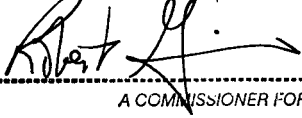


This is Exhibit A referred to in the affidavit of Gutha Myers sworn before me, this 16<sup>th</sup> day of February 2016

Court File No. CV-11-431153-00CP

  
A COMMISSIONER FOR TAKING AFFIDAVITS

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN:

**THE TRUSTEES OF THE LABOURERS' PENSION FUND  
OF CENTRAL AND EASTERN CANADA, THE TRUSTEES OF THE  
INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL 793 PENSION  
PLAN FOR OPERATING ENGINEERS IN ONTARIO, SJUNDE AP-FONDEN,  
DAVID GRANT and ROBERT WONG**

Plaintiffs

- and -

**SINO-FOREST CORPORATION, ERNST & YOUNG LLP, BDO LIMITED (formerly known as BDO McCabe Lo Limited), ALLEN T.Y. CHAN, W. JUDSON MARTIN, KAI KIT POON, DAVID J. HORSLEY, WILLIAM E. ARDELL, JAMES P. BOWLAND, JAMES M.E. HYDE, EDMUND MAK, SIMON MURRAY, PETER WANG, GARRY J. WEST, POYRY (BEIJING) CONSULTING COMPANY LIMITED, CREDIT SUISSE SECURITIES (CANADA), INC., TD SECURITIES INC., DUNDEE SECURITIES CORPORATION, RBC DOMINION SECURITIES INC., SCOTIA CAPITAL INC., CIBC WORLD MARKETS INC., MERRILL LYNCH CANADA INC., CANACCORD FINANCIAL LTD., MAISON PLACEMENTS CANADA INC., CREDIT SUISSE SECURITIES (USA) LLC and BANC OF AMERICA SECURITIES LLC**

Defendants

Proceeding under the *Class Proceedings Act*, 1992

**MINUTES OF SETTLEMENT AND RELEASE**

**PART I - Settlement of Claims Against Ardell, Bowland, Hyde & West**

1. These Minutes of Settlement and Release represent the agreement amongst the parties hereto, reached on October 23, 2015 (the "Settlement and Release"), to resolve in accordance with the terms more particularly set out herein any actions, causes of action, claims and/or demands, known or unknown, which have been made against William Ardell, James Bowland, James Hyde and Garry West (the "Independent Directors") or which could have been made against the Independent Directors by the plaintiffs to this

action (the "Class Action Plaintiffs"), based upon, arising out of, in relation to, in connection with or in any way related to Sino-Forest Corporation and its affiliates and subsidiaries (collectively "Sino-Forest"), in the context of these proceedings (the "Class Actions") or otherwise (collectively, "Claims").

2. Subject to the conditions herein, the terms of the Settlement and Release are binding on the Parties.
3. The Independent Directors make no admissions of liability and waive no defences available to them, with respect to the Claims or otherwise.
4. Each of the Independent Directors warrants that he has no non-privileged documents or information relevant to the certified common issues relating to BDO Limited and, if otherwise, agrees to produce any such documents and information to the Class Action Plaintiffs at the close of pleadings in this Class Action.

## **PART II - Implementation of the Settlement**

5. The Class Action Plaintiffs will bring a motion to the Ontario Superior Court of Justice for orders approving a notice program regarding the hearing to approve the Settlement and Release (the "Notice Program") as follows:
  - (a) notice to the Service List in the Sino-Forest CCAA Proceeding;
  - (b) direct distribution of a notice by email (if email addresses were provided by individuals and entities) or by mail to all individuals and entities that have provided their contact information to counsel to the Class Action Plaintiffs; and
  - (c) notice shall be posted on the websites of counsel to the Class Action Plaintiffs.


6. The Settlement and Release will become effective (the "Effective Date") when the Settlement Order has been obtained and either (i) all appeal rights have expired or (ii) the applicable appellate court of final jurisdiction has upheld the Settlement Order.
7. In consideration of the undertakings and releases set out herein, an amount of CDN \$250,000 (the "Class Settlement Fund") shall be paid to the Class Action Plaintiffs by Travelers Insurance Company of Canada ("Travelers") by means of deposit into an interest bearing trust account with a Canadian Schedule 1 bank in Ontario (the "Settlement Trust"), within fifteen (15) days following the Effective Date.
8. Upon payment of the Class Settlement Fund, the action under Court File No. CV-11-431153-00CP (the "Class Action") shall be dismissed as against the Independent Directors but without prejudice to the Class Action Plaintiffs' right to proceed with the Class Action against the other named Defendants (subject to any limitations set out herein).
9. The Class Settlement Fund represents the full monetary contribution or payment of any kind to be made by the Independent Directors and/or any applicable insurers (including, without limitation, Travelers) in respect of the Claims against the Independent Directors, and is paid in full and final settlement of the Claims and all causes of action against the Independent Directors, inclusive of damages, costs, interest, legal fees, taxes (inclusive of any GST, HST, or any other taxes which may be payable in respect of the Settlement), all costs associated with the distribution of the Class Settlement Fund, all costs associated with the administration of the Settlement and any other monetary costs or amounts associated with the Settlement or otherwise.
10. Following the Effective Date:

