

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

In re:

Estate BIPCO, LLC,¹

Debtor.

)
) Chapter 11
)

) Case No. 10-31202 (KLP)
)

) **Hearing Date: May 13, 2015 at 2:00 p.m. ET**
) **Objection Deadline: May 6, 2015 at 5:00 p.m. ET**

FIRST AMENDED PLAN OF LIQUIDATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

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Dated: March 31, 2015

¹ The last four digits of the Debtor's federal tax identification number are 0914. The principal address for the Debtor is 10026 Old Ridge Road, Ashland, Virginia 23005.

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EXHIBITS

Exhibit A

Estate Allocation Compromise and Settlement Agreement

FIRST AMENDED PLAN OF LIQUIDATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE

Estate BIPCO, LLC (f/k/a Bear Island Paper Company, L.L.C.), as the debtor and debtor in possession in the above-captioned Chapter 11 Case, hereby respectfully proposes the following plan of liquidation under chapter 11 of the Bankruptcy Code.

ARTICLE I.

**RULES OF INTERPRETATION, COMPUTATION OF TIME,
GOVERNING LAW AND DEFINED TERMS**

A. Rules of Interpretation, Computation of Time and Governing Law

1. For purposes of this document: (a) in the appropriate context, each term, whether stated in the singular or the plural, shall include both the singular and the plural, and pronouns stated in the masculine, feminine or neuter gender shall include the masculine, feminine and the neuter gender; (b) any reference herein to a contract, lease, instrument, release, indenture or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions; (c) any reference herein to an existing document or exhibit having been Filed or to be filed shall mean that document or exhibit, as it may thereafter be amended, modified or supplemented; (d) unless otherwise specified, all references herein to “Articles” are references to Articles hereof or hereto; (e) unless otherwise stated, the words “herein,” “hereof” and “hereto” refer to this Plan in its entirety rather than to a particular portion of this Plan; (f) captions and headings to Articles are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation hereof; (g) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply; (h) any term used in capitalized form herein that is not otherwise defined, but that is used in the Bankruptcy Code or the Bankruptcy Rules, shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be; and (i) all references to amounts to be paid from the Administrative Fund mean amounts to be paid from the Administrative Fund in accordance with the Administrative Fund Procedures.

2. The provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein.

3. Except to the extent the Bankruptcy Code or Bankruptcy Rules apply, and subject to the provisions of any contract, lease, instrument, release, indenture or other agreement or document entered into expressly in connection herewith, the rights and obligations arising hereunder shall be governed by, and construed and enforced in accordance with, the laws of the Commonwealth of Virginia, without giving effect to the principles of conflict of laws thereof.

B. Defined Terms

As used in this Plan, capitalized terms have the meanings set forth below.

1. “*Administrative Claims*” means Claims that have been timely Filed before the Administrative Claims Bar Date for costs and expenses of administration under sections 507(a)(2) or 1114(e)(2) of the Bankruptcy Code, including: (a) the actual and necessary costs and expenses incurred after the Petition Date of preserving the Estate and operating the Debtor’s business (such as wages, salaries or commissions for services and payments for goods and services); (b) Professional Fee Claims; (c) DIP Credit Facility Claims; and (d) all fees and charges assessed against the Estate under chapter 123 of title 28 of the United States Code, 28 U.S.C. §§ 1911-1930.

2. “*Administrative Claims Bar Date*” means the date that is thirty (30) days after the Effective Date, by which date the holders of Administrative Claims must file proof of such claims.

3. “*Administrative Claims Bar Date Motion*” means the *Motion of Bear Island Paper Company L.L.C. for the Entry of an Order Pursuant to Bankruptcy Code Sections 105 and 503, and Bankruptcy Rules 2002, 3003 and 9007, (A) Setting an Administrative Claims Bar Date and Procedures for Filing and Objecting to*

Administrative Claims Requests, and (B) Approving the Form and Manner of Notice Thereof, dated February 22, 2011 [Docket No. 719].

4. “*Administrative Claims Bar Date Order*” means the *Order Pursuant to Bankruptcy Code Sections 105 and 503, and Bankruptcy Rules 2002, 3003 and 9007, (A) Setting an Administrative Claims Bar Date and Procedures for Filing and Objecting to Administrative Claims Requests, and (B) Approving the Form and Manner of Notice Thereof*, entered on March 29, 2011 [Docket No. 774].

5. “*Administrative Claims Objection Bar Date*” means the deadline for objecting to Administrative Claims, which shall be the date that is seventy (70) days after the Effective Date, unless extended by an order of the Bankruptcy Court upon notice and a hearing.

6. “*Administrative Fund*” means the reserve established by the Plan Administrator on the Effective Date with the approval of the Wind Down Creditors’ Committee that shall contain the amount of funds set forth in the Wind Down Budget and such funds shall be used by the Plan Administrator, in accordance with the Administrative Fund Procedures, to (i) perform its duties and pay expenses in accordance with this Plan, the Plan Administrator Agreement and the Wind Down Budget, including (a) the reasonable fees and expenses of the professionals that Liquidating BIPCo and the Wind Down Creditors’ Committee retain as of and after the Effective Date, (b) the cost to obtain and maintain any kind of insurance or indemnity policy for the Plan Administrator and the Wind Down Creditors’ Committee, (c) the Plan Administrator’s, Liquidating BIPCo’s and the Wind Down Creditors’ Committee’s reasonable fees, costs and expenses, and (d) any taxes, interest, penalties or payments of any kind that Liquidating BIPCo, the Plan Administrator or the Wind Down Creditors’ Committee may incur pursuant to this Plan, the Plan Administrator Agreement, applicable law or by order of the Bankruptcy Court, and (ii) pay Allowed and unpaid Administrative Claims including, without limitation, Allowed Administrative Claims filed from the Effective Date until the Administrative Claims Bar Date; provided, however, that neither the Prepetition Senior Collateral nor the proceeds thereof shall constitute or be deemed to constitute any portion of the Administrative Fund, and all such proceeds of the Prepetition Senior Collateral shall be distributed to the First Lien Credit Facility Agent in accordance with Article III.B.2 hereof. The Plan Administrator, with the prior written consent of the Wind Down Creditors’ Committee, may add to the Administrative Fund amounts that the Plan Administrator estimates in good faith will be required to perform its duties, pay expenses and complete the Wind Down in accordance with this Plan and the Plan Administrator Agreement.

7. “*Administrative Fund Procedures*” means the following procedures, which shall govern the use of funds from the Administrative Fund:

- (a) Amounts to be paid from the Administrative Fund pursuant to the Wind Down Budget must be submitted in writing to the Wind Down Creditors’ Committee from and after the Effective Date.
- (b) The Wind Down Creditors’ Committee shall have ten (10) days from the date they receive notice as set forth in paragraph (a) above to object in writing to any amount to be paid from the Administrative Fund on the basis that it: (i) is not consistent in kind or amount with the Wind Down Budget, or (ii) is not reasonably necessary for the Wind Down of the Debtor’s Estate.
- (c) In the event that an objection is made by the Wind Down Creditors’ Committee and an agreement cannot be reached between the Wind Down Creditors’ Committee and the Plan Administrator or the claimant, as the case may be, the amount of any such payment still in dispute shall be determined by Final Order of the Bankruptcy Court.
- (d) Once the amount to be paid has either been agreed to or determined by Final Order of the Bankruptcy Court, as set forth in paragraph (c) above, the Plan Administrator shall promptly pay such claim from the Administrative Fund.

- (e) Upon the dissolution of Liquidating BIPCo, all right, title and interest in and to any amounts in the Administrative Fund that are not used to pay costs associated with the Wind Down, as set forth in this Plan, shall be distributed in accordance with Article III of the Plan.

8. “*Affiliate*” shall have the meaning set forth in section 101(2) of the Bankruptcy Code; provided, however, that with respect to an entity other than the debtor, such meaning shall be adjusted as necessary to replace reference to the “debtor” with reference to such other entity.

9. “*Allowed*” means, with respect to any Claim, and except as otherwise provided herein, a Claim that: (a) the Debtor scheduled in a liquidated, undisputed and non-contingent amount; (b) is evidenced by a valid Proof of Claim and as to which the Debtor or other party in interest has not Filed an objection by the Claims Objection Bar Date; or (c) is Allowed pursuant to this Plan or any stipulation approved by, or order of, the Bankruptcy Court.

10. “*ASA*” means that certain *Asset Sale Agreement*, dated as of August 10, 2010 (as amended or modified from time to time), by and among BD White Birch Investment LLC, as purchaser, and the Debtor, White Birch Paper Company, Stadacona General Partner, Inc., Stadacona L.P., F.F. Soucy General Partner Inc., F.F. Soucy, Inc. & Partners, Limited Partnership, F.F. Soucy L.P., Arrimage de Gros Cacouna Inc. and Papier Masson Ltée, as sellers.

11. “*Assets*” means all of the rights, title and interest of Liquidating BIPCo in, to and under any and all of its remaining assets and property, whether tangible, intangible, real or personal, of any nature whatsoever, including all property of the Estate under and pursuant to section 541 of the Bankruptcy Code, including Cash, the Debtor’s portion of the Estate Allocation, the Remaining Causes of Action, rights and interests in property, and files, books and records of the Estate, in each case other than the Purchased Assets.

12. “*Avoidance Actions*” means any and all avoidance, recovery, subordination or other actions or remedies that may be brought on behalf of the Debtor or its Estate under the Bankruptcy Code or applicable non-bankruptcy law, including actions or remedies under sections 510, 542, 543, 544, 545, 547, 548, 549, 550, 551, 552 and 553 of the Bankruptcy Code.

13. “*Ballot*” means such ballots accompanying the Disclosure Statement upon which certain Holders of Impaired Claims entitled to vote on this Plan shall, among other things, indicate their acceptance or rejection of this Plan in accordance with this Plan and the procedures governing the solicitation process.

14. “*Bankruptcy Code*” means title 11 of the United States Code, as may be amended from time to time.

15. “*Bankruptcy Court*” means the United States Bankruptcy Court for the Eastern District of Virginia, Richmond Division.

16. “*Bankruptcy Rules*” means the Federal Rules of Bankruptcy Procedure, as applicable to this Chapter 11 Case and the Bankruptcy Court’s general, local and chambers rules.

17. “*Bar Date Order*” means that certain *Order (A) Establishing Bar Dates for Filing Proofs of Claim, Including for Claims Pursuant to Section 503(b)(9) of the Bankruptcy Code; (B) Approving the Form and Manner for Filing Proofs of Claim; and (C) Approving Notice of the Bar Dates*, entered on May 13, 2010 [Docket No. 260].

18. “*Brant Industries*” means Brant Industries, Inc. and its owners, officers, employees and affiliates.

19. “*Business Day*” means any day, other than a Saturday, Sunday or “legal holiday” as defined in Bankruptcy Rule 9006(a).

20. “*Canadian Escrow Account*” means the escrow account established pursuant to that certain *Canadian Estate Allocation Escrow Agreement*, dated as of September 13, 2012.

21. “*Canadian Sellers*” means, collectively, White Birch Paper Company, Stadacona General Partner Inc., Stadacona L.P., F.F. Soucy General Partner Inc., F.F. Soucy, Inc. & Partners, L.P., F.F. Soucy L.P., Arrimage de Gros Cacouna Inc. and Papier Masson Ltée.

22. “*Cash*” means the legal tender of the United States of America or the equivalent thereof, including bank deposits and checks.

23. “*Cash Component*” shall have the meaning ascribed to such term in the ASA.

24. “*Causes of Action*” mean all actions, causes of action, claims, liabilities, obligations, rights, suits, debts, damages, judgments, remedies, demands, setoffs, defenses, recoupments, crossclaims, counterclaims, third-party claims, indemnity claims, contribution claims or any other claims of the Debtor or the Estate, whether Disputed or undisputed, suspected or unsuspected, foreseen or unforeseen, direct or indirect, choate or inchoate, existing as of the Effective Date or thereafter arising, in law, equity or otherwise, based in whole or in part upon any act or omission or other event occurring prior to the Petition Date or during the course of this Chapter 11 Case, including through the Effective Date.

25. “*CCAA Applicants*” means White Birch Paper Company, White Birch Paper Holding Company, Stadacona General Partners Inc., Stadacona L.P., F.F. Soucy General Partner Inc., F.F. Soucy, Inc. & Partners, Limited Partnership, F.F. Soucy L.P., Arrimage de Gros Cacouna Inc., Papier Masson Ltée, Black Spruce Paper Inc. and 3120772 Nova Scotia Company.

26. “*CCAA Cases*” means the proceedings commenced on February 24, 2010, by the CCAA Applicants in the in the Quebec Superior Court, District of Montreal under the *Companies’ Creditors Arrangement Act*.

27. “*CCAA Court*” means the Quebec Superior Court, District of Montreal.

28. “*CCAA Plan*” means the Plan of Compromise filed or to be filed by the CCAA Applicants in the CCAA Cases, substantially in the form attached as Exhibit B to the Estate Allocation Settlement Agreement.

29. “*Certificate*” means any instrument evidencing a Claim or an Equity Interest.

30. “*Chapter 11 Case*” means this chapter 11 case captioned, *In re Estate BIPCO, LLC.*, Case No. 10-31202 (KLP).

31. “*Claim*” shall have the meaning set forth in section 101(5) of the Bankruptcy Code.

32. “*Claims Objection Bar Date*” means the deadline for objecting to Claims other than Administrative Claims, which shall be the date that is sixty (60) days after the Effective Date, unless extended by an order of the Bankruptcy Court upon notice and a hearing.

33. “*Claims Register*” means the claims register maintained by the Voting and Claims Agent.

34. “*Class*” means a category of Holders of Claims or Equity Interests pursuant to section 1122(a) of the Bankruptcy Code.

35. “*Confirmation*” means the entry of the Confirmation Order on the docket of this Chapter 11 Case, subject to satisfaction or waiver of all conditions specified therein.

36. “*Confirmation Date*” means the date upon which the Bankruptcy Court enters the Confirmation Order on the docket of this Chapter 11 Case within the meaning of Bankruptcy Rules 5003 and 9021.

37. “*Confirmation Hearing*” means the hearing before the Bankruptcy Court on the motion for entry of the Confirmation Order.

38. “*Confirmation Hearing Notice*” means the written notice provided to Holders of Claims and Equity Interests which includes, among other things: (a) the Record Date; (b) procedures for the temporary allowance of Claims; (c) the Plan Objection Deadline; and (d) the date and time of the Confirmation Hearing.

39. “*Confirmation Order*” means the order of the Bankruptcy Court, in form and substance reasonably satisfactory to the Debtor, the Creditors’ Committee and the Majority First Lien Lenders, that shall, among other things, (i) confirm this Plan pursuant to section 1129 of the Bankruptcy Code and (ii) approve the Estate Allocation Settlement Agreement and the terms thereof pursuant to Bankruptcy Rule 9019, including (w) approve the Estate Allocation, (x) approve the Lazard Settlement (as defined in the Estate Allocation Settlement Agreement), (y) disallow the White Birch Intercompany Claims, and (z) dismiss the Recharacterization Litigation.

40. “*Creditors’ Committee*” means the official committee of unsecured creditors for this Chapter 11 Case appointed by the U.S. Trustee pursuant to section 1102 of the Bankruptcy Code on March 3, 2010, which was reconstituted on April 6, 2010.

41. “*Creditors’ Committee Avoidance Causes of Action*” means those claims and Causes of Action for which the Creditors’ Committee obtained standing to assert on behalf of the Estate pursuant to that certain *Stipulated Order Granting the Official Committee of Unsecured Creditors Standing to Prosecute Actions on Behalf of the Debtor’s Estate*, entered on December 23, 2010 [Docket No. 653].

42. “*Creditors’ Committee Avoidance Action Settlement*” means the settlement between the Creditors’ Committee and Brant Industries of the Creditors’ Committee Causes of Action, dated May 30, 2012, which was approved by the Bankruptcy Court on June 21, 2012 [Docket No. 1129].

43. “*Creditor Fund*” means: (a) the Debtor’s share of the Estate Allocation; (b) proceeds from the Creditors’ Committee Avoidance Action Settlement; (c) proceeds, if any, from the sale, settlement or prosecution of the Remaining Causes of Action; and (d) proceeds, if any, from the Wind Down; provided, however, that neither the Prepetition Senior Collateral nor the proceeds thereof shall constitute or be deemed to constitute any portion of the Creditor Fund, and all such proceeds of the Prepetition Senior Collateral shall be distributed to the First Lien Credit Facility Agent in accordance with the Sale Closing.

44. “*Debtor*” or “*Debtor in Possession*” means Estate BIPCO, LLC (f/k/a Bear Island Paper Company, L.L.C.).

45. “*DIP Agent*” means Credit Suisse AG, Toronto Branch, as administrative agent and Canadian collateral agent under the DIP Credit Facility.

46. “*DIP Credit Facility*” means that certain \$140,000,000 *Senior Secured Super-Priority Debtor-in-Possession Term Loan Credit Agreement*, dated as of March 1, 2010 (as amended or modified from time to time), by and among White Birch Paper Holding Company, as guarantor, White Birch Paper Company, Stadacona L.P., F.F. Soucy L.P., Papier Masson Ltée, and Bear Island Paper Company, L.L.C., as borrowers, Credit Suisse AG, Toronto Branch, as administrative agent and Canadian collateral agent, Black Diamond Commercial Finance, L.L.C., as syndication agent, Credit Suisse AG, Toronto Branch and Black Diamond Commercial Finance, L.L.C., as lead arrangers, Credit Suisse AG, as U.S. collateral agent, and the several lender parties thereto.

47. “*DIP Credit Facility Claim*” means a Claim arising under or in connection with the DIP Credit Facility.

48. “*DIP Credit Facility Guarantee*” means that certain *Guarantee* of the DIP Credit Facility, dated as of March 1, 2010 (as amended or modified from time to time), by and among White Birch Paper Holding Company, Stadacona General Partner Inc., 3120772 Nova Scotia Company, White Birch Paper Company, Papier Masson Ltée,

and Bear Island Paper Company, L.L.C., as guarantors, Credit Suisse AG, as US collateral agent, and Credit Suisse AG, Toronto Branch, as Canadian collateral agent.

49. “*DIP Lenders*” mean, collectively, the lenders under the DIP Credit Facility.

50. “*Disclosure Statement*” means the disclosure statement relating to this Plan, as amended, supplemented or modified from time to time, including all exhibits and schedules thereto, as approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code.

51. “*Disclosure Statement Order*” means the Final Order of the Bankruptcy Court approving the Disclosure Statement.

52. “*Disputed*” means, with respect to any Claim or Equity Interest, any Claim or Equity Interest: (a) listed on the Schedules as unliquidated, Disputed or contingent, unless a Proof of Claim has been timely Filed; (b) as to which the Debtor or Liquidating BIPCo has interposed a timely objection or request for estimation in accordance with the Bankruptcy Code and the Bankruptcy Rules; or (c) otherwise Disputed by the Debtor or Liquidating BIPCo in accordance with applicable law, which objection, request for estimation or dispute has not been withdrawn or determined by a Final Order.

53. “*Disputed Claim*” means any Claim that is not yet Allowed.

54. “*Disputed Claims Reserve*” means the reserve established on the Effective Date from the Creditor Fund and maintained by Liquidating BIPCo or the Plan Administrator, as applicable, to hold Cash to be distributed to Holders of Allowed Claims, other than Administrative Claims, pending resolution of Disputed Claims.

55. “*Distribution*” means the distribution of Cash or other Assets, as the case may be, by Liquidating BIPCo or the Plan Administrator, as applicable, in accordance with this Plan.

56. “*Distribution Date*” means the date on which a Distribution is effectuated.

57. “*Effective Date*” means the date that is the first Business Day after the Confirmation Date on which: (a) no stay of the Confirmation Order is in effect; and (b) all conditions precedent to the Effective Date have been either satisfied or waived.

58. “*Entity*” shall have the meaning set forth in section 101(15) of the Bankruptcy Code.

59. “*Equity Interest*” means any share of common stock, preferred stock or other instrument evidencing an ownership interest in the Debtor, whether or not transferable, and any option, warrant or right, contractual or otherwise, to acquire any such interest in the Debtor that existed immediately prior to the Effective Date.

60. “*Estate*” means the estate of the Debtor created on the Petition Date by section 541 of the Bankruptcy Code.

61. “*Estate Allocation*” means the allocation, as set forth in that in the Estate Allocation Settlement Agreement.

62. “*Estate Allocation Settlement Agreement*” means that certain *Estate Allocation Compromise and Settlement Agreement*, attached hereto as **Exhibit A**, which, among other things, (a) sets forth the Estate Allocation, (b) settles and resolves the Recharacterization Litigation and (c) sets forth the Lazard Settlement (as defined therein).

63. “*Exculpated Parties*” means, collectively, the Debtor, the Debtor’s officers, directors and direct or indirect equity holders as of the Petition Date, the DIP Agent, the DIP Lenders, the First Lien Credit Facility Agent, the Prepetition Lenders, any other agent or lender under the DIP Credit Facility, the First Lien Credit Facility or

Second Lien Credit Facility, the Prepetition Debt Agents (as defined in the Final DIP Order), the Prepetition Debt Lenders (as defined in the Final DIP Order), the Purchaser, the Creditors' Committee and the individual members thereof, the Plan Administrator, and each of their respective Representatives (each of the foregoing in its individual capacity as such).

64. "Executory Contract" means a contract to which the Debtor is a party that is subject to assumption or rejection pursuant to section 365 of the Bankruptcy Code.

65. "File" or "Filed" means any pleading that has been entered on the docket of this Chapter 11 Case and properly served in accordance with the Bankruptcy Rules.

66. "Final DIP Order" means the *Final Order (I) Authorizing the Debtor to Obtain Post-Petition Secured Financing Pursuant to 11 U.S.C. § 364, (II) Authorizing the Debtor's Limited Use of Cash Collateral Pursuant to 11 U.S.C. § 363 and (III) Granting Adequate Protection to Prepetition Debt Lenders Pursuant to 11 U.S.C. §§ 361, 362, 363 and 364*, entered on March 31, 2010 [Docket No. 171].

67. "Final Distribution Date" means the date on which Liquidating BIPCo shall make its final Distribution, which shall be a date selected by the Plan Administrator as soon as reasonably practicable after the Effective Date.

68. "Final Order" means an order or judgment of the Bankruptcy Court or other court of competent jurisdiction with respect to the subject matter, as entered on the docket in this Chapter 11 Case or the docket of any court of competent jurisdiction, that has not been reversed, stayed, modified or amended, and as to which the time to appeal, or seek certiorari or move for a new trial, reargument or rehearing has passed without any such appeal, petition for certiorari or motion, or as to which any appeal that has been taken or any petition for certiorari or motion for a new trial, reargument or rehearing that has been timely filed has been withdrawn or resolved by the highest court to which the order or judgment was appealed or from which certiorari was sought or the new trial, reargument or rehearing will have been denied, resulted in no modification of such order or has otherwise been dismissed with prejudice.

69. "First Lien Claim" means a Claim against the Debtor arising under or in connection with the First Lien Credit Facility, including Claims secured by the Prepetition Senior Collateral and general unsecured deficiency Claims under section 506(a) of the Bankruptcy Code, the aggregate Allowed amounts of which were reduced upon the Sale Closing by the amount of the First Lien Credit Bid, as such term is defined in the ASA.

70. "First Lien Credit Facility" means that certain *Second Amended and Restated First Lien Term Loan Credit Agreement*, dated as of April 8, 2005 (as amended or modified from time to time), by and among White Birch Paper Company and White Birch Paper Holding Company, as borrowers, Credit Suisse AG, Toronto Branch, as administrative agent and as Canadian collateral agent, Credit Suisse, Cayman Islands Branch, as US Collateral Agent, and the lender parties thereto.

71. "First Lien Credit Facility Agent" means Credit Suisse AG, Toronto Branch, as administrative agent under the First Lien Credit Facility.

72. "General Bar Date" means, as established pursuant to the Bar Date Order, 5:00 p.m. prevailing Eastern Time on July 6, 2010.

73. "General Unsecured Claims" means Claims against the Debtor that are not Administrative Claims, Priority Tax Claims, Priority Non-Tax Claims, Secured Claims, First Lien Claims, Swap Agreement Claims, Second Lien Claims or Intercompany Claims, the Allowed amount of which shall be reduced by the amount assumed by the Purchaser, if any.

74. "Governmental Bar Date" means, as established pursuant to the Bar Date Order, 5:00 p.m. prevailing Eastern Time on August 23, 2010.

75. “*Holder*” means the beneficial holder of a Claim or Equity Interest, and, when used in conjunction with a Class or type of Claim or Equity Interest, the beneficial holder of a Claim or Equity Interest in such Class or of such type.

76. “*Impaired*” means, with respect to a Class of Claims or Equity Interests, a Class of Claims or Equity Interests that is not Unimpaired.

77. “*Initial Distribution Date*” means the date on which Liquidating BIPCo shall make its initial Distribution, which shall be a date selected by the Plan Administrator as soon as reasonably practicable after the Effective Date.

