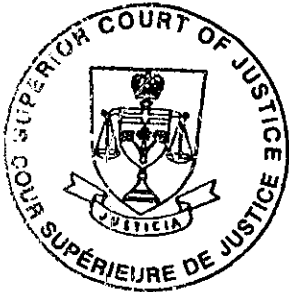


**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE) THURSDAY, THE 17TH DAY
)
MADAM JUSTICE PEPALL) OF SEPTEMBER, 2009

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



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 United Steel, Paper, Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers Union (the "USW") was heard September 8, 2009 at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the USW and other motion records filed in respect of the various motions returnable on this same date including the Motion Record of the Applicants dated September 1, 2009 and on reading the Monitor's Fourth Report to the Court;

AND ON HEARING submissions of counsel for the USW, the Applicants, the Monitor and other parties, and upon being advised that the USW's request to represent the USW Retirees (as hereafter defined) is supported by the Applicants and the Monitor, subject to the USW's

agreement that it will not seek funding or reimbursement of fees from the Applicants at any time in this proceeding;

1. **THIS COURT ORDERS** that, on consent of the Applicants and the Monitor, without limiting any right of the USW under applicable U.S. law, the USW is hereby authorized to represent the former members of bargaining units represented by the USW and/or its locals (as the case may be), including pensioners, retirees, deferred vested participants and surviving spouses and dependents formerly employed by the Applicants (collectively, the "USW Retirees") in this proceeding and in connection with any concurrent or subsequent proceeding that may be commenced under the *Bankruptcy and Insolvency Act* ("BIA") or similar legislation (collectively, the "Proceedings").

2. **THIS COURT ORDERS** that the USW is authorized to determine, file, advance or compromise any and all claims of the USW Retirees that exist or may arise at law or equity or pursuant to any applicable collective agreement which may be made against the Applicants in the Proceedings in connection with any issue or matter related to any recovery, compromise of rights or entitlements of the USW Retirees.

3. **THIS COURT ORDERS** that the Applicants be, and they are hereby authorized and directed to provide to counsel for the USW, as soon as possible after the granting of this Order, without charge, the names, last known addresses, last known phone numbers and email addresses (if any) of the USW Retirees.

4. **THIS COURT ORDERS** that, subject to any claims of privilege by the Applicants and in accordance with the terms of any collective bargaining agreement to which the Applicants and the USW are a party, the Applicants shall respond to reasonable disclosure

requests from counsel for the USW with respect to any claim properly brought in the Proceedings, without charge. For that purpose the Applicants are hereby authorized to provide information which includes personal information related to the USW Retirees. For greater certainty, the Applicants are not required to create documents in response to such requests by the USW. In the event of any dispute regarding such disclosure requests, the Monitor will assist in attempting to resolve such disputes.

5. **THIS COURT ORDERS** that any USW Retiree whose personal information is provided to counsel for the USW by the Applicants pursuant to this Order is deemed to have consented for the purposes of any applicable privacy legislation to the Applicants providing such information, and to the collection, use and disclosure by the USW of such information, provided that such information will be used or disclosed by the USW solely for the purpose of representing the USW Retirees' interests in these Proceedings.

6. **THIS COURT ORDERS** that any individual Former Member who does not wish to continue to be represented in the Proceedings by the USW shall, within 30 days of receiving notice of this Order, notify the Monitor, the Applicants and the USW in writing, and shall thereafter represent themselves as an independent individual party to these proceedings.

7. **THIS COURT ORDERS** that the USW shall provide notice of the granting of this Order to the USW Retirees in a manner deemed appropriate by the USW and its counsel.

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

OCT 22 2009

PER / PAR:

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Stephane J.

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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