

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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<i>In re</i>	:		<b>Chapter 11</b>
	:		
NEWPAGE CORPORATION, <i>et al.</i> ,	:		<b>Case No. 11-12804 (KG)</b>
	:		
Debtors. <sup>1</sup>	:		<b>Jointly Administered</b>
	:		
	:		<b>Related Docket No. 17</b>

**ORDER (I) AUTHORIZING CONTINUATION OF  
INSURANCE PROGRAMS AND PAYMENT OF PREPETITION  
INSURANCE OBLIGATIONS, AND (II) AUTHORIZING BANKS AND FINANCIAL  
INSTITUTIONS TO HONOR AND PROCESS RELATED CHECKS AND TRANSFERS**

Upon the motion dated September 7, 2011 (the “Motion”),<sup>2</sup> of NewPage Corporation (“NewPage”) and certain of its subsidiaries and affiliates, as debtors and debtors in possession (collectively with NewPage, the “Debtors”), for an order (i) authorizing, but not directing, the Debtors to continue their Insurance Programs and pay, in their sole discretion, any prepetition Insurance Expenses thereunder, and (ii) authorizing the Debtors’ Banks to process, honor, and pay all checks and electronic fund transfers relating to the foregoing, all as more fully described in the Motion; and the Court having subject matter jurisdiction to consider the Motion and to grant the relief requested therein in accordance with 28 U.S.C. § 1334; and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, as applicable, are: Chillicothe Paper Inc. (6154), Escanaba Paper Company (5598), Luke Paper Company (6265), NewPage Canadian Sales LLC (5384), NewPage Consolidated Papers Inc. (8330), NewPage Corporation (6156), NewPage Energy Services LLC (1838), NewPage Group Inc. (2465), NewPage Holding Corporation (6158), NewPage Port Hawkesbury Holding LLC (8330), NewPage Wisconsin System Inc. (3332), Rumford Paper Company (0427), Upland Resources, Inc. (2996), and Wickliffe Paper Company LLC (8293). The Debtors’ corporate headquarters is located at 8540 Gander Creek Drive, Miamisburg, OH 45342.

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.



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no trustee, examiner, or statutory creditors' committee having been appointed in these chapter 11 cases; and due and proper notice of the Motion having been provided, and it appearing that no other or further notice need be provided; and a hearing having been held to consider the relief requested in the Motion (the "Hearing"); and upon the *Declaration of George F. Martin in Support of the Debtors' First Day Motions and Applications*, the record of the Hearing, and all of the proceedings had before the Court; and any objections to the Motion having been withdrawn or overruled; and the Court having found and determined that the relief sought in the Motion is in the best interests of the Debtors, their estates and creditors, and all parties in interest, and that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted as may be modified herein; and it is further

ORDERED that the Debtors are authorized to (A) continue (i) the Insurance Programs listed on Schedule 1 hereto, (ii) the Surety Bonds listed on Schedule 2 hereto, and (iii) the Workers' Compensation Programs without interruption, including but not limited to renewals, amendments, modifications, or terminations of such programs, or entry into new Insurance Programs and/or Workers' Compensation Programs, and (B) pay any and all related premiums and claims (arising under the Self-Insured and Zurich Insured Programs); and it is further

ORDERED that the Debtors are authorized, but not directed, to pay, in the ordinary course of business, (i) Zurich Insured Program Premiums, including any retroactive adjustments thereof, (ii) Zurich Insured Claims and Self-Insured Claims, and (iii) any Insurance Expenses which accrued prior to the Commencement Date without further order of this Court; and it is further

ORDERED that the Banks are authorized, at the Debtors' request, to receive, honor, process, and pay any and all checks and electronic transfers related to prepetition Insurance Expenses, whether presented before or after the Commencement Date, provided that there are sufficient good funds standing to the Debtors' credit in the applicable accounts to cover such payments; and it is further

ORDERED that the Banks are authorized to rely on the representations of the Debtors as to which checks or fund transfers are issued or authorized to be paid pursuant to this Order without any duty of further inquiry and without liability for following the Debtors' instructions, and it is further

ORDERED that the Debtors shall be and hereby are authorized to issue in their sole discretion new postpetition checks or effect new postpetition fund transfers on account of the Insurance Expenses to replace any prepetition check or fund transfer requests that may be dishonored or rejected; and it is further

ORDERED that nothing in the Motion or this Order shall impair the Debtors' or other party in interests' ability to contest, without prejudice, in each party's sole discretion, the validity and amounts of the Insurance Expenses, and to recoup for the Debtors' estates any amounts paid on account of Insurance Expenses to the extent the validity or amount of such claims are later successfully contested; and it is further