78. “*Intercompany Claim*” means any Claim against the Debtor held by an Affiliate, all of which will be disallowed in full pursuant to the Estate Allocation Settlement Agreement.

79. “*Interim Compensation Procedures Order*” means that certain *Order Under Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Interim Compensation*, entered on March 25, 2010 [Docket No. 156].

80. “*Lender Owner*” shall have the meaning ascribed to such term in the ASA.

81. “*Lien*” shall have the meaning set forth in section 101(37) of the Bankruptcy Code.

82. “*Liquidating BIPCo*” means Estate BIPCO, LLC (f/k/a/ Bear Island Paper Company L.L.C.) on or after the Effective Date.

83. “*Local Bankruptcy Rules*” means the Local Bankruptcy Rules for the Bankruptcy Court.

84. “*Majority First Lien Lenders*” means the Majority Lenders (as defined in the First Lien Credit Facility).

85. “*Petition Date*” means February 24, 2010, the date on which the Debtor Filed this Chapter 11 Case.

86. “*Plan*” means this first amended plan of liquidation under chapter 11 of the Bankruptcy Code, either in its present form or as it may be altered, amended, modified or supplemented from time to time in accordance with the Bankruptcy Code, the Bankruptcy Rules or herewith, as the case may be.

87. “*Plan Administrator*” shall be a person or Entity retained by the Wind Down Creditors’ Committee who shall serve pursuant to the Plan Administrator Agreement or in accordance with terms that substantially conform therewith.

88. “*Plan Administrator Agreement*” means the agreement, established as of the Effective Date, setting forth the terms and conditions of the employment of the Plan Administrator, which will be filed as a supplement to this Plan.

89. “*Plan Objection*” means an objection timely Filed to the confirmation of this Plan and in accordance with the procedures described herein.

90. “*Plan Objection Deadline*” means, as established by the Disclosure Statement Order, 5:00 p.m. prevailing Eastern Time on November 15, 2011.

91. “*Prepetition Intercreditor Agreement*” has the meaning set forth in the Final DIP Order.

92. “*Prepetition Lenders*” means, collectively, the lenders under the First Lien Credit Facility and the Second Lien Credit Facility.

93. “*Prepetition Senior Collateral*” has the meaning set forth in the Final DIP Order.
94. “*Priority Claims*” means, collectively, Priority Non-Tax Claims and Priority Tax Claims.
95. “*Priority Non-Tax Claim*” means any Claim, other than an Administrative Claim or a Priority Tax Claim, entitled to priority payment under section 507(a) of the Bankruptcy Code.
96. “*Priority Tax Claims*” means any and all Claims of a governmental unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.
97. “*Professional*” means an Entity: (a) retained in this Chapter 11 Case pursuant to a Final Order in accordance with sections 327 and 1103 of the Bankruptcy Code, and that is compensated for services rendered prior to the Effective Date pursuant to sections 327, 328, 329, 330 and 331 of the Bankruptcy Code; or (b) for which compensation and reimbursement has been allowed by Final Order of the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code.
98. “*Professional Fee Claim*” means any Allowed Administrative Claim for the compensation of a Professional, and the reimbursement of expenses incurred by such Professional, through and including the Effective Date.
99. “*Proof of Claim*” means a proof of Claim Filed against the Debtor in this Chapter 11 Case.
100. “*Pro Rata*” means the proportion that (a) the Allowed amount of a Claim in a particular Class (or several Classes taken as a whole) bears to (b) the aggregate Allowed amount of all Claims in such Class (or several Classes taken as a whole), unless this Plan expressly provides otherwise.
101. “*Purchase Price*” shall have the meaning ascribed to such term in the ASA.
102. “*Purchased Assets*” means those assets and property transferred, or to be transferred, to the Purchaser pursuant to the ASA.
103. “*Purchased Causes of Action*” means those claims and Causes of Action that the Purchaser purchased from the Debtor pursuant to the ASA.
104. “*Purchaser*” means BD White Birch Investment LLC, in its capacity as purchaser under the ASA, any Designated Purchaser (as defined in the ASA), and any Affiliates of the foregoing.
105. “*Quarterly Distribution Date*” means the first Business Day after the end of each quarterly calendar period (*i.e.*, March 31, June 30, September 30 and December 31 of each calendar year).
106. “*Recharacterization Litigation*” means the *Objection and Motion to Recharacterize of the Official Committee of Unsecured Creditors to the General Unsecured Claim of White Birch Paper Company* [Docket No. 1185] seeking to recharacterize the White Birch Intercompany Claim as equity of the Debtor, and the responses and related pleadings and proposed findings of fact and conclusions of law with respect thereto and the hearings thereon.
107. “*Record Date*” means the Effective Date.
108. “*Released Parties*” means, collectively, the Debtor, the Debtor’s officers, directors and direct or indirect equity holders as of the Petition Date, the DIP Agent, the DIP Lenders, the First Lien Credit Facility Agent, the Prepetition Lenders, any other agent or lender under the DIP Credit Facility, the First Lien Credit Facility or Second Lien Credit Facility, the Prepetition Debt Agents (as defined in the Final DIP Order), the Prepetition Debt Lenders (as defined in the Final DIP Order), the Purchaser, the Creditors’ Committee and the individual members thereof, the Plan Administrator, and each of their respective Representatives (each of the foregoing in its individual capacity as such).

109. “*Releasing Parties*” means, collectively, the Released Parties and Holders of Claims voting to accept this Plan.

110. “*Remaining Causes of Action*” means, except for the Creditors’ Committee Avoidance Causes of Action and the Purchased Causes of Actions, all Causes of Action that shall vest, as of the Effective Date, with Liquidating BIPCo.

111. “*Representatives*” means, with respect to an Entity, such Entity’s officers, directors, employees, members (including *ex officio* members), managers, advisors, attorneys, professionals, accountants, investment bankers, financial advisors, consultants, agents and other representatives (including its respective officers, directors, employees, members and professionals).

112. “*Sale*” means the sale of all or substantially all of the Debtor’s assets to BD White Birch Investment LLC pursuant to the ASA.

113. “*Sale Closing*” means the consummation of the Sale pursuant to the ASA.

114. “*Sale Closing Date*” means September 13, 2012, the date on which the Sale Closing occurred.

115. “*Sale Order*” means the *Order (A) Authorizing and Approving the Sale of Assets Free and Clear of All Liens, Claims, Encumbrances and Other Interests, (B) Approving the Assumption and Assignment of the Assigned Contracts and (C) Granting Related Relief*, entered on November 3, 2010 [Docket No. 582].

116. “*Sale Post-Closing Obligations*” means those obligations of the Debtor or Plan Administrator, as applicable, under the ASA, after the Sale Closing, including obligations identified in Article V of the ASA.

117. “*Schedules*” mean the schedules of assets and liabilities, schedules of executory contracts and statements of financial affairs the Debtor Filed on March 31, 2010 [Docket No. 172] and amended on January 26, 2011 [Docket No. 689] pursuant to section 521 of the Bankruptcy Code.

118. “*Second Lien Claim*” means a Claim against the Debtor arising under or in connection with the Second Lien Credit Facility, including Claims secured by the Prepetition Senior Collateral and general unsecured deficiency Claims under section 506(a) of the Bankruptcy Code.

119. “*Second Lien Credit Facility*” means that certain *Second Lien Term Loan Credit Agreement*, dated on or about April 8, 2005, as amended and restated on January 27, 2006 and May 8, 2007, by and among White Birch Paper Company and White Birch Paper Holding Company, as borrowers, Credit Suisse First Boston, as sole lead arranger, sole bookrunner, syndication agent and documentation agent, Credit Suisse First Boston Toronto Branch, as Canadian collateral agent, TD Securities (USA) LLC, as co-arranger and the lender parties thereto.

120. “*Secured Claim*” means any Claim (a) to the extent reflected in the Schedules or upon a Proof of Claim as a Secured Claim, which is secured by a Lien on collateral to the extent of the value of such collateral, as determined in accordance with section 506(a) of the Bankruptcy Code, or (b) that is subject to a valid right of setoff pursuant to section 553 of the Bankruptcy Code.

121. “*Swap Agreements*” mean, collectively: (a) that certain *ISDA 2002 Master Agreement*, dated as of May 16, 2005, between White Birch Paper Company and The Toronto-Dominion-Bank; (b) that certain *ISDA Master Agreement*, dated as of April 13, 2005, between White Birch Paper Company and Credit Suisse First Boston International; and (c) that certain *ISDA Master Agreement*, dated as of May 8, 2007, between White Birch Company and Merrill Lynch Capital Services, Inc.

122. “*Swap Agreement Claims*” means any Claim against the Debtor arising under or in connection with the Swap Agreements.

123. “*Unexpired Lease*” means a lease of non-residential real property to which the Debtor is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

124. “*Unimpaired*” means a Class of Claims or Equity Interests that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

125. “*U.S. Trustee*” means the United States Trustee appointed under Article 591 of title 28 of the United States Code to serve in the Eastern District of Virginia.

126. “*Voting and Claims Agent*” means The Garden City Group, Inc.

127. “*Voting Classes*” means Classes 2, 3, 4 and 5.

128. “*Voting Deadline*” means, as established by the Disclosure Statement Order, 5:00 p.m. prevailing Eastern Time on November 15, 2011, which shall be the deadline for, among other things, voting to accept or reject this Plan.

129. “*Voting Record Date*” means the date set forth in the Disclosure Statement Order for determining the Holders of Claims entitled to vote to accept or reject this Plan.

130. “*White Birch Intercompany Claim*” means the Intercompany Claim asserted by White Birch Paper Company set forth on the Schedules in the amount of \$135,920,395.00.

131. “*Wind Down*” means, as set forth in Article V.M hereof, the wind down and dissolution of Liquidating BIPCo following the Effective Date.

132. “*Wind Down Budget*” means the budget of (i) expenses of the Plan Administrator and Liquidating BIPCo and (ii) the estimated amount of Allowed and unpaid Administrative Claims including, without limitation, Administrative Claims expected to be filed from the Effective Date until the Administrative Claims Bar Date, as approved by the Purchaser and the Wind Down Creditors’ Committee, which shall govern the Administrative Fund, as the same may be amended or modified from time to time with the consent of the Wind Down Creditors’ Committee and the Purchaser.

133. “*Wind Down Creditors’ Committee*” means the committee described in Article V.G hereof.

ARTICLE II.

ADMINISTRATIVE CLAIMS AND PRIORITY TAX CLAIMS

A. *Administrative Claims*

1. Payment of Administrative Claims

Unless otherwise agreed to by the Holder of an Allowed Administrative Claim and the Debtor or the Plan Administrator, as applicable, each Holder of an Allowed Administrative Claim (other than any Professional Fee Claim) shall receive, in full and final satisfaction of its Administrative Claim, Cash equal to the amount of such Allowed Administrative Claim either: (a) on the Effective Date; (b) if the Administrative Claim is not Allowed as of the Effective Date, as soon as reasonably practicable after the date on which (i) the Plan Administrator, in accordance with the Plan Administrator Agreement and the Administrative Fund Procedures, determines that such Administrative Claim shall be Allowed or (ii) the Court determines that such Administrative Claim shall be Allowed; or (c) if the Allowed Administrative Claim is based on liabilities incurred by the Debtor in the ordinary course of its business after the Petition Date, pursuant to the terms and conditions of the particular transaction giving rise to such Allowed Administrative Claim, without any further action by the Holder of such Allowed Administrative Claim.

2. DIP Credit Facility Claims

The DIP Credit Facility Claims have been indefeasibly paid in full on the Sale Closing Date in full satisfaction thereof and in accordance with the terms of the DIP Credit Facility; provided, however, that any Claim of a Lender Owner was treated in accordance with Article VI.M hereof.

3. Professional Compensation

(a) Final Fee Applications

All final requests for payment of Professional Fee Claims, including any amounts held back pursuant to the Interim Compensation Procedures Order, must be Filed with the Bankruptcy Court and served on the Plan Administrator and the U.S. Trustee no later than thirty-five (35) days after the Effective Date. After notice and a hearing in accordance with the procedures established by the Bankruptcy Code and prior orders of the Bankruptcy Court in this Chapter 11 Case, the Allowed amounts of such Professional Fee Claims shall be determined by the Bankruptcy Court and paid by the Estate, Liquidating BIPCo or the Plan Administrator.

(b) Post-Effective Date Professional Fees and Expenses

Except as otherwise specifically provided in this Plan, from and after the day following the Effective Date, the Plan Administrator shall, without any further notice to or action, order or approval of the Bankruptcy Court, but subject to the Wind Down Budget, the Plan Administrator Agreement, and the Administrative Fund Procedures, pay in Cash from the Administrative Fund the reasonable legal, professional or other fees and expenses of Liquidating BIPCo, the Plan Administrator, the Wind Down Creditors' Committee or their respective Representatives, related to the implementation and consummation of this Plan and the transactions contemplated herein. Upon the Effective Date, any requirement that Professionals comply with sections 327 through 331 and 1103 of the Bankruptcy Code in seeking retention or compensation for services rendered after the Effective Date shall terminate.

B. Priority Tax Claims

Each Holder of an Allowed Priority Tax Claim shall receive, in full and final satisfaction of its Allowed Priority Tax Claim: (1) Cash in an amount equal to the amount of such Allowed Priority Tax Claim; or (2) at the option of the Debtor or the Plan Administrator, as applicable, Cash in an aggregate amount of such Allowed Priority Tax Claim payable in installment payments over a period not more than five years after the Petition Date, pursuant to section 1129(a)(9)(C) of the Bankruptcy Code.

ARTICLE III.

CLASSIFICATION OF CLAIMS AGAINST AND INTERESTS IN THE DEBTOR

A. Summary

1. Except for the Claims addressed in Article II above (or as otherwise set forth herein), all Claims against the Debtor are placed in Classes. In accordance with section 1123(a)(1) of the Bankruptcy Code, the Debtor has not classified the Administrative Claims and Priority Tax Claims described in Article II.

2. Pursuant to section 1122 of the Bankruptcy Code, set forth below is a designation of Classes of Claims against and Equity Interests in the Debtor. This Plan deems a Claim or Equity Interest to be classified in a particular Class only to the extent the Claim or Equity Interest is within the description of that Class and shall be deemed classified in a different Class to the extent that any remainder of such Claim or Equity Interest is within the description of such different Class. A Claim or Equity Interest is in a particular Class only to the extent that any such Claim or Equity Interest is Allowed in that Class and has not been paid or otherwise settled prior to the Effective Date.

3. Summary of Classification and
Treatment of Classified Claims and Equity Interests

<u>Class</u>	<u>Claim</u>	<u>Status</u>	<u>Voting</u>
1	Priority Non-Tax Claims	Unimpaired	No (presumed to accept)
2	First Lien Claims and Swap Agreement Claims	Impaired	Yes
3	Second Lien Claims	Impaired	Yes
4	General Unsecured Claims	Impaired	Yes
5	Intercompany Claims	Impaired	Yes
6	Equity Interests	Impaired	No (deemed to reject)

B. *Classification and Treatment of Claims and Equity Interests*

1. Class 1—Priority Non-Tax Claims

- (a) *Classification:* Class 1 consists of Priority Non-Tax Claims.
- (b) *Voting:* Class 1 is Unimpaired, and Holders of Class 1 Claims are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, the Holders of Class 1 Claims are not entitled to vote to accept or reject this Plan.
- (c) *Treatment:* Except to the extent that a Holder of an Allowed Priority-Non Tax Claim agrees to a less favorable treatment, in full and final satisfaction of each Allowed Priority Non-Tax Claim, each Holder of such Allowed Priority Non-Tax Claim shall be paid in full in Cash on the later of the Effective Date or the date such Priority Non-Tax Claim becomes Allowed, or as soon as practicable thereafter.

2. Class 2—First Lien Claims and Swap Agreement Claims

- (a) *Classification:* Class 2 consists of First Lien Claims and Swap Agreement Claims.
- (b) *Voting:* Class 2 is Impaired and Holders of Class 2 Claims are entitled to vote to accept or reject this Plan.
- (c) *Treatment:* On the Initial Distribution Date, each applicable Quarterly Distribution Date thereafter and the Final Distribution Date, in full and final satisfaction of each Allowed First Lien Claim and Allowed Swap Agreement Claim, each Holder of such Allowed First Lien Claim and Allowed Swap Agreement Claim shall receive (i) such Holder's *Pro Rata* share of the Creditor Fund and (ii) such Holder's *Pro Rata* share of all proceeds of the Prepetition Senior Collateral. Any Distribution described above shall be made by Liquidating BIPCo or the Plan Administrator, as applicable, to the First Lien Credit Facility Agent, and shall be applied by the First Lien Credit Facility Agent, in each case in accordance with the terms and conditions of the First Lien Credit Facility, and any expense reimbursement or indemnity provisions contained in the First Lien Credit Facility or any loan document governing or entered into in connection with the First Lien Credit Facility shall survive in the manner and to the extent set forth therein; provided,

however, that any Claim of a Lender Owner shall be treated in accordance with Article VI.M hereof.

3. Class 3—Second Lien Claims

- (a) *Classification:* Class 3 consists of Second Lien Claims.
- (b) *Voting:* Class 3 is Impaired and Holders of Class 3 Claims are entitled to vote to accept or reject this Plan.
- (c) *Treatment:* On the Initial Distribution Date, each applicable Quarterly Distribution Date thereafter and the Final Distribution Date, in full and final satisfaction of each Allowed Second Lien Claim, each Holder of such Allowed Second Lien Claim shall receive such Holder's *Pro Rata* share of the Creditor Fund.

4. Class 4—General Unsecured Claims

- (a) *Classification:* Class 4 consists of General Unsecured Claims.
- (b) *Voting:* Class 4 is Impaired by this Plan and Holders of Class 4 Claims are entitled to vote to accept or reject this Plan.
- (c) *Treatment:* On the Initial Distribution Date, each applicable Quarterly Distribution Date thereafter and the Final Distribution Date, in full and final satisfaction of each Allowed General Unsecured Claim, each Holder of such Allowed General Unsecured Claim shall receive such Holder's *Pro Rata* share of the Creditor Fund.

5. Class 5—Intercompany Claims

- (a) *Classification:* Class 5 consists of Intercompany Claims.
- (b) *Voting:* Class 5 is Impaired by this Plan and Holders of Class 5 Claims are entitled to vote to accept or reject this Plan.
- (c) *Treatment:* In accordance with the Estate Allocation, the Intercompany Claims are disallowed in full. Holders of Intercompany Claims shall neither receive nor retain any property under this Plan.

6. Class 6—Equity Interests

- (a) *Classification:* Class 6 consists of all Equity Interests.
- (b) *Voting:* Class 6 is Impaired and Holders of Class 6 Claims are deemed to reject this Plan.
- (c) *Treatment:* Holders of Equity Interests shall neither receive nor retain any property under this Plan.

ARTICLE IV.

ACCEPTANCE OR REJECTION OF THIS PLAN

The Debtor reserves the right to seek confirmation of this Plan under section 1129(b) of the Bankruptcy Code. To the extent that any Class votes to reject this Plan, the Debtor further reserves the right to modify this Plan in accordance with Article XIII.A.

ARTICLE V.

MEANS FOR IMPLEMENTATION OF THIS PLAN

A. *Approval of Estate Allocation Settlement Agreement*

The Bankruptcy Court's entry of the Confirmation Order, as well as the record set forth at the Confirmation Hearing, shall constitute the Bankruptcy Court's approval of the Estate Allocation Settlement Agreement and the Estate Allocation set forth therein. The Debtor's portion of the Estate Allocation (i) vested in the Debtor at Sale Closing Date and (ii) shall vest in Liquidating BIPCo on the Effective Date.

B. *Continuing Existence*

From and after the Effective Date, Liquidating BIPCo shall continue in existence solely for the purposes consistent with the terms of this Plan, which include (1) effectuating the Wind Down, (2) liquidating the Assets, (3) enforcing and prosecuting Claims, interests, rights and privileges of Liquidating BIPCo and the Estate, (4) resolving Disputed Claims, (5) administering this Plan and taking such actions as are necessary to effectuate this Plan, and (6) filing appropriate tax returns. The Wind Down Creditors' Committee shall oversee the foregoing and the officers and employees of the Debtor, whose assistance the Plan Administrator requires to effectuate the liquidation and Wind Down of the Estate, shall continue as officers and employees of Liquidating BIPCo, whose fees and expenses shall be satisfied by amounts maintained in the Administrative Fund. Liquidating BIPCo shall also maintain those books, records and bank accounts necessary to effectuate the liquidation and Wind Down of the Estate.

C. *Vesting of Assets in Liquidating BIPCo*

Except as otherwise provided in this Plan or in any agreement, instrument or other document relating thereto, pursuant to section 1141 of the Bankruptcy Code, on or after the Effective Date, all Assets of the Estate and any Assets acquired by the Debtor pursuant hereto shall vest in Liquidating BIPCo, free and clear of all Liens, Claims, charges or other encumbrances; provided, however, that all proceeds of the Prepetition Senior Collateral shall be distributed to the First Lien Credit Facility Agent in accordance with Article III.B.2 hereof. For the avoidance of doubt, the Purchased Assets, including the Purchased Causes of Action, were transferred to the Purchaser upon the Sale Closing Date in accordance with the ASA and the Sale Order and shall not vest in Liquidating BIPCo. Except as may be provided in this Plan or the Confirmation Order, and subject to the oversight of the Wind Down Creditors' Committee, on and after the Effective Date, Liquidating BIPCo may use, acquire or dispose of Assets, and compromise or settle any Claims, without supervision or approval by the Bankruptcy Court, free of any restrictions of the Bankruptcy Code or Bankruptcy Rules; provided, however, that all proceeds of the Prepetition Senior Collateral shall be distributed to the First Lien Credit Facility Agent in accordance with Article III.B.2 hereof.

D. *Plan Administrator*

1. Appointment of the Plan Administrator

As of the Effective Date, the Wind Down Creditors' Committee, on behalf of Liquidating BIPCo, shall retain the Plan Administrator. The Plan Administrator shall be responsible for implementing the liquidation and Wind Down contemplated by this Plan, including monetizing or abandoning any Assets, resolving all Claims, and distributing Cash pursuant to this Plan, pursuing, settling or abandoning all Remaining Causes of Action delegated to the Plan Administrator by the Wind Down Creditors' Committee or otherwise vested in the Debtor's Estate, and causing Liquidating BIPCo to comply with the ASA, in each case in accordance with this Plan, the Plan Administrator Agreement, the Wind Down Budget, and the Administrative Fund Procedures. On the Effective Date, the Plan Administrator shall succeed to such powers as would have been applicable to the Debtor's officers and shareholders, and Liquidating BIPCo shall be authorized to be (and, upon the conclusion of the Wind Down, shall be) dissolved by the Plan Administrator with oversight from the Wind Down Creditors' Committee. All Assets of the Estate not Distributed to the Holders of Claims on the Effective Date shall be transferred to Liquidating BIPCo and managed and Distributed by the Plan Administrator pursuant to the terms of this Plan and the Plan

Administrator Agreement, and shall be held in the name of Liquidating BIPCo free and clear of all Liens, Claims, charges or other encumbrances against the Debtor, and Equity Interests in the Debtor, except for rights to such Distributions provided to Holders of Allowed Claims as provided herein.

2. Actions Against the Plan Administrator

The Confirmation Order shall state that, without permission of the Bankruptcy Court, no judicial, administrative, arbitral or other action or proceeding shall be commenced against the Plan Administrator in its official capacity, with respect to its status, duties, powers, acts or omissions as Plan Administrator in any forum other than the Bankruptcy Court.

3. Term and Compensation of the Plan Administrator

The Plan Administrator shall serve for the term set forth in the Plan Administrator Agreement and be compensated from the Administrative Fund in accordance with the terms of this Plan, the Plan Administrator Agreement, the Wind Down Budget, and the Administrative Fund Procedures.

4. Reporting Requirements of the Plan Administrator

(a) The Plan Administrator shall provide periodic reporting at the request of the Wind Down Creditors' Committee regarding the status of the Wind Down, in accordance with the Plan Administrator Agreement.

(b) The Plan Administrator shall comply with the Administrative Fund Procedures with respect to the disbursement of amounts from the Administrative Fund.

5. Powers of the Plan Administrator

(a) The Plan Administrator shall be a fiduciary of Liquidating BIPCo and shall, subject to the oversight of the Wind Down Creditors' Committee, have all powers, authority and responsibilities specified in this Plan and the Plan Administrator Agreement. In particular, the Plan Administrator's rights, duties and powers shall include the following:

- (i) The Plan Administrator shall succeed to all such powers as would have been applicable to any of the Debtor's officers, managers or shareholders with like effect as if authorized, exercised and taken by unanimous action of the Debtor's officers, managers and shareholders;
- (ii) The Plan Administrator shall be authorized to take all steps necessary to effectuate the Wind Down and to take such other actions as the Plan Administrator determines are in the best interests of the Holders of Claims and consistent with the Wind Down Budget and the Administrative Fund Procedures; and
- (iii) The Plan Administrator, in its reasonable business judgment, in an expeditious and orderly manner, and only to the extent necessary, shall cause Liquidating BIPCo to liquidate, and convert all of the Assets to Cash and make all Distributions in accordance with this Plan.

