

**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"

**MOTION RECORD**

**(RETURNABLE JANUARY 28, 2009)**

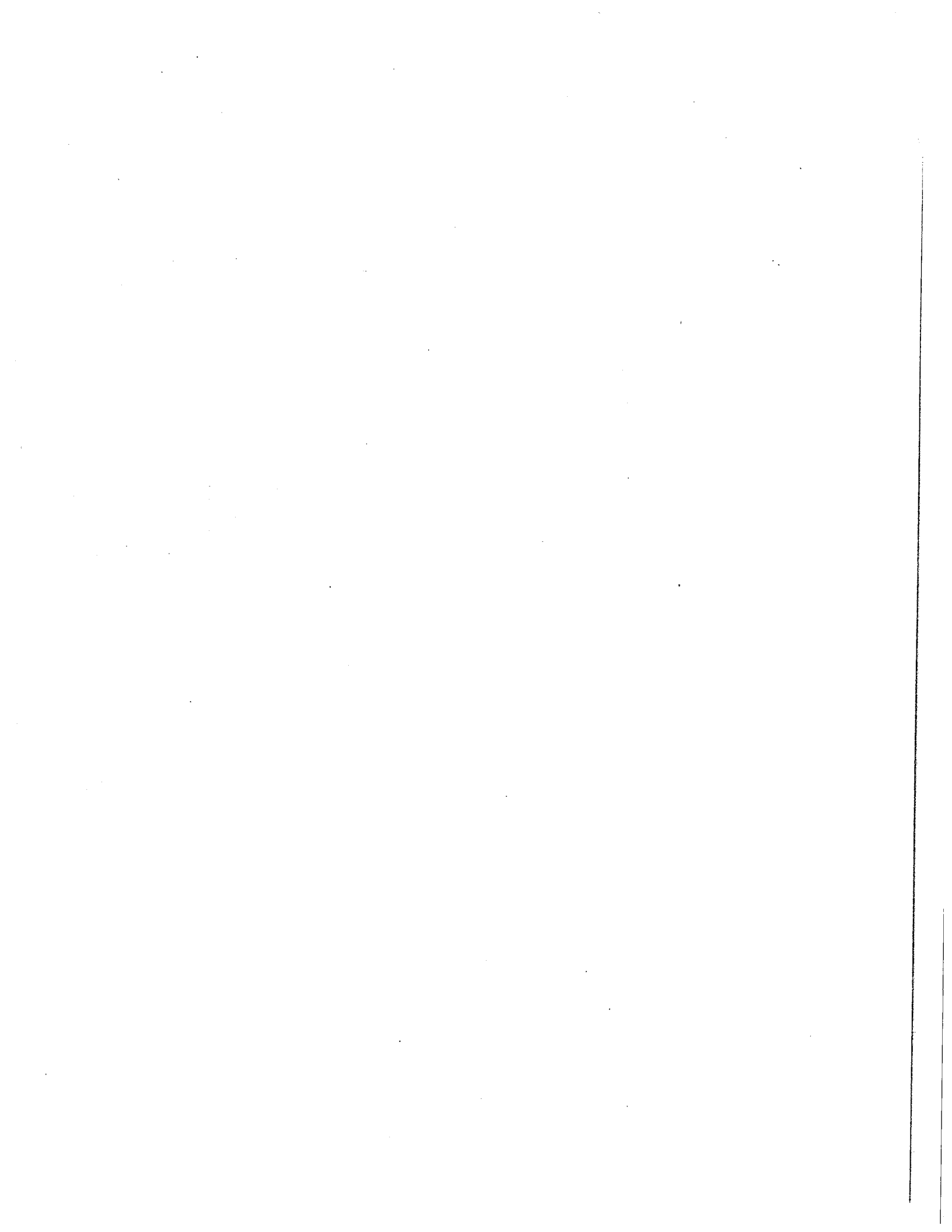
**VOLUME I**

Applicants

January 27, 2009

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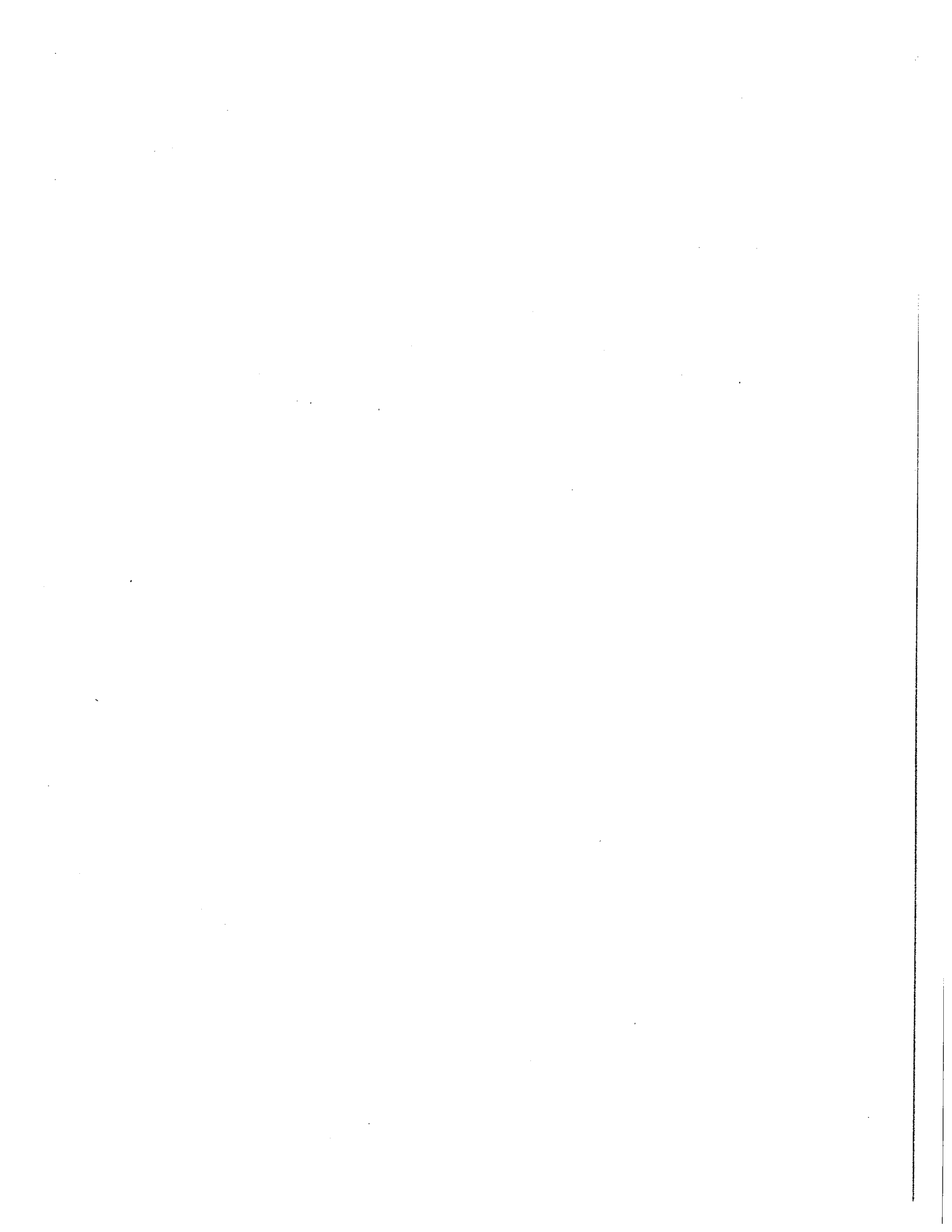
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Applicants

**NOTICE OF MOTION  
(RETURNABLE JANUARY 28, 2009)**

The Applicant, Smurfit-Stone Container Canada Inc. ("SSC Canada"), and the other Applicants listed on Schedule "A" hereto will make a motion at 10:00 a.m., on Wednesday, January 28, 2009, or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

