

**CANADIAN
HYDROGEN PEROXIDE CLASS ACTION
NATIONAL SETTLEMENT AGREEMENT**

Made as of June 12, 2008

Between

**IRVING PAPER LIMITED, IRVING PULP & PAPER, LIMITED,
3969410 CANADA INC. C.O.B. AS PARK AVENUE HAIR SALON,
DISTRIBUTECH INC., STACEY LEAVITT,
CATALYST PAPER CORPORATION AND BETTY SMITH**

(the "Plaintiffs")

and

**EVONIK DEGUSSA CORPORATION formerly DEGUSSA CORPORATION, EVONIK
DEGUSSA GmbH formerly DEGUSSA A.G., and EVONIK DEGUSSA CANADA INC.
formerly DEGUSSA CANADA INC.**

(the "Settling Defendants")

TABLE OF CONTENTS

RECITALS	1
SECTION 1 – DEFINITIONS.....	2
SECTION 2 – SETTLEMENT APPROVAL.....	8
2.1 Best Efforts.....	8
2.2 Motions for Approval.....	8
2.3 Pre-Motion Confidentiality	8
2.4 Sequence of Motions.....	8
SECTION 3 – SETTLEMENT BENEFITS	9
3.1 Payment of Settlement Amount	9
3.2 Taxes and Interest.....	9
3.3 Cooperation	10
SECTION 4 – DISTRIBUTION OF THE SETTLEMENT AMOUNT AND ACCRUED INTEREST.....	15
4.1 Distribution Protocol	15
4.2 No Responsibility for Administration or Fees	16
SECTION 5 – OPTING-OUT	16
5.1 Procedure.....	16
5.2 Opt-Out Report.....	16
5.3 Opt-Out Refund.....	17
SECTION 6 – TERMINATION OF SETTLEMENT AGREEMENT	18
6.1 Right of Termination.....	18
6.2 If Settlement Agreement is Terminated	18
6.3 Allocation of Monies in the Account Following Termination.....	19
6.4 Survival of Provisions After Termination.....	19

SECTION 7 – RELEASES AND DISMISSALS	19
7.1 Release of Releasees	19
7.2 Covenant Not To Sue	19
7.3 No Further Claims	20
7.4 Dismissal of the Proceedings	20
7.5 Dismissal of Other Actions	20
SECTION 8 – BAR ORDER AND OTHER CLAIMS.....	20
8.1 Bar Order.....	20
8.2 Claims Against Other Entities Reserved	22
SECTION 9 – EFFECT OF SETTLEMENT	22
9.1 No Admission of Liability.....	22
9.2 Agreement Not Evidence	22
9.3 No Further Litigation	22
SECTION 10 – CERTIFICATION OR AUTHORIZATION FOR SETTLEMENT ONLY	23
10.1 Settlement Classes and Common Issue.....	23
10.2 Certification or Authorization Without Prejudice.....	23
SECTION 11 – NOTICE TO SETTLEMENT CLASSES.....	23
11.1 Notices Required	23
11.2 Form and Distribution of Notices.....	23
SECTION 12 – ADMINISTRATION AND IMPLEMENTATION.....	24
12.1 Mechanics of Administration.....	24
12.2 Information and Assistance	24
SECTION 13 – CLASS COUNSEL FEES AND ADMINISTRATION EXPENSES	24
SECTION 14 – MISCELLANEOUS	25
14.1 Motions for Directions	25
14.2 Releasees Have No Liability for Administration	25

14.3	Headings, etc.	25
14.4	Computation of Time	25
14.5	Ongoing Jurisdiction	26
14.6	Governing Law.....	26
14.7	Entire Agreement	26
14.8	Amendments.....	26
14.9	Binding Effect	27
14.10	Counterparts	27
14.11	Negotiated Agreement.....	27
14.12	Language	27
14.13	Transaction	28
14.14	Recitals	28
14.15	Schedules.....	28
14.16	Acknowledgements	28
14.17	Authorized Signatures	28
14.18	Notice	29
14.19	Date of Execution.....	30

**CANADIAN HYDROGEN PEROXIDE CLASS ACTION
NATIONAL SETTLEMENT AGREEMENT**

RECITALS

A. WHEREAS the Proceedings have been commenced by the Plaintiffs in Ontario, Quebec and British Columbia which allege that the Settling Defendants participated in an unlawful conspiracy to raise, fix, maintain or stabilize the price of Hydrogen Peroxide in Canada and/or to allocate markets and customers for the sale of Hydrogen Peroxide in Canada, contrary to Part VI of the *Competition Act* and common law;

B. WHEREAS through the execution of this Settlement Agreement the Settling Defendants do not admit the claims and allegations made in the Proceedings;

C. WHEREAS the Plaintiffs, Class Counsel and the Settling Defendants agree that neither this Settlement Agreement nor any statement made in the negotiation thereof shall be deemed or construed to be an admission by or evidence against the Settling Defendants or evidence of the truth of any of the Plaintiffs' allegations against the Settling Defendants;

D. WHEREAS the Plaintiffs and Class Counsel have reviewed and fully understand the terms of this Settlement Agreement and, based on their analyses of the facts and law applicable to the Plaintiffs' claims, and having regard to the burdens and expense in prosecuting the Proceedings, including the risks and uncertainties associated with trials and appeals, the Plaintiffs and Class Counsel have concluded that this Settlement Agreement is fair, reasonable and in the best interests of the Plaintiffs and the classes they seek to represent;

E. WHEREAS the Settling Defendants are entering into this Settlement Agreement in order to achieve a final and nation-wide resolution of all claims asserted or which could have been asserted against them by the Plaintiffs in the Proceedings, and to avoid further expense, inconvenience and the distraction of burdensome and protracted litigation;

F. WHEREAS the Parties therefore wish to, and hereby do, finally resolve on a national basis, without admission of liability, all of the Proceedings as against the Settling Defendants;

G. WHEREAS for the purposes of settlement only and contingent on approvals by the Courts as provided for in this Settlement Agreement, the Parties have consented to certification

or authorization of the Proceedings as class proceedings and have consented to a Settlement Class and a Common Issue in each of the Proceedings; and

H. WHEREAS the Plaintiffs assert that they are adequate class representatives for the Settlement Classes and will seek to be appointed representative plaintiffs in their respective Proceedings;

NOW THEREFORE, in consideration of the covenants, agreements and releases set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is agreed by the Parties that the Proceedings be settled and dismissed on the merits with prejudice as to the Settling Defendants only, without costs as to the Plaintiffs, the classes they seek to represent or the Settling Defendants, subject to the approval of the Courts, on the following terms and conditions:

SECTION 1 – DEFINITIONS

For the purpose of this Settlement Agreement only, including the Recitals and Schedules hereto:

- (1) *Account* means an interest bearing trust account at a Canadian Schedule 1 bank in Ontario under the control of Siskinds LLP for the benefit of Settlement Class Members.
- (2) *Administration Expenses* means all fees, disbursements, expenses, costs, taxes and any other amounts incurred or payable by the Plaintiffs, Class Counsel or otherwise for the approval, implementation and operation of this Settlement Agreement, including the costs of notices and claims administration but excluding Class Counsel Fees.
- (3) *BC Class* means all persons resident in British Columbia who, during the Class Period, purchased Hydrogen Peroxide Products, except Excluded Persons.
- (4) *BC Counsel* means Camp Fiorante Matthews.
- (5) *BC Court* means the Supreme Court of British Columbia.
- (6) *Claims Administrator* means the person or entity proposed by Class Counsel and appointed by the Courts to administer the Settlement Agreement, including the opt-out

process and the claims process, in accordance with the provisions of this Settlement Agreement, and any employees of such person or entity.