(b) The Plan Administrator shall be expressly authorized to do the following, in each case to the extent consistent with this Plan, the Wind Down Budget, the Administrative Fund Procedures, and the terms of the Plan Administrator Agreement, and subject to the oversight of the Wind Down Creditors' Committee:

- (i) cause Liquidating BIPCo to institute, prosecute, collect, compromise and settle any Remaining Causes of Action delegated to the Plan Administrator by the

Wind Down Creditors' Committee or otherwise vested in the Debtor's Estate in accordance herewith and without further approval or application to the Bankruptcy Court, except as otherwise provided herein, including prosecuting and/or settling the Remaining Causes of Action pending in any court of appropriate jurisdiction;

- (ii) cause Liquidating BIPCo to participate as a party or otherwise in any administrative, arbitrative or other non-judicial proceeding, and litigate or settle any Remaining Causes of Action delegated to the Plan Administrator by the Wind Down Creditors' Committee or otherwise vested in the Debtor's Estate on behalf of Liquidating BIPCo or the Estate, or to pursue such Causes of Actions to settlement or judgment;
- (iii) to the extent necessary, open and maintain bank accounts in the name of Liquidating BIPCo, draw checks and drafts thereon by the sole signature of the Plan Administrator, and terminate such accounts as the Plan Administrator deems appropriate;
- (iv) cause Liquidating BIPCo to make Distributions and take other actions consistent with this Plan and the implementation hereof, including the establishment, reevaluation, adjustment and maintenance of appropriate reserves in accordance with this Plan;
- (v) cause Liquidating BIPCo to collect and liquidate all Assets pursuant to this Plan and to administer the Wind Down and closing of this Chapter 11 Case;
- (vi) cause Liquidating BIPCo to file, prosecute or object to any Claims (Disputed or otherwise), and compromise or settle any Claims, prior to or after objection, without supervision or approval of the Bankruptcy Court, free of any restrictions of the Bankruptcy Code, the Bankruptcy Rules, and the U.S. Trustee guidelines and requirements, other than those restrictions expressly imposed by this Plan, or to seek Bankruptcy Court approval for any Claims settlements made after objection;
- (vii) cause Liquidating BIPCo to retain or engage professionals, employees and consultants, and to pay such professionals, employees and consultants from the Administrative Fund, the reasonable fees and expenses incurred by the Plan Administrator, the Wind Down Creditors' Committee and Liquidating BIPCo's and the Wind Down Creditors' Committee's professionals, employees and consultants that relate to the implementation of this Plan and the Plan Administration Agreement without application to the Bankruptcy Court but subject to review and approval of the Wind Down Creditors' Committee as set forth in the Plan Administrator Agreement;
- (viii) cause Liquidating BIPCo to seek a determination from the Bankruptcy Court of tax liability under section 505 of the Bankruptcy Code and to pay from the Administrative Fund taxes, if any, related to Liquidating BIPCo and for all returns filed for or on behalf of Liquidating BIPCo for all taxable periods through the closing of this Chapter 11 Case;
- (ix) cause Liquidating BIPCo to invest Cash or moneys received by Liquidating BIPCo or otherwise held by Liquidating BIPCo in accordance with this Plan (which shall be in compliance with section 345 of the Bankruptcy Code);
- (x) execute any documents or pleadings and take any other actions related to, or in

connection with, the liquidation of the Assets and the exercise of the Plan Administrator's powers granted herein, including the exercise of Liquidating BIPCo's rights to conduct discovery and oral examination of any party under Bankruptcy Rule 2004;

- (xi) enter into any agreement or execute any document required by or consistent with this Plan, and perform all of the obligations thereunder;
- (xii) cause Liquidating BIPCo to abandon in any commercially reasonable manner any Assets that the Plan Administrator determines are of no benefit to Liquidating BIPCo;
- (xiii) cause Liquidating BIPCo to hold and preserve Liquidating BIPCo's documents, as necessary, and to abandon or destroy documents upon the Plan Administrator's determination that the documents are no longer necessary or beneficial to Liquidating BIPCo;
- (xiv) cause Liquidating BIPCo to purchase and maintain all insurance policies and pay from the Administrative Fund all insurance premiums and costs that the Plan Administrator deems necessary or advisable;
- (xv) cause Liquidating BIPCo to take any and all actions necessary to satisfy the Sale Post-Closing Obligations;
- (xvi) administer payouts from the Professional Fee Claim escrow upon Bankruptcy Court approval of Professional Fee Claims; and
- (xvii) take all other actions not inconsistent with the provisions of this Plan, which the Plan Administrator deems reasonably necessary or desirable with respect to administering this Plan.

6. Resignation or Removal of Plan Administrator

In the event of the dissolution, bankruptcy, insolvency or removal of the Plan Administrator, a successor trustee may be appointed in accordance with the Plan Administrator Agreement. The Plan Administrator may resign at any time upon 30 days' notice to the Bankruptcy Court, Liquidating BIPCo's counsel and the Wind Down Creditors' Committee's counsel. The Wind Down Creditors' Committee may remove the Plan Administrator pursuant to the agreed upon terms of the Plan Administrator Agreement. Any other party in interest may move the Bankruptcy Court for the removal of the Plan Administrator for cause upon providing notice to Liquidating BIPCo's counsel; provided, however, that if Liquidating BIPCo or any other party in interest shall object to such removal within 21 days of such notice, such removal shall not be effective until approved by the Bankruptcy Court. No successor Plan Administrator hereunder shall in any event have any liability or responsibility for the acts or omissions of any of his, her or its predecessors. Every successor Plan Administrator appointed pursuant hereto shall execute, acknowledge and deliver to the Bankruptcy Court an instrument in writing accepting such appointment. Thereupon, such successor Plan Administrator, without any further action required, shall become fully vested with all of the rights, powers, duties and obligations of his, her or its predecessor.

Notwithstanding any other provision in this Plan, upon the resignation or removal of a Plan Administrator, a Plan Administrator shall continue to serve in such capacity until such time as (a) a successor Plan Administrator is identified and appointed by majority vote of the Wind Down Creditors' Committee in accordance with the Plan Administrator Agreement, and (b) notice is provided to the Bankruptcy Court of such successor Plan Administrator.

7. Retention of Professionals

(a) As of and after the Effective Date, in accordance with the Plan Administrator Agreement, the Plan Administrator may cause Liquidating BIPCo to retain professionals, including attorneys, accountants, investment or other financial advisors, auditors, disbursing agents, professionals from the Plan Administrator's own firm, if any, and other agents on behalf of Liquidating BIPCo, as necessary or desirable to carry out the actions necessary to effectuate the Wind Down and close this Chapter 11 Case. More specifically, as of and after the Effective Date, the Plan Administrator may cause Liquidating BIPCo to retain counsel in any matter related to the Estate, including counsel that has acted as counsel for the Debtor or the Creditors' Committee.

(b) Following the Effective Date, the Plan Administrator may cause Liquidating BIPCo to pay from the Administrative Fund, without application to the Bankruptcy Court or any other court of competent jurisdiction, but subject to the Wind Down Budget, the Administrative Fund Procedures, this Plan and the Plan Administrator Agreement, professionals retained by Liquidating BIPCo as of and after the Effective Date.

8. Compliance with Sale Post-Closing Obligations

The Plan Administrator shall be required to take any and all actions, and shall cause Liquidating BIPCo to take any and all actions, necessary to comply with and satisfy the Sale Post-Closing Obligations.

9. Liability, Indemnification

As of and after the Effective Date, neither Liquidating BIPCo, its designees or professionals, any duly designated agent or Representative of Liquidating BIPCo, including the Plan Administrator, nor any of its employees, including those employees of the Debtor assisting Liquidating BIPCo and the Plan Administrator with the Wind Down, shall be liable for the act or omission of any other designee, agent or Representative of Liquidating BIPCo, nor shall such parties be liable for any act or omission taken or omitted to be taken in such capacity other than for specific acts or omissions resulting from such parties' willful misconduct, gross negligence or fraud.

Liquidating BIPCo and any duly designated agent or Representative of Liquidating BIPCo, including the Plan Administrator and employees of the Debtor assisting Liquidating BIPCo and the Plan Administrator with the Wind Down, may, in connection with the performance of their functions, and in their sole and absolute discretion, consult with Liquidating BIPCo's attorneys, accountants, financial advisors and agents, and shall not be liable for any act taken, omitted to be taken or suffered to be done in accordance with advice or opinions rendered by such persons, regardless of whether such advice or opinions are provided in writing (other than for specific acts or omissions resulting from such parties' willful misconduct, gross negligence or fraud). Notwithstanding such authority, Liquidating BIPCo and any duly designated agent or Representative of Liquidating BIPCo, including the Plan Administrator and employees of the Debtor assisting Liquidating BIPCo and the Plan Administrator with the Wind Down, shall not be under any obligation to consult with Liquidating BIPCo's attorneys, accountants, financial advisors or agents, and such parties determination not to do so shall not result in the imposition of liability on any such party, unless such determination is based on such party's willful misconduct, gross negligence or fraud.

Liquidating BIPCo shall indemnify and hold harmless any duly designated agent or Representative of Liquidating BIPCo, including the Plan Administrator, its designees and professionals, all duly designated agents and Representatives thereof, and those employees of the Debtor assisting Liquidating BIPCo and the Plan Administrator with the Wind Down, from and against and in respect of all liabilities, losses, damages, claims, costs and expenses (including reasonable attorneys' fees, disbursements and related expenses) which such parties may incur or to which such parties may become subject in connection with any action, suit, proceeding or investigation brought by or threatened against such parties arising out of or due to their acts or omissions, or consequences of such acts or omissions, with respect to the implementation or administration of the Estate or this Plan, or the discharge of their duties under the Plan Administrator Agreement or hereunder; provided, however, that no such indemnification shall be made to such persons for actions or omissions as a result of willful misconduct, gross negligence or fraud. Any such indemnification payments shall be made from the Administrative Fund.

Liquidating BIPCo and any duly designated agent or Representative of Liquidating BIPCo, including the Plan Administrator and employees of the Debtor assisting Liquidating BIPCo and the Plan Administrator with the Wind Down, shall be entitled to rely upon the exculpation, indemnification and limitation of liability provisions set forth in the Plan Administrator Agreement and the Confirmation Order.

E. Fees and Expenses of Liquidating BIPCo

Except as otherwise ordered by the Bankruptcy Court, after the Effective Date, any of Liquidating BIPCo or the Plan Administrator's reasonable fees or expenses, as applicable (including the reasonable fees and expenses of professionals retained by Liquidating BIPCo or the Plan Administrator), shall be paid from the Administrative Fund without further order of the Bankruptcy Court, but subject to the Wind Down Budget, the Administrative Fund Procedures, this Plan and the Plan Administrator Agreement.

F. Dissolution of Creditors' Committee

On the Effective Date, the Creditors' Committee shall dissolve and its respective members shall be released from all further authority, duties, responsibilities and obligations relating to this Chapter 11 Case; provided, however, that the Creditors' Committee shall continue to have a right to be heard with respect to any and all (1) applications for Professional Fee Claims and (2) requests for compensation and reimbursement of expenses pursuant to section 503(b) of the Bankruptcy Code, if applicable.

G. Creation of the Wind Down Creditors' Committee

As of and after the Effective Date, the Wind Down Creditors' Committee, the members of which shall be fiduciaries of Liquidating BIPCo and shall conduct their actions as members of the Wind Down Creditors' Committee in accordance with the laws of the Commonwealth of Virginia, shall be created to (1) employ and oversee the Plan Administrator, (2) oversee the prosecution and/or settlement of the Remaining Causes of Action, and (3) oversee objections to Claims and settlement and/or compromise of such objections. The Wind Down Creditors' Committee shall consist of three members. The Majority First Lien Lenders shall be entitled to select two members to serve on the Wind Down Creditors' Committee. The Creditors' Committee shall select any members not appointed by the Majority First Lien Lenders to serve on the Wind Down Creditors' Committee. The Wind Down Creditors' Committee may retain professionals, including additional attorneys, accountants or financial advisors, and other agents on behalf of the Wind Down Creditors' Committee as necessary or desirable to carry out the actions of the Wind Down Creditors' Committee as described herein. More specifically, as of and after the Effective Date, the Wind Down Creditors' Committee may retain counsel, including counsel that has acted as counsel for the Debtor or the Creditors' Committee.

H. Fees and Expenses of the Wind Down Creditors' Committee

Except as otherwise ordered by the Bankruptcy Court, any of the Wind Down Creditors' Committee's reasonable fees or expenses, as applicable (including the reasonable fees and expenses of professionals and other agents and Representatives retained by the Wind Down Creditors' Committee), shall be paid from the Administrative Fund by Liquidating BIPCo or the Plan Administrator without further order of the Bankruptcy Court, but subject to the Wind Down Budget, the Administrative Fund Procedures, this Plan and the Plan Administrator Agreement.

I. Actions Against the Wind Down Creditors' Committee

The Confirmation Order shall state that, without permission of the Bankruptcy Court, no judicial, administrative, arbitral or other action or proceeding shall be commenced against the Wind Down Creditors' Committee or any of its members in their official capacity, with respect to their status, duties, powers, acts or omissions as members of the Wind Down Creditors' Committee, in any forum other than the Bankruptcy Court.

J. Liability and Indemnification of the Wind Down Creditors' Committee

As of and after the Effective Date, neither the Wind Down Creditors' Committee, its members, officers, directors, employees, designees or professionals, nor any duly designated agent or Representative of the Wind Down Creditors' Committee, shall be liable for the act or omission of any other member, officer, director, employee, designee, agent or Representative of the Wind Down Creditors' Committee, nor shall such parties be liable for any act or omission taken or omitted to be taken in such capacity other than for specific acts or omissions resulting from such parties' willful misconduct, gross negligence or fraud.

The Wind Down Creditors' Committee, its members, officers, directors and employees, and any duly designated agent or Representative of the Wind Down Creditors' Committee, may, in connection with the performance of their functions, and in their sole and absolute discretion, consult with the Wind Down Creditors' Committee's attorneys, accountants, financial advisors and agents, and shall not be liable for any act taken, omitted to be taken, or suffered to be done in accordance with advice or opinions rendered by such persons, regardless of whether such advice or opinions are provided in writing. Notwithstanding such authority, the Wind Down Creditors' Committee, its members and any duly designated agent or Representative of the Wind Down Creditors' Committee shall not be under any obligation to consult with the Wind Down Creditors' Committee's attorneys, accountants, financial advisors or agents, and such parties determination not to do so shall not result in the imposition of liability on any such party, unless such determination is based on such party's willful misconduct, gross negligence or fraud.

Liquidating BIPCo shall indemnify and hold harmless the Wind Down Creditors' Committee, its members and any duly designated agent or representative of the Wind Down Creditors' Committee from and against and in respect of all liabilities, losses, damages, claims, costs and expenses (including, without limitation, reasonable attorneys' fees, disbursements and related expenses) which such parties may incur or to which such parties may become subject in connection with any action, suit, proceeding or investigation brought by or threatened against such parties arising out of or due to their acts or omissions, or consequences of such acts or omissions, with respect to the implementation of this Plan, or the discharge of their duties hereunder; provided, however, that no such indemnification shall be made to such persons for actions or omissions as a result of willful misconduct, gross negligence or fraud. Any such indemnification payments shall be made from the Administrative Fund.

The Wind Down Creditors' Committee, its members, officers, directors, employees, designees and professionals, and any duly designated agent or Representative of the Wind Down Creditors' Committee, shall be entitled to rely upon the exculpation, indemnification and limitation of liability provisions set forth in the Plan Administrator Agreement and the Confirmation Order.

K. Preservation of the Remaining Causes of Action

In accordance with section 1123(b) of the Bankruptcy Code, as of the Effective Date, all rights related to the Remaining Causes of Action, shall vest in Liquidating BIPCo, which such rights, whether arising before or after the Petition Date, may be enforced by the Wind Down Creditors' Committee or its designee. The Wind Down Creditors' Committee's right to commence, prosecute or settle such Remaining Causes of Action, shall be preserved notwithstanding the occurrence of the Effective Date. The Wind Down Creditors' Committee may pursue, or may delegate to the Plan Administrator to pursue, such Remaining Causes of Action, as appropriate, in accordance with the best interests of the Estate and Liquidating BIPCo. No Entity may rely upon the absence of a specific reference in this Plan or the Disclosure Statement with respect to any Remaining Cause of Action against them as any indication that the Wind Down Creditors' Committee will not pursue any and all available Causes of Action against such Entity. Unless any Remaining Causes of Action against an Entity are expressly waived, relinquished, exculpated, released, compromised or settled in this Plan or a Bankruptcy Court order, the Wind Down Creditors' Committee expressly reserves the right to prosecute all Remaining Causes of Action, for later adjudication, and therefore, no preclusion doctrine, including the doctrines of *res judicata*, collateral estoppel, issue preclusion, claim preclusion, estoppel (judicial, equitable or otherwise) or laches shall apply to such Remaining Causes of Action upon, after or as a consequence of Confirmation or consummation of this Plan.

The Wind Down Creditors' Committee reserves and shall retain the right to prosecute, settle or otherwise dispose of all of the Remaining Causes of Action notwithstanding the rejection or repudiation of any Executory

Contract or Unexpired Lease during this Chapter 11 Case or pursuant to this Plan. In accordance with section 1123(b)(3) of the Bankruptcy Code, any Remaining Causes of Action that the Debtor may hold against any Entity shall vest in Liquidating BIPCo. The Wind Down Creditors' Committee shall have the exclusive right, authority and discretion to determine and to initiate, file, prosecute, enforce, abandon, settle, compromise, release, withdraw or litigate to judgment any such Remaining Causes of Action and to decline to do any of the foregoing without the consent or approval of any third party or further notice to or action, order or approval of the Bankruptcy Court.

L. Directors and Officers

On the Effective Date, the persons acting as directors and officers of the Debtor prior to the Effective Date shall be released from all further authority, duties, responsibilities and obligations relating to and arising from operations of the Debtor or this Chapter 11 Case. Upon such release and discharge, the Plan Administrator shall be charged with the authority, duties, responsibilities and obligations relating to and arising from operations of Liquidating BIPCo and this Chapter 11 Case.

M. Wind Down and Dissolution of the Debtor

As soon as practicable after the Effective Date, the Plan Administrator, subject to the oversight of the Wind Down Creditors' Committee, shall: (1) take any action reasonably necessary to effectuate the Wind Down; (2) file a certificate of dissolution for Liquidating BIPCo, together with all other necessary corporate and company documents, to effect the dissolution of Liquidating BIPCo under applicable non-bankruptcy law; (3) complete and file all of the Debtor and Liquidating BIPCo's final or otherwise required federal, state and local tax returns, as applicable; (4) pursuant to section 505(b) of the Bankruptcy Code, request an expedited determination for any of the Debtor, its Estate or Liquidating BIPCo's unpaid tax liability regarding any tax incurred during the administration of this Chapter 11 Case, as determined under applicable tax laws; (5) take such other actions as the Plan Administrator may determine to be necessary or desirable to carry out the purposes of this Plan; and (6) comply with any regulatory requirements imposed on Liquidating BIPCo under applicable law.

Filing of Liquidating BIPCo's certificate of dissolution by the Plan Administrator shall be authorized and approved in all respects without further action under applicable law, regulation, order or rule, including any action by the Debtor or Liquidating BIPCo's stockholders or the board of directors, as applicable, but subject to the oversight of the Wind Down Creditors' Committee.

ARTICLE VI.

PROVISIONS GOVERNING DISTRIBUTIONS

A. General Settlement of Claims

As discussed in detail in the Disclosure Statement and as otherwise provided herein, pursuant to section 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classifications, Distributions, releases and other benefits provided under this Plan, upon the Effective Date, the provisions of this Plan shall constitute a good-faith compromise and settlement of all Claims, Equity Interests and controversies resolved pursuant to this Plan. Subject to Article VI, all Distributions made to Holders of Allowed Claims in any Class are intended to be, and shall be, final, subject to the terms and conditions of the Prepetition Intercreditor Agreement.

B. Initial Distribution Date

On the Initial Distribution Date or as soon thereafter as is reasonably practicable, the Plan Administrator shall make, or shall in the Plan Administrator's sole discretion make adequate reserves for, the Distributions required to be made under Article III of this Plan. Reserves, if any, shall be distributed at the sole discretion of the Plan Administrator and shall not be subject to Bankruptcy Court approval.

C. Interim Distributions on Account of Allowed Claims

In accordance herewith, the Plan Administrator may (but shall not be required to) make a Distribution on a Quarterly Distribution Date if the Plan Administrator deems it appropriate and shall have the right to make more frequent interim Distributions to Holders of Allowed Claims if the Plan Administrator determines in its sole discretion that such additional interim Distributions are warranted and economical; provided, however, that any such Quarterly or other interim Distribution shall only be made if in the Plan Administrator's sole discretion, the Plan Administrator retains amounts reasonably necessary to make all Distributions pursuant to Article III of this Plan, meet contingent liabilities, maintain the value of the Assets during liquidation, and satisfy other liabilities or expenses that Liquidating BIPCo or the Plan Administrator incurs in accordance with this Plan or the Plan Administrator Agreement.

D. Final Distributions on Allowed Claims

Notwithstanding anything herein to the contrary, upon (1) the settlement and satisfaction, or disallowance, of all Administrative, Professional Fee and Priority Claims, (2) the completion and prosecution and/or settlement of all objections to all other Claims and the Remaining Causes of Action, (3) the liquidation of all Assets and (4) the completion of all matters necessary to effectuate the Wind Down, the Plan Administrator shall distribute, as soon thereafter as reasonably practicable, all remaining Assets and proceeds thereof pursuant to the terms of this Plan. To the extent that the foregoing can be accomplished by the Initial Distribution Date, the Plan Administrator may effectuate all required Distributions on the Initial Distribution Date.

E. Administrative Fund and Disputed Claims Reserve

1. Administrative Fund

On the Effective Date, the Plan Administrator shall cause Liquidating BIPCo to establish the Administrative Fund with the approval of the Wind Down Creditors' Committee. The initial amount of the Administrative Fund shall be based on the Wind Down Budget. The Plan Administrator, subject to the oversight of the Wind Down Creditors' Committee, shall pay all costs and expenses from the Administrative Fund related to carrying out the activities of Liquidating BIPCo under this Plan or the Plan Administrator Agreement and shall pay all Allowed and unpaid Administrative Expenses. In the Plan Administrator's reasonable discretion and with the prior written consent of the Wind Down Creditors' Committee, and to the extent funds are available after funding the Disputed Claims Reserve, additional funds may be added to the Administrative Fund to complete the Wind Down and the liquidation and Distribution of the Assets, to prosecute the Remaining Causes of Action or for administration or other miscellaneous needs without further notice, motion or order of the Bankruptcy Court. Notwithstanding anything herein to the contrary, all amounts paid out of the Administrative Fund shall be paid in accordance with the Administrative Fund Procedures.

2. Disputed Claims Reserve

On the Initial Distribution Date, and prior to making all Distributions required to be made on such date under this Plan, the Plan Administrator shall establish a separate Disputed Claims Reserve for Disputed Claims, other than Administrative Claims, which shall be administered by the Plan Administrator. The Plan Administrator shall reserve in Cash or other Assets, for Distribution on account of each Disputed Claim, the *Pro Rata* portion of the full asserted amount (or such lesser amount as may be estimated by the Court in accordance with Article VII.A.3) of each Disputed Claim.

To the extent that the Assets placed in a Disputed Claims Reserve consist of Cash, such Cash shall be deposited in an interest-bearing account. Liquidating BIPCo shall hold Assets in the Disputed Claims Reserve in trust for the benefit of the Holders of Claims ultimately determined to be Allowed. The Disputed Claims Reserve shall be closed and extinguished by the Plan Administrator when all Distributions and other dispositions of Cash or other Assets required to be made hereunder shall have been made in accordance with the terms of this Plan. Upon closure of the Disputed Claims Reserve, all Cash or other Assets held in the Disputed Claims Reserve shall revert in and become the Assets of Liquidating BIPCo; provided, however, that all proceeds of the Prepetition Senior Collateral shall be distributed to the First Lien Credit Facility Agent in accordance with Article III.B.2 hereof. All

funds or other Assets that vest or re-vest in Liquidating BIPCo pursuant to this paragraph shall be (a) used to pay the reasonable fees and expenses of the Plan Administrator as and to the extent set forth in this Plan and the Plan Administrator Agreement and in accordance with this Plan, the Wind Down Budget, and the Administrative Fund Procedures, and (b) thereafter, distributed to Holders of Allowed Claims in accordance with this Plan; provided, however, that all proceeds of the Prepetition Senior Collateral shall be distributed to the First Lien Credit Facility Agent in accordance with Article III.B.2 hereof.

