

Case Study

**Medford Lumber Company
Case Narrative**

1. Introduction

Willie Sutton leaned back in his leather chair from his office in Seattle looking at the map of his timber holdings. For a minute he recalled the fight years ago to buy the company and how his financier had stabbed him in the back by leaking the deal to an arbitrageur resulting in him paying much more than necessary to gain control. He also remembered the months after the deal closed when they were able to sell the office building, pull assets out of the pension plan, significantly increase the harvest rates and pay off the acquisition debt in the first year. Medford Lumber had been one of his most profitable acquisitions ever!

And that was without even counting the dividend he had been able to pay after securitizing the timber assets. A few years ago one of his cadre of investment bankers came to him with the idea that they could set up a tax remote special purpose vehicle (“SPV”), transfer the trees to this entity and issue bonds secured by the timber collateral. His mill would purchase the logs from the SPV providing the cash flow to service the bonds. It was a brilliant way to extract millions of dollars except for one thing; harvest rates have been depressed for several years now and the SPV is out of money to make the debt payments. You’ve been retained as financial advisors to the company to help manage the crisis and figure out how best to restructure the company’s operations. The company just paid your – very substantial – upfront retainer and so you’re ready to go. Good luck.

Company Overview

Medford Lumber Company (“MLC” or “Medford”) is headquartered in Medford, Oregon and owns and manages approximately 150,000 acres of timberland along the Oregon coast. These timberlands are comprised of approximately 2/3 Redwood and 1/3 Douglas-fir and are located in close proximity to MLC’s sawmill and Forestville, an MLC company town.

Company History

MLC traces its origins to the Civil War period. “Red” Grange had closed down his lumbering operations in Saginaw, Michigan and set his sights on the Redwood forests of Oregon. Over the years he had been able to buy more lands and expand his milling operations. He even owned the town of Forestville where his workers lived. Over the years, Red’s family had controlled the company and served as benevolent masters of the Redwood lumbering business.

It was a peaceful existence until the hostile buyout by Willie Sutton and his private equity group, when the Grange family holdings were left with a minority interest. Since then, the family has been pushed aside and the company seems at war with the community and regulators.

2. Overview of Timber Industry

The timber industry is evaluated based on the species and size of trees harvested. Large circumference trees are those species whose mature trees have significant girth and are typically valued for their use in furniture and other high value uses. Small circumference trees and species whose mature trees have limited girth are typically valued for their use in construction and paper uses.

Pricing and demand for logs, lumber and other wood products are volatile and are substantially affected by residential homebuilding, repair and remodeling activity, as well as changes in supply due to economic conditions, weather conditions, population growth and interest rates. Sales in the first quarter are generally lowest, due to the decreased levels of construction activity in the winter months.

Harvesting Practices

Medford focuses on the harvest of Redwood and Douglas-fir and mills these trees primarily for use in construction. Medford's holdings consist (by volume) of approximately 66% Redwood and 33% Douglas-fir.

Redwood is commercially available only in limited geographic regions along the California and Oregon coasts and possesses certain unique characteristics that permit it to be sold at a premium to many other wood products. Such characteristics include its natural beauty, superior ability to retain paint and other finishes, dimensional stability and innate resistance to decay, insects and chemicals. Typical applications include exterior siding, trim and fascia for both residential and commercial construction, outdoor furniture, decks, planters, retaining walls and other specialty products. Redwood also has a variety of industrial applications because of its chemical resistance and because it does not impart any taste or odor to liquids or solids. Douglas-fir lumber is used primarily for new construction and some decorative purposes and is widely recognized for its strength, hard surface and attractive appearance. Douglas-fir is grown commercially along the west coast of North America and in Chile and New Zealand. Douglas-fir is used for finished carpentry applications as well as for a variety of general construction purposes.

Medford's silvicultural systems allow for both natural regeneration and active reforestation of the timberlands. These silvicultural systems vary, and range from thinning, in which certain trees are removed from a dense area to allow the retained trees better sunlight, nutrients and moisture (and therefore an improved growth rate), to clear cutting, where all trees in an area are harvested and replaced. Though Medford plants seedlings for Redwood, it is mostly regenerated through natural growth of new sprouts from the stump remaining after a tree is harvested. Douglas-fir is mainly regenerated by the planting of seedlings following a harvest.

Harvesting may be affected by geography (timber in higher elevations is generally more difficult to harvest, particularly in winter months when snow may restrict access), fire (risks are higher during the dry summer months), insects, disease, and other natural disasters.

Environmental Regulations

Environmental regulations require that Medford demonstrate that its timber operations will not decrease the sustainable productivity of its timberlands. Last year Medford planted over 1 million redwood and Douglas-fir seedlings on its timberlands. Medford is required to project timber growth and harvest on its timberlands over a 100-year planning period and show that the projected average annual harvest for any decade within the 100-year planning period will not exceed the average annual growth level at the end of the 100-year period.

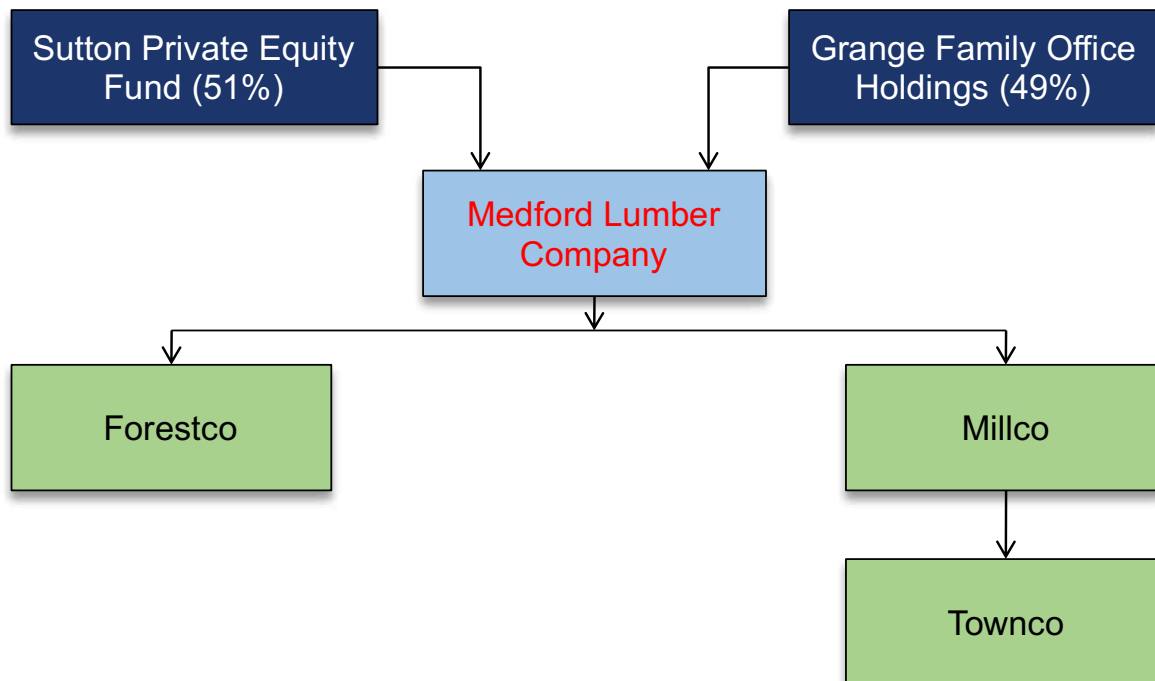
Medford is also required to comply with environmental regulations protecting and conserving wildlife species that have been designated as endangered or threatened. These laws generally prohibit certain adverse impacts on such species (referred to as a “take”); except for incidental take which does not jeopardize the continued existence of the affected species and occurs as a result of operations with an approved habitat conservation plan (“HCP”) and related incidental take permit. An HCP analyzes the impact of the incidental take and specifies measures to monitor, minimize and mitigate such impact.