**PROPOSED METHOD OF HEARING:** The motion is to be heard orally.

THE MOTION IS FOR:

- (a) An amendment and restatement of the Initial Order of the Honourable Justice Pepall, dated January 26, 2009, to insert the following paragraphs:

49. **THIS COURT ORDERS AND DECLARES** that with respect to the Partnerships, the Interim Order (I) Authorizing Debtors (A) to Obtain Post-Petition

Financing Pursuant to 11 U.S.C. §§105, 361, 362, 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1) and 364(e) and (B) to Utilize Cash Collateral Pursuant to 11 U.S.C. §363, (II) Granting Adequate Protection to Pre-Petition Secured Parties Pursuant to 11 U.S.C. §§ 361, 362, 363 and 364 and (III) Scheduling Final Hearing Pursuant to Bankruptcy Rules 4001(B) and (C) (the "US Order") made by the United States Bankruptcy Court for the District of Delaware on Tuesday January 27, 2009, a copy of which is attached hereto as Schedule "D", *inter alia*, authorizing and approving the DIP Facility provided for under the DIP Credit Agreement (both as defined in the US Order) is hereby recognized and given full effect in all provinces and territories of Canada, pursuant to section 268 of the BIA.

50. **THIS COURT ORDERS** that, in aid of the recognition of the US Order contained at paragraph 49 above, the provisions of this Order as they relate to the DIP Documents and the grant of the DIP Lenders Charge shall apply to the Partnerships and their Property as if they were Applicants herein, and the Partnerships are subject to all obligations and provisions in favour of the DIP Lenders contained in paragraphs 32 to 45 of this Order.

- (b) Such further and other relief as to this Honourable Court seems just.

THE GROUNDS FOR THE MOTION ARE:

- (a) On January 26, 2009, Smurfit-Stone Container Corporation and certain of its affiliates, including SSC Canada and Smurfit-MBI and SLP Finance General Partnership (together, the "Partnerships"), commenced proceedings under chapter 11 of title 11 of the *United States Bankruptcy Code* in the United States Bankruptcy Court for the District of Delaware (the "US Bankruptcy Proceedings").
- (b) On January 26, 2009, the Applicants obtained protection from their creditors pursuant to the *Companies' Creditors Arrangement Act*, R.S.C.

1985, c. C-36, as amended (the "CCAA"), pursuant to the Initial Order of Justice Pepall (the "Initial Order").

- (c) The Initial Order authorizes the Applicants and Partnerships to enter into a credit facility (the "DIP Credit Agreement"). The Initial Order provides the secured lenders thereunder (the "DIP Lenders") with a "DIP Lenders Charge" against the property of the Partnerships.
- (d) On January 27, 2009, the United States Bankruptcy Court for the District of Delaware issued an Interim Order (I) Authorizing Debtors (A) to Obtain Post-Petition Financing Pursuant to 11 U.S.C. §§105, 361, 362, 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1) and 364(e) and (B) to Utilize Cash Collateral Pursuant to 11 U.S.C. §363, (II) Granting Adequate Protection to Pre-Petition Secured Parties Pursuant to 11 U.S.C. §§ 361, 362, 363 and 364 and (III) Scheduling Final Hearing Pursuant to Bankruptcy Rules 4001(B) and (C) (the "US Interim Order"). The US Interim Order provides for a charge over the Partnerships' property (the "US DIP Lenders Charge").
- (e) It is a requirement under the DIP Credit Agreement that, within three days after the US Interim Order is obtained, an order of this Honourable Court shall be made (a) recognizing the US Bankruptcy Proceedings relating to the Partnerships and (b) recognizing the US DIP Lenders Charge over the Partnerships' assets.
- (f) This Court has the authority to order DIP charges under initial CCAA orders to encompass partnership assets.
- (g) Under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 ("BIA"), partnerships and limited partnerships are recognized as debtors.

