

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE MR. ) TUESDAY, THE 15<sup>th</sup>  
 )  
JUSTICE MORAWETZ ) DAY OF JANUARY, 2013

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 OR  
ARRANGEMENT OF SINO-FOREST CORPORATION

**ORDER**

**THIS MOTION**, made by Sino-Forest Corporation ("SFC") for the relief set out in SFC's notice of motion dated January 14, 2013 was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Jonathan Bell sworn January 14, 2013 (the "Bell Affidavit") and on hearing submissions of counsel for SFC, the Monitor, the board of directors of SFC, the Ad Hoc Noteholders and those other parties present;

**SERVICE**

1. THIS COURT ORDERS that the time for the service of the Notice of Motion and the Motion Record is hereby abridged so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. THIS COURT ORDERS that capitalized terms used herein and not otherwise defined shall have the meaning given to them in the Bell Affidavit and the Sanction Order.

**DOCUMENT RETENTION**

3. THIS COURT ORDERS that prior to the Plan Implementation Date, Bennett Jones LLP shall take possession of copies of the SFC documents that have been identified as potentially relevant (pursuant to the definition attached at Schedule "A" of this Order) to the issues raised in the Class Actions (as that term is defined in the Sanction Order) (the "Relevant Documents") and preserve them as counsel to SFC following the implementation of the Plan.

4. THIS COURT ORDERS that Bennett Jones LLP shall retain copies of the Relevant Documents until any of the following occurs:

- (a) Bennett Jones LLP ceases to be counsel for SFC in the Class Actions;
- (b) SFC's defence in the Class Actions ceases to be funded by insurance; or
- (c) one year has elapsed from the completion of all of the Class Actions (by settlement, discontinuance, dismissal, final finding for the plaintiffs or otherwise).

5. THIS COURT ORDERS that in the event that Bennett Jones LLP ceases to be counsel for SFC in the Class Actions or SFC's defence in the Class Actions ceases to be funded by insurance, SFC shall comply with paragraph 52(ii) of the Sanction Order by Bennett Jones LLP bringing a motion to this Court seeking directions concerning prospective custody and access to the copies of the Relevant Documents that may be acceptable to SFC, the Monitor, Newco, the Ontario Class Action Plaintiffs, Ernst & Young, the Underwriters and the Named Third Party Defendants.

6. THIS COURT ORDERS that compliance with paragraphs 3, 4, and 5 of this Order shall satisfy SFC's document retention obligations provided by paragraph 52 of the Sanction Order and paragraph 8.2(x) of the Plan.

7. THIS COURT ORDERS that SFC shall produce documents in the Class Actions (i) in accordance with the laws, rules of court and practices in each applicable jurisdiction; (ii) as may be required by court order in such jurisdictions; or (iii) as otherwise agreed by SFC and other parties to the Class Actions.

8. THIS COURT ORDERS that this Order is without prejudice to any right of a party pursuant to Rule 31.10 or any equivalent provision in any other jurisdiction, other than as against Newco.

9. THIS COURT ORDERS that Newco has no obligations with respect to document retention and all parties' rights with respect to document retention in relation to Newco are as set forth in this Order, and all parties are enjoined pursuant to Article 7 of the Plan from seeking any form of documentation, information or data from Newco with respect to any matters concerning SFC.

10. THIS COURT ORDERS that neither the Monitor nor SFC's estate will be responsible for retaining the Relevant Documents or copies of the Relevant Documents after the Plan Implementation Date, nor for any costs associated with the retention of same.

11. THIS COURT ORDERS that none of SFC, SFC's directors and officers, or the Monitor shall incur any liability as a result of acting in accordance with the terms of this Order and the Sanction Order.

