

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

NEWPAGE CORPORATION, *et al.*,

Debtors.¹

Chapter 11

Case No. 11-12804 (KG)

Jointly Administered

Related Docket No. 310,901

**ORDER APPROVING STIPULATION BY AND AMONG OFFICIAL COMMITTEE OF
UNSECURED CREDITORS, PRE-PETITION ABL AGENT AND
SECOND LIEN GROUP EXTENDING CHALLENGE PERIOD**

Upon consideration of the *Stipulation By and Among Official Committee of Unsecured Creditors, Pre-Petition ABL Agent and Second Lien Group Extending Challenge Period* (the "Stipulation"),² seeking an order extending the Challenge Period, pursuant to paragraph 26 of the Final DIP Order, for an additional seventy-five (75) days, through and including April 3, 2012, as more fully described in the Stipulation; and upon consideration of the Stipulation and the requested relief being a core proceeding pursuant to 28 U.S.C. § 157(b); and venue being proper before the Bankruptcy Court pursuant to 28 U.S.C. §§ 1408 and 1409; and it appearing that no other or further notice need be provided; and the Bankruptcy Court having determined that the legal and factual bases set forth in the Stipulation establish just cause for the relief granted

¹ 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).

² Capitalized terms used but not otherwise defined herein shall have the meaning ascribed to them in the *Final Order (I) Authorizing Debtors (A) to Obtain Post-Petition Financing Pursuant to 11 U.S.C. Section 105, 361, 362, 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1) and 364(e) and (B) to Utilize Cash Collateral Pursuant to 11 U.S.C. Section 363 and (II) Granting Adequate Protection to Pre-Petition Secured Parties Pursuant to 11 U.S.C. Section 361, 362, 363 and 364* [Docket No. 310] (the "Final DIP Order").

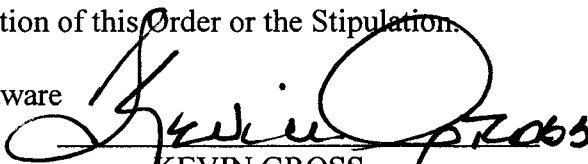


herein; and it appearing that the relief requested in the Stipulation is in the best interests of the Debtors, their estates, and their creditors; and after due deliberation and sufficient cause appearing therefore; it is hereby **ORDERED** that:

1. The Stipulation attached hereto as Exhibit 1 is approved in all respects and is hereby **SO ORDERED**.

2. This Court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this Order or the Stipulation.

Dated: Wilmington, Delaware
January 19, 2012



KEVIN GROSS
CHIEF UNITED STATES BANKRUPTCY JUDGE

EXHIBIT 1

STIPULATION

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

In re:

NEWPAGE CORPORATION, *et al.*,

Debtors.¹

Chapter 11

Case No. 11-12804 (KG)

Jointly Administered

Related Docket No. 310

**STIPULATION BY AND AMONG OFFICIAL COMMITTEE OF UNSECURED
CREDITORS, PRE-PETITION ABL AGENT AND
SECOND LIEN GROUP EXTENDING CHALLENGE PERIOD**

The Official Committee of Unsecured Creditors (the “Committee”) appointed in the chapter 11 cases of NewPage Corporation and its affiliated debtors and debtors-in-possession (collectively, the “Debtors”), Wells Fargo Capital Finance, LLC, as successor administrative agent and successor collateral agent (in such capacity, the “Pre-Petition ABL Agent”) on behalf of certain lenders under that certain Revolving Credit and Guaranty Agreement, dated as of December 21, 2007, and the *ad hoc* group of certain Second Lien Noteholders² representing a majority in principal amount of Second Lien Notes (the “Second Lien Group”) hereby stipulate and agree as follows:

RECITALS

¹ 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).

² Capitalized terms used herein but not otherwise defined shall have the meaning ascribed to them in the Final DIP Order (as defined herein).

1. On September 7, 2011 (the "Petition Date"), the Debtors filed voluntary petitions for relief under chapter 11 the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court"). The Debtors continue to operate their businesses as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code. No trustee or examiner has been appointed in these cases.

2. On September 21, 2011, the United States Trustee for the District of Delaware appointed the Committee pursuant to section 1102(a) of the Bankruptcy Code.

3. On October 5, 2011, the Bankruptcy Court entered the *Final Order (I) Authorizing Debtors (A) to Obtain Post-Petition Financing Pursuant to 11 U.S.C. Section 105, 361, 362, 364(c)(1), 364(c)(2), 364(c)(3), 364(d)(1) and 364(e) and (B) to Utilize Cash Collateral Pursuant to 11 U.S.C. Section 363 and (II) Granting Adequate Protection to Pre-Petition Secured Parties Pursuant to 11 U.S.C. Section 361, 362, 363 and 364* [Docket No. 310] (the "Final DIP Order"). Pursuant to paragraph 26 of the Final DIP Order, non-debtor parties-in-interest (including the Committee) were afforded 120 days from the date of the Committee's initial selection of counsel (*i.e.*, to January 19, 2012) (the "Challenge Period") to (i) contest the validity, enforceability, priority, or extent of certain liens and claims of and (ii) assert certain causes of action as set forth in clause B of paragraph 26 of the Final DIP Order (collectively (i) and (ii), the "Investigation Claims") against, in each case, each of the parties set forth in clauses (1) and (2) of paragraph 26 of the Final DIP Order (collectively, the "Pre-Petition Secured Parties").³

³ Paragraph 26 of the Final DIP Order provides, in relevant part, as follows:

The stipulations and admissions contained in this Final Order, including, without limitation, in paragraph 4 of this Final Order, shall be binding upon the Debtors' estates and all parties in interest, including, without limitation, any Committee or any other person or entity acting on behalf of the Debtors, unless (i) a party in interest has timely filed an adversary proceeding or

4. The Final DIP Order further provides that the Challenge Period may be extended either (x) by agreement, in writing, and as applicable, by the Pre-Petition ABL Agent, the First Lien Group or the Second Lien Group, each in its own discretion, or (y) as has been ordered by the Bankruptcy Court.

