

Jonathan L. Hauser
VSB No. 18688
TROUTMAN SANDERS LLP
222 Central Park Avenue
Suite 2000
Virginia Beach, Virginia 23462
Telephone: (757) 687-7768
Facsimile: (757) 687-1505

Richard M. Cieri (admitted *pro hac vice*)
Christopher J. Marcus (admitted *pro hac vice*)
Michael A. Cohen (admitted *pro hac vice*)
KIRKLAND & ELLIS LLP
601 Lexington Avenue
New York, New York 10022-4611
Telephone: (212) 446-4800
Facsimile: (212) 446-4900

*Attorneys for the Debtor and
Debtor in Possession*

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
RICHMOND DIVISION**

| | | |
|---|---|-------------------------|
| In re: |) | Chapter 11 |
| |) | |
| BEAR ISLAND PAPER COMPANY, L.L.C., ¹ |) | Case No. 10-31202 (DOT) |
| |) | |
| Debtor. |) | |

**NOTICE OF DATES BY WHICH PARTIES MUST FILE PROOFS OF CLAIM
AND PROCEDURES FOR FILING PROOFS OF CLAIM AGAINST THE DEBTOR**

PLEASE TAKE NOTICE THAT Bear Island Paper Company, L.L.C., as a debtor and debtor in possession in the above-captioned matter (“Bear Island” or “Debtor”), filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Eastern District of Virginia, Richmond Division (the “Court”) on February 24, 2010 (the “Petition Date”).

PLEASE TAKE FURTHER NOTICE THAT on April 30, 2010, Bear Island filed the *Motion of Bear Island Paper Company, L.L.C. for Entry of an Order (A) Establishing Bar Dates for Filing Proofs of Claim, Including for Claims Pursuant to Section 503(B)(9) of the Bankruptcy Code; (B) Approving the Form and Manner for Filing Proofs of Claim; and (C) Approving Notice of the Bar Dates* [Docket No. 236] (the “Bar Date Motion”). On May 13, 2010, the Court entered an order approving the Bar Date Motion [Docket No. 260] (the “Bar Date Order”) and establishing certain dates (collectively, the “Bar Dates,” and, individually, each a “Bar Date”) by which parties holding claims² against the Debtor that arose (or are deemed to

¹ The last four digits of the Debtor’s federal tax identification number are 0914. The principal address for the Debtor is 10026 Old Ridge Road, Ashland, Virginia 23005.

² Except as otherwise defined herein, in the Bar Date Motion or in the Bar Date Order, all terms used in this notice that are specifically defined in the Bankruptcy Code shall have the meanings ascribed to such terms by the Bankruptcy Code. In particular, as used herein: (a) the term “claim” has the meaning given to it in section 101(5) of the Bankruptcy Code; (b) the term “entity” has the meaning given to it in section 101(15) of the Bankruptcy Code; (c) the term “governmental unit” has the meaning given to it in section 101(27) of the

have arisen) before the Petition Date must file proofs of claim against the Debtor. **Each date is expressly set forth below.**

**YOU ARE RECEIVING THIS NOTICE BECAUSE YOU MAY BE HOLDING
A CLAIM AGAINST THE DEBTOR IN THE ABOVE-CAPTIONED
CHAPTER 11 CASE. THEREFORE, YOU SHOULD READ THIS NOTICE
CAREFULLY AND DISCUSS IT WITH YOUR ATTORNEY.
IF YOU DO NOT HAVE AN ATTORNEY, YOU MAY WISH TO CONSULT ONE.**