Medford’s categorization system allows it to identify geographic details about timber properties, wildlife and botanical properties, as well as geological properties. All of these factors are addressed in annual harvest plans to match market demand for Medford’s lumber products and at the same time minimize the ecological disruption of the lumber harvest.

In addition, sawmills must comply with local and federal regulations concerning air quality, water quality and wastewater, and solid and hazardous waste disposal.

3. Corporate Structure

Since the acquisition, Willie Sutton, through the Sutton Private Equity Fund, has owned 51% of Medford; Grange Family Office Holdings is the remaining minority shareholder, owning 49% of Medford. Medford is a holding company. It owns two subsidiaries: (i) Forestco, which is a tax remote SPV that owns the forest lands and the trees; and (ii) Millco, which mills the lumber and markets the lumber products. Millco also owns Townco, which owns the residential and retail properties in Forestville and leases them to workers and merchants adjacent to the mill and forest. The organization is shown in the following chart:



4. Employees

Medford (through its subsidiaries) has 120 employees, none of whom are represented by collective bargaining agreements. Relations with the Company's employees are good and many of the employees are second or third generation employees. In addition, many of the employees made significant overtime income during the go-go years following the LBO transaction. Many of the employees rent their homes from Townco and live in Forestville.

Given Medford's increasingly difficult cash situation and slowing production, hours have been cut and the employees are increasingly uneasy. The tension is extremely high amongst the senior management team. Because of the legal separation between Forestco and Millco there are occasional disagreements between the two management teams, at times very emotional.

5. Senior Management and Boards of Directors

MLC

The Board of MLC has three members: Willie Sutton, the founder of Sutton Private Equity Fund and the majority shareholder of MLC; Tom Sigler who has participated with Sutton in almost all of his business ventures and supports EVERY decision Sutton makes; and Steve Morrow Grange, Jr., the scion of the Grange family who represents the Grange family interests and is desperate to preserve the family legacy. MLC, as a holding company, has no separate employees of its own.

Forestco

Nick Axenrod is President and CEO of Forestco. Mike Tinker is EVP and CFO. The Board of Forestco is comprised of Axenrod, Tinker, and Sigler.

Millco

Gary Dooley is President and CEO of Millco; Mike Tinker is EVP and CFO; Joe Vanaskey is EVP of Operations; Kathryn Lastowsky is General Counsel. The Board of Millco is comprised of Dooley, Tinker, and Sigler.

Townco

Bryan Gasser is the General Manager of Townco. Tinker and Eric Buschmann are the board members for Townco.

6. Operational Structure

Millco once operated six separate sawmills located in different locations around Medford. Several years ago the operations were consolidated around one supermill. Millco invested \$80 million into the new technologically advanced high speed sawmill. This supermill is now able to convert all of Forestco's production into valuable lumber products.

After milling, the green lumber is dried, either in open-air drying lots or in heated kilns. Drying allows Medford to compete in the higher value products and reduces the shipping costs due to less water in the product.

Medford also produces wood chips, which would otherwise be left as waste. The woodchips are primarily sold to third parties for use in paper products and to manufacture engineered wood (such as particle board).

Millco and Forestco are the parties to a log supply agreement ("LSA") that governs the sale to Millco of logs harvested from the Forestco's timberlands. As Millco purchases logs from Forestco, Millco is responsible for the harvesting and removal of timber covered by the annual harvest plans with the purchase price being based upon "stumpage prices." Title to, and the obligation to pay for, harvested logs passes to Millco once the logs are received by Millco at the mill or its log storage yard. The LSA contemplates that all sales of logs by Forestco to Millco will be at fair market value (based on stumpage prices) for each species and category of timber.

The LSA also specifies that Millco will provide a number of operational, management and related services not performed by Forestco's own employees with respect to the timberlands pursuant to a services agreement. These services include maintaining and rehabilitating roads on the timberlands, building new roads to permit the harvesting of timber, replanting and reforestation services to supplement the natural regeneration of the timber. Forestco pays Millco

a services fee based on a specified government index relating to wood products. The cost of roadways and reforestation is reimbursed to Millco by Forestco.

Forestco categorizes its lands by species and age of tree. Old growth trees are classified as trees that have never been harvested and can be as old as 200 years and have a significant premium in the market. Second growth trees are those that have regenerated and now are reaching their maturity. All other lands contain young growth trees. Forestco properties contain approximately two thirds redwood and one third Douglas-fir.

While Forestco could sell lumber to third parties it is practically unlikely for two reasons. First, Forestco's property is closer to Millco's mill than any other mill. The transportation penalty to get the logs to a different mill would significantly erode the value Forestco could expect. Second, all the major mills are paired with forest properties with common or related ownership. Mill owners utilize their own lumber before seeking third party logs. Thus, third party sales are only possible when demand for lumber exceeds the harvest capacity of the paired forest and the mill goes outside for additional lumber.

Harvesting is highly regulated by the state of Oregon. Forestco must demonstrate that their operations will not impair the sustainable long term harvest of the forest. Regulations require Forestco to maintain 100 year growth models. The state must approve the annual harvest plan based on review and analysis of several state agencies as well as a period of public comment.

Forestville was established in the early days of MLC's formation to provide a place for workers to live; effectively it is a "Company" town. Townco owns all the real estate in Forestville including the gas station, firehouse, church, powerplant and approximately 100 single family residences. There is no meaningful debt against these assets. Townco does not have separate consolidating financial statements as it is a wholly owned subsidiary of Millco. The assets were fully depreciated years ago and any capital investment is expensed. Revenue of approximately \$15 million per year is generated from rents and power generation. Because this is a Company town, rents and utilities are paid when billed so there is neither accounts receivable nor bad debt. Recently an appraisal of the assets was performed by Real Estate Appraisers of Medford ("REAM") and is in the documents.

