

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

**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.**

MOTION RECORD

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Tab 1

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

**IN THE MATTER OF THE *COMPANIES' CREDITORS
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U.S. STEEL CANADA INC.**

NOTICE OF MOTION

THE RESPONDENTS, the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union and Local 1005 (collectively "Union"), will make a motion to Justice Wilton-Siegel on September 29, 2015 at 10:00 a.m. or as soon after that time as the motion can be heard at 330 University Avenue, Toronto, Ontario, M5G 1E6.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THIS MOTION IS FOR:

- (i) An Order declaring that all acts taken by United States Steel Corporation ("USS") to redirect and remove automotive steel production and finishing work from U.S. Steel Canada Inc. ("USSC") are inconsistent with existing arrangements and past practice and in breach of paragraph 6 of the Second Amended and Restated Initial Order dated September 16, 2014 ("Initial Order");

- (ii) An Order requiring USS to continue to load USSC's steel mills and allocate automotive production on terms consistent with past practice and existing arrangements;
- (iii) In the event that USS has begun to redirect production of automotive parts to its U.S. mills as described in the Twelfth Report of the Monitor dated August 31, 2015, an Order requiring USS to immediately take such steps as are necessary to cancel that redirection of production and to direct the continued mill loading and production allocation of those automotive parts to USSC in accordance with the *status quo* prior to the redirection, and to show cause why USS is not in breach of the Initial Order;
- (iv) An Order requiring USS not to discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform the contract, agreement, licence or permit in favour of or held by USSC in respect of automotive steel production and finishing work allocated to USSC for 2015 and 2016;
- (v) An Order directing USS not to discontinue, alter, interfere with or terminate the supply of any goods or services required by USSC for the continued operation of its steel mills;
- (vi) An Order abridging the time for service of the Union's motion materials, if required, and directing that further service of the Union's motion materials be dispensed with; and
- (vii) Such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THIS MOTION ARE:**A. Background**

1. USSC is a leading steel producer that conducts most of its business from two steel plants located in Ontario – Hamilton Works (“Hamilton Works”) located in Hamilton, Ontario and Lake Erie Works (“Lake Erie Works”) located in Nanticoke, Ontario.
2. USSC is a Canadian subsidiary of USS.
3. On September 16, 2014, USSC applied for and was granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (“CCAA”), pursuant to the Initial Order of Mr. Justice Morawetz. Among other terms, the Initial Order provided USSC with a comprehensive stay, which has been extended by subsequent orders of this Court to December 10, 2015.
4. In addition to the stay, the Initial Order also provided that:
 - a. with respect to the continued provision of services to USSC by USS, including the loading of USSC’s mills:

6. THIS COURT ORDERS that the Applicant is authorized to complete outstanding transactions and engage in new transactions with other members of the USS Group and to continue, on and after the date hereof, to buy and sell goods and services, including without limitation head office and shared services, and allocate, collect and pay costs, expenses and other amounts from and to the other members of the USS Group (collectively, together with the Cash Management System and all transactions, inter-company funding and other processes and services between the

Applicant and any member of the USS Group, the "Intercompany Transactions") in the ordinary course of business. All ordinary course Intercompany Transactions among the Applicant and any member of the USS Group, including the provision of goods and services from any member of the USS Group to the Applicant and loading of the Applicant's mills, shall continue on terms consistent with existing arrangements or past practice, subject to such changes thereto, or to such governing principles, policies or procedures as the Monitor may require, or subject to further Order of this Court. Other than as permitted elsewhere by this Order, the Applicant shall not enter into any Intercompany Transactions outside the ordinary course of business with any other member of the USS Group unless such new arrangements: (i) have a transaction value that does not exceed \$1 million and are on commercially reasonable terms each as determined by the Applicant, and (ii) are approved by the Monitor in advance.

19. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicant or by a third party on behalf of the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

20. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with the Applicant or with a third party on behalf of the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility, raw materials, equipment, customs clearing, warehouse services, outside processors, or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services

received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court. [emphasis added]

B. USS's Breach of the Initial Order

5. In its Twelfth Report dated August 31, 2015, the Monitor advised that USS plans to implement or has implemented a production reallocation to its US-based facilities of certain of USSC's automotive sector steel production and related hot roll steel production at Hamilton Works and Lake Erie Works.
6. As part of the reallocation of work by USS, USS intends to divert in excess of 180,000 tons of current production and finishing work from USSC's Hamilton Works and Lake Erie Works in 2015 and 2016. USS has advised that the reallocation to USS's US-based facilities is expected to take effect for customer shipments in early October 2015.
7. USS's reallocation of this production and finishing work from Hamilton Works and Lake Erie Works is a violation of the Initial Order resulting in a material adverse change to the status quo which that Order was designed to preserve.
8. The Union learned about this planned reallocation of 180,000 tons of production for the first time upon reading the Twelfth Monitor's Report dated August 31, 2015, despite the fact that USS now advises that it has been threatening to withdraw this production from USSC since as early as May 2015.

- 9. Until this information was made public on August 31, 2015, through the Monitor's report, the Union had relied upon the information provided to its financial and legal advisors about plant loading contained in USSC's confidential business plan that included the 180,000 tons that will no longer be produced by USSC.

- 10. USSC's business plan, inclusive of the 180,000 tons, was provided to potential bidders in the SARP, and the Union understands that this plan has informed important business decisions made by USSC including inventory purchases and operations planning.

- 11. The Union expressed serious concerns about the fairness and transparency of the SARP process in June 2015, and in particular about the conflicting roles being played by USS as parent, DIP lender, and bidder – those concerns have been borne out by the withholding of information about the detrimental changes to plant loading, which will result in immediate layoffs of Union members and significant risks to pension and OPEB benefits, as well as to the ultimate viability of USSC and its restructuring efforts.

C. Impact of Plant Loading Reallocation

- 12. Lake Erie Works has consistently made automotive steel since 1980, except on two occasions after USS purchased Stelco (USSC's precursor company), when USSC locked out workers during labour disputes. On those occasions, Lake Erie Works' steel production was temporarily shifted to USS mills in the United States for the duration of the lockouts.