- (7) ***Class Counsel*** means Ontario Counsel, Quebec Counsel and BC Counsel.
- (8) ***Class Counsel Fees*** include the fees, disbursements, costs, interest, GST and other applicable taxes or charges of Class Counsel.
- (9) ***Class Period*** means September 14, 1994 to January 5, 2005.
- (10) ***Common Issue*** in each Proceeding means: Did the Settling Defendants conspire to fix, raise, maintain or stabilize the prices of, or allocate markets and customers for, Hydrogen Peroxide in Canada during the Class Period? If so, what damages did Class Members suffer?
- (11) ***Courts*** means the Ontario Court, the Quebec Court and the BC Court.
- (12) ***Defendants*** means the individuals and entities named as defendants in the Proceedings as set out in Schedule A.
- (13) ***Direct Purchaser*** means a person or entity in Canada, other than a Distributor, who purchased Hydrogen Peroxide directly from a Settling Defendant.
- (14) ***Distribution Protocol*** means the plan for distributing the Settlement Amount and accrued interest, in whole or part, as approved by the Courts.
- (15) ***Distributor*** means a person or entity in Canada who purchased Hydrogen Peroxide from a Settling Defendant and resold the Hydrogen Peroxide without further processing or including it in any other product.
- (16) ***Effective Date*** means the date when Final Orders have been received from all Courts approving this Settlement Agreement.
- (17) ***Excluded Person*** means each Defendant, the directors and officers of each Defendant, the subsidiaries or affiliates of each Defendant, the entities in which each Defendant or any of that Defendant's subsidiaries or affiliates have a controlling interest and the legal representatives, heirs, successors and assigns of each of the foregoing.

- (18) ***Final Order*** means a final judgment entered by a Court in respect of the certification or authorization of a Proceeding as a class proceeding and the approval of this Settlement Agreement once the time to appeal such judgment has expired without any appeal being taken, if an appeal lies, or once there has been affirmation of the certification or authorization of a Proceeding as a class proceeding and the approval of this Settlement Agreement upon a final disposition of all appeals.
- (19) ***Hydrogen Peroxide*** means a clear colourless inorganic liquid used primarily as a bleach or oxidizer. Hydrogen Peroxide is sold in aqueous solutions, typically 35%, 50% or 70% by weight, in different grades or formulations specifically tailored for enhanced performance in a particular application of the product. Unless otherwise noted in this Settlement Agreement, the term "Hydrogen Peroxide" includes Sodium Perborate and/or Sodium Percarbonate.
- (20) ***Hydrogen Peroxide Products*** means Hydrogen Peroxide, products that contain Hydrogen Peroxide and products the production of which involved the use of Hydrogen Peroxide.
- (21) ***Manufacturer*** means a person or entity in Canada, who purchased Hydrogen Peroxide directly from a Distributor, and manufactured products that contain Hydrogen Peroxide and/or products the production of which involved the use of Hydrogen Peroxide.
- (22) ***Non-Settling Defendant*** means a Defendant that is not a Settling Defendant.
- (23) ***Ontario Class*** means all persons in Canada who, during the Class Period, purchased Hydrogen Peroxide Products, except the Excluded Persons and persons who are included in the Quebec Class and the BC Class.
- (24) ***Ontario Counsel*** means Siskinds LLP and Sutts, Strosberg LLP.
- (25) ***Ontario Court*** means the Ontario Superior Court of Justice.
- (26) ***Opt-Out Deadline*** means the date which is sixty (60) days after the date on which the notice of certification and settlement approval is first published.
- (27) ***Opt-Out Refund*** means: (a) 2.67% of the Purchase Price paid for Hydrogen Peroxide purchased from a Settling Defendant during the Class Period by a Direct Purchaser who

validly opts-out of the Proceedings in accordance with an order of the Courts; or (b) 0.27% of the Purchase Price paid for Hydrogen Peroxide purchased from a Settling Defendant during the Class Period by a Distributor who validly opts-out of the Proceedings in accordance with an order of the Courts; or (c) 2.4% of the Purchase Price paid for Hydrogen Peroxide purchased from a Distributor during the Class Period by a Manufacturer who validly opts-out of the Proceedings in accordance with an order of the Courts.

- (28) *Other Actions* means actions or proceedings, other than the Proceedings, relating to Released Claims commenced by a Settlement Class Member either before or after the Effective Date.
- (29) *Parties* means the Plaintiffs, Settlement Class Members and the Settling Defendants.
- (30) *Plaintiffs* means the individuals and entities named as plaintiffs in the Proceedings as set out in Schedule A.
- (31) *Proceedings* means Ontario Court File No. 47025 (London), Quebec Court (District of Québec) Action No. 200-06-000056-054 and British Columbia Court File No. L051279 (Vancouver Registry).
- (32) *Purchase Price* means the net purchase price actually paid by Settlement Class Members for Hydrogen Peroxide Products purchased during the Class Period, less any taxes.
- (33) *Quebec Class* means all individuals resident in Quebec who, during the Class Period, purchased Hydrogen Peroxide Products, as well as any legal person resident in Quebec established for a private interest, partnership or association which, at all times between May 6, 2004 and May 5, 2005, had under its direction or control no more than 50 persons bound to it by a contract of employment, who, during the Class Period, purchased Hydrogen Peroxide Products, except Excluded Persons.
- (34) *Quebec Counsel* means Siskinds Desmeules s.e.n.c.r.l.
- (35) *Quebec Court* means the Superior Court of Quebec.

- (36) **Released Claims** means any and all manner of claims, demands, actions, suits, causes of action, whether class, individual or otherwise in nature, whether personal or subrogated, damages whenever incurred, liabilities of any nature whatsoever, including interest, costs, expenses, class administration expenses (including Administration Expenses), penalties, and lawyers' fees (including Class Counsel Fees), known or unknown, suspected or unsuspected, in law, under statute or in equity, that Releasors, or any of them, whether directly, indirectly, derivatively, or in any other capacity, ever had, now have, or hereafter can, shall, or may have, relating in any way to any conduct anywhere, from the beginning of time to the date hereof, in respect of the claims, assertions, or allegations made or that could have been made in the Proceedings or the Other Actions, or in respect of the purchase, sale, pricing, discounting, marketing or distributing of Hydrogen Peroxide Products, or relating to any conduct alleged (or which could have been alleged) in the Proceedings including, without limitation, any such claims which have been asserted or could have been asserted, whether in Canada or elsewhere, in connection with the purchase of Hydrogen Peroxide Products. However, nothing herein shall be construed to release any claims that are not related to the allegations made in the Proceedings or the Other Actions arising from any breach of contract, alleged product defect or similar claim between the Parties.
- (37) **Releasees** means, jointly and severally, individually and collectively, the Settling Defendants and all of their respective present and former, direct and indirect, parents, subsidiaries, divisions, affiliates, partners, insurers, and all other persons, partnerships or corporations with whom any of the former have been, or are now, affiliated, and all of their respective past, present and future officers, directors, employees, agents, shareholders, attorneys, trustees, servants and representatives; and the predecessors, successors, purchasers, heirs, executors, administrators and assigns of each of the foregoing, excluding always the Non-Settling Defendants.
- (38) **Releasors** means, jointly and severally, individually and collectively, the Plaintiffs and the Settlement Class Members and their respective parents, subsidiaries, predecessors, successors, heirs, executors, administrators, insurers, and assigns.
- (39) **Settlement Agreement** means this agreement, including the recitals and schedules.

- (40) **Settlement Amount** means CDN \$12,000,000.
- (41) **Settlement Class** means, in respect of each Proceeding, the settlement class defined in Schedule A.
- (42) **Settlement Class Member** means a member of a Settlement Class who does not validly opt-out of that Settlement Class in accordance with orders of the Courts.
- (43) **Settling Defendants** means Degussa Corporation, Degussa A.G. and Degussa Canada Inc. and, as now known, Evonik Degussa Corporation, Evonik Degussa GmbH, and Evonik Degussa Canada Inc.
- (44) **Sodium Perborate** means a white, odourless, water-soluble chemical compound. It crystallizes as monohydrate or tetrahydrate. Sodium Perborate undergoes hydrolysis in contact with water, producing hydrogen peroxide and borate. Sodium Perborate serves as a source of active oxygen in many detergents, cleaning products, and laundry bleaches. Sodium Perborate also is present in some tooth bleach formulas. Sodium Perborate has antiseptic properties and can act as a disinfectant.
- (45) **Sodium Percarbonate** means a white crystalline water-soluble chemical compound. Sodium Percarbonate is an ingredient in a number of home and laundry cleaning products. Sodium Percarbonate offers many of the same functional benefits of liquid hydrogen peroxide. Sodium Percarbonate dissolves into water rapidly to release oxygen and provides powerful cleaning, bleaching, stain removal, and deodorizing capabilities. Sodium Percarbonate is effective as a disinfectant on both bacteria and viruses.
- (46) **U.S. Litigation** means the class action proceeding pending in the United States District Court for the Eastern District of Pennsylvania, under the caption *In re Hydrogen Peroxide Antitrust Litigation*, 05-MDI-1682, and includes all actions transferred by the Judicial Panel for Multidistrict Litigation for coordination, all actions pending such transfer, and all actions that may be transferred in the future.