Background to the Debtor's Chapter 11 Case

- A. General Information About the Debtor's Case.** The Debtor's case is being administered under case number 10-31202. No request for the appointment of a trustee or examiner has been made in this chapter 11 case. On March 3, 2010, pursuant to section 1102 of the Bankruptcy Code, the United States Trustee for the Eastern District of Virginia (the "U.S. Trustee") appointed an official committee of unsecured creditors, which was reconstituted on April 6, 2010.
- B. Access to Proof of Claim Forms and Additional Information.** If you have any questions regarding the claims process and/or if you wish to obtain a copy of the Bar Date Motion, Bar Date Order, proof of claim form or related documents (and/or any other pleadings filed in the Debtor's chapter 11 case) you may do so by: (i) calling the Debtor's restructuring hotline at (888) 232-0287; (ii) visiting the Debtor's restructuring website, available at: www.gardencitygroup.com/cases/bip; (iii) writing to the Debtor's claims and notice agent, The Garden City Group, Inc., Attn.: Bear Island Claims Processing, P.O. Box 9550, Dublin, Ohio 43017-4850; and/or (iv) visiting the website maintained by the official committee of unsecured creditors, available at www.bearislandcommittee.com. Please note that The Garden City Group, Inc. ("GCG") can not advise you how to file, or whether you should file, a proof of claim. A holder of a potential claim against the Debtor may wish to consult an attorney regarding any matters not covered by this notice.
- C. Information Regarding the Canadian Proceedings.** Simultaneously with the commencement of the Debtor's chapter 11 case, the Debtor's indirect parent -- White Birch Paper Holding Company -- and ten of White Birch Paper Holding's direct and indirect Canadian subsidiaries (collectively the "CCAA Applicants") sought relief under the *Companies' Creditors Arrangement Act* in the Quebec Superior Court of Justice in Montreal, Quebec, Canada (the "CCAA Cases").³ Those creditors who may hold claims against the CCAA Applicants should review the website of the monitor appointed in the CCAA Cases (the "Monitor"). The Monitor's website, available at

Bankruptcy Code; and (d) the term "person" has the meaning given to it in section 101(41) of the Bankruptcy Code.

³ The CCAA Applicants include (a) WB Holding, (b) White Birch Paper Company, (c) Stadacona General Partner Inc., (d) Black Spruce Paper Inc., (e) F.F. Soucy General Partner Inc., (f) 3120772 Nova Scotia Company, (g) Arrimage De Gros Cacouna Inc., (h) Papier Masson Ltee, (i) Stadacona Limited Partnership, (j) F.F. Soucy Limited Partnership and (k) F.F. Soucy Inc. & Partners, Limited Partnership.

<http://documentcentre.eycan.com/Pages/Main.aspx?SID=128>, should provide potential claimants with the information necessary to allow a review of the relevant procedures for filing a proof of claim in the CCAA Cases.

Schedules of Assets and Liabilities

On March 31, 2010, the Debtor filed its *Schedules of Assets and Liabilities for Bear Island Paper Company, L.L.C. and Statement of Financial Affairs for Bear Island Paper Company, L.L.C.* (collectively, the “Schedules”) [Docket No. 172]. The Debtor’s Schedules and the Bar Date Order may be examined and inspected by interested parties during (a) regular business hours at the offices of Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022 or (b) posted hours at the Clerk of the Bankruptcy Court, United States Bankruptcy Court, Eastern District of Virginia, 701 East Broad Street, Richmond, Virginia 23219. The Debtor’s Schedules and the Bar Date Order are also available online and free of charge at www.gardencitygroup.com/cases/bip.

Bar Dates Approved by the Court

The Court has established the following Bar Dates as those dates by which parties holding claims against the Debtor that arose (or that are deemed to have arisen) before the Petition Date must file proofs of claim so that they are **actually received** by GCG:

General Bar Date: **July 6, 2010 at 5:00 p.m. prevailing Eastern Time**, is the date by which all entities except governmental units (including, among others, individual persons, estates, trusts, partnerships and corporations) must file proofs of claim.

Governmental Bar Date: **August 23, 2010 at 5:00 p.m. prevailing Eastern Time**, is the date by which all governmental units holding claims (whether secured, unsecured priority or unsecured non-priority) must file proofs of claim.

Parties Required To File Proofs of Claim

- A. Definition of Claim.** Under section 101(5) of the Bankruptcy Code and as used herein, the word “claim” means: (i) a right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured or unsecured; or (ii) a right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured or unsecured.
- B. Parties Who Must File Proofs of Claim.** Except as otherwise set forth herein, the following persons or entities holding claims against the Debtor that arose (or are deemed to have arisen) before the Petition Date must file proofs of claim on or before the applicable Bar Date:

- (a) any person or entity whose claim against the Debtor is not listed in the Debtor's Schedules or is listed on such Schedules as contingent, unliquidated or disputed;
- (b) any person or entity who desires to participate in this chapter 11 case or share in any distribution in this chapter 11 case;
- (c) any person or entity who believes that their claim is improperly classified in the Debtor's Schedules or is listed in an incorrect amount and who desires to have their claim allowed in a different classification or amount; and
- (d) any person or entity asserting an administrative expense claim under section 503(b)(9) of the Bankruptcy Code or an administrative priority claim under section 507(a) of the Bankruptcy Code.