13. A significant volume of the steel products produced by USSC, particularly by its Hamilton Works mill, are high margin automotive products.
14. Production of automotive steel at USSC involves one mill at Lake Erie Works, the pickle lines at Lake Erie Works, and the finishing lines at Hamilton Works, as well as the coke ovens at both Hamilton Works and Lake Erie Works.
15. The only time automotive steel has not been produced at USSC in recent years was as the result of disruption caused by labour disputes, when USSC locked workers out.
16. Otherwise, USSC automotive steel production has grown steadily in volume in the last few years.
17. The redirection of a significant volume of automotive steel production and finishing to USS's United States mills will have a significant impact on all of USSC's business at both Hamilton Works and Lake Erie Works.
18. The redirection of work will cause a significant decrease in steel making at Lake Erie Works, so that Lake Erie Works will require less coke from Hamilton Works. There will also be fewer hot rolled coils shipped from Lake Erie Works to Hamilton for finishing, including rolling in the cold mill and coating on the Z Line. This will result in fewer USSC employees making coke and steel, and finishing steel, as well as a decreased need for shipping, wrapping, mechanical, and engineering.

19. There are approximately 350 bargaining unit members at Hamilton Works involved in finishing, with 60 employees alone on the Z line.
20. There are currently 12 pickle crews at Lake Eric Works with 132 employees. The pickle lines are operating at 70% capacity, with 85-90% of the products being pickled being automotive steel. The redirection of automotive steel production will mean that the pickle lines will operate at only 1/3 capacity. This could result in a reduction of the number of pickle crews to 6.

D. USSC Planting Loading Arrangement with USS

21. Mill loading, which is the process of order allocation to various USS mills in Canada and the United States through a centrally-managed division of USS, and production allocation, are key drivers of USSC's profitability and cash flow.
22. The current mill loading and production allocation process has been in place for a number of years.
23. Although there is no written agreement between USS and USSC with respect to USS's allocation of production, there is a structured process that is understood among the parties and followed, which is referred to as plant loading.
24. Paragraph 6 of the Initial Order authorizes USSC to continue to enter into Intercompany Transactions for the purchase and sale of goods and services from and to members of the USS Group in the ordinary course of business.

25. Paragraph 6 specifically requires that the provision of goods and services from USS to USSC and loading of USSC's mills shall continue on terms consistent with existing arrangements or past practices.
26. Past practice and existing arrangements are the same in the case of mill loading, in that USSC has consistently produced high margin automotive products for a number of years, and no redirection of any significant volume of production has occurred in the recent past, except in respect of a labour dispute which temporarily shut down the mill and was an anomaly in which production was not possible.
27. Paragraph 6 was ordered by this Court in order to maintain the status quo with respect to the intercompany transactions between USS and USSC and to ensure that USSC operations could continue in the usual course while in CCAA, notwithstanding the high degree of integration among USSC and other members of the USS Group.
28. In granting the Initial Order, the Court held that it is appropriate to allow these intercompany services and transactions to continue in the usual course, consistent with past practice and existing arrangements and subject to the oversight of the Monitor.
29. Intercompany Transactions, including the continued provision of goods and services by USS, and mill loading in particular, in a manner consistent with their provision at the time of the CCAA filing and in the period leading up to it, has been a critical issue in these proceedings since their commencement.

30. The Monitor reported to the court in his Proposed Monitor Report, and the Initial Order contemplated in paragraph 30, that Monitor oversight would be required to enable the Monitor to report to the Court on the continuation of the significant operational and administrative services provided by USS to USSC.
31. In order to permit meaningful oversight, the Monitor was empowered to:
- a. Report to the Court as the Monitor deemed appropriate with respect to matters relating to the Property, Business, Intercompany Transactions and other relevant matters;
 - b. Have full and complete access to the Property, including the premises, books, records, data and other financial documents of USSC, and to be given unfettered access by any person in possession or control of those things, to the extent necessary to adequately assess USSC's business and financial affairs or to perform its duties arising under the Initial Order;
 - c. To the extent the Monitor considers it necessary or desirable to do so, develop, in consultation with USSC, such principles, policies and procedures as are satisfactory to the Monitor to govern all or any category of Intercompany Transactions; and
 - d. Review and monitor all Intercompany Transactions, including compliance with any applicable Intercompany Transaction Policies.
32. The stakeholders have relied on this oversight to ensure that USSC is provided with all of the services required, including plant loading consistent with past

- practice, to ensure the continued viability of USSC while it seeks to restructure during the stay period granted by the Initial Order.
33. The potential for the success of the restructuring process is significantly adversely affected by the threatened loss of production, and the resulting instability, loss of revenue, and the heightened risk of damage to mill equipment, among other things.
 34. USSC's business plans have been based on plant loading consistent with past practice and existing arrangements, and have been used in the SARP, with respect to DIP financing, and to make business decisions such as inventory purchases.
 35. USS's threat to remove a significant volume of valuable steel production from USSC during the stay period is in breach of their obligation under the Initial Order to maintain services, including mill loading and production allocation, in a manner consistent with existing arrangements and past practice.
 36. USS has not to date provided any credible explanation or evidence to support a business case that would justify an amendment to the Initial Order to permit a reallocation of this production elsewhere at this critical time in the USSC restructuring.
 37. As a creditor of USSC, USS's actions in moving production from USSC, an insolvent subsidiary in CCAA, to a U.S. subsidiary owned by USS would result in

a benefit to USS to the extent profits are realized on the sale of the redirected products which do not remain in USSC to the benefit of all creditors.

E. USS's Provision of Services to USSC

38. Since its acquisition by USS, USSC's operational and administrative functions have been highly integrated with USS. Some of the integrated services include:
- (a) Cash management
 - (b) Operational services in respect of production scheduling (mill loading), sales and general procurement;
 - (c) Management of employee functions;
 - (d) IT, tax, accounting and internal audit; and
 - (e) Strategic planning, insurance, research and engineering.
39. As a result of this integration, USSC relies on USS to service a significant portion of its operations, including many of USSC's key operational processes, a reliance that has increased in recent years.
40. USS employees perform these services on behalf of USSC from USS's offices in the United States, and it would be impractical and costly to repatriate these services to USSC.
41. USSC does not have the resources or capabilities to take on these services without disruption to operations and significant expansion of its current payroll.