SECTION 2– SETTLEMENT APPROVAL

2.1 Best Efforts

The Parties shall use their best efforts to effectuate this settlement and to secure the prompt, complete and final dismissal with prejudice of the Proceedings as against the Settling Defendants.

2.2 Motions for Approval

(1) As soon as practicable after the Settlement Agreement is executed, the Plaintiffs shall bring motions before the Courts for orders approving the notices described in section 11, certifying or authorizing each of the Proceedings commenced in their respective jurisdictions as a class proceeding (for settlement purposes) and approving this Settlement Agreement.

(2) The Ontario order certifying the Proceeding and approving the Settlement Agreement referred to in section 2.2(1) shall be in the form attached hereto as Schedule B except that paragraphs 3, 4, 8, 9, 10, 11, 13, 20, 21, 22, 23 and 24 of the Ontario order need only be substantially in the form set out in Schedule B. The Quebec and British Columbia orders authorizing or certifying the Proceedings and approving the Settlement Agreement referred to in section 2.2(1) shall be agreed upon by the Parties and shall mirror the substance and, where possible, the form of the Ontario order.

2.3 Pre-Motion Confidentiality

Until the first of the motions required by section 2.2 is brought, the Parties shall keep all of the terms of the Settlement Agreement, and any information or documents related thereto, confidential and shall not disclose them without the prior written consent of counsel for the Settling Defendants and Class Counsel, as the case may be, except as required for the purposes of financial reporting or the preparation of financial records (including tax returns and financial statements) or as otherwise required by law.

2.4 Sequence of Motions

The Plaintiffs in Quebec and British Columbia shall not proceed with a motion to approve this Settlement Agreement unless and until the Ontario Court approves this Settlement Agreement. The approval motions may be filed in Quebec and British Columbia, but, if

necessary, Quebec and BC Counsel will seek an adjournment of their approval hearing to permit the Ontario Court to render its decision on the approval motion. Class Counsel and the Settling Defendants may agree to waive this provision.

SECTION 3– SETTLEMENT BENEFITS

3.1 Payment of Settlement Amount

(1) The Settling Defendants shall pay the Settlement Amount in full satisfaction of the Released Claims against the Releasees.

(2) The Settling Defendants shall have no obligation to pay any amount in addition to the Settlement Amount, for any reason, pursuant to or in furtherance of this Settlement Agreement.

(3) The Settling Defendants shall, within thirty (30) business days of the Date of Execution, pay the Settlement Amount to Siskinds LLP for deposit into the Account. Siskinds LLP shall maintain the Account as provided for in this Settlement Agreement. Siskinds LLP shall not pay out all or part of the Settlement Amount, except in accordance with this Settlement Agreement, or in accordance with an order of the Courts obtained after notice to the Settling Defendants.

3.2 Taxes and Interest

(1) Except as hereinafter provided, all interest earned on the Settlement Amount shall accrue to the benefit of the Settlement Classes and shall become and remain part of the Account.

(2) Subject to section 3.2(3), all taxes payable on any interest which accrues on the Settlement Amount in the Account or otherwise in relation to the Settlement Amount shall be the responsibility of the Settlement Classes. Class Counsel shall be solely responsible to fulfill all tax reporting and payment requirements arising from the Settlement Amount in the Account, including any obligation to report taxable income and make tax payments. All taxes (including interest and penalties) due with respect to the income earned by the Settlement Amount shall be paid from the Account.

(3) The Settling Defendants shall have no responsibility to make any filings relating to the Account and will have no responsibility to pay tax on any income earned by the Settlement Amount or pay any taxes on the monies in the Account, unless this Settlement Agreement is terminated, in which case the interest earned on the Settlement Amount in the Account shall be

paid to the Settling Defendants who, in such case, shall be responsible for the payment of all taxes on such interest.

3.3 Cooperation

(1) Nothing in this Settlement Agreement shall require, or shall be construed to require, the Settling Defendants to disclose or produce any documents or information prepared by or for counsel for the Settling Defendants, or to disclose or produce any documents or information in breach of any order, regulatory directive, rule or law of this or any jurisdiction, or subject to solicitor-client privilege, litigation privilege, or any other privilege, or to disclose or produce any information or documents they obtained on a privileged or co-operative basis from any party to any action or proceeding who is not a Settling Defendant.

(2) To the extent not previously provided to the Plaintiffs and subject to the limitations set forth in this Settlement Agreement, the Settling Defendants agree to provide cooperation to Class Counsel, as specifically set forth in subsections (a), (b), (c) and (d) below. Within thirty (30) days of this Settlement Agreement having been approved by the last of the Ontario, British Columbia, and Quebec Courts or at a time mutually agreed upon by the Parties, the Settling Defendants shall provide:

- (a) through a meeting between counsel for the Settling Defendants and Class Counsel, an evidentiary proffer, which will include information originating with the Settling Defendants and being within their possession, custody or control relating to the allegations in the Proceedings including, without limitation, information with respect to dates, locations, subject matter, and participants in any meetings or discussions between competitors;
- (b) a set of electronic transactional data relating to sales of Hydrogen Peroxide made during a substantial part of the Class Period by the Settling Defendants. The Settling Defendants represent that they have electronic transactional data relating to various sales by the Settling Defendants of Hydrogen Peroxide during a substantial part of the Class Period, which data includes Purchase Price information. Counsel for the Settling Defendants agree to be reasonably available as necessary to respond to Class Counsel's questions regarding the set of

electronic transactional data produced by the Settling Defendants. If counsel for the Settling Defendants are unable to provide an adequate response to Class Counsel's questions, the Settling Defendants shall direct that an employee of the Settling Defendants be reasonably available to Class Counsel to respond to Class Counsel's questions. The inability of the employee to respond to Class Counsel's questions or the failure of the current employee to agree to make him or herself available to or otherwise cooperate with the Plaintiffs shall not constitute a breach or violation of the Settling Defendants' obligations under this Settlement Agreement;

- (c) an electronic database containing copies of other documents originating with the Settling Defendants and being within their possession, custody or control related to the allegations raised in the Proceedings, which database includes price announcements for Hydrogen Peroxide in North America during the Class Period; and
- (d) upon reasonable and specific requests by Class Counsel, and within a reasonable time frame, copies of such other documents relevant to the Plaintiffs' claims in the Proceedings which may be reasonably necessary for the prosecution of the Proceedings. Wherever feasible, counsel for the Settling Defendants and Class Counsel shall agree to reasonable limitations on the document production obligations enumerated in this subsection, to the extent any such additional document production proves necessary.

The obligation to produce documents pursuant to this section shall be a continuing obligation to the extent documents are identified following the initial productions. The Settling Defendants make no representation that they have, can or will produce a complete set of documents within any of the categories of information or documents described herein, and the failure to do so shall not constitute a breach or violation of the Settling Defendants' obligations under this Settlement Agreement.

- (3) If any documents required to be produced pursuant to this Settlement Agreement are withheld from production pursuant to: i) the solicitor-client privilege; ii) litigation privilege; and/or iii) any privacy law or other rule of this or any applicable jurisdiction protecting such

documents, the Settling Defendants shall maintain a privilege log describing such documents in sufficient detail so as to explain the nature of the privilege asserted or the basis of any privacy law or other rule protecting such documents. The Settling Defendants agree that their counsel will meet with Class Counsel as is reasonably necessary to discuss the privilege log and any applicable privilege or protection.

(4) If any documents protected by any privilege, and/or any privacy law or other rule or law of this or any applicable jurisdiction are accidentally or inadvertently produced, such documents shall be promptly returned to the Settling Defendants and the documents and the information contained therein shall not be disclosed or used directly or indirectly, except with the express written permission of the Settling Defendants, and the production of such documents shall in no way be construed to have waived in any manner any privilege or protection attached to such documents.

