

June 27, 2018

*By Email*

Honourable Stephen W. Hamilton  
Superior Court Judge  
Montréal Courthouse  
Suite 11.25-1, Notre-Dame Street East  
Montréal, Québec H2Y 1B6

**Re: In the matter of the Plan of Compromise or Arrangement of  
Bloom Lake General Partner Limited & al.  
S.C.: 500-11-048114-157**

**And in the matter of a Motion for an Order for Legal Costs  
of the Salaried/Non-Union Employees and Retirees to be  
heard on June 29, 2018**

Mr. Justice Hamilton:

We represent Morneau Shepell in its capacity as Pension Plan Administrator in these proceedings. We will not be in attendance at the hearing of various motions scheduled for Friday, June 29, 2018 given the expense of attendance to the Pension Plans. However, our client wishes to make the following submissions in support of the Motion filed by Representative Counsel for legal costs, and in support of the ongoing efforts of Representative Counsel in these proceedings.

The Representatives seek payment of the legal costs incurred during the months of April, May and June of 2018, including legal costs that exceeded the fee cap.

Morneau Shepell submits that the legal costs incurred by the Representatives during this period are entirely reasonable in all of the circumstances.

It was during this period that the Representatives and the USW fought to have their counsel deemed to be the proxyholder for all members of their respective groups for the purpose of voting on the proposed Plan of Compromise or Arrangement. That Plan was put forward by the CCAA Parties with the support of the Monitor but without consultation or negotiation with any party with an interest in the Pension Plans or the employee claims. It provided for very limited recovery for the Pension Plans, employees and retirees. It was only after the decision of this Court dated April 20, 2018 that the Representatives and the USW were in a position to influence the proceedings. The decision of the Court triggered a period of intensive negotiations by Representative Counsel and counsel for the USW with multiple parties. The result of this excellent

and extensive work was the Amended Plan providing for the payment of \$18 million to each Pension Plan. Furthermore, the Amended Plan has been overwhelmingly supported by creditors.

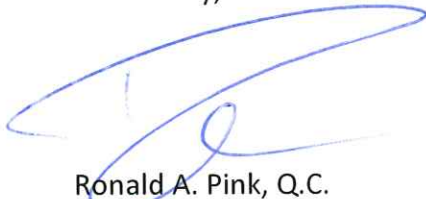
Morneau Shepell submits that the excellent work and the result achieved more than justify the legal fees incurred by the Representatives, and that these fees should be approved by the Court.

In its Forty-Seventh Report to the Court, the Monitor states at paragraph 105 that: "In the Monitor's view, there will be little requirement for future activity under the Representative Counsel mandate if the Plan is sanctioned by the Court." In Morneau Shepell's experience, this view is mistaken. After the Plan is sanctioned, there will be significant ongoing work for the Representatives, the USW, and their counsel – and for Morneau Shepell as it completes the wind-up of the Pension Plans. There will be ongoing inquiries from individuals about their claims, distributions, and their entitlements under the Pension Plans. Calculations will likely have to be reviewed and may have to be corrected. Annuities have to be purchased and there will likely be discussion back and forth about this. There will be ongoing reporting to members about the status of the proceeding, the distributions and the wind-up of the Pension Plans.

Indeed, paragraph 13 of the Plan Sanction Order sought by the CCAA Parties acknowledges and authorizes the ongoing activities of the Representatives, the USW and Morneau Shepell necessary to implement the Plan.

All of which is respectfully submitted.

Yours truly,



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c. Service List  
Client