- (h) The Initial Order recognized the Partnerships as entities which are entitled to relief under section 286 of the BIA.
- (i) The Initial Order recognized the US Bankruptcy Proceedings as "foreign proceedings" as defined by section 267 of the BIA.
- (j) The Partnerships comprise a substantial portion of the Canadian Applicants' business and their affairs are intertwined with of the Applicants.
- (k) Sections 267 and 268 of the BIA.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

- (a) Affidavit of Alexander D. Rose, sworn January 26, 2009, and the exhibits appended thereto;
- (b) Affidavit of Alexander D. Rose, sworn January 27, 2009, and the exhibit appended thereto;
- (c) Affidavit of Dean Jones, sworn January 25, 2009, and the exhibits appended thereto; and
- (d) Such further and other evidence as counsel may advise and this Honourable Court may admit.

January 27, 2009

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

Tel: (416) 869-6835  
Fax: (416) 947-0866

Lawyers for the Applicants

SCHEDULE "A"

Smurfit-Stone Container Canada Inc.

3083527 Nova Scotia Company

MBI Limited/Limitée

639647 British Columbia Ltd.

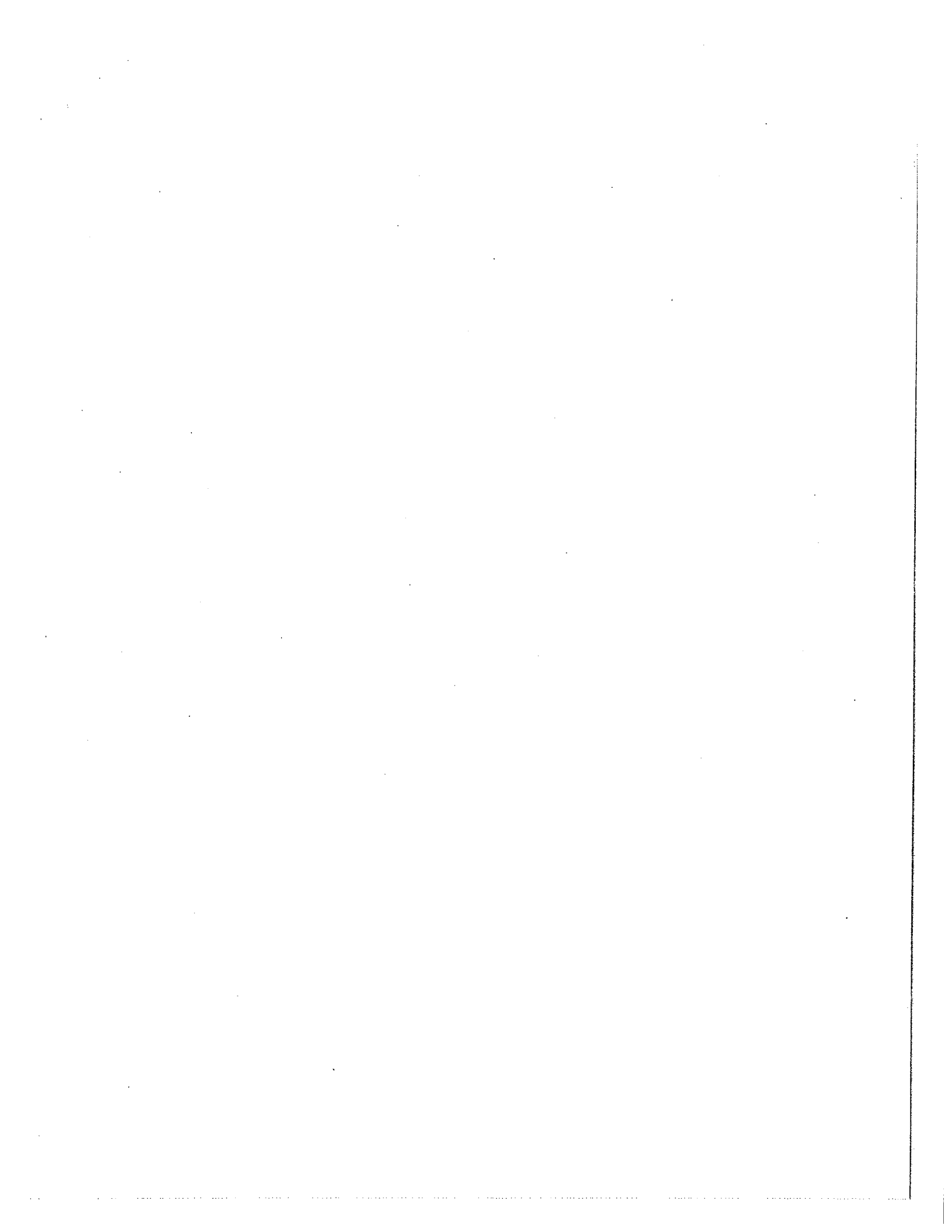
B.C. Shipper Supplies Ltd.