(5) Upon reasonable notice, and subject to any legal restrictions, the Settling Defendants shall direct to be available for interviews with Class Counsel and/or experts retained by Class Counsel in the Proceedings, at a location chosen by the Settling Defendants in their sole discretion, up to three current employees of the Settling Defendants. Costs incurred by, and the expenses of, the current employees of the Settling Defendants in relation to such interviews shall be the responsibility of the Settling Defendants. Furthermore, if Class Counsel and counsel for the Settling Defendants, acting reasonably, agree that such interviews are reasonably necessary for the Plaintiffs' prosecution of the Proceedings, the Settling Defendants shall direct to be available for interviews with Class Counsel and/or experts retained by Class Counsel in the Proceedings additional current employees of the Settling Defendants specifically identified by Class Counsel as possessing information that would be reasonably necessary for the prosecution of the Proceedings. Costs incurred by, and the expenses of, the current employees of the Settling Defendants in relation to such interviews shall be the responsibility of the Settling Defendants. If any person refuses to cooperate under this section, the Settling Defendants shall use best efforts to make such person available for interviews with Class Counsel. The failure of any current employee to agree to make him or herself available to or otherwise cooperate with the Plaintiffs shall not constitute a breach or violation of the Settling Defendants' obligations under this Settlement Agreement.

(6) Subject to the rules of evidence, any court order with respect to confidentiality, and the other provisions of this Settlement Agreement, the Settling Defendants agree to direct to be available for testimony at trial in the Proceedings in Canada, or to be available to provide an affidavit or declaration in the event of a summary judgment or other motion brought against the Plaintiffs, such current employees of the Settling Defendants as Class Counsel and the Settling Defendants, acting reasonably, agree would be necessary to support the submission into evidence any information or documents produced by the Settling Defendants in accordance with the Settlement Agreement that Class Counsel and the Settling Defendants, acting reasonably, agree may be reasonably necessary for the prosecution of the Proceedings and may be presented to the court. The reasonable costs incurred by, and the expenses of, the current employees of the Settling Defendants in relation to such cooperation shall be the responsibility of the Settling Defendants. If any person refuses to cooperate under this section, the Settling Defendants shall use best efforts to make such person available to provide testimony or otherwise cooperate with the Plaintiffs. The failure of any current employee to provide testimony, to provide an affidavit or declaration, or to otherwise cooperate with the Plaintiffs in accordance with the requirements of this section, shall not constitute a breach or violation of the Settling Defendants' obligations under this Settlement Agreement.

(7) With respect to all former employees of the Settling Defendants, the Settling Defendants shall, in response to reasonable requests from Class Counsel, use best efforts to make such former employees available to appear for interviews, trial testimony, cross-examination, and/or to provide declarations and/or affidavits, if the former employee would have been directed by the Settling Defendants to do so under this Settlement Agreement had they been a current employee, and Class Counsel and the Settling Defendants, acting reasonably, agree their evidence is reasonably necessary for the prosecution of the Proceedings and may be presented to the court. Any former employees made available under this section shall be made available at a mutually agreeable time and place, except with respect to trial testimony, which shall be provided in Canada. The reasonable costs incurred by, and the expenses of, the former employees of the Settling Defendants in relation to such cooperation shall be the responsibility of the Settling Defendants. The failure of a former employee to agree to make himself or herself available to or otherwise cooperate with the Plaintiffs shall not constitute a breach of the Settling Defendants' obligations under this Settlement Agreement.

(8) If this Settlement Agreement is terminated, then within ten (10) days of the date of such termination, Class Counsel shall destroy all documents or other materials provided by the Settling Defendants or containing or reflecting information derived from such documents or other materials received from the Settling Defendants or containing or reflecting information received from the Settling Defendants and, to the extent Class Counsel has disclosed any documents or information provided by the Settling Defendants to any other person, shall recover and destroy any documents or materials containing or reflecting such documents or information. Class Counsel shall provide the Settling Defendants with a written confirmation of such destruction. Nothing contained in this section shall be construed to require Class Counsel to destroy any of their work product. However, any documents or information provided by the Settling Defendants, or received from the Settling Defendants in connection with this Settlement Agreement, may not be disclosed to any person in any manner or used, directly or indirectly, by Class Counsel or any other person in any way for any reason, without the express prior written permission of the Settling Defendants. Class Counsel shall take appropriate steps and precautions to ensure and maintain the confidentiality of such documents, information and any work product of Class Counsel.

(9) In connection with its provision of information, testimony, and documents, the Settling Defendants shall have the right to assert solicitor-client privilege, litigation privilege, and/or any other privilege or privacy law or other rule or law of this or any jurisdiction.

(10) It is understood and agreed that all documents and information provided by the Settling Defendants in accordance with this Settlement Agreement are properly designated by the Settling Defendants as Level A Confidential Information within the meaning of the May 23, 2008 Order of Justice Rady in the Proceedings (the "Confidentiality Order"), and, in any event, shall be treated by the Parties, and given the same protections of confidentiality, as if they were Confidential Information designated as Level A within the meaning of the Confidentiality Order.

(11) It is understood and agreed that the Settlement Class Members and Class Counsel will not, without the express written consent of the Settling Defendants, directly or indirectly use or disclose any information or documents provided by the Settling Defendants for any purpose other than investigation or prosecution of the claims in the Proceedings, nor, except as expressly permitted herein, share with any other persons, including, but not limited to, other plaintiffs or

their counsel in any action on behalf of purchasers of Hydrogen Peroxide Products, any information or documents obtained from the Settling Defendants in connection with this Settlement Agreement, except in the event that a Court expressly orders such information or documents to be disclosed. In no circumstances, however, may the Plaintiffs, the Settlement Class Members and/or Class Counsel apply for or consent to such an order. The disclosure restrictions set forth in this section do not apply to otherwise publicly available documents and information. If the Settlement Class Members and/or Class Counsel intend to take steps to provide documents or information obtained from the Settling Defendants to the Non-Settling Defendants or to file such documents or information with the Courts, and such disclosure is not otherwise prohibited by this Settlement Agreement, then the Settlement Class Members and/or Class Counsel will provide the Settling Defendants with an advance written description of the documents or information that is to be provided to the Non-Settling Defendants or filed with the Courts, and shall, at the request of the Settling Defendants, seek all available confidentiality protection over such documents or information.

(12) The Settling Defendants' obligations to cooperate as particularized in section 3.3 shall not be affected by the release provisions contained in section 7 of this Settlement Agreement. The Settling Defendants' obligations to cooperate shall cease at the date of final judgment in the Proceedings against all Defendants. In the event the Settling Defendants materially breach section 3.3, Class Counsel may move before the Courts to either enforce the terms of this Settlement Agreement or seek to set aside the approval of this Settlement Agreement.

SECTION 4 – DISTRIBUTION OF THE SETTLEMENT AMOUNT AND ACCRUED INTEREST

4.1 Distribution Protocol

At a time wholly within the discretion of Class Counsel, Class Counsel will seek orders from the Courts approving the Distribution Protocol. The Distribution Protocol shall address the entitlements of Settlement Class Members who have previously received compensation or filed claims in other proceedings, or who have entered into private settlements.

4.2 No Responsibility for Administration or Fees

The Settling Defendants shall not have any responsibility, financial obligations or liability whatsoever with respect to the investment, distribution or administration of monies in the Account including, but not limited to, Administration Expenses and Class Counsel Fees.

SECTION 5 – OPTING-OUT

5.1 Procedure

- (1) A person may opt-out of the Proceedings by sending a written election to opt-out, signed by the person or the person's designee, by pre-paid mail, courier or fax to the Claims Administrator at an address to be identified in the Final Orders and the notice contemplated by section 11 of this Settlement Agreement.
- (2) An election to opt-out will only be effective if it is actually received by the Claims Administrator on or before the Opt-Out Deadline.
- (3) In addition to a written election to opt-out, a person who wishes to opt-out must provide to the Claims Administrator, on or before the Opt-Out Deadline:
 - (a) the person's full name, current address and telephone number;
 - (b) the name(s) of each entity from whom the person purchased Hydrogen Peroxide during the Class Period;
 - (c) for each such entity, the Purchase Price and volume of Hydrogen Peroxide purchased during the Class Period; and
 - (d) for each such entity, a statement indicating whether the person resold the Hydrogen Peroxide purchased from that entity without further processing or including it in any other product.

5.2 Opt-Out Report

The Claims Administrator shall use the information provided by the Settling Defendants pursuant to section 12.2 to supplement and confirm the information received pursuant to section 5.1(3). Within thirty (30) days of the Opt-Out Deadline, the Claims Administrator shall provide

to the Settling Defendants and Class Counsel, to the extent that such information is known by the Claims Administrator, the following information in respect of each person, if any, who has opted out of the Proceedings:

- (a) the person's full name, current address and telephone number;
- (b) the reasons for opting out;
- (c) the name(s) of each entity from whom the person purchased Hydrogen Peroxide during the Class Period;
- (d) for each such entity, the Purchase Price and volume of Hydrogen Peroxide purchased during the Class Period;
- (e) for each such entity, a statement indicating whether the person resold the Hydrogen Peroxide purchased from that entity without further processing or including it in any other product; and
- (f) a copy of all information provided by the person in the opting-out process.