F. Record Date for Distributions

Except as otherwise provided in a Final Order of the Bankruptcy Court, the transferees of Claims that are transferred pursuant to Bankruptcy Rule 3001 on or prior to the Record Date shall be treated as the Holders of those Claims for all purposes, notwithstanding that any period provided by Bankruptcy Rule 3001 for objecting to the transfer may not have expired by the Record Date. The Plan Administrator shall have no obligation to recognize any transfer of any Claim occurring after the Record Date. In making any Distribution with respect to any Claim, the Plan Administrator shall instead be entitled to recognize and deal with, for all purposes hereunder, only such Entity that is listed on the Proof of Claim Filed with respect thereto, or listed on the Schedules, as the Holder thereof as of the close of business on the Record Date, and upon such other evidence, record of transfer or assignment that are known to the Plan Administrator as of the Record Date; provided, however, that all proceeds of the Prepetition Senior Collateral shall be distributed to the First Lien Credit Facility Agent in accordance with Article III.B.2 hereof.

G. Delivery of Distributions

1. General Provisions; Undeliverable Distributions; DIP Credit Facility and First Lien Credit Facility

Subject to Bankruptcy Rule 9010 and except as otherwise provided herein, Distributions to the Holders of Allowed Claims shall be made by the Plan Administrator at (a) the address of each Holder as set forth in the Schedules, unless superseded by the address set forth on Proofs of Claim Filed by such Holder, or (b) the last known address of such Holder if no Proof of Claim is Filed or if the Debtor has been notified in writing of a change of address; provided, however, that all proceeds of the Prepetition Senior Collateral shall be distributed to the First Lien Credit Facility Agent in accordance with Article III.B.2 hereof. If any Distribution is returned as undeliverable, the Plan Administrator may, in its discretion and as the Plan Administrator deems appropriate, take such efforts to determine the current address of the Holder of the Claim with respect to such Distribution; provided, however, that no Distribution to any Holder shall be made unless and until the Plan Administrator has determined the then-current address of the Holder, at which time the Plan Administrator shall make such Distribution to such Holder without interest.

Amounts in respect of any undeliverable Distributions made by the Plan Administrator shall be returned to, and held in trust by, Liquidating BIPCo until the Distributions are claimed or are deemed to be unclaimed property under section 347(b) of the Bankruptcy Code as set forth in Article VI.G.3 below. The Plan Administrator shall have the discretion to determine how to make Distributions in the most efficient and cost-effective manner possible; provided, however, that the Plan Administrator's discretion may not be exercised in a manner inconsistent with any of this Plan's express requirements.

Notwithstanding anything in this Plan to the contrary, (x) any expense reimbursement or indemnity provisions contained in the First Lien Credit Facility or DIP Credit Facility, or any loan document governing or entered into in connection with the First Lien Credit Facility or DIP Credit Facility, shall survive in the manner and to the extent set forth therein, (y) any Distribution with respect to the First Lien Credit Facility or DIP Credit Facility shall be made by the Debtor, Liquidating BIPCo or the Plan Administrator, as applicable, to the First Lien Credit Facility Agent or DIP Agent, as applicable, and shall be applied by such agent in accordance with the terms and conditions of the First Lien Credit Facility or DIP Credit Facility, as applicable, except as otherwise provided in Article VI.M hereof, and (z) nothing in this Plan, including the releases provided in Article X hereof, shall impair or otherwise limit the obligation of any Affiliate of the Debtor or any other guarantor under the First Lien Credit Facility or the Second Lien Credit Facility to pay in full in Cash the First Lien Claims and the Second Lien Claims to the extent and manner set forth in the First Lien Credit Facility or the Second Lien Credit Facility or any loan document governing or entered into in connection with the First Lien Credit Facility or the Second Lien Credit

Facility. For the avoidance of doubt, distributions with respect to the Second Lien Credit Facility shall be made directly to the Holders of Second Lien Claims as of the Record Date.

2. Minimum Distributions

Notwithstanding anything herein to the contrary, if a Distribution to be made to a Holder of an Allowed Claim on the Initial Distribution Date or any subsequent date for Distributions (other than the final Distribution Date) totals \$50 or less in the aggregate, no such Distribution shall be made to that Holder unless a request therefor is made in writing to the Plan Administrator.

3. Unclaimed Property

Except with respect to Assets held in the Disputed Claims Reserve, Distributions that are not claimed within the expiration of one year from the Distribution Date on which such Distribution was made shall be deemed to be unclaimed property under section 347(b) of the Bankruptcy Code and shall vest or revest in Liquidating BIPCo free from any restrictions thereon. The Claims upon which such Distributions are based shall be automatically canceled and expunged. After the expiration of one year from the Distribution Date on which such Distribution was made, the Claim of any Entity to those Distributions shall be released and forever barred, notwithstanding federal or state escheat laws to the contrary. Nothing contained in this Plan shall require the Plan Administrator to attempt to locate any Holder of an Allowed Claim. All funds or other Assets that vests or revests in Liquidating BIPCo pursuant to this Article shall be distributed by the Plan Administrator to the other Holders of Allowed Claims in accordance with the provisions of this Plan.

H. Surrender of Canceled Instruments and Securities

On the Effective Date, or as soon as reasonably practicable thereafter, each Holder of a Certificate, to the extent that any exist, shall be deemed to have surrendered such Certificate to the Plan Administrator. Such surrendered Certificate shall be canceled solely with respect to the Debtor, and such cancellation shall not alter the obligations or rights of any non-Debtor third parties vis-à-vis one another with respect to such Certificate. Notwithstanding anything herein to the contrary, this paragraph shall not apply to Certificates evidencing Claims that are rendered Unimpaired under this Plan.

I. Manner of Cash Payments Under this Plan

Cash payments made pursuant to this Plan shall be in United States dollars by checks drawn on a domestic bank selected by the Plan Administrator or by wire transfer from a domestic bank, at the option of the Plan Administrator.

J. Time Bar to Cash Payments by Check

Checks issued by the Plan Administrator on account of Allowed Claims shall be null and void if not negotiated within 90 days after the date of issuance thereof. Requests for the reissuance of any check that becomes null and void pursuant to this Article VI.J shall be made directly to the Plan Administrator by the Holder of the Allowed Claim to whom the check was originally issued. Any Claim in respect of such voided check shall be made in writing on or before the later of the first anniversary of the Initial Distribution Date or the first anniversary of the date on which the Claim at issue became an Allowed Claim. After such date, all Claims in respect of void checks shall be released and forever barred. The proceeds of such checks shall revest in and become the property of Liquidating BIPCo as unclaimed property in accordance with section 347(b) of the Bankruptcy Code and be distributed in accordance with Article VI.G.3.

K. Compliance with Tax Requirements

In connection with making Distributions under this Plan, to the extent applicable, the Plan Administrator shall comply with all tax withholding and reporting requirements imposed on it by any governmental unit. All Distributions pursuant to this Plan shall be subject to such withholding and reporting requirements. The Plan

Administrator may withhold an entire Distribution due to any Holder of an Allowed Claim until such time as such Holder provides the necessary information to comply with any withholding requirements of any governmental unit. Any property so withheld will then be paid by the Plan Administrator to the appropriate authority. If the Holder of an Allowed Claim fails to provide the information necessary to comply with any withholding requirements of any governmental unit within six months from the date the Holder was first notified in writing of the need for such information, or for the Cash necessary to comply with any applicable withholding requirements, then such Holder's Distribution shall be treated as an undeliverable Distribution in accordance with Article VI.G.1.

L. Interest on Claims

Except as specifically provided for in this Plan, the Confirmation Order or other Final Order of the Bankruptcy Court (including the Final DIP Order), interest shall not accrue on Claims and no Holder of a Claim shall be entitled to interest accruing on or after the Petition Date on any Claim. Interest shall not accrue or be paid on any Disputed Claim with respect to the period from the Petition Date to the date a final Distribution is made thereon if and after that Disputed Claim becomes an Allowed Claim. Except as expressly provided herein, or in a Final Order of the Bankruptcy Court or other court of competent jurisdiction, no prepetition Claim shall be Allowed to the extent that it is for postpetition interest or other similar charges.

M. Setoff and Recoupment

1. By the Plan Administrator

The Plan Administrator may, but shall not be required to, setoff against, or recoup from, any Claim and the Distributions to be made pursuant to this Plan in respect thereof, any claims or defenses of any nature whatsoever that any of the Debtor, the Estate, Liquidating BIPCo or the Plan Administrator may have against the Holder of such Claim; provided, however, that neither the failure to do so nor the allowance of any Claim under this Plan shall constitute a waiver or release by the Debtor, the Estate, Liquidating BIPCo or the Plan Administrator of any right of setoff or recoupment that any such Entity may have against the Holder of any Claim.

2. By the Purchaser

Notwithstanding anything herein to the contrary, pursuant to and in accordance with section 2.2.1 of the ASA, any Distribution to a Lender Owner on account of (a) such Lender Owner's Claim as a lender under the First Lien Credit Facility pursuant to Article III.B.2 hereof and (b) such Lender Owner's Claim as a DIP Lender under the DIP Credit Facility pursuant to Article II.A.2 hereof was offset against the Cash Component (as defined in the ASA) of the Purchase Price (as defined in the ASA), such that the Cash Component was reduced by the amount of such Lender Owner's Claims in lieu of a Distribution of Cash or other Assets by the Plan Administrator to the Lender Owner at the Sale Closing.

ARTICLE VII.

PROCEDURES FOR RESOLVING CONTINGENT, UNLIQUIDATED AND DISPUTED CLAIMS

A. Resolution of Disputed Claims

1. Allowance of Claims

After the Effective Date, the Plan Administrator shall maintain any and all rights and defenses that the Debtor had with respect to any Claim, except with respect to any Claim deemed Allowed under this Plan or other Final Order of the Bankruptcy Court. Except as expressly provided in this Plan or in any order entered in the Chapter 11 Case (including the Confirmation Order and Final DIP Order), no Claim shall become an Allowed Claim unless and until the Plan Administrator determines, in its sole discretion, that such Claim shall be Allowed or such Claim is Allowed pursuant to Final Order of the Bankruptcy Court. All settled Claims approved prior to the

Effective Date pursuant to a Final Order of the Bankruptcy Court under Bankruptcy Rule 9019, or otherwise, shall be binding on all parties.

2. Objections to Claims

After the Confirmation Date but before the Effective Date, the Debtor, and after the Effective Date until the applicable Claims Objection Bar Date, the Plan Administrator shall maintain the exclusive authority to file objections to Claims and settle, compromise, withdraw or litigate to judgment such objections. From and after the Effective Date, the Plan Administrator may settle or compromise any Disputed Claim without any further notice to or action, order or approval of the Bankruptcy Court, but subject to the oversight of the Wind Down Creditors' Committee. The Plan Administrator shall have the sole authority to administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order or approval of the Bankruptcy Court.

3. Claims Estimation

After the Confirmation Date but before the Effective Date, the Debtor, and after the Effective Date, the Plan Administrator may, at any time, request that the Bankruptcy Court estimate (a) any Disputed Claim pursuant to applicable law, and (b) any contingent or unliquidated Claim pursuant to applicable law, including section 502(c) of the Bankruptcy Code, regardless of whether the Debtor or the Plan Administrator has previously objected to such Claim, or whether the Bankruptcy Court has ruled on any such objection. The Bankruptcy Court shall retain jurisdiction under 28 U.S.C. §§ 157 and 1334 to estimate any Disputed Claim, contingent Claim or unliquidated Claim, including during any litigation concerning any objection to any Claim or during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any Disputed, contingent or unliquidated Claim, such estimated amount shall constitute either the Allowed amount of such Claim or a maximum limitation on such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on such Claim, the Debtor, Liquidating BIPCo or the Plan Administrator, as applicable, may elect to pursue any supplemental proceedings to object to any ultimate payment on such Claim.

Notwithstanding any other provision in this Plan, a Claim that the Plan Administrator has expunged from the Claims Register, but that is subject to appeal or has not been the subject of a Final Order, shall be deemed to be estimated at zero dollars, unless otherwise ordered by the Bankruptcy Court. All of the aforementioned Claims and objection, estimation and resolution procedures are cumulative and not exclusive of one another. Claims may be estimated and subsequently compromised, settled, withdrawn or resolved by any permitted mechanism at the Plan Administrator's sole discretion, but subject to the oversight of the Wind Down Creditors' Committee.

4. Expungement or Adjustment of Claims Without Objection

Any Claim that has been fully or partially paid, satisfied or superseded may be expunged or adjusted on the Claims Register by the Plan Administrator. Any Claim that has been amended may be adjusted on the Claims Register by the Plan Administrator. The Plan Administrator is authorized to take the foregoing action in this Article VII.A.4 without requiring that a claims objection be filed and without any further notice to or action, order or approval of the Bankruptcy Court.

5. Deadline to File Objections to Claims

Any objections to Claims shall be filed no later than the applicable Claims Objection Bar Date.

B. Disallowance of Claims

All Claims of any Entity from which the Debtor, Liquidating BIPCo, the Plan Administrator or the Wind Down Creditors' Committee seek return of property under sections 542, 543, 550 or 553 of the Bankruptcy Code, or that the Debtor, Liquidating BIPCo, the Plan Administrator or the Wind Down Creditors' Committee allege is a transferee of a transfer that is avoidable under section 522(f), 522(h), 544, 545, 547, 548, 549 or 724(a) of the Bankruptcy Code, shall be disallowed if (1) the Entity, on the one hand, and the Debtor, Liquidating BIPCo, the

Plan Administrator or the Wind Down Creditors' Committee, as applicable, on the other hand, agree, or the Bankruptcy Court has determined by Final Order, that such Entity or transferee is liable to turnover any property or monies under any of the aforementioned sections of the Bankruptcy Code, and (2) such Entity or transferee has failed to turnover such property by the date set forth in such agreement or Final Order.

C. Amendments to Claims

Except as otherwise provided herein, on or after the Effective Date, a Claim may not be filed or amended without the prior authorization of the Bankruptcy Court or the Plan Administrator. To the extent such prior authorization is not received, any such new or amended Filed Claim shall be deemed disallowed and expunged without any further notice to or action, order or approval of the Bankruptcy Court.

D. No Distributions Pending Allowance

If an objection to a Claim or portion thereof is filed prior to the Effective Date, no payment or Distribution provided under this Plan shall be made on account of such Claim, or portion thereof, unless and until such Disputed Claim becomes an Allowed Claim pursuant to a Final Order.

E. Distributions After Allowance

To the extent that a Disputed Claim ultimately becomes an Allowed Claim, Distributions, if any, shall be made to the Holder of such Allowed Claim in accordance with the provisions of this Plan. As soon as practicable after the date that the order or judgment of the Bankruptcy Court allowing any Disputed Claim becomes a Final Order, the Plan Administrator shall provide the Distribution, if any, that would have been made to such Holder on the previous Distribution Dates had such Allowed Claim been allowed on such Distribution Dates, without any interest to be paid on account of such Claim unless required under applicable bankruptcy law.

ARTICLE VIII.

TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES

A. Rejection of Executory Contracts and Unexpired Leases

Except with respect to those Executory Contracts and Unexpired Leases assumed and assigned, or to be assumed and assigned by the Debtor in accordance with the terms of the ASA, this Plan shall constitute a motion to reject all of the Executory Contracts and Unexpired Leases that remain with the Estate, if any, for which the Debtor shall have no further liability. The entry of the Confirmation Order by the Bankruptcy Court shall constitute approval of such rejections pursuant to sections 365(a) and 1123 of the Bankruptcy Code and a finding that such rejections are in the best interest of the Debtor, its Estate and all parties in interest in this Chapter 11 Case.

The Debtor reserves the right to assume and assign any Executory Contract or Unexpired Lease not assumed and assigned in accordance with the terms of the ASA. In the event that the Debtor determines that it is in the best interests of the Estate to assume and assign an Executory Contract or Unexpired Lease, the Debtor shall File, at least ten (10) days prior to the Confirmation Hearing an exhibit to this Plan identifying those Executory Contracts and Unexpired Leases that the Debtor intends to assume and assign.

B. Claims Based on Rejection of Executory Contracts or Unexpired Leases

Claims created by the rejection of Executory Contracts and Unexpired Leases pursuant to Article VIII.A of this Plan, or the expiration or termination of any executory contract or unexpired lease prior to the Effective Date, must be Filed with the Bankruptcy Court and served on the Debtor no later than 30 days after the Effective Date. Any Claims arising from the rejection of an Executory Contract or Unexpired Lease pursuant to Article VIII.A for which Proofs of Claim are not timely Filed will be forever barred from assertion against the Debtor, the Estate, Liquidating BIPCo, their successors and assigns, and their assets and properties, unless otherwise ordered by the

Bankruptcy Court or as otherwise provided herein. All such Claims shall, as of the Effective Date, be subject to the releases and permanent injunction set forth in Article X. Unless otherwise ordered by the Bankruptcy Court, all such Claims that are timely Filed as provided herein shall be treated as General Unsecured Claims under this Plan and shall be subject to all of the provisions of this Plan.

ARTICLE IX.

CONDITIONS PRECEDENT TO THE EFFECTIVE DATE

A. Conditions

It shall be a condition to the Effective Date that the following conditions shall have been satisfied or waived pursuant to the provisions of Article IX.B.

1. All actions, documents, certificates and agreements necessary to implement this Plan, including documents contained in any supplement hereto, shall have been effected or executed and delivered, as the case may be, to the required parties and, to the extent required, filed with the applicable governmental units in accordance with applicable laws; provided, however, that each document, instrument and agreement must be reasonably acceptable to the Debtor. All conditions precedent to the effectiveness of such documents and agreements shall have been satisfied or waived pursuant to the terms of such documents or agreements;

2. The Bankruptcy Court shall have entered the Confirmation Order;

3. The Confirmation Order shall have become a Final Order;

4. The CCAA Court shall have entered an order in the CCAA Cases approving the Estate Allocation Settlement Agreement and there shall be no stay of such order in effect.

5. The CCAA Court shall have entered an order in the CCAA Cases sanctioning the CCAA Plan and there shall be no stay of such order in effect.

6. All of the conditions to effectiveness of the CCAA Plan shall have been satisfied or shall be satisfied immediately upon the effectiveness of this Plan; and

7. All conditions to the distribution of proceeds from the Canadian Escrow Account shall have been satisfied.

B. Waiver of Conditions

Notwithstanding the foregoing, but subject to Section 1127 of the Bankruptcy Code, the Debtor reserves the right to waive, with the written consent of the Majority First Lien Lenders and the Creditors' Committee, the occurrence of any condition precedent to the Effective Date or to modify any of the foregoing conditions precedent; provided, however, that the Debtor may not waive or modify the condition precedent set forth in Article IX.A.2 above. Any such written waiver of a condition precedent set forth in this Article may be effected at any time, without notice, without leave or order of the Bankruptcy Court, and without any formal action other than written consent of the Debtor, the Majority First Lien Lenders and the Creditors' Committee and proceeding to consummate this Plan. Any actions required to be taken on the Effective Date shall take place and shall be deemed to have occurred simultaneously, and no such action shall be deemed to have occurred prior to the taking of any other such action.

ARTICLE X.

SETTLEMENT, RELEASE, INJUNCTION AND RELATED PROVISIONS

A. *Compromise and Settlement*

Notwithstanding anything herein to the contrary, the allowance, classification and treatment of all Allowed Claims and their respective Distributions and treatments hereunder takes into account and conforms to the relative priority and rights of the Claims and the Equity Interests in each Class in connection with any contractual, legal and equitable subordination rights relating thereto, whether arising under general principles of equitable subordination, section 510(b) and (c) of the Bankruptcy Code, or otherwise. As of the Effective Date, any and all such rights described in the preceding sentence are settled, compromised and released pursuant hereto (other than those set forth in the Prepetition Intercreditor Agreement, which shall survive the Effective Date). The Confirmation Order shall constitute the Bankruptcy Court's finding and determination that the settlements reflected in this Plan are (a) in the best interests of the Debtor, its Estate and all Holders of Claims, (b) fair, equitable and reasonable, (c) made in good-faith and (d) approved by the Bankruptcy Court pursuant to section 363 of the Bankruptcy Code and Bankruptcy Rule 9019. The Confirmation Order shall approve the releases by all Entities of all such contractual, legal and equitable subordination rights or Causes of Action that are satisfied, compromised and settled pursuant hereto (other than those set forth in the Prepetition Intercreditor Agreement, which shall survive the Effective Date).

B. *Releases*

1. Releases by the Debtor

PURSUANT TO SECTION 1123(B) OF THE BANKRUPTCY CODE, AND EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THIS PLAN, FOR GOOD AND VALUABLE CONSIDERATION, INCLUDING THE SERVICE OF THE RELEASED PARTIES TO FACILITATE THE SALE AND THE IMPLEMENTATION OF THE LIQUIDATION CONTEMPLATED BY THIS PLAN, ON AND AFTER THE EFFECTIVE DATE, THE RELEASED PARTIES ARE DEEMED RELEASED BY THE DEBTOR, THE PLAN ADMINISTRATOR, CREDITORS' COMMITTEE AND THE ESTATE FROM ANY AND ALL CLAIMS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, REMEDIES AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED OR ASSERTABLE ON BEHALF OF THE DEBTOR, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREINAFTER ARISING, IN LAW, EQUITY OR OTHERWISE, THAT THE DEBTOR, THE PLAN ADMINISTRATOR, THE CREDITORS' COMMITTEE OR THE ESTATE WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT IN ITS OWN RIGHT (WHETHER INDIVIDUALLY OR COLLECTIVELY) OR ON BEHALF OF THE HOLDER OF ANY CLAIM OR EQUITY INTEREST OR OTHER ENTITY, BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, THIS CHAPTER 11 CASE AND THE CCAA CASES, THE SALE, THE SUBJECT MATTER OF, OR THE TRANSACTIONS OR EVENTS GIVING RISE TO, ANY CLAIM OR EQUITY INTEREST THAT IS TREATED IN THIS PLAN, THE BUSINESS OR CONTRACTUAL ARRANGEMENTS BETWEEN THE DEBTOR AND ANY RELEASED PARTY, THE RESTRUCTURING OF CLAIMS AND EQUITY INTERESTS PRIOR TO OR IN THIS CHAPTER 11 CASE, THE NEGOTIATION, FORMULATION OR PREPARATION OF THE SALE, THIS PLAN, THE DISCLOSURE STATEMENT OR RELATED AGREEMENTS,

INSTRUMENTS OR OTHER DOCUMENTS, UPON ANY OTHER ACT OR OMISSION, TRANSACTION, AGREEMENT, EVENT OR OTHER OCCURRENCE TAKING PLACE ON OR BEFORE THE CONFIRMATION DATE, OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY THAT IS DETERMINED BY A FINAL ORDER TO HAVE CONSTITUTED WILLFUL MISCONDUCT, GROSS NEGLIGENCE, FRAUD, BREACH OF FIDUCIARY DUTY OR A CRIMINAL ACT; PROVIDED, HOWEVER, THAT NOTWITHSTANDING ANYTHING TO THE CONTRARY HEREIN, NOTHING HEREIN SHALL BE DEEMED TO RELEASE ANY ENTITY FROM THE PURCHASED CAUSES OF ACTION OR FROM ANY SUITS, DAMAGES, CAUSES OF ACTION, REMEDIES AND LIABILITIES WHATSOEVER ASSOCIATED THEREWITH.

