

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE MR.) WEDNESDAY, THE 15th
)
JUSTICE WILTON-SIEGEL) DAY OF MARCH, 2017



IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR ARRANGEMENT WITH RESPECT TO **U. S. STEEL CANADA INC.**

MEETINGS ORDER

THIS MOTION, made by U. S. Steel Canada Inc. (the "**Applicant**" or "**USSC**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") and the *Canada Business Corporations Act*, R.S.C. 1985, c.C-44 (the "**CBCA**"), for an order among other things,

- (a) accepting the filing of the plan of compromise, arrangement and reorganization of the Applicant under the CCAA and the CBCA, dated March 15, 2017 (the "**Plan**") with the Court;
- (b) approving, pursuant to section 22 of the CCAA, the classification of creditors as set out in the Plan for the purposes of the Meetings (defined below) and voting on the Plan;
- (c) authorizing and directing the Applicant to call, hold and conduct meetings of its creditors to vote on the Plan;
- (d) authorizing and directing the mailing and distribution of certain meeting materials and other procedures to be followed to provide notice of the Meetings;

- (e) approving the procedures to be followed at the Meetings, including voting procedures; and,
- (f) setting a date for the hearing of the Applicant's motion for the Sanction Order (the "Sanction Hearing"),

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of William E. Aziz sworn March 10, 2017 (the "**Aziz Affidavit**") and the Thirty-Seventh Report of Ernst & Young Inc. in its capacity as the Monitor of the Applicant (the "**Monitor**") dated March 13, 2017, and the affidavit of service of Emilia Moon de Kemp dated March 13, 2017, and on hearing the submissions of counsel for the Applicant, the Monitor and any such other counsel as were present:

A. SERVICE

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

B. DEFINITIONS AND INTERPRETATION

3. **THIS COURT ORDERS** that capitalized terms used herein but not otherwise defined shall have the meanings given to them in the Plan.

4. **THIS COURT ORDERS** that all reference to time herein shall mean local time in Toronto, Ontario, Canada, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day unless otherwise indicated herein.

5. **THIS COURT ORDERS** that all references to the word "including" or "includes" shall mean "including without limitation" or "includes without limitation", as the case may be.

6. **THIS COURT ORDERS** that, unless the context otherwise requires, words importing the singular shall include the plural and *vice versa*, and words importing any gender shall include all genders.

C. MONITOR'S ROLE

7. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA, the Initial Order and the Claims Procedure Orders, is hereby directed and empowered to take such other actions and fulfill such other roles as are contemplated by this Order.

8. **THIS COURT ORDERS** that: (a) in carrying out the terms of this Order, the Monitor shall have all the protections given to it by the CCAA, the Initial Order and the Claims Procedure Orders, and as an officer of the Court, including the stay of proceedings in its favour; (b) the Monitor shall incur no liability or obligation as a result of carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part; (c) the Monitor shall be entitled to rely on the books and records of the Applicant and any information provided by the Applicant without independent investigation; and (d) the Monitor shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information.

D. CCAA PLAN FILING AND AMENDMENT

9. **THIS COURT ORDERS** that the Plan is hereby accepted for filing and the Applicant is authorized to contemporaneously file the Plan with this Order.

10. **THIS COURT ORDERS** that the Applicant may, with the consent of the Plan Sponsor at any time, and from time to time, prior to or during the Meetings, amend, restate, modify and/or supplement the Plan (which will thereafter constitute the “**Plan**” for the purposes of this Order); provided that any such amendment, restatement, modification and/or supplement shall be made in accordance with the terms of the Plan and communicated in accordance with paragraph 18.

E. CREDITOR CLASSES

11. **THIS COURT ORDERS** that, pursuant to section 22 of the CCAA, the following two classes of Affected Creditors (together, the “**Affected Creditors Classes**”) in respect of the Plan are hereby approved:

- (i) the class of General Unsecured Creditors (the “**General Unsecured Creditor Class**”); and
- (ii) the class of Non-USW Main Pension and OPEB Claim holders (the “**Non-USW Main Pension and OPEB Class**”).

F. AUTHORIZATION TO CALL AND HOLD MEETINGS

12. **THIS COURT ORDERS** that the Applicant is authorized and directed to call, hold and conduct two meetings of its creditors:

- (i) a meeting of the General Unsecured Creditor Class; and
- (ii) a meeting of the Non-USW Main Pension and OPEB Class

(collectively, the “**Meetings**” and each such meeting a “**Meeting**”) on April 27, 2017 in Toronto, Ontario, each at the time and place set out in the Notice of Meetings and Sanction Hearing (as defined below), for the purpose of considering and voting on the resolution to approve the Plan.