42. USS's provision of services to USSC is done both formally pursuant to a Corporate Services Agreement dated November 1, 2007, and through informal arrangements or practices that have developed historically between USS and USSC.
43. At the time that USSC filed for CCAA protection, USSC advised the Court that it required the relief set out in the Initial Order to "enable [USSC] to preserve the on-going value of its operations while restructuring solutions are explored with key stakeholders and then implemented" and that "a court supervised process will provide greater stability to customers and suppliers, oversight of intercompany dealings between USSC and USS, and the opportunity to obtain interim financing at a future date, all while a stay of proceedings is in place to protect USSC's assets and operations, permit management to focus on a restructuring, and maximize stakeholder value".
44. The DIP Term Sheet approved in the Initial Order specifically required that the Initial Order must be satisfactory to USS, as the DIP lender at the time.
45. The requirement provided in paragraph 6 of the Initial Order that USS continue to provide its services to USSC in the usual course in accordance with past practice was therefore known to and accepted by USS at the time of the initial filing
46. The actions taken by USS to reallocate production away from USSC are in a breach of the Initial Order.

47. Such further and/or continued action by USS must be restrained in order to allow USSC's operations to continue during the period of the stay in a manner which best supports a viable restructuring as contemplated by the Initial Order, and by the policy underlying the CCAA.
48. Rules 3.02, 16.08, 37, 39, 60, and 60.11 of the *Rules of Civil Procedure*.
49. Section 11 of the *Companies' Creditors Arrangement Act* R.S.C. 1985, c. C-36.
50. Such further and other grounds as counsel may advise.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

1. Affidavit of Bill Ferguson, sworn September 17, 2015;
2. Affidavit of Gary Howe, sworn September 17, 2015;
3. Affidavit of Alex McKinnon, sworn September 17, 2015;
4. Twelfth Report of the Monitor dated August 31, 2015;
5. Pre-Filing Report of the Monitor dated September 16, 2014;
6. Affidavit of Michael McQuade, sworn September 16, 2014 (without exhibits);
7. Anticipated Report of the Monitor addressing plant loading specifics;
8. Anticipated Affidavit of Bill Azziz to be filed by USSC concurrent with these materials; and
9. Such further and other evidence as counsel may advise and as this Honourable Court may permit.

Date: September 17, 2015

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Tab 2

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

ONTARIO
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APPLICANT

AFFIDAVIT OF BILL FERGUSON

I, Bill Ferguson, of the Town of Jarvis, in the province of Ontario **MAKE OATH AND SAY**

1. I am an employee of the Applicant, U.S. Steel Canada Inc. ("USSC") at its Lake Erie Works facility ("LEW") in Nanticoke, Ontario and as such have personal knowledge of the matters deposed in my affidavit, except where I have indicated that I have obtained facts from other sources, in which case I believe them to be true.
2. I have worked for USSC or its predecessors for approximately 32 years. I am classified as a steel pourer. I am a member of Local 8782 and have been on leave from my employment to serve as a Union Officer since 1988. In 1984, I served as Shop Steward for Local 8782. From 1985 until 1988, I served as the Chief Steward for the Steelmaking Department. From 1988 until 1997, I served as Vice President of Local 8782. In 1997, I was elected President of Local 8782 and remain in that position to date. During my service with Local 8782, I have

participated in seven collective bargaining negotiations and two changes in ownership of the company.

3. There are approximately 977 active Local 8782 members at LEW and 791 retirees.
4. LEW also has a pickling plant. Approximately 130 USW members work on the pickle lines under a separate collective agreement as Local 8782B.
5. It is very important to Local 8782, and to the USW and our members that we be fully involved in the CCAA process. The USW is the largest arms-length creditor in the proceeding. According to USSC in its initial filing, as of December 31, 2013, the Hamilton Works ("HW") pension plan for hourly employees had a solvency deficiency of \$573 million and the LEW pension plan for hourly employees had a solvency deficiency of \$117.5 million.
6. According to USSC in its initial filing, other post employment benefits ("OPEBS") owing total approximately \$787.9 million. The total claims of the USW and its members may be \$1.4 to \$1.5 billion and more if there are severance and termination issues.
7. Local 8782, and the USW and its members generally, have a significant interest in these proceedings, including the opportunity for continued employment, and the funding of pension plans and OPEBS. We expect to be directly involved in the restructuring process in a meaningful and informed way.

Overview of LEW

8. LEW is an integrated steel producer located on a 640 hectare production complex in Nanticoke. It started production in 1980 and is one of the newest and most cost-effective integrated steel facilities in North America. It has a blast furnace, a coke plant, steelmaking furnaces, a hot strip mill, rolling and cold finishing mills and a pickling plant.

9. A significant upgrade and expansion of the LEW hot strip mill in 2006 increased its steel making capacity.
10. The quality of the steel produced at LEW is best in class and in demand with secondary producers. LEW is a preferred supplier for many steel customers, especially in the auto industry. LEW is also designated an original equipment manufacturer ("OEM") by a number of auto manufacturers.
11. LEW and HW, USSC's integrated steel mill in Hamilton, provide complementary and coordinated operations. LEW produces steel slabs and hot-band coil. The steel products produced at LEW can be sold directly to customers or sent to HW for finishing either through rolling or coating.
12. Local 8782 is and has been a highly visible and significant part of the Nanticoke community. LEW is a major employer in the area, and Local 8782 and its members are significant contributors to the local community and its economy.

Automotive Steel Making at LEW

13. Automotive steel making at LEW involves a continuous system, starting with coke production, which is used to fuel the blast furnace. The blast furnace makes molten steel, which is cast and then rolled in our hot strip mill and treated in the pickle line. The automotive steel is then shipped to HW for rolling and coating.
14. LEW is able to make very high quality steel because of its specialized equipment and the expertise of its employees.
15. LEW has a degassing system which allows us to make steel that conforms to exact chemical specifications, unlike most steel mills which can only manufacture steel that conforms to a specification range. The system can remove carbon from steel to produce a super ultra low carbon product. We then strengthen the

steel with an alloy to provide steel for the auto industry that is of a quality required to be given a five year rust free warranty. While other United States Steel Corporation ("USS") mills have degassing systems, the LEW system is the largest and most successful.