NOW, THEREFORE, it is hereby ordered, agreed and stipulated as follows (hereinafter, the "Stipulation"):

STIPULATION

A. Pursuant to paragraph 26 of the Final DIP Order, the Challenge Period is hereby extended, solely for the Committee to assert the Investigation Claims against, in each case, any of the Pre-Petition Secured Parties (except the First Lien Notes Collateral Trustee, the First Lien Notes Indenture Trustee, any of the First Lien Noteholders or their affiliates, representatives,

contested matter (subject to the limitations contained herein, including, *inter alia*, in paragraph 27) by no later than the date that is 120 days after the initial selection of counsel by the Creditors' Committee appointed under section 1102 of the Bankruptcy Code in the Cases (or such later date (x) as has been agreed to, in writing, and as applicable, by the Pre-Petition ABL Agent, the First Lien Group or the Second Lien Group, each in its sole discretion or (y) as has been ordered by the Court (the "**Challenge Period**")) (A) challenging the validity, enforceability, priority or extent of the Pre-Petition ABL Debt, or the Pre-Petition ABL Agent's or the Pre-Petition ABL Lenders' liens on the Pre-Petition ABL Collateral, the First Lien Notes Indenture Obligations or the First Lien Notes Collateral Trustee's liens on the Noteholder Collateral, the Second Lien Notes Obligations or the Second Lien Notes Collateral Trustee's liens on the Pre-Petition PPE Collateral or (B) otherwise asserting or prosecuting any action for preferences, fraudulent conveyances, other avoidance power claims or any other any claims, counterclaims or causes of action, objections, contests or defenses (collectively, "**Claims and Defenses**") against (1) the Pre-Petition ABL Agent, any of the Pre-Petition ABL Lenders or their affiliates, representatives, attorneys or advisors in connection with matters related to the Pre-Petition ABL Agreements, the Pre-Petition ABL Debt or the Pre-Petition ABL Collateral, as applicable, or (2) the Notes Collateral Trustees, the Notes Indenture Trustees, any of the Secured Noteholders or their affiliates, representatives, attorneys or advisors in connection with matters related to the Indenture Agreements or the Noteholder Collateral, each as applicable, and (ii) there is a final order in favor of the plaintiff sustaining any such challenge or claim in any such timely filed adversary proceeding or contested matter

See Final DIP Order, ¶ 26.

attorneys or advisors in connection with matters related to the First Lien Notes Agreements or the Noteholder Collateral, each as applicable)⁴ through and including April 3, 2012.

B. This Stipulation is without prejudice to the right of (i) the Committee to seek further extensions of the Challenge Period or (ii) any of the Pre-Petition Secured Parties to oppose such requests.

C. This Stipulation contains the entire agreement by and between the parties hereto, and all prior understandings or agreement, if any, are merged into this Stipulation. No representations have been made or relied upon by the parties, except as set forth herein.

D. Nothing in this Stipulation amends or modifies the Final DIP Order except as specifically provided herein.

E. This Stipulation may not be modified other than by a signed writing executed by the parties hereto or by further order of the Bankruptcy Court.

F. This Stipulation may be signed in counterpart originals as if signed in one original document.

[SIGNATURES ON FOLLOWING PAGES]

⁴ The Committee intends to enter into a separate stipulation with the First Lien Group to extend the Challenge Period.

Stipulated and Agreed as of January 19, 2012

**YOUNG CONAWAY STARGATT &
TAYLOR, LLP**

By: /s/ M. Blake Cleary
M. Blake Cleary (No. 3614)
Jaime Luton Chapman (No. 4936)
The Brandywine Building
1000 West Street, 17th Floor,
P.O. Box 391
Wilmington, DE 19899-0391
Telephone: (302) 571-6600

-and-

PAUL HASTINGS LLP

Luc A. Despina
Robert E. Winter
Aaron M. Klein
75 East 55th Street, First Floor
New York, NY 10022
Telephone: (212) 318-6000

*Co-Counsel to the Official Committee of
Unsecured Creditors*

BLANK ROME LLP

By: /s/ Stanley Tarr
David W. Carickhoff (No. 3715)
Stanley B. Tarr (No. 5535)
1201 Market Street, Suite 800
Wilmington, DE 19801
Telephone: (302) 425-6400

-and

**AKIN GUMP STRAUSS HAUER &
FELD LLP**

Ira S. Dizengoff, Esq.
Philip C. Dublin, Esq.
One Bryant Park
New York, NY 10036-6745
Telephone: (212) 872-1000

Co-Counsel to the Second Lien Group

**OTTERBOURG, STEINDLER,
HOUSTON & ROSEN, P.C**

By: /s/ Jonathan N. Helfat
Jonathan N. Helfat
Daniel F. Fiorillo
230 Park Avenue
New York, NY 10169-0075
Telephone: (212) 661-9100

*Counsel to Wells Fargo Capital Finance
LLC, in its capacity as Pre-Petition ABL
Agent*