C. Parties Who Do Not Need To File Proofs of Claim. Certain parties are not required to file proofs of claim. The following persons or entities holding claims that would otherwise be subject to the applicable Bar Date need not file proofs of claim:

- (a) any person or entity that has already filed a signed proof of claim against the Debtor with either GCG or the Clerk of the Court in a form substantially similar to Official Form 10;
- (b) any person or entity whose claim is listed on the Schedules, but only if (i) such claim is not scheduled as contingent, unliquidated or disputed and (ii) the claimant agrees with the amount, nature and priority of the claim as set forth on the Debtor's Schedules;
- (c) a holder of a claim that has been previously allowed by order of the Court;
- (d) a holder of a claim that has been paid in full by the Debtor or any other party;
- (e) a holder of a claim for which a specific deadline has previously been fixed by the Court;
- (f) an affiliate of the Debtor holding an intercompany claim, whether in the Chapter 15 Cases, CCAA Cases or otherwise;
- (g) any current officer, director or employee of the Debtor, if an order of this Court authorized the Debtor to honor such claim in the ordinary course of business; provided, however, that a current employee must submit a proof of claim by the applicable Bar Date for all other claims, including claims for wrongful termination, discrimination, harassment, hostile work environment, retaliation

and/or claims covered by the Debtor's workers' compensation insurance;

- (h) a customer of the Debtor, if an order of this Court authorized the Debtor to honor such claim in the ordinary course of business pursuant to an existing customer program; provided, however, that a customer must submit a proof of claim by the applicable Bar Date if its claim relates to damages arising from claims for breach of contract, breach of warranty, misrepresentation or any other litigation or pre-litigation claim;
- (i) the postpetition agent and the postpetition lenders under the Debtor's postpetition secured credit facility, pursuant to the order approving such secured credit facility [Docket No. 171];
- (j) the agents and lenders under (i) that certain First Lien Term Loan Credit Agreement (as amended and restated on January 27, 2006 and May 8, 2007, the "First Lien Term Loan Agreement"), (ii) that certain Second Lien Term Loan Agreement (as amended and restated on January 27, 2006 and May 8, 2007, the "Second Lien Term Loan Agreement") and (iii) that certain Revolving Credit Agreement (as amended and restated on January 27, 2006 and February 26, 2008, the "Revolving ABL Agreement," and, together with the First Lien Term Loan Agreement and the Second Lien Term Loan Agreement, the "Loan Agreements") with respect to the repayment by the Debtor of principal, interest and other applicable fees, charges or other claims on or under the Loan Agreements; provided, however, that any person or entity that wishes to assert a claim arising out of or relating to the Loan Agreements, other than a claim for the repayment by the Debtor of principal, interest and other applicable fees, charges or other claims on or under the Loan Agreements, will be required to file a proof of claim on or before the General Bar Date; provided further, however, that notwithstanding this paragraph, the agents and lenders under the Loan Agreements will be required to abide by any claims reconciliation process implemented in the CCAA Cases and their obligations thereunder, including any requirement to file a proof of claim in the CCAA Cases; and
- (k) the agents and lenders under (i) the ISDA 2002 Master Agreement, dated as of May 16, 2005 between White Birch Paper Company and The Toronto-Dominion-Bank (the "TD Swap Agreement"), (ii) the ISDA Master Agreement, dated as of April 13, 2005, between White Birch Paper Company and Credit Suisse First Boston International (the "CS Swap Agreement") and (iii) the ISDA Master Agreement, dated as of May 8, 2007, between White Birch Paper Company and Merrill Lynch Capital Services, Inc.

(the “ML Swap Agreement,” and, together with the TD Swap Agreement and the CS Swap Agreement, the “Swap Agreements”) with respect to the repayment by the Debtor of principal, interest and other applicable fees, charges or other claims on or under the Swap Agreements; provided, however, that any person or entity that wishes to assert a claim arising out of or relating to the Swap Agreements, other than a claim for the repayment by the Debtor of principal, interest and other applicable fees, charges or other claims on or under the Swap Agreements, will be required to file a proof of claim on or before the General Bar Date; provided further, however, that notwithstanding this paragraph, the agents and lenders under the Swap Agreements will be required to abide by any claims reconciliation process implemented in the CCAA Cases and their obligations thereunder, including any requirement to file a proof of claim in the CCAA Cases.