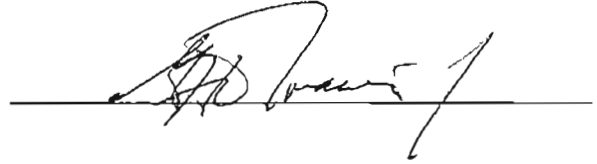
#### **FOREIGN PROCEEDINGS**

12. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, Barbados, the British Virgin Islands, Cayman Islands, Hong Kong, the People's Republic of China or in any other foreign jurisdiction, to give effect to this Order and to assist SFC, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to SFC and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist SFC and the Monitor and their respective agents in carrying out the terms of this Order.

13. THIS COURT ORDERS that each of SFC and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and any other Order issued in these proceedings.

ENTERED AT / INSCRIT A TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO:

JAN 15 2013



## SCHEDULE "A"

Relevant Document means any document, in physical or electronic form as defined in the *Rules of Civil Procedure* and including, without limitation, books, contracts, letters, telegrams, statements, records, bills, notes, securities, vouchers, reports, drawings, maps, surveys, transcripts, schematics, memoranda, writings of any kind, computer diskettes, CDs, DVDs, USB keys, any information contained on the storage of any electronic device, email, facsimile transmissions, audio recordings, video recordings, photographs and copies and drafts of same:

1. Relating, in any way, the allegations in the outstanding civil proceedings against Sino-Forest Corporation, including:
  - a. The Trustees of The Labourers' Pension Fund of Central and Eastern Canada, et al. v. Sino-Forest Corporation, et al., Ontario Superior Court of Justice, Court File No. CV-11-431153-00CP
  - b. Guining Liu v. Sino-Forest Corporation, et al., Province of Quebec Superior Court, File No. 200-06-000132-111
  - c. David Leopard, et al. v. Allen T.Y. Chan, et al., United States New York Southern District Court, Case Number 1:2012-cv-01726-VM
2. Relating, in any way, to any "Impugned Document" as defined in the Fresh as Amended Statement of Claim in the action bearing Court File No.: CV-11-431153-00CP (the "Action");
3. Relating in any way to the issuance of securities or debt instruments by Sino-Forest Corporation or its subsidiaries;
4. Relating to any application to list securities of the Sino-Forest Corporation or its subsidiaries on any exchange, including records reflecting all information provided to any exchange in connection with any listing or contemplated listing;
5. All communications with any exchange upon which Sino-Forest Corporation or its subsidiaries securities were listed;
6. Reflecting meetings and the work of the board of directors and all committees of the board, including the audit committee;
7. Relating in any way to the allegations contained in the OSC Statements of Allegations against Sino-Forest Corporation (and others) and against Ernst & Young LLP;
8. Sent to, received from, produced by, produced for, concerning or related in any way to:
  - a. Zhanjiang Leizhou Eucalyptus Resources Development Co. Ltd (the purported joint venture between Sino-Wood Partners and the Leizhou Forestry Bureau);
  - b. Shanghai Jin Xiang Timber Ltd.;
  - c. Shanghai Timber Market;
  - d. Gengma Dai and Wa Tribes Autonomous Region Forestry Company Ltd.
  - e. Greenheart Group Limited ("Greenheart");
  - f. Greenheart Resources Holdings Limited;
  - g. Great Sino Holdings Ltd;
  - h. Vista Marine Services NV;
  - i. Jiangxi Zhonggan Industrial Development Company Limited;
  - j. China Square Industrial Limited;
  - k. Homix Limited;
  - l. Jiangsu Dayang Wood Co., Ltd;
  - m. Shaoyang Jiading Wood Products Co. Ltd.;
  - n. Guangzhou Pany Dacheng Wood Co.;