G. APPROVAL OF CERTAIN MEETING MATERIALS

13. **THIS COURT ORDERS** that each of the following is hereby approved:

- (a) the Applicant’s information circular substantially in the form attached to the Aziz Affidavit as Exhibit “A” (which attaches the Plan as an exhibit) (the “**Information Circular**”);
- (b) the form of notice regarding the Meetings and Sanction Hearing substantially in the form attached to the Aziz Affidavit as Exhibit “B” (the “**Notice of Meetings and Sanction Hearing**”);
- (c) the form of proxy and Election Notice for General Unsecured Creditors substantially in the form attached as **Schedule “A”** hereto (the “**General Unsecured Creditor Proxy**”); and
- (d) the form of proxy for holders of Non-USW Main Pension and OPEB Claims substantially in the form attached as **Schedule “B”** hereto (the “**Non-USW Main Pension and OPEB Proxy**”),

(collectively, the “**Meeting Materials**”).

14. **THIS COURT ORDERS** that the Applicant, in consultation with the Monitor and with the consent of the Plan Sponsor, may from time to time (a) make such changes to the documents in the Meeting Materials as the Applicant, in consultation with the Monitor and the Plan Sponsor, considers necessary or desirable, including but not limited to changes to conform the content thereof to the terms of the Plan (including any amendments, restatements, modifications or supplements thereto), this Order or any further Orders of the Court; and (b) prepare any supplements to the Information Circular as the Applicant, in consultation with the Monitor and the Plan Sponsor, considers necessary or desirable (each a “**Supplemental Information Circular**”).

H. NOTICE: POSTING, SERVICE AND PUBLICATION

15. **THIS COURT ORDERS** that, as soon as practicable after the granting of this Order, the Monitor shall cause a copy of the Meeting Materials and this Order to be posted on the website established by the Monitor in respect of these proceedings (the “**Monitor’s Website**”). The Monitor shall ensure that such materials remain posted on the Monitor’s Website until at least one (1) Business Day after the Plan Implementation Date.

16. **THIS COURT ORDERS** that, as soon as practicable after the granting of this Order, the Applicant shall provide to the Monitor a list setting out the names and last known addresses according to the books and records of the Corporation, identifying all Non-USW Main Pension and OPEB Claim holders known to the Applicant as of the date of this Order and, as soon as practicable thereafter, the Monitor shall:

- (a) send the Meeting Materials to (i) Representative Counsel, (ii) all Affected Creditors with General Unsecured Claims in respect of which a Proof of Claim has been filed in a proper and timely manner or for which a notice of claim has been delivered, each in accordance with the applicable Claims Procedure Order and that is not barred pursuant to the applicable Claims Procedure Order (iii) the service list maintained by the Monitor in these CCAA Proceedings (the “**Service List**”), (iv) any Opt-Out Individual as defined in paragraph 10 of the Representative Counsel Order (an “**Opt-Out Individual**”), and (v) any Affected Creditor or D&O Claim holder who makes a

written request to the Monitor for a copy of the Meeting Materials, by regular mail, fax, courier or e-mail at the last known address (including fax number or email address) for such Creditors set out in the books and records of the Applicant or as provided in relation to a Claims Procedure Order (except that where such Creditors are represented by counsel known by the Applicant, the address, fax number, and email address of such counsel may be substituted) (collectively, the “**Meeting Materials Parties**”); and

- (b) send a letter to all Non-USW Main Pension and OPEB Claim holders identified to the Monitor by the Applicant, substantially in the form attached to the Aziz Affidavit as Exhibit “C” by regular mail, fax, courier or e-mail at the last known address (including fax number or email address) for such Creditors set out in the books and records of the Applicant or as provided in relation to a Claims Procedure Order, which letter is hereby approved.

17. **THIS COURT ORDERS** that, as soon as practicable after the granting of this Order, the Monitor shall cause notice of the Meetings, substantially in the form of the Notice of Meetings and Sanction Hearing, amended or abridged as the Monitor deems reasonable, in its discretion, for the purposes of publication, to be published for a period of two (2) Business Days in The Globe and Mail (National Edition) and the Hamilton Spectator.

18. **THIS COURT ORDERS** that, as soon as reasonably practicable after finalization of any Supplemental Information Circular and any amendments or supplements to the Meeting Materials in accordance with paragraph 14 hereof and any amendments, restatements, modifications and/or supplements to the Plan in accordance with paragraph 10 hereof the Monitor shall (a) cause such materials to be posted on the Monitor’s Website (where the Monitor shall ensure that such materials remain posted until at least one (1) Business Day after the Plan Implementation Date); and (b) if made prior to the Meetings, send such materials to the Meeting Materials Parties or, if made at the Meetings, provide notice to those present at the Meetings prior to the vote being taken to approve the Plan.