ORDERED that nothing in the Motion or this Order shall be deemed to constitute the postpetition assumption of any executory contract between the Debtors and any third-party; and it is further

ORDERED that nothing in the Motion or this Order shall prejudice the Debtors' rights to request authority to make additional payments in respect of Insurance Expenses pursuant to the terms of this Order; and it is further

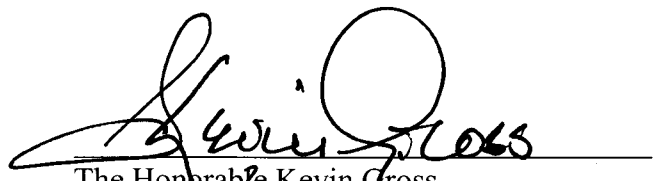
ORDERED that to the extent that there may be any inconsistency between the terms of the interim or final order approving the proposed debtor in possession financing, if and when entered, and this Order, the terms of the interim or final order approving the proposed debtor in possession financing, as applicable shall govern; and it is further

ORDERED that the requirements of Bankruptcy Rule 6003 are satisfied by the contents of the Motion and the arguments and evidence presented at the hearing; and it is further

ORDERED that pursuant to Bankruptcy Code section 102(1)(A), Bankruptcy Rule 6004(a) is waived, for the purposes of the Motion, and notwithstanding any applicability of Bankruptcy Rule 6004(h), this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that this Court shall retain jurisdiction with respect to all matters arising from or relating to the interpretation or implementation of this Order.

Dated: September 8, 2011  
Wilmington, Delaware

  
The Honorable Kevin Cross  
Chief Judge, United States Bankruptcy Court

**Schedule 1**

**Insurance Programs**

**Insurance Programs**

<b><u>LINE OF COVERAGE</u></b>	<b><u>TERM</u></b>	<b><u>PREMIUM</u></b>	<b><u>CARRIER(S)</u></b>
Property	April 30, 2011-12	\$4,557,915	Factory Mutual Insurance Company
Workers' Compensation	April 30, 2011-12	\$959,890	Zurich American Insurance Company Zurich American Insurance Company Safety National Casualty Corporation
General/Products Liability	April 30, 2011-12	(includes Canadian Local Allocation) \$31,610	Zurich American Insurance Company (USA) Zurich Insurance Company Ltd. (Canada)
Automobile Liability	April 30, 2011-12	(includes Canadian Local Allocation) \$229,308	Zurich American Insurance Company Zurich Insurance Company Ltd.
Foreign Liability	April 30, 2011-12	\$17,153	Insurance Company of the State of Pennsylvania (Chartis)
Umbrella Liability	April 30, 2011-12	\$468,084	Commerce & Industry Insurance Company (Chartis) ACE American Insurance Company American Guarantee & Liability Insurance Company (Zurich) Great American Insurance Company of New York
Underground Storage	April 30, 2011-12	\$2,954	ACE American Insurance Company
Marine Cargo	April 30, 2011-12	\$12,060	AGCS Marine Insurance Company (Allianz)

<u>Insurance Programs</u>			
<u>LINE OF COVERAGE</u>	<u>TERM</u>	<u>PREMIUM</u>	<u>CARRIER(S)</u>
Directors & Officers	September 30, 2010-11	\$643,774	Westchester Fire Insurance Company (ACE) Illinois National Insurance Company (Chartis) U.S. Specialty Insurance Company (HCC) Ironshore Indemnity, Inc. Zurich American Insurance Company Chartis Specialty Insurance Company ACE American Insurance Company Everest National Insurance Company Axis Insurance Company Continental Casualty Company (Canada) Berkley Insurance Company

<u>Insurance Programs</u>			
<u>LINE OF COVERAGE</u>	<u>TERM</u>	<u>PREMIUM</u>	<u>CARRIER(S)</u>
Directors & Officers	September 30, 2011-12 (including six year run-off)	\$3,552,942	XL Specialty Insurance Company Illinois National Insurance Company U.S. Specialty Insurance Company (HCC) Ironshore Indemnity, Inc. Starr Indemnity and Liability Company Chartis Specialty Insurance Company Everest National Insurance Company Axis Insurance Company Continental Casualty Company Berkley Insurance Company
Employment Practices	September 30, 2010-11	\$89,941	National Union Fire Insurance Company of Pittsburgh PA (Chartis)
Fiduciary Liability	September 30, 2010-11	\$37,067	National Union Fire Insurance Company of Pittsburgh PA (Chartis)
Employed Lawyers	September 30, 2010-11	\$21,899	National Union Fire Insurance Company of Pittsburgh PA (Chartis)
Commercial Crime	September 30, 2010-11	\$39,684	National Union Fire Insurance Company of Pittsburgh PA (Chartis)
Special Crime	September 30, 2010-11	\$3,924	National Union Fire Insurance Company of Pittsburgh PA (Chartis)
Non-Owned Aviation	January 23, 2011-12	\$20,148	Federal Insurance Company (Chubb)



