

**CANADA  
PROVINCE OF QUEBEC  
DISTRICT OF MONTREAL**

**SUPERIOR COURT**

Commercial Division  
(Sitting as a court designated pursuant to the Companies'  
Creditors Arrangement Act, 1985 R.S.C., c. C-36, as amended)

**No: 500-11-048114-157**

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

**IN THE MATTER OF THE PLAN OF  
COMPROMISE OR ARRANGEMENT  
OF:**

**BLOOM LAKE GENERAL PARTNER  
LIMITED, QUINTO MINING CORPORATION,  
8568391 CANADA LIMITED, CLIFFS QUEBEC  
IRON MINING ULC, WABUSH IRON CO.  
LIMITED, WABUSH RESOURCES INC.**

Petitioners

-and-

**THE BLOOM LAKE IRON ORE MINE  
LIMITED PARTNERSHIP, BLOOM LAKE  
RAILWAY COMPANY LIMITED, WABUSH  
MINES, ARNAUD RAILWAY COMPANY, WABUSH  
LAKE RAILWAY COMPANY LIMITED**

Mises-en-cause

-and-

**FTI CONSULTING CANADA INC.**

Monitor

-and-

**MORNEAU SHEPELL**

Objecting- Mise-en-cause

-and-

**MICHAEL KEEPER, TERENCE WATT,  
DAMIEN LEBEL AND NEIL JOHNSON**

Mises-en-cause

-and-

**UNITED STEELWORKERS, LOCAL 6254  
UNITED STEELWORKERS, LOCAL 6285**

Mises-en-cause

-and-

**HER MAJESTY THE QUEEN IN RIGHT OF  
NEWFOUNDLAND AND LABRADOR, AS  
REPRESENTED BY THE SUPERINTENDENT  
OF PENSIONS**

Mise-en-cause

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**NOTICE OF OBJECTION BY MORNEAU SHEPELL, IN ITS CAPACITY AS THE  
REPLACEMENT PENSION PLAN ADMINISTRATOR, TO THE MOTION BY THE  
CCAA PARTIES REGARDING THE ALLOCATION OF PROCEEDS AND COSTS  
AND REGARDING PAYMENT OF OUTSTANDING PROPERTY TAXES**  
**(Sections 11 and 23(k) of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36)**

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TO THE HONOURABLE MR. JUSTICE STEPHEN W. HAMILTON, J.S.C., OR TO ONE OF THE HONOURABLE JUDGES SITTING IN THE COMMERCIAL DIVISION IN AND FOR THE JUDICIAL DISTRICT OF MONTRÉAL, THE PETITIONER-MISE-EN-CAUSE RESPECTFULLY SUBMIT THE FOLLOWING:

- 1) The CCAA Parties have made a Motion for approval of, *inter alia*, an Allocation Methodology and payment of the Outstanding Property Taxes, which are identified as secured claims (the "Motion").
- 2) The Replacement Pension Plan Administrator objects to the Motion on three grounds.
- 3) The first objection concerns the proposed payment of undisputed Outstanding Property Taxes. It is unclear on the face of the Motion whether the proposed payments will be made from the assets of QCIM, or whether it will be made from the assets of the "employers" under the Pension Plan so as to potentially impact the claims for amounts owing to the Pension Plans. If the Pension Claims will be impacted by the proposed payments, then the Replacement Pension Plan Administrator objects to the Motion in this regard.
- 4) Second, the Motion refers only to the statutory secured claims of certain municipalities for Outstanding Property Taxes, leaving the false impression that there are no other statutory secured claims against the CCAA Parties.
- 4) In December of 2015, the Pension Plan Administrator filed Proofs of Claim for both the Union and Salaried Pension Plans, in each case asserting a Secured Claim for the full amount of the wind-up deficiency as estimated at the time. (The Replacement Pension Plan Administrator will shortly be filing Amended Proofs of Claim with up-dated calculations.)