16. Much of the steel we make for the auto industry has a high aluminum content, which makes the steel lighter, but also makes the steel easier to break and more difficult to cast and roll. LEW has had the most success in the USS family of casting such steel.
17. After the steel has been cast into slabs, it is taken to the rolling mills, where it is rolled into strips. The high alloy content makes the steel easy to damage during the rolling process, but we have developed a system to roll such steel successfully at LEW.
18. Automotive steel is then sent to the pickle line, where it is cleaned in an acid bath and rinsed. This process preserves the metal and adds significant value to the product.
19. Some of the automotive steel is then shipped to HW where it is rolled into a thinner gauge and/or coated on the HW "Z line."
20. LEW has consistently made automotive steel since 1980, except on two occasions after USS purchased Stelco, USSC's precursor company, when Local 8782 was locked out of LEW in labour disputes. On those occasions, our steel production was temporarily shifted to USS mills in the United States for the duration of the lock out.
21. As a result of the lockouts and the shifting of steel production to the United States, U.S. Steel lost a number of customers because there was no guarantee their orders would be filled with Lake Erie Steel. The steel produced by the United States mills had a high rejection rate from a number of the auto companies because it did not meet the exacting standards required by the auto

manufacturers. USS was unable to fill some of the specialty orders that normally would be filled at LEW because its United States mills did not have the ability to fill the specialty orders.

USS' Redirection of Automotive Steel Production and Finishing

22. I, and other members of Local 8782, learned for the first time on August 31, 2015 in the Twelfth Report of the Monitor that USS intended to redirect 180,000 tons of automotive steel production and finishing from LEW and HW to USS mills in the United States.
23. We then reviewed the September 4, 2015 response of the USS to the Twelfth Report of the Monitor and were shocked to learn that, according to USS, it had communications with the Monitor beginning in May 2015 that plant loading could become an issue in the future, and, that, as of July 28, 2015, USS had formally informed the Monitor that it intended to alter loading at USSC as of October 2015. A copy of the September 4, 2015 responding letter on behalf of USS is attached to this affidavit as Exhibit "A".
24. Until the information about USS' redirection of production was made public on August 31, 2015 through the Monitor's report, the USW had relied upon the information provided to its financial and legal advisors about plant loading contained in USSC's confidential business plan that included the 180,000 tons that will no longer be produced by USSC.
25. USSC's business plan, inclusive of the 180,000 tons, was provided to potential bidders in the SARP, and the USW understands that this plan has informed important business decisions made by USSC including inventory purchases and operations planning.
26. We understand that, on June 11, 2015, a Bid Process Letter was sent to Phase 2 bidders in the SARP. We had concerns at that time about the fairness and transparency of the SARP process, and the conflicting roles being played by

USS as parent, DIP lender and bidder. A copy of the letter sent by USW counsel on June 16, 2015 regarding our concerns about the SARP process is attached to this affidavit as Exhibit "B".

27. The USW has, through its financial and legal advisors, had access to the due diligence materials and information provided to bidders in the SARP. There was no reference in those materials and information to a redirection of production in October 2015.
28. I know that USS prepares the mill loading plans for USSC and I know USS was a bidder in the SARP. Therefore, USS knew that the plant loading information being provided in the SARP might not be accurate.
29. On September 10, 2015, counsel for USW sent a letter to the Court setting out our concerns with the USS threat to pull production from USSC. A copy of the September 10, 2015 letter is attached to this affidavit as Exhibit "C".
30. I am concerned that, because of the redirection of automotive steel production and finishing to the USS mills in United States, the resulting reduction in production at USSC may cause the complete shut down of steel making at LEW.
31. Automotive steel is our highest margin product, and one that involves every aspect of our steel making system. USS' redirection of automotive steel production out of Canada will have a significant deleterious impact on not just steel making and the pickle line at LEW, but also the coke ovens and finishing facilities at HW.
32. LEW is currently operating its blast furnace at 2/3 capacity. Removal of 180,000 tons of automotive steel production per year, if the remainder of production remains as currently anticipated, will take operating the blast furnace down to close to 50% capacity. As set out below, this is a "tipping point" where there is likely to be substantial layoffs to all parts of production and a substantial prospect of significant damage to the blast furnace.

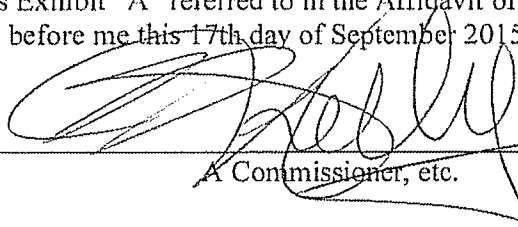
33. In order to make steel, the blast furnace has to be maintained at a high level of heat. When the blast furnace is operating properly at high heat, the raw materials that are loaded in the blast furnace to make steel (coke, iron ore and limestone), float to the top of the blast furnace and molten iron falls to the bath at the bottom of the furnace. As steel production decreases, the level of heat in the blast furnace is decreased. A decrease in heat can cause a cascade of effects.
34. If the blast furnace is not operating at a high enough heat, a coating can form at the top of the furnace, similar to creosote forming in a wood burning stove. If the coating gets dense enough, chunks of it can fall down the sides of the furnace and damage internal elements of the blast furnace. The material floating at the top of the blast furnace can become unbalanced and can flip, dumping down into the bath and solidifying the molten iron. The bricks that line the inside of the blast furnace shrink if they are not kept hot enough, and bricks fall out, exposing the water lines that run underneath them. Any of these occurrences can cause significant damage to the blast furnace and could constitute a serious safety risk requiring the shutting down of the blast furnace.
35. The problems can be exacerbated during the winter as a cold external temperature cools the blast furnace.
36. In addition, there is generally a downturn in other types of steel production around Christmas time, making it even more critical that the automotive steel production, which remains relatively constant, continues.
37. If, as expected, removing 180,000 tons of automotive steel production per takes the blast furnace down to operating at close to 50% capacity, the heat in the blast furnace rises and falls to the extent that its operation becomes unstable and the integrity of the blast furnace itself is at risk.

38. If the blast furnace was damaged, it would have to be shut down for repairs. The cost to repair and restart the blast furnace would likely deter potential buyers. As well, the entire operations at LEW would be jeopardized.
39. During the lockouts described above, the blast furnace was "hot idled", meaning it was kept at a reduced but steady temperature by burning coal.
40. The bricks that line the blast furnace are sufficiently damaged from use over an extended period of time that the lining is weak and, in some areas, the water lines and other elements that run behind the bricks are exposed. I do not believe that, given the current state of the brick lining, it could be successfully hot idled again.
41. LEW obtains approximately 50% of the coke it requires for steel making from HW. The remaining 50% is made in the coke ovens at LEW. The coke ovens are lined with brick, which becomes glass-like when hot. If the coke ovens are not in use and are allowed to cool, the bricks will crack and the coke ovens cannot be used. Approximately 100 USW members work on the coke ovens.
42. Cutting back on steel production by 180,000 tons may reduce the hot strip mill to operating at ¼ capacity. It would also have a major impact on the pickle line, as there will be little product to pickle.
43. There are currently 12 pickle crews with 132 employees. The pickle lines are operating at 70% capacity, with 85-90% of the product being pickled being automotive steel. The redirection in automotive steel production will mean we are operating the pickle lines at only 1/3 capacity.
44. We expect that we will lose a crew from the hot strip mill and that the number of pickle crews will be reduced to 6 in the near future.