<u>Insurance Programs</u>			
<u>LINE OF COVERAGE</u>	<u>TERM</u>	<u>PREMIUM</u>	<u>CARRIER(S)</u>
Pollution & Remediation Legal Liability - All Mills	December 21, 2010-13	\$438,797	Illinois Union Insurance Company (ACE)
		\$189,398	Ironshore Specialty Insurance Company
		Canadian \$74,575	Illinois Union Insurance Company (ACE)
Pollution & Remediation - Legal Liability	December 21, 2007-17	(US North Mills Legacy Conditions) \$940,595	Indian Harbor Insurance Company (XL)
		(Maple Mills & Kim/Niagara Hydro Reset) \$203,124	
Pollution & Remediation - Legal Liability	December 21, 2007-17	(Pt. Hawkesbury Legacy Conditions) Canadian \$91,319	XL Insurance Company Ltd.
Pt. Hawkesbury Wrap-Up Liability	November 4, 2010 - December 31, 2012	Canadian \$263,298	Zurich Insurance Company Ltd.
Pt. Hawkesbury Excess Wrap-Up	November 4, 2010 - December 31, 2012	Canadian \$50,000	Royal & Sun Alliance of Canada
Pt. Hawkesbury Contractor's Pollution	November 3, 2010 - December 31, 2012	Canadian \$110,000	Chartis Insurance Company of Canada
Pt. Hawkesbury Errors & Omissions	November 3, 2010 - January 31, 2013	Canadian \$305,000	Zurich Insurance Company Ltd.

**Schedule 2**

**Surety Bonds**

Surety Bonds

<u>BOND NO.</u>	<u>PRINCIPAL</u>	<u>OBLIGEE/DESCRIPTION</u>	<u>TYPE</u>	<u>BOND AMOUNT</u>	<u>PREMIUM</u>	<u>TERM</u>
104521383	Escanaba Paper Company	Hiawatha Sportsman's Club Timber Cutting	PF	\$2,000	\$100	June 2, 2011-12
104769443	Rumford Paper Company	Town of Carroll Timber Tax Bond	PF	\$2,122.56	\$100	August 14, 2011-12
104521347	Luke Paper Company	State of Maryland Motor Fuel Dealer, User or Seller	LP	\$4,000	\$100	June 1, 2011-May 31, 2012
104521354	NewPage Corporation	Commonwealth of Kentucky Encroachment Permit Bond	LP	\$4,385	\$100	April 29, 2011-12
100931781	Stora Enso North America Corporation	Minnesota Department of Natural Resources Minnesota Timber Scaler Bond – Five Positions	LP	\$5,000	\$100	February 10, 2011-12
103266812	Stora Enso North America Canadian Sales, LLC	Our Sovereign Lady the Queen, Her Majesty Bond for Non-Resident Person without a Permit Establishment in Canada	LP	\$5,000	\$375	February 1, 2011-12
100581280	Stora Enso North America Corporation	State of Minnesota Minnesota Workers Compensation Bond	WC	\$6,423	\$100	December 31, 2010-11
104968086	NewPage Wisconsin System, Inc.	Chequamegon National Forest Timber Sale Contract, Contract No. 032175	PF	\$9,000	\$106	September 30, 2010-11

