



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

THE HONOURABLE MR.

) **WEDNESDAY, THE 20TH DAY**

)

JUSTICE MORAWETZ

) **OF APRIL, 2011**

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. AND FPS
CANADA INC.

Applicants

ORDER

(Stay Extension and Authorization to Terminate Benefit Plans)

THIS MOTION, brought by the Applicants for the relief sought in the Notice of Motion herein dated April 15, 2011, was heard this day at 330 University Avenue, in the City of Toronto, Ontario.

ON READING the affidavit of Glen McMillan sworn on April 15, 2011, the Nineteenth Report to the Court of PricewaterhouseCoopers Inc., in its capacity as court-appointed Monitor in this proceeding, filed separately, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor and counsel for M.G.P.-Papier, Inc., and no one appearing for any other

party on the Service List although all duly served as appears from the affidavit of service of Bobbie-Jo Brinkman sworn on April 18, 2011, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for the service of the Notice of Motion and the Motion Record be and it is hereby abridged to the date of actual service, this Motion is properly returnable today and service upon any other party other than those served with the Notice of Motion be and it is hereby dispensed with.

STAY EXTENSION

2. **THIS COURT ORDERS** that the Stay Period as described in the Initial Order be and is hereby further extended to the earlier of: (a) May 31, 2011; and (b) the CCAA Termination Date.

TERMINATION OF BENEFIT PLANS

3. **THIS COURT AUTHORIZES AND DIRECTS** Glen McMillan as the Chief Restructuring Officer of the Applicants to execute all necessary resolutions and documents to terminate the following benefit plans:
 - (a) the Fraser Papers Inc. Defined Contribution Pension Plan;
 - (b) the Fraser Papers Inc. Supplemental Employee Retirement Plan;
 - (c) the Fraser Papers Inc. Deferred Stock Unit Plan for Non-Employee Directors;
 - (d) the Fraser Papers Inc. Stock Option Plan;

- (e) the Fraser Papers Inc. Management Deferred Share Unit Plan; and
- (f) the FPS Canada Inc. Health and Welfare Plan and the FPS Canada Inc. Health and Welfare Trust Fund.

EFFECT, RECOGNITION AND ASSISTANCE

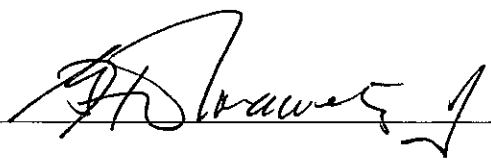
4. **THIS COURT HEREBY REQUESTS** the aid, recognition and assistance of any court or any judicial, regulatory or administrative body in any province or territory of Canada (including the assistance of any court in Canada pursuant to Section 17 of the CCAA) and the Federal Court of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of the United States of America and the states or other subdivisions of the United States of America, including the U.S. Court presiding over the Chapter 15 Proceedings and of or any other nation or state, to act in aid of and to be complementary to this Court in carrying out the terms of this Sanction Order. Each of the Applicants and the Monitor shall be at liberty, and is hereby authorized and empowered, to make such further applications, motions or proceedings to or before such other courts and judicial, regulatory and administrative bodies, and take such other steps, in Canada, in the United States of America or elsewhere, as may be necessary or advisable to give effect to this Sanction Order and any other Order granted by this Court.

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

APR 21 2011

PER/PAR:

NB



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

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Proceedings commenced at Toronto

ORDER
(STAY EXTENSION AND AUTHORIZATION TO
TERMINATE BENEFIT PLANS)

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