45. I make this affidavit for the purpose of the USW and Local 1005's motion to require the USS to comply with the Amended and Restated Initial Order and for no other or improper purpose.

SWORN before me in the Town of JARVIS)
in the province of Ontario, this 17th day of)
September, 2015) Bill Ferguson
A Commissioner etc.)

This is Exhibit "A" referred to in the Affidavit of Bill Ferguson,
sworn before me this 17th day of September 2015.

A handwritten signature in black ink, appearing to be "Bill Ferguson", written over a horizontal line.

A Commissioner, etc.



Thornton Grout Finnigan LLP
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Robert J. Thornton
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File No. 1632-001

September 4, 2015

VIA EMAIL

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Kevin Zych
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Toronto, ON M5X 1A4

Dear Sirs:

Re: Twelfth Report of the Monitor / Plant Loading

This letter is delivered on behalf of United States Steel Corporation (“USS”) in response to the Twelfth Report of the Monitor dated August 31, 2015 (the “Monitor’s Report”).

USS believes that the Monitor’s Report does not present sufficient detail and context in respect of the plant loading issue. We take this opportunity to supplement the information contained in the Monitor’s Report such that all stakeholders and other interested parties have an accurate understanding of the plant loading decisions being implemented. USS respectfully requests that the Monitor disclose this letter to the Court and all parties on the service list for U. S. Steel Canada Inc.’s (“USSC”) *Companies’ Creditors Arrangement Act* (“CCAA”) proceedings.

First, the Monitor’s Report appears to suggest that the Monitor was not provided with ample notice of USS’s intention to alter plant loading in a manner consistent with past practices as agreed at the outset of the CCAA proceedings. This is simply not the case. The following timeline provides an accurate overview of all communications between USS and the Monitor in connection with this issue:

- **May, 2015:** first indication given to the Monitor that plant loading could become an issue in the future.
- **July 28, 2015:** after careful consideration of current market conditions, USS formally informed the Monitor that it intended to alter loading at USSC that would affect customer deliveries in October. The Monitor responded by making certain inquiries in respect of the planned loading changes.
- **July 30, 2015:** USS responded to the Monitor’s inquiries, including by supplying a considerable volume of data and information relating to the products planned to be re-



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2.

sourced to other mills and historical data in respect of the production of most of the products in question at other USS mills.

- **August 5, 2015:** the Monitor made additional inquiries, a number of which were not relevant, in USS's view, to determine whether the plant loading changes being proposed were consistent with past practice. Much of the additional information requested by the Monitor was sensitive and confidential business information and for the most part related to other USS plants, not those of USSC.
- **August 5 – August 13, 2015:** as it was gathering information (during a period which coincided with many employees' holidays), USS realized that the data being requested by the Monitor was likely not covered by any existing confidentiality obligation, especially information not directly related to USSC.
- **August 13, 2015:** USS informed the Monitor that USS would require a signed confidentiality agreement before providing any further sensitive and confidential business information regarding USS.
- **August 25, 2015:** USS and the Monitor finalized and executed a confidentiality agreement.
- **August 26, 2015:** USS provided the Monitor with the sensitive and confidential business information requested on August 6, 2015. As of the time of writing and as of the date of the Monitor's Report, USS does not believe that there are any information requests outstanding or unfulfilled.

In summary, the impression that the plant loading issue was only 'recently' made known to the Monitor and that USS has been slow to provide, or has not provided, information regarding same is not correct. The facts are as outlined herein.

Second, USS is of the view that the Monitor's reporting on the impact of the plant loading changes does not provide the Court and USSC's stakeholders with the appropriate context around which these changes are taking place.

As you are aware, the precipitous downturn in the steel market has forced all major steel makers, including USS, to rethink long-term strategy and production planning. The layoff of 17 workers and the reduction of revenue and EBITDA at Hamilton Works as a result of the plant loading changes must be measured against greater operational changes that have taken place across USS' business. With respect to production, as noted in USS' latest 10Q filing, North-American flat rolled raw steel production has decreased by 24% through June, 2015. This is similar in volume to the reduction that will occur at Hamilton Works. With respect to employment issues, over the course of the past year, market conditions have forced USS to issue over 9000 Worker Adjustment and Retraining Notifications (WARN) and to layoff close to 600 managers and almost 3,000 bargaining employees. Additionally, USS has made the hard decision to freeze its



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3.

defined-benefit pension plan for over 1,300 non-union employees earning pension benefits today. This change will convert these employees to a 401-k defined contribution plan as of January 1, 2016.

Moreover, since the start of 2015, USS has permanently shut down or temporarily idled operations in a number of facilities. Principal among these is Fairfield Works, which USS has recently decided to permanently idle after over 100 years in operation, affecting approximately 1,100 employees.

USS has complied with its undertaking to make plant loading decisions on a basis consistent with past practice, as has occurred in this instance, with appropriate forewarning of pending changes. USSC cannot be isolated from the effects of the steel market generally and USS is under no obligation to offer USSC special status in that regard. Until now, USSC has not suffered the effects of the downturn in the steel market as keenly as some of its sister plants in the USS organization. Although USSC did cut certain costs prior to the CCAA filing, USSC's own cost-cutting measures while under CCAA protection, including in respect of labour costs, have not kept pace with changes at other USS mills where costs are being minimized in order to ensure future viability. USS has an obligation to its own stakeholders to continue to conduct business as efficiently as possible in a challenging market and it intends to continue to do so within the restrictions of its existing undertakings and agreements, with which USS continues to comply in every respect.

USS believes that it is important for the Court and USSC's stakeholders to understand that the plant loading changes at USSC are taking place in the greater context of difficult business and operational changes occurring across the rest of USS' business. USS is of the view that it is important that all parties to this proceeding are aware of, and understand, the greater context within which plant loading decisions are being and have been made.

