

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

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THE HONOURABLE REGIONAL SENIOR  
JUSTICE MORAWETZ

*FRIDAY* *12<sup>th</sup>*  
~~MONDAY~~, THE 20<sup>th</sup> DAY  
OF ~~APRIL~~, 2015  
*JUNE*

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, C. c-36, AS AMENDED, AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SINO-FOREST CORPORATION**



Court File No. CV-11-431153-00CP

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**B E T W E E N :**

**THE TRUSTEES OF THE LABOURERS' PENSION FUND OF CENTRAL AND EASTERN CANADA, THE TRUSTEES OF THE INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL 793 PENSION PLAN FOR OPERATING ENGINEERS IN ONTARIO, SJUNDE AP-FONDEN, DAVID GRANT and ROBERT WONG**

Plaintiffs

- and -

**SINO-FOREST CORPORATION, ERNST & YOUNG LLP, BDO LIMITED (formerly known as BDO MCCABE LO LIMITED), ALLEN T.Y. CHAN, W. JUDSON MARTIN, KAI KIT POON, DAVID J. HORSLEY, WILLIAM E. ARDELL, JAMES P. BOWLAND, JAMES M.E. HYDE, EDMUND MAK, SIMON MURRAY, PETER WANG, GARRY J. WEST, POYRY (BEIJING) CONSULTING COMPANY LIMITED, CREDIT SUISSE SECURITIES (CANADA), INC., TD SECURITIES INC., DUNDEE SECURITIES CORPORATION, RBC DOMINION SECURITIES INC., SCOTIA CAPITAL INC., CIBC WORLD MARKETS INC., MERRILL LYNCH CANADA INC., CANACCORD FINANCIAL LTD., MAISON PLACEMENTS CANADA INC., CREDIT SUISSE SECURITIES (USA) LLC and MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED (successor by merger to Bank of America Securities LLC)**

Proceeding under the *Class Proceedings Act, 1992*

**ORDER**

**THIS MOTION**, made by Chubb Insurance Company of Canada ("Chubb") for:

- (a) a declaration that all funds paid out by Chubb under its first excess Policy No. 8209-4449 (the "Chubb Policy") as detailed in the Affidavit of Paula Kargas constitute Loss (as defined by ACE-INA Insurance Policy No. DO024464 (the "ACE Policy")) that reduces the Limit of Liability under the Chubb Policy, for all purposes;
- (b) an order authorizing Travelers Insurance Company of Canada ("Travelers") to reimburse Chubb in the amount of \$1,033,296.59 paid by Chubb on behalf of Sino-Forest Corporation, its Subsidiaries (as defined in the ACE Policy) and their directors and officers (collectively "Sino-Forest Insureds") over and above the Chubb Limit (the "Overpayment");
- (c) a declaration that Travelers' reimbursement of the Overpayment to Chubb constitutes Loss that reduces the Limit of Liability under its third excess Policy No. 10181108 (the "Travelers Policy"), for all purposes; and
- (d) such further and other relief as counsel may advise and this Honourable Court permit,

was heard on April 20, 2015, at the Court House, 330 University Avenue, Toronto, Ontario;


**AND ON READING** the materials filed by Chubb and by the Ad Hoc Committee of Purchasers of the Applicant's Securities, including the Class Action Plaintiffs (collectively the "Plaintiffs"), and on hearing the submissions of counsel for Chubb, the Plaintiffs, Travelers, Kai Kit Poon and Lloyd's;

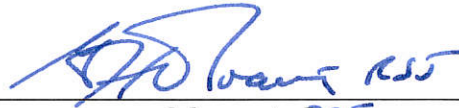
1. **THIS COURT ORDERS AND DECLARES** that all funds paid by Chubb under the Chubb Policy as detailed in the Affidavit of Paula Kargas constitute Loss under the Chubb Policy and reduce the Chubb Limit for all purposes and as against all persons or entities potentially covered and/or all persons seeking to assert a claim under the Chubb Policy;
2. **THIS COURT ORDERS AND DECLARES** that Travelers shall reimburse Chubb in the amount of the Overpayment;
3. **THIS COURT ORDERS AND DECLARES** that reimbursement by Travelers to Chubb of the Overpayment constitutes Loss under the Travelers Policy and reduces the Travelers Limit for all purposes and as against all persons or entities potentially covered and/or all persons seeking to assert a claim under the Travelers Policy, to the extent of the amount reimbursed;

4. **THIS COURT ORDERS AND DECLARES** that all persons and entities provided with notice of this Motion, including all Sino-Forest Insureds, shall be bound by the declarations made in, and the terms of, this Order.

5. **THIS COURT ORDERS** that the Plaintiffs shall pay Chubb, and the parties supporting Chubb, costs in the amount of \$20,000.00 forthwith.

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

 JUN 29 2015



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Morawetz *RM*

Court File No. CV-12-9668-00CL

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, C. c-36, AS AMENDED  
AND IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF SINO-FOREST CORPORATION**

Court File No. CV-11-431153-00CP

**THE TRUSTEES OF THE LABOURER'S PENSION FUND OF  
CENTRAL AND EASTERN CANADA et al**  
Plaintiffs

v. **SINO-FOREST CORPORATION et al**  
Defendants

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

Proceeding under the *Class Proceedings Act*, 1992

**ORDER**

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The Chubb Insurance Company of Canada