Specialty Containers Inc.

605681 N. B. Inc.

Francobec Company

Stone Container Finance Company of Canada II



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

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IN THE MATTER OF THE COMPANIES'  
CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-  
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AND IN THE MATTER OF A PLAN OF  
COMPROMISE OR ARRANGEMENT OF SMURFIT-  
STONE CONTAINER CANADA INC. AND THE  
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**AFFIDAVIT OF ALEXANDER D. ROSE  
(sworn January 27, 2009)**

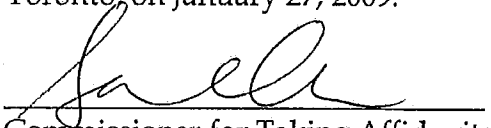
I, Alexander D. Rose, of the City of Toronto, in the Province of Ontario»  
MAKE OATH AND SAY:

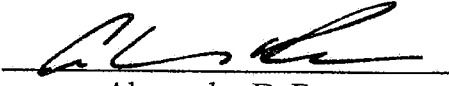
1. I am an associate at the law firm Stikeman Elliott LLP, Canadian counsel to Smurfit-Stone Container Canada Inc. ("SSC Canada"). I am working with Sean F. Dunphy, the litigation partner at Stikeman Elliott who has carriage of the SSC Canada file. As such, I have knowledge of the matters herein deposed, except where stated to be based on information and belief and, where so stated, I verily believe same to be true.