Surety Bonds

<u>BOND NO.</u>	<u>PRINCIPAL</u>	<u>OBLIGEE/DESCRIPTION</u>	<u>TYPE</u>	<u>BOND AMOUNT</u>	<u>PREMIUM</u>	<u>TERM</u>
050913011	NewPage Corporation	Bureau of Customs and Border Protection Drawback Bond – IRS #05-061615600 – Customs Bond No. 720500911	CU	\$10,000	\$118	October 26, 2010 – October 25, 2011
104521352	NewPage Corporation	The People of the State of Illinois Timber Buyer's Bond	LP	\$10,000	\$118	April 29, 2011- 12
104752757	Luke Paper Company	Commonwealth of Virginia Work to Be Performed in Culpepper District, Fredericksburg District, and Richmond District	LP	\$10,000	\$118	July 25, 2011- 12
104521348	Rumford Paper Company	United States of America Sale of Timber – Contract #186507	PF	\$20,000	\$235	April 29, 2011- 12
1045213551	Rumford Paper Company	United States of America Timber Contract	PF	\$25,000	\$294	April 29, 2011- 12
105013997	NewPage Wisconsin System, Inc.	Chequamegon National Forest Timber Sale Contract, Contract No. 034146	PF	\$25,000	\$294	August 17, 2007 – June 30, 2013
105020269	NewPage Wisconsin System, Inc.	Chequamegon National Forest Timber Sale Contract, Contract No. D34229	PF	\$27,000	\$317	September 27, 2007 - September 30, 2012

Surety Bonds

<u>BOND NO.</u>	<u>PRINCIPAL</u>	<u>OBLIGEE/DESCRIPTION</u>	<u>TYPE</u>	<u>BOND AMOUNT</u>	<u>PREMIUM</u>	<u>TERM</u>
104713216	Wickliffe Paper Company	Commonwealth of Kentucky, Division of Waste Management 2 Acres Located in Ballard County, Wickliffe, Kentucky	PC	\$30,000	\$353	April 24, 2011-12
104946448	NewPage Wisconsin System, Inc.	Chequamegon National Forest Timber Sale Contract, Contract No. 03399	PF	\$38,000	\$447	April 30, 2007 - December 30, 2011
104521344	Luke Paper Company	State of West Virginia Reclamation Bond - Permit No. S-36-81	RC	\$39,000	\$458	April 29, 2011-12
105013942	NewPage Wisconsin System, Inc.	Chequamegon National Forest Timber Sale Contract, Contract No. 034203	PF	\$40,000	\$470	September 30, 2010-11
050805005	NewPage Corporation	US Customs CF 301 Importer Broker 113.62 - IRS #05-061615600	CU	\$50,000	\$588	November 2, 2010 - November 1, 2011
104521353	Upland Resources, Inc.	State of West Virginia Blanket Drilling	LP	\$50,000	\$588	April 29, 2011-12
104588080	Wickliffe Paper Company	Commonwealth of Kentucky, Division of Waste Management 6.2 Acres in Ballard County, City of Wickliffe	GP	\$68,503	\$805	October 6, 2010-11

Surety Bonds

<u>BOND NO.</u>	<u>PRINCIPAL</u>	<u>OBLIGEE/DESCRIPTION</u>	<u>TYPE</u>	<u>BOND AMOUNT</u>	<u>PREMIUM</u>	<u>TERM</u>
104588081	Wickliffe Paper Company	Commonwealth of Kentucky, Division of Waste Management 27.3 Acres in Carlisle County, City of Wickliffe	GP	\$78,596	\$924	October 6, 2010-11
104521345	Luke Paper Company	State of West Virginia Reclamation Bond – Permit No. S-36-81	RC	\$86,000	\$1,011	April 29, 2011-12
104521343	Luke Paper Company	State of West Virginia Reclamation Bond – Permit No. S-36-81	RC	\$101,000	\$1,187	April 29, 2011-12
104534584	NewPage Corporation	Her Majesty the Queen in Right of Canada Goods and Services Tax/Harmonized Sales Tax	LP	\$130,300	\$1,967	July 21, 2011-12
080730006	NewPage Corporation	Department of the Treasury, US Importer Broker – IRS #39-200333200 – Customs Bond #9908P5244	CU	\$200,000	\$2,350	August 28, 2011-12
104588082	Wickliffe Paper Company	Commonwealth of Kentucky, Division of Waste Management 12.9 Acres in Ballard County, City of Wickliffe	GP	\$440,011	\$5,170	October 6, 2010-11
103669270	Stora Enso North America Corporation	Our Sovereign Lady the Queen, Her Majesty Bond for Non-Resident Person without a Permanent Establishment in Canada	LP	\$1,000,000	\$20,000	November 15, 2010-11

Surety Bonds

<u>BOND NO.</u>	<u>PRINCIPAL</u>	<u>OBLIGEE/DESCRIPTION</u>	<u>TYPE</u>	<u>BOND AMOUNT</u>	<u>PREMIUM</u>	<u>TERM</u>
105124016	NewPage Wisconsin System, Inc., Consolidated Papers, Inc., and NewPage Corporation	State of Wisconsin, Department of Workforce Workers' Compensation Workers' Compensation Bond	WC	\$5,000,000	\$58,750	July 9, 2011-12