Townco's operation of the power plant (fueled by the wood residue from the milling operations), fulfills virtually all the energy requirements of Forestville. In addition, the Townco generates revenue by selling its excess power to a local energy company. The revenue is sufficient to offset the operating costs of the power plant.

7. Harvest Operations

Forestco operations are becoming more unpredictable due to regulatory constraints. Cash flow has been adversely affected by delays in getting harvest plans approved. Management believes that harvest rates will continue to be reduced due to heightened environmental restrictions. To highlight the fall in the likely levels of production, below is a table showing historical production rates in the years immediately following Forestco's bond issuance:



	2011		2010		2009	
	<u>MBFE</u>	<u>\$ per MBFE</u>	<u>MBFE</u>	<u>\$ per MBFE</u>	<u>MBFE</u>	<u>\$ per MBFE</u>
Redwood	70,000	\$900	65,000	\$750	100,000	650
Douglas-Fir	<u>30,000</u>	600	<u>35,000</u>	500	<u>30,000</u>	450
Total	100,000	810	100,000	663	130,000	604

8. Financing

MLC and its subsidiaries are, for the most part, highly levered. When Sutton took over control of MLC, he was able to cause MLC to issue \$300 million in bond debt to finance the transaction (the “MLC Bond Debt”). That debt has been regularly amortized over its life (and was further paid down by \$100 million in connection with the issuance of the Forestco bonds). The balance on the debt is now only \$20 million. In addition to the MLC Bond Debt, MLC was also able to obtain an operating line of credit from the Bank of Oregon with a commitment amount of \$55 million for general business needs (the “Revolver”). The Revolver has recently been fully drawn and there is no remaining availability under it. The draws have been used to cover liquidity gaps for MLC and its subsidiaries since it was put into place, as well as for other general corporate purposes. Both the MLC Bond Debt and the Revolver are secured. As an inducement to the Bank of Oregon, the trustee for the MLC Bond Debt agreed to subordinate the MLC Bond Debt to the obligations under the Revolver.

Millco borrowed \$80 million from Medford National Bank to finance the upgrade of the mill (the “Millco Loan Debt”). It is payable over 10 years and has a fixed rate of interest of 6.5%. The Millco Loan Debt is secured by the mill assets and guaranteed by the parent on an unsecured basis.

In 2008, Forestco securitized its timber holdings by issuing bonds for \$500 million (the “Forestco Bonds”). In the transaction, Forestco was established as a tax remote Special Purpose Vehicle (SPV) and used the real property and the timber assets as collateral for the bonds. The Forestco Bonds are publicly traded and are widely held. As part of the securitization transaction, Millco and Forestco entered into a log supply agreement and the revenue generated from selling the logs to Millco was pledged to service the bonds. The proceeds from the issuance of the bonds (net of deal expenses of \$5 million) were used to retire some of the MLC Bond Debt and the balance paid to MLC shareholders as a special dividend. None of the debt issued by MLC or its subsidiaries is cross-defaulted to any other debt.

At the time the Forestco Bonds were issued, harvest levels at Medford had been in excess of 150 MBF per year. Forestco’s ability to repay the Forestco Bonds was always dependent upon maintaining that level of harvest. As the table above shows, shortly after the Forestco

Bonds were issued, harvest levels started to decline. Environmental constraints upon harvesting, both in terms of silt runoff into the nearby rivers and the effect on endangered species living in the forest, have caused harvest levels to fall below the historical level. In addition, the cumulative effect of overharvesting is affecting the future harvest rates. For several years higher pricing from the recovery in the housing market (and therefore the demand for wood products) partially offset the lower harvest levels. However, management is worried that pricing will not improve with time. Indeed, in the most recent year (fiscal 2015), Forestco harvested only 50,000 mbfe at an average stumpage price of \$730.

Management is further concerned that harvest rates in the future will be depressed in the future due to the cumulative effect of over-harvesting the forest and increasingly stringent environmental constraints. Management recently engaged the renowned tree experts, Tall Tree Associates, to evaluate the future harvest capacity of the forest and to provide an economic forecast of timber pricing over the next 5 years. Tall Tree Associates data is extremely well regarded and their analysis should be relied upon without question. A summary of their findings is in the documents.

Management has put together its latest 13 week cash flow for Forestco and Millco. For the length of the forecast, Millco is shown as having negative cash balances. Additionally, Forestco is anticipated to run at a negative cash balance during certain weeks of the 13 week cash flow period. Historically, management has been able to cover cash shortfalls at the subsidiaries through draws on the Revolver. However, the Revolver has been fully drawn and management hasn't been able to convince the Bank of Oregon to increase the commitment amount. Furthermore, even if the company was able to continue to fund operating deficiencies through the Revolver, the next payment on the Forestco Bond is due on January 20, 2011. That payment is for more than \$16.5 million and management is certain that they cannot make this payment.

9. Request for Assistance

Management has retained you to help with their financial crisis. You need to assess the situation, figure out how best to address the crisis, and help lead the company to a successful reorganization. Addressing the liquidity crisis is your immediate focus. But you also need to value the company and figure out who is entitled to that value. And you will also need to think about the proper form of consideration for each constituent. And then you need to be able to go out and convince the constituents to support your proposed path forward. You will make one presentation to certain creditor constituents and one presentation to certain board members. Should you be so skillful and persuasive before these constituents, you will be invited to the final round – a mock confirmation hearing before a bankruptcy court. Further details on the written deliverables and oral presentations are contained elsewhere in your materials. Good luck!

AMERICAN BANKRUPTCY INSTITUTE

MEDFORD LUMBER CONSOLIDATING STATEMENT OF OPERATIONS Year To Date December 2013 (\$Thousands)

	ForestCo	MillCo	HoldCo	Interco. Elimination	Consolidated
Net sales:					
Lumber	\$ -	\$ 61,250	\$ -	\$ -	\$ 61,250
Logs	49,000	-	-	(49,000)	-
Town, commercial and other	-	15,212	-	-	15,212
Subtotal	49,000	76,462	-	(49,000)	76,462
Operating Expenses:					
Cost of goods sold	9,800	53,900	-	(49,000)	14,700
SG&A	17,150	11,660	-	-	28,810
Subtotal	26,950	65,560	-	(49,000)	43,510
Division operating income	22,050	10,902	-	-	32,952
EBITDA	22,050	10,902	-	-	32,952
Depreciation, depletion and amortization	11,270	4,991	-	-	16,261
Subtotal	11,270	4,991	-	-	16,261
EBIT	10,780	5,912	-	-	16,692
Other income (expenses):					
Interest and other income	2,608	168	-	-	2,776
Interest expense	(30,135)	(4,480)	(7,197)	-	(41,812)
	(27,527)	(4,312)	(7,197)	-	(39,036)
Income (loss) before income taxes, extraordinary item and cumulative effect	(16,747)	1,600	(7,197)	-	(22,344)
Provision for income taxes	-	11	-	-	11
Income (loss) before extraordinary item and cumulative effect	(16,747)	1,589	(7,197)	-	(22,355)
Net income (loss)	\$ (16,747)	\$ 1,589	\$ (7,197)	\$ -	\$ (22,355)

