dernières années de Papier Fraser du bois privé. Lauzon pourra en tout temps prendre un échantillon significatif afin de s'assurer que le facteur de conversion est bon et s'il y a le facteur sera ajusté après entente entre les deux parties afin de représenter le plus possible la réalité

La redevance pour la pâte utilisé durant l'année est de 1,25 et sera ajusté en fin d'année selon les données réelles

Le facteur de conversion utilisé durant l'année est de 1,86 et sera ajusté en fin d'année selon les données réelles

Le coût du transport pour amener le bois de la cour de PFT à la cour de Fraser est payé à 50-50 par les parties

## Bois privé venant des terres privées de Fraser

Doit être envoyé bois rond ou en copeau (Fraser prend tous le bois rond ou les copeaux de bois privé)

Prix payé aux fournisseurs privés	41.82 \$ /tongue
Conversion en m <sup>3</sup>	1.10
	46.00 \$ /m <sup>3</sup>
Agence	0.00 \$ /m <sup>3</sup>
Prix total pour le bois rond	46.00 \$ /m <sup>3</sup>
Mise en copeau	6.00 \$ /m <sup>3</sup>
	52.00 \$ /m <sup>3</sup>
Conversion en tma	1.86
Transport 50%	96.72 \$ /tma
	1.86 \$ /tma
	<u>98.58 \$</u>

Prix qui doit suivre l'entente de prix négocié entre les syndicats de producteur de bois privé et Papier Fraser et sera ajusté au six mois. De plus, le prix va varier en fonction de la région où le bois sera coupé.

Le facteur de conversion utilisé est la moyenne des 5 dernières années de Papier Fraser du bois privé. Lauzon pourra en tout temps prendre un échantillon significatif afin de s'assurer que le facteur de conversion est bon et s'il y a le facteur sera ajusté après entente entre les deux parties afin de représenter le plus possible la réalité

La redevance s'applique pour le bois livré en bois rond. La redevance pour la pâte utilisé durant l'année est de 1,25 et sera ajusté en fin d'année selon les données réelles

Le facteur de conversion utilisé durant l'année est de 1,86 et sera ajusté en fin d'année selon les données réelles

Le coût du transport pour amener le bois de la cour de PFT à la cour de Fraser est payé à 50-50 par les parties

## Copeau de scierie

Volume calculé par rapport au facteur de consommation réel de l'entreprise

Prix B: 51,25 \$/m<sup>3</sup> /tma

## 2- Lauzon - Ressources forestières (Maniwaki)

Volume de bois rond venant des CAAF de Fraser

50,000 m<sup>3</sup> garantie par année de l'aire commune 73-02  
15,000 m<sup>3</sup> additionnel si entente de prix entre les parties de l'aire commune 73-02

Prix pour le bois rond

51,25 \$/m<sup>3</sup>

Copeau de scierie

80 \$/tma

## 3- BK (Mont-Laurier)

Volume de bois rond venant des CAAF de Fraser

35,000 m<sup>3</sup> garantie par année de l'aire commune 64-03  
8,000 m<sup>3</sup> additionnel si entente de prix entre les parties de l'aire commune 64-03

Prix pour le bois rond

51,25 \$/m<sup>3</sup>

Copeau de bois rond

Prix du bois rond	51.25 \$ /m <sup>3</sup>
Mise en copeau	6.00 \$ /m <sup>3</sup>
	57.25 \$ /m <sup>3</sup>
Conversion en tma	1.86
	<u>106.48 \$ /tma</u>

Le facteur de conversion utilisé durant l'année est de 1,86 et sera ajusté en fin d'année selon les données réelles

Copeau de scierie

80 \$/tma

## ANNEXE D

## HORAIRE DE RÉCEPTION COPEAUX ET BOIS RONDS

## 1. Horaire de réception des copeaux.

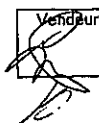

Journée	Essence	0h00 à 6h00	6h00 à 7h00	7h00 à 22h00	22h00 à 24h00
Lundi	Érables	Fermé	Fermé	Ouvert	Ouvert
	Bouleaux	Fermé	Fermé	Ouvert	Ouvert
	Autres feuillus	Fermé	Fermé	Ouvert	Ouvert
Mardi au Vendredi	Érables	Ouvert	Ouvert	Ouvert	Ouvert
	Bouleaux	Ouvert	Ouvert	Ouvert	Ouvert
	Autres feuillus	Ouvert	Ouvert	Ouvert	Ouvert

Le vendeur doit se conformer au présent horaire de réception des copeaux ou à tout autre horaire qui lui sera signifié par l'acheteur, suivant un avis verbal ou écrit de vingt-quatre (24) heures.

## 2. Horaire de réception des bois ronds.

Journée	Essence	0h00 à 6h00	6h00 à 7h00	7h00 à 16h00	16h00 à 22h00	22h00 à 24h00
Lundi	Érables	Fermé	Fermé	Fermé	Ouvert	Ouvert
	Bouleaux	Fermé	Fermé	Fermé	Ouvert	Ouvert
	Autres feuillus	Fermé	Fermé	Fermé	Ouvert	Ouvert
Mardi au Vendredi	Érables	Ouvert	Ouvert	Ouvert	Ouvert	Ouvert
	Bouleaux	Ouvert	Ouvert	Ouvert	Ouvert	Ouvert
	Autres feuillus	Ouvert	Ouvert	Ouvert	Ouvert	Ouvert

Le vendeur doit se conformer au présent horaire de réception des bois ronds ou à tout autre horaire qui lui sera signifié par l'acheteur, suivant un avis verbal ou écrit de vingt-quatre (24) heures.

Vendeur	Acheteur
	

## ANNEXE E

## NORMES DE QUALITÉ DES BOIS RONDS

## 1. Longueur.

La longueur minimale des tronçons est établie à 2,44 mètres (8 pieds) ;  
La longueur maximale des tronçons est établie à 7,32 mètres (24 pieds).

## 2. Diamètre.

Le diamètre minimum au fin bout est de 10 centimètres (4 pouces) avec écorces ;  
Le diamètre maximum au gros bout pour un tronçon sans courbure est de 76 centimètres (30 pouces) avec écorces. Pour les tronçons avec courbure, voir item "3. Courbure".

## 3. Courbure.

Les tronçons doivent être le plus droit possible. Lorsqu'un tronçon ne peut être redressé par une coupe, nous acceptons une flèche de 20 centimètres (8 pouces) ou moins sur une longueur de 2,44 mètres (8 pieds) à condition que le tronçon passe à l'intérieur d'un cylindre de 76 centimètres (30 pouces).

## 4. Noeuds, bossés et loupes.

Les noeuds doivent être rasés à l'affleurement du tronc ou coupés en angles pour enlever toute possibilité d'être accrochés lors du passage dans l'écorceur.

Les bossés et les loupes doivent être arrondies.

## 5. Fourches.


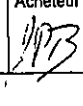
Il ne doit y avoir aucun tronçon fourchu. Les tronçons ne doivent avoir qu'un seul axe.

## 6. Tronçonnage.

À leurs deux extrémités, les tronçons doivent être coupés perpendiculairement à leur axe.

## 7. Chicots.

Aucun chicot ni arbre mort n'est accepté.

Vendeur	Acheteur
	

#### 8. Éboutage et pourritures.

Les tronçons contenant trop de pourriture ou un trou excessif doivent être éboutés. Dans un chargement, chaque tronçon doit avoir le tiers (1/3) de son volume ou le quart (1/4) du diamètre de sa découpe en bon bois. De plus, le volume en pourriture dans un même chargement ne pourra excéder 25%.

#### 9. Essences.

Les tronçons doivent être livrés séparément selon les groupes d'essences suivants :

Groupe érables: Érable à sucre, érable rouge et hêtre ;  
Groupe bouleaux: Bouleau à papier et bouleau jaune (merisier) ;  
Groupe autres feuillus: Peupliers, tilleul, frênes, noyer, cerisier, ormes et ostryer.

Aucune autre essence n'est acceptée (chênes, autres...)

#### 10. Roches, terre et neige.

Aucune roche, ni terre, ni neige ne doivent être incluses dans les chargements de tronçons.

#### 11. Branches.

Nous n'acceptons aucune branche dans le chargement, à l'exception des petites branches de moins de 2,5 centimètres (1 pouce), jusqu'à un maximum de 5 branches.

#### 12. Déchargement.


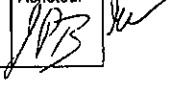
Prévoir un espacement minimum de 1,85 mètres (6 pieds) entre les poteaux d'un même arrime pour permettre l'accès au grappin de la chargeuse.

#### 13. Communication.

Bien qu'une radio CB ne soit pas obligatoire, il est recommandé d'en avoir une pour circuler sur la jetée de l'usine de Thurso.

#### 14. Tronçons refusés.

Le vendeur reconnaît que l'acheteur est certifié ISO-9002 et que l'application des présentes normes de qualité se fait de manière rigoureuse. Aussi, il reconnaît que des tronçons, voir même des chargements entiers peuvent être retournés en forêt lorsqu'il y a non-conformité.

Vendeur	Acheteur
	

## ANNEXE F

## COPEAUX - NORMES DE QUALITÉ ET SPÉCIFICATIONS

## 1. Groupes d'essences.

Les essences doivent être séparées selon les trois groupes suivants:

Érables: Érable à sucre, érable rouge (plaine) et hêtre;  
 Bouleaux: Bouleau blanc et bouleau jaune (merisier);  
 Autres feuillus: Peupliers, tilleul, frênes, noyer, orme, cerisier et ostryer.

Aucune autre essence n'est acceptée (chênes, résineux, autres...).

## 2. Dimension des copeaux

Les copeaux doivent être d'une dimension approximative de 20 millimètres par 20 millimètres.

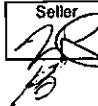
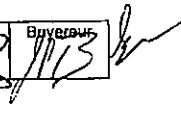
Item	Épaisseur	Tolérance (% de poids)
Sciures	Fine	Maximum de 1.5%
Éclisses	0 à 2 mm	Maximum de 4.5%
<b>Bons copeaux</b>	<b>2 à 8 mm</b>	<b>Minimum de 79.5%</b>
Surdimensionnés	Plus de 8 mm	Maximum de 16.0%
Écorces		Maximum de 2.0%

## 3. Corps étrangers.

Aucun corps étrangers tels que copeaux d'un autre groupe d'essences, plastique, métal, roche, papier, bois traité, branches, neige et autres ne sera accepté dans les chargements.

## 4. Porte d'échantillonnage.

Les remorques qui servent à la livraison des copeaux à l'usine de Thurso doivent obligatoirement avoir une porte pour permettre la prise d'un échantillon de copeaux. Cette porte doit être située du côté du conducteur à un minimum de deux mètres (6 pieds) du devant de la remorque. La grandeur de la porte est de 30 centimètres de hauteur par 30 centimètres de largeur (12 pouces par 12 pouces).

Seller:   
 Buyer: 



## ANNEXE G

### PROCÉDURE POUR LES TESTS DE COPEAUX

- Chaque remorque sera muni d'une porte échantillon (30 cm par 30 cm, située au moins 30 cm du plancher de la remorque).
- Un échantillon d'environ 2000 grammes est prélevé sur chaque chargement de copeaux par le préposé à la balance.
- L'échantillon sert à déterminer :
  1. Le pourcentage de siccité des copeaux ( tonnes anhydre).
  2. Évaluation de la qualité des copeaux.
  3. Le pourcentage d'écorce dans les copeaux.

#### 1. Le pourcentage de siccité des copeaux

##### Équipements nécessaire :

- Balance de laboratoire
- Étuve
- Contenant
- Placer un contenant vide sur la balance. Peser.
- Placer 100 à 200 grammes de copeaux dans le panier. Peser.
- Placer le contenant et son contenu avec le billet d'identification dans l'étuve pendant un minimum de 18 heures à une température de 105 °C ± 3°C.
- Placer un contenant vide sur la balance. Peser.
- Déposer les copeaux sec dans le contenant. Peser.
- Calcul :

$$\% \text{ de siccité} = \frac{\text{Poids du contenu après séchage (grammes)}}{\text{Poids du contenu avant séchage (grammes)}} \times 100$$

##### ▪ Référence :

TAPPI Test Methods – TAPPI methods T 258, om-89

Procédure ISO 08103 IPE 038 Rév. 00

Procédure pour déterminer le % de siccité des copeaux ou des écorces

#### 2. Évaluation de la qualité des copeaux


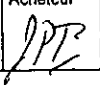
##### Équipements nécessaire :

- Classificateur Gradex G6S-AF-AD
- Logiciel de laboratoire S.I.I.T. 2.1
- Évaluation hebdomadaire des copeaux.

##### Utilisation d'échantillons composés pour la classification des copeaux :

1 à 27 échantillons simples pour une même classe (feuillus, résineux) :

Un (1) échantillon composé formé d'un mélange de tous les échantillons

Vendeur	Acheteur
	

simples. Environ 200 grammes de chaque échantillon.

**28 à 47 échantillons simples :**

1<sup>er</sup> composé Échantillons simples #1 à #20  
2<sup>ème</sup> composé Échantillons simples #21 à #47

**48 à 67 échantillons simples :**



1<sup>er</sup> composé Échantillons simples #1 à #20  
2<sup>ème</sup> composé Échantillons simples #21 à #40  
3<sup>ème</sup> composé Échantillons simples #41 à #67

- Faire la classification des composés selon la procédure établie.
- Saisir les données d'essais de classification dans le logiciel de laboratoire S.I.I.T. 2.1
- Hebdomadairement, calculer à l'aide de S.I.I.T. 2.1 le C.V.I. (chip value index) par fournisseur / classe de copeaux.
- Le C.V.I. sert à convertir les données des essais à un système de pointage d'appréciation de la qualité des copeaux livrés. Selon ce système, un fournisseur sera dans la zone verte, jaune, orange, ou rouge. Par la suite, une évaluation du fournisseur est faite en tenant compte de l'historique des évaluations pour les trois (3) semaines précédentes. Selon cette évaluation, les actions suivantes peuvent être prises :
  - 1. Aucune action
  - 2. Avertissement niveau 1
  - 3. Avertissement niveau 2
  - 4. Demande de plan d'action
  - 5. Suspension

**Tableau calcul du C.V.I. pour le bois franc et le bois mou :**

Bois Franc				
Description	Vert	Jaune	Orange	Rouge
Fines	0 - 1.5	1.6 - 3.0	3.1 - 4.0	> 4.0
0 - 2 mm	0 - 4.5	4.6 - 7.0	7.1 - 9.0	> 9.0
2 - 8 mm	79.5 et +	74.0 - 79.4	68.0 - 73.9	< 68.0
8 mm et +	0 - 16.0	16.1 - 22.5	22.6 - 29.0	> 29.0
Écorces	0 - 2.0	2.1 - 3.5	3.6 - 5.0	> 5.0
C.V.I.	80 et +	30 - 79	10 - 29	< 10

Bois Mou				
Description	Vert	Jaune	Orange	Rouge
Fines	0 - 3.0	3.1 - 5.5	5.6 - 8.0	> 8.0
0 - 2 mm	0 - 5.0	5.1 - 7.5	7.6 - 10.0	> 10.0
2 - 8 mm	82.0 et +	77.0 - 81.9	71.0 - 76.9	< 71.0
8 mm et +	0 - 11.5	11.6 - 16.5	16.6 - 21.0	> 21.0
Écorces	0 - 1.5	1.6 - 2.5	2.6 - 3.5	> 3.5
C.V.I.	75 et +	25 - 74	5 - 24	< 5

Vendeur	Acheteur
	

**Référence :**

Tableau ISO 05200 TAB 001 Rév. 00 Calcul du C.V.I. pour le bois franc et le bois mou  
 Procédure ISO 05200 IPE 002 Rév. 00 Évaluation des sous-traitants de copeaux  
 Procédure ISO 08103 IPE 041 Rév. 00 Classification des copeaux par épaisseur en mode automatique  
 Procédure ISO 08103 IPE 064 Rév. 00 Classification des copeaux par épaisseur en mode manuel  
 Procédure ISO 08103 IPE 075 Rév. 00 Instruction d'échantillonnage pour les copeaux livrés par camions

**3. Le pourcentage d'écorce dans les copeaux****Équipements nécessaire :**

- Balance de laboratoire
- Peser 1000 grammes de copeaux.
- Ramasser tout l'écorce visible.
- Peser l'écorce
- Calcul :

$$\% \text{ d'écorce} = \frac{\text{Poids de l'écorce (grammes)}}{\text{Poids des copeaux et écorces (grammes)}} \times 100$$

▪ **Référence :**

Procédure ISO 08103 IPE 039 Rév. 00 Pourcentage de l'écorce dans les copeaux

Vendeur	Acheteur
<i>[Signature]</i>	<i>[Signature]</i>

## ANNEXE H

## DIRECTIVES AUX CAMIONNEURS

## 1. Responsabilités au déchargement.

L'acheteur ne sera pas responsable de tout bris ou dommage causé à un camion et à sa remorque ou semi-remorque si :

- (1): le camion était défectueux avant son arrivée dans l'enceinte de l'usine ;
- (2): le bris ou le dommage est provoqué par le conducteur du camion qui ne manoeuvre pas correctement son véhicule ou la plate-forme de déchargement.

## 2. Port de l'équipement de sécurité.

Tout camionneur qui descend de son camion dans l'enceinte de l'usine doit porter un casque de sécurité, des chaussures de sécurité ainsi qu'une paire de lunettes de sécurité.

## 3. Attente pour le déchargement.

Le camionneur qui attend de pouvoir positionner son véhicule et sa cargaison de copeaux sur la plate-forme de déchargement doit demeurer dans son camion à l'endroit désigné pour l'attente. En aucun temps il ne doit quitter son camion.

## 4. Procédure de déchargement.



Le conducteur doit d'abord positionner son camion et sa remorque (ou semi-remorque) sur la plate-forme de déchargement, et ce de façon sécuritaire. Il éteint ensuite le moteur et quitte le véhicule pour se diriger vers le poste des commandes de la plate-forme. Le conducteur doit alors porter son équipement de sécurité.

Il active la plate-forme pour procéder au déchargement de la cargaison de copeaux. Une fois le déchargement complété, il abaisse complètement la plate-forme, retourne à son véhicule et quitte l'aire de déchargement.

## 5. Fumage, contamination et débris.

Il est strictement interdit de fumer dans l'enceinte de l'usine, ni même à l'intérieur des véhicules.

Il est interdit pour quiconque de laisser quelque débris que ce soit dans l'enceinte de l'usine. Le conducteur ne peut procéder à des ajustements mécaniques à son véhicule, à des réparations, à des travaux d'entretien dans l'enceinte de l'usine. Il ne peut consommer de la nourriture à l'extérieur de son véhicule, ni jeter des déchets de tout genre hors de son véhicule.


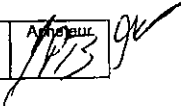
Vendeur	Acheteur
	

96

6. Pénalité et suspension.

L'acheteur se réserve le droit de refuser l'accès à son usine, et ce pour une période déterminée, selon la gravité du geste, à toute personne qui ne respecte pas les règles et directives, ou qui expose sa propre personne ou une autre personne à une situation dangereuse menant ou non à un accident.

Le vendeur reconnaît l'importance d'assurer la sécurité des individus dans l'enceinte de l'usine et reconnaît les efforts faits par l'acheteur pour éviter toute situation pouvant mener à un accident tant corporel que matériel.

