



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

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE) THURSDAY, THE 17th DAY
JUSTICE PERELL)
) OF MAY, 2012

B E T W E E N :

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,
PÖYRY (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 Plaintiffs for an Order approving the terms of a litigation
funding agreement entered into with Claims Funding International (the "Funding Agreement"),
was heard on May 17, 2012;

ON READING the materials filed by each of the parties, and on hearing the submissions of counsel for the parties concerning whether the Funding Agreement should be approved, and if so, upon what terms;

1. **THIS COURT ORDERS** that:

- (a) The Funding Agreement is approved, subject to the terms and conditions herein;
- (b) Claims Funding International (“CFI”) shall pay into court the following amounts as security for the Defendants’ costs of this proceeding, on the dates specified:
 - (i) \$750,000 CDN on or before June 17, 2012;
 - (ii) An additional \$1,500,000 CDN by no later than 30 days after any order certifying this proceeding as a class proceeding under the *Class Proceedings Act, 1992*, SO 1992, c 6; and
 - (iii) An additional \$3,750,000 CDN by no later than 90 days prior to the scheduled trial date;
- (c) Each of the amounts specified in (b) shall be paid into court in the form of cash, certified cheque, or money order, or the posting by CFI of an irrevocable letter of credit in a form acceptable to the Plaintiffs and their counsel, and also to the Accountant of the Superior Court of Justice;
- (d) Counsel for the Plaintiffs shall notify counsel for the Defendants forthwith upon the posting of security in accordance with the terms of this Order;
- (e) If CFI fails to provide security in accordance with the terms of this Order the Defendants or any of them are at liberty to bring a motion on short notice to have the action stayed or dismissed;
- (f) CFI submits and attorns to the jurisdiction of the Ontario Superior Court of Justice for all purposes related to this litigation, including in relation to the enforcement of any costs order made in favour of the Defendants or any of them;

- (g) Amounts posted pursuant to this Order shall be paid out to the Defendants in accordance with Rule 72.03 of the *Rules of Civil Procedure*, or as ordered by this Court;
- (h) The Defendants or any of them shall be at liberty to seek to vary this Order at any time to increase the amount of security required to be posted by CFI;
- (i) Nothing in this Order shall be interpreted as limiting the ability of the Defendants or any of them to seek to enforce any costs award against either the Plaintiffs or CFI;
- (j) Subject to further Court Order, no evidence obtained from a Defendant may be provided to CFI without the written consent of the Defendant from whom the evidence was obtained. To the extent any evidence obtained from the Defendants is provided to CFI, then CFI shall be bound by Rule 30.1.01 of the *Rules of Civil Procedure* and shall be deemed to be a party for the purposes of that Rule; and
- (k) The Plaintiffs may communicate to CFI any formal settlement offers made by the Defendants, and those communications and their contents shall be kept confidential pursuant to section 5 of the Funding Agreement.

ENTRÉES AU BUREAU A TORONTO
CN / DON NO:
LE / DANS LE REGISTRE NO:

MAY 17 2012

AS DOCUMENT NO:
À TITRE DE DOCUMENT NO:
PER / PAR:



The Honourable Justice Perell

The Trustees of the Labourer's Pension Fund and Sino-Forest Corporation, et al.
of Central and Eastern Canada, et al.
Plaintiffs

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

Defendants

ONTARIO

SUPERIOR COURT OF JUSTICE

Proceedings Under the *Class Proceedings Act, 1992*

Proceeding commenced at **Toronto**

ORDER
(Funding Agreement Approval)

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