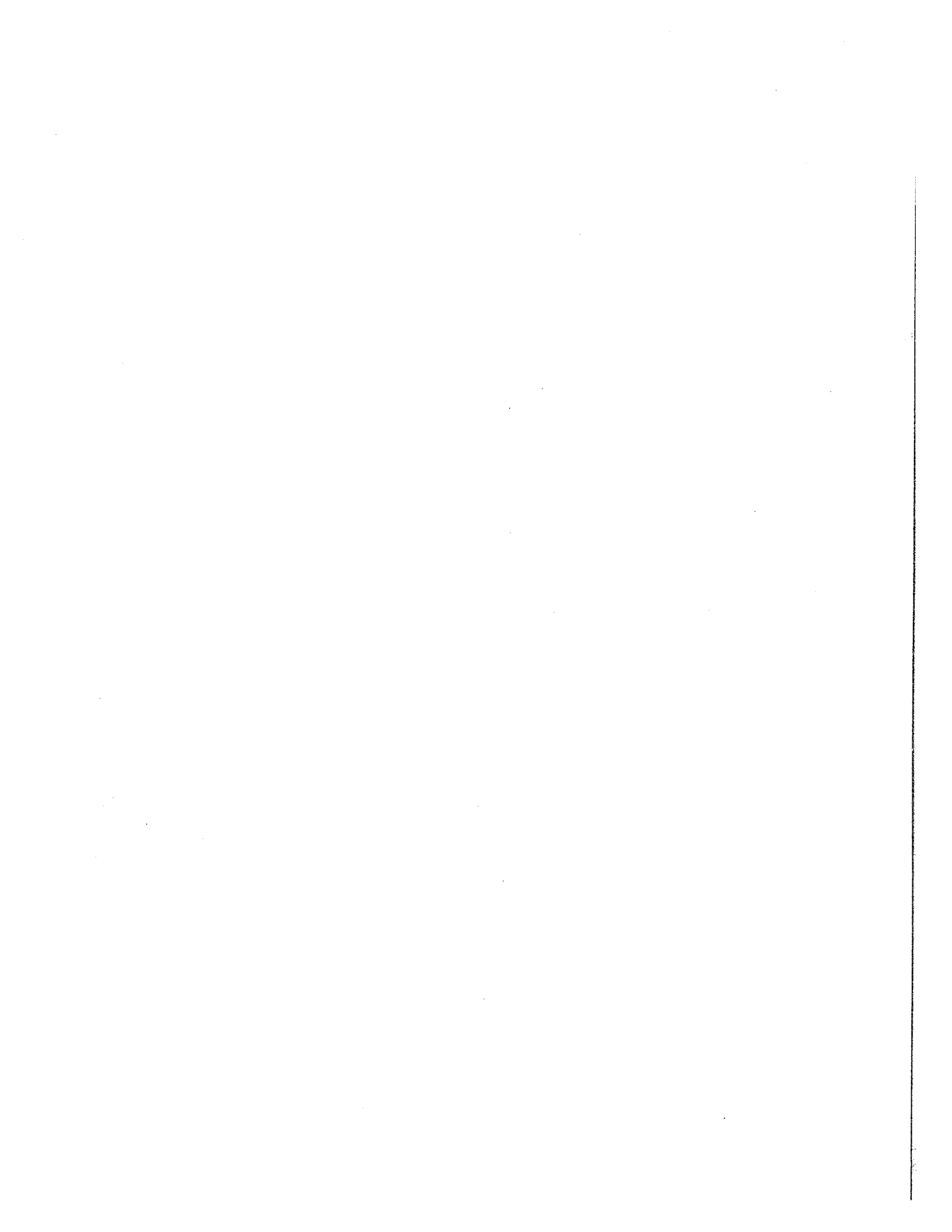
2. I am advised by Bojan Guzina, an associate with Sidley Austin LLP, U.S. counsel to Smurfit-Stone Container Corporation ("SSCC") and certain of its affiliates, including SSC Canada, that on January 27, 2009, the United States

Bankruptcy Court for the District of Delaware issued the Order appended to this, my affidavit, as Exhibit "A".

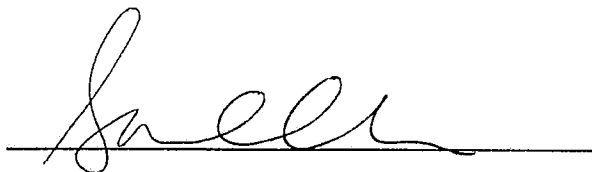
SWORN BEFORE ME at the City of Toronto, on January 27, 2009.

  
\_\_\_\_\_  
Commissioner for Taking Affidavits  
*Sarah Nisker*

  
\_\_\_\_\_  
Alexander D. Rose



*This is Exhibit "A"  
referred to in the Affidavit of  
Alexander D. Rose  
sworn before me this  
27th day of January, 2009*

A handwritten signature in cursive script, appearing to read "S. J. [unclear]", is written over a horizontal line.

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

In re:  
  
SMURFIT-STONE CONTAINER  
CORPORATION, et al.<sup>1</sup>  
  
Debtors.

Chapter 11  
  
Case No. 09-10235 (BLS)  
  
Jointly Administered  
  
Ref. Docket No. 14

**INTERIM ORDER (I) AUTHORIZING DEBTORS (A) TO OBTAIN POST-PETITION FINANCING PURSUANT TO 11 U.S.C. §§105, 361, 362, 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1) AND 364(e) AND (B) TO UTILIZE CASH COLLATERAL PURSUANT TO 11 U.S.C. §363, (II) AUTHORIZING USE OF PROCEEDS TO EFFECTUATE PAYOUT OF SECURITIZATION FACILITIES, (III) GRANTING ADEQUATE PROTECTION TO PRE-PETITION SECURED PARTIES PURSUANT TO 11 U.S.C. §§ 361, 362, 363 AND 364 AND (IV) SCHEDULING FINAL HEARING PURSUANT TO BANKRUPTCY RULES 4001(B) AND (C)**

