

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 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"

Applicants

NOTICE OF OBJECTION

**AURELIUS CAPITAL MANAGEMENT, LP and COLUMBUS HILL
CAPITAL MANAGEMENT, L.P.** (together, the "**Fund Managers**"), object to the
motion seeking the CCAA Sanction Order as defined by the Order of the Honourable
Justice Pepall made in these proceedings on February 10, 2010 (the "**Plan Filing and
Meeting Order**") which is presently returnable May 3, 2010 at 10:00 a.m. or as soon
after that time as the motion can be heard at 330 University Avenue, Toronto.

THE GROUNDS FOR THIS OBJECTION ARE:

1. All terms not otherwise defined herein, have the meanings ascribed to them in the
Plan Filing and Meeting Order.

2. Paragraph 34 of the Plan Filing and Meeting Order provides:

34. THIS COURT ORDERS that any Person intending to object to the motion seeking the CCAA Sanction Order, shall file with the Court, before 4:00 pm (Toronto Time) on the day that is five Business Days before the Sanction Hearing, a written notice containing a description of its proposed grounds of objection and shall effect service of same, within the same day, upon counsel to the applicants and Partnership and the CCAA Monitor, and upon the service list published on the CCAA Monitor's website at www.deloitte.com/ca/smirfitsonecanda.

3. The motion seeking the CCAA Sanction Order is currently returnable on May 3, 2010.

4. The Fund Managers object to the motion seeking the CCAA Sanction Order because the Plan is not fair, reasonable or equitable in that, *inter alia*;

(a) should a distribution be made under the Plan to the Unsecured Creditors of SSC Canada, such may unfairly render moot the motion of the Fund Managers for leave to appeal to the Supreme Court of Canada from the Orders of the Court of Appeal for Ontario in court of appeal file nos. M38445 and M38502 made March 9, 2010, in respect of Orders made by the Ontario Superior Court of Justice in court file no. CV-09-7966 on December 11, 2009 and January 28, 2010; and

(b) the discharge, release, injunction and exculpation provisions of the Plan inappropriately encompass claims by and against Finance II including its officers and directors. As Finance II rejected the Plan, Finance II and its

officers and directors should neither give nor receive the benefit of any releases, injunctions or exculpations pursuant to the Plan; and

- (c) no fulsome report as to the analyses of anticipated receipts in liquidation or bankruptcy has been prepared or disclosed to creditors.

April 26, 2010

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TO: SERVICE LIST

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

**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"**

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Last updated on February 8, 2010**

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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. 1985, c. 8-3, AS AMENDED
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Applicants

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PROCEEDING COMMENCED AT TORONTO

NOTICE OF OBJECTION

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