19. **THIS COURT ORDERS** that the posting on the Monitor’s Website, service of the Meeting Materials and/or letter, and/or publication in accordance with paragraphs 15 to 18 above, shall constitute good and sufficient service and notice of this Order, the Plan and the

Meetings on all Persons who may be entitled to receive notice thereof, or who may be entitled to be present in person or by proxy at the Meetings or who may have an interest in these proceedings, and no other form of notice or service need be made on such Persons and no other document or material need be served on such Persons in respect of these proceedings. Service shall be effective: (a) in the case of mailing, three (3) Business Days after the date of mailing; (b) in the case of service by courier, on the day after the courier was sent; (c) in the case of any other means of transmission, recorded or electronic communication, when dispatched or delivered for dispatch and in the case of service by fax or e-mail, on the day the fax or e-mail was transmitted, unless such day is not a Business Day, or the fax or e-mail transmission was made after 5:00 p.m., in which case, on the next Business Day.

20. **THIS COURT ORDERS** that the non-receipt of a copy of the Meeting Materials beyond the reasonable control of the Monitor, or any failure or omission to provide a copy of the Meeting Materials as a result of events beyond the reasonable control of the Monitor (including, without limitation, any inability to use postal services) shall not constitute a breach of this Order, but if any such failure or omission is brought to the attention of the Monitor, then the Monitor shall use reasonable efforts to rectify the failure or omission by the method and in the time most reasonably practicable in the circumstances.

I. RECORD DATE

21. **THIS COURT ORDERS** that the record date for the purposes of determining which Affected Creditors are entitled to vote at the Meetings (the “**Record Date**”) is April 24, 2017 in respect of all General Unsecured Claims and in respect of all Non-USW Main Pension and OPEB Claims.

J. TRANSFER AND ASSIGNMENT OF CLAIMS

22. **THIS COURT ORDERS** that, subject to any restrictions contained in Applicable Laws or any contractual arrangements with the Applicant, an Affected Creditor may transfer or assign the whole of its General Unsecured Claim prior to the Meetings. If, subject to any restrictions contained in Applicable Laws or any contractual arrangement with the Applicant, an Affected Creditor transfers or assigns the whole of a General Unsecured Claim that is an

Affected Claim to another Person, such transferee or assignee shall not be entitled to attend and vote the transferred or assigned Affected Claim at the applicable Meeting unless (a) the assigned General Unsecured Claim that is an Affected Claim is a Voting Claim (as defined below) or Unresolved Claim, or a combination thereof; and (b) satisfactory notice of and proof of transfer or assignment has been delivered to the Applicant and Monitor in accordance with the Claims Procedure Orders, where applicable, no later than 5 (five) days prior to the date of the applicable Meeting.

K. CONDUCT AT MEETINGS

23. **THIS COURT ORDERS** that the Meetings shall be conducted, and the Plan shall be voted upon and, if approved by the Required Majorities (defined below), ratified and given full force and effect, in accordance with the provisions of this Order, the Claims Procedure Orders, the CCAA, the CBCA, and any further order of this Court.

24. **THIS COURT ORDERS** that a representative of the Monitor, designated by the Monitor, shall preside as the chair (the “**Chair**”) of each Meeting and, subject to this Order and any further order of this Court, shall decide all matters relating to the conduct of each Meeting.

25. **THIS COURT ORDERS** that the quorum required at each Meeting is as follows: (a) for the General Unsecured Creditor Class Meeting, the presence at such Meeting in person or by proxy of 1 (one) Affected Creditor with a Voting Claim that is a General Unsecured Claim; and (b) for the Non-USW Main Pension and OPEB Class Meeting, the presence at such Meeting in person or by proxy of 1 (one) Affected Creditor with a Voting Claim that is a Non-USW Main Pension and OPEB Claim.

26. **THIS COURT ORDERS** that the Monitor may appoint scrutineers (the “**Scrutineers**”) for the supervision and tabulation of the attendance, quorum and votes cast at each Meeting. A Person designated by the Monitor shall act as secretary at each Meeting.

27. **THIS COURT ORDERS** that if (a) the requisite quorum is not present at a Meeting, or (b) a Meeting is postponed by the vote of the majority in value of Voting Claims (as defined below) of the Affected Creditors with Voting Claims in the applicable Affected

Creditors Class present in person or by proxy; then the applicable Meeting shall be adjourned by the Chair to a date thereafter and to such time and place as may be appointed by the Chair.