5.3 Opt-Out Refund

- (1) The Settling Defendants may, in their sole and unfettered discretion, claim an Opt-Out Refund by giving notice in writing to Class Counsel and the Claims Administrator no later than twenty-one (21) days after receiving the opt-out report contemplated in section 5.2.
- (2) If Class Counsel are not satisfied with the accuracy of the Opt-Out Refund claimed by the Settling Defendants, Class Counsel may, within twenty-one (21) days of receiving the notice referred to in section 5.3(1) and on notice to the Settling Defendants, apply to the Courts for a determination of the appropriate amount of the Opt-Out Refund.
- (3) Class Counsel or the Claims Administrator shall pay to the Settling Defendants the total Opt-Out Refund to which the Settling Defendants are entitled, forthwith upon receiving the notice referred to in section 5.3(1) or, if the matter is referred to the Courts, forthwith after receiving the Court's decision on the matter.

SECTION 6– TERMINATION OF SETTLEMENT AGREEMENT

6.1 Right of Termination

- (1) In the event that:
 - (a) any Court declines to approve this Settlement Agreement or any material part hereof;
 - (b) any Court approves this Settlement Agreement in a materially modified form; or
 - (c) any orders approving this Settlement Agreement made by the Ontario Court, the British Columbia Court or the Quebec Court do not become Final Orders;

this Settlement Agreement shall be terminated and, except as provided for in section 6.4, it shall be null and void and have no further force or effect, shall not be binding on the Parties, and shall not be used as evidence or otherwise in any litigation.

(2) Any order, ruling or determination made by any Court with respect to Class Counsel's fees and disbursements shall not be deemed to be a material modification of all, or a part, of this Settlement Agreement and shall not provide any basis for the termination of this Settlement Agreement.

6.2 If Settlement Agreement is Terminated

- (1) If this Settlement Agreement is terminated:
 - (a) no motion to certify or authorize any of the Proceedings as a class action on the basis of this Settlement Agreement or to approve this Settlement Agreement, which has not been decided, shall proceed;
 - (b) any order certifying or authorizing a Proceeding as a class action on the basis of the Settlement Agreement or approving this Settlement Agreement shall be set aside and declared null and void and of no force or effect, and anyone shall be estopped from asserting otherwise;
 - (c) any prior certification or authorization of a Proceeding as a class proceeding, including the definitions of the Settlement Class and the Common Issue, shall be

without prejudice to any position that any of the Parties may later take on any issue in the Proceedings or any other litigation; and

- (d) the Parties shall negotiate in good faith to determine a new timetable, if the Proceedings are to continue against the Settling Defendants.

6.3 Allocation of Monies in the Account Following Termination

If the Settlement Agreement is terminated, Siskinds LLP shall return to the Settling Defendants all monies in the Account including interest, but less the costs of notice expended in accordance with sections 11 and 13(1), within thirty (30) business days of a final judgment being entered by a Court denying the certification or authorization of a Proceeding as a class proceeding or denying the approval of the Settlement Agreement, whichever is earlier. The Settling Defendants and Plaintiffs expressly reserve all of their respective rights if this Settlement Agreement is terminated.

6.4 Survival of Provisions After Termination

If this Settlement Agreement is terminated the provisions of sections 3.2(3), 3.3(1), 3.3(4), 3.3(8), 6, 9, 10.2, and 12.2(4) shall survive the termination and continue in full force and effect. The definitions and Schedules shall survive only for the limited purpose of the interpretation of 3.2(3), 3.3(1), 3.3(4), 3.3(8), 6, 9, 10.2, and 12.2(4) within the meaning of this Settlement Agreement, but for no other purposes. All other provisions of this Settlement Agreement and all other obligations pursuant to this Settlement Agreement shall cease immediately.

SECTION 7– RELEASES AND DISMISSALS

7.1 Release of Releasees

Upon the Effective Date, and in consideration of payment of the Settlement Amount, and for other valuable consideration set forth in the Settlement Agreement, the Releasors forever and absolutely release the Releasees from the Released Claims.

7.2 Covenant Not To Sue

Notwithstanding section 7.1, for any Settlement Class Members resident in any province or territory where the release of one tortfeasor is a release of all other tortfeasors, the Releasors

do not release the Releasees but instead covenant and undertake not to make any claim in any way or to threaten, commence, participate in, or continue any proceeding in any jurisdiction against the Releasees in respect of or in relation to the Released Claims.

7.3 No Further Claims

The Releasors shall not now or hereafter institute, continue, maintain or assert, either directly or indirectly, whether in Canada or elsewhere, on their own behalf or on behalf of any class or any other person, any action, suit, cause of action, claim or demand against any Releasee or against any other person who may claim contribution or indemnity from any Releasee in respect of any Released Claim or any matter related thereto, except for the continuation of the Proceedings against the Non-Settling Defendants or unnamed co-conspirators that are not Releasees.

7.4 Dismissal of the Proceedings

The Proceedings shall be dismissed with prejudice and without costs as against the Settling Defendants.

7.5 Dismissal of Other Actions

- (1) Each Settlement Class Member, who does not opt-out, shall be deemed to consent to the dismissal, without costs and with prejudice, of his, her or its Other Actions against the Releasees.
- (2) All Other Actions commenced in Ontario, Quebec or British Columbia by any Settlement Class Member, who does not opt-out, shall be dismissed against the Releasees, without costs and with prejudice.

SECTION 8 – BAR ORDER AND OTHER CLAIMS

8.1 Bar Order

A bar order shall be granted by each of the Courts providing for the following:

- (a) all claims for contribution, indemnity or other claims over, whether asserted, unasserted or asserted in a representative capacity, inclusive of interest, taxes and costs, relating to the Released Claims, which were or could have been brought in the Proceedings, by any Non-Settling Defendant or any other person or party,

against a Releasee, are barred, prohibited and enjoined in accordance with the terms of this section (unless such claim is made in respect of a claim by a person who has validly opted-out of the Proceedings);

- (b) if the Courts ultimately determine that there is a right of contribution and indemnity between the Defendants, the Plaintiffs and the Settlement Class Members shall restrict their joint and several claims against the Non-Settling Defendants such that the Plaintiffs shall be entitled to claim and recover from the Non-Settling Defendants on a joint and several basis only those damages (including punitive damages) arising from and allocable to the sales of the Non-Settling Defendants;
- (c) a Non-Settling Defendant may, on motion to the Courts made on at least ten (10) business days notice to counsel for the Settling Defendants, seek Orders providing for:
 - (i) documentary discovery and an affidavit of documents in accordance with the *Rules of Civil Procedure* from each of the Settling Defendants;
 - (ii) oral discovery of a representative of each of the Settling Defendants;
 - (iii) leave to serve a request to admit on each Settling Defendant in respect of factual matters; and/or
 - (iv) the production of a representative of the Settling Defendants to testify at trial in the Proceedings in Canada, with such witness to be subject to cross-examination by counsel for the Non-Settling Defendants.

The Settling Defendants retain all rights to oppose such motion, including any such motion brought at trial seeking an order requiring the Settling Defendants to produce a representative to testify at trial; and

- (d) a Non-Settling Defendant may effect service of the motion(s) referred to in section 8.1(c) on a Settling Defendant by service on counsel of record for the Settling Defendants in the Proceedings.

8.2 Claims Against Other Entities Reserved

Except as provided herein, this Settlement Agreement does not settle, compromise, release or limit in any way whatsoever any claim by Settlement Class Members against any person other than the Releasees.

SECTION 9 – EFFECT OF SETTLEMENT

9.1 No Admission of Liability

Whether or not this Settlement Agreement is terminated, this Settlement Agreement and anything contained herein, and any and all negotiations, documents, discussions and proceedings associated with this Settlement Agreement, and any action taken to carry out this Settlement Agreement, shall not be deemed, construed or interpreted to be an admission of any violation of any statute or law, or of any wrongdoing or liability by any Settling Defendant, or of the truth of any of the claims or allegations contained in the Proceedings or any other pleading filed by the Plaintiffs.