Vendeur	Acheteur
	

---

## ANNEXE I

## GRILLE DE FRÉQUENCE OSHA – ACCIDENTS DE TRAVAIL

Nom de l'entrepreneur :	
Mois :	Année :

## MOIS

Nombre d'heures travaillées dans le mois :	
Nombre d'accidents de travail dans le mois :	

Fréquence OSHA = $\frac{\text{Nombre d'accidents} \times 200,000 \text{ heures}}{\text{Nombre d'heures travaillées}}$
Fréquence OSHA = _____ X 200,000 heures


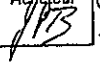
Vendeur	Acquéreur
<i>[Signature]</i>	<i>[Signature]</i>

## ANNÉE À DATE

Nombre d'heures travaillées dans le mois :	
Nombre d'accidents de travail dans le mois :	

Fréquence OSHA = $\frac{\text{Nombre d'accidents} \times 200,000 \text{ heures}}{\text{Nombre d'heures travaillées}}$
$\underline{\hspace{2cm}} = \underline{\hspace{2cm}} \times 200,000 \text{ heures}$

TÉLÉCOPIER AU  
À L'ATTENTION DE

Vendeur	Acheteur
	



## **EXHIBIT "I"**







ROYAL BANK OF CANADA  
P.O. BOX 6011 STATION A  
MONTREAL QC H3C 3B8

## Business Account Statement

February 25, 2009 to March 25, 2009  
Account number: 01581 101-081-8

Serial #: 72820 Amount: \$173,520.48

See reverse side for security characteristics. Voir au verso pour les caractéristiques de sécurité.

**PapiersFraser** 451, RUE VICTORIA  
MONTREAL QUEBEC  
H3B 2J9

DATE 20080227  
AAAAAB2J

PAYABLE À L'ORDRE DE / PAY TO THE ORDER OF  
CENT SOIXANTE-TREIZE MILLE CINQ CENT VINGT dollars et 48 cents  
\$ 173,520.48

LAUZON (THILFOS) RESSOURCES FORESTIERES INC.  
3101 COÛTES DES CADACÈS  
PAPINEAUVILLE, QUE.  
J0Y 1E0

BANQUE ROYALE DU CANADA  
BOUT ALLEMANDE 1000 OUTAOUAIS  
1000 ALLEMANDE 1000  
GATINEAU, QUE J8T 4G0

*Boudet*  
*Marie Vitar*

ORIGINALES AUTENTIFIÉS / AUTHENTIC ORIGINALS

\*00072820\* 1015610030 101081181 \*0017352048\*

[illegible]



## Business Account Statement

February 25, 2009 to March 25, 2009  
Account number: 01581 101-081-8

Serial #: 72932 Amount: \$180,000.00

[illegible]

2965-03-04 00074-318 EPICOLUS BOMBARDIERES 50430-815  
1400456044





ROYAL BANK OF CANADA  
P.O. BOX 6011 STATION A  
MONTREAL QC H3C 3B8

# Business Account Statement

February 25, 2009 to March 25, 2009  
Account number: 01581 101-081-8

Serial #: 73169

Amount: \$180,000.00

See reverse side for security characteristics. Voir du verso pour les caractéristiques de sécurité.

**PapiersFraser** 451 RUE VICTORIA  
MONTREAL QUEBEC  
H3C 3B8

PAYABLE À L'ORDRE DE / PAY TO THE ORDER OF

**LAUZON (THURSO) RESSOURCES FORESTIERES INC.**  
2101 COTE DES CASCADES  
PAPINEAUVILLE QUE.  
J0V 1R0

DATE 2009-03-19

\$ \*\*\*\*180,000.00

Signature: *Pauline Veillette*

ROYAL BANK OF CANADA  
100, RUE DUNDAS OUEST, 10<sup>ET</sup> ETAGE  
MONTREAL, QUEBEC H2Y 1G5

ROYAL BANK INTERNATIONAL / BANQUE ROYALE INTERNATIONAL

\*00073169\* 001581-0038 101-081-8\* /0018000000/

2009-03-19 10072 325 EPOQUE-BUSINESS 30138-815

1700392659

HRI - 89-67-2 - 000133

Serial #: 73169



ROYAL BANK OF CANADA  
P.O. BOX 6011 STATION A  
MONTREAL QC H3C 3B8

# Business Account Statement

March 25, 2009 to April 24, 2009  
Account number: 01581 101-081-8

Serial #: 73284

Amount: \$180,000.00

Des renseignements sur les caractéristiques, voir ou verser pour les caractéristiques de sécurité.

PapiersFraser 411 RUE VICTORIA  
THURSO, QUEBEC  
J0L 2S0

DATE 20090325

PAYABLE À L'ORDRE DE / PAY TO THE ORDER OF

CENT QUATRE-VINGTS MILLE \$00/100

LAUZON (THURSO) RESSOURCES FORESTIERES INC.  
2101 COTES DES CASCADES  
PAPINEAUVILLE, QUE.  
J0V 1R0

\*\*\*180,000.00

BANQUE ROYALE DU CANADA  
1000, 1000 RUE DE LA LOYALTE  
MONTREAL, QUEBEC H3C 3B8

Signature of Branch Manager

2009-03-25 06048.318 CPCOLOR-101-081-8 36\*30-815

1400455050

\*00073284\* 001581-0030 101-081-8\* 0018000000\*



ROYAL BANK OF CANADA  
P.O. BOX 6011 STATION A  
MONTREAL QC H3C 3B8

# Business Account Statement

March 25, 2009 to April 24, 2009  
Account number: 01581 101-081-8

Serial #: 73358

Amount: \$180,000.00

Donner une preuve de la validité des caractéristiques. Valeur au verso pour les caractéristiques de sécurité.

Papiers **Fraser**  
73358

DATE 20090331

PAYABLE À L'ORDRE DE PAY TO THE ORDER OF

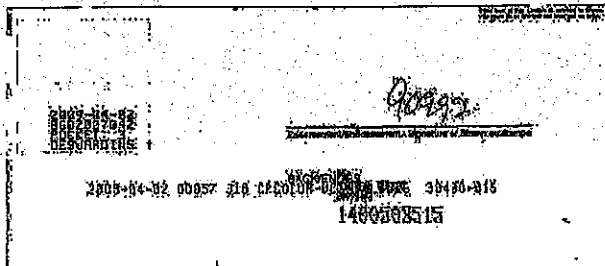
CENT QUATRE-VINGTS MILLE dollars et 00 cent

180,000.00

LAUZON (THURSO) RESSOURCES FORESTIERES INC.  
2101 COTES DES CASCADES  
PAPINEAUVILLE, QUE  
J0V 1R0

ROYAL BANK OF CANADA  
1001 LA SALLE STREET  
MONTREAL, QUE H3C 3B8

ROYAL BANK OF CANADA



00073358 01581-0031 101-081-8 0018000000

Serial #: 73358

Amount: \$551.20







# Business Account Statement

March 25, 2009 to April 24, 2009  
Account number: 01581 101-081-8

Serial #: 73862

Amount: \$150,000.01

See reverse side for security characteristics. Voir au verso pour les caractéristiques de sécurité.

PapiersFraser 451 RUE VICTORIA  
SUITE 300  
J0V 3B0

73862

DATE 20090415

PAYABLE À L'ORDRE DE / PAY TO THE ORDER OF

\*\*\*CENT CINQUANTE MILLE dollars of 01 cent

\*\*\*\$150,000.01

LAURON (THURSD) RESOURCES FORESTIERES INC.  
2101 COTES DES CASCADES  
PAPONEAUVILLE, QUE.  
J0V 1R0

BANQUE ROYALE DU CANADA  
100, rue Peel, 1000, 1000  
1000, 1000, 1000, 1000

*Signature*  
BANK OF MONTREAL / BANQUE DU MONTREAL

2009-04-15-80827 513 00000001 00000001 00000001

\*00073862\* \*01581-003\* 101-081-8\* \*0015000001\*

RBDA 11050\_8108313 000005

## **EXHIBIT “J”**

# ThorntonGroutFinnigan

THE RESTRUCTURING & LITIGATION BOUTIQUE

Danny M. Nunes  
Direct: 416-304-0592 E-mail: dnunes@tgf.ca  
File No.: 1296-001

November 17, 2009

## VIA FACSIMILE

Lauzon (Thurso) Ressources Forestieres Inc.  
2101, Cote des Cascades  
Papineauville, QC J0V 1R0

**Attention: David Lauzon**

Dear Mr. Lauzon:

**Re: Fraser Papers Inc., FPS Canada Inc., Fraser Paper Holdings Inc., Fraser Timber Ltd., Fraser Papers Limited, Fraser N.H. LLC (collectively, the "Applicants")**

We represent the Applicants in connection with a Court proceeding brought under the *Companies' Creditors Arrangement Act* (Canada) ("CCAA"), by Order of the Ontario Superior Court of Justice dated June 18, 2009 (the "Initial Order"). An ancillary proceeding was commenced on June 19, 2009 pursuant to Chapter 15 of the *U.S. Bankruptcy Code*. Accordingly, parallel proceedings are in place in Canada and the U.S. in respect of the Applicants.

Pursuant to the Convention d'Achat de Matiere Ligneuse (the "Agreement") dated March 28, 2003 between Fiducie Lauzon ("Lauzon") and Nexfor Papiers Fraser (Canada) Inc., now Fraser Papers Inc. ("Fraser"), Lauzon supplied wood products to Fraser. In addition, Fraser stored wood products on Lauzon's premises during the logging season. Pursuant to the Agreement, Fraser prepaid Lauzon in respect of wood products to be supplied to Fraser in the total amount of CAD\$1,720,561.46 (the "Total Prepaid Amount"). Schedule "A" to this letter sets out the date, amount and cheque numbers for each payment made by Fraser. Included in the wood products for which the Total Prepaid Amount was paid, 5000 cubic metres of wood were stored on Lauzon's premises but were not delivered to Fraser. The portion of the Total Prepaid Amount paid by Fraser in respect of this wood stored on Lauzon's premises was CAD\$370,366.26 (the "Outstanding Amount").

Lauzon did not deliver the prepaid wood to Fraser, no longer has possession of the prepaid wood, and has not reimbursed Fraser for the Outstanding Amount relating to the prepaid wood. In addition, Lauzon has not provided any reason for its failure to reimburse the Outstanding Amount.

By letter dated September 28, 2009, Fraser repudiated the Agreement in accordance with its rights under paragraph 13(e) of the Initial Order. Lauzon was entitled to file a Restructuring

ThorntonGroutFinnigan LLP

Suite 3200, Canadian Pacific Tower, 100 Wellington St. West, P.O. Box 329, Toronto-Dominion Centre, Toronto, Canada M5K 1K7  
Phone: (416) 304-1616 Fax: (416) 304-1313 www.tgf.ca

- 2 -

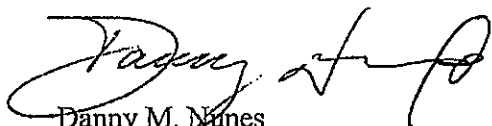
Claim for any damages arising out of Fraser's repudiation of the Agreement by October 28, 2009. A Proof of Claim Document Package was attached to the aforementioned repudiation letter. Lauzon failed to file a Proof of Claim against any of the Applicants on or before the Restructuring Claims Bar Date and is now forever barred from asserting a claim against any of the Applicants.

Please be advised that we have scheduled a motion before Madam Justice Pepall, the presiding judge in the Applicants' CCAA proceeding, for Wednesday, December 2, 2009 at 10:00 a.m. at the Ontario Superior Court of Justice, 330 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario. At that time, we will be seeking an Order requiring that Lauzon pay the Outstanding Amount within 10 days of the date of the Order. At that time, we will also request that Lauzon be required to pay all costs incurred by Fraser (including the legal costs of this firm) in attempting to recover payment of the Outstanding Amount. We will serve and file a Notice of Motion in support of the Order we are seeking later this month, and will provide you with a copy. We are giving you ample advance notice, in the event that you wish to make arrangements for payment of the Outstanding Amount prior to our Court attendance on December 2, 2009.

Please govern yourself accordingly.

Yours very truly,

**ThorntonGroutFinnigan LLP**



Danny M. Nunes  
DMN/mm

cc: Glen McMillan, *Fraser Papers Inc. (via email)*  
John McKenna, *PricewaterhouseCoopers Inc. (via email)*  
Marco Veilleux, *Fraser Papers Inc. (via email)*

ThorntonGroutFinnigan LLP

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## SCHEDULE "A"

PREPAID AMOUNTS PAID BY FRASER PAPERS INC. TO  
LAUZON (THURSO) RESSOURCES FORESTIERES INC.

<u>Cheque Date</u>	<u>Cheque No.</u>	<u>Amount</u>
February 11, 2009	00072545	\$173,520.48
February 17, 2009	00072634	\$173,520.48
February 27, 2009	00072820	\$173,520.48
March 3, 2009	00072932	\$180,000.00
March 11, 2009	00073051	\$180,000.00
March 18, 2009	00073169	\$180,000.00
March 24, 2009	00073284	\$180,000.00
March 31, 2009	00073358	\$180,000.00
April 8, 2009	00073736	\$150,000.01
April 14, 2009	00073862	\$150,000.01
		<b>Total: \$1,720,561.46</b>

## **EXHIBIT “K”**

**Danny Nunes**

**From:** Couturier, Gilles (FP Thurso) [gillcout@th.fraserpapers.com]  
**Sent:** November 25, 2009 11:15 AM  
**To:** Danny Nunes  
**Subject:** FW: Lauzon  
**Attachments:** Lauzon\_scierie\_2008-2009.xls; Lauzon\_Drum\_Prix\_09.xls; Lauzon\_drum\_2008-2009.xls; Lauzon\_transfert\_pate.xls

**Importance:** High

-----Original Message-----

**From:** Couturier, Gilles (FP Thurso)  
**Sent:** 24 September, 2009 10:02  
**To:** Pierre Levasseur (E-mail); Michel Pitre (E-mail)  
**Cc:** Veilleux, Marco (FP Thurso)  
**Subject:** TR: Lauzon  
**Importance:** High

Messieurs,  
 Au cas où vous n'aviez pas reçu cette info en juin.  
 Salutations  
 Gilles

-----Message d'origine-----

**De :** Crosland, Allen (FP Thurso)  
**Envoyé :** 23 septembre, 2009 11:52  
**À :** Couturier, Gilles (FP Thurso)  
**Objet :** Lauzon  
**Importance :** Haute

Gilles,

Voici le sommaire de la conciliation à jour des différents produits de Lauzon en tenant compte de l'indexation de -2.5% ainsi que les avances payées en fév-mar-avr 2009.

Avances sur réceptions	-1,524,306.94
Copeaux rémanents	957,930.31
Copeaux scierie	236,513.96
Tronçons cour CTR	-40,503.59
Total	-370,366.26

Donc, à l'heure actuelle en tenant compte que l'inventaire pour lequel nous avons payés un avance n'est plus dans la cour à Lauzon, ils nous doivent 370,366.26\$ pour la conciliation de la saison 2008-2009.

Allen Crosland  
 Superviseur au mesurage / Wood Measurement Supervisor  
 FPS Canada Inc.  
 451, Victoria (Québec), Canada, J0X 3B0  
 Tel: 819-985-5017 Cell: 819-712-2957 Fax: 819-985-5000



3

# PapiersFraser

## Conciliation

de l'entente d'achat de matière ligneuse

### FOURNISSEUR

Lauzon (Thurso) Ressources Forestières  
2101 Côtes des Cascades  
Papineauville, QC  
J0V 1R0

# Fourn. 7664

### ENTENTE D'ACHAT DE MATIÈRE LIGNEUSE

Période de l'entente : Indexation à compter du 1er mai 2008

Indexation -2.50% G. Couturier 2009/05/20.

Prix : Copeaux sciée feuillus 81.26 \$/tma (83.29 - 2.5%)  
Copeaux chêne 81.26 \$/tma (83.29 - 2.5%)

### CONCILIATION POUR LA PÉRIODE DU 2008/05/01 AU 2009/04/25

DESCRIPTION	PROJET	MASSE (KG)	QUANTITÉ	UNITÉ	PRIX PAYÉ (\$)	MONTANT PAYÉ (\$)	PRIX ENTENTE (\$)	UNITÉ ENTENTE	MONTANT À PAYER (\$)	BALANCE
Contrat # 3385 du 2008/05/01 au 2008/05/31										
Érables COP	10017	576,690	367.668	tma	83.29	30,623.07	81.26	tma	29,876.70	-746.37
Boulaux COP	10018	2,025,000	1,192.831	tma	83.29	99,350.89	81.26	tma	96,929.45	-2,421.44
Contrat # 3385 du 2008/06/01 au 2009/04/25										
Érables COP	10017	19,653,900	12,055.137	tma	63.26	762,656.23	81.26	tma	979,600.43	216,944.20
Boulaux COP	10018	3,169,940	1,826.474	tma	68.81	125,681.71	81.26	tma	148,419.28	22,737.57
Chêne COP	10027	1,025,420	648.857	tma	83.29	54,043.26	81.26	tma	52,726.12	0.00
<b>TOTAL</b>		<b>26,450,950</b>	<b>16,090.967</b>			<b>1,072,355.16</b>			<b>1,307,551.98</b>	<b>236,513.96</b>

Par : \_\_\_\_\_

Date : \_\_\_\_\_

**Lauzon Thurso 2008-2009**  
**Modalités de paiement et prix**  
**Prix départ pour pâte saison 2008-2009**

**Copeaux rémanent**

	Unité	Érables	Bouleaux	Autres feu.
Prix bois rond	\$/m³	53.51	53.51	53.51
Mise en copeau	\$/m³	6.76	6.76	6.76
Ajustement	\$/m³	-1.71	-1.71	-1.71
Droit de coupe	\$/m³	1.48	1.48	1.48
Conversion en tma	\$/tma	60.04	60.04	60.04
	\$/tma	1.667	1.852	2.353
Prix	\$/tma	100.09	111.20	141.28
Transport 50%	\$/tmv	1.61	1.61	1.61

**Calcul des droits de coupe sur pâte Lauzon juillet 2008 à mars 2009**

Zone	Volume m³	Volume m³	Taux \$/m³	Droits \$	Volume m³	Taux \$/m³	Droits \$	Volume m³	Taux \$/m³	Droits \$	Droits \$
UAF	Tarification	Total	Juil à Sept 08	Juil à Sept 08	Oct à Déc 08	Oct à Déc 08	Oct à Déc 08	Jan à Mar 09	Jan à Mar 09	Jan à Mar 09	Total
064-52	662	2,263.76	2,263.76	1.95	4,414.33						4,414.33
072-51	750	2,44.36	2,44.36	2.15	525.37						525.37
073-51	755	1,377.46	1,377.46	0.60	826.48						826.48

<b>Moyenne</b>	<b>3,885.58</b>	<b>3,885.58</b>	<b>1.48</b>	<b>5,766.18</b>	<b>0.00</b>	<b>#DIV/0!</b>	<b>0.00</b>	<b>0.00</b>	<b>#DIV/0!</b>	<b>0.00</b>	<b>5,766.18</b>
											<b>1.48</b>

Taux moyen cumulatif \$/m³

**Calcul de la compensation carburant**

UAF	Taux	Repartition du volume	Ajustement moy	Ajustement \$/tmv	Repartition du volume	Ajustement moy	Ajustement \$/tmv	Repartition du volume	Ajustement moy	Ajustement \$/tmv
064-52	14.00	58.3%	21.3%	2.98	55.0%	12.0%	1.68	#DIV/0!		0.00
072-51	10.00	6.3%	21.3%	2.13	25.0%	12.0%	1.20	#DIV/0!		0.00
073-51	19.00	35.5%	21.3%	4.05	20.0%	12.0%	2.28	#DIV/0!		0.00
		<b>100.0%</b>		<b>3.31</b>	<b>100.0%</b>		<b>1.68</b>	<b>#DIV/0!</b>		<b>#DIV/0!</b>