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

MEDFORD LUMBER CONSOLIDATING STATEMENT OF OPERATIONS Year To Date December 2014 (\$Thousands)

	ForestCo	MillCo	HoldCo	Interco. Elimination	Consolidated
Net sales:					
Lumber	\$ -	\$ 57,558	\$ -	\$ -	\$ 57,558
Logs	50,050	-	-	(50,050)	-
Town, commercial and other	-	14,452	-	-	14,452
Subtotal	50,050	72,009	-	(50,050)	72,009
Operating Expenses:					
Cost of goods sold	10,010	55,055	-	(50,050)	15,015
SG&A	17,518	10,981	-	-	28,498
Subtotal	27,528	66,036	-	(50,050)	43,513
Division operating income	22,523	5,973	-	-	28,496
EBITDA	22,523	5,973	-	-	28,496
Depreciation, depletion and amortization	11,314	5,078	-	-	16,392
Subtotal	11,314	5,078	-	-	16,392
EBIT	11,209	895	-	-	12,104
Other income (expenses):					
Interest and other income	2,608	168	-	-	2,776
Interest expense	(28,968)	(3,953)	(6,704)	-	(39,625)
	(26,360)	(3,785)	(6,704)	-	(36,849)
Income (loss) before income taxes, extraordinary item and cumulative effect	(15,151)	(2,890)	(6,704)	-	(24,745)
Provision for income taxes	-	11	-	-	11
Income (loss) before extraordinary item and cumulative effect	(15,151)	(2,900)	(6,704)	-	(24,756)
Net income (loss)	\$ (15,151)	\$ (2,900)	\$ (6,704)	\$ -	\$ (24,756)

AMERICAN BANKRUPTCY INSTITUTE

MEDFORD LUMBER CONSOLIDATING STATEMENT OF OPERATIONS Year To Date December 2015 (\$Thousands)

	ForestCo	MillCo	HoldCo	Interco. Elimination	Consolidated
Net sales:					
Lumber	\$ -	\$ 45,625	\$ -	\$ -	\$ 45,625
Logs	36,500	-	-	(36,500)	-
Town, commercial and other	-	13,729	-	-	13,729
Subtotal	36,500	59,354	-	(36,500)	59,354
Operating Expenses:					
Cost of goods sold	7,300	40,150	-	(36,500)	10,950
SG&A	12,775	9,051	-	-	21,826
Subtotal	20,075	49,201	-	(36,500)	32,776
Division operating income	16,425	10,153	-	-	26,578
EBITDA	16,425	10,153	-	-	26,578
Depreciation, depletion and amortization	11,346	5,144	-	-	16,490
Subtotal	11,346	5,144	-	-	16,490
EBIT	5,079	5,009	-	-	10,088
Other income (expenses):					
Interest and other income	2,608	168	-	-	2,776
Interest expense	(27,802)	(3,426)	(5,751)	-	(36,978)
	(25,194)	(3,258)	(5,751)	-	(34,202)
Income (loss) before income taxes, extraordinary item and cumulative effect	(20,115)	1,796	(5,751)	-	(24,070)
Provision for income taxes	-	11	-	-	11
Income (loss) before extraordinary item and cumulative effect	(20,115)	1,807	(5,751)	-	(24,060)
Net income (loss)	\$ (20,115)	\$ 1,807	\$ (5,751)	\$ -	\$ (24,060)

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

MEDFORD LUMBER
CONSOLIDATING STATEMENT OF OPERATIONS
Year To Date
September
2016
(\$Thousands)

	ForestCo	MillCo	HoldCo	Interco. Elimination	Consolidated
Net sales:					
Lumber	\$ -	\$ 34,125	\$ -	\$ -	\$ 34,125
Logs	32,500	-		(32,500)	-
Town, commercial and other	-	10,688		-	10,688
Subtotal	32,500	44,813	-	(32,500)	44,813
Operating Expenses:					
Cost of goods sold	6,500	35,750		(32,500)	9,750
SG&A	11,375	7,297		-	18,672
Subtotal	17,875	43,047	-	(32,500)	28,422
Division operating income	14,625	1,765	-	-	16,390
EBITDA	14,625	1,765	-	-	19,432
Depreciation, depletion and amortization	8,526	3,891		-	12,417
Subtotal	8,526	3,891	-	-	12,417
EBIT	6,099	(2,126)	-	-	3,973
Other income (expenses):					
Interest and other income	2,608	168		-	2,776
Interest expense	(20,092)	(2,243)	(3,938)	-	(26,272)
	(17,484)	(2,075)	(3,938)	-	(23,496)
Income (loss) before income taxes, extraordinary item and cumulative effect	(11,385)	(4,200)	(3,938)	-	(19,523)
Provision for income taxes	-	11		-	11
Income (loss) before extraordinary item and cumulative effect	(11,385)	(4,211)	(3,938)	-	(19,534)
Net income (loss)	\$ (11,385)	\$ (4,211)	\$ (3,938)	\$ -	\$ (19,534)

AMERICAN BANKRUPTCY INSTITUTE

MEDFORD LUMBER BALANCE SHEET

December

2012 - Starting Point for CE Purposes Only
(\$Thousands)

	ForestCo	MillCo	HoldCo	Interco. Elimination	Consolidated
Current assets					
Cash & cash equivalents	\$ 99,929	\$ 226	\$ 10,000	\$ -	\$ 110,155
Receivables	335	5,550	-	-	5,886
I/C receivables-subidiaries	4,583	2,861	-	(7,444)	-
Inventories	1,546	21,739	-	-	23,285
Prepays	7,389	16,651	-	-	24,041
Total current assets	113,782	47,028	10,000	(7,444)	163,366
Property, plant & equipment, net	30,719	64,673	-	-	95,392
Timber & timberlands, net of depletion	210,446	3,351	-	-	213,797
Deferred financing costs	9,216	5,554	-	-	14,770
Long-term investments & other assets	1,066	3,024	350,000	-	354,089
Total assets	\$ 365,229	\$ 123,630	\$ 360,000	\$ (7,444)	\$ 841,414
Current liabilities					
Accounts payable - trade	\$ 907	\$ 8,440	\$ -	\$ -	\$ 9,347
I/C payables	2,256	5,188	-	(7,444)	-
Accrued interest	13,891	2	-	-	13,894
Accrued compensation / benefits	692	5,475	-	-	6,167
Other accrued liabilities	6,247	4,153	-	-	10,400
Line of Credit	-	-	-	-	-
Long-term debt, current	16,667	8,000	4,000	-	28,667
Total current liabilities	40,660	31,258	4,000	(7,444)	68,475
Long-term debt, non-current portion	416,667	64,000	48,000	-	528,667
Other liabilities, non-current portion	133	103	-	-	236
Deferred & other income taxes	-	2,987	-	-	2,987
Total liabilities	457,460	98,349	52,000	(7,444)	600,365
Stockholders' equity					
Common stock	-	8	-	(9)	(1)
Additional paid-in capital	179,838	222,292	308,000	(251,286)	458,845
Prior year retained earnings	(272,070)	(197,019)	-	251,294	(217,794)
Current year income (loss)	-	-	-	-	-
Total stockholders' equity	(92,232)	25,281	308,000	(0)	241,049
Total liabilities & stockholders' equity	\$ 365,229	\$ 123,630	\$ 360,000	\$ (7,444)	\$ 841,414