9.2 Agreement Not Evidence

The Parties agree that, whether or not it is terminated, this Settlement Agreement and anything contained herein, and any and all negotiations, documents, discussions and proceedings associated with this Settlement Agreement, and any action taken to carry out this Settlement Agreement, shall not be referred to, offered as evidence or received in evidence in any present, pending or future civil, criminal or administrative action or proceeding, except in a proceeding to approve and/or enforce this Settlement Agreement, or to defend against the assertion of Released Claims, or as otherwise required by law.

9.3 No Further Litigation

(1) Except as provided in this section, no Class Counsel, nor anyone currently or hereafter employed by, associated with, or a partner with Class Counsel, may directly or indirectly participate or be involved in or in any way assist with respect to any claim made or action commenced by any person which relates to or arises from the Released Claims. Moreover, these persons may not divulge to anyone for any purpose any information obtained in the course of the Proceedings or the negotiation and preparation of this Settlement Agreement, except to the extent such information is otherwise publicly available or otherwise ordered by a court.

(2) Section 9.3(1) does not apply to the involvement of any person in the continued prosecution of the Proceedings against any Non-Settling Defendants or unnamed co-conspirators that are not Releasees.

SECTION 10 – CERTIFICATION OR AUTHORIZATION FOR SETTLEMENT ONLY

10.1 Settlement Classes and Common Issue

(1) The Parties agree that the Proceedings shall be certified or authorized as class proceedings solely for purposes of settlement of the Proceedings and the approval of this Settlement Agreement by the Courts.

(2) The Plaintiffs agree that, in the motions for certification or authorization of the Proceedings as class proceedings and for the approval of this Settlement Agreement, the only common issue that they will seek to define is the Common Issue and the only classes that they will assert are the Settlement Classes.

10.2 Certification or Authorization Without Prejudice

In the event this Settlement Agreement is not approved or is terminated in accordance with its terms, the Parties agree that any prior certification or authorization of a Proceeding as a class proceeding, including the definition of the Settlement Class and the statement of the Common Issue, shall be without prejudice to any position that any of the Parties may later take on any issue in the Proceedings or any other litigation.

SECTION 11 – NOTICE TO SETTLEMENT CLASSES

11.1 Notices Required

The proposed Settlement Classes shall be given notice of: (i) hearings at which the Courts will be asked to certify or authorize the Proceedings as class proceedings and approve the Settlement Agreement; and (ii) the certification or authorization of the Proceedings as class proceedings and the approval of this Settlement Agreement if granted by the Courts.

11.2 Form and Distribution of Notices

The form of the notices referred to in section 11.1 and the manner of their publication and distribution shall be as agreed to by the Parties and approved by the Courts.

SECTION 12 – ADMINISTRATION AND IMPLEMENTATION

12.1 Mechanics of Administration

Except to the extent provided for in this Settlement Agreement, the mechanics of the implementation and administration of this Settlement Agreement and the Distribution Protocol shall be determined by the Courts on motions brought by Class Counsel.

12.2 Information and Assistance

- (1) The Settling Defendants will make reasonable efforts to compile a list of the names and addresses of persons in Canada who purchased Hydrogen Peroxide from them during the Class Period.
- (2) The information required by section 12.2(1) shall be delivered to Class Counsel within thirty (30) business days of the Date of Execution.
- (3) Class Counsel may use the information provided under section 12.2(2) to advise persons in Canada who purchased Hydrogen Peroxide from the Settling Defendants during the Class Period of this Settlement Agreement and the date of the approval hearings before the Courts.
- (4) If this Settlement Agreement is terminated, all information provided by the Settling Defendants pursuant to section 12.2 shall be destroyed forthwith in accordance with section 3.3(8), no record of the information so provided shall be retained by Class Counsel in any form whatsoever, and the information so provided may not be used or disclosed, directly or indirectly, in any form or manner by Class Counsel or by any person to whom Class Counsel has disclosed such information.

SECTION 13 – CLASS COUNSEL FEES AND ADMINISTRATION EXPENSES

- (1) Siskinds LLP shall pay the costs of the notices referred to in section 11 of this Settlement Agreement and any costs associated with receiving the Opt-Out Notices out of the Account.
- (2) Class Counsel may seek the Courts' approval to pay Class Counsel Fees and Administration Expenses contemporaneous with seeking approval of this Settlement Agreement. It is understood that for the purposes of Class Counsel Fees, the Settlement Amount includes the amount of \$1,000,000 in respect of costs.

(3) Except as provided in section 13(1), Class Counsel Fees and Administration Expenses may only be paid out of the Account after the Effective Date.

(4) The Settling Defendants shall not be liable for any fees, disbursements or taxes, including but not limited to any fees, disbursements or taxes of Class Counsel's, the Plaintiffs' or Settlement Class Members' respective lawyers, experts, advisors, agents, or representatives.

SECTION 14 – MISCELLANEOUS

14.1 Motions for Directions

(1) Any Class Counsel or Settling Defendant may apply to the Courts for directions in respect of the implementation and administration of this Settlement Agreement or the Distribution Protocol.

(2) All motions contemplated by this Settlement Agreement shall be on notice to the Parties.

14.2 Releasees Have No Liability for Administration

The Releasees have no responsibility for and no liability whatsoever with respect to the administration of the Settlement Agreement or the Distribution Protocol.

14.3 Headings, etc.

In this Settlement Agreement:

- (a) the division of the Settlement Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Settlement Agreement; and
- (b) the terms "this Settlement Agreement", "hereof", "hereunder", "herein" and similar expressions refer to this Settlement Agreement and not to any particular section or other portion of this Settlement Agreement.

14.4 Computation of Time

In the computation of time in this Settlement Agreement, except where a contrary intention appears,

- (a) where there is a reference to a number of days between two events, the number of days shall be counted by excluding the day on which the first event happens and including the day on which the second event happens, including all calendar days; and
- (b) only in the case where the time for doing an act expires on a holiday, the act may be done on the next day that is not a holiday.

14.5 Ongoing Jurisdiction

- (1) Each of the Courts shall retain exclusive jurisdiction over each Proceeding commenced in its jurisdiction, the Parties thereto and Class Counsel Fees in that Proceeding.
- (2) No Party shall ask a Court to make an order or give a direction in respect of any matter of shared jurisdiction unless the Party asks that the order or direction be conditional upon a complementary order or direction being made or given by the other Court(s) with which it shares jurisdiction over that matter.

14.6 Governing Law

This Settlement Agreement shall be governed by and construed and interpreted in accordance with the laws of the Province of Ontario.

14.7 Entire Agreement

This Settlement Agreement constitutes the entire agreement among the Parties, and supersedes all prior and contemporaneous understandings, undertakings, negotiations, representations, promises, agreements, agreements in principle and memoranda of understanding in connection herewith. None of the Parties will be bound by any prior obligations, conditions or representations with respect to the subject matter of this Settlement Agreement, unless expressly incorporated herein.

14.8 Amendments

This Settlement Agreement may not be modified or amended except in writing and on consent of all Parties hereto and any such modification or amendment must be approved by the Courts with jurisdiction over the matter to which the amendment relates.

14.9 Binding Effect

This Settlement Agreement shall be binding upon, and enure to the benefit of, the Plaintiffs, the Settling Defendants, the Releasees and all of their successors and assigns. Without limiting the generality of the foregoing, each and every covenant and agreement made herein by the Plaintiffs shall be binding upon all Releasors and each and every covenant and agreement made herein by the Settling Defendants shall be binding upon all of the Releasees.

14.10 Counterparts

This Settlement Agreement may be executed in counterparts, all of which taken together will be deemed to constitute one and the same agreement, and a facsimile signature shall be deemed an original signature for purposes of executing this Settlement Agreement.

14.11 Negotiated Agreement

This Settlement Agreement has been the subject of negotiations and discussions among the undersigned, each of which has been represented and advised by competent counsel, so that any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafter of this Settlement Agreement shall have no force and effect. The Parties further agree that the language contained in or not contained in previous drafts of this Settlement Agreement, or any agreement in principle, shall have no bearing upon the proper interpretation of this Settlement Agreement.

14.12 Language

The Parties acknowledge that they have required and consented that this Settlement Agreement and all related documents be prepared in English; les parties reconnaissent avoir exigé que la présente convention et tous les documents connexes soient rédigés en anglais. Nevertheless, the Settling Defendants shall prepare a French translation of the Settlement Agreement including Schedule A but excluding Schedule B at their own expense. The Parties agree that such translation is for convenience only. In the event of any dispute as to the interpretation or application of this Settlement Agreement, only the English version shall be considered.