**PROVISOIRE**

Par : \_\_\_\_\_  
 Date : \_\_\_\_\_

Lauzon Thurso 2008-2009  
Modalités de paiement et prix

Copeaux rémanant

	Unité	Érables	Bouleaux	Autres feu.
Prix bois rond	\$/m³	52.20	52.20	52.20
Mise en copeau	\$/m³	6.60	6.60	6.60
Ajustement	\$/m³	1.67	1.67	1.67
Droit de coupe	\$/m³	1.44	1.44	1.44
Conversion en tna	\$/tna	58.58	58.58	58.58
Prix	\$/tna	97.65	108.48	137.83
Transport 50%	\$/tnv	1.61	1.61	1.61

Indexation entente Lauzon -2.50%  
G. Couturier 2009/05/20

Calcul des droits de coupe sur pâte Lauzon juillet 2008 à mars 2009

UAF	Zone Tarification	Volume m3 Total	Volume m3 Juil à Sept 08	Taux \$/m³ Juil à Sept 08	Droits \$ Juil à Sept 08	Volume m3 Oct à Déc 08	Taux \$/m³ Oct à Déc 08	Droits \$ Oct à Déc 08	Volume m3 Jan à Mar 09	Taux \$/m³ Jan à Mar 09	Droits \$ Jan à Mar 09	Droits \$ Total
064-52	662	29,601.90	2,263.76	1.95	4,414.33	9,603.43	2.00	19,206.86	17,734.71	2.05	36,356.16	59,977.35
072-51	750	10,096.55	244.36	2.15	525.37	3,335.49	2.20	7,338.08	6,516.70	2.25	14,662.58	22,526.03
073-51	755	29,754.21	1,377.45	0.60	826.48	15,316.11	0.60	9,189.67	13,060.64	0.60	7,836.38	17,852.53
Moyenne		69,452.66	3,886.58	1.48	5,766.18	28,255.03	1.26	35,734.60	37,312.05	1.58	58,855.11	100,355.90
										Taux moyen cumulé \$/m3	1.44	

Calcul de la compensation carburant

UAF	Taux Transport \$/tnv	Repartition du volume		Ajustement moy		Ajustement \$/tnv		Repartition du volume		Ajustement moy		Ajustement \$/tnv	
		Repartition du volume	Ajustement moy	Ajustement \$/tnv	Repartition du volume	Ajustement moy	Ajustement \$/tnv	Repartition du volume	Ajustement moy	Ajustement \$/tnv	Repartition du volume	Ajustement moy	Ajustement \$/tnv
064-52	14.00	58.3%	21.3%	2.98	34.0%	14.7%	2.06	47.5%	10.3%	1.44	10.3%	1.44	1.44
072-51	10.00	6.3%	21.3%	2.13	11.8%	14.7%	1.47	17.5%	10.3%	1.03	10.3%	1.03	1.03
073-51	19.00	35.5%	21.3%	4.05	54.2%	14.7%	2.79	35.0%	10.3%	1.96	10.3%	1.96	1.96
		100.0%		3.31	100.0%		2.39	100.0%		1.55			

Par :

Date :

# Papiers Fraser

## Conciliation de l'entente d'achat de matière ligneuse

### FOURNISSEUR

Lauzon (Thurso Usine Billons) Ressources Forestières # Fourn. 7666  
2101 Côtes des Cascades  
Papineauville, QC  
JOY 1R0

### ENTENTE D'ACHAT DE MATIÈRE LIGNEUSE

Période de l'entente : Indexation à compter du 1er mai 2008, pour les bois de la saison 2008-2009

Prix : Copeaux rémanents Érables 100.09 \$/tma Transport 1.61 \$/tnrv Carburant 1.68 \$/tnrv

Bouleaux 111.20 \$/tma  
Autres feuillus 141.28 \$/tma 1.61 \$/tnrv 1.68 \$/tnrv

### CONCILIATION POUR LA PÉRIODE DU 2008/01/06 AU 2008/06/07

DESCRIPTION	PROJET	MASSE (KG)	QUANTITÉ	UNITÉ	PRIX PAYÉ (\$)	MONTANT PAYÉ (\$)	PRIX ENTENTE (\$)	UNITÉ ENTENTE	MONTANT A PAYER COPEAUX (\$)	MONTANT A PAYER TRANSPORT (\$)	MONTANT A PAYER CARBURANT (\$)	BALANCE
Contrat # 3399												
Érables COP	10017	7,060,370	4,304,199	tma	105.64	454,698.73	100.09	tma	430,807.28	11,367.20	11,861.42	(663.83)
Bouleaux COP	10018	893,970	523,769	tma	117.18	61,374.15	111.20	tma	58,243.11	1,439.28	1,501.87	(189.88)

TOTAL 7,954,340 4,827,968 516,073.88 489,050.39 12,806.49 (853.71)

Par : \_\_\_\_\_

Date : \_\_\_\_\_

# Papiers Fraser

**Conciliation**  
de l'entente d'achat de matière ligneuse

## FOURNISSEUR

Launzo (Thurso Usine Bilions) Ressources Forestières  
2101 Côtés des Cascades  
Papineauville, QC  
J0V 1R0

# Fourn. 7666

## ENTENTE D'ACHAT DE MATIÈRE LIGNEUSE

Période de l'entente :

Indexation à compter du 1er mai 2008, pour les bois de la saison 2008-2009

PRIX PÉRIODE DU 12 OCTOBRE 2008 AU 25 AVRIL 2009, BOIS SAISON 2008-2009.

Prix : Copeaux rémanents  
Érables 97.65 \$/tma  
Bouleaux 108.48 \$/tma  
Autres feuillus 137.83 \$/tma

Indexation -2.50%. G. Couturier 2009/05/20.  
1.61 \$/tnv  
1.61 \$/tnv  
1.61 \$/tnv  
1.99 \$/tnv  
1.99 \$/tnv  
1.99 \$/tnv

## CONCILIATION POUR LA PÉRIODE DU 2008/10/02 AU 2009/04/25

DESCRIPTION	PROJET	MASSE (KG)	QUANTITÉ	UNITÉ	PRIX PAYÉ (\$)	MONTANT PAYÉ (\$)	PRIX ENTENTE (\$)	UNITÉ ENTENTE	MONTANT À PAYER COPEAUX (\$)	MONTANT À PAYER TRANSPORT (\$)	MONTANT À PAYER CARBURANT (\$)	BALANCE
<b>Contrat # 3399 COPEAUX RÉMANENTS</b>												
Érables COP	10017	27 749 710	16 517.128	tma	59.42	981 453.90	97.65	tma	1 612 897.55	44 677.03	55 221.92	731 342.61
Bouleaux COP	10018	5 199 000	2 959.537	tma	41.61	123 138.49	108.48	tma	321 050.57	8 370.39	10 346.01	216 628.48
Autres COP	10019	125 820	68.971	tma	0.00	0.00	137.83	tma	9 506.27	202.57	250.38	9 959.22

## AVANCES SUR RÉCEPTIONS

Février	2009/02/11	chèque #	72545	153 728.00	(153 728.00)
Février	2009/02/18	chèque #	72634	153 728.00	(153 728.00)
Février	2009/02/27	chèque #	72820	153 728.00	(153 728.00)
Mars	2009/03/03	chèque #	72932	159 468.44	(159 468.44)
Mars	2009/03/11	chèque #	73051	159 468.44	(159 468.44)
Mars	2009/03/18	chèque #	73169	159 468.44	(159 468.44)
Mars	2009/03/24	chèque #	73284	159 468.44	(159 468.44)
Mars	2009/03/31	chèque #	73358	159 468.44	(159 468.44)
Avril	2009/04/08	chèque #	73736	132 890.37	(132 890.37)
Avril	2009/04/14	chèque #	73862	132 890.37	(132 890.37)

TOTAL 33,074,530 19,545,636

2,628,899.33

1,943,454.40

53,249.99

65,818.31

(566,376.63)

Par : \_\_\_\_\_

Date : \_\_\_\_\_



# Papiers Fraser

## Conciliation

de l'entente d'achat de matière ligneuse

### FOURNISSEUR

Lauzon (Thurso) ressources forestières  
2101, Cotes des Cascades  
Papineauville, QC  
J0V 1R0

# Fourn. 7664

### ENTENTE D'ACHAT DE MATIÈRE LIGNEUSE

Période de l'entente :

Été 2008

Prix :

Hêtre

Feuillus

53.51  
1.61

\$/m³  
\$/tmv

Vente de sciage/pâte provenant de la cour du centre de tronçonnage. Prix en vigueur de l'entente long terme.  
Transport.

### CONCILIATION POUR LA PÉRIODE DU 2008/07/13 AU 2008/08/09

DESCRIPTION	UNITÉ MRN	MASSE (KG)	QUANTITÉ	UNITÉ	PRIX PAYÉ (\$)	MONTANT PAYÉ (\$)	FACTEUR MV	VOLUME (m³)	PRIX ENTENTE (\$)	UNITÉ ENTENTE	MONTANT À PAYER (\$)	BALANCE
Contrat # 361												
ÉRABLE T/A (Hêtre)		802.120	697.496	M3	53.51	37,322.99	1,073.23	747.39	53.51	M3	39,992.84	2,669.85
		802.120	802.120	TMV	0.00	0.00			1.61	TMV	1,291.41	1,291.41
AUTRES FEU. T/A		66.060	71.416	M3	53.51	3,821.48	925.00	71.42	53.51	M3	3,821.68	0.20
		66.060	66.060	TMV	0.00	0.00			1.61	TMV	106.36	106.36
TOTAL		868.180	768.912			41,144.47		818.81			45,212.29	4,067.82

Par : \_\_\_\_\_

Date : \_\_\_\_\_

Papiers **Fraser** Conciliation  
de l'entente d'achat de matière ligneuse

Fournisseur

Lauzon (Thurso) ressources forestières  
2101, Côtés des Cascades  
Papineauville, QC  
J0V 1R0

# Fourn. 7664

ENTENTE D'ACHAT DE MATIÈRE LIGNEUSE

Période de l'entente : Été 2008

Prix : Hêtre Feuillus 52.20 \$/m³ Vente de sciage/pâte provenant de la cour du centre de tronçonnage. Prix en vigueur de l'entente long terme. Indexation -2.50%.  
1.61 \$/m³ Transport  
1.99 \$/m³ Carburant

CONCILIATION POUR LA PÉRIODE DU 2008/07/13 AU 2008/08/09

DESCRIPTION	PROJET	MASSE (KG)	QUANTITÉ	UNITÉ	PRIX PAYÉ (\$)	MONTANT PAYÉ (\$)	FACTEUR MV	VOLUME (m³)	PRIX ENTENTE (\$)	UNITÉ ENTENTE	MONTANT À PAYER TRONÇONS (\$)	MONTANT À PAYER TRANSPORT (\$)	MONTANT À PAYER CARBURANT (\$)	BALANCE
Contrat # 361 DU 2008/07/13 AU 2008/08/09														
Érables T/A (hêtre)	10021	802,120	697,496	M3	59.19	41,284.25	1,073.23	747.39	52.20	M3	39,013.76	1,291.41	1,596.22	617.14
Autres T/A	10023	66,060	71,416	M3	55.00	3,928.04	925.00	71.42	52.20	M3	3,728.12	106.38	131.46	37.90
Contrat # 361 DU 2008/08/10 AU 2009/04/25														
Érables T/A	10021	9,073,880	7,716,132	M3	55.40	427,606.20	1,286.86	7,051.18	52.20	M3	368,071.60	14,608.95	18,057.02	(26,868.64)
Bouleaux T/A	10022	3,058,090	2,612,913	M3	55.38	144,740.48	1,336.49	2,288.15	52.20	M3	119,441.43	4,923.52	6,085.60	(14,289.93)
Chêne T/A	10034	134,330	111,942	M3	48.33	5,410.36	1,200.00	111.94	46.40	M3	5,194.02	216.27	0.00	(0.07)

TOTAL	868,180	768,912	622,969.33	10,270.08	535,448.92	21,146.51	25,870.30	(40,503.59)
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Par : \_\_\_\_\_

Date : \_\_\_\_\_

## **EXHIBIT “L”**



# ThorntonGroutFinnigan

THE RESTRUCTURING & LITIGATION BOUTIQUE

Danny M. Nunes  
Direct: 416-304-0592 E-mail: dnunes@tgf.ca  
File No.: 1296-001

November 24, 2009

## VIA EMAIL

Marchand Melancon Forget LLP  
1 Place Ville Marie  
Suite 1900  
Montreal, QC H3B 2C3

Attention: Daniel Radulescu

Dear Sir:

**Re: Fraser Papers Inc., FPS Canada Inc., Fraser Papers Holdings Inc., Fraser Timber Ltd., Fraser Papers Limited and Fraser N.H. LLC (collectively, the "Applicants")**

We refer to your letter dated November 20, 2009 on behalf of your client, Lauzon (Thurso) Ressources Forestieres Inc. ("Lauzon").

Contrary to your statement that PricewaterhouseCoopers Inc. (the "Monitor") did not provide Lauzon with a Proof of Claim Document Package as required by the Order of Madam Justice Pepall dated July 15, 2009 (the "Claims Order"), the Monitor has confirmed that a Proof of Claim Document Package was sent by ordinary mail to Lauzon on August 7, 2009. Pursuant to section 19(c) of the Claims Order, service of the Proof of Claim Document Package is deemed to have been received on the fifth Business Day after mailing within Canada.

In addition, you indicate that your client did not receive a Proof of Claim Document Package with the letter sent by Marco Veilleux dated September 28, 2009 (the "Repudiation Letter") wherein Fraser Papers Inc. ("Fraser Papers") repudiated the Convention d'Achat de Matiere Ligneuse (the "Agreement"). Notwithstanding that your client previously received the Proof of Claim Document Package, the Applicants are prepared to give Lauzon an additional seven (7) days from this letter's date within which to file a Restructuring Claim.

For the purpose of clarity, Lauzon's indebtedness to Fraser Papers under the Agreement is a wholly separate issue from any Restructuring Claim that Lauzon may have as a result of the Applicants' repudiation of the Agreement. Lauzon is forever barred pursuant to the Claims Order from asserting any claim other than a claim arising from the repudiation of the Agreement.

With respect to your request for a detailed statement explaining the origin and breakdown of Lauzon's indebtedness to Fraser Papers, this information was provided to your client both after its initial refusal to deliver the wood products in May 2009 and again in correspondence from

ThorntonGroutFinnigan LLP

- 2 -

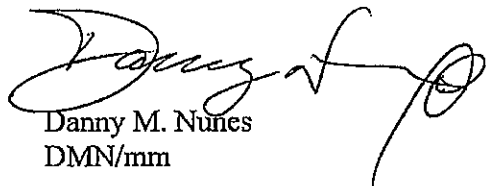
Gilles Couturier, manager for woodlands and procurement for Fraser Papers, to Pierre Levasseur and Michel Pitre of Lauzon on September 24, 2009. Once again, the breakdown of Lauzon's indebtedness to Fraser Papers under the Agreement is as follows:

Avances sur receptions	(\$1,524,306.94)
Copeaux Remanents	\$957,930.31
Copeaux Scierie	\$236,513.96
Troncons cour CTR	(\$40,503.59)
Total	(\$370,366.26)

We will be proceeding with the motion presently scheduled for December 2, 2009 and will seek an Order directing that Lauzon immediately pay all amounts owing to Fraser Papers unless your client wishes to make arrangements for payment prior to our Court attendance.

Yours truly,

**ThorntonGroutFinnigan LLP**



Danny M. Nunes  
DMN/mm

cc: John McKenna, *PricewaterhouseCoopers Inc. (via email)*  
Glen McMillan, *Fraser Papers Inc. (via email)*

ThorntonGroutFinnigan LLP

## **EXHIBIT "M"**

**Danny Nunes**

---

**From:** Danny Nunes  
**Sent:** November 25, 2009 4:41 PM  
**To:** 'dradulescu@mmflegal.com'  
**Subject:** Fraser Papers Inc.  
**Attachments:** Lauzon Spreadsheets.PDF

Mr. Radulescu,

Further to our letter dated November 25, 2009, attached please find certain Excel spreadsheets that were attached to the email correspondence sent to your clients, Mr. Levasseur and Mr. Pitre, by Mr. Couturier on September 24, 2009. Having once again provided detailed information on Lauzon's indebtedness to Fraser Papers, I trust that your client will be able to address this issue in advance of the scheduled Court appearance on December 2, 2009.

Regards,

**Danny M. Nunes**  
**Direct Line:** (416) 304-0592  
**Email:** [dnunes@tgf.ca](mailto:dnunes@tgf.ca)

**ThorntonGroutFinnigan LLP | The Restructuring & Litigation Boutique | Suite 3200, Canadian Pacific Tower,  
100 Wellington Street West, P.O. Box 329, Toronto-Dominion Centre, Toronto, Ontario M5K 1K7 | 416-304-1616  
| Fax: 416-304-1313 | [www.tgf.ca](http://www.tgf.ca)**

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# PapiersFraser

**Conciliation**  
de l'entente d'achat de matière ligneuse

## FOURNISSEUR

Lauzon (Thurso) Ressources Forestières  
2101 Côtes des Cascades  
Papineauville, QC  
J0V 1R0

# Fourn. 7664

## ENTENTE D'ACHAT DE MATIÈRE LIGNEUSE

Période de l'entente : Indexation à compter du 1er mai 2008

Indexation - 2.50% C Conteneur 2009/05/20

Prix : Copeaux sciée feuillus 81.26 \$/tma (83.29 - 2.5%)  
Copeaux chêne 81.26 \$/tma (83.29 - 2.5%)

## CONCILIATION POUR LA PÉRIODE DU 2008/05/01 AU 2009/04/25

DESCRIPTION	PROJET	MASSE (KG)	QUANTITÉ	UNITÉ	PRIX PAYÉ (\$)	MONTANT PAYÉ (\$)	PRIX ENTENTE (\$)	UNITÉ ENTENTE	MONTANT À PAYER (\$)	BALANCE
Contrat # 3385 du 2008/05/01 au 2008/05/31										
Érables COP	10017	576,690	367.668	tma	83.29	30,623.07	81.26	tma	29,876.70	-746.37
Bouleaux COP	10018	2,025,000	1,192.831	tma	83.29	99,350.89	81.26	tma	96,929.45	-2,421.44
Contrat # 3385 du 2008/05/01 au 2009/04/25										
Érables COP	10017	19,653,900	12,055.137	tma	63.26	762,656.23	81.26	tma	979,600.43	216,944.20
Bouleaux COP	10018	3,169,940	1,826.474	tma	68.81	125,681.71	81.26	tma	148,419.28	22,737.57
Chêne COP	10027	1,025,420	648.857	tma	83.29	54,043.26	81.26	tma	52,726.12	0.00
<b>TOTAL</b>		<b>26,450,950</b>	<b>16,090,967</b>			<b>1,072,355.16</b>			<b>1,307,551.98</b>	<b>236,513.96</b>

Par : \_\_\_\_\_

Date : \_\_\_\_\_

**Lauzon Thurso 2008-2009**  
**Modalités de paiement et prix**  
**Prix départ pour pâte saison 2008-2009**

**Copeaux rémanent**

	Unité	Érables	Bouleaux	Autres feu.
Prix bois rond	\$/m³	53.51	53.51	53.51
Mise en copeau	\$/m³	6.76	6.76	6.76
Ajustement	\$/m³	-1.71	-1.71	-1.71
Droit de coupe	\$/m³	1.48	1.48	1.48
Conversion en lms	\$/m³	60.04	60.04	60.04
Prix	\$/lms	1.887	1.852	2.353
Transport 50%	\$/lms	100.09	111.20	141.28
	\$/lms	1.61	1.61	1.61

**Calcul des droits de coupe sur pâte Lauzon juillet 2008 à mars 2009**

UAF	Zone	Volume m3	Volume m3	Taux \$/m³	Droits \$	Volume m3	Taux \$/m³	Droits \$	Volume m3	Taux \$/m³	Droits \$	Droits \$
	Tarifcation	Total	Jul à Sept 08	Jul à Sept 09	Jul à Sept 08	Oct à Déc 08	Oct à Déc 08	Oct à Déc 08	Jan à Mar 09	Jan à Mar 09	Jan à Mar 09	Total
064-52	662	2,263.76	2,263.76	1.95	4,414.33			2.00			0.00	4,414.33
072-51	750	244.36	244.36	2.15	525.37			2.20			0.00	525.37
073-51	755	1,377.46	1,377.46	0.60	826.48			0.60			0.00	826.48

Moyenne	3,885.58	3,885.58	1.48	5,766.18	0.00	#DIV/0!	0.00	#DIV/0!	0.00	#DIV/0!	0.00	5,766.18
												1.48

Taux moyen cumulatif \$/m3

**Calcul de la compensation carburant**

UAF	Taux Transport \$/lms	Repartition du volume	Ajustement moy	Ajustement \$/lms	Repartition du volume	Ajustement moy	Ajustement \$/lms	Repartition du volume	Ajustement moy	Ajustement \$/lms
064-52	14.00	58.3%	21.3%	2.98	55.0%	12.0%	1.88	#DIV/0!		0.00
072-51	10.00	6.3%	21.3%	2.13	25.0%	12.0%	1.20	#DIV/0!		0.00
073-51	19.00	35.5%	21.3%	4.05	20.0%	12.0%	2.26	#DIV/0!		0.00
		100.0%		3.31	100.0%		1.66	#DIV/0!		#DIV/0!