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

MEDFORD LUMBER BALANCE SHEET December 2013 (\$Thousands)

	ForestCo	MillCo	HoldCo	Interco. Elimination	Consolidated
Current assets					
Cash & cash equivalents	\$ 80,845	\$ (4,196)	\$ 4,803	\$ -	\$ 81,452
Receivables	335	5,550	-	-	5,886
I/C receivables-subidiaries	4,027	6,285	-	(10,312)	-
Inventories	1,546	21,739	-	-	23,285
Prepays	7,389	16,651	-	-	24,041
Total current assets	94,143	46,030	4,803	(10,312)	134,664
Property, plant & equipment, net	28,658	61,889	-	-	90,547
Timber & timberlands, net of depletion	202,237	3,144	-	-	205,381
Deferred financing costs	9,216	5,554	-	-	14,770
Long-term investments & other assets	1,066	3,024	350,000	-	354,089
Total assets	\$ 335,320	\$ 119,641	\$ 354,803	\$ (10,312)	\$ 799,451
Current liabilities					
Accounts payable - trade	\$ 907	\$ 8,440	\$ -	\$ -	\$ 9,347
I/C payables	6,285	4,027	-	(10,312)	-
Accrued interest	13,367	3,207	-	-	16,575
Accrued compensation / benefits	692	5,475	-	-	6,167
Other accrued liabilities	6,247	4,153	-	-	10,400
Line of Credit	-	-	10,000	-	10,000
Long-term debt, current	16,667	8,000	4,000	-	28,667
Total current liabilities	44,165	33,303	14,000	(10,312)	81,156
Long-term debt, non-current portion	400,000	56,000	40,000	-	496,000
Other liabilities, non-current portion	133	481	-	-	614
Deferred & other income taxes	-	2,987	-	-	2,987
Total liabilities	444,298	92,771	54,000	(10,312)	580,757
Stockholders' equity					
Common stock	-	8	-	(9)	(1)
Additional paid-in capital	179,838	222,292	308,000	(251,286)	458,845
Prior year retained earnings	(272,070)	(197,019)	-	251,294	(217,794)
Current year income (loss)	(16,747)	1,589	(7,197)	-	(22,355)
Total stockholders' equity	(108,978)	26,870	300,803	(0)	218,694
Total liabilities & stockholders' equity	\$ 335,320	\$ 119,641	\$ 354,803	\$ (10,312)	\$ 799,451

AMERICAN BANKRUPTCY INSTITUTE

MEDFORD LUMBER BALANCE SHEET December 2014 (\$Thousands)

	ForestCo	MillCo	HoldCo	Interco. Elimination	Consolidated
Current assets					
Cash & cash equivalents	\$ 58,614	\$ 3,782	\$ 99	\$ -	\$ 62,495
Receivables	335	8,459	-	-	8,794
I/C receivables-subidiaries	4,114	5,919	-	(10,032)	-
Inventories	1,546	21,739	-	-	23,285
Prepays	7,389	16,651	-	-	24,041
Total current assets	71,999	56,550	99	(10,032)	118,615
Property, plant & equipment, net	26,303	58,518	-	-	84,822
Timber & timberlands, net of depletion	194,028	2,937	-	-	196,965
Deferred financing costs	9,216	5,554	-	-	14,770
Long-term investments & other assets	1,066	3,024	350,000	-	354,089
Total assets	\$ 302,611	\$ 126,583	\$ 350,099	\$ (10,032)	\$ 769,261
Current liabilities					
Accounts payable - trade	\$ 907	8,440	-	\$ -	\$ 9,347
I/C payables	5,919	4,114	-	(10,032)	-
Accrued interest	12,843	3,207	-	-	16,050
Accrued compensation / benefits	692	5,475	-	-	6,167
Other accrued liabilities	6,247	4,153	-	-	10,400
Line of Credit	-	-	20,000	-	20,000
Long-term debt, current	16,667	8,000	4,000	-	28,667
Total current liabilities	43,274	33,389	24,000	(10,032)	90,631
Long-term debt, non-current portion	383,333	48,000	32,000	-	463,333
Other liabilities, non-current portion	133	18,237	-	-	18,371
Deferred & other income taxes	-	2,987	-	-	2,987
Total liabilities	426,741	102,614	56,000	(10,032)	575,323
Stockholders' equity					
Common stock	-	8	-	(9)	(1)
Additional paid-in capital	179,838	222,292	308,000	(251,286)	458,845
Prior year retained earnings	(288,817)	(195,430)	(7,197)	251,294	(240,150)
Current year income (loss)	(15,151)	(2,900)	(6,704)	-	(24,756)
Total stockholders' equity	(124,130)	23,970	294,099	(0)	193,938
Total liabilities & stockholders' equity	\$ 302,611	\$ 126,583	\$ 350,099	\$ (10,032)	\$ 769,261

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

MEDFORD LUMBER BALANCE SHEET December 2015 (\$Thousands)

