CANADA PROVINCE OF QUEBEC DISTRICT OF MONTREAL

No: 500-11-048114-157

SUPERIOR COURT

(Commercial Division)

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-

MICHAEL KEEPER, TERENCE WATT, DAMIEN LEBEL AND NEIL JOHNSON

Objecting Mises-en-cause

-and-

UNITED STEELWORKERS, LOCAL 6254, UNITED STEELWORKERS, LOCAL 6285

Objecting Mises-en-cause

-and-

MORNEAU SHEPELL Objecting Mise-en-cause

NOTICE OF OBJECTION BY MORNEAU SHEPELL, IN ITS CAPACITY AS THE REPLACEMENT PENSION PLAN ADMINISTRATOR, TO THE MOTION FOR DIRECTIONS WITH RESPECT TO PENSION CLAIMS

(Sections 11 and 23(k) of the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36

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 OBJECTING-MISE-EN-CAUSE RESPECTFULLY SUBMITS THE FOLLOWING:

INTRODUCTION

- The Monitor has made a Motion for Directions with respect to certain issues relating to the Pension Claims filed pursuant to the Claims Procedure established by an Order of this Court. The Motion is returnable on a *pro forma* basis on October 12, 2016.
- 2) In accordance with paragraph 32 of the Amended Claims Procedure Order dated November 16, 2015, the Pension Administrator filed Proofs of Claim with respect to the Claims of the Pension Plans.
- 3) Morneau Shepell, in its capacity as Replacement Pension Plan Administrator, has not yet received from the Monitor either a Notice of Revision or a Notice of Disallowance stating reasons for any revision or disallowance of the Pension Claims as required under paragraph 35 of the Amended Claims Procedure Order.
- 4) In turn, the Replacement Pension Plan Administrator has not filed a Notice of Dispute as required under paragraph 36 of the Amended Claims Procedure Order. That Order also authorizes the Pension Regulators, Representative Counsel, and the USW to file Notices

of Dispute in respect of any Notice of Revision or Notice of Disallowance affecting their interests.

- Other things, bring a motion before the Court to adjudicate a disputed Claim, but only after being in receipt of a Notice of Dispute. Under this procedure, the parties and the Court would have the benefit of the Monitor's Notice of Revision or Disallowance, setting out the reasons therefore, and the claimant's Notice of Dispute, all of which would frame the issues to be adjudicated.
- The Motion for Directions was filed by the Monitor without any consultation with, or agreement by, the Replacement Pension Plan Administrator. There has been no Motion made by the Monitor to amend the procedure for adjudicating Claims authorized by this Court in the Amended Claims Procedure Order.

OBJECTION

- 7) The Replacement Pension Plan Administrator objects to the Motion for Directions on the ground that it seeks to adjudicate the Pension Claims by a procedure that is not in accordance with the Amended Claims Procedure Order, and which has not been consented to.
- 8) Prior to any motion being made to adjudicate any aspect of the Pension Claims, there should be a motion to amend the Amended Claims Procedure Order, with prior consultation with, and agreement by, the affected parties on: the issues to be adjudicated, the appropriate forum for adjudication, the evidence on which the issues are to be

adjudicated or the manner in which such evidence is to be tendered, and an appropriate timeline for adjudication.

9) The Replacement Pension Plan Administrator does not agree with all of the alleged facts set out in the Motion for Directions, or with the characterization of the issues in relation to the Pension Claims. In bringing the Motion for Directions outside the procedure established by the Amended Claims Procedure Notice, the Monitor has unilaterally identified and formulated issues to be adjudicated and the alleged evidence upon which it seeks to have the Court determine these issues. This is procedurally unfair.

FOR THESE REASONS THE PETITIONERS-MISES-EN-CAUSE ASKS THAT THIS HONOURABLE COURT:

DISMISS the Motion for Directions in respect of the Pension Claims and require: (1) the Monitor to consult with the affected parties and make best efforts to reach agreement on a procedure for the adjudication of the Pension Claims, including: the issues to be adjudicated, the appropriate forum for adjudication, the evidence on which the issues are to be adjudicated or the manner in which such evidence is to be tendered, and an appropriate timeline for adjudication; and (2) a motion be brought to amend the Amended Claims Procedure Order.

Halifax, Nova Scotia, October 7, 2016

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NOTICE OF PRESENTATION

TO: Service List

TAKE NOTICE that the present Notice of Objection with respect to the Motion for Directions (Pension Claims) will 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 a date and at a time and location to be determined by the Court.

DO GOVERN YOURSELVES ACCORDINGLY.

Halifax, Nova Scotia, October 7, 2016

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

IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMENT OF: BLOOM LAKE GENERAL PARTNER LIMITED ET AL.

Petitioners -and-

THE BLOOM LAKE IRON ORE MINE LIMITED PARTNERSHIP ET AL. Mises-en-cause

-and-

HER MAJESTY IN THE RIGHT OF NEWFOUNDLAND & SUPERINTENDENT OF PENSIONS ET AL. LABRADOR, AS REPRESENTED BY THE

Objecting Mises-en-cause

-and-

FTI CONSULTING CANADA INC.

Monitor

ADMINISTRATOR, TO A MOTION BY THE MONITOR CLAIMS (Sections 11 and 23(k) of the Companies' Creditors NOTICE OF OBJECTION BY MORNEAU SHEPELL, IN ITS CAPACITY AS REPLACEMENT PENSION PLAN FOR DIRECTIONS WITH RESPECT TO PENSION

ORIGINAL

Arrangement Act)

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