Upon the motion (the "DIP Motion"), dated January 26, 2009, of Smurfit-Stone Container Corporation ("SSCC") and its affiliated U.S. debtors (collectively, the "U.S. Debtors") and Smurfit-Stone Container Canada Inc. ("SSC Canada") and its affiliated Canadian debtors (collectively, the "Canadian Debtors"), each as debtors and debtors-in-possession (the U.S. Debtors and the Canadian Debtors hereinafter collectively referred to as the "Debtors"), in the above-captioned Chapter 11 cases (collectively, the "Cases") pursuant to sections 105, 361, 362, 363(c)(2), 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1) and 364(e) of

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Smurfit-Stone Container Corporation (1401), Smurfit-Stone Container Enterprises, Inc. (1256), Calpine Corrugated, LLC (0470), Cameo Container Corporation (5701), Lot 24D Redevelopment Corporation (6747), Atlanta & Saint Andrews Bay Railway Company (0093), Stone International Services Corporation (9630), Stone Global, Inc. (0806), Stone Connecticut Paperboard Properties, Inc. (8038), Smurfit-Stone Puerto Rico, Inc. (5984), Smurfit Newsprint Corporation (1650), SLP Finance I, Inc. (8169), SLP Finance II, Inc. (3935), SMBI Inc. (2567), Smurfit-Stone Container Canada Inc. (3988), Stone Container Finance Company of Canada II (1587), 3083527 Nova Scotia Company (8836), MBI Limited/Limitée (6565), Smurfit-MBI (1869), 639647 British Columbia Ltd. (7733), B.C. Shipper Supplies Ltd. (7418), Specialty Containers Inc. (6564), SLP Finance General Partnership (TBD), Francobec Company (7735), and 605681 N.B. Inc. (1898). The Debtors' corporate headquarters are located at, and the mailing address for each Debtor is, 150 North Michigan Avenue, Chicago, Illinois 60601.

title 11 of the United States Code, 11 U.S.C. §§101, et seq. (the "Bankruptcy Code"), and Rules 2002, 4001 and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), seeking, among other things, entry of an interim order (this "Interim Order") authorizing the Debtors to:

(i) Obtain credit and incur debt, pursuant to Sections 363, 364(c) and 364(d)(1) of the Bankruptcy Code,

(a) on an interim basis for a period (the "Interim Period") from the Closing Date through and including the earlier of the entry of a Final Order, as defined below, or March 13, 2009, up to an aggregate principal amount of US\$550,000,000 (consisting of a US\$400,000,000 U.S. term loan for borrowings by Smurfit-Stone Container Enterprises, Inc. ("SSCE"); a US\$35,000,000 Canadian term loan for borrowings by SSC Canada; a US\$100,000,000 U.S. revolving loan for borrowings by SSCE and/or SSC Canada; and a US\$15,000,000 Canadian revolving loan for borrowings by SSCE and/or SSC Canada; the actual principal amount of any such loans at any time subject to those conditions set forth in the DIP Credit Agreement (as defined below)); all borrowings by SSCE shall be guaranteed by the other U.S. Debtors (other than SMBI Inc.) and SSC Canada and all borrowings by SSC Canada shall be guaranteed by all of the other Debtors, and

(b) upon entry of the Final Order, up to an aggregate committed amount of US\$750,000,000 (consisting of a US\$400,000,000 U.S. term loan for borrowings by SSCE; a US\$35,000,000 Canadian term loan for borrowings by SSC Canada; a US\$250,000,000 U.S. revolving loan for borrowings by SSCE and/or SSC Canada; and a US\$65,000,000 Canadian revolving loan for borrowings by SSCE and/or SSC Canada; the actual principal amount of any such loans at any time subject to those conditions set forth in the DIP Credit Agreement); all