	ForestCo	MillCo	HoldCo	Interco. Elimination	Consolidated
Current assets					
Cash & cash equivalents	\$ 32,364	\$ 2,180	\$ (3,652)	\$ (0)	\$ 30,891
Receivables	137	7,814	-	-	7,951
I/C receivables-subsiidiaries	3,000	4,878	-	(7,878)	-
Inventories	1,546	21,739	-	-	23,285
Prepays	7,389	16,651	-	-	24,041
Total current assets	44,437	53,262	(3,652)	(7,879)	86,167
Property, plant & equipment, net	23,728	54,706	-	-	78,435
Timber & timberlands, net of depletion	185,819	2,730	-	-	188,549
Deferred financing costs	9,216	5,554	-	-	14,770
Long-term investments & other assets	1,066	3,024	350,000	-	354,089
Total assets	\$ 264,265	\$ 119,276	\$ 346,348	\$ (7,879)	\$ 722,010
Current liabilities					
Accounts payable - trade	\$ 907	8,440	-	\$ -	\$ 9,347
I/C payables	4,878	3,000	-	(7,878)	-
Accrued interest	12,319	3,207	-	-	15,526
Accrued compensation / benefits	692	5,475	-	-	6,167
Other accrued liabilities	6,247	4,153	-	-	10,400
Line of Credit	-	-	30,000	-	30,000
Long-term debt, current	16,667	8,000	4,000	-	28,667
Total current liabilities	41,710	32,275	34,000	(7,878)	100,107
Long-term debt, non-current portion	366,667	40,000	24,000	-	430,667
Other liabilities, non-current portion	133	18,237	-	-	18,371
Deferred & other income taxes	-	2,987	-	-	2,987
Total liabilities	408,510	93,500	58,000	(7,878)	552,132
Stockholders' equity					
Common stock	-	8	-	(9)	(1)
Additional paid-in capital	179,838	222,292	308,000	(251,286)	458,845
Prior year retained earnings	(303,968)	(198,330)	(13,901)	251,294	(264,906)
Current year income (loss)	(20,115)	1,807	(5,751)	-	(24,060)
Total stockholders' equity	(144,245)	25,776	288,348	(0)	169,879
Total liabilities & stockholders' equity	\$ 264,265	\$ 119,276	\$ 346,348	\$ (7,879)	\$ 722,010

AMERICAN BANKRUPTCY INSTITUTE

MEDFORD LUMBER BALANCE SHEET September 2016 (\$Thousands)

	ForestCo	MillCo	HoldCo	Interco. Elimination	Consolidated
Current assets					
Cash & cash equivalents	\$ 241	\$ (4,760)	\$ 9,410	\$ (0)	\$ 4,891
Receivables	5,081	5,996	-	-	11,077
I/C receivables-subidiaries	3,562	5,244	-	(8,806)	-
Inventories	1,546	21,739	-	-	23,285
Prepays	7,389	16,651	-	-	24,041
Total current assets	17,820	44,870	9,410	(8,806)	63,294
Property, plant & equipment, net	21,675	51,604	-	-	73,279
Timber & timberlands, net of depletion	179,663	2,575	-	-	182,237
Deferred financing costs	9,216	5,554	-	-	14,770
Long-term investments & other assets	1,066	3,024	350,000	-	354,089
Total assets	\$ 229,439	\$ 107,626	\$ 359,410	\$ (8,806)	\$ 687,669
Current liabilities					
Accounts payable - trade	\$ 907	8,440	-	\$ -	\$ 9,347
I/C payables	5,244	3,562	-	(8,806)	-
Accrued interest	5,178	3,207	-	-	8,386
Accrued compensation / benefits	692	5,475	-	-	6,167
Other accrued liabilities	6,247	4,153	-	-	10,400
Line of Credit	-	-	55,000	-	55,000
Long-term debt, current	16,667	8,000	4,000	-	28,667
Total current liabilities	34,935	32,837	59,000	(8,806)	117,966
Long-term debt, non-current portion	350,000	32,000	16,000	-	398,000
Other liabilities, non-current portion	133	18,237	-	-	18,371
Deferred & other income taxes	-	2,987	-	-	2,987
Total liabilities	385,069	86,062	75,000	(8,806)	537,324
Stockholders' equity					
Common stock	-	8	-	(9)	(1)
Additional paid-in capital	179,838	222,292	308,000	(251,286)	458,845
Prior year retained earnings	(324,083)	(196,524)	(19,652)	251,294	(288,965)
Current year income (loss)	(11,385)	(4,211)	(3,938)	-	(19,534)
Total stockholders' equity	(155,630)	21,565	284,410	(0)	150,344
Total liabilities & stockholders' equity	\$ 229,439	\$ 107,626	\$ 359,410	\$ (8,806)	\$ 687,669

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

MEDFORD LUMBER Statement of Cash Flows December 2013 (\$Thousands)

	ForestCo	MillCo	HoldCo	Interco. Elimination	Consolidated
Net Income	\$ (16,747)	\$ 1,589	\$ (7,197)	\$ -	\$ (22,355)
Change in current assets and liabilities					
Receivables	-	-	-	-	-
I/C receivables-subidiaries	556	(3,424)	-	2,868	-
Accrued interest	(524)	3,205	-	-	2,681
I/C payables	4,029	(1,161)	-	(2,868)	-
Other liabilities, non-current portion	-	378	-	-	378
Depreciation & amortization	3,061	4,784	-	-	7,845
Deferred & other income taxes	-	-	-	-	-
Other accrued liabilities	-	-	-	-	-
Total	7,121	3,782	-	-	10,903
Cash from Operating Activities	(9,626)	5,371	(7,197)	-	(19,029)
Capital expenditures	(1,000)	(2,000)	-	-	(3,000)
Long-term investments & other assets	-	-	-	-	-
Timber & timberlands, net of depletion	8,209	207	-	-	8,416
Cash from Investing Activities	7,209	(1,793)	-	-	5,416
Line of Credit	-	-	10,000	-	10,000
Long-term debt	(16,667)	(8,000)	(8,000)	-	(32,667)
Cash from Financing Activities	(16,667)	(8,000)	2,000	-	(22,667)
Total net cash inflow (outflow)	(19,083)	(4,422)	(5,197)	-	(28,435)
Beginning Cash Balance	\$ 99,929	\$ 226	\$ 10,000	\$ -	\$ 110,155
Plus (Minus) Change in cash	(19,083)	(4,422)	(5,197)	-	(28,703)
Ending Cash Balance	\$ 80,845	\$ (4,196)	\$ 4,803	\$ -	\$ 81,452

AMERICAN BANKRUPTCY INSTITUTE

MEDFORD LUMBER Statement of Cash Flows December 2014 (\$Thousands)

	ForestCo	MillCo	HoldCo	Interco. Elimination	Consolidated
Net Income	\$ (15,151)	\$ (2,900)	\$ (6,704)	\$ -	\$ (24,756)
Change in current assets and liabilities					
Receivables	0	(2,909)	-	-	(2,909)
I/C receivables-subidiaries	(86)	366	-	(280)	-
Accrued interest	(524)	-	-	-	(524)
I/C payables	(366)	86	-	280	-
Other liabilities, non-current portion	-	17,757	-	-	17,757
Depreciation & amortization	3,105	4,871	-	-	7,976
Deferred & other income taxes	-	-	-	-	-
Other accrued liabilities	-	-	-	-	-
Total	2,128	20,171	-	-	22,300
Cash from Operating Activities	(13,023)	17,271	(6,704)	-	(2,456)
Capital expenditures	(750)	(1,500)	-	-	(2,250)
Long-term investments & other assets	-	-	-	-	-
Timber & timberlands, net of depletion	8,209	207	-	-	8,416
Cash from Investing Activities	7,459	(1,293)	-	-	6,166
Line of Credit	-	-	10,000	-	10,000
Long-term debt	(16,667)	(8,000)	(8,000)	-	(32,667)
Cash from Financing Activities	(16,667)	(8,000)	2,000	-	(22,667)
Total net cash inflow (outflow)	(22,231)	7,978	(4,704)	-	(18,957)
Beginning Cash Balance	\$ 80,845	\$ (4,196)	\$ 4,803	\$ -	\$ 81,452
Plus (Minus) Change in cash	(22,231)	7,978	(4,704)	-	(18,957)
Ending Cash Balance	\$ 58,614	\$ 3,782	\$ 99	\$ -	\$ 62,495

