



Court File No. CV-09-7966-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**THE HONOURABLE  
JUSTICE PEPALL**

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**TUESDAY, THE 1st  
DAY OF DECEMBER, 2009**

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

**AND IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C.  
1985, C. B-3, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
SMURFIT-STONE CONTAINER CANADA INC. AND THE OTHER APPLICANTS  
LISTED ON SCHEDULE "A"**

**APPROVAL AND VESTING ORDER**

**THIS MOTION**, made by MBI Limited/Limitée ("**MBI**"), as general partner of Smurfit-MBI, and the other Applicants for an order approving the sale transaction (the "**Transaction**") contemplated by an offer to purchase and agreement (the "**Sale Agreement**") between MBI and Andreas Apostolopoulos, in trust for a company to be formed or an existing corporation and without personal liability (the "**Purchaser**"), made as of September 10, 2009 and appended to the Affidavit of Dean Jones sworn November 26, 2009 (the "**Jones Affidavit**"), together with such non-material amendments relative to MBI as may be consented to by the Monitor, and vesting in the Purchaser MBI's title and interest in and to the assets described in the Sale Agreement

(the "Purchased Assets"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Jones Affidavit and the exhibits annexed thereto, and on hearing the submissions of counsel for the Applicants and the Partnerships listed on Schedules "A" and "B" hereto and the Ninth Report of the Monitor:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved. The execution of the Sale Agreement by MBI is hereby approved, and MBI is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser and to vest the Purchased Assets in the Purchaser as contemplated by this Order.

2. **THIS COURT ORDERS AND DECLARES** that if the Purchaser assigns its interests in the Sale Agreement to an assignee (the "Assignee") pursuant to an executed assignment agreement, then each reference to the Purchaser in paragraphs 3 to 9, inclusive, of this Order shall mean the Assignee, and the Registrar of Land Titles is hereby directed to comply with the terms of this Order on that basis.

3. **THIS COURT ORDERS AND DECLARES** that, upon the delivery of a Monitor's certificate substantially in the form attached as Exhibit 1 hereto (the "Monitor's Certificate"), all of MBI's right, title and interest in and to the Purchased

Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**"), including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Pepall dated January 26, 2009, as amended and restated; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule "C" hereto, all of which are collectively referred to as the "**Encumbrances**," which term shall not include the permitted encumbrances, easements, and restrictive covenants listed on Schedule "D" hereto; and, for greater certainty, subject to the delivery of the Monitor's Certificate as described in the first sentence of this paragraph 3, this Court orders that all of the Encumbrances affected or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Division of Durham (No. 40) of an Application for Vesting Order in the form prescribed by the Land Titles Act and/or the Land Registration Reform Act, the Land Registrar is hereby directed to enter the Purchaser as the owners of the subject real

property identified in Schedule "E" hereto (the "Real Property") as 220 Water Street, Whitby, Ontario, bearing Property Identifier Nos. 26486-0064 (LT) and 26486-0198 (LT) in fee simple, and is hereby directed to delete and expunge from the title to the Real Property all the Encumbrances listed in Schedule "C" hereto which pertain to the Real Property.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of the Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Monitor's Certificate, all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery to the Purchaser thereof.

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of MBI or the

other Applicants and any bankruptcy order issued pursuant to any such applications; and

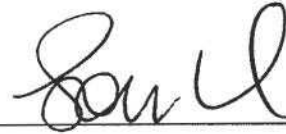
- (c) any assignment in bankruptcy made in respect of MBI or the other Applicants;

the Sale Agreement and the transactions contemplated therein and by this Order and the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of MBI or the other Applicants and shall not be void, voidable or opposable by creditors or claimants of MBI or the other Applicants, nor shall they constitute or be deemed to be settlements, fraudulent preferences, transfers at undervalue, assignments, fraudulent conveyances or other reviewable transactions under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario) R.S.O. 1990, c.B-14.

9. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, including the United States Bankruptcy Court for the District of Delaware, to give effect to this Order and to assist the Applicants, and the Monitor and

their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Monitor, as an officer of this Court, or the Applicants as may be necessary or desirable to give effect to this Order or to assist the Applicants, and the Monitor and their respective agents in carrying out the terms of this Order.

A handwritten signature in black ink, appearing to be "Soul", written over a horizontal line.

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

DEC 01 2009

PER / PAR:

Handwritten initials, possibly "TV", written in black ink.

**SCHEDULE "A"**

Smurfit-Stone Container Canada Inc.

3083527 Nova Scotia Company

MBI Limited/Limitée

639647 British Columbia Ltd.

B.C. Shipper Supplies Ltd.