PROVISOIRE

Par : \_\_\_\_\_  
 Date : \_\_\_\_\_

**Laizon Thurso 2008-2009**  
Modalités de paiement et prix

**Copeaux rémanent**

Unité	Érables	Bouleaux	Autres feu.
Prix bois rond	\$/m³ 52,20	52,20	52,20
Mise en copeau	\$/m³ 6,60	6,60	6,60
Ajustement	\$/m³ 1,57	1,57	1,57
Droit de coupe	\$/m³ 1,44	1,44	1,44
Conversion en tma	\$/tma 1,657	1,892	2,353
Prix	\$/tma 97,85	103,48	137,83
Transport 50%	\$/tma 1,61	1,61	1,61

**Calcul des droits de coupe sur pâte Laizon juillet 2008 à mars 2009**

UAF	Zone	Volume m3	Taux \$/m³	Droits \$	Volume m3	Taux \$/m³	Droits \$	Volume m3	Taux \$/m³	Droits \$	Volume m3	Taux \$/m³	Droits \$	Volume m3	Taux \$/m³	Droits \$	Volume m3	Taux \$/m³	Droits \$
		Total	Jul à Sept 08	Jul à Sept 08	Oct à Déc 08	Oct à Déc 08	Jan à Mar 09	Jan à Mar 09	Jan à Mar 09	Total									
064-52	662	29,601,90	2,283,76	1,55	4,414,33	9,603,43	2,00	19,206,86	17,794,71	2,05	36,356,16	59,977,35							
072-51	750	10,096,55	244,38	2,15	525,37	3,335,49	2,20	7,338,08	6,516,70	2,25	14,682,58	22,528,03							
073-51	765	28,754,21	1,377,46	0,60	826,48	15,316,11	0,60	9,189,67	13,060,64	0,60	7,836,38	17,852,63							

Moyenne

69,452,66	3,885,58	1,48	5,766,18	28,255,03	1,26	36,734,60	37,312,05	1,58	58,855,11	100,355,90	1,44
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**Calcul de la compensation carburant**

UAF	Taux	Transport \$/m³	Repartition du volume	Ajustement moy	Ajustement \$/m³	Repartition du volume	Ajustement moy	Ajustement \$/m³	Repartition du volume	Ajustement moy	Ajustement \$/m³	Repartition du volume	Ajustement moy	Ajustement \$/m³	Repartition du volume	Ajustement moy	Ajustement \$/m³	Repartition du volume	Ajustement moy	Ajustement \$/m³
064-52	14,00		58,3%	21,3%	2,98	34,0%	14,7%	2,08	47,5%	10,3%	1,44	17,5%	10,3%	1,03	35,0%	10,3%	1,03	17,5%	10,3%	1,03
072-51	10,00		6,3%	21,3%	2,13	11,8%	14,7%	1,47	17,5%	10,3%	1,03	17,5%	10,3%	1,03	35,0%	10,3%	1,03	17,5%	10,3%	1,03
073-51	19,00		35,5%	21,3%	4,05	54,2%	14,7%	2,78	35,0%	10,3%	1,03	35,0%	10,3%	1,03	35,0%	10,3%	1,03	35,0%	10,3%	1,03
			100,0%		3,31	100,0%		2,39	100,0%		1,55	100,0%		1,55	100,0%		1,55	100,0%		1,55

Taux moyen cumulé \$/m³ 1,99

Per :

Date :

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# PapiersFraser

## Conciliation

de l'entente d'achat de matière ligneuse

### FOURNISSEUR

Lauzon (Thurso Usine Billons) Ressources Forestières  
2101 Côtes des Cascades  
Papineauville, QC  
J0V 1R0

# Fourn. 7666

### ENTENTE D'ACHAT DE MATIÈRE LIGNEUSE

Période de l'entente : Indexation à compter du 1er mai 2008, pour les bois de la saison 2008-2009  
PRX PÉRIODE DU 12 OCTOBRE 2008 AU 22 NOVEMBRE 2008, BOIS SAISON 2008-2009.

Prix : Copeaux rémanents  
Érables 100.09 \$/tma Transport 1.61 \$/tnv  
Bouleaux 111.20 \$/tma 1.61 \$/tnv  
Autres feuillus 141.28 \$/tma 1.61 \$/tnv

Carburant 1.68 \$/tnv  
1.68 \$/tnv

### CONCILIATION POUR LA PÉRIODE DU 2008/01/06 AU 2008/06/07

DESCRIPTION	PROJET	MASSE (KG)	QUANTITÉ	UNITÉ	PRIX PAYÉ (\$)	MONTANT PAYÉ (\$)	PRX ENTENTE (\$)	UNITÉ ENTENTE	MONTANT A PAYER A COPEAUX (\$)	MONTANT A PAYER A TRANSPORT (\$)	MONTANT A PAYER A CARBURANT (\$)	BALANCE
Contrat # 3399												
Érables COP	10017	7,060,370	4,304,199	tma	105.64	454,699.73	100.09	tma	430,807.28	11,367.20	11,861.42	(663.83)
Bouleaux COP	10018	893,970	523,769	tma	117.18	61,374.15	111.20	tma	58,243.11	1,438.29	1,501.87	(189.86)

TOTAL		7,954,340	4,827,968			516,073.88			489,050.39	12,805.49		(663.71)
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Par : \_\_\_\_\_  
Date : \_\_\_\_\_



# PapiersFraser

Conciliation  
de l'entente d'achat de matière ligneuse

## FOURNISSEUR

Laizon (Thurso Usine Bilions) Ressources Forestières  
2101 Cotes des Cascades  
Papineauville, QC  
J0V 1R0

# Fourn. 7666

## ENTENTE D'ACHAT DE MATIÈRE LIGNEUSE

Période de l'entente :

Indexation à compter du 1er mai 2008, pour les bois de la saison 2008-2009  
PRIX PÉRIODE DU 12 OCTOBRE 2008 AU 25 AVRIL 2009, BOIS SAISON 2008-2009.

Indexation 2.50% C Couturier 2009/05/20

Prix : Copeaux rémanents Érables 97.55 \$/tma  
Bouleaux 108.48 \$/tma  
Autres feuillus 137.83 \$/tma

Transport 1.61 \$/tma

1.61 \$/tma

Carburant 1.99 \$/tma

1.99 \$/tma

1.99 \$/tma

## CONCILIATION POUR LA PÉRIODE DU 2008/10/02 AU 2009/04/25

DESCRIPTION	PROJET	MASSE (KG)	QUANTITÉ	UNITÉ	PRIX PAYÉ (\$)	MONTANT PAYÉ (\$)	PRIX ENTENTE (\$)	UNITÉ ENTENTE	MONTANT A PAYER COPEAUX (\$)	MONTANT A PAYER TRANSPORT (\$)	MONTANT A PAYER CARBURANT (\$)	BALANCE
<b>Contrat # 3399 COPEAUX RÉMANENTS</b>												
Érables COP	10017	27,749.710	16,517.128	tma	59.42	981,453.90	97.55	tma	1,612,897.55	44,677.03	55,221.92	731,342.61
Bouleaux COP	10018	5,189.000	2,959.537	tma	41.61	123,138.49	108.48	tma	321,060.57	8,370.38	10,346.01	216,628.48
Autres COP	10019	125,820	68.971	tma	0.00	0.00	137.83	tma	9,506.27	202.67	250.38	9,959.22

## AVANCES SUR RÉCEPTIONS

Février	2009/02/11	chèque #	72545	153,728.00	(153,728.00)
Février	2009/02/18	chèque #	72534	153,728.00	(153,728.00)
Février	2009/02/27	chèque #	72820	153,728.00	(153,728.00)
Mars	2009/03/03	chèque #	72932	159,468.44	(159,468.44)
Mars	2009/03/11	chèque #	73051	159,468.44	(159,468.44)
Mars	2009/03/18	chèque #	73169	159,468.44	(159,468.44)
Mars	2009/03/24	chèque #	73284	159,468.44	(159,468.44)
Mars	2009/03/31	chèque #	73358	159,468.44	(159,468.44)
Avril	2009/04/08	chèque #	73736	132,890.37	(132,890.37)
Avril	2009/04/14	chèque #	73862	132,890.37	(132,890.37)

<b>TOTAL</b>	<b>33,074,530</b>	<b>19,545,636</b>	<b>2,628,899.33</b>	<b>1,943,454.40</b>	<b>53,249.99</b>	<b>65,818.31</b>	<b>(566,376.63)</b>
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Par : \_\_\_\_\_

Date : \_\_\_\_\_

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# PapiersFraser

## Conciliation

de l'entente d'achat de matière ligneuse

### FOURNISSEUR

Lauro (Thurso) ressources forestières  
2101, Côtés des Cascades  
Papineauville, QC  
J0V 1R0

# Fourn. 7864

### ENTENTE D'ACHAT DE MATIÈRE LIGNEUSE

Période de l'entente : Été 2008

Prix : Hêtre Feuillus 53.51 S/m<sup>3</sup> Vente de sciage/pâte provenant de la cour du centre de tronçonnage. Prix en vigueur de l'entente long terme.  
1.61 S/mv Transport.

### CONCILIATION POUR LA PÉRIODE DU 2008/07/13 AU 2008/08/09

DESCRIPTION	UNITÉ MRN	MASSE (KG)	QUANTITÉ	UNITÉ	PRIX PAYÉ (\$)	MONTANT PAYÉ (\$)	FACTEUR MV	VOLUME (m <sup>3</sup> )	PRIX ENTENTE (\$)	UNITÉ ENTENTE	MONTANT À PAYER (\$)	BALANCE
Contrat # 361												
ÉRABLE T/A (Hêtre)		802,120	697,496	M3	53.51	37,322.99	1,073.23	747.39	53.51	M3	39,992.84	2,669.85
		802,120	802,120	TMV	0.00	0.00			1.61	TMV	1,291.41	1,291.41
AUTRES FEU. T/A		66,060	71,416	M3	53.51	3,821.48	925.00	71.42	53.51	M3	3,821.68	0.20
		66,060	66,060	TMV	0.00	0.00			1.61	TMV	106.36	106.36
TOTAL		868,180	768,912			41,144.47		818.81			45,212.29	4,067.82

Par : \_\_\_\_\_

Date : \_\_\_\_\_

# Papiers Fraser

## Conciliation

de l'entente d'achat de matière ligneuse

### FURNISSEUR

Lauzon (Thurso) ressources forestières  
2101, Côté des Cascades  
Papineauville, QC  
J0V 1R0

# Fourn. 7664

### ENTENTE D'ACHAT DE MATIÈRE LIGNEUSE

Période de l'entente : Été 2008

Prix : Hêtre Feuillus 62,20 \$/m³  
1,61 \$/m³  
1,99 \$/m³  
Vente de sciage/pâte provenant de la cour du centre de tronçonnage. Prix en vigueur de l'entente long terme. Indexation -2,50%.  
Transport  
Carburant

### CONCILIATION POUR LA PÉRIODE DU 2008/07/13 AU 2008/08/09

DESCRIPTION	PROJET	MASSE (KG)	QUANTITÉ	UNITÉ	PRIX PAYÉ (\$)	MONTANT PAYÉ (\$)	FACTEUR MV	VOLUME (m³)	PRIX ENTENTE (\$)	UNITÉ ENTENTE	MONTANT À PAYER TRONÇONS (\$)	MONTANT À PAYER TRANSPORT (\$)	MONTANT À PAYER CARBURANT (\$)	BALANCE
Contrat # 361 DU 2008/07/13 AU 2008/08/09														
Érables T/A (Hêtre)	10021	802,120	697,498	M3	59,19	41,284,25	1,073,23	747,39	52,20	M3	39,013,76	1,291,41	1,596,22	617,14
Autres T/A	10023	66,060	71,416	M3	55,00	3,928,04	925,00	71,42	52,20	M3	3,728,12	106,36	131,46	37,90
Contrat # 361 DU 2008/08/10 AU 2008/04/25														
Érables T/A	10021	9,073,880	7,718,132	M3	55,40	427,505,20	1,286,86	7,051,18	52,20	M3	368,071,50	14,508,95	18,057,02	(26,868,64)
Boulaux T/A	10022	3,056,090	2,612,913	M3	55,39	144,740,48	1,336,49	2,288,15	52,20	M3	119,441,43	4,923,52	6,085,60	(14,289,93)
Chêne T/A	10034	134,330	111,942	M3	48,33	5,410,36	1,200,00	111,94	46,40	M3	5,194,02	216,27	0,00	(0,07)
TOTAL		866,180	768,912			622,969,33		10,270,08			535,448,92	21,145,51	25,870,30	(40,503,59)

Par : \_\_\_\_\_

Date : \_\_\_\_\_

## **EXHIBIT “N”**

JUL-29-2004 18:35 CIBC  
41/00: Issue of a Documentary Credit  
To Institution IRVTUS3NXXX  
Bank of New York  
1 Wall Street  
New York, NY  
(10286)

416 217 8583 P.02/04

Priority N  
27:Count  
1/1

40A:Form of Documentary Credit  
IRREVOCABLE STANDBY

20:Documentary Credit Number  
SBGT731476

31C:Date of Issue  
040729

31D:Date and Place of Expiry  
050715Toronto

50:Applicant  
Fraser Papers Inc.  
1 Toronto Street, Suite 600  
Toronto, Ontario  
Canada M5C 2W4

59:Beneficiary  
Bank of New York  
1 Wall Street  
New York, NY  
(10286)

2B:Currency Code, Amount  
USD5999000,00

9A:Percentage  
00/00

1A:Available With ... By ...  
CIBCCATXXX  
Canadian Imperial Bank of Commerce  
The Atrium-on-Bay  
595 Bay Street, 7th Floor  
Toronto, Ontario M5G 2M8  
BY PAYMENT

5A:Documents Required

At the request of Fraser Papers Inc., please urgently issue the following letter of credit:  
quote

TO: National Union Fire Insurance Company of Pittsburgh, PA and  
American Home Assurance Company and  
American International Specialty Lines Insurance Company  
and

The Insurance Company of the State of Pennsylvania and  
Commerce and Industry Insurance Company and  
AIU Insurance Company and  
Birmingham Fire Insurance Company of Pennsylvania and  
Illinois National Insurance Company and  
American International South Insurance Company and  
National Union Fire Insurance Company of Louisiana and  
American International Pacific Insurance Company and  
Granite State Insurance Company and  
New Hampshire Insurance Company and  
Lexington Insurance Company and  
Landmark Insurance Company and  
Starr Excess Liability Insurance Company Limited  
P.O. Box 923  
Wall Street Station  
New York, NY 10268

COPY

JUL-29-2004 18:35

CIBC

416 217 8583 P.03/04

we hereby establish this irrevocable letter of credit in favor of the aforesaid addressees (each, the 'Beneficiary') for drawings up to United States Dollars Five Million Nine Hundred Ninety Nine Thousand United States Dollars (USD5,999,000.00) effective immediately. This letter of credit is issued, presentable and payable at our office at 101 Barclay Street, New York, N.Y. 10286, U.S.A. Attn. Manager, Standby Letter of Credit Department and expires with our close of business on June 30, 2005. The term 'Beneficiary' includes any successor by operation of law of each named beneficiary including, without limitation, any liquidator, rehabilitator, receiver or conservator. We hereby undertake to promptly honor your sight draft(s) drawn on us, indicating our credit no. S00050118, for all or any part of this credit if presented at our office specified in paragraph one on or before the expiry date or any automatically extended expiry date. Any one beneficiary or combination of beneficiaries, acting individually or collectively, may draw on this letter of credit in full or in part, and any action taken by any or all beneficiaries hereunder shall bind each of them. Except as expressly stated herein, this undertaking is not subject to any agreement, condition or qualification. The obligation of Bank of New York under this letter of credit is the individual obligation of Bank of New York, and is in no way contingent upon reimbursement with respect thereto. It is a condition of this letter of credit that it shall be deemed automatically extended without amendment for one year from the expiry date hereof, or any future expiration date, unless at least 30 days prior to any expiration date, we notify you by registered mail that we elect not to consider this letter of credit renewed for any such additional period. This credit is subject to and governed by the laws of the State of New York, and the 1993 revision of the Uniform Customs and Practice for Documentary Credits of the International Chamber of Commerce (Publication 500) and in the event of any conflict, the laws of the State of New York will control. If this credit expires during an interruption of business as described in Article 17 of said Publication 500, the bank hereby specifically agrees to effect payment if this credit is drawn against within 30 days after the resumption of business.

#### 7A: Additional Conditions

In consideration of your issuing your letter of credit No. S00050118 in the above format, we, Canadian Imperial Bank of Commerce, Trade Finance Centre, The Atrium-on-Bay, 595 Bay Street, 7th Floor, Toronto, Ontario, Canada M5G 2M8 ('CIBC') hereby issue in your favour our irrevocable standby letter of credit No. S00050118 and undertake to pay you an amount not exceeding USD5,999,000.00. This standby letter of credit is available for payment upon receipt by CIBC of your authenticated teletransmission referencing CIBC standby letter of credit No. S00050118, stating the amount of your demand and certifying that you have received a compliant draw under your letter of credit No. S00050118.