Instructions for Filing Proofs of Claim

- A. Contents of Proofs of Claim.** Each proof of claim must: (i) be written in English; (ii) include a claim amount denominated in United States dollars (and to the extent such claim is converted to United States dollars, the conversion rate used); (iii) conform substantially with the claim form provided by the Debtor; (iv) be signed by the claimant or by an authorized agent or legal representative of the claimant; and (v) be an original proof of claim (photocopies, electronic mail or facsimile will not be accepted).
- B. Supporting Documentation.** Each proof of claim must include supporting documentation in accordance with Bankruptcy Rules 3001(c) and 3001(d). If, however, such documentation is voluminous, then upon prior written consent of the Debtor’s counsel (via electronic mail or otherwise), such proof of claim may include a summary of such documentation; provided, however, that any creditor that received such written consent shall be required to transmit such documentation to the Debtor’s counsel upon request no later than 14 days from the date of such request.
- C. Timely Service.** Each proof of claim must be sent, together with supporting documentation, by United States mail, overnight mail or other hand delivery service, so as to be actually received by GCG no later than **July 6, 2010 prevailing Eastern Time**, on or before the applicable Bar Date (or, where applicable, on or before any other Bar Dates set forth in the Bar Date Order) at one of the following address:

If by first-class mail:

The Garden City Group, Inc.
Attn.: Bear Island Claims Processing
P.O. Box 9550
Dublin, Ohio 43017-4850

If by hand delivery or overnight mail:

The Garden City Group, Inc.
Attn.: Bear Island Claims Processing
5151 Blazer Parkway, Suite A
Dublin, Ohio 43017

**PROOFS OF CLAIM SUBMITTED BY FACSIMILE
OR ELECTRONIC MAIL WILL NOT BE ACCEPTED.**

Receipt of Service. Claimants wishing to receive acknowledgment that their proofs of claim were received by GCG must submit (i) a copy of the proof of claim and (ii) a self-addressed, stamped envelope.

Consequences of Failing to Timely File Your Proof of Claim

Pursuant to the Bar Date Order and in accordance with Bankruptcy Rule 3003(c)(2), if you or any party or entity who is required to, but fails, file a proof of claim in accordance with the Bar Date Order on or before the applicable Bar Date, please be advised that:

- **YOU WILL BE FOREVER BARRED FROM ASSERTING THAT CLAIM (OR FILING A PROOF OF CLAIM WITH RESPECT TO IT);**
- **YOU WILL NOT RECEIVE ANY DISTRIBUTION IN THIS CHAPTER 11 CASE ON ACCOUNT OF THAT CLAIM;**
- **THE DEBTOR AND ITS PROPERTY WILL BE DISCHARGED FROM ANY AND ALL LIABILITY WITH RESPECT TO THAT CLAIM; AND**
- **YOU WILL NOT BE PERMITTED TO VOTE ON ANY PLAN OF REORGANIZATION FOR THE DEBTOR ON ACCOUNT OF THESE BARRED CLAIMS.**

Amendments to the Debtor's Schedules

- A. Amendments to Schedules.** In the event the Debtor amends its Schedules after the date of this notice, the Debtor will provide notice of the amendment to holders of claims that are affected by the amendment, and such parties will be given an opportunity to file proofs of claim before a new deadline that will be specified in that future notice.
- B. Amended Schedule Bar Date.** The Court has approved the later of (i) the Bar Date or (ii) 30 days from the date on which the Debtor provided notice of the amendment to the Schedules as the date by which claimants holding claims affected by the amendment must file proofs of claim with respect to such claim.

Parties to the Debtor's Leases and Executory Contracts

- A. Rejection of Leases and Contracts.** The Bankruptcy Code provides that the Debtor may, at any time before a plan of reorganization is confirmed by the Court, choose to reject certain executory contracts or unexpired leases. If your contract or lease is rejected, you may have a claim resulting from that rejection.
- B. Proofs of Claim Relating to Rejection Damages.** The deadline to file a proof of claim for damages relating to the rejection of the contract or lease is the later of (a) the Bar Date or (b) 30 days from the date of the entry of an order authorizing the Debtor to reject a contract or lease (or another time period as may be set forth in the applicable rejection order).

Reservation of Rights

Nothing contained in this notice is intended to, or should be construed as, a waiver of the Debtor's right to: (a) dispute, or assert offsets or defenses against, any filed claim or any claim listed or reflected in the Schedules as to the nature, amount, liability or classification thereof; (b) subsequently designate any scheduled claim as disputed, contingent or unliquidated; or (c) otherwise amend or supplement the Schedules.

Dated: May 13, 2010
Richmond, Virginia

BEAR ISLAND PAPER COMPANY, L.L.C.

/s/ Jonathan L. Hauser

Of Counsel

Jonathan L. Hauser, Esquire
VSB No. 18688
Troutman Sanders LLP
222 Central Park Avenue
Suite 2000
Virginia Beach, Virginia 23462
Telephone: (757) 687-7768
Facsimile: (757) 687-1505

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