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

MEDFORD LUMBER Statement of Cash Flows December 2015 (\$Thousands)

	ForestCo	MillCo	HoldCo	Interco. Elimination	Consolidated
Net Income	\$ (20,115)	\$ 1,807	\$ (5,751)	\$ -	\$ (24,060)
Change in current assets and liabilities					
Receivables	198	645	-	-	843
I/C receivables-subsidaries	1,114	1,040	-	(2,154)	-
Accrued interest	(524)	-	-	-	(524)
I/C payables	(1,040)	(1,114)	-	2,154	-
Other liabilities, non-current portion	-	-	-	-	-
Depreciation & amortization	3,138	4,937	-	-	8,074
Deferred & other income taxes	-	-	-	-	-
Other accrued liabilities	-	-	-	-	-
Total	2,885	5,509	-	-	8,393
Cash from Operating Activities	(17,230)	7,315	(5,751)	-	(15,666)
Capital expenditures	(563)	(1,125)	-	-	(1,688)
Long-term investments & other assets	-	-	-	-	-
Timber & timberlands, net of depletion	8,209	207	-	-	8,416
Cash from Investing Activities	7,646	(918)	-	-	6,728
Line of Credit	-	-	10,000	-	10,000
Long-term debt	(16,667)	(8,000)	(8,000)	-	(32,667)
Cash from Financing Activities	(16,667)	(8,000)	2,000	-	(22,667)
Total net cash inflow (outflow)	(26,251)	(1,603)	(3,751)	-	(31,604)
Beginning Cash Balance	\$ 58,614	\$ 3,782	\$ 99	\$ (0)	\$ 62,495
Plus (Minus) Change in cash	(26,251)	(1,603)	(3,751)	-	(31,604)
Ending Cash Balance	\$ 32,364	\$ 2,180	\$ (3,652)	\$ (0)	\$ 30,891

AMERICAN BANKRUPTCY INSTITUTE

MEDFORD LUMBER Statement of Cash Flows September 2016 (\$Thousands)

	ForestCo	MillCo	HoldCo	Interco. Elimination	Consolidated
Net Income	\$ (11,385)	\$ (4,211)	\$ (3,938)	\$ -	\$ (19,534)
Change in current assets and liabilities					
Receivables	(4,944)	1,818	-	-	(3,126)
I/C receivables-subsiidiaries	(562)	(366)	-	928	-
Accrued interest	(7,141)	-	-	-	(7,141)
I/C payables	366	562	-	(928)	-
Other liabilities, non-current portion	-	-	-	-	-
Depreciation & amortization	2,370	3,736	-	-	6,105
Deferred & other income taxes	-	-	-	-	-
Other accrued liabilities	-	-	-	-	-
Total	(9,911)	5,749	-	-	(4,162)
Cash from Operating Activities	(21,296)	1,538	(3,938)	-	(23,696)
Capital expenditures	(316)	(633)	-	-	(949)
Long-term investments & other assets	-	-	-	-	-
Timber & timberlands, net of depletion	6,157	155	-	-	6,312
Cash from Investing Activities	5,840	(478)	-	-	5,363
Line of Credit	-	-	25,000	-	25,000
Long-term debt	(16,667)	(8,000)	(8,000)	-	(32,667)
Cash from Financing Activities	(16,667)	(8,000)	17,000	-	(7,667)
Total net cash inflow (outflow)	(32,122)	(6,940)	13,062	-	(26,000)
Beginning Cash Balance	\$ 32,364	\$ 2,180	\$ (3,652)	\$ -	\$ 30,891
Plus (Minus) Change in cash	(32,122)	(6,940)	13,062	-	(26,000)
Ending Cash Balance	\$ 241	\$ (4,760)	\$ 9,410	\$ (0)	\$ 4,891

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

MillCo

Term Loan Amortization Schedule

		In thousands						
From	To	Beg Balance	Borrowing	Repayment	End Balance	Int Rate	Interest	Days
	9/30/11	-				6.50%		
		-	80,000.0		80,000.0	6.50%		
9/30/11	10/31/11	80,000.0			80,000.0	6.50%	447.8	31
10/31/11	11/30/11	80,000.0			80,000.0	6.50%	433.3	30
11/30/11	12/31/11	80,000.0			80,000.0	6.50%	447.8	31
12/31/11	1/31/12	80,000.0			80,000.0	6.50%	447.8	31
1/31/12	2/29/12	80,000.0			80,000.0	6.50%	418.9	29
2/29/12	3/31/12	80,000.0		(4,000.0)	76,000.0	6.50%	447.8	31
3/31/12	4/30/12	76,000.0			76,000.0	6.50%	411.7	30
4/30/12	5/31/12	76,000.0			76,000.0	6.50%	425.4	31
5/31/12	6/30/12	76,000.0			76,000.0	6.50%	411.7	30
6/30/12	7/31/12	76,000.0			76,000.0	6.50%	425.4	31
7/31/12	8/31/12	76,000.0			76,000.0	6.50%	425.4	31
8/31/12	9/30/12	76,000.0		(4,000.0)	72,000.0	6.50%	411.7	30
9/30/12	10/31/12	72,000.0			72,000.0	6.50%	403.0	31
10/31/12	11/30/12	72,000.0			72,000.0	6.50%	390.0	30
11/30/12	12/31/12	72,000.0			72,000.0	6.50%	403.0	31
12/31/12	1/31/13	72,000.0			72,000.0	6.50%	403.0	31
1/31/13	2/28/13	72,000.0			72,000.0	6.50%	364.0	28
2/28/13	3/31/13	72,000.0		(4,000.0)	68,000.0	6.50%	403.0	31
3/31/13	4/30/13	68,000.0			68,000.0	6.50%	368.3	30
4/30/13	5/31/13	68,000.0			68,000.0	6.50%	380.6	31
5/31/13	6/30/13	68,000.0			68,000.0	6.50%	368.3	30
6/30/13	7/31/13	68,000.0			68,000.0	6.50%	380.6	31
7/31/13	8/31/13	68,000.0			68,000.0	6.50%	380.6	31
8/31/13	9/30/13	68,000.0		(4,000.0)	64,000.0	6.50%	368.3	30
9/30/13	10/31/13	64,000.0			64,000.0	6.50%	358.2	31
10/31/13	11/30/13	64,000.0			64,000.0	6.50%	346.7	30
11/30/13	12/31/13	64,000.0			64,000.0	6.50%	358.2	31
12/31/13	1/31/14	64,000.0			64,000.0	6.50%	358.2	31
1/31/14	2/28/14	64,000.0			64,000.0	6.50%	323.6	28
2/28/14	3/31/14	64,000.0		(4,000.0)	60,000.0	6.50%	358.2	31
3/31/14	4/30/14	60,000.0			60,000.0	6.50%	325.0	30
4/30/14	5/31/14	60,000.0			60,000.0	6.50%	335.8	31
5/31/14	6/30/14	60,000.0			60,000.0	6.50%	325.0	30
6/30/14	7/31/14	60,000.0			60,000.0	6.50%	335.8	31
7/31/14	8/31/14	60,000.0			60,000.0	6.50%	335.8	31

