

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)



THE HONOURABLE MR.
JUSTICE WILTON-SIEGEL

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WEDNESDAY, THE 26th
DAY OF APRIL, 2017

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

AND IN THE MATTER OF A PROPOSED PLAN OF
COMPROMISE OR ARRANGEMENT WITH RESPECT TO
U. S. STEEL CANADA INC.
(the "**Applicant**")

SETTLEMENT APPROVAL ORDER

THIS MOTION, made by U. S. Steel Canada Inc. (the "**Applicant**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, for an order among other things,

- (a) approving the letter of agreement dated April 10, 2017 (the "**Non-USW Support Agreement**") between Koskie Minsky LLP ("**Representative Counsel**") (on behalf of the salaried employees, salaried retirees and all others that Representative Counsel represents), the Applicant and Bedrock Industries Canada LLC (the "**Plan Sponsor**") (a copy of which is attached as an exhibit to the Aziz Affidavit); and
- (b) approving the settlement agreement (the "**Non-USW Settlement Agreement**") between Representative Counsel (on behalf of the Non-USW Settlement Creditors (as defined therein) (the "**Non-USW Settlement Creditors**")), the Applicant and the Plan Sponsor (a copy of the form of which is attached as an exhibit to the Aziz Affidavit);

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of William E. Aziz sworn April 19, 2017 (the “**Aziz Affidavit**”), the Thirty-Eighth Report of Ernst & Young Inc. in its capacity as the Monitor of the Applicant (the “**Monitor**”), and the affidavit of service of Trevor Courtis dated April 19, 2017, and on hearing the submissions of counsel for the Applicant, the Monitor and any such other counsel as were present:

Service and Interpretation

1. **THIS COURT ORDERS** that the time for service of this motion is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that all capitalized terms used but not defined herein shall have the meanings given to them in the Plan of Compromise, Arrangement and Reorganization of the Applicant dated March 15, 2017, as amended and restated from time to time in accordance with its terms (the “**Plan**”).

Approval of Agreements

3. **THIS COURT ORDERS** that the Non-USW Support Agreement and the Non-USW Settlement Agreement are hereby approved in their entirety, including all schedules attached thereto.
4. **THIS COURT ORDERS** that the parties to the Non-USW Support Agreement and the Non-USW Settlement Agreement (including by representation) are hereby bound by this Order, the Non-USW Support Agreement and the Non-USW Settlement Agreement to which they are a party, and are authorized and directed to comply with their obligations under the Non-USW Support Agreement and Non-USW Settlement Agreement.

Representative Counsel

5. **THIS COURT ORDERS** that Representative Counsel is hereby authorized, on behalf of the Non-USW Settlement Creditors, to negotiate, finalize, execute and deliver the Stakeholder Contractual Releases (as defined in the Non-USW Settlement Agreement), and

any other agreements and documents contemplated by the Non-USW Support Agreement and/or the Non-USW Settlement Agreement.

6. **THIS COURT ORDERS** that: (a) the Representatives (as defined in the Representative Counsel Order) and Representative Counsel shall have no liability in relation to negotiating, entering into, and carrying out the terms of the Non-USW Support Agreement, the Non-USW Settlement Agreement and/or this Order, save and except for any gross negligence or wilful misconduct on their part; (b) Representative Counsel shall be entitled to rely on the books and records of the Applicant and any information provided by the Applicant without independent investigation; and (c) Representative Counsel shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information.

Monitor

7. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA and the other Orders in these proceedings, is hereby directed and empowered to take such other actions and fulfill such other roles as are contemplated by the Non-USW Support Agreement, the Non-USW Settlement Agreement and/or this Order and the Monitor may, at any time and from time to time, seek further direction of the Court with respect to its duties or other matters in respect thereof.

8. **THIS COURT ORDERS** that: (a) in carrying out the terms of the Non-USW Support Agreement, the Non-USW Settlement Agreement and/or this Order, the Monitor shall have all the protections given to it by the CCAA and the other Orders in these proceedings, and as an officer of the Court, including the stay of proceedings in its favour; (b) the Monitor shall incur no liability or obligation as a result of carrying out any duties or work in connection with the Non-USW Support Agreement, the Non-USW Settlement Agreement and/or this Order, save and except for any gross negligence or wilful misconduct on its part; (c) the Monitor shall be entitled to rely on the books and records of the Applicant and any information provided by the Applicant without independent investigation; and (d) the Monitor shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information.

Proxies and Election Notices

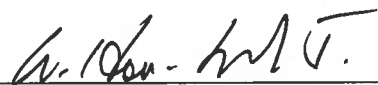
9. **THIS COURT ORDERS** that all Proxies and Election Notices filed by Non-USW Settlement Creditors are deemed to be of no effect and such Proxies and Election Notices may be disregarded for the purposes of voting at the Meetings.

10. **THIS COURT ORDERS** that Representative Counsel is hereby authorized to make elections and file Election Notices on behalf of any General Unsecured Creditor with a Non-USW Employee Termination Claim or Non-USW Unfunded Supplemental Pension Claim, other than an Opt-Out Individual (as defined in the Representative Counsel Order).

Notice

11. **THIS COURT ORDERS** that, as soon as practicable after the granting of this Order, the Non-USW Settlement Creditors Letter (as defined in the Aziz Affidavit) and this Order shall be posted on the website established by the Monitor in respect of these proceedings (the "**Monitor's Website**").

12. **THIS COURT ORDERS** that the notification process for this motion described in the Aziz Affidavit and the measures in paragraph 11 shall constitute good and sufficient service and notice of this Order on all Persons who may be entitled to receive notice thereof, and no other form of notice or service need be made on such Persons and no other document or material need be served on such Persons in respect of these proceedings. Service shall be effective as of the time of the posting of the materials on the Monitor's Website.



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ON / BOOK NO:
LE / DANS LE REGISTRE NO:

APR 26 2017

PER / PAR: 

IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR ARRANGEMENT WITH
RESPECT TO U. S. STEEL CANADA INC.

Court File No. CV-14-10695-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding Commenced at Toronto

SETTLEMENT APPROVAL ORDER

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