- 4) Paragraphs 16 through 18 of the Motion do not acknowledge and make clear that, under x. 32(4) of the *Pension Benefits Act*, 1997, SNL 1996, c. P-4.01 (the “PBA”), the Replacement Pension Plan Administrator has and is asserting a secured claim for various amounts owing to the Union and Salaried Pension Plans. The secured claim is against the “employers” under the Pension Plans, namely Wabush Mines, Cliffs Mining Company, Managing Agent, Arnaud Railway Company, and Wabush Lake Railway Company, Limited.
- 5) Section 32(4) of the PBA provides as follows:
  - (4) An administrator of a pension plan has a **lien and charge on the assets of the employer** in an amount equal to the amount required to be held in trust under subsections (1) and (3). [emphasis added]
- 6) Third, the Motion provides insufficient information for the Replacement Pension Plan Administrator to make an informed decision as to its position on the proposed Allocation Methodology. The Replacement Pension Plan Administrator will seek additional information from the Monitor prior to the hearing of the Motion. This objection may be withdrawn prior to the hearing.
- 7) Lastly, Morneau Shepell agrees with the Superintendent of Pensions’ submission that the allocation order should not have the effect of freezing the priorities that exist or may exist with respect to the proceeds of sale of the CCAA Parties’ assets.

**FOR THESE REASONS THE PETITIONER-MISE-EN-CAUSE ASKS THAT THE HONOURABLE COURT:**

**DISMISS** the Motion and require the CCAA Parties to provide such additional information as is reasonably necessary for the Replacement Pension Plan Administrator to determine whether the Pension Claims will be impacted by payment of Outstanding Property Taxes and to make an informed decision on the appropriateness of the proposed Allocation Methodology.

Halifax, Nova Scotia, this 26<sup>th</sup> day of May, 2017.



PINK LARKIN

Ronald A. Pink, Q.C. and Bettina Quistgaard

Attorneys for the Petitioner-Mise-en-cause Morneau  
Shepell in its capacity as the Replacement Pension  
Plan Administrator

**NOTICE OF PRESENTATION**

TO: Service List

**TAKE NOTICE** that the present Notice of Objection with respect to the *Motion for the Issuance of an Order Approving the Allocation Methodology and Other Relief* to be presented for adjudication before the Honourable Stephen W. Hamilton, J.S.C., or another of the Honourable judges of the Superior Court, Commercial Division, sitting in and for the district of Montreal, in the Montreal Courthouse located at 1 Notre-Dame Est, Montreal, Quebec, on May 31, 2017 at 8:30 a.m. at a location to be determined by the Court.

**DO GOVERN YOURSELVES ACCORDINGLY.**

Halifax, Nova Scotia, May 26, 2017.



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**PINK LARKIN**

**Ronald A. Pink, Q.C. and Bettina Quistgaard**

*Attorneys for the Objecting Mise-en-cause Morneau  
Shepell in its capacity as the Replacement Pension Plan  
Administrator*

No. 500-11-048114-157  
SUPERIOR COURT  
(Commercial Division)  
PROVINCE OF QUEBEC  
DISTRICT OF MONTREAL

IN THE MATTER OF THE PLAN OF COMPROMISE  
OR ARRANGEMENT OF:  
THE BLOOM LAKE IRON ORE MINE LIMITED  
PARTNERSHIP

AND  
WABUSH RESOURCES INC.

AND  
WABUSH IRON CO. LIMITED  
PETITIONERS

AND  
FTI CONSULTING CANADA INC.  
MONITOR  
AND

MORNEAU SHEPELL, in its capacity as Replacement  
Pension Plan Administrator  
MISE-EN-CAUSE

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NOTICE OF OBJECTION  
to the Allocation Motion of the CCAA Parties  
to be heard on May 31, 2017

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ORIGINAL

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Mr. Ronald A. Pink, Q.C. and Bettina Quistgaard  
PINK LARKIN

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