CIBC undertakes to pay you in accordance with your payment instructions within two business days after CIBC's receipt of your authenticated teletransmission provided that all terms and conditions of this standby letter of credit have been complied with. This standby letter of credit will expire on July 15, 2005 at the counters of CIBC at the above-noted address. It is a condition of this standby letter of credit that it shall be deemed to be automatically extended, without amendment, for one year from the present or any future expiration date hereof.

in willing via courier or by authenticated teletransmission that  
CIBC elects not to consider this standby letter of credit renewed  
for any such additional period. Upon receipt by you of such  
notice of non-renewal, you may draw hereunder by means of your  
authenticated teletransmission referencing CIBC standby letter of  
credit No. SBT731476, stating the amount of your demand and  
confirming that your letter of credit No. S00050118 is still  
outstanding and the proceeds of your drawing will be retained and  
used by you to satisfy your liabilities under your letter of  
credit and in the event your liabilities are satisfied, you will  
refund CIBC the amount of your demand less any amount which has  
been paid by you in the meantime under your letter of credit.  
This standby letter of credit may be cancelled prior to the  
expiry date upon CIBC's receipt of your authenticated  
teletransmission that you have received from the Beneficiary the  
original of your letter of credit No. S00050118 together with the  
Beneficiary's signed letter authorizing cancellation of your  
letter of credit. The cancellation of CIBC standby letter of  
credit No. SBT731476 shall be effective on the date CIBC  
receives your authenticated teletransmission.  
All your charges are for the account of Fraser Papers Inc. You  
are authorized to debit our USD account with you under  
authenticated teletransmission advice to us.  
This standby letter of credit is subject to the 'Uniform Customs  
and Practice for Documentary Credits (1993 Revision)  
International Chamber of Commerce, Publication No. 500' and  
engages CIBC in accordance with the terms thereof.

49:Confirmation Instructions  
WITHOUT  
72:Sender to Receiver Information  
This Standby is payable On Demand

Handwritten signature and initials.

AUG-25-2005 16:01

P.03/03

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MT707: Amendment to a Documentary Credit  
To Institution IRVTUS3NXXX

Bank of New York  
1 Wall Street  
New York, NY  
(10286)

Priority N

20:Senders Reference  
SBGT731476

21:Receivers Reference  
NONREF

31C:Date of Issue  
040729

30:Date of Amendment  
050825

26E:Number of Amendment  
01

59:Beneficiary before  
Bank of New York  
1 Wall Street  
New York, NY  
(10286)

32B:Increase of Amount  
USD475000,00

34B:New Amount after Amendment  
USD6474000,00

39A:Percentage  
00/00

TOTAL P.03



MT707: Amendment to a Documentary Credit

To Institution IRVTUS3NXXX

Bank of New York

1 Wall Street

New York, NY

(10286)

Priority N

20:Senders Reference

SBGT731476

21:Receivers Reference

S00050118

31C:Date of Issue

040729

30:Date of Amendment

071204

26E:Number of Amendment

02

59:Beneficiary before

Bank of New York

1 Wall Street

New York, NY

(10286)

33B:Decrease of Amount

USD1860000,00

34B:New Amount after Amendment

USD4614000,00

39A:Percentage

00/00

79:General Narrative

1. The amount of your letter of credit No.

S00050118 and our standby letter of credit No.

SBGT731476 in your favor is reduced by USD1,860,

000.00 to USD4,614,000.00.

72:Sender to Receiver Information

Attn. Joe Dardano Tel 315-765-4426

COPY

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08/07/2008 11:15 416-217-8583 CIBC PAGE 03/04

4T707: Amendment to a Documentary Credit  
To Institution IRVTUS3NXXX  
Bank of New York  
1 Wall Street  
New York, NY  
(10286)  
Priority N  
20:Senders Reference  
SBGT731476  
21:Receivers Reference  
S00050118  
31C:Date of Issue  
040729  
30:Date of Amendment  
080807  
26E:Number of Amendment  
03  
59:Beneficiary before  
Bank of New York  
1 Wall Street  
New York, NY  
(10286)  
33B:Decrease of Amount  
USD1414000,00  
34B:New Amount after Amendment  
USD3200000,00  
39A:Percentage  
00/00  
79:General Narrative  
1. The amount of your letter of credit No.  
S00050118 and our standby letter of credit No.  
SBGT731476 in your favor is reduced by USD1,414,  
000.00 to USD3,200,000.00.  
72:Sender to Receiver Information  
Attn. Michael Burnett, Standby  
Letter of Credit Dept. Your MT799  
dated Aug 6/08 refers.

COPY

THE BANK OF NEW YORK MELLON

OUR. NO.  
90050118

CORRESPONDENT'S REF. NO.  
SEGT731476

DATE  
AUGUST 07 2008

BENEFICIARY:  
NATIONAL UNION FIRE INSURANCE  
CO. OF PITTSBURGH, PA, AND  
AMERICAN HOME ASSURANCE COMPANY AND  
(SEE BELOW FOR MORE DETAILS)

APPLICANT:  
FRASER PAPERS INC.  
1 TORONTO STREET, SUITE 600  
TORONTO, ONTARIO  
CANADA M5C 2W4

DATE OF ORIGINAL ISSUE  
AUGUST 03 2004

AMENDMENT DATE  
AUGUST 07 2008

GENTLEMEN/LADIES,

THE ABOVE MENTIONED INSTRUMENT INCLUDING ANY PREVIOUS AMENDMENTS  
IS AMENDED AS FOLLOWS:  
CREDIT AMOUNT DECREASED BY \*\*\*USD1,414,000.00\*\*\*  
NEW CREDIT AMOUNT TOTAL \*\*\*USD3,200,000.00\*\*\*

THE PLACE OF PRESENTATION HAS BEEN AMENDED.  
DOCUMENTS REQUIRED UNDER THIS CREDIT MUST BE SENT  
VIA MAIL OR VIA COURIER TO THE BANK OF NEW YORK  
MELLON, 525 WILLIAM PENN. PLACE, 3 MELLON CENTER -  
ROOM 1930, PITTSBURGH, PA 15259-0001.

THIS AMENDMENT IS TO BE CONSIDERED AS PART OF THE  
ABOVE CREDIT AND MUST BE ATTACHED THERETO.

ALL OTHER CONDITIONS REMAIN UNCHANGED.

YOURS VERY TRULY

AUTHORIZED SIGNATURE

TRN DCMF0808073459700

BMXA

PSN 00829 S903PK92

## **EXHIBIT "O"**

PHK-19-2007 12:56

T700: Issue of a Documentary Credit  
to Institution IRVTUS3NXXX  
Bank of New York  
New York, N.Y. 10286  
U.S.A.

Priority N  
7:Count  
1/1

0A:Form of Documentary Credit  
IRREVOCABLE STANDBY

0:Documentary Credit Number  
SBGT739822

1C:Date of Issue  
070316

0E:Applicable Rules  
UCP LATEST VERSION

1D:Date and Place of Expiry  
080329New York

0:Applicant  
Fraser Papers Inc.  
BCE Place, 181 Bay Street  
Suite 200, PO Box 762  
Toronto, Ontario M5J 2T3

9:Beneficiary  
Bank of New York  
New York, N.Y. 10286  
U.S.A.

2B:Currency Code, Amount  
USD1600000,00

9A:Percentage  
00/00

1A:Available With ... By ...  
CIBCCATXXX  
Canadian Imperial Bank of Commerce  
The Atrium-on-Bay  
595 Bay Street, 7th Floor  
Toronto, Ontario  
BY PAYMENT

6A:Documents Required  
AT THE REQUEST OF FRASER PAPERS INC., PLEASE URGENTLY ISSUE THE  
FOLLOWING LETTER OF CREDIT AND FORWARD ORIGINAL INSTRUMENT TO THE  
OLD REPUBLIC INSURANCE COMPANY, ATTN LAWRENCE J. FRANCIONE, SR  
VP AND CFO, TELEPHONE 262-797-3455:

QUOTE

TO: OLD REPUBLIC INSURANCE COMPANY  
MAILING ADDRESS: OLD REPUBLIC RISK  
MANAGEMENT, 445 SOUTH MOORLAND  
RD., STE 300, BROOKFIELD, WI 53005  
ATTN: CHIEF FINANCIAL OFFICER

WE, BANK OF NEW YORK, (FULL ADDRESS) N.Y. U.S.A. ('BNY'),  
HEREBY ISSUE THIS IRREVOCABLE LETTER OF CREDIT IN FAVOUR OF OLD  
REPUBLIC INSURANCE COMPANY (THE 'BENEFICIARY') FOR DRAWINGS UP TO  
USD1,600,000.00 (ONE MILLION SIX HUNDRED THOUSAND US DOLLARS),  
EFFECTIVE IMMEDIATELY.

THIS LETTER OF CREDIT IS ISSUED, PRESENTABLE AND PAYABLE AT THE  
COUNTERS OF BNY AT THE ADDRESS NOTED ABOVE AND EXPIRES WITH THE  
CLOSE OF BNY'S BUSINESS ON MARCH 14, 2008.

THE TERM 'BENEFICIARY' INCLUDES ANY SUCCESSOR BY OPERATION OF LAW  
OF THE NAMED BENEFICIARY INCLUDING, WITHOUT LIMITATION ANY  
LIQUIDATOR, REHABILITATOR, RECEIVER, OR CONSERVATOR.  
BNY HEREBY UNDERTAKES TO HONOUR THE BENEFICIARY'S SIGHT DRAFT(S)  
DRAWN ON BNY, INDICATING THIS LETTER OF CREDIT NO.

Cor

IF PRESENTED AT THE COUNTER OF BNY SPECIFIED IN PARAGRAPH ONE ON OR BEFORE THE EXPIRY DATE ANY AUTOMATICALLY EXTENDED EXPIRY DATE.

EXCEPT AS EXPRESSLY STATED HEREIN, BNY'S UNDERTAKING IS NOT SUBJECT TO ANY AGREEMENT, CONDITION OR QUALIFICATION. THE OBLIGATION OF BNY UNDER THIS LETTER OF CREDIT IS THE INDIVIDUAL OBLIGATION OF BNY AND IS IN NO WAY CONTINGENT UPON REIMBURSEMENT WITH RESPECT THERETO.

COPY

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE DEEMED TO BE AUTOMATICALLY EXTENDED, WITHOUT AMENDMENT, FOR ONE YEAR FROM THE EXPIRY DATE HEREOF, OR ANY FUTURE EXPIRATION DATE, UNLESS AT LEAST THIRTY (30) DAYS PRIOR TO ANY EXPIRATION DATE, BNY NOTIFIES THE BENEFICIARY IN WRITING BY REGISTERED MAIL OR COURIER THAT BNY ELECTS NOT TO CONSIDER THIS LETTER OF CREDIT RENEWED FOR ANY SUCH ADDITIONAL PERIOD.

THIS LETTER OF CREDIT IS SUBJECT TO AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK AND THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1993 REVISION) INTERNATIONAL CHAMBER OF COMMERCE, PUBLICATION NO. 500 ('UCP 500') AND, IN THE EVENT OF ANY CONFLICT, THE LAWS OF THE STATE OF NEW YORK WILL CONTROL. IF THIS LETTER OF CREDIT EXPIRES DURING AN INTERRUPTION OF BUSINESS AS DESCRIBED IN ARTICLE 17 OF SAID PUBLICATION 500, BNY HEREBY SPECIFICALLY AGREES TO EFFECT PAYMENT IF THIS LETTER OF CREDIT IS DRAWN AGAINST WITHIN 30 CALENDAR DAYS AFTER THE RESUMPTION OF BNY'S BUSINESS.

UNQUOTE

7A:Additional Conditions

IN CONSIDERATION OF YOUR ISSUING YOUR LETTER OF CREDIT IN THE ABOVE FORMAT, WE, CANADIAN IMPERIAL BANK OF COMMERCE, TRADE FINANCE CENTRE, THE ATRIUM-ON-BAY, 595 BAY STREET, 7TH FLOOR, TORONTO, ONTARIO, CANADA M5G 2M8 ('CIBC') HEREBY ISSUE IN YOUR FAVOUR OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. SBT739822 AND UNDERTAKE TO PAY YOU AN AMOUNT NOT EXCEEDING USD1,600,000.00. THIS STANDBY LETTER OF CREDIT IS AVAILABLE FOR PAYMENT UPON RECEIPT BY CIBC OF YOUR AUTHENTICATED TELETRANSMISSION REFERENCING CIBC STANDBY LETTER OF CREDIT NO. SBT739822, STATING THE AMOUNT OF YOUR DEMAND AND CERTIFYING THAT YOU HAVE RECEIVED A COMPLIANT DRAW UNDER YOUR LETTER OF CREDIT.

CIBC UNDERTAKES TO PAY YOU IN ACCORDANCE WITH YOUR PAYMENT INSTRUCTIONS WITHIN TWO BUSINESS DAYS AFTER CIBC'S RECEIPT OF YOUR AUTHENTICATED TELETRANSMISSION PROVIDED THAT ALL TERMS AND CONDITIONS OF THIS STANDBY LETTER OF CREDIT HAVE BEEN COMPLIED WITH. THIS STANDBY LETTER OF CREDIT WILL EXPIRE ON MARCH 29, 2008 AT THE COUNTERS OF CIBC AT THE ABOVE-NOTED ADDRESS. IT IS A CONDITION OF THIS STANDBY LETTER OF CREDIT THAT IT SHALL BE DEEMED TO BE AUTOMATICALLY EXTENDED, WITHOUT AMENDMENT, FOR ONE YEAR FROM THE PRESENT OR ANY FUTURE EXPIRATION DATE HEREOF, UNLESS AT LEAST 60 DAYS PRIOR TO ANY SUCH DATE CIBC NOTIFIES YOU IN WRITING VIA COURIER OR BY AUTHENTICATED TELETRANSMISSION THAT CIBC ELECTS NOT TO CONSIDER THIS STANDBY LETTER OF CREDIT RENEWED FOR ANY SUCH ADDITIONAL PERIOD. UPON RECEIPT BY YOU OF SUCH NOTICE OF NON-RENEWAL, YOU MAY DRAW HEREUNDER BY MEANS OF YOUR AUTHENTICATED TELETRANSMISSION REFERENCING CIBC STANDBY LETTER OF CREDIT NO. SBT739822, STATING THE AMOUNT OF YOUR DEMAND AND CONFIRMING THAT YOUR LETTER OF CREDIT NO. .... IS STILL OUTSTANDING AND THE PROCEEDS OF YOUR DRAWING WILL BE RETAINED AND USED BY YOU TO SATISFY YOUR LIABILITIES UNDER YOUR LETTER OF CREDIT AND IN THE EVENT YOUR LIABILITIES ARE SATISFIED, YOU WILL REFUND CIBC THE AMOUNT OF YOUR DEMAND LESS ANY AMOUNT WHICH HAS BEEN PAID BY YOU IN THE MEANTIME UNDER YOUR LETTER OF CREDIT. THIS STANDBY LETTER OF CREDIT MAY BE CANCELLED PRIOR TO THE EXPIRY DATE UPON CIBC'S RECEIPT OF YOUR AUTHENTICATED

MARK-19-2007 12:57

ORIGINAL OF YOUR LETTER OF CREDIT NO. .... TOGETHER WITH  
THE BENEFICIARY'S SIGNED LETTER AUTHORIZING CANCELLATION OF YOUR  
LETTER OF CREDIT. THE CANCELLATION OF CIBC STANDBY LETTER OF  
CREDIT NO. SEGT739822 SHALL BE EFFECTIVE ON THE DATE CIBC  
RECEIVES YOUR AUTHENTICATED TELETRANSMISSION.  
ALL YOUR CHARGES ARE FOR THE ACCOUNT OF FRASER PAPERS INC. YOU  
ARE AUTHORIZED TO DEBIT OUR USD ACCOUNT WITH YOU UNDER  
AUTHENTICATED TELETRANSMISSION ADVICE TO US.  
EXCEPT AS FAR AS OTHERWISE EXPRESSLY STATED HEREIN, THIS STANDBY  
LETTER OF CREDIT IS ISSUED SUBJECT TO THE UNIFORM CUSTOMS AND  
PRACTICE FOR DOCUMENTARY CREDITS (1993 REVISION) INTERNATIONAL  
CHAMBER OF COMMERCE, PUBLICATION NO. 500.  
9:Confirmation Instructions  
WITHOUT  
2:Sender to Receiver Information  
This Standby is payable On Demand

COPY

To Institution IRVTUS3NXXX  
Bank of New York  
New York, N.Y. 10286  
U.S.A.

Priority N

20:Senders Reference  
SBGT739822

21:Receivers Reference  
S00070241

31C:Date of Issue  
070316

30:Date of Amendment  
071120

26E:Number of Amendment  
01

59:Beneficiary before  
Bank of New York  
New York, N.Y. 10286  
U.S.A.

2B:Increase of Amount  
USD450000,00

4B:New Amount after Amendment  
USD2050000,00

9A:Percentage  
00/00

9:General Narrative

1. BOTH THE AMOUNT OF YOUR LETTR OF CREDIT AND THE  
AMOUNT OF OUR STANDBY LETTER OF CREDIT NO.  
SBGT739822 IN YOUR FAVOR HAVE BEEN INCREASED BY  
USD450,000.00.

**COPY**



MT707: Amendment to a Documentary Credit  
To Institution IRVTUS3NXXX  
Bank of New York  
New York, N.Y. 10286  
U.S.A.

Priority N

20:Senders Reference  
SBGT739822

21:Receivers Reference  
900070241

31C:Date of Issue  
070316

30:Date of Amendment  
071214

26B:Number of Amendment  
02

59:Beneficiary before  
Bank of New York  
New York, N.Y. 10286  
U.S.A.

32B:Increase of Amount  
USD450000,00

34B:New Amount after Amendment  
USD2500000,00

39A:Percentage  
00/00

79:General Narrative

1. BOTH THE AMOUNT OF YOUR LETTER OF CREDIT AND  
THE AMOUNT OF OUR STANDBY LETTER OF CREDIT NO.  
SBGT739822 IN YOUR FAVOR HAVE BEEN INCREASED BY  
USD450,000.00.

COPY

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CIBC

PAGE 06/06

MT707: Amendment to a Documentary Credit  
To Institution IRVTUS3NXXX

Bank of New York  
New York, N.Y. 10286  
U.S.A.

Priority N

20:Senders Reference

SBGT739822

21:Receivers Reference

S00070241

31C:Date of Issue

070316

30:Date of Amendment

081201

26E:Number of Amendment

04

59:Beneficiary before

Bank of New York  
New York, N.Y. 10286  
U.S.A.

32B:Increase of Amount

USD362500,00

34B:New Amount after Amendment

USD3225000,00

39A:Percentage

00/00

79:Narrative

1. BOTH THE AMOUNT OF YOUR LETTER OF CREDIT AND  
THE AMOUNT OF OUR STANDBY LETTER OF CREDIT NO.  
SBGT739822 IN YOUR FAVOR HAVE BEEN INCREASED BY  
USD362.500,00.