Specialty Containers Inc.

605681 N. B. Inc.

Francobec Company

Stone Container Finance Company of Canada II

**SCHEDULE "B"**

Smurfit-MBI

SLP Finance General Partnership

**SCHEDULE "C"**

1. Charge registered on October 27, 2004 as No. DR331905 from MBI Limited/Limitee as chargor to Deutsche Bank Trust Company Americas as charge securing the principal amount of \$1,500,000,000.
2. Notice of General Assignment of Rents registered on November 1, 2004 as No. DR334219 from MBI Limited/Limitee as assignor to Deutsche Bank Trust Company Americas as assignee.

**SCHEDULE "D"**

1. Any reservations, limitations, provisos and conditions expressed in the original grant from the Crown.
2. The exceptions and qualifications set out in Section 44(1) of the *Land Titles Act*.
3. Order registered as Instrument No. LT656978 on October 18, 1993.

SCHEDULE "E"

LEGAL DESCRIPTION - 220 WATER STREET, WHITBY, ONTARIO

Firstly:

PIN 26486-0064 (LT)

PARCEL B.F.C.-25-2 SEC WHITBY; PART OF LOTS 25 & 26, CON BROKEN FRONT, TOWNSHIP OF WHITBY, PTS 1, 2, 3 & 4, 40R8086; S/T AN EXCLUSIVE ROW FOR ALL PURPOSES, AS APPURTENANT TO THE WHOLE AND ANY PT OR PTS OF THE LAND WHICH, FORTHWITH AFTER THE REGISTRATION OF THIS TRANSFER, WILL COMPRISE THE REMAINDER OF THE LAND ENTERED IN THE OFFICE OF LAND TITLES AT WHITBY AS PCL WHITBY BFC-25-1 IN THE REGISTER FOR COUNTY OF ONTARIO, OVER, ALONG AND UPON THE WLY 20' IN PERPENDICULAR WIDTH OF THIS LAND, THE SAID WLY 20' BEING DESCRIBED AS FOLLOWS; COMM AT THE POC AFORESAID; THENCE NLY, ALONG THE ELY LIMIT OF THE SAID RAILWAY LAND, 300' TO A POINT; THENCE ON A COURSE OF ABOUT S 12 DEG 7' 30" E, 60' 9 3/4", MORE OR LESS, TO THE POINT OF INTERSECTION WITH A LINE DRAWN PARALLEL TO THE ELY LIMIT OF THE SAID RAILWAY LAND AT A PERPENDICULAR DISTANCE OF 20' MEASURED ELY THEREFROM; THENCE SLY, ALONG THE SAID PARALLEL LINE, 239' 1 1/4", MORE OR LESS, TO THE POINT OF INTERSECTION WITH A LINE DRAWN ON A COURSE S 87 DEG 14" W. THROUGH THE POC: THENCE S 87 DEG 14' W, 20' 3 3/4", MORE OR LESS, TO THE POC; S/T A FREE AND UNINTERRUPTED ROW FOR ALL PURPOSES, IN COMMON WITH CANADIAN WIREBOUND BOXES LIMITED, OVER, ALONG AND UPON THE LAND HEREINAFTER PARTICULARLY DESCRIBED, NAMELY: THAT PT LT 26, BF CON OF THE TWP OF WHITBY, NOW PT OF THE TOWN OF WHITBY, DESCRIBED AS FOLLOW: COMM AT THE POC, WHICH MAY BE LOCATED IN THE FOLLOWING MANNER: BEGINNING AT A STONE MONUMENT IN THE ELY LIMIT OF LT 25 BF CON DISTANT S 16 DEG E IN SAID LIMIT 1,588 FT FROM THE INTERSECTION OF THE SAID LIMIT WITH THE SLY LIMITED OF WATSON ST AS SHOWN ON GALT'S AMENDED PL (NO. 70) IN THE TOWN OF WHITBY; THENCE S 87 DEG 14 MINUTES W 1,706 FT AND 4 INCHES, MORE OR LESS, TO THE INTERSECTION WITH THE ELY LIMIT OF THE OLD WHITBY AND PORT PERRY RAILWAY ROW, BEING THE POC; THENCE S 7 DEG, 13 MINUTES & 30 SECONDS W, IN AND ALONG THE SAID ELY LIMIT OF ROW, 891 FT, MORE OR LESS, TO THE INTERSECTION OF THE SAID LIMIT WITH THE NELY LIMIT OF A TRAVELLED ROAD COMMONLY CALLED WATER ST EXTENTION AS DEDICATED BY BY-LAW 2023 OF THE CORPORATION OF THE TOWN OF WHITBY, PASSED ON 16TH DAY OF MAY 1955; THENCE S 73 DEG & 48 MINUTES E, IN AND ALONG SAID LIMIT OF ROAD, 20 FT & 3 INCHES, MORE OR LESS, TO A POINT DISTANT 20 FT MEASURED ELY FROM ELY LIMIT OF THE