2. Releases by Holders of Claims and Equity Interests

AS OF THE EFFECTIVE DATE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW AND EXCEPT WHERE OTHERWISE EXPRESSLY SET FORTH IN THIS PLAN, EACH HOLDER OF A CLAIM OR AN EQUITY INTEREST, EXCEPT WITH RESPECT TO THOSE HOLDERS OF CLAIMS OR EQUITY INTERESTS WHO VOTE TO REJECT THIS PLAN OR ARE DEEMED TO REJECT THIS PLAN, SHALL BE DEEMED TO HAVE CONCLUSIVELY, ABSOLUTELY, UNCONDITIONALLY, IRREVOCABLY AND FOREVER RELEASED THE DEBTOR, THE PLAN ADMINISTRATOR AND THE OTHER RELEASED PARTIES FROM ANY AND ALL CLAIMS, EQUITY INTERESTS, OBLIGATIONS, RIGHTS, SUITS, DAMAGES, CAUSES OF ACTION, REMEDIES AND LIABILITIES WHATSOEVER, INCLUDING ANY DERIVATIVE CLAIMS ASSERTED ON BEHALF OF THE DEBTOR, WHETHER KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, EXISTING OR HEREAFTER ARISING, IN LAW, EQUITY OR OTHERWISE, THAT SUCH HOLDER WOULD HAVE BEEN LEGALLY ENTITLED TO ASSERT (WHETHER INDIVIDUALLY OR COLLECTIVELY), BASED ON OR RELATING TO, OR IN ANY MANNER ARISING FROM, IN WHOLE OR IN PART, THIS CHAPTER 11 CASE AND THE CCAA CASES, THE SALE, THE SUBJECT MATTER OF, OR THE TRANSACTIONS OR EVENTS GIVING RISE TO, ANY CLAIM OR EQUITY INTEREST THAT IS TREATED IN THIS PLAN, THE BUSINESS OR CONTRACTUAL ARRANGEMENTS BETWEEN THE DEBTOR (OR ANY OF ITS AFFILIATES) AND ANY RELEASED PARTY, THE RESTRUCTURING OF CLAIMS AND EQUITY INTERESTS PRIOR TO OR DURING THIS CHAPTER 11 CASE, THE NEGOTIATION, FORMULATION OR PREPARATION OF THE SALE, THIS PLAN, THE DISCLOSURE STATEMENT OR RELATED AGREEMENTS, INSTRUMENTS OR OTHER DOCUMENTS, UPON ANY OTHER RELATED ACT OR OMISSION, TRANSACTION, AGREEMENT, EVENT OR OTHER RELATED OCCURRENCE TAKING PLACE ON OR BEFORE THE CONFIRMATION DATE, OTHER THAN CLAIMS OR LIABILITIES ARISING OUT OF OR RELATING TO ANY ACT OR OMISSION OF A RELEASED PARTY THAT IS DETERMINED BY A FINAL ORDER TO HAVE CONSTITUTED WILLFUL MISCONDUCT, GROSS NEGLIGENCE, FRAUD, BREACH OF FIDUCIARY DUTY OR A CRIMINAL ACT.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE RELEASE SET FORTH DIRECTLY ABOVE DOES NOT RELEASE: (A) ANY POST-EFFECTIVE DATE OBLIGATIONS OF ANY PARTY UNDER THIS PLAN OR ANY DOCUMENT, INSTRUMENT OR AGREEMENT EXECUTED TO IMPLEMENT THIS PLAN, INCLUDING, WITHOUT LIMITATION, THE ESTATE ALLOCATION SETTLEMENT AGREEMENT; (B) ANY OF THE AFOREMENTIONED RELEASED PARTIES FROM PERSONAL LIABILITY ON ACCOUNT OF ANY STATUTORY VIOLATION OF APPLICABLE TAX LAWS OR BAR ANY RIGHT OF ACTION ASSERTED BY A GOVERNMENTAL TAXING AUTHORITY AGAINST THE AFOREMENTIONED RELEASED PARTY FOR ANY STATUTORY VIOLATION OF APPLICABLE TAX LAWS; (C) ANY OBLIGATION OF ANY AFFILIATE OF THE DEBTOR OR ANY OTHER GUARANTOR TO PAY IN FULL IN CASH THE FIRST LIEN CLAIMS AND SECOND LIEN CLAIMS TO THE EXTENT AND MANNER SET FORTH IN THE FIRST LIEN CREDIT FACILITY OR SECOND LIEN CREDIT FACILITY OR ANY LOAN DOCUMENT GOVERNING OR ENTERED INTO IN CONNECTION WITH THE FIRST LIEN CREDIT FACILITY OR SECOND LIEN CREDIT FACILITY; (D) ANY ENTITY FROM THE PURCHASED CAUSES OF ACTION OR FROM ANY SUITS, DAMAGES, CAUSES OF ACTION, REMEDIES AND LIABILITIES WHATSOEVER ASSOCIATED THEREWITH; OR (E) THE DEBTOR OR THE CANADIAN SELLERS FROM ANY RIGHTS, CLAIMS, OR CAUSES OF ACTION OF THE PURCHASER UNDER, IN CONNECTION WITH, OR ARISING OUT OF

THE ASA, OR FROM ANY SUITS, DAMAGES, CAUSES OF ACTION, REMEDIES AND LIABILITIES WHATSOEVER ASSOCIATED THEREWITH.

3. Approval of the Releases

ENTRY OF THE CONFIRMATION ORDER SHALL CONSTITUTE THE BANKRUPTCY COURT'S APPROVAL, PURSUANT TO BANKRUPTCY RULE 9019, OF THE RELEASES SET FORTH IN THIS ARTICLE X.B AND ITS FINDING THAT THE RELEASES ARE: (A) IN EXCHANGE FOR GOOD AND VALUABLE CONSIDERATION, REPRESENTING A GOOD-FAITH SETTLEMENT AND COMPROMISE OF THE CLAIMS AND CAUSES OF ACTION THEREBY RELEASED; (B) IN THE BEST INTERESTS OF THE DEBTOR, ITS ESTATE AND ALL HOLDERS OF CLAIMS; (C) FAIR, EQUITABLE AND REASONABLE; (D) APPROVED AFTER DUE NOTICE AND OPPORTUNITY FOR HEARING; AND (E) A BAR TO ANY OF THE DEBTOR, ITS ESTATE, THE PLAN ADMINISTRATOR OR CREDITORS' COMMITTEE TO ASSERT ANY CLAIM OR CAUSE OF ACTION THEREBY RELEASED.

C. Exculpation

UPON AND EFFECTIVE AS OF THE EFFECTIVE DATE, THE EXCULPATED PARTIES WILL ALL BE DEEMED TO HAVE SOLICITED ACCEPTANCES OF THIS PLAN IN GOOD-FAITH AND IN COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE BANKRUPTCY CODE, INCLUDING SECTION 1125(E) OF THE BANKRUPTCY CODE.

EXCEPT WITH RESPECT TO ANY ACTS OR OMISSIONS EXPRESSLY SET FORTH IN AND PRESERVED BY THIS PLAN OR RELATED DOCUMENTS, THE EXCULPATED PARTIES SHALL NEITHER HAVE, NOR INCUR, ANY LIABILITY TO ANY ENTITY FOR ANY PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH, ARISING FROM OR RELATING IN ANY WAY TO, THIS CHAPTER 11 CASE, INCLUDING (A) THE OPERATION OF THE DEBTOR'S BUSINESS DURING THE PENDENCY OF THIS CHAPTER 11 CASE, (B) FORMULATING, NEGOTIATING, PREPARING, DISSEMINATING, IMPLEMENTING AND/OR EFFECTING THE SALE, THE DISCLOSURE STATEMENT, THIS PLAN OR THE ESTATE ALLOCATION SETTLEMENT AGREEMENT (INCLUDING ANY RELATED CONTRACT, INSTRUMENT, RELEASE, OTHER AGREEMENT OR DOCUMENT CREATED OR ENTERED INTO IN CONNECTION THEREWITH), (C) THE SOLICITATION OF VOTES FOR THIS PLAN AND THE PURSUIT OF CONFIRMATION OF THIS PLAN, (D) THE ADMINISTRATION OF THIS PLAN AND/OR THE ASSETS TO BE DISTRIBUTED UNDER THIS PLAN, AND (E) ANY OTHER PREPETITION OR POSTPETITION ACT TAKEN OR OMITTED TO BE TAKEN IN CONNECTION WITH, OR IN CONTEMPLATION OF, THE DEBTOR'S LIQUIDATION. IN ALL RESPECTS, EACH EXCULPATED PARTY SHALL BE ENTITLED TO RELY UPON THE ADVICE OF COUNSEL CONCERNING HIS, HER OR ITS RESPECTIVE DUTIES UNDER, PURSUANT TO OR IN CONNECTION WITH, THIS PLAN.

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, THE FOREGOING SHALL NOT EXCULPATE (I) ANY ENTITY FROM ANY LIABILITY RESULTING FROM (A) ANY ACT OR OMISSION CONSTITUTING FRAUD, WILLFUL MISCONDUCT, GROSS NEGLIGENCE, CRIMINAL CONDUCT, MALPRACTICE OR MISUSE OF CONFIDENTIAL INFORMATION THAT CAUSES DAMAGES OR ULTRA VIRES ACT AS DETERMINED BY A FINAL ORDER, OR (B) THE PURCHASED CAUSES OF ACTION, (II) ANY AFFILIATE OF THE DEBTOR OR ANY OTHER GUARANTOR FROM ANY LIABILITY ARISING UNDER THE FIRST LIEN CREDIT FACILITY OR SECOND LIEN CREDIT FACILITY OR ANY LOAN DOCUMENT GOVERNING OR ENTERED INTO IN CONNECTION WITH THE FIRST LIEN CREDIT FACILITY OR SECOND LIEN CREDIT FACILITY, INCLUDING THE OBLIGATION TO PAY IN FULL IN CASH THE FIRST LIEN CLAIMS OR THE SECOND LIEN CLAIMS TO THE EXTENT AND MANNER SET FORTH THEREIN, OR (III) THE DEBTOR OR THE CANADIAN SELLERS FROM ANY LIABILITY RESULTING FROM ANY RIGHTS, CLAIMS, OR CAUSES OF ACTION OF THE PURCHASER UNDER, IN CONNECTION WITH, OR ARISING OUT OF THE ASA.

D. Injunction

FROM AND AFTER THE EFFECTIVE DATE, EXCEPT WHERE OTHERWISE EXPRESSLY SET FORTH IN THIS PLAN, INCLUDING THE PURCHASED CAUSES OF ACTION, WHICH ARE NOT ENJOINED, ALL ENTITIES ARE PERMANENTLY ENJOINED FROM COMMENCING OR CONTINUING IN ANY MANNER AGAINST THE DEBTOR, LIQUIDATING BIPCO, THE PLAN ADMINISTRATOR, EACH RELEASED PARTY, EACH OF THEIR REPRESENTATIVES, THEIR SUCCESSORS AND ASSIGNS, AND THEIR ASSETS AND PROPERTIES, AS THE CASE MAY BE, ANY SUIT, ACTION OR OTHER PROCEEDING ON ACCOUNT OF OR RESPECTING ANY CLAIM, DEMAND, LIABILITY, OBLIGATION, DEBT, RIGHT, CAUSE OF ACTION, INTEREST OR REMEDY RELEASED OR TO BE RELEASED PURSUANT TO THIS PLAN OR THE CONFIRMATION ORDER.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR HEREIN OR IN OBLIGATIONS ISSUED PURSUANT HERETO, INCLUDING, BUT NOT LIMITED TO, THE PURCHASED CAUSES OF ACTION, WHICH ARE NOT PRECLUDED, FROM AND AFTER THE EFFECTIVE DATE, ALL ENTITIES SHALL BE PRECLUDED FROM ASSERTING AGAINST THE DEBTOR, THE ESTATE, LIQUIDATING BIPCO, THE PLAN ADMINISTRATOR, EACH RELEASED PARTY, EACH OF THEIR REPRESENTATIVES, ANY OF THEIR SUCCESSORS AND ASSIGNS, AND EACH OF THEIR RESPECTIVE CURRENT AND FORMER MEMBERS (INCLUDING EX OFFICIO MEMBERS), OFFICERS, DIRECTORS, EMPLOYEES, PARTNERS, ATTORNEYS, FINANCIAL ADVISORS, ACCOUNTANTS, MANAGED FUNDS, INVESTMENT BANKERS, INVESTMENT ADVISORS, ACTUARIES, PROFESSIONALS, AGENTS, AFFILIATES AND REPRESENTATIVES (EACH OF THE FOREGOING IN ITS INDIVIDUAL CAPACITY AS SUCH), AND THEIR ASSETS AND PROPERTIES, ANY OTHER CLAIMS OR EQUITY INTERESTS BASED UPON ANY DOCUMENTS, INSTRUMENTS, OR ANY ACT OR OMISSION, TRANSACTION OR OTHER ACTIVITY OF ANY KIND OR NATURE THAT OCCURRED BEFORE THE EFFECTIVE DATE THAT RELATE, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, TO THE DEBTOR OR THIS CHAPTER 11 CASE.

THE RIGHTS AFFORDED IN THIS PLAN AND THE TREATMENT OF ALL CLAIMS AND EQUITY INTERESTS HEREIN SHALL BE IN EXCHANGE FOR, AND IN COMPLETE SATISFACTION OF, CLAIMS AND EQUITY INTERESTS OF ANY NATURE WHATSOEVER, INCLUDING ANY INTEREST ACCRUED ON CLAIMS FROM AND AFTER THE PETITION DATE, AGAINST THE DEBTOR OR ANY OF ITS ASSETS, PROPERTY OR ESTATE. ON THE EFFECTIVE DATE, ALL SUCH CLAIMS AGAINST AND EQUITY INTERESTS IN THE DEBTOR SHALL BE FULLY RELEASED AS PROVIDED IN THIS PLAN.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR HEREIN OR IN OBLIGATIONS ISSUED PURSUANT HERETO FROM AND AFTER THE EFFECTIVE DATE, ALL CLAIMS AGAINST AND EQUITY INTERESTS IN THE DEBTOR SHALL BE FULLY RELEASED, AND THE DEBTOR'S LIABILITY WITH RESPECT THERETO, INCLUDING ANY LIABILITY OF THE KIND SPECIFIED UNDER SECTION 502(G) OF THE BANKRUPTCY CODE, SHALL BE DEEMED SATISFIED.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED FOR HEREIN OR IN OBLIGATIONS ISSUED PURSUANT HERETO, INCLUDING THE PURCHASED CAUSES OF ACTION, WHICH ARE NOT PRECLUDED, ALL ENTITIES SHALL BE PRECLUDED FROM ASSERTING AGAINST THE DEBTOR, THE ESTATE, LIQUIDATING BIPCO, THE PLAN ADMINISTRATOR, EACH RELEASED PARTY, THEIR REPRESENTATIVES, EACH OF THEIR RESPECTIVE SUCCESSORS AND ASSIGNS, AND EACH OF THEIR ASSETS AND PROPERTIES, ANY OTHER CLAIMS OR EQUITY INTERESTS BASED UPON ANY DOCUMENTS, INSTRUMENTS OR ANY ACT OR OMISSION, TRANSACTION OR OTHER ACTIVITY OF ANY KIND OR NATURE THAT OCCURRED BEFORE THE EFFECTIVE DATE THAT RELATE, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, TO THE DEBTOR OR THIS CHAPTER 11 CASE.

NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE INJUNCTION SET FORTH ABOVE DOES NOT ENJOIN: (A) ANY SUIT, ACTION OR OTHER PROCEEDING ON ACCOUNT OF OR RESPECTING ANY OBLIGATION OF ANY CCAA APPLICANT TO PAY IN FULL IN CASH THE FIRST LIEN CLAIMS OR SECOND LIEN CLAIMS TO THE EXTENT AND MANNER SET FORTH IN THE FIRST LIEN CREDIT FACILITY OR SECOND LIEN CREDIT FACILITY OR ANY LOAN DOCUMENT GOVERNING OR ENTERED INTO IN CONNECTION WITH THE FIRST

LIEN CREDIT FACILITY OR SECOND LIEN CREDIT FACILITY , INCLUDING THE RIGHT OF THE FIRST LIEN LENDERS OR SECOND LIEN LENDERS TO ANY RECOVERY IN THE CCAA CASES; OR (B) ANY SUIT, ACTION OR OTHER PROCEEDING ON ACCOUNT OF OR RESPECTING ANY RIGHTS, CLAIMS, OR CAUSES OF ACTION OF THE PURCHASER AGAINST THE DEBTOR OR THE CANADIAN SELLERS UNDER, IN CONNECTION WITH, OR ARISING OUT OF THE ASA.

ARTICLE XI.

BINDING NATURE OF PLAN

THIS PLAN SHALL BIND ALL HOLDERS OF CLAIMS AGAINST AND EQUITY INTERESTS IN THE DEBTOR TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, WHETHER OR NOT SUCH HOLDER (A) WILL RECEIVE OR RETAIN ANY PROPERTY OR INTEREST IN PROPERTY UNDER THIS PLAN, (B) HAS FILED A PROOF OF CLAIM OR INTEREST IN THIS CHAPTER 11 CASE, OR (C) FAILED TO VOTE TO ACCEPT OR REJECT THIS PLAN OR VOTED (OR IS DEEMED TO HAVE VOTED) TO REJECT THIS PLAN.

ARTICLE XII.

RETENTION OF JURISDICTION

Notwithstanding the entry of the Confirmation Order and the occurrence of the Effective Date, the Bankruptcy Court shall, after the Effective Date, retain the maximum legally permissible jurisdiction over this Chapter 11 Case and all Entities with respect to all matters related to this Chapter 11 Case, the Debtor and this Plan, including jurisdiction to:

1. allow, disallow, determine, liquidate, classify, estimate or establish the priority or secured or unsecured status of any Claim, including the resolution of any request for payment of any Administrative Claim, the resolution of any and all objections to the allowance or priority of any Claim, and the resolution of any and all issues related to the release of Liens upon payment of a Secured Claim;

2. for periods ending on or before the Effective Date, grant or deny any applications for allowance of compensation or reimbursement of expenses authorized pursuant to the Bankruptcy Code or this Plan;

3. resolve any matters related to the assumption, assignment or rejection of any Executory Contract or Unexpired Lease to which the Debtor is a party or with respect to which the Debtor may be liable; and to adjudicate and, if necessary, liquidate, any Claims arising therefrom;

4. ensure that Distributions to Holders of Allowed Claims are accomplished pursuant to the provisions of this Plan;

5. decide or resolve any motions, adversary proceedings, contested or litigated matters and any other Causes of Action that are pending as of the date hereof or that may be commenced in the future, and grant or deny any applications involving the Debtor that may be pending on the Effective Date or instituted by the Plan Administrator or the Wind Down Creditors' Committee after the Effective Date;

6. enter such orders as may be necessary or appropriate to implement or consummate the provisions of this Plan and all other contracts, instruments, releases, indentures and other agreements or documents adopted in connection with this Plan or the Disclosure Statement;

7. resolve any cases, controversies, suits or disputes that may arise in connection with the Effective Date, interpretation or enforcement of this Plan or any Entity's obligations incurred in connection with this Plan;

8. hear and determine all Causes of Action that are pending as of the Effective Date or that may be commenced in the future;

9. issue injunctions and enforce them, enter and implement other orders, or take such other actions as may be necessary or appropriate to restrain interference by any Entity with the Effective Date or enforcement of this Plan, except as otherwise provided in this Plan;

10. resolve any cases, controversies, suits or disputes with respect to the releases by the Debtor, the exculpation and other provisions contained in Article X, and enter such orders or take such other actions as may be necessary or appropriate to implement or enforce all such releases, injunctions and other provisions;

11. enter and implement such orders, or take such other actions as may be necessary or appropriate, if the Confirmation Order is modified, stayed, reversed, revoked or vacated;

12. resolve any matters that may arise in connection with or relate to the Sale, the ASA or the Sale Order, or any contract, instrument, other agreement or document adopted in connection with the Sale, the ASA or the Sale Order, and to enter orders in connection therewith;

13. decide or resolve any matters that arise in connection with or relate to interpretation of the ASA, and to enter orders in connection therewith;

14. decide or resolve any matters that arise in connection with or relate to Estate Allocation, and to enter orders in connection therewith;

15. resolve any other matters that may arise in connection with or relate to this Plan, the Disclosure Statement, the Confirmation Order or any contract, instrument, release, indenture or other agreement or document adopted in connection with this Plan or the Disclosure Statement; and

16. enter an order concluding this Chapter 11 Case.

ARTICLE XIII.

MISCELLANEOUS PROVISIONS

A. Modification of Plan

Effective as of the date hereof and subject to the limitations and rights contained in this Plan: (1) the Debtor reserves the right, in accordance with the Bankruptcy Code and the Bankruptcy Rules, and in consultation with the Creditors' Committee and the First Lien Credit Facility Agent, to amend or modify this Plan before the entry of the Confirmation Order; and (2) after the entry of the Confirmation Order, the Debtor or the Plan Administrator, as applicable, may, upon order of the Bankruptcy Court, amend or modify this Plan, in accordance with section 1127(b) of the Bankruptcy Code, or remedy any defect or omission, or reconcile any inconsistency in, this Plan in such manner as may be necessary to carry out the purpose and intent of this Plan.

B. Revocation of Plan

The Debtor reserves the right to revoke or withdraw this Plan before the Confirmation Date and to file subsequent chapter 11 plans. If the Debtor revokes or withdraws this Plan, or if Confirmation or the Effective Date does not occur, then: (1) this Plan shall be null and void in all respects; (2) any settlement or compromise embodied in this Plan, assumption or rejection of Executory Contracts or Unexpired Leases effected by this Plan, if any, and any document or agreement executed pursuant hereto, shall be deemed null and void; and (3) nothing contained in this Plan shall (a) constitute a waiver or release of any Claims by or against, or any Equity Interests in, the Debtor or any other Entity, (b) prejudice the Debtor or any other Entity's rights in any manner, or (c) constitute an admission, acknowledgement, offer or undertaking by the Debtor or any other Entity.

C. Successors and Assigns

The rights, benefits and obligations of any Entity named or referred to herein shall be binding on, and shall inure to the benefit of, such Entity's heir, executor, administrator, successor or assign.

D. Reservation of Rights

Except as expressly set forth herein, including with respect to votes cast on Ballots, this Plan shall have no force or effect unless and until the Bankruptcy Court enters the Confirmation Order. Neither the filing of this Plan, any statement or provision contained herein, nor the taking of any action by the Debtor or any other Entity with respect to this Plan, shall be, or shall be deemed to be, an admission or waiver of any rights of: (1) the Debtor with respect to the Holders of Claims against, or Equity Interests in, the Debtor, or other Entity; or (2) any Holder of a Claim or an Equity Interest, or other Entity, before the Effective Date.

E. Payment of Statutory Fees

The Plan Administrator shall pay from the Administrative Fund all fees payable pursuant to section 1930(a) of the Judicial Code for each quarter (including any fraction thereof) until this Chapter 11 Case is closed.

F. Section 1125(e) Good-Faith Compliance

The Debtor, Liquidating BIPCo, the Plan Administrator and the other Released Parties, and each of their respective Representatives, shall be deemed to have acted in "good-faith" under section 1125(e) of the Bankruptcy Code in connection with the confirmation and consummation of this Plan.

G. Further Assurances

The Debtor or Liquidating BIPCo, as applicable, all Holders of Claims receiving Distributions hereunder and all other Entities shall, from time to time, prepare, execute and deliver any agreements or documents, and take any other actions as may be reasonably necessary or advisable to effectuate the provisions and intent of this Plan or the Confirmation Order.

H. Severability

If, before Confirmation, any term or provision hereof is held by the Bankruptcy Court to be invalid, void or unenforceable, the Bankruptcy Court shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision then will be applicable as altered or interpreted; provided, however, that any such alteration or interpretation must be in form and substance reasonably acceptable to the Debtor and, to the extent such alteration or interpretation affects the rights or treatment of Holders of General Unsecured Claims, the Creditors' Committee or its members, and, to the extent such alteration or interpretation affects the rights or treatments of Holders of First Lien Claims, the First Lien Credit Facility Agent; provided further, however, that the Debtor may seek an expedited hearing before the Bankruptcy Court to address any objection to any such alteration or interpretation of the foregoing. Notwithstanding any such order, alteration or interpretation by the Bankruptcy Court, the remainder of the terms and provisions of this Plan shall remain in full force and effect. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of this Plan, as it may have been altered or interpreted in accordance with the foregoing, is valid and enforceable pursuant to its terms.

I. Service of Documents

Any pleading, notice or other document required by this Plan to be served on or delivered to the Debtor shall be sent by overnight mail to each of the following individuals:

White Birch Paper Company
80 Field Point Road
Greenwich, Connecticut 06830
Attn.: Edward Sherrick

with a copy to:

Troutman Sanders LLP
222 Central Park Avenue, Suite 2000
Virginia Beach, Virginia 23462
Attn.: Jonathan L. Hauser

Kirkland & Ellis LLP
601 Lexington Avenue
New York, New York 10022
Attn.: Christopher J. Marcus, P.C.
David S. Meyer

Hunton & Williams LLP
Riverfront Plaza, East Tower
951 E. Byrd Street
Richmond, Virginia 23219
Attn.: Tyler Brown
Jason Harbour

Office of the U.S. Trustee
701 East Broad Street, Suite 4304
Richmond, Virginia 23219
Attn.: Robert Van Arsdale

J. Filing of Additional Documents

On or before the Effective Date, the Debtor may file with the Bankruptcy Court all agreements and other documents that may be necessary or appropriate to effectuate and further evidence the terms and conditions hereof.

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Dated: March 31, 2015

Respectfully submitted,

ESTATE BIPCO, LLC

By: /s/ Edward D. Sherrick
Edward D. Sherrick
Its: Vice President and Chief Financial Officer

Prepared by:

TROUTMAN SANDERS LLP

Jonathan L. Hauser
VSB No. 18688
222 Central Park Avenue
Suite 2000
Virginia Beach, Virginia 23462
Telephone: (757) 687-7768
Facsimile: (757) 687-1505

KIRKLAND & ELLIS LLP

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CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was sent either electronically or by first class mail, postage prepaid, this 31st day of March, 2015, to all necessary parties.