Yours very truly,

Thornton Grout Finnigan LLP

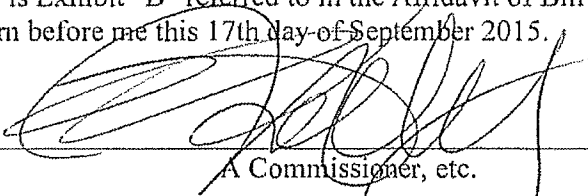
A handwritten signature in black ink, appearing to read 'Robert I. Thornton', written over a horizontal line.

Per

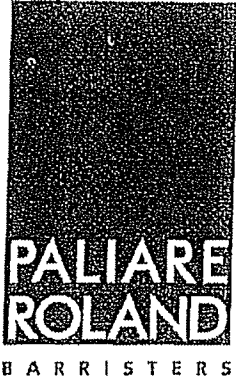
Robert I. Thornton

RIT/ms

This is Exhibit "B" referred to in the Affidavit of Bill Ferguson,
sworn before me this 17th day of September 2015.



A Commissioner, etc.



June 16, 2015

Ken Rosenberg
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E ken.rosenberg@paliareroland.com
www.paliareroland.com

File 23031

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VIA EMAIL: zychk@bennettjones.com

Kevin Zych
Bennett Jones LLP
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Dear Sirs:

Re: U.S. Steel Canada Inc. SARP

We write to take issue with the content of the Bid Process Letter which we understand was sent to prospective Phase 2 bidders on June 11, 2015. In particular, we object to the following:

1. the complete exclusion of the USW and other key stakeholders such as the Province of Ontario from the SARP process until after receipt of final offers, when it will be too late for effective and meaningful input;
2. the last minute inclusion of the requirement for the selection of a stalking horse bid from the final offers submitted, which greatly restricts the options available to the Company and the Monitor to determine what is in the best interests of all stakeholders at the relevant and most

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Andrew Lokan
John Monger
Odette Soriano
Andrew C. Lewis
Megan E. Shortreed
Massimo Starnino
Karen Jones
Robert A. Cenla
Nini Jones
Jeffrey Larry
Kristian Borg-Olivier
Emily Lawrence
Denise Sayer
Tina H. Lie
Jean-Claude Killey
Jodi Martin
Michael Fenrick
Jessica Lalimer
Debra McKenna
Lindsay Scott
Alysha Shore
Denise Cooney

COUNSEL
Stephen Goudge, Q.C.
Robin D. Walker, Q.C.

HONORARY COUNSEL
Ian G. Scott, Q.C., O.C.
(1934 - 2006)

appropriate time; and

3. the significant advantage exercised by U.S. Steel, in its conflicting roles as parent, DIP lender, and bidder, to potentially control and therefore to potentially distort the fairness of the process, and the inactivity of the Company, the CRO, and the Monitor respecting the search for alternative DIP financing in these circumstances.

Access

The USW requires immediate involvement, as a key stakeholder, in the SARP, with access to detailed information about the results of Phase 1, and unimpeded access to Phase 2 participants. We believe that such access is essential to a fair, open, and successful process, particularly given the very tight time lines involved. Prohibiting such access is counterproductive and shortsighted.

The current Bid Process Letter does not contemplate such sharing of information or USW involvement, if any, until after Final Offers have been received and assessed. On the contrary, bidders are expressly warned not to contact stakeholders directly, on pain of potential exclusion from the SARP process. Bidders must therefore blindly provide sufficient particulars of any conditions that must be satisfied, without any opportunity to discuss the necessity for or potential terms of such conditions with the stakeholders who are most likely to be affected by those terms. Given that pension and OPEB issues are front and centre in this insolvency, it is inconceivable that the SARP would prohibit timely discussion about such issues with those very stakeholders.

The court in the 2004 Stelco restructuring, which also had a significant focus on pensions and OPEBS, acknowledged the important role of the USW in the sale process. In light of this, the parties reached a compromise, after vigorous and extended litigation, which invited potential investors to "dialogue with" the government and with the Union, in the presence of the Monitor (but not the Company or the Chief Restructuring Officer), with the proviso that the Monitor was required to treat all information obtained from its involvement in those communications as confidential. The Union was actively consulted during Phase 1 and 2, and the sales process specifically provided that the Company would make reasonable efforts to arrange for meetings between the USW and bidders.

The USW is prepared to accept the same form of Monitor involvement in this current SARP. What is critical is to ensure that bidders are immediately released from the prohibition against meeting with key stakeholders so that the critical pension and OPEB issues that will need to be addressed by any legitimate bid can be discussed with the very stakeholders most affected by those issues. Anything less will simply delay and undermine the legitimacy and ultimate success of the process. That is not in anyone's interest.

Stalking horse bid

The USW and other key stakeholders have asked that the Bid Process Letter maintain the flexibility for USSC to select the optimal process once Formal Binding Offers have been received and evaluated. Instead, the Bid Process Letter mandates a stalking horse procedure that serves only the interests of USS and that is inconsistent with the terms of the SARP. The stalking horse process, from our perspective, is in effect a grant of a right of first refusal to USS.

There is no reasonable justification for the Bid Process Letter to mandate a stalking horse procedure at this stage. Doing so limits the flexibility of USSC and the Financial Advisor to pursue the optimal process.

The Monitor has been clear that it believes that it would be preferable to maintain maximum flexibility in the SARP. The Province and the Salaried Representatives share the same view. In other words, three of the four primary creditor groups and the Court officer all agree that it would be preferable not to include a mandatory stalking horse procedure.

The USW objects in particular to the unilateral revision to the language of paragraph 24 of the Sale and Restructuring/Recapitalization Process Order dated April 2, 2015, which was extensively negotiated with the assistance of the Court as part of the consensual resolution of the objections to the SARP motion. The Bid Process Letter purports to substitute the following language: "before any bid is designated as a Stalking Horse Bid," in place of the original language: "prior to the selection of Successful Bids", which was the language agreed to by the parties and approved by the Court. The likely practical effect of this change will be an acceleration of the date upon which the Court may be required to determine U.S. Steel's secured and/or unsecured claims.

USSC should not proceed with a mandatory stalking horse procedure at this time.

Alternative DIP financing

The new stalking horse process favours USS as DIP lender and skews the sales process in its favour.

At this stage it is apparent that allowing USS to shape the restructuring process through its position as DIP lender is no longer tenable. The Monitor should be empowered and directed to immediately begin a process of searching for an alternative DIP loan.