SAID OLD WHITBY & PORT PERRY RAILWAY ROW AND AT A RIGHT ANGLE THERETO; THENCE N 7 DEG 13 MINUTES & 30 SECONDS E, PARALLEL WITH THE LAST-MENTIONED LIMIT AND A CONSTANT PERPENDICULAR DISTANCE OF 20 FT THEREFROM, 897 FT & 8 1/4 INCHES, MORE OR LESS, TO THE POINT OF INTERSECTION WITH A LINE DRAWN ON A COURSE N 87 DEG 14 MINUTES E THROUGH THE POC; THENCE S 87 DEG & 14 MINUTES W, 20 FT 3 3/4 INCHES, MORE OR LESS, TO THE POC AS IN TW193 ; TOWN OF WHITBY, REGIONAL MUNICIPALITY OF DURHAM.

**Secondly:**

**PIN 26486-0198 (LT)**

PART OF THE BEACH AND WATER LOTS IN FRONT OF LOT 26, BROKEN FRONT CONCESSION, BEING PART 6 ON PLAN 40R-8086, TOWN OF WHITBY, REGIONAL MUNICIPALITY OF DURHAM.

**Exhibit 1 - Form of Monitor's Certificate**

Court File No. CV-09-7966-00CL

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

**AND IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY ACT, R.S.C.  
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**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
SMURFIT-STONE CONTAINER CANADA INC. AND THE OTHER APPLICANTS  
LISTED ON SCHEDULE "A"**

**MONITOR'S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of the Honourable Mme. Justice Pepall of the Ontario Superior Court of Justice (the "**Court**") dated January 26, 2009, as amended and restated, Deloitte and Touche Inc. was appointed as the Monitor of MBI Limited/Limitée, Smurfit-MBI and the other Applicants and Partnerships listed on Schedules "**A**" and "**B**" hereto ("**MBI**").

B. Pursuant to an Order of the Court dated December 1, 2009, the Court approved a transaction (the "**Transaction**") contemplated by the offer to purchase and agreement made as of September 10, 2009 (the "**Sale Agreement**") between MBI and Andreas Apostolopoulos, in trust for a company to be formed or an existing corporation and without personal liability (the "**Purchaser**") and provided for the vesting in the Purchaser of MBI's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to the Purchaser of a certificate confirming receipt of written confirmation from MBI that (i) the Purchaser has paid and MBI has received the purchase price for the

Purchased Assets; (ii) that the conditions to Closing as set out in Article 3 and Article 4 of the Sale Agreement have been satisfied or waived by MBI and/or the Purchaser, as applicable; and (iii) the Transaction has been completed to the satisfaction of the Monitor.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

**THE MONITOR CERTIFIES** the following:

1. MBI has advised the Monitor that the Purchaser has paid and MBI has received the purchase price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. MBI has advised the Monitor that the conditions to Closing as set out in Article 3 and Article 4 of the Sale Agreement have been satisfied or waived by MBI and/or the Purchaser, as applicable; and
3. MBI has advised the Monitor that the Transaction has been completed to the satisfaction of MBI.
4. This Certificate was delivered by the Monitor at \_\_\_\_ [TIME] on \_\_\_\_ [DATE].

**DELOITTE AND TOUCHE INC.**  
solely in its capacity as monitor of the  
Applicants and Partnerships listed on  
Schedule "A" and "B" hereto and not in  
its personal capacity.

By: \_\_\_\_\_

Name:

Title:

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT,  
R.S.C. 1985, C. C-36, AS AMENDED AND IN THE MATTER OF THE BANKRUPTCY  
AND INSOLVENCY ACT, R.S.C. 1985, C. B-3, AS AMENDED AND IN THE MATTER  
OF A PLAN OF COMPROMISE OR ARRANGEMENT OF SMURFIT-STONE  
CONTAINER CANADA INC. AND THE OTHER APPLICANTS LISTED ON  
SCHEDULE "A"**

Court File No: CV-09-7966-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**ORDER**

**STIKEMAN ELLIOTT LLP**  
Barristers & Solicitors  
5300 Commerce Court West  
199 Bay Street  
Toronto, Canada M5L 1B9

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Tel: (416) 869-5662  
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Lawyers for the Applicant