

Court File No.: CV-12-9667-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE**

COMMERCIAL LIST

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 COMPRISE 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, PÖYRY (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 Banc of America Securities LLC)

Defendants

Proceeding under the *Class Proceedings Act, 1992*

ORDER

THIS MOTION, made by the Ad Hoc Committee of Purchasers of the Applicant's Securities, including the plaintiffs in the action commenced against Sino-Forest Corporation ("Sino-Forest") in the Ontario Superior Court of Justice, bearing (Toronto) Court File No. CV-11-431153-00CP (the "Ontario Plaintiffs" and the "Ontario Class Action", respectively) for an order i) approving the form of notice to class members, and everyone, including non-Canadians, who has, had, could have had or may have a claim of any kind against Ernst & Young LLP, Ernst & Young Global Limited or any of its member firms and any person or entity affiliated or connected thereto ("Ernst & Young"), in relation to Sino-Forest, Ernst & Young's audits of Sino-Forest's financial statements and any other work performed by Ernst & Young related to Sino-Forest., of the hearing to approve the Ernst & Young Settlement (as defined in the Plan of Compromise and Reorganization of Sino-Forest dated December 3, 2012 as approved by the Order of the Honourable Justice Morawetz dated December 10, 2012 (the "Plan")) between the Ontario Plaintiffs and the defendant Ernst & Young ("Notice"); and ii) approving the plan of distribution of the Notice ("Notice Plan"), was heard on December 18, 2012, in Toronto, Ontario.

WHEREAS the Ontario Plaintiffs and Ernst & Young have agreed to the Ernst & Young Settlement in order to resolve all Ernst & Young Claims, including all claims asserted or that could be asserted against Ernst & Young in the above-captioned class proceeding;

AND ON BEING ADVISED that the defendant Sino-Forest has delivered to counsel for the plaintiffs a list of holders of Sino-Forest's securities as of June 2, 2011 (the "June 2, 2011 Shareholder List");

AND ON READING the materials filed, and on hearing submissions of counsel for the Ontario Plaintiffs and Ernst & Young, and upon hearing from counsel to the Monitor of Sino-Forest, FTI Consulting Inc.,

1. **THIS COURT ORDERS** that the time for service and filing of this notice of motion and motion record is validated and abridged and any further service thereof is dispensed with.
2. **THIS COURT ORDERS** that the Notice substantially in the form attached as **Schedule “A”** be and hereby is approved and shall be published, subject to the right of the plaintiffs and Ernst & Young to make minor non-material amendments to such form, by mutual agreement, as may be necessary or desirable.
3. **THIS COURT ORDERS** that notice shall be provided as follows:
 - a. Siskinds LLP and Koskie Minsky LLP (together, “Class Counsel”) shall provide or cause to be provided a copy of the Notice directly, either electronically or by mail, to all individuals or entities who have contacted Siskinds LLP and Koskie Minsky LLP (together, “Class Counsel”) or Siskinds Desmeules sncrl (“Desmeules”) regarding this action, and to any person or entity who requests a copy of the Notice, provided that such person or entity has furnished his, her or its contact information to Class Counsel or Desmeules;
 - b. Within 5 days of this Order, copies of the Notice, in English and French, will be posted by Class Counsel on their websites;
 - c. Within 5 days of this Order, a copy of the Notice, in English and French, will be posted by Sino-Forest in a prominent location on the main page of the Sino-Forest website;

- d. Within 5 days of this Order, Class Counsel will send or will cause to be sent copies of the Notice to the addresses on the June 2, 2011 Shareholder List and to the current Service Lists in Court File Nos. CV-12-9667-00CL (the CCAA Proceeding) and CV-11-431153-00CP (the Ontario Class Action) by electronic mail;
- e. Within 5 days of this Order, Class Counsel will send or cause to be sent copies of the Notice to all 196 Canadian brokers who are known to Class Counsel, with a cover letter directing those brokers to provide a copy of the Notice, either by mail or electronically, to those of their clients who are or have been beneficial owners of Sino-Forest securities. Brokers will be requested to send a statement to Class Counsel or its designee indicating that such mailing or electronic communication was completed as directed;
- f. Within 5 days of this Order, Class Counsel will issue and cause to be disseminated a press release which incorporates the Notice;
- g. Class Counsel will provide hyper-links to the Notice from the following Twitter accounts:
 - i. @kmlawllp; and
 - ii. @SiskindsLLP;
- h. Within 5 days of this Order, Class Counsel will cause copies of the Notice to be published in the following print publications:
 - i. *The Globe and Mail*, in English, in one weekday publication;
 - ii. *Wall Street Journal*, in English, in one weekday publication;

- iii. *National Post*, in English, in one weekday publication
- iv. *La Presse*, in French, in one weekday publication; and
- v. *Le Soleil*, in French, in one weekday publication;

Date: December 18, 2012

The Honourable Justice Morawetz