



Court File No CV-09-8241-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**THE HONOURABLE MADAM ) FRIDAY, THE 1<sup>st</sup> DAY  
)  
JUSTICE PEPALL ) OF OCTOBER, 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./PAPIERS  
FRASER INC.**, FPS CANADA INC., FRASER PAPERS HOLDINGS INC.,  
FRASER TIMBER LIMITED, FRASER PAPERS LIMITED and FRASER N.H.  
LLC (collectively, the "Applicants")

**ORDER  
(Repayment of CIT)**

**THIS MOTION**, made by the Applicants for the relief sought in the Notice of Motion herein dated September 24, 2010 was heard this day in chambers at 330 University Avenue, Toronto, Ontario.

**ON READING** the Motion Record of the Applicants dated September 24, 2010, and on hearing the submissions of counsel for the Applicants, no one else appearing for any other person on the service list, although properly served as appears from the affidavit of service of D.J. Miller sworn September 24, 2010, filed, and upon being advised that the Applicants have now repaid all amounts owing to CIT under the CIT Credit Agreement and Amended CIT Term Sheet, each as defined in the Order of this Honourable Court dated June 18, 2009, as amended (the "Initial Order"):

*+ on the consent of CIT - SWP*

1. **THIS COURT ORDERS AND DECLARES** that, effective immediately, all credit facilities established in favour of the Applicants under the CIT Credit Agreement and the

Amended CIT Term Sheet shall be and are hereby terminated and cancelled, and further orders and declares that the Existing CIT Security and the CIT DIP Charge (each as defined in the Initial Order) shall be discharged, cancelled, terminated and released provided, however, that CIT shall continue to be entitled to the protections set out in paragraph 49 of the Order of this Honourable Court dated June 18, 2009, as amended, and, for greater certainty, nothing in this Order shall effect the validity of the CIT DIP Charge, the Existing CIT Security or payments by the Applicants to CIT prior to the date of this Order.

2. **THIS COURT ORDERS AND DECLARES** that from and after the date of this Order, Davies Ward Phillips & Vineberg LLP in its capacity as court-appointed Representative Counsel, shall no longer be required to deliver copies of its accounts to CIT on a bi-weekly basis and CIT shall no longer have the opportunity to raise any objections in respect of such Representative Counsel's accounts as set out in the Order of this Honourable Court dated September 17, 2009.



A handwritten signature in black ink, appearing to read "Stephen J. Phillips", is written over a horizontal line. The signature is cursive and includes a large, stylized initial "S".

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

OCT 01 2010

PER/PAR: JSN

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")

Applicants

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

Proceedings commenced at Toronto

**ORDER**

**ThorntonGroutFinnigan LLP**  
Barristers and Solicitors  
Suite 3200, P.O. Box 329  
Canadian Pacific Tower  
Toronto-Dominion Centre  
Toronto, Ontario M5K 1K7

**D.J. Miller** (LSUC# 34393P)  
**Danny M. Nunes** (LSUC# 53802D)  
Tel: 416-304-0559  
Fax: 416-304-1313

Lawyers for the **Applicants**