- (a) no further proceedings shall be commenced or continued by the Class Action Plaintiffs against the Independent Directors in respect of any Claims, other than as necessary to complete the Settlement;
- (b) the Class Action Plaintiffs agree not to claim from the non-settling Defendants in the Class Actions that portion of any damages which corresponds to the proportionate share of liability of the Independent Directors, proven at trial or otherwise, such that the Independent Directors are not further exposed to the Claims, by any person or entity; and
- (c) the Class Action Plaintiffs and their respective counsel agree not to assist or cooperate with any other party in the Class Actions or any other proceeding in advancing Claims against the Independent Directors. However, irrespective of this provision, the Class Action Plaintiffs reserve all rights with respect to the prosecution of the claims remaining against the non-settling Defendants.


**PART III - Conditions to Implementation of the Terms of Settlement**

- 11. The implementation of this Settlement is conditional upon Court approval of these Minutes of Settlement and Release.
- 12. These Minutes of Settlement and Release may be executed by the Parties or their counsel in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Signatures by facsimile or email shall be effective as original signatures.

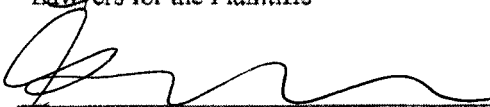
Date Feb 16, 2016

  
Siskinds LLP  
Lawyers for the Plaintiffs

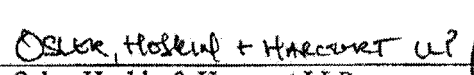
Date Feb 12, 2016

  
Koskie Minsky LLP  
Lawyers for the Plaintiffs

Date Feb 16, 2016

  
Siskinds Desmeules sncrl  
Lawyers for the Plaintiffs

Date February 14, 2016

  
Osler, Hoskin & Harcourt LLP / <sup>per</sup> GG.  
Osler, Hoskin & Harcourt LLP  
Lawyers for William Ardell, James  
Bowland, James Hyde and Garry West

**SCHEDULE "A"**

**Insurers**

Travelers Insurance Company of Canada

Travelers Guarantee Company of Canada

*(collectively, "Travelers")*

**Policies**

Travelers Policy No. 10181108 *(the "Travelers Policy")*

**SCHEDULE "B"**

Draft Settlement Order

Court File No. CV-11-431153-00CP

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE )  
 )  
JUSTICE ● ) ..... THE .....  
 )  
 ) DAY OF ....., 2015

BETWEEN:

**THE TRUSTEES OF THE LABOURERS' PENSION FUND  
OF CENTRAL AND EASTERN CANADA, THE TRUSTEES OF THE  
INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL 793 PENSION  
PLAN FOR OPERATING ENGINEERS IN ONTARIO, SJUNDE AP-FONDEN,  
DAVID GRANT and ROBERT WONG**

Plaintiffs

- and-

**SINO-FOREST CORPORATION, ERNST & YOUNG LLP, BDO LIMITED (formerly  
known as BDO McCabe Lo Limited), ALLEN T.Y. CHAN, W. JUDSON MARTIN, KAI  
KIT POON, DAVID J. HORSLEY, WILLIAM E. ARDELL, JAMES P. BOWLAND,  
JAMES M.E. HYDE, EDMUND MAK, SIMON MURRAY, PETER WANG, GARRY J.  
WEST, POYRY (BEIJING) CONSULTING COMPANY LIMITED, CREDIT SUISSE  
SECURITIES (CANADA), INC., TD SECURITIES INC., DUNDEE SECURITIES  
CORPORATION, RBC DOMINION SECURITIES INC., SCOTIA CAPITAL INC.,  
CIBC WORLD MARKETS INC., MERRILL LYNCH CANADA INC., CANACCORD  
FINANCIAL LTD., MAISON PLACEMENTS CANADA INC., CREDIT SUISSE  
SECURITIES (USA) LLC and BANC OF AMERICA SECURITIES LLC**

Defendants

Proceeding under the *Class Proceedings Act*, 1992

**ORDER**

**THIS MOTION**, made by the representative plaintiffs in the action commenced against William Ardell, James Bowland, James Hyde and Garry West (the "Independent Directors") in the Ontario Superior Court of Justice, bearing (Toronto) Court File No. CV-11-431153-00CP

(the "Ontario Class Action"), for an order giving effect to the Independent Directors' Settlement and Release, was heard on ●, 2015 at the Court House, ●, Toronto