/s/ Jonathan L. Hauser

Exhibit A

Estate Allocation Compromise and Settlement Agreement

ESTATE ALLOCATION COMPROMISE AND SETTLEMENT AGREEMENT

This Settlement Agreement (this "**Agreement**") dated as of February 24, 2015 is entered into by and among: (i) Estate BIPCO, LLC (*f/k/a* Bear Island Paper Company, L.L.C.), the debtor and debtor in possession (the "**U.S. Debtor**") in the chapter 11 case captioned *In re Estate BIPCO, LLC*, Case No. 10-31202 (DOT) (the "**Chapter 11 Case**"), currently pending before the United States Bankruptcy Court for the Eastern District of Virginia, Richmond Division (the "**Bankruptcy Court**"); (ii) BDCM Opportunity Fund II, L.P., Black Diamond CLO 2005-1 Ltd., Black Diamond CLO 2005-2 Ltd., Black Diamond CLO 2006-1 (Cayman) Ltd., Black Diamond International Funding, Ltd., and BDC Finance Ltd. (collectively "**Black Diamond**"); (iii) the official committee of unsecured creditors (the "**Committee**") appointed in the Chapter 11 Case pursuant to section 1102 of title 11 of the United States Code (the "**Bankruptcy Code**") by the United States Trustee for the Eastern District of Virginia on March 3, 2010 and then reconstituted on April 6, 2010; (iv) Estate WBPC Company (*f/k/a* White Birch Paper Company) ("**White Birch**"), a Nova Scotia Unlimited Liability Company, along with its subsidiaries Estate SGPI Inc. (*f/k/a* Stadacona General Partner Inc.), Estate SSEC L.P. (*f/k/a* Stadacona L.P.), Estate FFSGPI Inc. (*f/k/a* F.F. Soucy General Partner Inc.), Estate FFSIA L.P. (*f/k/a* F.F. Soucy, Inc. & Partners, Limited Partnership), FFS L.P. (*f/k/a* F.F. Soucy L.P.), Estate GCSI Inc. (*f/k/a* Arrimage de Gros Cacouna Inc.), and Estate PML Inc. (*f/k/a* Papier Masson Ltée) (collectively, the "**Canadian Debtors**") who are debtors under or party to a proceeding (the "**Canadian Proceeding**") under Canada's *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") pending before the Superior Court, Commercial Division, for the Judicial District of Montreal, Canada (the "**Canadian Court**"); (v) Ernst & Young Inc. in its capacity as monitor appointed by the Canadian Court in the Canadian Proceeding (the "**Monitor**"); and (vi) BD White Birch Investment LLC in its capacity, pursuant to that certain *Asset Sale Agreement* dated as of August 10, 2010, as purchaser (the "**Purchaser**") and with the U.S. Debtor, Black Diamond, the Committee, the Canadian Debtors, and the Monitor, collectively the "**Parties**" each of which shall be a "**Party**").

Recitals

WHEREAS, on February 24, 2010 (the "**Petition Date**"), the U.S. Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code with the Bankruptcy Court commencing the Chapter 11 Case and the Canadian Debtors commenced the Canadian Proceedings under the CCAA in the Canadian Court;

WHEREAS, the U.S. Debtor and certain of the Canadian Debtors entered into that certain *\$140,000,000 Senior Secured Priority U.S. Debtor-In-Possession Term Loan Credit Agreement*, dated as of March 1, 2010 (as amended, modified, supplemented or otherwise approved in the Initial CCAA Order and by Order of the Bankruptcy Court, the "**DIP Credit Agreement**" and the facility contemplated thereunder, the "**DIP Credit Facility**") to fund their respective bankruptcy proceedings;

WHEREAS, the U.S. Debtor and the Canadian Debtors pursued a going-concern sale of their businesses as part of their restructurings and respective bankruptcy proceedings;

WHEREAS, on August 10, 2010 the U.S. Debtor and the Canadian Debtors entered into that certain *Asset Sale Agreement* (as amended, the "**ASA**") with the Purchaser, which among other things contemplated the Sale (as defined below) to the Purchaser;

WHEREAS, on August 10, 2010 the U.S. Debtor filed the *Motion of Bear Island Paper Company, L.L.C. for Entry of Orders Approving the (A) Form of the Sale Agreement, (B) Bidding Procedures, (C) Form and Manner of Notice of the Auction and Sale Hearing, (D) Procedures for the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, (E) Sale of Assets Free and Clear of Liens, Claims, Encumbrances and Interests, and (F) Assumption and Assignment of Certain Executory Contracts and Unexpired Leases* [Docket No. 403] which, among other things, requested approval of proposed bidding procedures (the "**Bidding Procedures**") for the U.S. Debtor's and the Canadian Debtors' assets;

WHEREAS, on September 1, 2010, the Bankruptcy Court entered the *Order Approving (A) the Form of the Sale Agreement, (B) the Bidding Procedures, (C) the Sale Notice and (D) the Assumption Procedures and Assumption Notice* [Docket No. 469] (the "**Bid Procedures Order**") which, among other things, approved the Bidding Procedures which contemplated an auction for the U.S. Debtor's and the Canadian Debtors' assets;

WHEREAS, on September 21, 2010 an auction (the "**Auction**") was held in accordance with the Bid Procedures Order to determine the highest and best price for the U.S. Debtor's and the Canadian Debtors' assets;

WHEREAS, at the conclusion of the Auction, the Purchaser was deemed to have submitted the highest and best bid for the U.S. Debtor's and the Canadian Debtors' assets in accordance with the Bid Procedures Order;

WHEREAS, on September 28, 2010, the Canadian Court entered an order in the Canadian Proceeding approving the sale of the Canadian Debtors' assets to the Purchaser pursuant to the ASA (the "**Canadian Sale**") ;

WHEREAS, on November 3, 2010, the Bankruptcy Court entered the *Order (A) Authorizing and Approving the Sale of Assets Free and Clear of All Liens, Claims, Encumbrances and Other Interests, (B) Approving the Assumption and Assignment of the Assigned Contracts and (C) Granting Related Relief* [Docket No. 582] approving the sale of the U.S. Debtor's assets to the Purchaser pursuant to the ASA (the "**U.S. Sale**," and together with the Canadian Sale, the "**Sale**");

WHEREAS, pursuant to the ASA, the Purchase Price (as defined in the ASA) includes, among other things, (a) a Cash Component of \$90 million (as defined in the ASA) and (b) a Fixed Asset Cash Amount (as defined in the ASA);

WHEREAS, the ASA does not provide for the mechanism by which the Cash Component, any unused portion of the Fixed Asset Cash Amount, or the repayment of obligations under the DIP Credit Facility must be allocated among the U.S. Debtor's estate (the "**U.S. Estate**") and Canadian Debtors' estates (the "**Canadian Estates**") (collectively "**Estate Allocation**");

WHEREAS the Sale closed on September 13, 2012 (the "**Closing Date**");

WHEREAS, as of the date hereof, all claims associated with the Fixed Asset Cash Amount have been settled and paid and a balance of CDN\$1,288,182.96 remains (the "**Unused Fixed Asset Cash Amount**"), which amount is being held in a segregated account in trust by the Monitor (the "**Fixed Asset Cash Account**") pending resolution of the Estate Allocation Issues (as defined below);

WHEREAS, as of the Closing Date, a segregated account to be held in trust by the Monitor (the "**Professional Fee Escrow**") was established to hold the maximum potential amount payable on account of professional fees incurred by the U.S. Debtor and the Canadian Debtors in the course of their respective restructurings and owed to Rothschild, Inc. ("**Rothschild**") and Lazard Frères & Co., LLC ("**Lazard**") and in connection therewith, the Professional Fee Escrow currently holds \$5,325,860.95 plus accrued interest since the Closing Date, of which \$4,764,812.56 related to Lazard and \$561,048.39 related to Rothschild;

WHEREAS, the U.S. Debtor and the Canadian Debtors dispute, *inter alia*, who bears responsibility to pay the fees owed to Rothschild in connection with professional advisory services rendered to the First Lien Lenders (as defined in the ASA) for which the U.S. Debtor and the Canadian Debtors may be liable pursuant to the terms of the DIP Credit Facility and the court orders approving same;

WHEREAS, as of the Closing Date, the Parties had not consensually resolved: (a) the allocation of the Cash Component and any Unused Fixed Asset Cash Amount between the U.S. Estate and the Canadian Estates; (b) the repayment obligations between the U.S. Estate and the Canadian Estates under the DIP Credit Facility, including without limitation any alleged subrogation rights of the U.S. Debtor against the Canadian Debtors; (c) the interpretation of the ASA, including sections 5.17 and 5.18 thereof; (d) treatment of the Intercompany Claim (as defined herein); (e) any alleged setoff rights of White Birch whereby any subrogation claim could be set off against all or a part of the Intercompany Claim; and (f) the allocation of fees, expenses, and expenditures, including but not limited to professional fees, expenses and expenditures and interest and other fees under the DIP Credit Facility, between the U.S. Estate and the Canadian Estate (collectively, along with any other issues raised or to be raised by any Party which could affect Estate Allocation or a distribution of proceeds, whether previously identified or not, the "**Estate Allocation Issues**");

WHEREAS, in order to close the sale on the Closing Date without impairing any Party's rights with respect to the Estate Allocation Issues, the Parties:

- agreed to release \$31,209,000 from the cash paid on Closing directly to the U.S. Estate and the Canadian Estates, of which \$8,510,282 was paid to the U.S. Estate and \$22,698,718 was paid to the Canadian Estates;
- agreed, pursuant to that certain *U.S. Estate Allocation Escrow Agreement* dated as of September 13, 2012 (the "**U.S. Escrow Agreement**"), to establish an escrow fund in the United States (the "**U.S. Escrow Fund**") to hold \$19,500,000.00 and, pursuant to and that certain *Canadian Estate Allocation Escrow Agreement* dated

as of September 13, 2012 (the "**Canadian Escrow Agreement**" and with the U.S. Escrow Agreement, collectively the "**Escrow Agreements**"), an escrow fund in Canada (the "**Canadian Escrow Fund**") to hold \$25,000,000.00 (collectively, the "**Escrow Funds**" which together hold \$44,500,000.00) in anticipation of litigation related to the Estate Allocation Issues; and

- entered into that certain *Reservation of Rights Settlement Agreement* dated as of September 13, 2012;

WHEREAS, pursuant to the *Schedules of Assets and Liabilities for Bear Island Paper Company, L.L.C.* filed in the Chapter 11 Case on March 31, 2010 [Docket No. 172], an intercompany claim (the "**Intercompany Claim**") in the amount of \$135,920,395.00 was scheduled in favor of White Birch against the U.S. Debtor;

WHEREAS, on September 17, 2012, the Committee filed the *Objection and Motion to Recharacterize of the Official Committee of Unsecured Creditors to the General Unsecured Claim of White Birch Paper Company* (the "**Intercompany Claim Objection**") in the Chapter 11 Case [Docket No. 1185] seeking to recharacterize the Intercompany Claim as equity of the U.S. Debtor, and certain of the Parties have since filed pleadings in the Chapter 11 Case in connection with the Intercompany Claim Objection;

WHEREAS, on November 19, 2012, the Bankruptcy Court held a hearing on the Intercompany Claim Objection at which the Bankruptcy Court tentatively approved the objection, without ruling as to the specific amounts to be recharacterized, and authorized parties to submit proposed findings of fact and conclusions of law;

WHEREAS, as of the date hereof, and after extensive good-faith and arms'-length negotiations, the Parties have achieved a consensual agreement to the Estate Allocation Issues and all issues related to or arising from Estate Allocation, including the Intercompany Claim Objection, and this Agreement memorializes the Parties' consensual agreement and mutual release; and

WHEREAS, the proposed compromise and settlement described herein achieves a fair allocation of value to the U.S. Estate and the Canadian Estates, resolves Estate Allocation, the Intercompany Claim Objection, including all issues, disputes, and arguments attendant thereto, and all other Estate Allocation Issues, and the Parties believe represents a fair and reasonable compromise under the circumstances.

Settlement

NOW, THEREFORE, each of the Parties, in consideration of the mutual consideration set forth in this Agreement, the receipt and sufficiency of which are hereby acknowledged, agree to fully and finally resolve any and all known and unknown disputes with respect to Estate Allocation and the Estate Allocation Issues as follows:

1. In full and final satisfaction of all Estate Allocation Issues:

- (a) of the initial \$75,709,000.00 plus accumulated interest in cash available for allocation to the U.S. Estate and the Canadian Estates, \$600,000.00 was allocated to the U.S. Debtor on the Closing Date pursuant to the ASA as the U.S. Wind-Down Amount (as defined in the ASA), and, upon the first business day after the satisfaction or waiver of all of the conditions to both the confirmation of the U.S. Plan (as defined below) and the implementation of the Canadian Plan (as defined below) (such day being the “**Effective Date**”), the remaining \$75,109,000.00 shall be allocated to U.S. Estate and the Canadian Estates as follows:
 - (i) \$30,392,867 shall be allocated to the U.S. Estate; and
 - (ii) \$44,716,133 shall be allocated to the Canadian Estates;
- (b) as soon as practicable after the Effective Date and, in any event no more than three business days after the Effective Date (the “**Disbursement Date**”), the Unused Fixed Asset Cash Amount shall be disbursed by the Monitor from the Fixed Asset Cash Account to the U.S. Debtor and the Canadian Debtors as follows:
 - (i) CDN\$257,636.59 (20% of the Unused Fixed Asset Cash Amount) to the U.S. Debtor; and
 - (ii) CDN\$1,030,546.37 (80% of the Unused Fixed Asset Cash Amount) to the Canadian Debtors;
- (c) the Monitor shall only use the proceeds of the Professional Fee Escrow to make the Rothschild Payment (as defined below), the Lazard Payment (as defined below), and to make the payments set forth in subsection (iii) below, as follows:
 - (i) on the Disbursement Date, the Monitor will disburse to Rothschild the amount of \$561,048.39 from the Professional Fee Escrow, in exchange for a release, as payment in full of all amounts owed by the U.S. Debtor and the Canadian Debtors as reimbursement for certain professional fees incurred by the First Lien Lenders, payment of which was required as part of the DIP Credit Facility (the “**Rothschild Payment**”);
 - (ii) pursuant to a settlement agreement dated December 13, 2013 between Lazard, the U.S. Debtor and the Canadian Debtors (the “**Lazard Settlement**”), the Monitor has disbursed to Lazard from the Professional Fee Escrow the amount of \$1,200,000, in full satisfaction of the liability of the Canadian Debtors to Lazard, and the U.S. Debtor shall pay to Lazard the amount of \$300,000 upon approval of the Lazard Settlement by the Bankruptcy Court, in full satisfaction of the liability of the U.S. Debtor to Lazard (the sum of these two payments, collectively, the “**Lazard Payment**”); and
 - (iii) the funds remaining in the Professional Fee Escrow following disbursement of the Rothschild Payment, in the amount of \$3,564,812.56

in principal, plus accrued interest, shall be disbursed by the Monitor to the Canadian Debtors;

- (d) on the Disbursement Date, in accordance with the terms of this Agreement and this allocation of value between the U.S. Estate and the Canadian Estates:
 - (i) \$2,982,585 of funds in the Canadian Escrow Fund shall be transferred to the U.S. Debtor, with the balance of the Canadian Escrow Fund to be transferred to the Canadian Debtors, payable to an account set up by the Monitor for the purpose of distributing such balance as provided in section 1(j) below, and in accordance with applicable law and any plan(s) of arrangement, proposal(s), bankruptcy distribution(s) or such other scheme(s) of distribution as may be utilized by the Canadian Estates; and
 - (ii) all of the funds in the US Escrow Fund shall be transferred to the U.S. Debtor for the purpose of distributing such balance in accordance with applicable law and the U.S. Debtor's *Chapter 11 Plan of Liquidation* (as same may be amended, the "U.S. Plan").
- (e) in accordance with the terms of this Agreement, the Canadian Debtors, the U.S. Debtor, the Purchaser and the Monitor will provide Joint Written Disbursement Instructions (as defined in the Escrow Agreements and the agreed upon form of which is attached hereto as **Exhibit A**) to the escrow agents under the Escrow Agreements pursuant to sections 3.2 of the Escrow Agreements within one business day of the Effective Date;
- (f) on and subject to the occurrence of the Effective Date, all intercompany claims arising on or prior to February 24, 2010 that are asserted by the Canadian Debtors against the U.S. Debtor, including, without limitation, the Intercompany Claim asserted in the approximate amount of \$135,920,395.00 that is the subject of pending litigation in front of the Bankruptcy Court, shall be disallowed in full. The Parties shall present the Bankruptcy Court with a consensual form of order, simultaneously with the filing and submission of this Agreement to the Bankruptcy Court and Canadian Court, disallowing such intercompany claims in their entirety and dismissing the pending litigation. Pending the Effective Date, the hearing before the Bankruptcy Court shall be adjourned indefinitely; provided, however, that if this Agreement has not been filed and submitted for approval by the Bankruptcy Court and the Canadian Court on or prior to May 31, 2015, then such hearing shall be subject to rescheduling on seven days prior written notice;
- (g) the joint and several claims of the First Lien Lenders and all swap claims, in the aggregate amount of \$424,897,392 (which reflects the reduction for the credit bid of \$78,000,000), shall be allowed in their entirety in the full amount of such claim against each of the U.S. Debtor and each of the Canadian Debtors, and each such claim shall not be subject to any defenses of any kind, nor any objection, reduction, setoff or disallowance in either proceeding for any reason, including on account of any payments or distributions made on such claims by any other estate;

- (h) (i) the joint and several claims of the Second Lien Lenders, in an aggregate amount of \$105,078,888 shall be allowed in their entirety in the full amount of such claim against the U.S. Debtor in the Chapter 11 Case and such claim shall not be subject to any defenses of any kind, nor any objection, reduction, setoff or disallowance for any reason, including on account of any payments or distributions made on such claims by the Canadian Debtors in the Canadian Proceeding; and
- (ii) the Monitor and the Canadian Debtors have confirmed that, of the \$105,078,888 face amount of the claims assertable by the Second Lien Lenders, certain of the Second Lien Lenders failed to file timely claims in the Canadian Proceeding. The total amount of claims timely filed against the Canadian Debtors by Second Lien Lenders is \$97,816,491.36. Therefore, the joint and several claims of the Second Lien Lenders in the aggregate amount of not less than \$97,816,491.36, shall be allowed in their entirety in the full amount of such claim asserted against each of the Canadian Debtors in the Canadian Proceeding, provided that any Second Lien Lenders who may need the approval of the Canadian Court to file their claims late and bring the total Second Lien claims filed to \$105,078,888 in the Canadian Proceedings shall be entitled to bring motions to that effect before the Canadian Court and such motions shall not be opposed by any party to this Agreement. The claims asserted by the Second Lien Lenders against the Canadian Debtors shall not be subject to any defenses of any kind, nor any objection, reduction, setoff or disallowance for any reason, including on account of any payments or distributions made on such claims by the U.S. Debtor in the Chapter 11 Case;
- (i) each Party has reviewed this Agreement and has considered its terms in the context of the U.S. Plan, and in accordance therewith each Party has determined that it will affirmatively support the U.S. Plan and file a declaration indicating such affirmative support in the Chapter 11 Case;
- (j) the Canadian Debtors, acting in consultation with the Monitor, undertake to use all commercially reasonable efforts, without undue delay, to distribute the balance of the sale proceeds and all other funds held by the Monitor by way of the Canadian Plan (as herein defined), which shall provide for distributions on a substantively consolidated basis and for the release contemplated by paragraph 1(l) of this Agreement, the whole with a view of minimizing professional expenses and expediting distribution(s) in favour of the holders of allowed claims against the Canadian Debtors. Each Party has reviewed this Agreement and has considered its terms in the context of such a Canadian Plan, and in accordance therewith each Party has determined that it will affirmatively support such a Canadian Plan;
- (k) on the Effective Date, each Party hereby (A) finally and forever releases and discharges each other Party, its chapter 11 estate (if applicable), its estate pursuant

to the CCAA (if applicable), its current, former, and future affiliates, directors, officers, principals, employees, equity sponsors, administrators, agents, financial advisors, attorneys, accountants, investment bankers, consultants, representatives and other professionals (collectively, the **"Released Parties"**) from any and all claims (including derivative claims), demands, actions, causes and rights of action, lawsuits, debts, sums of money, accounts, covenants, contracts, controversies, agreements, obligations, promises, trespasses, damages, judgments, executions, losses and liabilities of any kind or nature whatsoever, whether at law, in equity or otherwise, whether known or unknown, contingent or absolute, suspected or unsuspected, disclosed or undisclosed, hidden or concealed, disputed or undisputed, liquidated or unliquidated, matured or unmatured, and whether or not accrued, and whether or not asserted or assertable in law, equity or otherwise, for, upon, or by reason of any act, omission or other matter, cause, or thing whatsoever, arising in any jurisdiction, state, or nation, which each Party ever had, may have had or now has (collectively, **"Released Claims"**), including, without limitation, Released Claims relating to, arising from or connected to, directly or indirectly, Estate Allocation, the Estate Allocation Issues, or any claim with respect to the exchange of funds transferred, held or received by any Party at or in contemplation of the Closing, the applicable exchange rate and the timing of clearance of such funds at Closing, and (B) agrees and covenants that it shall not support any other person or entity in asserting, or cause any other person or entity to assert, any Released Claim against any Released Party. Notwithstanding the foregoing, nothing in this Section 1(k) shall waive or release any Party from, and for the avoidance of doubt the defined term "Released Claims" shall exclude, any: (i) obligation arising out of this Agreement; (ii) any liability with respect to any potential recourse pursuant to, or contemplated by, section 36.1 of the CCAA from or against any persons or parties other than the First Lien Lenders, the Second Lien Lenders, the Purchaser or any of their affiliates, successors or assigns; (iii) continuing or ongoing covenants, agreements, undertakings or obligations provided for in Sections 2.1.3, 2.1.5, 2.1.6, 5.11, 5.13, 5.15, 5.16, 6.5, and 7.1.2(b) of the ASA; (iv) any indemnity obligations to the First Lien Lenders, the Second Lien Lenders or the holders of swap claims relating to each such party's credit agreement and/or ISDA, as applicable, and related agreements and security documents, and the claims in the aggregate amounts set forth in sections 1(g) and 1(h) of this Agreement and the related rights that such first lien, second lien, and swap creditors may have as an undersecured creditor of each of the U.S. and Canadian Estates and (v) claims of the individual members of the Committee as against the U.S. Estate. For the avoidance of doubt with respect to clause (iv) above, the First Lien Lenders and the Second Lien Lenders hereby state that they are unaware of any indemnity obligations owing to the First Lien Lenders, the Second Lien Lenders or the holders of swap claims other than professional fees incurred by such parties (which fee amounts, to the extent not covered by retainers held by such professionals or payable by the U.S. Debtor pursuant to orders of the Bankruptcy Court, would only be added to the unsecured claims of such First Lien Lenders or Second Lien Lenders) and subject to indemnification

under such party's credit agreement and/or ISDA, as applicable, or related agreements or security documents;

- (l) in consideration for the First Lien Lenders, the Second Lien Lenders and the Purchaser agreeing to and supporting the substantive consolidation of the Canadian Debtors' estates, which results in the First Lien Lenders and the Second Lien Lenders receiving materially less than they would if the estates were not substantively consolidated, the Canadian Debtors and the Monitor agree that the plan of compromise to be submitted by the Canadian Debtors to their creditors in the Canadian Proceeding, in the form attached hereto as Exhibit B (the "**Canadian Plan**") provides, in Section 5.2(2) thereof, for a comprehensive release of all claims or potential claims against the Released Lender Parties (as defined in the Canadian Plan) (the "**Third Party Lender Release**"), and the Monitor agrees that, in any reports or other communications to creditors or the Canadian Court in connection with such Canadian Plan, it will confirm that the substantive consolidation of the Canadian Debtors' estates and the impact thereof on the First Lien Lenders, the Second Lien Lenders, the Purchaser and their affiliates represent a significant contribution on their part, making the Third Party Lender Release reasonable and appropriate in the circumstances;
 - (m) with respect to stumpage fees and silviculture costs of the Debtors invoiced by the Quebec Ministry of Energy and Natural Resources for periods prior to September 13, 2012, the Monitor has paid the amount of CDN\$293,292.40, under reservation of its rights, to pay these in full. In settlement of the dispute over responsibility for such charges, the Purchaser, the Canadian Debtors and the Monitor agree that such amount shall be split 50% to each of the Purchaser and the Canadian Debtors, and the Purchaser shall pay the amount of CDN\$146,646.20 to the Monitor on or before the Effective Date; and
 - (n) with respect to the audit being undertaken by the United States Internal Revenue Service of White Birch Paper Holdings Company ("**WBPHC**"), PricewaterhouseCoopers (as tax advisor to WBPHC) has agreed to cap their fees at \$50,000. In settlement of the dispute over responsibility for such fees, the Canadian Debtors, the U.S. Debtors and the Monitor agree that the Canadian Debtors and the U.S. Debtors shall share such fees 50% each, up to a maximum of \$25,000 for each estate.
- 2. All Parties acknowledge and agree that Ernst & Young Inc. acts herein in its representative capacity as the Monitor appointed by the Canadian Court in the CCAA Proceeding, and shall assume no personal liability whatsoever under the terms of this Agreement.
 - 3. This Agreement contains the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, including, but not limited to, all proposals, letters of intent, or representations, written or oral, pertaining to the subject matter hereof.

