

CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

File: No: 500-11-048114-157

SUPERIOR COURT
(Commercial Division)

Montreal, June 22, 2015

Presiding: The Honourable Mr. Justice Stephen W.
Hamilton, J.S.C.

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

**IN THE MATTER OF THE PLAN OF
COMPROMISE OR ARRANGEMENT
OF:**

**BLOOM LAKE GENERAL PARTNER
LIMITED, QUINTO MINING CORPORATION,
8568391 CANADA LIMITED, CLIFFS QUEBEC
IRON MINING ULC, WABUSH IRON CO.
LIMITED, WABUSH RESOURCES INC.**

Petitioners

-and-

**THE BLOOM LAKE IRON ORE MINE
LIMITED PARTNERSHIP, BLOOM LAKE
RAILWAY COMPANY LIMITED,
WABUSH MINES, ARNAUD RAILWAY
COMPANY, WABUSH LAKE RAILWAY
COMPANY LIMITED**

Mises-en-cause

-and-

FTI CONSULTING CANADA INC.

Monitor

-and-

**MICHAEL KEEPER, TERENCE WATT,
DAMIEN LEBEL, and NEIL JOHNSON**

Petitioners-Mises-en-cause

ORDER APPOINTING REPRESENTATIVES AND REPRESENTATIVE COUNSEL

1. **THE COURT**, upon reading the Petitioners-Mises-en-cause *Motion for an order appointing the Petitions-Mises-en-cause as Representatives of Salaried/Non-Union and Retired Employees of the Wabush CCAA Parties*, having examined the affidavit of Michael Keeper affirmed the 15th day of June, 2015, and the exhibits thereto;
2. **CONSIDERING** the submissions of counsel for the Petitioners-Mises-en-cause, the submissions of counsel for the Wabush CCAA Parties, and such other counsel as were present;
3. **GIVEN** the Monitor's 7th Report and the recommendations contained therein concerning the appointment of the Representatives and Representative Counsel for the Salaried Members, as defined below; and
4. **GIVEN** the provisions of the *Companies' Creditors Arrangement Act*;

FOR THESE REASONS, THE COURT HEREBY:

5. **GRANTS** the motion of the Petitioners-Mises-en-cause (the "**Representatives**") appointing them as representatives of all salaried/non-Union employees and retirees of the Wabush CCAA Parties (namely, Wabush Iron Co. Limited, Wabush Resources Inc., Wabush Mines, Arnaud Railway company and Wabush Lake Railway Company Limited) or any person claiming an interest under or on behalf of such employees or former employees or pensioners and surviving spouses, or group or class of them (excluding Opt-Out Individuals, as defined below, if any), (collectively, the "**Salaried Members**"), in these CCAA proceedings, for the purpose of representing the Salaried Members in these CCAA proceedings and in particular with respect to proving, settling or compromising the rights and claims of the Salaried Members in these CCAA proceedings, who shall be bound by the actions of the Representatives and Representative Counsel (as defined below) in these CCAA proceedings;
6. **GRANTS** the appointment of Koskie Minsky LLP and Nicholas Scheib (collectively, "**Representative Counsel**") as legal counsel to the Representatives in their capacity as representatives for the Salaried Members in these CCAA proceedings with the mandate to provide assistance to the Salaried Members so that the Salaried Members are able to

participate in the CCAA proceedings and the restructuring process in a more efficient manner, including to assist the Salaried Members in the evaluation of their entitlements and claims in a cost-effective and timely manner;

7. **ORDERS** that, subject to an agreement among the Representatives, Representative Counsel and the Wabush CCAA Parties (the “**Representative Counsel Letter**”), all reasonable legal fees, taxes and disbursements that may be incurred on or after the Filing Date by the Representatives and by Representative Counsel in these CCAA proceedings only shall be paid by the Wabush CCAA Parties on a monthly basis, forthwith upon the rendering of sufficiently detailed accounts (subject to reasonable redaction due to solicitor-client privilege) to the Wabush CCAA Parties and subject to the invoices being approved by the Monitor, in the following amounts: \$45,000 (CDN) in respect of legal fees of the Salaried Members as an initial payment in respect of the legal fees incurred by the Salaried Members from the inception of these CCAA proceedings to the date of this order; an amount of up to \$30,000 per month for the legal fees of the Salaried Members thereafter commencing for and including the month of June, 2015 for a total cap for legal fees of \$150,000. Any amount that is remaining in the cap in a given month can be carried forward to be applied to increase the cap in a future month, or can be applied toward the legal fees incurred in a past month(s) that exceeded the cap in such past month(s) and has not been paid. Notwithstanding any other provision of this Order, the Wabush CCAA Parties shall not pay any legal fees, taxes or disbursements of the Representatives and Representative Counsel if payment thereof by the Wabush CCAA Parties would be prohibited by the Interim Financing Term Sheet approved by Order of the Court dated May 20, 2015, in particular, any legal fees, taxes and disbursements of the Representatives and Representative Counsel in respect of: a) any contestation by the Representatives or Representative Counsel to the Interim Facility provided by Cliffs Mining Company pursuant to the Interim Financing Term Sheet (the “**Interim Facility**”), including any terms thereof or b) any litigation that may be brought or supported by the Representatives or Representative Counsel against the directors of the Wabush CCAA parties in their personal capacity or against Cliffs Mining Company, in its capacity as Interim Lender under the Interim Facility;