14.13 Transaction

The present Settlement Agreement constitutes a transaction in accordance with Articles 2631 and following of the *Civil Code of Quebec*, and the parties are hereby renouncing to any errors of fact, of law and/or of calculation.

14.14 Recitals

The recitals to this Settlement Agreement are true and form part of the Settlement Agreement.

14.15 Schedules

The Schedules annexed hereto form part of this Settlement Agreement.

14.16 Acknowledgements

Each of the Parties hereby affirms and acknowledges that:

- (a) he, she or a representative of the Party with the authority to bind the Party with respect to the matters set forth herein has read and understood the Settlement Agreement;
- (b) the terms of this Settlement Agreement and the effects thereof have been fully explained to him, her or the Party's representative by his, her or its counsel;
- (c) he, she or the Party's representative fully understands each term of the Settlement Agreement and its effect; and
- (d) no Party has relied upon any statement, representation or inducement (whether material, false, negligently made or otherwise) of any other Party with respect to the first Party's decision to execute this Settlement Agreement.

14.17 Authorized Signatures

Each of the undersigned represents that he or she is fully authorized to enter into the terms and conditions of, and to execute, this Settlement Agreement.

14.18 Notice

Where this Settlement Agreement requires a Party to provide notice or any other communication or document to another, such notice, communication or document shall be provided by email, facsimile or letter by overnight delivery to the representatives for the Party to whom notice is being provided, as identified below:

For Plaintiffs and for Class Counsel:

Charles M. Wright

**Siskinds LLP
Barristers and Solicitors
680 Waterloo Street
London, ON N6A 3V8**

Telephone: 519-660-7753
Facsimile: 519-672-6065
Email: charles.wright@siskinds.com

Harvey T. Strosberg, Q.C.

**Sutts, Strosberg LLP
Barrister and Solicitors
600-251 Goyeau Street
Windsor, ON N9A 6V4**

Telephone: 519-258-9333
Facsimile: 519-258-9527
Email: harvey@strosbergco.com

J. J. Camp, Q.C.

**Camp Fiorante Matthews
4th Floor, Randall Building
555 West Georgia Street,
Vancouver, BC V6B 1Z6**

Telephone: 604-689-7555
Facsimile: 604-689-7554
Email: jjcamp@cfnlawyers.ca

Simon Hébert

**Siskinds Desmeules s.e.n.c.r.l.
Les promenades du Vieux-Quebec
43 rue Beadle, bureau 320
Quebec City, QC G1R 4A2**

Telephone: 418-694-2009
Facsimile: 418-694-0281
Email: simon.hebert@siskindsdesmeules.com

For Settling Defendants:

D. Martin Low, Q.C.

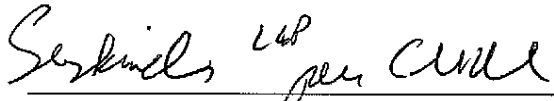
**McMillan^{LLP}
BCE Place, Suite 4400
Bay Wellington Tower
181 Bay Street
Toronto, ON M5J 2T3**

Tel: (416) 865-7100
Fax: (647) 722-6743
Email: martin.low@mcmillan.ca

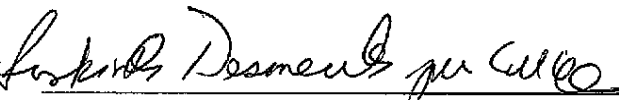
14.19 Date of Execution

The Parties have executed this Settlement Agreement as of the date on the cover page.

**IRVING PAPER LIMITED, IRVING PULP &
PAPER, LIMITED, 3969410 CANADA INC.
C.O.B. AS PARK AVENUE HAIR SALON,
DISTRIBUTECH INC., STACEY LEAVITT,
CATALYST PAPER CORPORATION AND
BETTY SMITH**

By: 
Name: Siskinds LLP
Title: Ontario Counsel

By: _____
Name: Sutts, Strosberg LLP
Title: Ontario Counsel

By: 
Name: Siskinds Desmeules s.e.n.c.r.l
Title: Quebec Counsel

By: _____
Name: Camp Fiorante Matthews
Title: BC Counsel

14.19 Date of Execution

The Parties have executed this Settlement Agreement as of the date on the cover page.

**IRVING PAPER LIMITED, IRVING PULP &
PAPER, LIMITED, 3969410 CANADA INC.
C.O.B. AS PARK AVENUE HAIR SALON,
DISTRIBUTECH INC., STACEY LEAVITT,
CATALYST PAPER CORPORATION AND
BETTY SMITH**

By:

Name: Siskinds LLP
Title: Ontario Counsel

By:

Harvey T. Strosberg

Name: Sutts, Strosberg LLP
Title: Ontario Counsel

By:

Name: Siskinds Desmeules s.e.n.c.r.l
Title: Quebec Counsel

By:

Name: Camp Fiorante Matthews
Title: BC Counsel

14.19 Date of Execution

The Parties have executed this Settlement Agreement as of the date on the cover page.

**IRVING PAPER LIMITED, IRVING PULP &
PAPER, LIMITED, 3969410 CANADA INC.
C.O.B. AS PARK AVENUE HAIR SALON,
DISTRIBUTECH INC., STACEY LEAVITT,
CATALYST PAPER CORPORATION AND
BETTY SMITH**

By:

Name: Siskinds LLP
Title: Ontario Counsel

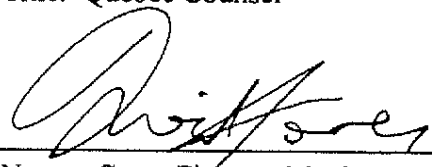
By:

Name: Sutts, Strosberg LLP
Title: Ontario Counsel

By:

Name: Siskinds Desmeules s.e.n.c.r.l
Title: Quebec Counsel


By:



Name: Camp Figante Matthews
Title: BC Counsel

EVONIK DEGUSSA CORPORATION
formerly DEGUSSA CORPORATION,
EVONIK DEGUSSA GmbH formerly
DEGUSSA A.G., and EVONIK DEGUSSA
CANADA INC. formerly DEGUSSA CANADA
INC.

By:



Name: McMillan LLP

Title: Canadian Counsel

SCHEDULE A – PROCEEDINGS

Proceeding	Plaintiffs	Defendants	Settlement Class
<p>Ontario Superior Court of Justice Court File No.47025 (the “Ontario Action”)</p>	<p>Irving Paper Limited, Irving Pulp & Paper, Limited, 3969410 Canada Inc. c.o.b. as Park Avenue Hair Salon, Distributech Inc., Stacey Leavitt</p>	<p>Atofina Chemicals Inc., Arkema Inc., Arkema Canada Inc., Arkema S.A., FMC Corporation, FMC of Canada Ltd., Solvay Chemicals Inc., Solvay S.A., Degussa Corporation, Degussa A.G., Degussa Canada Inc., EKA Chemicals, Inc., EKA Canada Inc., Akzo Nobel Chemicals International B.V., Kemira OYJ, and Kemira Chemicals Canada Inc.</p>	<p>All persons in Canada who purchased Hydrogen Peroxide Products during the Class Period, except the Excluded Persons and persons who are included in the Quebec Class and the BC Class.</p>
<p>Superior Court of Quebec (District of Québec), File No. 200-06-000056-054 (the “Quebec Action”)</p>	<p>Betty Smith</p>	<p>Atofina Chemicals Inc., Arkema Inc., Arkema Canada Inc., Arkema S.A., FMC Corporation, FMC of Canada Ltd., Solvay Chemicals Inc., Solvay S.A., Degussa Corporation, Degussa A.G., Degussa Canada Inc., EKA Chemicals, Inc., EKA Canada Inc., Akzo Nobel Chemicals International B.V., Kemira OYJ, and Kemira Chemicals Canada Inc.</p>	<p>All individuals resident in Quebec who purchased Hydrogen Peroxide Products during the Class Period, as well as any legal person resident in Quebec established for a private interest, partnership or association which, at all times between May 6, 2004 and May 5, 2005, had under its direction or control no more than 50 persons bound to it by a contract of employment who purchased Hydrogen Peroxide Products during the Class Period, except Excluded Persons.</p>

Proceeding	Plaintiffs	Defendants	Settlement Class
British Columbia Supreme Court File No. L051279 (Vancouver Registry) (the "BC Action")	Catalyst Paper Corporation	Atofina Chemicals Inc., Arkema Inc., Arkema Canada Inc., Arkema S.A., FMC Corporation, FMC of Canada Ltd., Solvay Chemicals Inc., Solvay S.A., Degussa Corporation, Degussa A.G., Degussa Canada Inc., EKA Chemicals, Inc., EKA Canada Inc., Akzo Nobel Chemicals International B.V., Kemira OYJ, and Kemira Chemicals Canada Inc.	All persons resident in British Columbia who purchased Hydrogen Peroxide Products during the Class Period, except Excluded Persons.