4. The illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provisions of this Agreement, which shall continue in full force and effect. In the event that any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be illegal, invalid, or unenforceable, the Parties shall use their best efforts to modify this Agreement in a timely manner to eliminate or change such illegal, invalid, or unenforceable provisions to conform to the Parties' intentions as closely as possible in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.
5. This Agreement, and any disputes related thereto, will be governed by and be construed in accordance with the laws of the state of New York without regard to the rule of conflict of laws of the state of New York or any other jurisdiction that would require the application of the law of another jurisdiction.
6. This Agreement shall inure to the benefit of and be binding upon the Parties and their respective heirs, successors, and assigns.
7. Each of the Parties hereto agrees that irreparable damage would occur in the event that any provision of this Agreement were not performed in accordance with its specific terms or were otherwise breached. It is accordingly agreed that any Party hereto will be entitled to an injunction to prevent a breach of this Agreement.
8. The failure of any Party to enforce a provision of this Agreement will not constitute a waiver of the Party's right to enforce that provision.
9. Subject to Bankruptcy Court approval in the U.S. Debtor's Chapter 11 Case and Canadian Court approval in the Canadian Proceeding, each of the Parties hereto represents and warrants that it has the authority to enter into this Agreement and to undertake the transactions contemplated hereunder and agrees to support the approval of this Agreement as a binding resolution of all disputed issues herein by both the Bankruptcy Court and the Canadian Court.
10. (1) This Agreement, which shall be appended as an exhibit to each of the U.S. Plan and the Canadian Plan, will be of no force and effect unless, on or before May 31, 2015: (a) the U.S. Plan is confirmed by the Bankruptcy Court and the confirmation order specifically approves this Agreement; and (b) the Canadian Plan is sanctioned by the Canadian Court and the sanction order specifically approves this Agreement. The order of the Canadian Court sanctioning the Canadian Plan and approving this Agreement will (A) specifically declare and order that the cash held by the Monitor, to be distributed in favour of holders of valid claims against the Canadian Debtors, will be distributed on a substantively consolidated basis under the Canadian Plan, (B) specifically provide that such substantive consolidation under the Canadian Plan shall be valid, enforceable and binding against the Parties, against all creditors of the Canadian Debtors and, notwithstanding any eventual bankruptcy of any or all of the Canadian Debtors, against any trustee in bankruptcy that may be appointed with respect to any of the Canadian Debtors. and (C)

specifically approve the Third Party Lender Release. Each Party will support said orders to be rendered by the Bankruptcy Court and the Canadian Court.

- (2) This Agreement shall also be conditional upon the following:
- (a) the Canadian Plan and the U.S. Plan must be on terms acceptable to the First Lien Lenders, the Second Lien Lenders and the Purchaser, acting reasonably;
 - (b) satisfaction or waiver of all of the conditions to both the confirmation of the U.S. Plan and the implementation of the Canadian Plan; and
 - (c) payment by the Purchaser of CDN\$146,646.20 in favour of the Monitor, as provided by Section 1(m) hereto.
11. Unless specifically mentioned otherwise, all amounts in this Agreement are expressed in U.S. currency.
12. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one agreement. This Agreement may be executed by facsimile, PDF, or electronic signature, and such facsimile or PDF signature shall be treated as an original signature hereunder.

IN WITNESS WHEREOF, the Parties hereby execute this Agreement by and through their duly authorized representatives as of the date first written above.

Agreed to and Accepted by:

ESTATE BIPCO, LLC (*f/k/a* Bear Island Paper
Company, L.L.C.)



Tim Butler

Agreed to and Accepted by:

BDCM Opportunity Fund II, L.P.
By: BDCM Opportunity Fund II Adviser,
L.L.C.
Its Investment Manager




Name: *Stephen A. Dickoff*
Title: *Managing Principal*

(Signature)

Agreed to and Accepted by:

Black Diamond CLO 2005-1 Ltd.
By: Black Diamond CLO 2005-1 Adviser,
L.L.C.
As its Collateral Manager



Name: Stephen H. Dickhoff



Title: Managing Principal

Agreed to and Accepted by:

Black Diamond CLO 2005-2 Ltd.

By: Black Diamond CLO 2005-2 Adviser,
L.L.C.

As its Collateral Manager



Name: *Stephen H. Deckoff*

Title: *Managing Principal*



Agreed to and Accepted by:

Black Diamond CLO 2006-1 (Cayman) Ltd.
By: Black Diamond CLO 2006-1 Adviser,
L.L.C.
As its Collateral Manager



Name: Stephen H. Dockett

Title: Managing Principal

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Agreed to and Accepted by:

Black Diamond International Funding Ltd.
By: BDCM Fund Adviser, L.L.C.
As its Portfolio Manager

Name:

sanb ✓
Stephen A. Deckoff


Title:

Managing Principal

UNC

Agreed to and Accepted by:

BDC Finance Ltd.
By: BDCM Fund Adviser, L.L.C.
Its Investment Manager



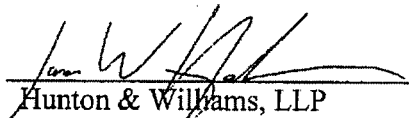
Name: *Stephen H. Deckoff* ✓

Title: *Managing Principal*



Agreed to and Accepted by:

The Official Committee of Unsecured
Creditors of Estate BIPCO, LLC (f/k/a Bear
Island Paper Company, L.L.C)



Hunton & Williams, LLP

Tyler P. Brown, Esq. (VSB No. 28072)

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Riverfront Plaza, East Tower

951 East Byrd Street

Richmond, Virginia 23219


Tel: (804) 788-8674

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As counsel to the Official Committee of
Unsecured Creditors of Estate BIPCO, LLC
(f/k/a Bear Island Paper Company, L.L.C)

Agreed to and Accepted by:

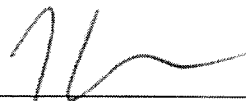
Estate WPC Company



Tim Butler
Secretary and Treasurer

Agreed to and Accepted by:

Estate SGPI Inc.

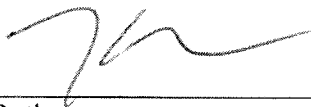
A handwritten signature in black ink, appearing to be 'Tim Butler', written over a horizontal line.

Tim Butler

Secretary and Treasurer

Agreed to and Accepted by:

SSEC L.P.,
by a general partner, Estate WBPC Company

A handwritten signature in black ink, appearing to be 'Tim Butler', written over a horizontal line.

Tim Butler

Secretary and Treasurer

Agreed to and Accepted by:

Estate FFSGPI Inc.



Tim Butler

Secretary and Treasurer

Agreed to and Accepted by:

FFSIA L.P.,
by a general partner, Estate WBPC Company



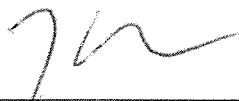
Tim Butler

Secretary and Treasurer

Agreed to and Accepted by:

FFS L.P.,

by a general partner, Estate WBPC Company

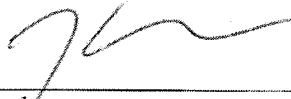


Tim Butler

Secretary and Treasurer

Agreed to and Accepted by:

Estate GCSI Inc.



Tim Butler

Secretary and Treasurer

Agreed to and Accepted by:

Estate PML Inc.

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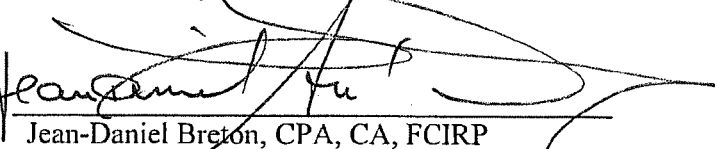
Tim Butler

Secretary and Treasurer

EXECUTION VERSION

Agreed to and Accepted by:

Ernst & Young Inc.

A large, stylized handwritten signature in black ink, appearing to read 'Jean-Daniel Breton', is written over a horizontal line.

Jean-Daniel Breton, CPA, CA, FCIRP

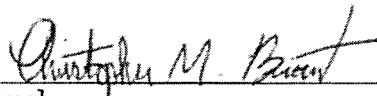
Senior Vice President

*Monitor Appointed in the CCAA Proceedings,
acting solely in its capacity as the Canadian
Monitor and not acting in its personal
capacity.*

EXECUTION VERSION

Agreed to and Accepted by:

BD White Birch Investment LLC

A handwritten signature in black ink, appearing to read "Christopher M. Brant", is written over a horizontal line.

[Name] Christopher M. Brant

[Title] President & COO

#Court File No. 500-11-038474-108

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

OF

ESTATE WBPHC COMPANY (F.K.A. WHITE BIRCH PAPER HOLDING COMPANY)
ESTATE WBPC COMPANY (F.K.A. WHITE BIRCH PAPER COMPANY)
ESTATE SGPI INC. (F.K.A. STADACONA GENERAL PARTNER INC.)
ESTATE BSPI INC. (F.K.A. BLACK SPRUCE PAPER INC.)
ESTATE FFSGPI INC. (F.K.A. F.F. SOUCY GENERAL PARTNER INC.)
3120772 NOVA SCOTIA COMPANY
ESTATE GCSI INC. (F.K.A. ARRIMAGE DE GROS CACOUNA INC.)
ESTATE PML INC. (F.K.A. PAPIER MASSON LTÉE)

DEBTORS

AND

SSEC L.P. (F.K.A. STADACONA LIMITED PARTNERSHIP)
FFS L.P. (F.K.A. F.F. SOUCY LIMITED PARTNERSHIP)
FFSIA L.P. (F.K.A. F.F. SOUCY, INC. & PARTNERS, LIMITED PARTNERSHIP)

MIS EN CAUSE

PLAN OF COMPROMISE

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PLAN OF COMPROMISE

Plan of Compromise of ESTATE WBPHC COMPANY (F.K.A. WHITE BIRCH PAPER HOLDING COMPANY), ESTATE WBPC COMPANY (F.K.A. WHITE BIRCH PAPER COMPANY), ESTATE SGPI INC. (F.K.A. STADACONA GENERAL PARTNER INC.), ESTATE BSPI INC. (F.K.A. BLACK SPRUCE PAPER INC.), ESTATE FFSGPI INC. (F.K.A. F.F. SOUCY GENERAL PARTNER INC.), 3120772 NOVA SCOTIA COMPANY, ESTATE GCSI INC. (F.K.A. ARRIMAGE DE GROS CACOUNA INC.), ESTATE PML INC. (F.K.A. PAPIER MASSON LTÉE), SSEC L.P. (F.K.A. STADACONA LIMITED PARTNERSHIP), FFS L.P. (F.K.A. F.F. SOUCY LIMITED PARTNERSHIP) and FFSIA L.P. (F.K.A. F.F. SOUCY, INC. & PARTNERS, LIMITED PARTNERSHIP) (hereinafter collectively the "**Debtors**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended.

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Plan, unless otherwise stated or the context otherwise requires:

"**ASA**" means the Asset Sale Agreement between, *inter alia*, the Debtors, the U.S. Debtor and the Purchaser dated as of August 10th, 2010, as amended;

"**BIA**" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;

"**Business Day**" means a day, other than a Saturday, a Sunday or a non-judicial day (as defined in article 6 of the *Code of Civil Procedure*, R.S.Q., c C-25, as amended);

"**CCAA**" means the *Companies' Creditors Arrangement Act* (Canada), R.S.C. 1985, c. C-36, as amended;

"**CCAA Proceedings**" means the proceedings in respect of the Debtors before the Court commenced pursuant to the CCAA;

"**Claim**" means any right or claim, including a Restructuring Claim, of any Person against any of the Debtors in connection with any indebtedness, liability or obligation of any kind whatsoever of the Debtors owed to such Person and any interest accrued thereon or costs payable in respect thereof, whether liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation is based in whole or in parts on facts existing prior to February 24th, 2010, or which would have been claims provable in bankruptcy had the Debtors become bankrupt on February 24th, 2010, provided however that in no case shall an Excluded Claim constitute a Claim;

"**Claims Bar Date**" has the meaning ascribed to such term in the Claims Process Order;

"**Claims Process Order**" means the Order of the Court dated May 6, 2010, establishing, among other things, procedures for proving Claims;

"**Court**" means the Superior Court of Québec (Commercial Division) for the District of Montreal;

"**Creditors' Meeting**" means the meeting of the Unsecured Creditors convened pursuant to the Creditors' Meeting Order for the purpose of, among other things, considering and voting on the Plan, and includes any adjournment, postponement or other rescheduling of such meeting;

"**Creditors' Meeting Order**" means the Order of the Court issued in the CCAA Proceedings and dated March 13, 2015 and as it may be amended or supplemented from time to time by any further Order of the Court which, among other things, sets the date of the Creditors' Meeting and establishes meeting procedures for the Meeting;

"**Crown Claims**" has the meaning ascribed thereto in Section 2.4(1)(c) hereof;

"**Director**" means any Person who is or was, or may be deemed to be or to have been, a director of the Debtors or their affiliates, or any of them;

"**D&O**" means the Directors and Officers, or any of them;

"**D&O Claim**" means any right or claim of any Person against one or more of the D&Os that arose by reason of or in relation to their position, supervision, management or involvement as D&O in connection with facts arising before, on or after February 24th, 2010, and whether enforceable in any civil, administrative or criminal proceedings, including all D&O Claims that were disallowed by the Monitor pursuant to the Order dated February 10, 2014 establishing the D&O Claims process;

"**Disallowed Claim**" means a Disputed Claim, or a portion of a Disputed Claim, which has been disallowed and in respect of which all appeal periods, as set out in the Claims Process Order, have expired, or which has effectively been appealed, but has since been the object of a final decision upholding the disallowance, itself no longer subject to any rights of appeal;

"**Disputed Claim**" means a Claim or that portion thereof that is subject to a Notice of Revision or Disallowance and in either case has become neither a Proven Claim nor a Disallowed Claim;

"**Distribution Amount**" has the meaning ascribed thereto in Section 2.1 hereof;

"**Effective Date**" means the date on which (i) all conditions to the implementation of the Plan as set out herein have occurred or been satisfied or waived in accordance with the provisions hereof and (ii) the Monitor has filed a certificate with the Court confirming that it has been informed to its satisfaction that all such conditions have been satisfied or waived in accordance with the provisions of this Plan;

"**Employee Claims**" has the meaning ascribed to such term in Section 2.4(1)(d) hereof;

"**Excluded Claims**" has the meaning ascribed to such term in Section 2.4(1) hereof;

"First Lien Lenders" means the lenders under that certain Second Amended and Restated First Lien Term Loan Credit Agreement, dated as of April 8, 2005 as amended and restated as of January 27, 2006 and as further amended and restated as of May 8, 2007, as further amended, modified, supplemented or otherwise in effect from time to time, among, *inter alia*, White Birch Paper Holding Company and White Birch Paper Company, as Borrower, Credit Suisse Securities (USA) LLC, as Sole Lead Arranger, Sole Bookrunner, Syndication Agent and Documentation Agent and the Lenders party thereto, together with all attendant notes, instruments, agreements and other documents, as the same have been amended, modified or supplemented from time to time;

"Governmental Authority" means any:

- (a) multinational, national, provincial, state, regional, municipal, local or other government, governmental or public department, ministry, central bank, court, tribunal, arbitral body, commission, board, official, minister, bureau or agency, domestic or foreign;
- (b) subdivision, agent, commission, board or authority of any of the foregoing; or
- (c) quasi-governmental or private body, including any tribunal, commission, regulatory agency of self-regulatory organization, exercising any regulatory expropriation or taxing authority under, or for the account of, any of the foregoing;

"Holder(s)" means, when used with reference to the Claim of any Person, the Person who has filed such Claim with the Monitor provided that the Monitor has recognized such Person as the Holder of such Claim or the Person who has been assigned a Claim of any Person so recognized, subject to compliance with the provisions of Section 6.4 hereof;

"Initial Distribution Date" means a date that is no later than 30 days following the Effective Date;

"Initial Order" means the Order of this Court made on February 24th, 2010 under the CCAA, and as amended thereafter;

"Monitor" means Ernst & Young Inc., in its capacity as monitor appointed pursuant to the Initial Order;

"Notice of Revision or Disallowance" has the meaning ascribed thereto in the Claims Process Order;

"Officer" means any Person who is or was, or may be deemed to be or has been, an officer of the Debtors or their affiliates, or any of them;

"Order" means any order of the Court in the CCAA Proceedings;

"Pension Plan Claims" has the meaning ascribed to such term in Section 2.4 hereof;

"Person" means any individual, firm, partnership, joint venture, venture capital fund, limited liability company, unlimited liability company, association, foundation, trust, trustee, executor,

administrator, legal personal representative, estate, group, body corporate, corporation, unincorporated association or organization, Governmental Authority, agency, syndicate or other entity, whether or not having legal status;

"Plan" means this joint consolidated plan of compromise of the Debtors pursuant to the provisions of the CCAA, as it may be amended, varied or supplemented by the Debtors from time to time in accordance with its terms;

"Post-Filing Claim" means any right of any Person against the Debtors in connection with any indebtedness, liability, or obligation of any kind which arose in respect of obligations first incurred on or after February 24th, 2010 and interest thereon, including any obligation of the Debtors toward creditors who have supplied services, utilities, goods or materials or who have advanced funds to the Debtors on or after February 24th, 2010, provided however, that a **"Post-Filing Claim"** shall not include any Claims or Restructuring Claims;

"Proof of Claim" has the meaning ascribed to such term in the Claims Process Order;

"Proven Claim" means an Unsecured Claim proven by delivering a Proof of Claim to the Monitor, but only after and to the extent that such Proof of Claim has been accepted by the Monitor or determined in accordance with the Claims Process Order;

"Purchaser" means BD White Birch Investment LLC;

"Released Claims" has the meaning ascribed to such term in Section 5.2(1) hereof;

"Released Lender Parties" means, collectively, the First Lien Agent, the First Lien Lenders, the Second Lien Agent, the Second Lien Lenders and the Purchaser, as well as their affiliates, and their respective present and former officers, directors, employees, representatives, auditors, financial advisors, legal counsel, sureties, insurers, indemnitees, agents and assigns, as applicable;

"Released Parties" means all Persons being released in accordance with Section 5.2 hereof, including without limitation the Released Lender Parties;

"Required Majority" means the affirmative vote of a majority in number representing not less than 66 ²/₃ % in value of the Voting Claims of the Unsecured Creditors voting (in person or by proxy) at the Creditors' Meeting;

"Reserve" has the meaning ascribed to such term in Section 4.3 hereof;

"Restructuring Claim" has the meaning ascribed to such term in the Claims Process Order;

"Sanction Date" means the date on which the Sanction Order is made;

"Sanction Order" means the order of the Court to be made under the CCAA, as such order may be affirmed, amended or modified by the Court at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn, abandoned or denied, as affirmed or amended on appeal, in form and content which is satisfactory to Debtors acting reasonably;

"Second Lien Lenders" means the lenders under that certain Second Amended and Restated Second Lien Term Loan Credit Agreement, dated as of April 8, 2005 as amended and restated as of January 27, 2006 and as further amended and restated as of May 8, 2007, as further amended, modified, supplemented or otherwise in effect from time to time, among, among others, White Birch Paper Holding Company and White Birch Paper Company, as Borrower, Credit Suisse Securities (USA) LLC, as Sole Lead Arranger, Sole Bookrunner, Syndication Agent and Documentation Agent and the Lenders party thereto, together with all attendant notes, instruments, agreements and other documents, as the same have been amended, modified or supplemented from time to time;

"Section 19(2) Claims" means any claims relating to debts or liabilities listed in Section 19(2) of the CCAA that are explicitly sought to be compromised pursuant to the Plan;

"Unsecured Claims" means all Claims that are unsecured;

"Unsecured Creditor" means any Person that is a Holder of an Unsecured Claim and may, if the context requires, mean an assignee of an Unsecured Claim or a trustee, interim receiver, receiver manager, or other Person acting on behalf of Person, if such assignee or other Person has been recognized by the Monitor or the Debtors, as the case may be;

"U.S. Court" means the United States Bankruptcy Court for the Eastern District of Virginia;

"U.S. Debtor" means Estate Bipco LLC (f.k.a. Bear Island Paper Company, L.L.C.);

"Voting Claim" means the Proven Claim of an Unsecured Creditor unless such Proven Claim is not finally determined at the time of the Creditors' Meeting, in which case it means the portion of the Claim which is accepted provisionally for purposes of voting at the Creditors' Meeting in accordance with the Claims Process Order.

1.2 Interpretation, etc.

For purposes of this Plan:

- (1) any reference in this Plan to a contract, instrument, release, indenture, agreement or other document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions;
- (2) any reference in this Plan to an existing document or exhibit filed or to be filed means such document or exhibit as it may have been or may be amended, modified or supplemented;
- (3) all references to currency and to "\$" or "Cdn\$" are to Canadian dollars except as otherwise indicated;
- (4) unless otherwise specified, the words "hereof", "herein" and "hereto" refer to this Plan in its entirety rather than to any particular portion of this Plan;

- (5) the division of this Plan into Articles, Sections and paragraphs and the insertion of captions and headings to Articles, Sections and paragraphs are for convenience of reference only and are not intended to affect the interpretation of, or to be part of this Plan;
- (6) where the context requires, a word or words importing the singular shall include the plural and vice versa and a word or words importing one gender shall include all genders;
- (7) the words "includes" and "including" are not limiting; and
- (8) the word "or" is not exclusive.

1.3 Date for any Action

In the event that any date on which any action is required to be taken under this Plan by any of the parties is not a Business Day, that action shall be required to be taken on the next succeeding day which is a Business Day.

1.4 Statutory References

Any reference in this Plan to a statute includes all regulations made thereunder and all amendments to such statute or regulations in force, from time to time, or any statute or regulations that supplement or supersede such statute or regulations.

ARTICLE 2 COMPROMISE AND ARRANGEMENT

2.1 Purpose of the Plan

On February 24th, 2010, the Debtors and the U.S. Debtor simultaneously commenced insolvency proceedings in Canada and in the U.S.A. under the CCAA and Chapter 11 of Title 11 of the United States Code, 11 U.S.C. § 101 et seq..

The U.S. Debtor and the Debtors pursued a joint going-concern sale of their businesses as part of their respective restructurings and bankruptcy proceedings.

On August 10th, 2010, the U.S. Debtor and the Debtors entered into the ASA with the Purchaser which, among other things, contemplated the sale of their assets to the Purchaser.

On September 21st, 2010, an auction was held to determine the highest and best price for the assets of the U.S. Debtor and the Debtors.

On September 28th, 2010, the Court entered an Order approving the sale of the Debtors' assets to the Purchaser or its Designated Purchasers (as defined in the ASA) pursuant to the ASA. The sale closed on September 13th, 2012.

Pursuant to the ASA, the Purchase Price (as defined in the ASA) included, among other things, (a) a Cash Component of US\$90 million (as defined in the ASA) and (b) a Fixed Asset Cash Amount (as defined in the ASA).

On closing of the sale, certain of the proceeds of the sale were used to repay in full the Debtor-in-Possession interim financing that had been approved by both the Court and the U.S. Court.

On February 24, 2015, after extensive negotiations between the Debtors, the U.S. Debtor, the Purchaser, the Monitor and certain groups of creditors, an Estate Allocation and Settlement Agreement was reached relating to, among other matters, the allocation, among the Debtors' estates and the U.S. Debtor's estate, of all the funds held in trust or in escrow by or on behalf of the Monitor and the U.S. Debtor arising from the sale transaction, including the remaining proceeds of sale, which agreement is conditional upon Court approval of this Plan and of such agreement. The Estate Allocation and Settlement Agreement is attached to the Plan as **Exhibit 1**.

Pursuant to the Estate Allocation and Settlement Agreement and on the terms of this Plan, the amount available for distribution by the Debtors to its Unsecured Creditors is approximately Cdn \$52,000,000, including an amount of Cdn \$200,000 to be remitted on behalf of the shareholders of the Debtors in consideration of the releases described in Sections 5.2(1) and 5.2(3) hereof, less all deductions that may be required to satisfy the Excluded Claims (the "**Distribution Amount**").

The purpose of this Plan is:

- (1) To approve the Estate Allocation and Settlement Agreement;
- (2) To provide for a timely distribution of the Distribution Amount to the Unsecured Creditors in one or more distributions;
- (3) To compromise all Claims; and
- (4) To release the Released Parties.

2.2 Persons Affected

This Plan will become effective on the Effective Date in accordance with its terms. On the Effective Date, each Claim against the Debtors will be fully compromised as set forth in this Plan and each of the Released Parties shall be released in the manner set out in Section 5.2 hereof. This Plan shall be binding on and enure to the benefit of the Debtors, the Unsecured Creditors, the Released Parties and any other Persons who have received the benefit of, or are bound by any waivers, releases or indemnities hereunder.

2.3 Classes of Claims

The class of Holders of Unsecured Claims shall be the only class of Claims for the purposes of voting on and receiving distributions pursuant to this Plan.