28. **THIS COURT ORDERS** that a Meeting need not be convened in order to be adjourned and that the Chair shall be entitled to adjourn and further adjourn a Meeting at a Meeting or any adjourned Meeting provided that any such adjournment or adjournments shall be for a period of not more than thirty (30) days in total and, in the event of any such adjournment, the Applicant and Monitor shall not be required to deliver any notice of adjournment of a Meeting or adjourned Meeting other than announcing the adjournment at the applicable Meeting or posting notice at the originally designated time and location of the Meeting or adjourned Meeting and on the Monitor's Website. Any Proxy validly delivered in connection with the Meetings shall be accepted as a Proxy in respect of any adjourned Meeting.

29. **THIS COURT ORDERS** that the only Persons entitled to notice of or to attend the Meetings are the Monitor and its counsel; those Persons, including the holders of Proxies (defined below), entitled to vote at a Meeting pursuant to this Order and their legal counsel and advisors; the Applicant's officers, legal counsel and advisors; the Chief Restructuring Officer; the Plan Sponsor's officers, legal counsel and advisors; and the Scrutineers. Any other Person may be admitted to a Meeting on invitation of the Chair.

L. VOTING PROCEDURE

30. **THIS COURT ORDERS** that at each Meeting, the Chair shall direct a vote on a resolution to approve the Plan and any amendments thereto as the Applicant may consider appropriate, and may direct a vote with respect to any other resolutions as the Chair may consider appropriate, in consultation with the Applicant.

31. **THIS COURT ORDERS** that, in respect of the General Unsecured Creditor Class Meeting, only Affected Creditors holding General Unsecured Claims that are Proven Claims or Unresolved Claims or their proxies shall be entitled to vote at such Meeting.

32. **THIS COURT ORDERS** that, in respect of the Non-USW Main Pension and OPEB Class Meeting, only the administrator of each Non-USW Main Pension Plan and the Non-USW OPEB Affected Creditors (defined below) holding Proven Claims or their proxies shall

be entitled to vote at such Meeting and, further to the powers granted to Representative Counsel pursuant to the Representative Counsel Order and other orders of this Court,

- (a) Representative Counsel is hereby appointed as and deemed to be proxy, without any further action or need to issue any Proxy or any other document to effect same, for: the administrator of each of the Non-USW Main Pension Plans; and each Affected Creditor who is a retiree of the Applicant (or its predecessors or affiliates) not represented by the USW, and eligible spouses and beneficiaries of such retirees who have an independent entitlement to OPEBs (each a “**Non-USW OPEB Affected Creditor**”) other than,
 - (i) any Non-USW OPEB Affected Creditor who is an Opt-Out Individual; and
 - (ii) any Non-USW OPEB Affected Creditor with a Non-USW Main Pension and OPEB Claim who appoints an alternative proxy and submits their Proxy to the Monitor in accordance with this Order or attends the Non-USW Main Pension and OPEB Class Meeting in person to vote on the Plan in respect of their Non-USW Main Pension and OPEB Claim; and,
- (b) Representative Counsel is authorized to vote all Non-USW Main Pension and OPEB Claims in respect of which it acts as proxy holder in favour of the Plan except in respect of any Non-USW OPEB Affected Creditor that has indicated in its Proxy that it wishes to vote against the Plan.

33. **THIS COURT ORDERS** that Unaffected Creditors and holders of Equity Claims are not entitled, in such capacity, to attend the Meetings or vote on the Plan.

34. **THIS COURT ORDERS** that voting entitlement on the Plan shall be calculated as follows:

- (a) for the General Unsecured Creditor Class – each Affected Creditor, on the Record Date, with a General Unsecured Claim that is a Proven Claim is entitled to one vote as a member of the General Unsecured Creditor Class, which vote shall have a value equal to the dollar value of such General Unsecured Creditor’s Proven Claim in accordance with the Claims Procedure Orders, in respect of such General Unsecured Claim;

- (b) for the Non-USW Main Pension and OPEB Class – each administrator of each of the Non-USW Main Pension Plans and each Non-USW OPEB Affected Creditor with a Proven Claim, on the Record Date, is entitled to one vote as a member of the Non-USW Main Pension and OPEB Class (to be voted by Representative Counsel or as otherwise set out in paragraph 32), which vote shall have a value equal to either (i) the amount of the wind-up deficiency as set out in the last available actuarial report prepared by the plan actuary, on behalf of the plan administrator, in respect of the applicable Non-USW Main Pension Plan as filed with the Financial Services Commission of Ontario, in respect of a vote by the Non-USW Main Pension Plan administrator, as determined in accordance with the Claims Procedure Orders; or (ii) the amount of such Non-USW OPEB Affected Creditor’s Proven Claim as determined in the Claims Procedure Orders in respect of a vote by a Non-USW OPEB Affected Creditor.