## **EXHIBIT “P”**

# **Binder For Casualty Insurance Program**

for

**FRASER PAPERS INC**

In consultation with your Representative

**AON RISK INSURANCE SERVICES WE**

by



**Commercial Casualty  
Commercial Risk - Risk Management**

PREPARED BY:	DENNIS PETERSON
DATED:	10/30/2009
EFFECTIVE DATE:	11/01/2009
EXPIRATION DATE:	11/01/2010

**SECTION 1 - POLICY NUMBERS, POLICY COMPANIES**

<b>Policy Number</b>	<b>States Covered</b>	<b>Issuing Company</b>	<b>Line of Business</b>
CA 0934528	ME,NH,SC	Nat'l Union Fire Ins Co	Automobile Liability
WC 006517582	FL	Illinois National Ins Co	Statutory Workers' Compensation and Employers' Liability
WC 006517583	OH,WI	Ins Co State of Penn	Statutory Workers' Compensation and Employers' Liability
WC 006517584	CO,GA,IL,MA,ME,NH,NJ,SC,TN,VA	Ins Co State of Penn	Statutory Workers' Compensation and Employers' Liability

**ACKNOWLEDGED ON BEHALF OF:**

<b>Risk Management</b>	
By (Print Name) :	Dennis Peterson
By(Signature) :	
Title :	Branch Underwriting Manager
Date :	10/30/2009

<b>Insured : FRASER PAPERS INC</b>	
By (Print Name) :	Glen McMillan
By(Signature) :	
Title :	CFO
Date :	10/30/2009

<b>Broker : AON RISK INSURANCE SERVICES WE</b>	
By (Print Name) :	Anne Stites
By(Signature) :	
Title :	Senior Casualty Broker
Date :	10/30/2009

## **SECTION 1 - INFORMATION ABOUT RISK MANAGEMENT COMMERCIAL RISK DIVISION**

For more than 20 years, Risk Management (RM) has been known as the leading provider of risk management insurance programs for large, national accounts, but we also cater to customers at the upper end of the middle market. The goal of RM's Commercial Risk Division is to address the needs of corporations with annual revenue between \$100 million and \$750 million. No matter what exposures you may face, our dedicated team of underwriters will work with you to design a coverage plan to meet your specific needs. Available program designs include guaranteed cost, self-insured retentions, large deductibles, incurred-loss and paid-loss retention plans, and captive arrangements. Buyouts and loss portfolio transfers are handled by a separate profit center within Risk Management (Division 86.) We can also combine and/or coordinate our programs with a spectrum of products and services available within the diverse member companies of AIU Holdings, Inc. (AIU), allowing us to create a comprehensive program to meet practically all of your risk management needs.

### **Quality Service**

Our excellence is rooted in the belief that a quality insurance program entails more than just sound underwriting; it requires customer-driven service. Each RM client is assigned an individual who focuses on your business strategies, understands your needs, and works with you to find solutions to your risk concerns. We work with AIG Domestic Claims, Inc. or your chosen third party administrator to provide an effective cost-containment program. The AIG Consultants team is unmatched in its loss control and loss prevention expertise. Additionally, we offer a variety of specialized services, including IntelliRisk<sup>®</sup>, our on-line claims management system, to enhance your risk management programs. RM professionals provide a full range of services to help you manage and control your overall cost of risk.

### **Financial Strength**

Commercial Insurance's (CI) ratings are among the highest of any insurance and financial services organization in the world. CI provides the most extensive range of commercial and industrial coverages available for corporate and commercial customers, from large multinationals to small businesses. CI is a longtime market leader in most lines, including the most complex insurance lines. We typically provide the highest insurance limits available and are first to address new or emerging risks. Policies underwritten by CI provide highly-rated financial strength and specialized claims and loss control services. CI refers to the domestic property and casualty insurance subsidiaries of AIU Holdings, Inc.

## SECTION 2 - PROGRAM RATES AND PREMIUMS

### Estimated Subject Premium

Line Item	Rates	Per	Basis Types	Estimated Basis	Minimum Premium	Estimated Premium
Forecast of <i>Subject Losses</i> in Final Premium	N/A	1	Ultimate Losses	0	N/A	\$749
Work Comp Expenses	0.4219	100	Payroll Excl. Mono., FL & OR	60,004,644	\$227,864	\$253,182
SubTotal						\$253,931
Taxes/Assessments % or Divisor						
Estimated Subject Premium						\$253,931

### Estimated Non-Subject Premium

Coverage Description	Rates	Per	Basis Types	Estimated Basis	Minimum Premium	Estimated Premium
Direct Entry GC - WC	0	1	Audited Earned Premium	0	\$0	\$1,133
Auto Expenses	242.2381	1	Power Units/ Vehicles	42	\$10,174	\$10,174
Estimated Non-Subject Premium						\$11,307

### Summary of Expected Cost

Estimated Premium (Subject and Non-subject)	\$265,238
Expected Reimbursable Losses/ Deductible Loss/Self-Insured Losses and ALAE, if applicable	\$1,426,293
Credit Fee	\$0
Estimated Surcharges	\$84,480
Expected Total Cost	\$1,776,011
Total Pay-In Amount (Estimated Cost less any deferrals)	\$348,969

\* If UM/UIM/PIP forms (as referenced in Section 4) are not signed and returned by effective date, an additional premium of \$      will be charged and the Automobile Liability rate will be increased by \$      per power unit.

Rating Basis and Program Rates & Premium Explanation:

Surcharges shown above – Breakdown by state & line of business:

Auto:	
TOTAL AUTO	
GL:	
TOTAL GL	

**Workers Comp:**

CT	\$159
IL	\$7
MA	\$14
ME	\$84,252
NJ	\$48
<b>TOTAL WC</b>	<b>\$84,480</b>

<b>Terrorism Charges Included in Premium By Line of Business</b>	<b>Estimated Charge</b>
<b>Workers Compensation (TRIPRA)</b>	<b>\$98,806</b>
<b>General Liability (TRIPRA)</b>	<b>\$0</b>
<b>Automobile Liability (Terrorism)</b>	<b>\$0</b>

**Summary of Program Structure and Loss Picks**

<b>Line Of Business</b>	<b>Coverage Plan Type</b>	<b>Retention/ Deductible/ SIR</b>	<b>Estimated Losses</b>
<b>Workers Compensation</b>	Deductible Coverage	\$1,000,000	\$1,412,251
<b>Automobile Liability</b>	Deductible Coverage	\$1,000,000	\$14,042



### Claims Service Fees

<input type="checkbox"/>	Claims Service Fees are included in Premium shown.	Comments:
<input checked="" type="checkbox"/>	Claims Service Fees will be billed directly to client by Sedgwick (TPA)	Comments:
<input type="checkbox"/>	A fixed Loss Conversion Factor(LCF) based on Estimated Ultimate Losses, Incurred Losses OR Paid Losses shall apply. The Estimated Claims Service Fees shown represent a deposit only. This deposit will be adjusted along with other program components valued as of the annual adjustment date OR other adjustment method.	Comments: Losses used in computation of the Claims Service Fee shall be limited to \$ _____ per claim OR occurrence.

<u>Line of Business</u>	<u>LCF</u> (in %)	<u>Estimated Losses</u>	<u>Claims Service Fee Deposit</u>
WC			
AL			

**IntelliRisk Services Included : None**

## Security Plan

Collateral		
Collateral on Hand (by Type)	Amount of Collateral	As Of
Letter of Credit	\$3,200,000	10/26/2009
Loss Fund	\$75,000	10/26/2009
Total Collateral on Hand	\$3,275,000	10/26/2009
Additional Collateral Required (by Type)	Amount of Collateral	Due Date
Letter of Credit	\$940,500	12/02/2009
Total Additional Collateral Required	\$940,500	12/02/2009
Total Collateral Required	\$4,215,500	12/02/2009

### Collateral Reviews

We will review our collateral requirement annually. In addition, we may review our collateral requirement at any time that we may deem reasonably necessary. If as a result of any review we find that we require additional collateral, you will provide us such additional collateral within 30 days of our written request, which shall be accompanied by a worksheet showing our calculation of the amount thereof. If a return of collateral to you is indicated, we will return annually the indicated amount to you within 30 days of our written acknowledgement thereof.

### Letter of Credit

Any letter of credit must be clean, unconditional, irrevocable and evergreen. It must be from a bank that we and the Securities Valuation Office of the National Association of Insurance Commissioners have approved and in a form acceptable to us. It must be in the amount shown in the Schedule. If any letter of credit is canceled, no later than 30 days before that letter of credit expires, you must deliver to us a substitute letter of credit that complies with the requirements set forth above. Upon your written request, we will not unreasonably withhold our consent to a reasonable extension of the time within which you must deliver such a substitute letter of credit to us. The substitute letter of credit must take effect no later than the date of termination of the expiring letter of credit. Your duty to deliver such a letter of credit will continue until you have satisfied all your obligations under this Agreement and the Policies. If you fail to provide us with a qualifying substitute letter of credit as indicated above, we may draw upon the existing letter of credit in full.

### Claims Fund Deposit and Adjustment

The amount of the initial deposit for the Claims Payment Fund has been determined on the basis of an analysis of your loss experience in prior years. The fund will initially equal 2.5 months of expected paid claims and Allocated Loss Adjustment Expenses. After inception, if the total amount of claims paid exceeds the sum of the Claims Payment Deposit for 3 consecutive billing periods, additional funds for the Claims Payment Deposit may be required.

### Non-Depleting Cash Security

Cash posted by you ("Posted Cash") will be placed in a pooled cash account. We will credit to you interest accrued for the quarter on the daily cash balances, calculated at a rate equal to the 3 - month United States Constant Maturity Treasury yield as it stands the day the cash is received ("Set Rate"). The Set Rate will be effective through to policy expiration of collateralized policy(ies).

Where your program is a renewal of an existing interest bearing risk management insurance program ("Renewal Program") and we already possess cash ("Held Cash") interest on Held Cash will accrue quarterly on the daily cash balances, calculated at a rate equal to the 3 - month United States Constant Maturity Treasury yield as it stands as of the renewal inception date ("Renewal Rate"). The Renewal Rate will be effective through to 11/01/2010 . Posted Cash for a Renewal Program will accrue interest at the Renewal Rate commencing with our receipt.

If, prior to 11/01/2010 , you should choose, with our consent, to secure your Payment Obligation with an alternative form of collateral provided for by the terms of the Payment Agreement ("Collateral Swap"), interest on Held Cash will be deemed to have accrued through the date of the Collateral Swap, at a rate equal to the 1 - month United States Constant Maturity Treasury yield ("Adjusted Rate") as it stands at policy inception. The Adjusted Rate will apply to Posted Cash from date of receipt through the date of the Collateral Swap.

Where the program is non-renewed the interest rate on Posted Cash along with Held Cash (collectively "Cash") will be set at the Adjusted Rate as such rate stands at policy expiration. The Adjusted Rate will continue to reset annually as of the program expiration anniversary date until the Cash has been returned to you.

Cash will not be used to pay for losses and expenses you incur. We will bill you on a monthly basis for the reimbursement of losses and expenses.

#### **Depleting Cash Security**

Cash posted by you ("Posted Cash") will be placed in a pooled cash account. We will credit to you interest accrued for the quarter on the daily cash balances, calculated at a rate equal to the 3 - month United States Constant Maturity Treasury yield as it stands the day the cash is received ("Set Rate"). The Set Rate will be effective through to policy expiration of collateralized policy(ies).

Where your program is a renewal of an existing interest bearing risk management insurance program ("Renewal Program") and we already possess cash ("Held Cash") interest on Held Cash will accrue quarterly on the daily cash balances, calculated at a rate equal to the 3 - month United States Constant Maturity Treasury yield as it stands as of the renewal inception date ("Renewal Rate"). The Renewal Rate will be effective through to 11/01/2010 . Posted Cash for a Renewal Program will accrue interest at the Renewal Rate commencing with our receipt.

If, prior to 11/01/2010 , you should choose, with our consent, to secure your Payment Obligation with an alternative form of collateral provided for by the terms of the Payment Agreement ("Collateral Swap"), interest on Held Cash will be deemed to have accrued through the date of the Collateral Swap, at a rate equal to the 1 - month United States Constant Maturity Treasury yield ("Adjusted Rate") as it stands at policy inception. The Adjusted Rate will apply to Posted Cash from date of receipt through the date of the Collateral Swap.

Where the program is non-renewed the interest rate on Posted Cash along with Held Cash (collectively "Cash") will be set at the Adjusted Rate as such rate stands at policy expiration. The Adjusted Rate will continue to reset annually as of the program expiration anniversary date until the Cash has been returned to you.

Cash will be used to pay for losses and expenses you incur. Should the balance fall below our predetermined amount, we will commence billing you monthly for reimbursement of losses and expenses.

#### **Collateral Trust**

This form of collateral is a three party arrangement between you (Grantor), us (Beneficiary) and a bank (Escrow

Agent). Cash is invested in various securities selected by you in accordance with the trust agreement. We will charge an annual administrative oversight fee of between 7 and 10 basis points of the market value of the trust. The Escrow Agent may also charge a separate fee for their services. At our discretion, we will determine if the securities held in the trust agreement will, or will not, be utilized to pay for losses and expenses you incur.

## Financial Covenants, Tests, or Minimum Credit Ratings

We may require additional collateral from you in the event of the following:

**Credit Trigger:**

- i. If the credit rating of the entity named below and for the type of debt described below, as promulgated by Standard & Poor's Corporation ("S&P") or by Moody's Investors Services, Inc. ("Moody's"), drops to or below the grade shown respectively under S&P or Moody's or
- ii. If S&P or Moody's withdraws any such rating,

We may require and you must deliver such additional collateral according to the Payment Agreement, up to an amount such that our unsecured exposure will not exceed the amount shown as the Maximum Unsecured Exposure next to such rating in the grid below.

"Unsecured exposure" is the difference between the total unpaid amount of your payment obligation (including any similar obligation incurred before the inception of the Payment Agreement and including any portion of your payment obligation that has been deferred and is not yet due) and the total amount of your collateral that we hold.

**Name of Entity:**

Fraser Papers Inc.

**Type of Debt Rated:**

Ratings at Effective Date		
S&P	Moody's	Unsecured Exposure at Effective Date
Potential Future Ratings		
S&P	Moody's	Maximum Unsecured Exposure

**Other Financial Tests or Covenants:**

This quote [or binder] is contingent upon:

The United States Bankruptcy Court for the District of Delaware approving (a) the renewal Insurance Program with Fraser Papers, Inc. for the policy year commencing on November 1, 2009, and ending on November 1, 2010, pursuant to a motion and an order satisfactory to the insurance company affiliates of Chartis and (b) the assumption of the existing Insurance Program in its entirety, commencing on December 31, 1998 and ending on November 1, 2006, pursuant to a motion and an order satisfactory to the insurance company affiliates of Chartis on or before December 16, 2009.

You agree that failure to obtain this approval and assume the existing Insurance Program on or before December 16, 2009 is grounds for cancellation of the renewal Insurance Program policies. A sample of Chartis' standard order is attached.

<< File: Renewal and Assumption Order Revised 8-3-07.doc >>

It is a condition precedent to the inception of any policy hereunder that the premium and security quoted herein be received by the insurance company affiliates of Chartis prior to the inception date of the policy. No extensions of time may be given except in writing by the insurance company affiliates of Chartis. If the premium and security are not received by the insurance company affiliates of Chartis in advance no policy will incept or be issued.

Finally, Fraser Papers, Inc. agrees not to seek an administrative bar date with respect to any claims of the insurance company affiliates of Chartis, waives the right to enforce any administrative claim bar date that might be applicable to any claims of the insurance company affiliates of Chartis, and will oppose any other party's attempt to enforce such bar date.

Note: Renewal & Assumption Order included in separate attachment

### SECTION 3 - PREMIUM PAYMENTS AND PROGRAM TERMS

#### Paid Loss Payment Plan

##### Cash Deposit, Installments and Estimated Deferred Amounts

Payment No.	Due Date	Provision for Expenses and Excess Losses (1)	Special Taxes and Surcharges	Annual Credit Fee	Provision for Limited Losses (2)	Estimated Payment Obligation
1	11/01/2009	\$264,489	\$84,480			\$348,969
Subtotal		\$264,489	\$84,480			\$348,969
DLP*		N/A	N/A	N/A	\$0	\$0
DEP*		\$0	\$0	\$0	N/A	\$0
Total		\$264,489	\$84,480	\$0	\$0	\$348,969

\* DLP means "Deferred Loss Provision". This is the estimated amount you must pay us as "Regular Loss payments" and "Sizeable Loss Payments" as described in the Schedule of Policies and Premiums to the Payment Agreement.

\* DEP means "Deferred Expense Provision". This is an estimated amount that you must pay as such shown in the Schedule of Policies and Premiums to the Payment Agreement.

Notes: (1) "Provision for Expenses and Excess Losses" is a part of the Premium.

(2) "Provision for Limited Losses" includes provision for loss within your retention (both Deductible and Loss Reimbursement Limit) and your share of ALAE. Any "Deposit" in this column is the Claims Payment Deposit. Refer to definitions in the Payment Agreement.

##### Additional Payments

The following billing method represents the format of our billing process for additional payments you may owe under your insurance program. The amounts you owe will be due and owing and remain so regardless as to whether you received a formal written bill.

##### Loss Billing Method

In addition to the estimated amounts shown above, we will bill you on monthly basis for the amounts of Loss and ALAE within your retention/deductible/loss reimbursement limit that we have paid under the policies. If we must make payment for any Loss within your retention/deductible/loss reimbursement limit and your share of ALAE arising out of a single accident, occurrence, offense, claim or suit that combined exceed the payment amount of \$50,000, you must pay us that amount of Loss within 10 days after you receive our bill. We will not bill more than permitted under any Aggregate Stop or Maximum Premium or Maximum Insurance Cost provisions that may apply. If we become obligated to pay any amount within your Self - Insured Retention, we will bill you in accordance with the method set forth herein.

**Automatic Withdrawal Method**

In addition to the estimated amounts shown above, we will draw funds from the Automatic Withdrawal Account for payment of Losses within your retention/deductible/loss reimbursement limit and your share of ALAE covered by the policies. We will not draw more than permitted under any Aggregate Stop or Maximum Premium or Maximum Insurance Cost provisions that may apply.

You will authorize us to withdraw funds from the Automatic Withdrawal Account upon our demand. You must pay enough cash into that Automatic Withdrawal Account to cover our expected payments of Loss within your Retention and your share of ALAE during the next claims payment fund coverage period. The minimum amount of such cash funds is shown in the schedule below as the Minimum Amount. You will be required to make a payment in that amount into the Account immediately whenever its balance falls below 25% of that amount.

**Billing Method**

**Billing to:**

- ☒ You at your address shown in the Schedule, or
- ☐ Your Representative at its address shown in the Schedule; or
- ☐ Automatic Withdrawal Schedule from the account described below.

If Automatic Withdrawal Account applies:	Minimum Amount:	\$0
Name of Depository Institution: Provided Under Separate Cover		
Address: Provided Under Separate Cover		
Account Number: Provided Under Separate Cover		

**Paid Loss Plan Premium Adjustments**

The first Premium Adjustment will take place as soon as practicable after the expiration date of the policies. The adjustment will be based on the rates shown in this document, audited exposures and loss information valued as of subject to the minimums indicated within the terms of your insurance program. Thereafter, annual Paid Loss adjustments will take place until the Incurred Loss Conversion date is reached (if applicable). Additional premium due us, or return premium due you, resulting from an adjustment, will be payable in its entirety within the time set out in our notice to you and subject to the terms of the Payment Agreement.

**Plan Conversion**

The end of the paid loss period will be 66 months after inception. At that time, Risk Management will prepare a reconciliation between you and us using Ultimate Losses valued as of the end of the paid loss period. You will be responsible for the difference between Your loss payments to date (including applicable claim expenses, any other expenses and policy audit adjustments) and the total of all paid losses, Ultimate reserves (including applicable Ultimate claim expenses, and any other expenses) within the Paid Loss Plan. Thereafter, annual Ultimate Incurred Loss Plan adjustments will take place and continue until you and we agree in writing to perform no further recalculations.



## SECTION 4 - LIMITS, PROGRAM & COVERAGE

### General Notes About Coverages

Coverage outlined in this document is for explanatory and reference purposes only. The coverage provisions do not necessarily conform to any specifications furnished in the submission received from your representative.