- o. Yunnan Shunxuan Forestry Co. Ltd.;
  - p. Huaihua City Yuda Wood Co. Ltd.;
  - q. General Enterprise Management Services International Limited;
  - r. Kongkou Suanglian Wood Company Limited;
  - s. Jiangxi Tianyao Industrial Co., Ltd.;
  - t. Nanchang Tongdasheng Industry Co., Ltd.;
  - u. Jinan Xinluyuan Economic and Trade Co., Ltd.;
  - v. Dao County Juncheng Forestry Development Co., Ltd.;
  - w. Gengma Dai Wa Autonomous County Forestry Co., Ltd.;
  - x. Huaihua Yuda Wood Co., Ltd.;
  - y. Dongkou Shuanglian Wood Company Limited;
  - z. Jiangxi Senchangtai Forestry Co. Ltd.;
  - aa. Shanghai Bailucheng Trading Ltd.;
  - bb. Shenzhen Jingyingcai Trading Ltd.;
  - cc. Guangxi Dacheng Timber Co. Ltd.;
  - dd. Guangxi Hezhou City Yuangao Forestry Development Co. Ltd.;
  - ee. Gaoyao City Xinqi Forestry Development Co., Ltd.;
  - ff. Guangxi Rongshui Meishan Wood Products Factory;
  - gg. Guangxi Pingle Haosen Forestry Development Co., Ltd.;
  - hh. Guangxi Hezhou City Kun'an Forestry Co., Ltd.;
  - ii. Jinan Feilin Wood Ltd.;
  - jj. Shuifenghe Longtai Trading Ltd.;
  - kk. Heilongjiang Xinlihua Trading Ltd.; and
  - ll. Heilongjiang Jingtai long Import Export Ltd.;
  - mm. Any suppliers of Sino Forest;
  - nn. Any "authorized intermediary" as that term is employed by the Independent Committee of Sino-Forest ("IC");
  - oo. Any BVI entity; or
  - pp. Any purchasers, or purported purchasers, of timber or any wood product from Sino-Forest or its subsidiaries;
9. Relating, in any way, to the purchase, sale, lease or any other transaction, of any sort, connected in any way to timber, standing timber, wood logs, trees, wood fibre, wood products or land, including, without limitation:
- a. The purchase, acquisition, lease, or sale of any forestry assets in Yunnan Province;
  - b. The purchase, acquisition, lease, or sale of any forestry assets in Jiangxi Province;
  - c. The purchase, acquisition, lease, or sale of any forestry assets in Hunan Province; or
  - d. The purchase, acquisition, lease, or sale of any forestry assets in Republic of Suriname;
10. Sent to, received from, produced by, produced for, concerning or related in any way to:
- a. Allen Chan;
  - b. Kai Kit Poon;
  - c. David Horsley;
  - d. William Ardell;
  - e. James Bowland;
  - f. James Hyde;
  - g. Edmund Mak;

- h. W. Judson Martin;
  - i. Simon Murray;
  - j. Peter Wang;
  - k. Garry West;
  - l. Albert Ip;
  - m. Alfred C.T. Hung;
  - n. George Ho;
  - o. Simon Yeung;
  - p. Lam Hong Chiu;
  - q. Hua Chen;
  - r. Mr. Liang (based in Heyuan Guangdong, Deputy GM responsible for Heyuan plantations, previously with forestry bureau; studied at Yangdongxian Dangxiao);  
or
  - s. Mr. Xie (based in Hunan, Plantation controller, graduated from Hunan Agricultural University, previously Assistant Manager of state-owned farm trees in Hunan);
11. Relating, in any way, to the existence or ownership of forestry assets including, without limitation:
- a. Any forestry bureau or government official with which Sino-Forest, any of its subsidiaries or any of its officers, directors or employees had any contact whatsoever;
  - b. Confirmation letters issued by forestry bureaus;
  - c. Farmers' Authorization Letters;
  - d. Timber Survey Reports; or
  - e. Plantation rights certificates;
12. Related to the quarterly and year-end audit work done in respect of Sino-Forest Corporation or its subsidiaries, including but not limited to any records of communications or meetings with the auditors, any Poyry entity.
13. Sent to, received from, produced by, produced for, reviewed by or in any way related to any person or entity engaged to, providing, proposing to provide, or related in any way to, any audit of Sino-Forest or its subsidiaries or other work performed by:
- a. Ernst & Young LLP;
  - b. BDO Limited;
  - c. Arthur Andersen LLP; or
  - d. BDO McCabe Lo Limited;
14. Sent to, received from, produced by, produced for, reviewed by or in any way related to any person or entity engaged to, providing, proposing to provide, or related in any way to underwriting or investment banking services to Sino-Forest or its subsidiaries, including, without limitation:
- a. Credit Suisse Securities (Canada), Inc.;
  - b. TD Securities Inc.;
  - c. Dundee Securities Corporation;
  - d. RBC Dominion Securities Inc.;
  - e. Scotia Capital Inc.;
  - f. CIBC World Markets Inc.;
  - g. Merrill Lynch Canada Inc.;
  - h. Canaccord Financial Ltd.;
  - i. Maison Placements Canada Inc.;