(collectively, the “**Voting Claims**”).

35. **THIS COURT ORDERS** that the vote on the resolution to approve the Plan shall be decided by approval of the Plan by a majority in number of the Affected Creditors of each of the Affected Creditors Classes holding Voting Claims representing a two-thirds majority in value of such class that is present and voting at the Meeting in person or by proxy (the “**Required Majorities**”).

36. **THIS COURT ORDERS** that Affected Creditors with Unresolved Claims (or their proxies) may attend and vote at the Meetings and will have their voting intentions with respect to the Unresolved Claims separately recorded by the Monitor and reported to this Court. For purposes of such a vote each Affected Creditor with an Unresolved Claim is entitled to one vote in the General Unsecured Creditor Class, which vote shall have the value accepted by the Monitor, if any, for voting purposes only, in respect of an Unresolved Claim. The voting of such a claim in the Meeting and valuation of the Unresolved Claim for voting purposes is without prejudice to the rights of the Applicant and Monitor or the holder of the Unresolved Claim with respect to the resolution of the Claim for distribution purposes. Votes by Affected Creditors with Unresolved Claims in respect of such Unresolved Claims will not be considered in the calculation of the Required Majorities; however, if approval or

non-approval of the Plan by any of the Affected Creditors Classes proves to be determined by the votes cast in respect of Unresolved Claims, the Applicant and the Monitor, in consultation with the Plan Sponsor, on notice to the Service List, will request this Court's directions and, if necessary, appropriate deferral of the Sanction Hearing (as defined below) and any other applicable dates or an expedited determination of any material Unresolved Claims, as appropriate.

37. **THIS COURT ORDERS** that, following the vote at each Meeting, the Monitor will tally the votes in the manner set out herein and determine whether the Plan has been accepted by the Required Majorities.

38. **THIS COURT ORDERS** that the result of any vote at the Meetings shall be binding on all Affected Creditors, whether or not any such Affected Creditor is present at the Meeting or voted on the resolution to approve the Plan.

39. **THIS COURT ORDERS** that every question submitted to be decided at a Meeting, except to approve the resolution to approve the Plan, will be decided by a vote of a majority in value of the Affected Creditors with Voting Claims present in person or by proxy at such Meeting.

M. VOTING BY PROXY

40. **THIS COURT ORDERS** that the Monitor, in consultation with the Applicant, is authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which any proxy is completed and executed and is hereby authorized to accept and rely upon proxies substantially in the form attached hereto as the Non-USW General Unsecured Creditor Proxy or Non-USW Main Pension and OPEB Proxy, or such other form as is acceptable to the Monitor, in consultation with the Applicant (collectively, a "**Proxy**").

41. **THIS COURT ORDERS** that any Proxy must be received by the Monitor by no later than 5:00 p.m. on April 24, 2017, 2017 or 3 (three) Business Days prior to any adjournment of the relevant Meeting provided that the Monitor may waive strict compliance with the time limits imposed for receipt of a Proxy if deemed advisable to do so by the Monitor, in consultation with the Applicant.

42. **THIS COURT ORDERS** that, for purposes of tabulating the votes cast on any matter voted upon at a Meeting, the Chair is entitled to rely on any vote cast by a holder of a Proxy that has been duly submitted to the Monitor in accordance with this Order, without independent investigation.

43. **THIS COURT ORDERS** that, if a duly signed and returned Proxy does not provide an instruction to vote for or against the approval of the resolution on the Plan, the Proxy will be deemed to include an instruction to vote for the approval of the resolution and the Plan, provided that the Proxy holder does not otherwise exercise its right to vote at the applicable Meeting.

44. **THIS COURT ORDERS** that a Creditor with a Voting Claim who is not an individual may only attend and vote at a Meeting if it has appointed a proxyholder to attend and act on its behalf at such Meeting.

N. CONVENIENCE CREDITORS

45. **THIS COURT ORDERS** that, in respect of Convenience Creditors who will receive payment in an amount equal to the lesser of \$7,500 and the actual amount of their Proven Claims subject to the terms and implementation of the Plan,

- (a) in order for a General Unsecured Creditor with Proven Claims exceeding \$7,500 (other than the Province) to elect to receive \$7,500 as a Convenience Creditor in full satisfaction of such Proven Claims subject to the terms and implementation of the Plan, such General Unsecured Creditor is required to indicate such election in the Election Notice section of its General Unsecured Creditor Proxy, which Proxy must be submitted pursuant to the terms of this Order; and
- (b) a General Unsecured Creditor with Proven Claims not exceeding \$7,500 shall not be permitted or required to make an election in the Election Notice section of its General Unsecured Creditor Proxy and shall receive an amount equal to the actual amount of such Proven Claim as a Convenience Creditor in full satisfaction of such Proven Claims subject to the terms and implementation of the Plan, and any election in the Election Notice section of the General Unsecured Creditor Proxy submitted by such Convenience Creditors shall be deemed null and void.