**WHEREAS** this action was certified as against the Independent Directors by Order of this Court dated January 12, 2015;

**AND WHEREAS** the Class was defined as:

- (i) all persons and entities, wherever they may reside, who acquired Sino-Forest Corporation's Securities during the Class Period on the Toronto Stock Exchange or other secondary market in Canada, which includes securities acquired over-the-counter, and all persons and entities who acquired Sino-Forest Corporation's Securities during the Class Period who are resident of Canada or were resident of Canada at the time of acquisition and who acquired Sino-Forest Corporation's Securities outside of Canada, except: those persons resident or domiciled in the Province of Quebec at the time they acquired Sino-Forest Corporation's Securities, and who are not precluded from participating in a class action by virtue of Article 999 of the Quebec Code of Civil Procedure, RSQ, c C-25, and except the Excluded Persons; and
- (ii) all persons and entities, wherever they may reside, who acquired Sino-Forest Corporation's Securities during the Class Period by distribution in Canada in an Offering, or are resident of Canada or were resident of Canada at the time of acquisition and acquired Sino-Forest Corporation's Securities by offering outside of Canada, except the Excluded Persons;

**AND WHEREAS** the Independent Directors and the Plaintiffs entered into Minutes of Settlement and Release dated ● ("Settlement and Release") to release any actions, causes of action, claims and/or demands which have been made against the Independent Directors or which could have been made against the Independent Directors by the plaintiffs in the Ontario Action (the "Class Action Plaintiffs"), based upon, arising out of, in relation to, in connection with or in any way related to Sino-Forest Corporation and its affiliates and subsidiaries, in the context of these proceedings (the "Class Actions") or otherwise (collectively, "Claims");



**AND ON READING** the materials filed and on hearing the submissions of counsel,

**Definitions**

1. **THIS COURT ORDERS** that capitalized terms not otherwise defined in this order shall have the meanings attributed to those terms in **Appendix "A"**

**Approval of the Settlement & Release**

2. **THIS COURT ORDERS** that the Independent Directors' Settlement and Release is fair and reasonable in all the circumstances and for the purposes of the proceedings under the *Class Proceedings Act*, 1992.
3. **THIS COURT ORDERS** that this Order and the Independent Directors' Settlement and Release are binding on the members of the Class who have not opted out, including those persons who are under disability, and any requirements of rules 7.04(1) and 7.08(4) of the *Rules of Civil Procedures*, RRO 1990, Reg. 194 are dispensed.

**Release and Discharge**

4. **THIS COURT ORDERS** that as of the date hereof,
  - (a) any and all Claims by the Class against the Independent Directors (the "Independent Director Claims") shall be fully, finally, irrevocably and forever compromised, released, discharged, cancelled, barred and deemed satisfied and extinguished as against the Independent Directors;
  - (b) the Independent Directors' Settlement and Release shall be binding according to its terms on any person;

- (c) none of the parties in the Class Actions or any other actions in which the Independent Directors Claims have been or could have been asserted shall be permitted to claim from any of the other Defendants that portion of any damages, restitutionary award or disgorgement of profits that corresponds with the liability of the Independent Directors proven at trial or otherwise, that is subject of the Settlement and Release ("Independent Directors' Proportionate Liability"); and
- (d) the Ontario Class Action shall be dismissed against the Independent Directors.

**Effect of Settlement on Insurers**

- 5. **THIS COURT ORDERS AND DECLARES** that any amounts paid by Travelers Insurance Company of Canada ("Travelers") towards the Independent Directors' Settlement and Release are fair and reasonable in all the circumstances and are hereby approved for all purposes, and shall be implemented in accordance with their terms and this Order.
- 6. **THIS COURT ORDERS AND DECLARES** that the payment by Travelers pursuant to the Independent Directors' Settlement and Release does not violate the interests of any party to the Class Actions, any other party who might have a claim against any person or entity potentially covered under the Insurance Policies (as listed in Schedule "A" to the Minutes of Settlement);
- 7. **THIS COURT ORDERS AND DECLARES** that all amounts paid by Travelers towards the Independent Directors' Settlement and Release shall constitute covered Loss (as defined in the Insurance Policies) that reduce the Limits of Liability (as defined in the Insurance Policies) for all purposes;

8. **THIS COURT ORDERS AND DECLARES** that Travelers' contribution to the Independent Directors' Settlement is without prejudice to the coverage positions or reservations of rights advised by it, or any of the Insurers, in relation to the Class Actions and to any other matter or Claim (as defined in the Insurance Policies) made or yet to be made against the Independent Directors provided that the settlement of the Class Actions will not be voided or impacted by any such coverage position or reservation of rights.
9. **THIS COURT ORDERS AND DECLARES** that Travelers shall be released from any and all claims against it under or in relation to the Insurance Policies with respect to the Independent Directors Claims.
10. **THIS COURT ORDERS AND DECLARES** that all persons and entities provided with notice of this Motion shall be bound by the declarations made in, and the terms of, this Independent Directors' Settlement Order.