Stakeholder Consultation Process

To date USSC's consulting obligations under the SARP have not resulted in meaningful consultations with stakeholders. On the contrary, stakeholders have been expressly excluded. We propose to address these ongoing deficiencies and

other concerns outlined in this letter through a stakeholder consultation protocol. For your consideration, please review the following proposed protocol that we will seek to be confirmed by an Order of the Court:

1. USSC is directed to provide complete, unredacted copies of the Letters of Intent received in Phase 1 of the SARP to the USW, the Salaried Representatives, and the Province (the "Stakeholders") prior to Monday, June 22, 2015.
2. The language in the Bid Process Letter precluding potential bidders from contacting stakeholders is to be deleted.
3. USSC and the Financial Advisor are directed to provide the Stakeholders with a detailed update on the status of the SARP, including details of any discussions with Phase 2 Qualified Bidders, plant visits, management presentations, and other relevant details relating to the SARP at 9:00 a.m. every Monday until the SARP is complete.
4. If any of the Stakeholders makes a request to the Monitor to meet with any Phase 2 Qualified Bidder, the Monitor shall forthwith, and in any event no later than 24 hours from the time of the request, seek to arrange a meeting between the applicable Phase 2 Qualified Bidder and the applicable Stakeholders, which the Monitor may, at its option, attend.
5. If a Phase 2 Qualified Bidder makes a request to any of USSC, the Financial Advisor, or the Monitor to meet with any of the Stakeholders, the Monitor shall forthwith, and in any event no later than 24 hours from the time of the request, seek to arrange a meeting between the Phase 2 Qualified Bidder and the applicable Stakeholders, which meeting the Monitor may, at its option, attend.
6. USSC and the Financial Advisor are directed to provide the Stakeholders with complete, unredacted copies of any Formal Bid received in Phase 2 of the SARP, as well as any other written materials received from Phase 2 Qualified Bidders, within one business day of the receipt thereof by USSC or the Financial Advisor.
7. USSC shall not enter into a Stalking Horse Bid without (i) prior good faith consultations with the USW, the Salaried Representatives, and the Province and (ii) an Order of the Court.
8. The Monitor is directed to facilitate the consultations with Stakeholders referred to in paragraph 35 of the SARP.
9. Without limiting the generality of the obligations of USSC and the Financial Advisor to comply with the SARP, USSC and the Financial Advisor are expressly directed to comply with paragraphs 33, 34 and 35 of the SARP, and the Monitor

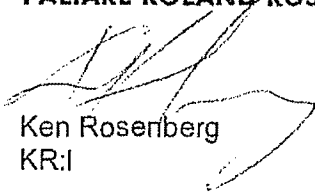
is directed to report any breach thereof to the Court on notice to the Stakeholders (as defined in the SARP).

10. In the event of any conflict between the SARP and the Bid Process Letter dated June 11, 2015, the terms of the SARP shall govern.

11. The Monitor is directed to immediately canvass the market for an alternate DIP Loan (including canvassing interested parties that submitted an LOI in Phase 1 of the SARP). The Monitor shall report to the Stakeholders and the Court on the results of its search for an alternate DIP Loan prior to July 10, 2015.

Yours very truly,

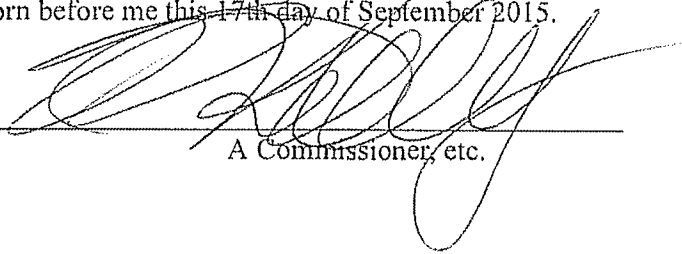
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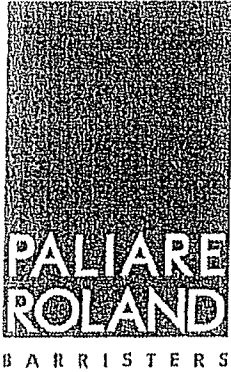
Ken Rosenberg
KR:I

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This is Exhibit "C" referred to in the Affidavit of Bill Ferguson,
sworn before me this 17th day of September 2015.



A Commissioner, etc.



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FILED
File 23909

September 10, 2015

VIA EMAIL
(Herman.Wilton.Siegel@scj-csj.ca)

Honourable Mr. Justice Wilton-Siegel
361 University Ave.
Toronto ON M5G 1T3

CC: Service List

Your Honour:

Re: US Steel Canada
Urgent Request for Case Conference on Friday, September 11, 2015,
at 9:30 a.m. or such other time as is convenient for the Court

The United Steelworkers ("USW") were surprised and concerned to learn for the first time in the Monitor's 12th Report dated August 31, 2015, that United States Steel Corporation ("USS") intends to redirect 180,000 tons of automotive steel production and finishing from Lake Erie Works and Hamilton Works to USS mills in the United States. This was followed by Mr. Thornton's letter dated September 4, 2015. The USW believes that this "move" by USS is designed by USS to have a devastating impact on the revenue, earnings, and cash flow of Hamilton Works and Lake Erie Works at a critical and vulnerable time. Moreover, the work being redirected out of Canada to the United States is high gross margin production – some of the most valuable work at U.S. Steel Canada Inc. ("USSC"). USS has admitted that moving this work to the United States will result in layoffs of USSC employees.

In its September 4, 2015 letter, USS revealed it has been threatening to pull valuable production from USSC and move it to the United States since May 2015. This work is not prospective work related to future auto contracts. USS's decision to do so now at this particularly critical time in USSC's restructuring while the automotive contracts for 2016 are being negotiated, raw materials inventories need to be stockpiled for winter production, and immediately prior to the commencement of USS's claims litigation is very troubling.

USS is required, pursuant to paragraph 6 of your Second Amended and Restated Initial Order, to continue allocating production and finishing to Lake Erie Works and Hamilton Works consistent with "existing arrangements or past practices", or to governing principles, policies or procedures required by the Monitor or subject to further order of the Court.

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Ken Rosenberg
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Richard P. Stephanson
Nick Coleman
Margaret L. Waddell
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Gordon D. Caporn
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Andrew Lokan
John Manger
Odello Soriano
Andrew C. Lewis
Megan E. Shortreed
Massimo Starnino
Karen Jones
Robert A. Cenla
Nini Jones
Joffrey Larry
Kristlan Berg-Olivier
Emily Lawrence
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Michael Fenrick
Jessica Lalimer
Debra McKenna
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Alysha Shore
Denisa Cooney
Zoe Pallaro
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Robin D. Walker, Q.C.