46. **THIS COURT ORDERS** that each Convenience Creditor with a Voting Claim shall be deemed to vote in favour of the Plan unless such Convenience Creditor has notified the Monitor in writing of its intention to vote against the Plan prior to the Meeting of the General Unsecured Creditor Class and does vote against the Plan at such Meeting either in person or by Proxy. The value of a Convenience Creditor's General Unsecured Claim for voting purposes is the actual amount of such Proven Claim.

O. MONITOR'S REPORT AND SANCTION HEARING

47. **THIS COURT ORDERS** that the Monitor shall provide a report to this Court no later than three (3) Business Days following the Meetings (the "**Monitor's Report Regarding the Meetings**"), which shall be served on the Service List and posted on the Monitor's Website as soon as practicable after it is filed with this Court, with respect to:

- (a) the results of the voting at each Meeting on the resolution to approve the Plan;
- (b) whether the Required Majorities have approved the Plan;
- (c) whether the votes cast in respect Unresolved Claims, if any, would affect the result of that vote; and
- (d) any other matter which the Monitor considers relevant.

48. **THIS COURT ORDERS** that in the event that the Plan has been approved by the Required Majorities, the Applicant shall bring a motion before this Court on May 9, 2017, or such later date as is set by this Court upon motion by the Applicant, for the Sanction Hearing, seeking an order sanctioning the Plan.

49. **THIS COURT ORDERS** that the posting on the Monitor's Website, service of the Meeting Materials and/or letters, and/or publication in accordance with paragraphs 15 to 18 above, shall constitute good and sufficient service and notice of the Sanction Hearing on all Persons entitled to receive such service and no other form of notice or service need be made and no other materials need be served in respect of the Sanction Hearing, except that the Applicant shall serve the Service List with the motion materials relating to the Sanction Hearing and any additional materials to be used in support thereof and the Monitor shall post

and serve the Monitor's Report Regarding the Meetings in accordance with paragraph 47 above.

50. **THIS COURT ORDERS** that any party who wishes to oppose the entry of the Sanction Order shall serve on the Service List a notice setting out the basis for such opposition and a copy of the materials to be used to oppose the granting of the Sanction Order at least four (4) Business Days before the date set for the Sanction Hearing, or such shorter time as this Court, by order, may allow.

51. **THIS COURT ORDERS** that in the event that the Sanction Hearing is adjourned, only those Persons who have filed and served a Notice of Appearance in the Applicant's CCAA proceeding shall be served with notice of the adjourned date.

52. **THIS COURT ORDERS** that subject to any further order of this Court, in the event of any conflict, inconsistency, ambiguity or difference between the provisions of the Plan and this Order, the terms, conditions and provisions of the Plan shall govern and be paramount, and any such provision of this Order shall be deemed to be amended to the extent necessary to eliminate any such conflict, inconsistency, ambiguity or difference.

P. ASSISTANCE OF OTHER COURTS

53. **THIS COURT ORDERS AND REQUESTS** the aid and recognition (including assistance pursuant to section 17 of the CCAA) of any court or any judicial, regulatory or administrative body in any province or territory of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province or territory or any court or any judicial, regulatory or administrative body of the United States and the states or other subdivisions of the United States and of any other nation or state to act in aid of and to be complementary to this court in carrying out the terms of this Order.



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LE / DANS LE REGISTRE NO:

MAR 15 2017

REGISTRAR 

Schedule "A" – General Unsecured Creditor Proxy

**IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PROPOSED PLAN OF
COMPROMISE OR ARRANGEMENT WITH RESPECT TO
U. S. STEEL CANADA INC. ("USSC")**

GENERAL UNSECURED CREDITORS' PROXY AND ELECTION FORM

Capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the Plan of Compromise and Arrangement of USSC (as may be amended, restated or supplemented from time to time, the "Plan") filed pursuant to the *Companies' Creditors Arrangement Act* (the "CCAA") and the *Canada Business Corporations Act*, R.S.C. 1985, c.C-44 (the "CBCA") with the Ontario Superior Court of Justice (Commercial List) (the "Court") or the Order of the Court dated March 15, 2017 in respect of the meetings of USSC's Creditors (the "Meetings Order").

