

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE MADAM ) TUESDAY, THE 6<sup>th</sup> DAY  
)  
JUSTICE PEPALL ) OF APRIL, 2010

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")



## ORDER

**(Amending Initial Order, Extending Stay Period)**

**THIS MOTION**, made by the Applicants for an Order amending the initial order of this Honourable Court dated June 18, 2009, as amended (the “Initial Order”), including the style of cause of the within court file in this proceeding, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Motion Record of the Applicants dated March 30, 2010, and the Tenth Report of PricewaterhouseCoopers Inc., in its capacity as monitor of the Applicants, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for Brookfield Asset Management Inc., counsel for CIT Business Credit Canada Inc., counsel for the Province of New Brunswick, counsel for the officers and directors of the Applicants, counsel for the Communications, Energy and Paperworkers Union of Canada, counsel for the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, counsel for the court-appointed committee representing unrepresented employees and former employees other than those employees or former employees in the Province of Quebec, other members of the committee representing unrepresented employees and

former employees in the Province of Quebec, such employees and former employees being represented in this motion by the firm Paliare Roland Rosenberg LLP and counsel for the Town of Madawaska and the Madawaska Water District, no one appearing for any other person on the service list, although properly served as appears from the affidavit of service of Annette Fournier sworn March 30, 2010, filed:

1. **THIS COURT ORDERS** that the Stay Period as described in the Initial Order be and is hereby extended to and including July 9, 2010.

2. **THIS COURT ORDERS** that paragraph 36 of the Initial Order be, and is hereby amended by replacing “USD\$20,000,000” therein with “USD\$25,000,000”, and further orders and declares that: (a) all references to “DIP Term Sheet” and “Definitive Documents” in the Initial Order shall be deemed to refer to such documents as they may be amended, supplemented or replaced from time to time to, among other things, provide for the increased availability under the Amended DIP Facility contemplated by this paragraph and pursuant to any further Order of this Court; and (b) all references in the Initial Order to the “DIP Lender’s Charge” in the maximum amount of US\$20,000,000 are hereby amended by replacing “USD\$20,000,000” therein with “USD\$25,000,000”.

3. **THIS COURT ORDERS AND DECLARES** that, effective immediately upon the closing of the transaction pursuant to the Asset Purchase Agreement, all credit facilities established in favour of the Applicants under the GNB Amending Agreement shall be terminated and cancelled, and further orders and declares that the Existing GNB Security and the GNB DIP Charge shall be discharged cancelled, terminated and released, and further orders and declares that that all references to “GNB”, “GNB Amending Agreement”, “GNB DIP Charge”, and “Existing GNB Security” shall be deleted and removed from the Initial Order including, without limiting the generality of the foregoing, paragraphs 41.1, 41.2, and 45-49, inclusive, of the Initial Order.

4. **THIS COURT ORDERS** that the style of cause herein shall be and is hereby amended to reflect the following:

- (i) to include the French name Papiers Fraser Inc.; and

(ii) to amend Fraser Timber Ltd. to Fraser Timber Limited

so that all documents issued, served or filed after the date of this order reflect the following style of cause:

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./PAPIERS FRASER INC.**, FPS CANADA INC., FRASER PAPERS  
HOLDINGS INC., FRASER TIMBER LIMITED, FRASER PAPERS LIMITED  
and FRASER N.H. LLC (collectively, the "Applicants")



A handwritten signature, appearing to read "J. Repall", is written over a horizontal line.

ENTERED AT / INSCRIT A TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO.:

APR 07 2010

PER / PAR: 

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")

Applicants

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

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

Proceedings commenced at Toronto

**O R D E R**  
(Amending Initial Order and  
Extending Stay Period)

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