The policy (or policies) that we issue to you shall contain the full and complete terms, conditions, exclusions and coverages provided under your insurance program. Any differences between the proposal or binder and the policy which are mutually agreed to be discrepancies shall be subject to correction so as to accurately reflect the terms of the agreement between the parties. Should the parties fail to mutually agree to policy revisions, the provisions in the policy (or policies) at issuance shall govern. Upon receipt, please review the policy (policies) thoroughly with your representative, and notify us promptly in writing if you have any questions or concerns.

The calculation of premiums and other program features included in this document are based on the information provided by you and your representative. Additional locations, changes in exposure, or other variations may make it necessary to reevaluate this Proposal/Binder, the premium calculations or the plan factors. Any modification we make shall be based on our evaluation of these changes and whether they represent a measurable difference from the insurance program originally offered.

Entities included as Named Insureds are those shown as such on the policy (policies) Declaration page, as well as in the appropriate Named Insured endorsements attached to each individual policy, whether such are issued at inception or included by an endorsement thereafter.

While it is our intention to honor the terms and conditions of our contract with you, we are required to follow all regulatory and filing requirements in effect for various states where you have an exposure. We shall adhere to all state regulatory requirements. We shall not issue any form or apply any program that is in contravention to a governing regulation, rule, statute or law.

Prior to binding a Massachusetts auto program, specific vehicle identification based information must be obtained from the insured. Receipt of all mandated information is required in order to process policies, registration and auto ID cards.

Prior to the inception date of coverage, you must provide us with the following information:

- ◆ For WC Coverage, all applicable FEIN numbers.
- ◆ For Auto Coverage, all DMV reporting information (other than New York).
- ◆ For WC Coverage, all UAIN.
- ◆ For WC Coverage in the state of Florida, a Florida Acord 130, fully completed, executed and notarized. In conjunction with your obligation to complete the Florida Workers Compensation Application [Acord Form 130 FL (2002/07)], you are subject to the continuing obligation as required under Florida Statutes, Chapter 443, to provide us, as your workers' compensation carrier, a copy of your quarterly earnings reports and self audits supported by the quarterly earnings reports ("Reports"). While you bear responsibility for additional obligations as set forth under Florida law and the terms of the Application, it is required that you provide us with copies of the Reports at the end of each quarter.

Nothing herein is intended to modify, eliminate or amend any requirement you have to provide us with information as detailed by the terms of the Application.

Any questions regarding this Proposal or Binder should be directed to Our Risk Management Representative shown in this document. **No Alterations to this Proposal or Binder May Be Made Without the Prior Written Approval of Risk Management.**

## Insured Workers Compensation

Coverage	Limit
<b>Workers Compensation Coverage</b>	<b>Statutory</b>
<b>Employers Liability</b>	
Bodily Injury by Accident - Each Accident	\$2,000,000
Each Employee Bodily Injury by Disease	\$2,000,000
Policy Limit Bodily Injury by Disease	\$2,000,000
States Covered - Item 3 A:	
CT,FL,GA,IL,MA,ME,NH,NJ,SC,TN,VA,WI	
States Covered - Item 3 C :	
All States except those listed in item 3A, monopolistic states and the following state(s):	

Stop Gap Employers Liability	Limit
Bodily Injury by Accident - Each Accident	\$2,000,000
Each Employee Bodily Injury by Disease	\$2,000,000
Policy Limit Bodily Injury by Disease	\$2,000,000
States Covered:	
OH	

Kinds of Insurance	Retention/Loss Reimbursement Amount	Applicable To
Workers Compensation and Employers Liability under State Law - Insured States Item 3A & Stop-Gap States	\$1,000,000	Each Accident or each Person for Disease
Workers Compensation and Employers Liability under Federal Law - Insured States Item 3A States	\$1,000,000	Each Accident or each Person for Disease

**Note:** 1) For Insured States, the limit of coverage as shown in this document include(s) the Retention/Loss Reimbursement amount(s) retained by the Insured. 2) Aggregate Limits apply where applicable.

Coverage Extensions and Exclusions		
Name	Form #	Edition Date
Workers Compensation Insurance Policy	WC 00 00 00 A	
OFAC Policy Holder Notice Mandatory	WCOFAC All states	07/05
All Mandatory State Endorsements	Various	
Workers Compensation and Employers Liability Policy Info Page	WC 00 00 01	
TRIPRA Disclosure Endorsement	WC 00 04 22A states other than FL, MA	09/08
	WC 09 04 03A FL	
	WC 20 01 01 MA	01/08
Foreign Terrorism (TRIA) Policyholder Notice - Premium Determination Mandatory	TRSMPOLNOT	01/08
Catastrophe Premium Endorsement	WC000421c	09/08
Notification of Change of Ownership Endorsement	WC 00 04 14 Mandatory in all states other than CA, DE, NJ, NV, PA & TX	07/90
Policyholder Notice Mandatory	91222	07/06
Privacy Policy Mandatory	78052D	11/06
Voluntary Compensation and Employers Liability	WC 00 03 11A	08/91
	WC 04 03 05 CA	01/85
Waiver of Our Right to Recover from Others	WC 00 03 13	
	WC 99 41 02 TN	08/84
Alternate Employer Endorsement	WC 00 03 01A	
Unintentional Errors & Omissions	WC 99 00 11 A	
	Not approved in FL, MA, NY, NJ, NV, OR, TX, WI	
Longshore and Harbor Workers' Compensation Act	WC 00 01 06 A	
Sole Proprietors, Partners, Officers, and Others End	WC 00 03 10	
Stop Gap Coverage	WC 34 03 01 B OH	
Federal Employer's Liability Act Coverage End	WC 00 01 04A	
Advance Notice of Cancellation or Non-Renewal By Us - 60 Days	WC 99 00 39	
	WC 99 09 06 FL	
	WC 99 10 02 GA	
	WC 99 12 05 IL	
	WC 99 20 03 MA	
	WC 48 06 06B WI	
	Not approved in AZ, MN, NJ, OH, PA	

### Workers Compensation Premiums

Except for guaranteed cost policies, the Workers Compensation premium does not include the non-ratable elements mandated by the various states.

WC/EL premiums and non-ratable elements are subject to rates approved by the various states and the actual experience modifications promulgated. Premium adjustments resulting from WC/EL rate/premium changes applicable at inception which were not recognized at the time the workers compensation policy was initially rated, will result in revised installments reflecting the amount of any such adjustments. The revised amounts will be an obligation of yours under the insurance program.

### Workers Compensation Loss Reimbursement (Deductible) Policy/Plan Premiums

A discount in the premium for the loss reimbursement (deductible) policies shown in the schedule is calculated in accordance with our deductible rating plan. The premium includes a provision for certain taxes and assessments (including residual market plan assessments) which we expect to become obligated to pay based on the premium.

Furthermore, in the event that any state regulatory authority determines that deductible reimbursements are taxable as premium or subject to assessments, you will be obligated to pay the premium taxes and/or assessments applicable to the policies.

Any additional premium amounts calculated under this insurance program do not accrue toward maximum or aggregates which may apply.

## Business Auto

### Liability

Coverage	Coverage Symbols	Limits
Combined Single Limit	1	\$2,000,000
Personal Injury Protection - Per Insured's Selection	5	Minimum Available Limits by State
Medical Payments - Each Person Insured	2,8,9	\$5,000
Uninsured Motorists/Underinsured Motorists - Per Insured's Selection	6	Rejection where Possible/ Minimum Limits

Kinds of Insurance	Deductible	Applicable To
Automobile Liability, including UM/UIM/PIP	\$1,000,000	Each Accident

**Note:** 1) For Insured States, the limit of coverage as shown in this document include(s) the Deductible/Retention Limit layer amount(s) retained by the Insured. 2) For Self-Insured States, the limits of liability shown are in excess of the Self Insured Retention amount. 3) Aggregate Limits apply where applicable.

### Garage Keepers Legal Liability

Location(s) Covered:			
Coverage	Limit of insurance	Deductible for Each Customer's Auto	Maximum Deductible For any one Event
Comprehensive			
Specified Perils			
Collision			NOT APPLICABLE

Coverage applies on the following basis:

**Physical Damage**

Coverage	Coverage Symbols	Amount
Limit - Except for Hired Cars is <u>Actual Cash Value or Cost To Repair</u> , whichever is less, Minus a Comprehensive Deductible of:		
Minus a Collision Deductible of:		
If Symbol 8 is included above, the Limit for Hired Cars is <u>Actual Cash Value or Cost To Repair</u> , whichever is less, subject to a Maximum Limit of:		
Minus a Comprehensive Deductible of:		
Minus a Collision Deductible of:		

**Coverage Extensions and Exclusions**

Name	Form #	Edition Date
<b>Business Auto Coverage Form</b>	CA 00 01	
<b>Common Policy Conditions</b>	IL 00 17	
<b>All Mandatory State Endorsements</b>	Various	
<b>Nuclear Energy Liability Exclusion Endorsement (Broad Form)</b> Mandatory except in NY	IL 00 21 All states other than NY and WA  IL 01 98 WA  Not approved in NY	
<b>Coverage Territory Endorsement (OFAC)</b> Mandatory except in VA	89644 All states except VA  Not approved in VA	07/05
<b>Business Auto Declarations</b>	46169	03/06
<b>Policyholder notice</b>	91222	07/06
<b>Waiver Of Transfer of Rights Of Recovery Against Others</b>	62897	
Broad Form Named Insured	61944	
<b>Amendment of Duties in the Event of Accident, Claims, Suit or Loss</b>	61709	12/94
<b>Employee Hired Autos</b>	CA 20 54	10/01

NOTES ON SPECIAL COVERAGE(S) :

### UM/UIM Automobile Coverage

For Uninsured Motorists coverage (UM), Underinsured Motorist coverage (UIM) and Personal Injury Protection coverage (PIP), there are specific rejection/election of coverage forms that must be completed, signed, and returned to us prior to the inception of automobile coverage. You must complete, sign and return such forms to us by the Policy(ies)' inception date of coverage. Your failure to return all required selection forms shall be deemed your acceptance that the automobile policy(ies) will be issued and rated to include the limits of UM/UIM coverage equal to the policy limits of liability, or equal to the maximum limits required by law if lower than policy limits, and the limit for PIP coverage that we are required to offer for each state. In the event you fail to return the signed forms and we apply UM/UIM and PIP limits as described herein, an additional charge for this change in coverage will be added to your Automobile Liability premium as referenced in Section 2., Program Rates and Premiums. Your acceptance of the casualty insurance program supersedes anything to the contrary in specification(s), proposal(s), quotation(s), this binder(s) or any other agreement or understanding, and you will be responsible for the payment of UM/UIM/PIP damages within your retention or deductible if applicable.

In any state permitting election of UM limit "stacking", any UM coverage contemplated herein is predicated upon rejection of the "stacking" provision by each Named Insured.

### State DMV Proof of Coverage Reporting Requirements

The department of Motor Vehicles (DMV) in various states has implemented anti-fraud systems that require that proof of coverage be on file in their data bases. These various state DMV's presently mandate the filing of specific data elements as state law(s) require. These data elements must be supplied to us upon binding Automobile Liability Coverage. Without the information, we are unable to make our mandatory reports to the DMV. It is critical that you provide information in a timely manner to your representative. If we are unable to comply with the reporting requirements, it may result in loss of your tags, fines, impoundment of your vehicle(s), including cargo, and your inability to register your vehicle(s). In addition, you may be subject to state fines and penalties.

We have advised your representative as to the Automobile Liability Insurance Reporting Procedures information available on our web site. Additionally, we have advised your representative on how to retrieve templates on our web site for capture and transmission of vehicle information for such reporting.

For more information about the DMV reporting requirements, visit the Virtual Office web site at [accessaig.com/accessaig/public/home](http://accessaig.com/accessaig/public/home)

It is your responsibility to supply us, through your representative, with all of the required data on changes to your list of vehicles that are covered by the policy after the inception date of the policy. Failure to do so may result in the previously mentioned consequences.

Please contact your representative to ensure that all of the necessary information has been, and continues to be, provided to us.

### Automobile Coverage where a Composite Rate Applies

For automobile coverage where a composite rate applies, the earned premium will be computed based on the number of units at inception of the casualty insurance program plus the number of units at expiration, divided by two (2).

**Commercial Automobile Terrorism Risk Extension Act Of 2005 Notification**

You are hereby notified that under the Terrorism Risk Insurance Extension Act of 2005 (which amends the Terrorism Risk Insurance Act of 2002), Commercial Automobile is excluded from the covered lines of the Act. While no federal backstop currently exists for Commercial Automobile, we are willing to provide you with Terrorism coverage subject to the limitations and exclusions of each automobile insurance contract. This proposal includes a charge for Terrorism coverage on Commercial Automobile Liability Insurance as referenced in Section 2., Program Rates and Premiums.

Our standard terrorism definition follows; this definition may vary, however, based on modifications required by individual state regulatory offices.

"Terrorism" means the use or threatened use of force or violence against person or property, or commission of an act dangerous to human life or property, or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by any person or group, whether or not acting on behalf of or in any connection with any organization, government, power, authority or military force, when the effect is to intimidate, coerce or harm:

- a. A government;
- b. The civilian population of a country, state or community; or
- c. To disrupt the economy of a country, state or community.



### Allocated Loss and Adjustment Expenses (ALAE)

Your responsibility for the payment of "Allocated Loss Adjustment Expenses" For Loss Sensitive Programs/Plan is:

Coverage	ALAE Option (enter ALAE Option A, B, C or D as applicable)	If ALAE Option C, enter Excess %
Worker's Compensation	C(The Entire Contract)	C-100%(The Entire Contract)
Automobile Liability	C(The Entire Contract)	C-100%(The Entire Contract)

A : 100% of the total "Allocated Loss Adjustment Expenses" up to the "Retained Limit". However, the most you are responsible for with respect to damages and/or indemnity and "Allocated Loss Adjustment Expenses" combined shall not exceed the "Retained Limit".

B : 100% of the total "Allocated Loss Adjustment Expenses".

C : All or part of the "Allocated Loss Adjustment Expenses" determined according to the following:

If we incur NO obligation under the policy(ies) to pay damages resulting from a claim, you are responsible for all "Allocated Loss Adjustment Expenses" up to the applicable "Retained Limit" plus a percentage of all remaining "Allocated Loss Adjustment Expenses" in excess thereof. That percentage is shown above under "Option C Excess %"; or

If we DO incur an obligation under the policy(ies) to pay damages resulting from a claim, you will be responsible for a percentage of "Allocated Expense Adjustment Expenses". That percentage shall be determined by dividing the "Retained Limit" paid by the total damages paid, subject to the Limits of Insurance.

D : No "Allocated Loss Adjustment Expenses".

## SECTION 5 - IMPORTANT NOTES

### Documentation

By accepting this Casualty Insurance Program, the Insured agrees to provide Risk Management with the correctly completed and signed documents as required by Risk Management:

- For Loss Sensitive Programs/Plans, the Payment Agreement, including any Schedules or Addendum(s), and Security required under the Premium Deferral Plan (if applicable), within 30 days of the inception date of the program.  
*Please Note: The Payment Agreement, together with all schedules, addenda, policies and any related agreements between you and us, constitutes the basis for a program of insurance coverage. We would not have entered into any of them without your agreement on all of them. For that reason, you should review all such documents together when making any accounting, tax or legal determinations relating to the insurance program.*
- For Auto coverage, completed UM/UIM/PIP Automobile Election/Rejection forms prior to inception of automobile coverage.
- Notice of Election Forms:  
 For Workers Compensation programs that are retrospectively rated or subject to a large deductible, five (5) states, Minnesota, Nevada, New Jersey, New York and Texas, require that the carrier file a Notice of Election form (Letter of Certification for MN and Informational Filing for NV) which has been signed by the insured. The notice confirms the insured's election of such a retrospectively rated or large deductible program. The signed notices have to be filed with the respective state insurance departments within sixty (60) days of policy effective date. Failure to file the forms exposes us to fines, penalties and a potential requirement to restructure the program so as to remove the deductible or retrospective rating plan. By acceptance of this casualty insurance program, you are obligated to assist us by signing and returning the Notice of Election forms timely so we can meet this sixty (60) day state filing requirement.
- For WC Coverage in the state of Florida, pursuant to Florida statute, a fully completed, executed and notarized Florida Acord 130 application within 30 days of the inception of coverage.
- A signed copy of the Acknowledgement form included in this document, which confirms acceptance of all aspects of the Casualty Insurance Program by the Insured and Agent, returned within 30 days of the inception date of the program.

All documents requiring signature must be signed by an *authorized representative* of the Insured and in some instances, on behalf of Your Insurance Representative. All documents *must* be dated as of the inception date of the program.

Failure to execute any of the requisite documents within the time periods required will render the Financial Plan of your Casualty Insurance Program void at the discretion of Risk Management. The entire amount of the "Estimated Cost" specified under the program will thereafter become immediately due and payable to us in cash. Failure to *pay premium within 5 Days of the billing date* may result in the exercise of various default remedies including, but not limited to, cancellation.

### Acquisitions and Divestitures

With respect to any acquisitions or divestitures that represent a greater than 10% increase in exposure, Risk Management may, at its discretion, require a program review. That review MAY result in a premium adjustment.

### Estimated Premium

The estimated premium(s) shown in this Proposal or Binder is based on rates, and experience modifications (if applicable) in use at the time this proposal is submitted to you. Any reference to Total or Final Premium is for explanatory purposes only. None of the numbers herein are intended to represent final calculation. Neither Risk Management, nor any member company of AIU Holdings, Inc. shall be bound by the calculations arrived at in the tables shown. The tables serve merely to demonstrate the calculation process. All amounts are subject to modification through the binding process and to program adjustments after binding. The terms of the Casualty Insurance Program, our manuals of rules, classifications, rates and rating plan will determine the adjusted premium and surcharges (if any). All information required to conduct our adjustments are subject to verification and change.

**Estimated Taxes, Assessments and Surcharges**

The taxes, assessments and surcharges shown on the Schedule are based upon our knowledge of the current law in the states involved. If the law changes, or a rate or assessment changes, or a new surcharge is imposed, or a state reinterprets its law, any additional taxes, assessments and surcharges will become part of *Your Payment Obligation*.

**Notice about the Office of Foreign Assets Control (OFAC)**

This proposal or resulting binder, the continuation of any bound insurance, and any payments to you, to a claimant or to another third party, may be affected by the administration and enforcement of U. S. economic embargoes and trade sanctions by the Office of Foreign Assets Control (OFAC), if we determine that any such party is on the "Specially Designated Nationals or Blocked Persons" list maintained by OFAC.

**Notice Applicable to Policies Issued Using the New York Free Trade Zone**

For policies issued using the New York Free Trade Zone rule, the policy forms and the applicable rates are exempt from the filing requirements of the New York State Insurance Department. However, such forms and rates must meet the minimum standards of the New York Insurance Department.

**Vermont Statute, Title 18: Health, Chapter 38: Lead Poisoning**

**Affidavit Attesting To Compliance With  
§1759. Essential Maintenance Practices**

In 1996, the State of Vermont passed legislation (Act 165) pertaining to lead poisoning. The Act requires owners of pre-1978 rental dwellings or apartments, and operators of child care facilities housed in buildings constructed prior to 1978, to perform ESSENTIAL MAINTENANCE PRACTICES (EMP's) unless the property is certified pursuant to Act 165 to be lead-free.

An important part of §1759 addressing EMP's requires an owner/landlord to sign an affidavit indicating essential maintenance practices have been performed, the dates they were completed, and who performed them. This affidavit attesting to compliance must be filed annually with us (as your liability insurance carrier) as well as the Vermont Department of Health.