VOTING BY PROXY

This proxy may only be filed by Affected Creditors with General Unsecured Claims (which, for greater certainty, includes Affected Creditors with Non-USW Supplemental Pension Claims and Non-USW Restructuring Claims) (each, an "Eligible Voting Creditor"). Any such Affected Creditor who is not an individual may only attend and vote at the Meeting if a proxyholder has been appointed to act on its behalf at such meeting.

THE UNDERSIGNED ELIGIBLE VOTING CREDITOR hereby revokes all proxies previously given and nominates, constitutes, and appoints:

Alex Morrison of Ernst & Young Inc., in its capacity as
Monitor, or a person appointed by him

or, instead of the foregoing, _____, or such other Person as he/she, in his/her sole discretion, may designate to attend on behalf of and act for the Eligible Voting Creditor at the Meeting of the General Unsecured Creditor Class to be held in connection with the Plan and at any and all adjournments, postponements or other rescheduling of such Meeting, and to vote the amount of the Eligible Voting Creditor's claim(s) for voting purposes as determined by and accepted for voting purposes in accordance with the Meetings Order, Claims Procedure Orders and set out in the Plan as follows:

To be completed by an Eligible Voting Creditor:

1. (mark one only):

Vote **FOR** approval of the Plan; or

Vote **AGAINST** approval of the Plan.

If this proxy is submitted and a box is not marked as a vote for or against approval of the Plan, this proxy shall be voted **FOR** approval of the Plan unless the Eligible Voting Creditor or their Proxy holder (provided the Proxy holder is a Person other than a representative of the Monitor) otherwise exercises their right to vote at the Meeting.

- and -

2. Vote at the nominee's discretion and otherwise act for and on behalf of the undersigned Eligible Voting Creditor with respect to any amendments, modifications, variations or supplements to the Plan and to any other matters that may come before the Meeting of the General Unsecured Creditor Class or any adjournment, postponement or other rescheduling of such Meeting.

GENERAL UNSECURED CREDITOR ELECTIONS

This Election may be completed by Affected Creditors with General Unsecured Claims exceeding an aggregate of \$7,500:

Election to receive \$7,500 in respect of such General Unsecured Claim

Pursuant to the Plan and Meetings Order, General Unsecured Creditors with Proven Claims not exceeding an aggregate of \$7,500 will receive the actual amount of such Proven Claims pursuant to the Plan and are not entitled to make the election above (such Creditors, together with Affected Creditors with General Unsecured Claims exceeding an aggregate of \$7,500 who duly make the above Election in accordance with the Plan and Meetings Order, a "Convenience Creditor").

Pursuant to the Meetings Order, any Convenience Creditor with a Voting Claim shall be deemed to vote in favour of the Plan unless such Convenience Creditor has notified the Monitor in writing of its intention to vote against the Plan prior to the Meeting of the General Unsecured Creditor Class and does vote against the Plan at such Meeting either in person or by Proxy.

If this Proxy is submitted by a General Unsecured Creditor whose General Unsecured Claims that are Proven Claims exceed an aggregate of \$7,500 and the above box is not marked, such General Unsecured Creditor will be deemed to have not filed an Election Notice.

Notwithstanding any elections made pursuant to this Proxy, any and all distributions in respect of Affected Claims that are General Unsecured Claims shall be made subject to the terms (including, without limitation, any adjustments required pursuant to the Plan) and implementation of the Plan.

Any Proxy must be received by the Monitor by no later than 5:00 p.m. on April 24, 2017, 2017 or 3 (three) Business Days prior to any adjournment of the relevant Meeting provided that the Monitor may waive strict compliance with the time limits imposed for receipt of a Proxy if deemed advisable to do so by the Monitor, in consultation with the Applicant. Proxies may be sent to the Monitor by email, fax, or mail at the following email address/fax number/address:

Ernst & Young Inc.
Monitor of USSC
222 Bay St., P.O. Box 251
Toronto-Dominion Centre
Toronto, ON M5K 1J7
Attention: USSC Monitor
Fax: 1-416-943-2887
Tel: 1-844-941-7764
e-mail: ussc.monitor@ca.ey.com

[Remainder of page intentionally left blank]

Dated this _____ day of _____, 2017.

