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Mr. Michael Delaney
Superintendent of Pensions
Pension Benefit Standards Division
Government of Newfoundland and Labrador
Service NL
P.O. Box 8700
St-John's, NL A1B 4J6

Mr. Benoit Brière
Director, Supervision
Private Pension Plans Division
Office of the Superintendent of Financial Institutions
Canada
255 Albert Street
Ottawa, Canada K1A 0H2

**Re: Contributory Pension Plan for Salaried Employees of Wabush Mines (the "Salaried Plan")
NL Registration No. 0021314
Pension Plan for Bargaining Unit Employees of Wabush Mines (the "Bargaining Unit Plan")
OSFI Registration No. 57777**

Dear Mr. Delaney,
Dear Mr. Brière,

We have received copy of a letter dated March 14, 2016 sent by Koskie Minsky as Representative Counsel of the salaried employees and retirees in relation to the *Companies' Creditors Arrangement Act* proceedings and a letter dated March 17, 2016 sent by Mr. Brière of the Office of the Superintendent of Financial Institutions (OSFI). We hereby want to make certain comments with respect to the contents of said letters.

We first wish to reiterate that Cliffs Mining Company provided certain services with respect to the management of Wabush Mines pursuant to certain management agreements and modifications thereto. It never acted as the employer of any of the employees of Wabush Mines, Arnaud Railway Company or Wabush Lake Railway Company and never participated in either the Salaried Plan or the Bargaining Unit Plan as an employer in respect of any participating employees in such Plans.

We are of the opinion that the definition of "Employer" in the Salaried Plan and in the Bargaining Unit Plan (collectively, the Plans) is incorrectly interpreted in the letters, as the reference to Cliffs Mining Company in said Plans is strictly in relation to its status as Managing Agent of Wabush Mines. Cliffs Mining Company was never, and is currently not, a participating employer in the Salaried Plan or the Bargaining Unit Plan, contrary to the position taken in the above-mentioned letters.

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Our client also disagrees with any claim that Cliffs Mining Company acts or is deemed to act as plan administrator with respect to the Salaried Plan or the Bargaining Unit Plan or that it should bear the costs related to the administration of these Plans by an outside administrator. Our client maintains that such a claim has no legal basis because, as mentioned above, Cliffs Mining Company was never and is not a participating employer in either Plan.

Wabush Mines has requested that an outside administrator be appointed as neither Wabush Mines, Arnaud Railway Company nor Wabush Lake Railway Company, Limited; the employers participating in the Salaried Plan and in the Bargaining Unit Plan, currently have the resources necessary in order to fulfil the tasks related to the Plans administration. We respectfully submit that both OSFI and the Superintendent of Pensions of Newfoundland and Labrador should base the review of said requests based on the lack of resources of these entities.

Do not hesitate to contact the undersigned if you need any additional information in this file.

Yours truly,

BLAKE, CASSELS & GRAYDON LLP



Natalie Bussière

NB/fp

c. c. Clifford T. Smith
Adam D. Munson
Nigel Meakin, *FTI Consulting*
Andrew J. Hatnay, *Koskie Minsky LLP*
Milly Chow, *Blake, Cassels & Graydon LLP*