Commercial Insurance, in accordance with instructions by the Vermont Department of Banking, Insurance, Securities and Health Care Administration, is reaffirming with owners/landlords of affected properties their obligations for compliance with Act 165. If §1759 is applicable to you, your affidavit is an important component of our underwriting file. Compliance with the Essential Maintenance Practices, and receipt of certification from a licensed inspector, provides the owner/landlord with certain liability protections.

Please ensure you follow through with certification and provide us with the required affidavit so that you enjoy the full protection the statute provides.

NOTE: This notice is not intended to detail the provisions of Act 165. Please see full text of the section of Act 165 (§1759) addressing EMP's on the internet at URL:

[leg.state.vt.us/statutes/fullsection.cfm?Title=18&Chapter=038&Section=01759](http://leg.state.vt.us/statutes/fullsection.cfm?Title=18&Chapter=038&Section=01759)

**Terrorism Risk Insurance Program**  
**Reauthorization Act Of 2007**

On December 26, 2007, the President signed into law the Terrorism Risk Insurance Program Reauthorization Act of 2007 ("Reauthorization Act"). The new law serves to extend the Terrorism Risk Insurance Act of 2002 and its extension The Terrorism Risk Insurance Extension Act of 2005.

The Reauthorization act maintains your right to purchase insurance coverage for General Liability losses arising out of an Act of Terrorism, which is defined in the Reauthorization Act as:

An act certified by the Secretary of the Treasury, in concurrence with the Secretary of State, and the Attorney General of the United States (i) to be an act of terrorism, (ii) to be a violent act or an act that is dangerous to (I) human life; (II) property or (III) infrastructure, (iii) to have resulted in damage within the United States, or outside of the United States in case of (I) an air carrier or vessel [described in TRIA]; or (II) the premises of a U.S. mission; and (iv) to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

On workers compensation policies, coverage for acts of terrorism is mandatory and your quotation automatically includes a charge for terrorism coverage.

You should read the Act for a complete description of its coverage. You should know that where coverage is provided under the Reauthorization Act for losses resulting from certified acts of terrorism, such losses may be partially reimbursed by the United States government under a formula established by federal law. Under the formula, the United States government generally reimburses 85% of covered terrorism losses exceeding the statutorily established deductible paid by us.

You should also know that the Reauthorization Act contains a \$100 Billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism where the amount of such losses in any one calendar year exceeds \$100 Billion.

**Payment of Premium**

**Wire Transfers**

Your representative will be sent a premium invoice. You will be responsible to remit the amounts required to your representative who will then wire transfer the money to us, indicating the purpose for the payment. Our wire transfer account information will be made available under separate cover to your representative upon their contact with Risk Management.

Your representative must notify us the day the wire transfer is made so that we may notify our New York accounting department.

**Regular Mail**

Premium Payments can be mailed to the following address:

Chartis  
P.O. Box 10472  
Newark, NJ 07193

**Express Mail**

Premium Payments can be express mailed to the following address:

Chartis  
4 CHASE METRO TECH CENTER, 7th FLOOR EAST  
LOCKBOX 10472  
BROOKLYN, NY 11245

### Premium Audit

Premium audits are required in all states covered under your Casualty Insurance Program. Risk Management has a staff devoted to the professional auditing of our accounts. An auditor will be available to meet with you to set the parameters and timetable for the audit process. Records for audit purposes should be available at each location within 30 days after the policy(ies) anniversary or expiration.

#### California Access to records requirement:

As called for under California law, your workers compensation policy will contain a policy holder notice endorsement that requires you to provide us access to records necessary to perform a payroll verification audit. Your failure to provide access within the time period set out in the form (90 days after expiration of the policy), will render you liable to pay a total premium equal to 3 times our current estimate of the annual premium for your policy.

The form also provides that in the event you fail to provide access after our third request, you will also be liable for our costs in attempting to perform the audit.

Any premium adjustment developed in the course of an audit of programs/plans that are subject to the terms of the Payment Agreement will be deferred until Plan Adjustment. Changes in the premium amount, based on the completed audits, of all other types of program/plans, including Guaranteed Cost programs, will be due within 30 days of the billing date.

## **SECTION 6 - ATTACHMENTS**

### **Global Loss Prevention**

Global Loss Prevention (GLP), provides comprehensive safety, healthcare, environmental, property, and crisis management services. GLP has been providing clients with quality service for over two decades. Quality and measurable results: these factors make the difference for our customers. GLP services are performed under the control afforded by a certified ISO 9001:2000 management system, a distinction which guarantees our organization adheres to a recognized global framework for delivering excellence in customer service, best practices and business leadership. At the core of our operating philosophy is a commitment to delivering the highest level of professional service. Drawing on our expertise, we provide customized assistance focused on our customers' needs. Through our international network of operations, we offer our services worldwide, and have built a record of success in effectively servicing the needs of our customers. Our international team of over 500 consultants, supplemented by our network of qualified and approved subcontractors/vendors, provides technical expertise in a wide array of specialties to ensure your specific needs are met and sound business solutions are delivered.

GLP constantly strives to add value to our customer's risk control program through its consulting services by offering risk-specific solutions and specialty programs designed to meet our customers' needs above and beyond the traditional offerings. Innovative programs include:

- Crisis Management Planning and Response Consulting
- Healthcare Programs, including employee training modules, developed specifically for Hospitals and Long-Term Care Facilities
- Specialist on call 24/7 to assist in response to pollution and environmental incidents
- Best Practices Assessments that provide a management systems approach to risk control
- An exclusive, comprehensive web-based safety management system to help identify and reduce health and safety risk and manage risk across your entire organization.

Our services are consultative in nature and focus on loss drivers and our customer's specific needs. The following key elements are offered for consideration in your risk control planning process:

- A single Account Manager assigned to your account providing you a single point of contact for all services provided by GLP.
- Safety training and safety materials (in-house programs, videos, web resources, etc.) in Spanish and English are available.
- Additional technical services can also be utilized as required to provide business solutions to issues of most concern to our customers in today's challenging society. Such areas as; Industrial Hygiene/Occupational Health, Safety Accountability and Incentive Programs, Behavioral Based Safety, Ergonomics, Fleet Training (on-line and personalized) and Early Return to Work Programs.
- Web based and on-site fleet safety programs, evaluations and specialized training programs.
- Development of customized video and web based training and informational programs.

**NOTE:** Basic risk control services for underwriting purposes have been included in your program. Additional risk control services are available by contacting your Global Loss Prevention representative.

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**SECTION 6 - ATTACHMENTS**

**LETTER OF CREDIT SAMPLE WORDING**

BANK NAME

FOR INTERNAL IDENTIFICATION  
PURPOSES ONLY

OUR NO.: \_\_\_\_\_ OTHER \_\_\_\_\_

APPLICANT: \_\_\_\_\_

ISSUE DATE: \_\_\_\_\_

IRREVOCABLE LETTER OF CREDIT NO. \_\_\_\_\_

TO: National Union Fire Insurance Co. of Pittsburgh, Pa., and  
American Home Assurance Company, and  
The Insurance Company of the State of Pennsylvania, and  
Commerce and Industry Insurance Company, and  
AIG Casualty Company f/k/a Birmingham Fire Insurance Company, and  
Illinois National Insurance Co., and  
Granite State Insurance Company, and  
AIU Insurance Company; and  
American International South Insurance Company, and  
American International Pacific Insurance Company, and  
National Union Fire Insurance Co. of Louisiana, and  
New Hampshire Insurance Company

P.O. Box 923  
Wall Street Station  
New York, N.Y. 10268  
Attn: Mr. Donato DiLuzio

WE HEREBY ESTABLISH THIS IRREVOCABLE LETTER OF CREDIT IN FAVOR OF THE AFORESAID ADDRESSEES (EACH, THE "BENEFICIARY") FOR DRAWINGS UP TO UNITED STATES DOLLARS ( AMOUNT IN WORDS ) EFFECTIVE IMMEDIATELY. THIS LETTER OF CREDIT IS ISSUED, PRESENTABLE AND PAYABLE AT OUR OFFICE AT \_\_\_\_\_ (ISSUING BANK'S ADDRESS) AND EXPIRES WITH OUR CLOSE OF BUSINESS ON \_\_\_\_\_, 20 \_\_\_\_.

THE TERM "BENEFICIARY" INCLUDES ANY SUCCESSOR BY OPERATION OF LAW OF EACH NAMED BENEFICIARY, INCLUDING, WITHOUT LIMITATION, ANY LIQUIDATOR, REHABILITATOR, RECEIVER OR CONSERVATOR.

WE HEREBY UNDERTAKE TO PROMPTLY HONOR YOUR SIGHT DRAFT(S) DRAWN ON US, INDICATING OUR CREDIT NO. \_\_\_\_\_, FOR ALL OR PART OF THIS CREDIT IF PRESENTED AT OUR OFFICE SPECIFIED IN PARAGRAPH ONE ON OR BEFORE THE EXPIRY DATE OR ANY AUTOMATICALLY EXTENDED EXPIRY DATE. ANY ONE BENEFICIARY OR COMBINATION OF BENEFICIARIES, ACTING INDIVIDUALLY OR COLLECTIVELY, MAY DRAW ON THIS LETTER OF CREDIT IN FULL OR IN PART, AND ANY ACTION TAKEN BY ANY OR ALL BENEFICIARIES HEREUNDER SHALL BIND EACH OF THEM.

EXCEPT AS EXPRESSLY STATED HEREIN, THIS UNDERTAKING IS NOT SUBJECT TO ANY AGREEMENT, CONDITION OR QUALIFICATION. THE OBLIGATION OF (ISSUING BANK) UNDER THIS LETTER OF CREDIT IS THE INDIVIDUAL OBLIGATION OF (ISSUING BANK), AND IS IN NO WAY CONTINGENT UPON REIMBURSEMENT WITH RESPECT THERETO.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR ONE YEAR FROM THE EXPIRY DATE HEREOF, OR ANY FUTURE EXPIRATION DATE, UNLESS AT LEAST THIRTY DAYS PRIOR TO ANY EXPIRATION DATE WE NOTIFY YOU BY REGISTERED MAIL THAT WE ELECT NOT TO CONSIDER THIS LETTER OF CREDIT RENEWED FOR ANY SUCH ADDITIONAL PERIOD.

THIS LETTER OF CREDIT IS SUBJECT TO AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK, AND THE 2007 REVISION OF THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS OF THE INTERNATIONAL CHAMBER OF COMMERCE (PUBLICATION 600) AND, IN THE EVENT OF ANY CONFLICT, THE LAWS OF THE STATE OF NEW YORK WILL CONTROL. IF THIS CREDIT EXPIRES DURING AN INTERRUPTION OF BUSINESS AS DESCRIBED IN ARTICLE 36 OF SAID PUBLICATION 600, THE BANK HEREBY SPECIFICALLY AGREES TO EFFECT PAYMENT IF THIS CREDIT IS DRAWN AGAINST WITHIN THIRTY (30) DAYS AFTER THE RESUMPTION OF BUSINESS.

VERY TRULY YOURS,

ISSUING BANK



**SECTION 7 - COMMISSION**

**BROKER:** AON RISK INSURANCE SERVICES WE

**ACCOUNT:** FRASER PAPERS INC

This Proposal:

☒ is Net of Commission (check this box if no commission applies).

☐ includes Commission payable to the broker listed above (check this box if commission applies and complete the details below).

Coverage	Dollar Amount	Commission Adjustment Basis
Workers Compensation		
General Liability		
Automobile Liability		
Total	\$0	

**Commission will be paid:**

Over the Policy Period and any deferred payment period in proportion to the individual installments & deferred payments.

**Payment Of Counter Signature Fees (If Any) Shall Be the Responsibility of the Broker.**

## **EXHIBIT “Q”**

Chartis  
175 Water Street  
New York, NY 10038

## Press Release



Contact:  
John Jones or Marie Ali  
212-458-5807

### **AIU Holdings Advances Toward Operating Independence**

#### ***Special Purpose Vehicle Formed***

#### ***Names Kristian P. Moor President and Chief Executive Officer***

#### ***Establishes New Brand as Chartis***

New York – July 27, 2009 – AIU Holdings (AIU Holdings, Inc. and AIU Holdings LLC, collectively “AIU Holdings” or the “Company”), a global leader in property-casualty and general insurance, today announced the accomplishment of three major milestones toward becoming an independently operated company – the formation by American International Group, Inc. (AIG) of a special purpose vehicle (SPV) into which AIG intends to contribute the equity of AIU Holdings, subject to receipt of applicable regulatory approvals; the appointment of Kristian P. Moor as its President and Chief Executive Officer; and the creation of a new brand, Chartis. These actions accelerate the unification of its worldwide businesses and further advance the organization toward its goal of operating independence.

Chartis, headquartered in New York, includes Commercial Insurance, Foreign General Insurance, and Private Client Group operations. It offers an unrivalled global footprint and breadth of product across one of the world’s largest, most sophisticated and most successful commercial and personal insurance platforms, with a combined statutory surplus of \$32.1 billion worldwide at year-end 2008. Chartis serves more than 40 million clients in over 160 countries and jurisdictions.

“We are excited by this new stage in our evolution, which will sharpen appreciation for the value of one of the most experienced and extensive insurance platforms in the world,” Mr. Moor said. “Chartis employees are our greatest asset and our new brand embodies their relentless pursuit of excellence through innovation and an unwavering commitment to meeting clients’ needs. Today’s developments give us an even greater opportunity to build on our historic success.”

The SPV formation, the appointment of Mr. Moor, and the new brand allow Chartis to advance its reputation as a preeminent global insurance organization and showcase its strengths: a deep bench of world-class industry talent; financial stability; a multinational service offering; sector-leading product innovation; and dedication to client service. Chartis, with its own brand and management team and a well-capitalized and focused portfolio of businesses, will benefit from a better-defined, more distinct role in the marketplace. The Company will be led by Mr. Moor and a leadership team that have an average of more than 20 years of insurance industry experience.

Page 2  
July 27, 2009

Mr. Moor has served as President of Chartis since March 2009. Prior to that, he was Executive Vice President of AIG and President and Chief Executive Officer of AIG Property Casualty Group, which included responsibility for all of AIG's commercial and personal lines property and casualty businesses in the U.S. and Canada. Mr. Moor joined AIG's National Union in 1981. He holds a bachelor's degree in finance from Bryant University and an MBA in finance from Pace University.

Chartis derives from the Greek word for map, underscoring the Company's 90-year history as a successful global pioneer that is able to guide clients to customized solutions. Chartis and its compass logo also capture the franchise's disciplined-yet-flexible approach to navigating changing marketplaces and complex risks worldwide. As the Chartis name and its history suggest, Chartis employees are problem solvers and innovators who possess a global perspective combined with intimate knowledge of the regions and cultures that shape their clients' needs. For clients, this translates into industry-leading insurance products and tailor-made solutions, allowing them to manage risk.

Beginning with today's launch, the brands in the Chartis portfolio that go to market under the "AIG" and "AIU Holdings" names will begin to transition to the Chartis identity. Chartis is prioritizing changes worldwide based on local considerations as well as the most cost-effective way to optimize the business value globally. The Company continues to evaluate a handful of its local subsidiaries to determine if these entities should be retained as standalone brands due to local brand value, or migrate to the new brand identity.

### **About Chartis**

Chartis is a world leading property-casualty and general insurance organization serving more than 40 million clients in over 160 countries and jurisdictions. With a 90-year history, one of the industry's most extensive ranges of products and services, deep claims expertise and excellent financial strength, Chartis enables its commercial and personal insurance clients alike to manage virtually any risk with confidence.

Chartis is the marketing name for the worldwide property-casualty and general insurance operations of Chartis Inc. For additional information, please visit our website at <http://www.Chartisinsurance.com>. All products are written by insurance company subsidiaries or affiliates of Chartis Inc. Coverage may not be available in all jurisdictions and is subject to actual policy language. Non-insurance products and services may be provided by independent third parties. Certain coverage may be provided by a surplus lines insurer. Surplus lines insurers do not generally participate in state guaranty funds and insureds are therefore not protected by such funds.

# # #

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

AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR ARRANGEMENT WITH RESPECT TO FRASER PAPERS INC.,  
FPS CANADA INC., FRASER PAPERS HOLDINGS INC., FRASER TIMBER LTD., FRASER PAPERS LIMITED and FRASER N.H. LLC

Court File No.: CV-09-8241-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**

Proceedings commenced at Toronto

**AFFIDAVIT OF GLEN McMILLAN**

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Lawyers for the Applicants

Court File No. CV-09-8241-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**THE HONOURABLE MADAM**                    ) **WEDNESDAY, THE 2<sup>nd</sup> DAY**  
  )  
**JUSTICE PEPALL**                            ) **OF DECEMBER, 2009**

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

AND IN THE MATTER OF A PROPOSED PLAN OF  
COMPROMISE OR ARRANGEMENT WITH RESPECT TO  
**FRASER PAPERS INC.**, FPS CANADA INC., FRASER  
PAPERS HOLDINGS INC., FRASER TIMBER LTD., FRASER  
PAPERS LIMITED and FRASER N.H. LLC

Applicants

**ORDER**

**THIS MOTION** made by the Applicants for the relief sought in the Notice of Motion herein dated November 26, 2009, was heard this day at 330 University Avenue, in the City of Toronto, Ontario.

**ON READING** the affidavit of Glen McMillan sworn November 26, 2009 and on hearing the submissions of counsel for the Applicants and other parties appearing:

**Extension of Stay**

1. **THIS COURT ORDERS** that the Stay Period as described in Order of this Honourable Court dated June 18, 2009, as amended, be and is hereby extended to and including December 11, 2009.

**Orders for Payment**

2. **THIS COURT ORDERS** that Cascades Fine Papers Group Inc / Cascades Groupe Papiers Fin Inc. ("Cascades") shall, within ten (10) days of the date of this Order, pay FPS Canada Inc. the amount of CDN\$401,497.36.
3. **THIS COURT ORDERS** that Lauzon (Thurso) Ressources Forestieres Inc. shall, within ten (10) days of the date of this Order, pay FPS Canada Inc. the amount of CDN\$370,366.26.

**Authorization for Increase to Letter of Credit**

4. **THIS COURT ORDERS** that the Applicants be, and are hereby authorized to issue an amendment to letter of credit # SBTG731476 issued by The Bank of New York Mellon at the request of Fraser Papers Inc. in favour of American Home Assurance Company *et al.* as original beneficiaries, as same may have been amended to date (the "Letter of Credit"), to increase the Letter of Credit by USD\$940,500 for a total principal amount of USD\$4,140,500 to secure insurance policies issued by Chartis Inc. for workers' compensation for the Applicants' employees in the United States.
5. **THIS COURT ORDERS AND REQUESTS** the aid, recognition and assistance of any court or any judicial, regulatory or administrative body in any province or territory of

Canada (including the assistance of any court in Canada pursuant to section 17 of the CCAA) and the Federal Court of Canada and any judicial, regulatory or administrative body of the United States and the states or other subdivisions of the United States and of any other nation or state, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order.

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

AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR ARRANGEMENT WITH RESPECT TO FRASER PAPERS INC., FPS CANADA INC., FRASER PAPERS HOLDINGS INC., FRASER TIMBER LTD., FRASER PAPERS LIMITED and FRASER N.H. LLC (collectively, the "Applicants")

Court File No.: CV-09-8241-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**

Proceedings commenced at Toronto

**ORDER**

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Court File No.: CV-09-8241-00CL

**ONTARIO**  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

Proceedings commenced at Toronto

**MOTION RECORD**  
(Returnable December 2, 2009)

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