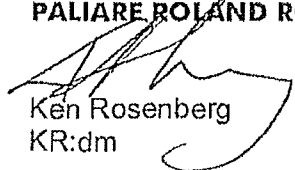
HONORARY COUNSEL
Ian G. Scott, Q.C., O.C.
(1934 - 2008)

The purpose of the case conference is to schedule a motion in the nature of injunctive relief requiring USS to maintain the plant loading at Lake Erie Works and Hamilton Works so that work is not moved from USSC to mills in the United States in breach of the Initial Order. In addition, the order sought will require USS to maintain all services USS provides to USSC until further order of the Court. Given the immediacy of USS's threats to move work from Canada to the United States, we are requesting a conference call meeting with you at 9:30 am on Friday, September 11, 2015, or such other time as is convenient for the Court, to schedule the motion.

The urgency of this matter supersedes all other issues before this Court regarding USSC.

Yours very truly,

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP



Ken Rosenberg
KR:dm

Doc# 1607531_1

Tab 3

ONTARIO
SUPERIOR COURT OF JUSTICE

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.

APPLICANT

AFFIDAVIT OF GARY HOWE

I, Gary Howe, of the City of Hamilton, in the province of Ontario **MAKE OATH AND SAY**

1. I am an employee of the Applicant, U.S. Steel Canada Inc. ("USSC") at its Hamilton Works ("HW") facility in Hamilton, Ontario and as such have personal knowledge of the matters deposed in my affidavit, except where I have indicated that I have obtained facts from other sources, in which case I believe them to be true.
 2. I have worked for USSC or its predecessors for approximately 37 years and am classified as an Industrial Mechanic. I am a member of Local 1005 and on May 13, 2015, was acclaimed as President of Local 1005.
 3. There are approximately 618 hourly employees at HW and 8,500 retirees.
-

Overview of HW

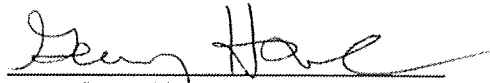
4. HW's steelmaking operations were idled by USSC in 2010, and permanently shut down in 2013. HW currently produces coke, has a cold mill to form steel into thinner gauges, and two coating lines: the "Z line" and the "3 galvanized" line, which coat steel with zinc and other materials.
 5. Approximately 50% of the coke produced at HW is shipped to Lake Erie Works ("LEW").
 6. Capital improvements were made to the rolling and finishing division in 2015, and a variety of dust suppression measures were implemented in 2014 and 2015.
 7. The customers for our galvanized finished products are mostly construction manufacturers. The customers for the steel coated with a zinc alloy on the Z line are automotive manufacturers.
 8. HW has a long history of finishing steel for the auto industry. Finished automotive steel is a high margin markup product for HW. It can sell for approximately twice the price of unfinished hot rolled coil steel. Steel for auto products makes up a significant proportion of HW's production, and has been steadily growing in volume in the last few years.
 9. The only time automotive steel has not been processed at HW in recent years was in 2011 when, as a result of a labour dispute, Local 1005 was locked out of HW. To the best of my knowledge, production levels have not otherwise decreased in any significant volume, and certainly not in any amount like the 180,000 tons now being moved.
 10. Members of Local 1005 learned for the first time on August 31, 2015 in the Twelfth Report of the Monitor that USS intends to redirect 180,000 tons of automotive steel production and finishing from LEW and HW to USS mills in the United States.
-

11. This redirection of automotive steel production and finishing to USS's American mills will have a significant impact on all of USSC's business at both HW and LEW, given the quantities and margins involved. It will cause a significant decrease in steel making at LEW. This in turn will result in LEW requiring less coke from HW. There will be less hot rolled coils from LEW shipped to HW for finishing, including rolling in the cold mill and coating on the Z Line. This will result in fewer employees making coke and finishing steel, as well as a decreased need for shipping, wrapping, mechanical and engineering. There are approximately 350 bargaining unit employees at HW involved in finishing, with 60 employees alone on the Z line.

12. All of this will have a very significant impact on the members of Local 1005, as well as Local 8782, and creates more risk and uncertainty for our retirees.

13. I make this affidavit for the purpose of USW and Local 1005's motion to require the USS to comply with the Amended and Restated Initial Order and for no other or improper purpose.

SWORN before me in the City of Hamilton
In the province of Ontario, this 17th day of
September, 2015

) 
) _____
) Gary Howe
)

A Commissioner etc.

Andrew Pelletier
(C.S.V.C. No. 584000)

Tab 4

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

ONTARIO

SUPERIOR COURT OF JUSTICE

**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.**

APPLICANT

AFFIDAVIT OF ALEX MCKINNON

I, Alex McKinnon, of the City of Cambridge, in the province of Ontario **MAKE OATH
AND SAY**

1. I am an employee of the United Steelworkers and as such have personal knowledge of the matters deposed in my affidavit, except where I have indicated that I have obtained facts from other sources, in which case I believe them to be true.
2. The USW has been involved in the SARP process, and has, through its financial and legal advisors, had access to the due diligence materials and information provided to bidders in the SARP process.
3. Attached to this affidavit as Exhibit "A" is a copy of the Confidential Information Memorandum dated April 14, 2015 that was provided to bidders.

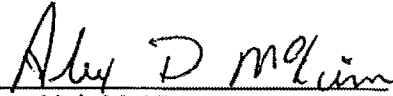
4. I make this affidavit for the purpose of the USW and Local 1005's motion to require the USS to comply with the Amended and Restated Initial Order and for no other or improper purpose.

SWORN before me in the City of Toronto
In the province of Ontario, this 17th day of
September, 2015

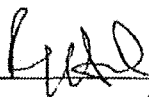


A Commissioner etc.

ROBERT JOHN HEALEY
LSUC 30685E

) 
) _____
) Alex McKinnon
)
)

This is Exhibit "A" referred to in the Affidavit of Alex McKinnon,
sworn before me this 17th day of September 2015.



A Commissioner, etc.

ROBERT JOHN HEDLEY
LSUC 30686E

Exhibit "A" to the Affidavit of Alex McKinnon is a confidential document that will be sealed to be provided to the Court.

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.

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

MOTION RECORD

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