#### **Use of the Settlement Fund**

11. **THIS COURT ORDERS** that the Class Settlement Fund shall be held by the Ontario Plaintiffs in the Settlement Trust until such later date that the Ontario Plaintiffs have a Plan of Allocation approved by this Court, whereby those funds will be distributed to Securities Claimants.
12. **THIS COURT ORDERS** that notwithstanding the immediately preceding paragraph, the following parties shall not be entitled to any allocation or distribution of the Class Settlement Fund: any person or entity that is a named defendant to the Ontario Class Action, their past and present subsidiaries, affiliates, officers, directors, senior employees, partners, legal representatives, heirs, predecessors, successors and assigns, and any individual who is a member of the immediate family of the following persons: Allen T.Y.

Chan a.k.a Tak Yuen Chan, W. Judson Martin, Kai Kit Poon, David J. Horsley, William E. Ardell, James P. Bowland, James M.E. Hyde, Edmund Mak, Simon Murray, Peter Wang, Garry J. West, Albert Ip, Alfred C.T. Hung, George Ho and Simon Yeung. For greater certainty, the Independent Directors' Release shall apply to the claimants described above, other than the Independent Directors.

**Recognition, Enforcement and Further Assistance**

13. **THIS COURT ORDERS** that this Court shall retain an ongoing supervisory role for the purposes of implementing, administering and enforcing the Independent Directors' Settlement and Release and matters related to the Settlement Trust, including any disputes about the allocation of the Class Settlement Fund from the Settlement Trust. Any disputes arising with respect to the performance or effect of, or any other aspect of, the Independent Directors' Settlement and Release shall be determined by this Court, and that, except with leave of this Court first obtained, no person or party shall commence or continue any proceeding or enforcement process in any other court or tribunal, with respect to the performance or effect of, or any other aspect of the Independent Directors' Settlement and Release.
  
14. **THIS COURT ORDERS** that each of the Ontario Plaintiffs, the Independent Directors and their respective counsel shall 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, or any further order as may be required, and for assistance in carrying out the terms of such orders.

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Morawetz J.

## **Appendix "A"**

**"Securities"** means Sino's common shares and notes;

**"Class Period"** means the period from and including March 19, 2007 to and including June 2, 2011;

**"December 2009 Offering Memorandum"** means Sino's Final Offering Memorandum, dated December 10, 2009, relating to the distribution of Sino's 4.25% Convertible Senior Notes due 2016 which Sino filed on SEDAR on December 11, 2009;

**"December 2009 Prospectus"** means Sino's Final Short Form Prospectus, dated December 10, 2009, which Sino filed on SEDAR on December 11, 2009;

**"Excluded Persons"** means the defendants, their past and present subsidiaries, affiliates, officers, directors, senior employees, partners, legal representatives, heirs, predecessors, successors and assigns, and any individual who is a member of the immediate family of an Individual Defendant;

**"Individual Defendants"** means Allen T.Y. Chan, W. Judson Martin, Kit Kai Poon, David J. Horsley, William E. Ardell, James P. Bowland, James M.E. Hyde, Edmund Mak, Simon Murray, Peter Wang, and Garry J. West, collectively;

**"June 2007 Prospectus"** means Sino's Short Form Prospectus, dated June 5, 2007, which Sino filed on SEDAR on June 5, 2007;

**"July 2008 Offering Memorandum"** means the Final Offering Memorandum dated July 17, 2008, relating to the distribution of Sino's 5% Convertible Senior Notes due 2013 which Sino filed on SEDAR as a schedule to a material change report on July 25, 2008;

**"June 2009 Prospectus"** means Sino's Final Short Form Prospectus, dated June 1, 2009, which Sino filed on SEDAR on June 1, 2009;

**"June 2009 Offering Memorandum"** means Sino's Exchange Offer Memorandum dated June 24, 2009, relating to an offer to exchange Sino's Guaranteed Senior Notes due 2011 for new 10.25% Guaranteed Senior Notes due 2014 which Sino filed on SEDAR as a schedule to a material change report on June 25, 2009;

**"October 2010 Offering Memorandum"** means the Final Offering Memorandum dated October 14, 2010, relating to the distribution of Sino's 6.25% Guaranteed Senior Notes due 2017;

**"Offering"** means the primary distributions of Sino's Securities that occurred during the Class Period including the public offerings of Sino's common shares pursuant to the June 2007, June 2009 and December 2009 Prospectuses, as well as the offerings of Sino's notes pursuant to the July 2008, June 2009, December 2009, and October 2010 Offering Memoranda, collectively;

**"SEDAR"** means the system for electronic document analysis and retrieval of the Canadian Securities Administrators;