8. **DIRECTS** that any disagreement regarding the legal fees, taxes and disbursements of the Representatives and Representative Counsel may be remitted to this Court for determination;
9. **DIRECTS** a notice of the granting of this Order be provided to the Salaried Members by advertisement in a national and French newspaper at the expense of the Wabush CCAA Parties and under such other terms and conditions as to be agreed upon by the Representatives, the Wabush CCAA Parties and the Monitor, and the form of the advertisement shall be as agreed by Representative Counsel, the Wabush CCAA Parties and the Monitor (and in the event of any dispute, such dispute to be decided by this Court);
10. **ORDERS** that any individual Salaried Member who does not wish to be represented by the Representatives and Representative Counsel and thereby bound by their subsequent actions and decisions shall, within the later of 90 days of publication of the newspaper notice, so notify the Monitor, in writing, by facsimile, mail or email, substantially in the form attached hereto as Appendix A, that he or she wishes to opt out of representation by the Representatives or Representative Counsel (an “**Opt-Out Notice**”) and thereafter he or she shall not be represented by the Representatives or Representative Counsel in these proceedings and shall represent himself or herself, personally or through counsel that he or she may retain at his or her own expense as an independent, individual party to the extent that they wish to participate in these proceedings (any such persons who deliver an Opt-Out Notice in compliance with the terms of this paragraph are hereinafter referred to individually as an “**Opt-Out Individual** and collectively, “**Opt-Out Individuals**”) and the Representatives and Representative Counsel shall have no obligation to represent the Opt-Out Individuals;
11. **AUTHORIZES** the Representatives and Representative Counsel to take all steps and to perform all acts necessary or desirable to carry out the terms of this Order, including dealing with any Court, regulatory body and other government ministry, department or agency, and to take all such steps as are necessary or incidental thereto;

12. **DIRECTS** the Wabush CCAA Parties to provide to the Representatives and Representative Counsel, without charge, the following information, documents and data (the “Information”):

a. the names, last known address and last known email addresses (if any) of all the Salaried Members as well as applicable data regarding their entitlements, subject to a confidentiality agreement as applicable and to only be used for the purposes of these proceedings; and

b. upon request of Representative Counsel, such documents and data as may be relevant to matters relating to the issues in these proceedings, including documents and data pertaining to pension plans, group RRSPs, supplemental retirement arrangements, and post-retirement benefit plans of the Salaried Members, including up to date financial information regarding the funding and investments of any of these arrangements and including, in particular, documents and data pertaining to: (i) the Contributory Pension Plan for Salaried Employees of Wabush Mines, Cliffs Mining Company, Managing Agent (CRA registration No. 0343558) (the “**Salaried Plan**”); (ii) Participants in the Wabush Mines Registered Retirement and Savings Plan (the “**Group RRSP**”); (iii) Wabush Mines, Cliffs Mining Company, Managing Agent – Supplemental Retirement Arrangement (the “**SRA**”); and (iv) post-retirement benefit plans applicable to salaried employees of the Wabush Group (the “**Health Benefits**”);

and that, in so doing, the Wabush CCAA Parties are not required to obtain express consent from such Salaried Members authorizing disclosure of the Information to the Representatives and Representative Counsel and, further, in accordance with section 18(9) of *An Act respecting the Protection of Personal Information in the Private Sector*, CQLR c P-39.1, this Order shall be sufficient to authorize the disclosure of the Information without the knowledge or consent of the Salaried Members;

13. **AUTHORIZES** the Representatives and Representative Counsel, the Wabush CCAA Parties and the Monitor to apply to this Honourable Court for advice and directions in respect of any matter in relation to the discharge or variation of their respective powers and duties in relation to this Order;
14. **DECLARES** that the Representatives and Representative Counsel shall have no liability as a result of their appointment or the fulfilment of their duties in carrying out the provisions of this Order save and except for claims based on any gross negligence or wilful misconduct on their part;
15. **DECLARES** that service and notice of this motion was good and sufficient and hereby dispenses with further service thereof;
16. **WITHOUT COSTS.**

June 22, 2015


STEPHEN W. HAMILTON, J.S.C.

APPENDIX A

NOTICE TO OPT-OUT OF REPRESENTATION IN CCAA PROCEEDINGS

FTI Consulting Canada Inc.
TD Waterhouse Tower
79 Wellington Street West
Suite 2010, P.O. Box 104
Toronto, Ontario M5K 1G8

Attention: ●

Telephone: 416-649-8074
Toll free phone number: 1-844-846-7135
Email: Wabush@fticonsulting.com

Re: Notice to Opt-Out of Representation in the Matter of Bloom Lake & Wabush Mines – CCAA (the “CCAA Proceedings”)

I _____, am a Non-Union Employee or Retiree.

The Order directs that Salaried Members who do not wish to be represented in the CCAA Proceedings by Representative Counsel and bound by their actions may opt out by delivering this letter in accordance with the terms of the Order.

I hereby notify the Monitor that I do not wish to be represented by the Representatives and bound by their action and I will be separately represented to the extent that I wish to appear in the CCAA Proceedings.

DATE

NAME