

## SINO-FOREST CORPORATION CLASS ACTION NOTICE OF OPT OUT

**TO:** All persons or entities who, from March 19, 2007 through August 26, 2011 (the "Class Period") purchased the common stock of Sino-Forest Corporation other than in Canada on the over-the-counter market; and all persons or entities who purchased debt securities issued by Sino-Forest other than in Canada during the Class Period, and who were damaged thereby.

**READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR LEGAL RIGHTS.  
YOU MAY NEED TO TAKE PROMPT ACTION.**

### **IMPORTANT DEADLINE:**

**Opt-Out Deadline** (for individuals and entities that wish to exclude themselves from the Class Action. See page 2 for more details.):

February 6, 2017

*Opt-Out Forms will not be accepted after this deadline. As a result, it is necessary that you act without delay.*

### **COURT APPROVAL OF THE CLASS ACTION SETTLEMENT**

In June and July of 2011, class actions were commenced in the Ontario Superior Court of Justice (the "Ontario Proceeding") and the Quebec Superior Court (the "Quebec Proceeding") (collectively, the "Proceedings") against Sino-Forest, its senior officers and directors, its auditors, its underwriters and a consulting company, Poyry (Beijing) Consulting Company Limited ("Poyry (Beijing)"). The actions alleged that the public filings of Sino-Forest contained false and misleading statements about Sino-Forest's assets, business, and transactions.

Since that time, the litigation has been vigorously contested. On March 30, 2012, Sino-Forest obtained creditor protection under the *Companies' Creditors Arrangement Act* (the "CCAA"), which allowed an interim stay of proceedings against the company. Settlements were reached with numerous parties, including certain officers, directors, auditors and dealers.

On November 16, 2016, the Ontario Superior Court approved a settlement agreement between the plaintiffs in the Proceedings and William Ardell, James Bowland, James Hyde and Garry West, W. Judson Martin, Edmund Mak, Simon Murray, Peter Wang (the "**Directors**" and the "**Settlement Agreement**").

### **WHO IS BOUND BY THE SETTLEMENT AGREEMENT?**

The Court approved the Settlement Agreement on behalf of the following individuals and entities (the "Class" or "Class Members"):

- (a) 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 the Excluded Persons;

- (b) 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;
- (c) all persons or entities who, from March 19, 2007 through August 26, 2011 purchased the common stock of Sino-Forest Corporation on the over-the-counter market and who were damaged thereby; and
- (d) all persons or entities who, from March 19, 2007 through August 26, 2011, purchased debt securities issued by Sino-Forest other than in Canada and who were damaged thereby.

### **REQUESTING EXCLUSION FROM THE CLASS**

Individuals and entities in categories (a) and (b), above, have already been provided an opportunity to exclude themselves from the Proceeding. As part of the settlement with the Directors, the class was expanded to also include the following persons and entities, who are new class members and are now being given an opportunity to opt out of the action:

All persons or entities who, from March 19, 2007 through August 26, 2011 (the "Class Period") purchased the common stock of Sino-Forest Corporation other than in Canada on the over-the-counter market; and all persons or entities who purchased debt securities issued by Sino-Forest other than in Canada during the Class Period, and who were damaged thereby.

All persons and entities that fall within this definition may now exclude themselves ("opt out") from this settlement.

If you want to claim in the Directors settlement, you can do nothing. If you do not opt out, you will be bound by the settlement, and you will not be able to make or maintain any other claims or legal proceeding in relation to the matters alleged in this action against the Directors. If you opt out, you will not be able to make a claim to the settlement proceeds.

If you do not want to be bound by the Settlement Agreement you must opt out. If you wish to opt out, you may do so by completing an "Opt-Out Form".

In order to successfully opt out, you must include all of the information requested by the Opt-Out Form. Specifically, you must sign a written election that contains the following information:

- a) your full name, current address, and telephone number;
- b) the name and number of Sino-Forest securities purchased between March 19, 2007 and August 26, 2011, and the date and price of each such transaction;

- c) a statement to the effect that you wish to be excluded from the Settlement Agreement; and
- d) your reasons for opting out.

If you wish to opt out, you must submit your fully complete Opt-Out form to the Opt-Out Administrator at the applicable above-noted address, no later than February 6, 2017.

**OPT-OUT ADMINISTRATOR**

The Court has appointed NPT RicePoint Class Action Services as the Opt-Out Administrator for the Settlement Agreement. The Opt-Out Administrator will receive and process opt-out forms for Class Members. The Opt-Out Administrator can be contacted at:

<b>Telephone:</b>	1-866-432-5534
<b>Mailing Address:</b>	Sino-Forest Class Action Claims Administrator PO Box 3355 London, ON N6A 4K3
<b>Email:</b>	sino@nptricepoint.com

**THE LAWYERS THAT REPRESENT THE CLASS MEMBERS**

The law firms of Koskie Minsky LLP, Siskinds LLP, and Siskinds Desmeules, sencrl ("Class Counsel") jointly represent the Class in the Proceedings. They can be reached by mail, email, or by telephone, as provided below:

**Koskie Minsky LLP**

20 Queen St. West, Suite 900, Box 52, Toronto, ON, M5H 3R3  
Re: Sino-Forest Class Action  
Tel: 1.866.474.1739  
Email: sinoforestclassaction@kmlaw.ca

**Siskinds LLP**

680 Waterloo Street, P.O. Box 2520 London, ON N6A 3V8  
Re: Sino-Forest Class Action  
Tel: 1.800.461.6166 x.2380  
Email: nicole.young@siskinds.com

**Siskinds Desmeules, sencrl**

480 Saint-Laurent, Bureau 501, Montreal, Quebec, H2Y 3Y7  
Re: Sino-Forest Class Action  
Tel: (514) 849-1970  
Email: siskindsmontreal@siskindsdesmeules.com

The law firm Cohen Milstein Sellers & Toll PLLC represents the class in the proposed class action commenced in relation to Sino-Forest Corporation in the Supreme Court of the State of New York, County of New York, Index No. 65028/2012. It can be reached at the contact information below:

**Cohen Milstein Sellers & Toll PLLC**

88 Pine Street 14th Floor

New York, NY 10005

Phone 212.838.7797

Email: [rspeirs@cohenmilstein.com](mailto:rspeirs@cohenmilstein.com)

**INTERPRETATION**

If there is a conflict between the provisions of this notice and the Settlement Agreement, the terms of the Settlement Agreement will prevail.

Please do not direct inquiries about this notice to the Court. All inquiries should be directed to the Opt-Out Administrator or Class Counsel.

**DISTRIBUTION OF THIS NOTICE HAS BEEN AUTHORIZED BY THE ONTARIO  
SUPERIOR COURT OF JUSTICE**