SCHEDULE B

Court File No. 47025

**ONTARIO
SUPERIOR COURT OF JUSTICE**

The Honourable Madam) , the day
)
Justice Rady) of , 2008

B E T W E E N:

IRVING PAPER LIMITED, IRVING PULP & PAPER, LIMITED,
3969410 CANADA INC. c.o.b. as
PARK AVENUE HAIR SALON, DISTRIBUTECH INC. and
STACEY LEAVITT

Plaintiffs

- and -

A TOFINA CHEMICALS INC., ARKEMA INC., ARKEMA CANADA INC.,
ARKEMA S.A., FMC CORPORATION, FMC of CANADA, LTD., SOLVAY CHEMICALS
INC., SOLVAY S.A., DEGUSSA CORPORATION, DEGUSSA A.G., DEGUSSA
CANADA INC., EKA CHEMICALS, INC., EKA CHEMICALS CANADA INC.,
AKZO NOBEL CHEMICALS INTERNATIONAL B.V., KEMIRA OYJ,
and KEMIRA CHEMICALS CANADA INC.

Defendants

Proceeding under the *Class Proceedings Act*, 1992

ORDER

THIS MOTION made by the Plaintiffs for an Order certifying this action as a class proceeding for settlement purposes as it relates to the Defendants, Degussa Corporation, Degussa A.G. and Degussa Canada Inc. and, as now known, Evonik Degussa Corporation, Evonik Degussa GmbH, and Evonik Degussa Canada Inc. (the "Settling Defendants"), and

approving the Settlement Agreement entered into with the Settling Defendants was heard this day at the Court House, 80 Dundas Street, London, Ontario.

ON READING the materials filed, including the settlement agreement attached to this Order as Exhibit "A" (the "Settlement Agreement"), and on hearing the submissions of counsel for the Plaintiffs and counsel for the Settling Defendants:

1. **THIS COURT ORDERS AND DECLARES** that for the purposes of this Order the definitions set out in the Settlement Agreement apply to and are incorporated into this Order.
2. **THIS COURT ORDERS** that this action be certified as a class proceeding as against the Settling Defendants for settlement purposes only.
3. **THIS COURT ORDERS** that the Settlement Class be defined as:

All persons in Canada who purchased Hydrogen Peroxide Products during the Class Period, except the Excluded Persons and persons who are included in the Quebec Class and the BC Class.
4. **THIS COURT ORDERS** that Irving Paper Limited, Irving Pulp & Paper, Limited, and Distributech Inc. be appointed as the representative plaintiffs for the Settlement Class.
5. **THIS COURT ORDERS** that the following issue is common to the Settlement Class:

Did the Settling Defendants conspire to fix, raise, maintain or stabilize the prices of, or allocate markets and customers for, Hydrogen Peroxide in Canada during the Class Period? If so, what damages did the Class Members suffer?
6. **THIS COURT DECLARES** that the Settlement Agreement is fair, reasonable and in the best interests of the Settlement Class.
7. **THIS COURT ORDERS** that the Settlement Agreement is hereby approved pursuant to s. 29 of the *Class Proceedings Act*, 1992 and shall be implemented in accordance with its terms.

8. **THIS COURT DECLARES** that the Settlement Agreement is incorporated by reference into and forms part of this Order and is binding upon the representative plaintiffs, upon all Settlement Class Members and upon the Defendants.
9. **THIS COURT ORDERS** that [name] be appointed to act as the Claims Administrator.
10. **THIS COURT ORDERS** that Settlement Class Members who wish to opt-out of this action must do so by sending a written election to opt-out, together with the information required in the Settlement Agreement, to the Claims Administrator, postmarked on or before the date which is sixty (60) days from the date of the first publication of the Notice of Certification and Settlement Approval.
11. **THIS COURT ORDERS** that any Settlement Class Member who has validly opted-out of this action is not bound by the Settlement Agreement and shall no longer participate or have the opportunity in the future to participate in this action.
12. **THIS COURT ORDERS** that any Settlement Class Member who has not validly opted-out of this action is bound by the Settlement Agreement and may not opt-out of this action in the future.
13. **THIS COURT ORDERS AND DECLARES** that each Settlement Class Member who has not validly opted-out of this action shall consent and shall be deemed to have consented to the dismissal of any Other Actions he, she or it has commenced against the Releasees, without costs and with prejudice.
14. **THIS COURT ORDERS AND DECLARES** that each Other Action commenced in Ontario by any Settlement Class Member who has not validly opted-out of this action shall be and is hereby dismissed against the Releasees, without costs and with prejudice.
15. **THIS COURT ORDERS AND DECLARES** that this Order, including the Settlement Agreement, is binding upon each Settlement Class Member who has not validly opted-out of this action including those persons who are minors or mentally incapable and the requirements of Rules 7.04(1) and 7.08(4) of the *Rules of Civil Procedure* are dispensed with in respect of this action.

16. **THIS COURT ORDERS AND DECLARES** that each Releasor who has not validly opted-out of this action has released and shall be conclusively deemed to have forever and absolutely released the Releasees from the Released Claims.
17. **THIS COURT ORDERS** that each Releasor who has not validly opted-out of this action shall not now or hereafter institute, continue, maintain or assert, either directly or indirectly, whether in Canada or elsewhere, on their own behalf or on behalf of any class or any other person, any action, suit, cause of action, claim or demand against any Releasee or any other person who may claim contribution or indemnity from any Releasee in respect of any Released Claim or any matter related thereto, except for the continuation of the Proceedings against the Non-Settling Defendants or unnamed co-conspirators other than the Releasees.
18. **THIS COURT ORDERS AND DECLARES** that the use of the terms “Releasors” and “Released Claims” in this Order does not constitute a release of claims by those Settlement Class Members who are resident in any province or territory where the release of one tortfeasor is a release of all tortfeasors.
19. **THIS COURT ORDERS AND DECLARES** that each Settlement Class Member who is resident in any province or territory where the release of one tortfeasor is a release of all tortfeasors covenants and undertakes not to make any claim in any way nor to threaten, commence, or continue any proceeding in any jurisdiction against the Releasees in respect of or in relation to the Released Claims.
20. **THIS COURT ORDERS** that all claims for contribution, indemnity or other claims over, whether asserted, unasserted or asserted in a representative capacity, inclusive of interest, taxes and costs, relating to the Released Claims, which were or could have been brought, by any Non-Settling Defendant or any other person or party, against a Releasee are barred, prohibited and enjoined in accordance with the terms of this Order (unless such claim is made in respect of a claim by a person who has validly opted-out of this action).
21. **THIS COURT ORDERS** that if the Courts ultimately determine that there is a right of contribution and indemnity between the Defendants, the Plaintiffs and the Settlement

Class Members shall restrict their joint and several claims against the Non-Settling Defendants such that the Plaintiffs shall be entitled to claim and recover from the Non-Settling Defendants on a joint and several basis only those damages (including punitive damages) arising from and allocable to the sales of the Non-Settling Defendants

22. **THIS COURT DECLARES** that a Non-Settling Defendant may, upon motion made on ten (10) business days notice to the Settling Defendants, seek an order from this Court providing for discovery from some or all of the Settling Defendants as deemed appropriate by this Court.
23. **THIS COURT ORDERS** that a Non-Settling Defendant may effect service of the motion(s) referred to in paragraph 23 above on a Settling Defendant by service on counsel of record for the Settling Defendants in this action.
24. **THE COURT ORDERS** that, except as provided herein, this Order does not affect any claims or causes of action that any Settlement Class Member has or may have against the Non-Settling Defendants or unnamed co-conspirators in this action other than the Releasees.
25. **THIS COURT ORDERS AND ADJUDGES** that this action be and is hereby dismissed against the Settling Defendants without costs and with prejudice.
26. **THIS COURT ORDERS** that the Settlement Amount be held in trust for the benefit of the Settlement Classes, pending further order of the Courts, which shall be sought by the Plaintiffs on motion brought on notice to the Settling Defendants.

Date:

(Signature of judge, officer or registrar)