- j. Credit Suisse Securities (USA) LLC;
  - k. Merrill Lynch, Pierce, Fenner & Smith Incorporated; or
  - l. Banc of America Securities LLC
15. Sent to, received from, produced by, produced for, reviewed by or in any way related to any person or entity engaged to, providing, proposing to provide, or related in any way to valuation services to Sino-Forest or its subsidiaries, including, without limitation any Poyry entity.
  16. Any document relating in any way to the book, records, journals, ledgers and financial statements of Sino-Forest or its subsidiaries, including documents underpinning any facts or figures therein, including, without limitation:
    - a. Tax liabilities related to Sino's operations;
    - b. Documents underpinning Sino's cash flow statements; or
    - c. Evidencing any "representation from management";
  17. Provided to, requested by, reviewed by, produced by, received from or related in any way to:
    - a. The IC;
    - b. The Ontario Securities Commission or any other securities regulator anywhere in the world;
    - c. The Royal Canadian Mounted Police or any law enforcement agency anywhere in the world;
    - d. Any governmental body of any sort or level of government in the People's Republic of China;
  18. Relating to or discussing Muddy Waters Research;
  19. Legal opinions relating in any way to:
    - a. Taxation and tax liabilities, anywhere in the world;
    - b. Conducting 'business activities' in China;
    - c. Timber, trees, wood fibre, wood products or land, including ownership of forestry assets;
    - d. Distribution of securities or debt instruments;
    - e. Listing of securities or debt instruments on any exchange;
    - f. BVI entities and the BVI subsidiary structure;
    - g. WFOE entities;
    - h. "Onshoring" of revenue; and
    - i. Audit work for Sino-Forest or its subsidiaries.
  20. Relating in any way to communications with any security holder, former security holder or potential security holder of Sino-Forest or its subsidiaries;
  21. Any securities, of any sort, issued to any defendant in the Action, including, without limitation options of Greenheart granted to Chan, Martin and Murray;
  22. Referred to at, resulting from or in any way related to the April 9, 2010 meeting between Allen Chan, Thomas Maradin, Alfred Hung, Eric Chan, David Horsley, Doug Parsonson, Steve Croskery, Rudolph van Rensburg, Josephine Man, Graham Robertson, Fred Clifford, Ron Patrickson and L. Langel; or
  23. Drafts or prior versions of any sort of any document listed above.

Where an entity is referred to above, that reference includes any employee, partner, agent, subsidiary, parent organization or other person or entity related in any way to it.



**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 OR COMPROMISE OR ARRANGEMENT OF SINO-FOREST CORPORATION**

Court File No. CV-12-9667-00CL

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

Proceedings commenced in Toronto

**ORDER**

**BENNETT JONES LLP**  
One First Canadian Place  
Suite 3400, P.O. Box 130  
Toronto, Ontario  
M5X 1A4

Robert W. Staley (LSUC #27115J)  
Kevin Zych (LSUC #33129T)  
Derek J. Bell (LSUC #43420J)  
Raj Sahni (LSUC #42942U)  
Jonathan Bell (LSUC #55457P)  
Tel: 416-863-1200  
Fax: 416-863-1716

Lawyers for the Applicant