Print Name of Eligible Voting Creditor

Title of the authorized signing officer of the corporation, partnership or trust, if applicable

Signature of Eligible Voting Creditor or, if the Eligible Voting Creditor is a corporation, partnership or trust, signature of an authorized signing officer of the corporation, partnership or trust

Telephone Number of Eligible Voting Creditor or authorized signing officer

Mailing Address of Eligible Voting Creditor

E-mail Address of Eligible Voting Creditor

Print Name of Witness, if Eligible Voting Creditor is an individual

Schedule "B" - Non-USW Main Pension and OPEB Proxy

**IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PROPOSED PLAN OF
COMPROMISE OR ARRANGEMENT WITH RESPECT TO
U. S. STEEL CANADA INC. ("USSC")**

NON-USW MAIN PENSION AND OPEB CLAIM HOLDER PROXY

Capitalized terms used and not otherwise defined herein have the meanings ascribed to them in the Plan of Compromise and Arrangement of USSC (as may be amended, restated or supplemented from time to time, the "**Plan**") filed pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA**") and the *Canada Business Corporations Act*, R.S.C. 1985, c.C-44 (the "**CBCA**") with the Ontario Superior Court of Justice (Commercial List) (the "**Court**") or the Order of the Court dated March 15, 2017 in respect of the meetings of USSC's Creditors (the "**Meetings Order**").

Pursuant to the Meetings Order, this Proxy applies only to Opt-Out Individuals and Non-USW OPEB Affected Creditors who wish to appoint a proxy holder other than Koskie Minsky LLP ("Representative Counsel") or to vote against the Plan.

Representative Counsel is deemed to be the proxy for all other Non-USW Pension and OPEB Affected Creditors and is authorized to vote in favour of the Plan with respect to such Non-USW Pension and OPEB Claims.

VOTING BY PROXY

This proxy may only be filed by a Non-USW OPEB Affected Creditor (an "**Eligible Voting Creditor**"). For greater certainty, this Proxy does not apply to Creditors with Non-USW Supplemental Pension Claims or Non-USW Employee Restructuring Claims, which Claims are General Unsecured Claims voting in the General Unsecured Creditor Class.

THE UNDERSIGNED ELIGIBLE VOTING CREDITOR hereby revokes all proxies previously given and nominates, constitutes, and appoints:

Andrew Hatnay of Koskie Minsky, LLP, in its capacity as representative counsel,
or a person appointed by him

or, instead of the foregoing, _____, or such other Person as he/she, in his/her sole discretion, may designate to attend on behalf of and act for the Eligible Voting Creditor at the Meeting of the Non-USW Main Pension and OPEB Class, to be held in connection with the Plan and at any and all adjournments, postponements or other rescheduling of such

Meeting, and to vote the amount of the Eligible Voting Creditor's claim(s) for voting purposes as determined by and accepted for voting purposes in accordance with the Meetings Order, Claims Procedure Orders, and set out in the Plan as follows:

1. (mark one only):

Vote **FOR** approval of the Plan; or

Vote **AGAINST** approval of the Plan.

If this proxy is submitted and a box is not marked as a vote for or against approval of the Plan, this proxy shall be voted **FOR** approval of the Plan unless the Eligible Voting Creditor or their Proxy holder (provided the Proxy holder is a Person other than a representative of Koskie Minsky, LLP or the Monitor) otherwise exercises their right to vote at the Meeting.

- and -

2. Vote at the nominee's discretion and otherwise act for and on behalf of the undersigned Eligible Voting Creditor with respect to any amendments, modifications, variations or supplements to the Plan and to any other matters that may come before the Non-USW Main Pension and OPEB Creditors' Meeting or any adjournment, postponement or other rescheduling of such meeting.

Any Proxy must be received by the Monitor by no later than 5:00 p.m. on April 24, 2017, 2017 or 3 (three) Business Days prior to any adjournment of the relevant Meeting provided that the Monitor may waive strict compliance with the time limits imposed for receipt of a Proxy if deemed advisable to do so by the Monitor, in consultation with the Applicant. Proxies may be sent to the Monitor by email, fax, or mail at the following email address/fax number/address:

Ernst & Young Inc.
Monitor of USSC
222 Bay St., P.O. Box 251
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Attention: USSC Monitor
Fax: 1-416-943-2887
Tel: 1-844-941-7764
e-mail: ussc.monitor@ca.ey.com

[Remainder of page intentionally left blank]

Dated this _____ day of _____, 2017.

Print Name of Eligible Voting Creditor

Title of the authorized signing officer of the corporation, partnership or trust, if applicable

Signature of Eligible Voting Creditor or, if the Eligible Voting Creditor is a corporation, partnership or trust, signature of an authorized signing officer of the corporation, partnership or trust

Telephone Number of Eligible Voting Creditor or authorized signing officer

Mailing Address of Eligible Voting Creditor

E-mail Address of Eligible Voting Creditor

Print Name of Witness, if Eligible Voting Creditor is an individual

IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR ARRANGEMENT
WITH RESPECT TO U. S. STEEL CANADA INC.

Court File No. CV-14-10695-00CL

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

Proceeding Commenced at Toronto

MEETINGS ORDER

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Toronto, ON M5K 1E6
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