2.4 Excluded Claims

- (1) This Plan does not affect the following claims (each, an "**Excluded Claim**" and, collectively, the "**Excluded Claims**"), the holders of which will not be entitled to vote at the Creditors' Meeting in respect of such Excluded Claim and which shall be treated as more fully described below:
 - (a) all past, present and future reasonable fees and disbursements of the Monitor, the Monitor's legal counsel and of the legal and financial advisors of the Debtors incurred in connection with the CCAA Proceedings (the "**Professional Fees**");
 - (b) any Post-Filing Claim;
 - (c) any Claim of Her Majesty the Queen in Right of Canada or of any Province described in Section 6(3) of the CCAA (collectively, "**Crown Claims**");
 - (d) any Claim of an employee or former employee described in Section 6(5) of the CCAA (collectively, "**Employee Claims**");
 - (e) any Claim owing to a fund or pension plan described in Section 6(6) of the CCAA (collectively, "**Pension Plan Claims**");
- (2) Nothing in this Plan shall affect the Debtors' rights and defenses with respect to any Excluded Claim.

2.5 Treatment of Unsecured Claims

On the Initial Distribution Date and thereafter, each Unsecured Creditor with a Proven Claim shall receive from the Monitor, on a prorated and *pari passu* basis, in full and final satisfaction of its Proven Claim, one or more *pari passu* cash distribution(s) from the Distribution Amount.

2.6 Payment of Professional Fees

The Professional Fees shall be paid in full on or after the Effective Date.

2.7 Treatment of Post-Filing Claims

All Post-Filing Claims, if any, will be paid in full before the Effective Date.

2.8 Treatment of Crown Claims

All Crown Claims, if any, will be paid in full on or before the Initial Distribution Date.

2.9 Treatment of Employee Claims

All Employee Claims, if any, will be paid by the Debtors immediately after the Court's sanction of this Plan.

2.10 Treatment of Pension Plan Claims

All Pension Plan Claims, if any, will be paid by the Debtors immediately after the Court's sanction of this Plan.

ARTICLE 3 CREDITORS' MEETING AND RELATED MATTERS

3.1 Creditors' Meeting

The Creditors' Meeting shall be held in accordance with the Creditors' Meeting Order.

3.2 Approval of the Plan

The Debtors will seek approval of the Plan by the affirmative vote of the Required Majority. The result of the vote will be binding on all Unsecured Creditors, whether or not any such Unsecured Creditor is present and voting (in person or by proxy) at the Creditors' Meeting.

3.3 Valuing Claims

The procedure for valuing Unsecured Claims for voting and distribution purposes, and resolving disputes in respect of any such valuation, is set forth in the Claims Process Order, the Creditors' Meeting Order and this Plan. The Debtors and the Monitor reserve the right to seek the assistance of the Court in valuing any Unsecured Claim, if deemed advisable, or in determining the result of any vote at the Creditors' Meeting, or the amount, if any, to be distributed to any Unsecured Creditor under the Plan, as the case may be.

3.4 Claims Bar Date

If an Unsecured Creditor has failed to file its Proof of Claim Form prior to the relevant Claims Bar Date and has not been permitted to file a late claim pursuant to the Claims Process Order or otherwise, that Unsecured Creditor shall be barred from voting at the Creditors' Meeting and receiving a distribution, and the Debtors shall be released from the Claims of such Unsecured Creditor and Section 5.2 of this Plan shall apply to all such Claims.

3.5 Conversion of Unsecured Claims into Canadian Currency

For the purposes of determination of the value of Unsecured Claims denominated in currencies other than Canadian dollars for voting and distribution purposes, such Unsecured Claims shall be converted by the Monitor to Canadian dollars at the Bank of Canada noon spot rate of exchange for exchanging currency to Canadian dollars on February 24, 2010. The exchange rate applicable for US currency is US\$1.00 = CDN\$1.0550.

ARTICLE 4

PROVISIONS GOVERNING DISTRIBUTIONS

4.1 No Distributions Pending Allowance

No distributions shall be made with respect to a Disputed Claim unless and until it has become a Proven Claim. Disputed Claims shall be dealt with in accordance with the Claims Process Order and this Plan.

In the absence of a Notice of Dispute, the receipt by an Unsecured Creditor of a distribution under this Plan shall avail as evidence that the Claim has been allowed as a Proven Claim for an amount on which the distribution is based, and no additional notice of determination of a Claim shall be given by or requested from the Monitor.

4.2 Distributions for Proven Claims as at the Initial Distribution Date

Distributions to be made on account of Unsecured Claims that are Proven Claims as at the Initial Distribution Date shall be made on such date. Thereafter, subsequent distribution(s) on account of Claims that are determined to be Proven Claims or with respect to any undistributed portion of the Distribution Amount shall be made in accordance with this Plan.

4.3 Reserve

The Monitor shall establish a sufficient reserve to secure the payment in full of Excluded Claims and any distributions under this Plan on account of Disputed Claims pending their resolution in accordance with the Claims Process Order and this Plan (the "**Reserve**"). The funds in the Reserve shall be held in trust for the benefit of the Holders of Disputed Claims and beneficiary of Excluded Claims to the extent disclosed (identity and estimated amount) by way of notice communicated to the Monitor in accordance with Section 6.7 hereof at least five Business Days prior to the Effective Date. The amount of the Reserve shall be determined by the Monitor acting reasonably and without incurring any liability in the event of insufficiency save as a result of its gross negligence. If and when any Disputed Claim may become a Proven Claim pursuant to the Claims Process Order, the Monitor will distribute the requisite amount to the Holder of such Disputed Claim from the Reserve as soon as practicable after such resolution. After payment of (a) all of the Excluded Claims and (b) any Disputed Claims which are determined to be a Proven Claim in accordance with the Claims Process Order, the balance of the Reserve shall be distributed as soon as practicable by the Monitor in accordance with this Plan.

4.4 Assignment of Claims

For purposes of determining entitlement to receive any distribution pursuant to this Plan, the Debtors and the Monitor and each of their respective agents, successors and assigns shall have no obligation to recognize any transfer of Claims unless and until notice of the transfer or assignment from either the transferor, assignor, transferee or assignee, together with satisfactory evidence showing ownership, in whole or in part, of such Claim and that such transfer or assignment was valid at law, has been received by the Monitor at least ten Business Days prior to the Initial Distribution Date.

4.5 Interest on Claims

Holders of Unsecured Claims shall not be entitled to interest accruing on or after February 24th, 2010.

4.6 Delivery of Distributions

- (1) **Proven Claims.** Subject to Section 6.4 hereof, distributions to Holders of Proven Claims shall be made by the Monitor (i) at the addresses set forth on the Proofs of Claim filed by such Holders (or at the last known addresses of such Holders if no Proof of Claim Form is filed or if the Monitor has been notified in writing of a change of address) or (ii) at the addresses set forth in any written notice of address change delivered to the Monitor in accordance with Section 6.7 hereof at least ten Business Days prior to any such distributions.
- (2) **Undeliverable Distributions.** If any distribution to a Holder of a Proven Claim is returned as undeliverable, no further distributions to such Holder of such Claim shall be made unless and until the Monitor is notified of the then-current address of such Holder, at which time all missed distributions shall be made to such Holder without interest. All claims for undeliverable distributions must be made on or before the later to occur of (i) the first anniversary of the Effective Date or (ii) six months after such Holder's Claim becomes a Proven Claim, after which date all unclaimed property shall become available for distribution by the Monitor *pro rata* to the other Proven Claims, free of any restrictions or claims thereon and the Claim of such Holder or successor to such Holder with respect to such property shall be discharged and forever barred, notwithstanding any federal or provincial laws to the contrary.
- (3) **No Distribution Below Cdn\$20.** The Monitor shall not be required to, but may in its sole and absolute discretion: (i) make distributions to Holders of Proven Claims in an amount less than Cdn\$20; or (ii) make any distribution on account of any Proven Claim in the event that the costs of making such payment exceed the amount of such distribution.
- (4) **No Distribution of Fractional Cents.** Notwithstanding any other provision of this Plan, no payment of fractional cents will be made. Whenever any payment of a fraction of a cent would otherwise be called for, the actual payment shall reflect a rounding down of such fraction to the nearest whole cent.

ARTICLE 5 IMPLEMENTATION OF THE PLAN

5.1 Plan Implementation

On the Effective Date, the Claims shall be settled, compromised, released or otherwise dealt with in accordance with this Plan in exchange for the consideration provided for in Section 2.5.

5.2 Plan Releases

(1) Debtors, D&O and Monitor

As at the Effective Date, the Debtors, the D&Os and the Monitor, as well as their respective former, present or future affiliates, subsidiaries, principals, employees, financial advisors, counsel, investment bankers, consultants, agents and accountants, will be released and discharged from any and all demands, claims, actions, causes of action, Section 19(2) Claims, counterclaims, suits, debts, sums of money, accounts, D&O Claims, covenants, damages, judgments, expenses, executions, liens and other recoveries on account of any indebtedness, liability, obligation, demand or cause of action of whatever nature that any Person may be entitled to assert against any of the released parties hereinabove mentioned including by way of a recourse for contribution or indemnification against or from any of them, whether known or unknown, mature or unmatured, direct, indirect or derivative, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, payment, dealing or other occurrence existing or taking place on or prior to the Effective Date relating to, arising out of or in connection with the Claims, the business and affairs of the Debtors, this Plan or the CCAA Proceedings (the "**Released Claims**"), provided that nothing in this Section 5.2 will release or discharge:

- (a) the Debtors from or in respect of any Excluded Claim;
- (b) the D&Os with respect to matters set out in Section 5.1(2) of the CCAA; or
- (c) the rights of Persons to enforce this Plan and the contracts, instruments, releases, indentures and other agreements or documents delivered hereunder or pursuant hereto.

(2) Released Lender Parties

As at the Effective Date, for good and valuable consideration, including without limitation the agreement of the Released Lender Parties to support the substantive consolidation of the Debtors' estates in the context of this Plan, every Person, on their own behalf and on behalf of the Person's respective affiliates, present and former officers, directors, employees, representatives, auditors, financial advisors, legal counsel, other professionals, sureties, insurers, indemnitees, agents, dependents, heirs, representatives and assigns, as applicable, (each, individually, a "**Releasing Party**", and collectively, the "**Releasing Parties**") hereby fully, finally, irrevocably and unconditionally releases and forever discharges each of the Released Lender Parties of and from any and all past, present and future claims, rights, interests, actions, rights of indemnity, liabilities, demands, duties, injuries, damages, expenses, fees (including attorneys' fees and liens), costs, compensation, or causes of action of whatsoever kind or nature whether foreseen or unforeseen, known or unknown, asserted or unasserted, contingent or actual, liquidated or unliquidated, whether contractual, extra -contractual or in tort, whether statutory, at common law or in equity, based on, in connection with, arising out

of, or in any way related to, in whole or in part, directly or indirectly, any transaction, act, inaction or omission existing or taking place on or prior to the Effective Date relating to or otherwise in connection with the business and affairs of the Debtors, the CCAA Proceedings, the Creditors' Meeting or the Plan, including without limitation by way of successor liability or related theories or assertions (collectively, the "**Released Lender Claims**"); and each Releasing Party shall not make or continue any claims or proceedings whatsoever based on, in connection with, arising out of, or in any way related to, in whole or in part, directly or indirectly, the substance of the facts giving rise to any matter herein released (including, without limitation, any action, cross-claim, counter-claim, third party action or application) against any Person who claims or might reasonably be expected to claim in any manner or forum against one or more of the Released Lender Parties, including, without limitation, by way of subrogation, compensation or set-off, contribution or indemnity, in common law, or in equity, breach of trust or breach of fiduciary duty or under the provisions of any statute or regulation, and that in the event that any of the Released Lender Parties are added to such claim or proceeding, it will immediately discontinue any such claim or proceeding. Notwithstanding the foregoing, nothing herein shall release or discharge a Lender Released Party from its obligations, if any, under the Plan.

(3) Shareholders

As at the Effective Date, for good and valuable consideration as set out in Section 2.1 hereof, each of the Debtors' present and former shareholders and Persons directly or indirectly related to them will be forever released and discharged from any and all Released Claims.

5.3 Injunction Related to Releases

- (1) The Sanction Order will enjoin the prosecution, whether directly, derivatively or otherwise, of any claim, obligation, suit, judgment, damage, demand, debt, right, cause of action, liability or interest released, discharged or terminated pursuant to this Plan.
- (2) All Releasing Parties are permanently and forever barred, estopped, stayed and enjoined, on and after the Effective Date, from (i) commencing, conducting or continuing in any manner, directly or indirectly, any actions, suits, demands or other proceedings of any nature or kind whatsoever (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against the Released Parties; (ii) enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, decree or order against the Released Parties or their property; (iii) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits or demands, including without limitation, by way of subrogation, compensation or set-off, contribution or indemnity or other relief, in common law, or in equity, breach of trust or breach of fiduciary duty or under the provisions of any statute or regulation, or other proceedings of any nature or kind

whatsoever (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against any Person who makes such a claim or might reasonably be expected to make such a claim, in any manner or forum, against one or more of the Released Parties; (iv) creating, perfecting, asserting or otherwise enforcing, directly or indirectly, any lien or encumbrance of any kind; or (v) taking any actions to interfere with the implementation or consummation of this Plan. This Section does not apply to the enforcement of any obligations under the Plan.

5.4 Waiver of Defaults

From and after the Effective Date, all Persons shall be deemed to have waived any and all defaults of the Debtors (except for defaults under any securities, contracts, instruments, releases and other documents delivered under this Plan or entered into in connection herewith or pursuant hereto) then existing or previously committed by the Debtors or caused by the Debtors, directly or indirectly, or non-compliance with any covenant, positive or negative pledge, warranty, representation, term, provision, condition or obligation, express or implied, in any contract, credit document, agreement for sale, lease or other agreement, written or oral, and any and all amendments or supplements thereto, existing between any such Person and the Debtors arising from the filing by the Debtors under the CCAA or the transactions contemplated by this Plan or otherwise, and any and all notices of default and demands for payment under any instrument, including any guarantee arising from such default, shall be deemed to have been rescinded.

ARTICLE 6 MISCELLANEOUS

6.1 Preferential Transactions

Section 36.1 of the CCAA, sections 38 and 95 to 101 of the BIA and any other laws relating to preferences, fraudulent conveyances or transfers at undervalue shall not apply to this Plan.

6.2 Section 19(2) Claims

This Plan shall compromise any and all Section 19(2) Claims.

6.3 Sanction of Plan

Provided that this Plan is approved by the Required Majority at the Creditors' Meeting, the Debtors shall, within five (5) business days, bring a motion before the Court seeking the issuance of the Sanction Order for the approval of this Plan and the approval of the Estate Allocation and Settlement Agreement.

Upon the Sanction Order being issued by the Court, in form and substance acceptable to the Debtors, acting reasonably, the Debtors shall take all commercially reasonable steps to complete the satisfaction of the conditions to the implementation of this Plan set forth in Section 6.6 hereof. Upon satisfaction of such conditions, this Plan shall be considered to be implemented

by the Debtors and shall be binding upon the Debtors and all Persons referred to in Section 2.2 hereof and their respective successors and assigns.

6.4 Paramountcy

From and after the Effective Date, any conflict between this Plan and/or the covenants, warranties, representations, terms, conditions, provisions or obligations, express or implied, of any contract, mortgage, security agreement, and/or indenture, trust indenture, loan agreement, commitment letter, agreement for sale, the by-laws of the Debtors, lease or other agreement or undertaking written or oral and any and all amendments or supplements thereto existing with the Debtors as at the Effective Date will be deemed to be governed by the terms, conditions and provisions of this Plan and the Sanction Order, which shall take precedence and priority. For greater certainty, all Holders of Claims shall be deemed irrevocably for all purposes to consent to all transactions contemplated in and by this Plan.

6.5 Modification of Plan

Subject to Section 10(2) of the Estate Allocation Compromise and Settlement Agreement, the Debtors, in consultation with the Monitor, reserve the right to file any modification of, or amendment or supplement to, this Plan by way of an amended Plan prior to the Creditors' Meeting date or at or before the Creditors' Meeting. The Debtors shall file any amended Plan with the Court as soon as practicable. The Debtors shall give notice to Unsecured Creditors of the details of any such amendment prior to the vote being taken to approve this Plan. The Debtors may give notice of a proposed modification, amendment or supplement to this Plan at or before the Creditors' Meeting by notice which shall be sufficient if given to those Unsecured Creditors present at such meeting in person or by proxy. After the Creditors' Meeting (and both prior to and subsequent to the obtaining of the Sanction Order), the Debtors, in consultation with the Monitor may at any time and from time to time vary, amend, modify or supplement this Plan, except the Distribution Amount, without the need for obtaining an order of the Court or providing notice to the Unsecured Creditors if the Debtors and the Monitor determine that such variation, amendment, modification or supplement would not be materially prejudicial to the interests of the Unsecured Creditors under this Plan or the Sanction Order.

6.6 Conditions Precedent to Implementation of Plan

The implementation of this Plan by the Debtors is subject to the following conditions precedent:

- (1) the approval of this Plan by the Required Majority shall have been obtained at the Creditors' Meeting;
- (2) the Sanction Order sanctioning this Plan shall have been made and shall, among other things:
 - (a) declare that: (i) this Plan has been approved by the Required Majority in conformity with the CCAA; (ii) the Debtors have complied with the provisions of the CCAA and the Orders of the Court made in the CCAA Proceedings in all respect; (iii) the Court is satisfied that the Debtors have

neither done nor purported to do anything that is not authorized by the CCAA; and (iv) this Plan and the distributions contemplated thereby are fair and reasonable, and in the best interests of the Debtors, the Unsecured Creditors and the other stakeholders of the Debtors (having considered, among other things, the composition of the vote and what the Unsecured Creditors would receive in bankruptcy as compared to this Plan);

- (b) order that this Plan is sanctioned and approved entirely pursuant to Section 6 of the CCAA and, as at the Effective Date, will be effective and will enure to the benefit of and be binding upon the Debtors, the Unsecured Creditors and all other Persons stipulated in this Plan or in the Sanction Order;
 - (c) order and declare that the Estate Allocation and Settlement Agreement is approved;
 - (d) declare that the Debtors and the Monitor are authorized to take all steps and actions necessary to implement this Plan;
 - (e) declare that each of the releases contemplated by Section 5.2 of this Plan are approved and will be enforceable on the Effective Date;
 - (f) preclude the commencement or prosecution, whether directly, derivatively or otherwise, of any demands, claims, actions, causes of action, counterclaims, suits, or any indebtedness, liability, obligation or cause of action to be released or discharged pursuant to this Plan;
 - (g) declare that this Plan shall be binding upon any trustee in bankruptcy or receiver that may be appointed in respect of any of the Debtors and shall not be void or voidable by creditors thereof;
 - (h) declare that the distributions and payments to be made in accordance with this Plan do not and will not constitute settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions, or conduct giving rise to an oppression remedy under any applicable law, nor will they constitute a distribution of property requiring the Monitor, the Debtors, or any officer or director thereof to seek and obtain a certificate or authorization of any nature whatsoever, including with respect to the Crown Claims;
 - (i) declare that the stay of proceedings under the Initial Order continues until the Effective Date;
- (3) all relevant Persons shall have executed, delivered and filed all documents that, in the opinion of the Debtors and the Monitor, are necessary to implement the provisions of this Plan and/or the Sanction Order; and

- (4) the filing by the Monitor of a certificate confirming that all the conditions to the implementation of this Plan have occurred or have been satisfied or waived.

6.7 Notices

- (1) Any notices or communication to be made or given hereunder to the Debtors or the Monitor shall be in writing and shall refer to this Plan and may, subject as hereinafter provided, be made or given by personal delivery, by courier or by prepaid mail and, in any event, by e-mail as well addressed to the respective parties as follows:

- (a) if to Debtors:

Stikeman Elliott LLP
1155 René-Lévesque Blvd. West, Suite 4000
Montreal, Québec, Canada H3B 3V2

Attention: Jean Fontaine and Joseph Reynaud
Emails: jfontaine@stikeman.com and jreynaud@stikeman.com

- (b) if to the Monitor:

Ernst & Young Inc.
800 René-Lévesque Blvd West, Suite 1900
Montreal, Québec, Canada H3B 1X9

Attention: Martin Rosenthal and Jean-Daniel Breton
Emails: martin.rosenthal@ca.ey.com and jean-daniel.breton@ca.ey.com

- (c) if to Monitor's counsel:

Norton Rose Fulbright Canada S.E.N.C.R.L., s.r.l.
1, Place Ville-Marie, Suite 2500
Montreal, Québec, Canada H3B 1R1

Attention: Sylvain Rigaud and Chrystal Ashby
Emails: sylvain.rigaud@nortonrosefulbright.com and
chrystal.ashby@nortonrosefulbright.com

- (2) Any notices or communication to be made or given hereunder by the Monitor or the Debtors to an Unsecured Creditor may be sent by e-mail, ordinary mail, registered mail, courier or facsimile transmission. An Unsecured Creditor shall be deemed to have received any document sent pursuant to this Plan four Business Days after the document is sent by ordinary or registered mail and on the Business Day immediately following the day on which the document is sent by courier, email or facsimile transmission. Documents shall not be sent by ordinary or registered mail during a postal strike or work stoppage of general application. The unintentional failure by the Debtors to give any notice contemplated

hereunder to any particular Unsecured Creditor shall not invalidate this Plan or any action taken by any Person pursuant to this Plan.

Notices or communications may be mailed to an Unsecured Creditor (i) to the address for such Unsecured Creditor specified in the Notice of Revision or Disallowance filed by an Unsecured Creditor, or (ii) to the address listed in the Proof of Claim Form or (iii) at the address set forth in any written notice of address changes delivered to the Monitor.

6.8 Severability of Plan Provisions

If, prior to the Sanction Date, any term or provision of this Plan is held by the Court to be invalid, void or unenforceable, the Court, at the request of the Debtors, in consultation with the Monitor acting reasonably, and subject to Section 10(2) of the Estate Allocation Compromise and Settlement Agreement, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such holding, alteration or interpretation, the remainder of the terms and provisions of this Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such holding, alteration or interpretation.

6.9 Revocation, Withdrawal or Non-Consummation

The Debtors, upon consultation with the Monitor, reserve the right to revoke or withdraw this Plan at any time prior to the Sanction Date and to file a subsequent plan of arrangement. If the Debtors revoke or withdraw this Plan, or if the Sanction Order is not issued, (i) this Plan shall be null and void in all respects, (ii) any Claim, any settlement or compromise embodied in this Plan, and any document or agreement executed pursuant to this Plan (including without limitation the Estate Allocation Compromise and Settlement Agreement) shall be deemed null and void, and (iii) nothing contained in this Plan, and no act taken in preparation for consummation of this Plan, shall: (a) constitute a waiver or release of any Claims by or against the Debtors or any other Person; (b) prejudice in any manner the rights of the Debtors or any Person in any further proceedings involving the Debtors; or (c) constitute an admission of any sort by the Debtors or any other Person.

6.10 Governing Law

This Plan shall be governed by and construed in accordance with the law of the Province of Québec and the federal laws of Canada applicable therein. Any questions as to the interpretation or application of this Plan and all proceedings taken in connection with this Plan and its provisions shall be subject to the exclusive jurisdiction of the Court.

6.11 Successors and Assigns

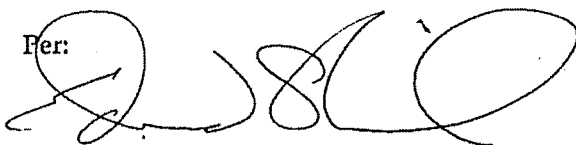
This Plan shall be binding upon and shall enure to the benefit of the heirs, administrators, executors, legal personal representatives, successors and permitted assigns of any Person named or referred to in this Plan.

[Signature Page Follows]

Signed in Greenwich (Connecticut), this March 17, 2015

ESTATE WBPHC COMPANY (F.K.A. WHITE BIRCH PAPER HOLDING COMPANY)
ESTATE WBPC COMPANY (F.K.A. WHITE BIRCH PAPER COMPANY)
ESTATE SGPI INC. (F.K.A. STADACONA GENERAL PARTNER INC.)
ESTATE BSPI INC. (F.K.A. BLACK SPRUCE PAPER INC.)
ESTATE FFSGPI INC. (F.K.A. F.F. SOUCY GENERAL PARTNER INC.)
3120772 NOVA SCOTIA COMPANY
ESTATE GCSI INC. (F.K.A. ARRIMAGE DE GROS CACOUNA INC.)
ESTATE PML INC. (F.K.A. PAPIER MASSON LTÉE)
SSEC L.P. (F.K.A. STADACONA LIMITED PARTNERSHIP)
FFS L.P. (F.K.A. F.F. SOUCY LIMITED PARTNERSHIP)
FFSIA L.P. (F.K.A. F.F. SOUCY, INC. & PARTNERS, LIMITED PARTNERSHIP)

Per:

A handwritten signature in black ink, appearing to be 'E. Sherrick', written over a horizontal line.

Edward Sherrick