AMERICAN BANKRUPTCY INSTITUTE

8/31/14	9/30/14	60,000.0	(4,000.0)	56,000.0	6.50%	325.0	30
9/30/14	10/31/14	56,000.0		56,000.0	6.50%	313.4	31
10/31/14	11/30/14	56,000.0		56,000.0	6.50%	303.3	30
11/30/14	12/31/14	56,000.0		56,000.0	6.50%	313.4	31
12/31/14	1/31/15	56,000.0		56,000.0	6.50%	313.4	31
1/31/15	2/28/15	56,000.0		56,000.0	6.50%	283.1	28
2/28/15	3/31/15	56,000.0	(4,000.0)	52,000.0	6.50%	313.4	31
3/31/15	4/30/15	52,000.0		52,000.0	6.50%	281.7	30
4/30/15	5/31/15	52,000.0		52,000.0	6.50%	291.1	31
5/31/15	6/30/15	52,000.0		52,000.0	6.50%	281.7	30
6/30/15	7/31/15	52,000.0		52,000.0	6.50%	291.1	31
7/31/15	8/31/15	52,000.0		52,000.0	6.50%	291.1	31
8/31/15	9/30/15	52,000.0	(4,000.0)	48,000.0	6.50%	281.7	30
9/30/15	10/31/15	48,000.0		48,000.0	6.50%	268.7	31
10/31/15	11/30/15	48,000.0		48,000.0	6.50%	260.0	30
11/30/15	12/31/15	48,000.0		48,000.0	6.50%	268.7	31
12/31/15	1/31/16	48,000.0		48,000.0	6.50%	268.7	31
1/31/16	2/29/16	48,000.0		48,000.0	6.50%	251.3	29
2/29/16	3/31/16	48,000.0	(4,000.0)	44,000.0	6.50%	268.7	31
3/31/16	4/30/16	44,000.0		44,000.0	6.50%	238.3	30
4/30/16	5/31/16	44,000.0		44,000.0	6.50%	246.3	31
5/31/16	6/30/16	44,000.0		44,000.0	6.50%	238.3	30
6/30/16	7/31/16	44,000.0		44,000.0	6.50%	246.3	31
7/31/16	8/31/16	44,000.0		44,000.0	6.50%	246.3	31
8/31/16	9/30/16	44,000.0	(4,000.0)	40,000.0	6.50%	238.3	30
Total Interest		2012				5,021.6	
		2013				4,479.9	
		2014				3,952.7	
		2015				3,425.5	
		2016				2,242.5	

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

Forestco Bonds
Amounts in (\$)

		6/20/08	12/31/08	1/20/09	7/20/09	12/31/09
Beg Balance		500,000.00	500,000.00	500,000.00	491,666.67	500,000.00
Issurances						
Principal Payments				8,333.33	8,333.33	16,666.67
Ending Balance		500,000.00	500,000.00	491,666.67	483,333.33	483,333.33
Accrued Interest	0.07		18,602.74	1,917.81	17,356.16	15,463.93
Interest Expense						

AMERICAN BANKRUPTCY INSTITUTE

1/20/10	7/20/10	12/31/10	1/20/11	7/20/11	12/31/11	1/20/12	7/20/12	12/31/12	1/20/13
483,333.33	475,000.00	483,333.33	466,666.67	458,333.34	466,666.67	450,000.00	441,666.67	450,000.00	433,333.34
8,333.33	8,333.33	16,666.67	8,333.33	8,333.33	16,666.67	8,333.33	8,333.33	16,666.67	8,333.33
475,000.00	466,666.67	466,666.67	458,333.34	450,000.00	450,000.00	441,666.67	433,333.34	433,333.34	425,000.00
1,917.81	16,777.63	14,939.73	1,853.88	16,199.09	14,415.53	1,789.95	15,706.85	13,891.32 31,388.13	1,726.03

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

7/20/13	12/31/13	1/20/14	7/20/14	12/31/14	1/20/15	7/20/15	12/31/15	1/20/16	7/20/16	9/30/16
425,000.00	433,333.34	416,666.67	408,333.34	416,666.67	400,000.00	391,666.67	400,000.00	383,333.34	375,000.01	383,333.34
8,333.33	16,666.67	8,333.33	8,333.33	16,666.67	8,333.33	8,333.33	16,666.67	8,333.33	8,333.33	16,666.67
416,666.67	416,666.67	408,333.34	400,000.00	400,000.00	391,666.67	383,333.34	383,333.34	375,000.01	366,666.67	366,666.67
15,042.01	13,367.12	1,662.10	14,463.47	12,842.92	1,598.17	13,884.93	12,318.72	1,534.25	13,379.91	5,178.08
	30,135.16			28,968.49			27,801.83			20,092.24

1/20/17	7/20/17	9/30/17
366,666.67	358,333.34	366,666.67
8,333.33	8,333.33	16,666.67
358,333.34	350,000.01	350,000.01
8,233.79	12,727.85	4,947.95
		25,909.59

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

Medford Lumber Agreement Dated 4/1/1994

		In Thousands						
<u>From</u>	<u>To</u>	<u>Beg Balance</u>	<u>Borrowing</u>	<u>Repayment</u>	<u>End Balance</u>	<u>Int Rate</u>	<u>Interest</u>	<u>Days</u>
	4/1/94	-				15.00%		
		-	300,000.0		300,000.0	15.00%		
4/1/94	6/30/94	300,000.0			300,000.0	15.00%	11,250.0	90
6/30/94	9/30/94	300,000.0		(4,000.0)	296,000.0	15.00%	11,500.0	92
9/30/94	12/31/94	296,000.0			296,000.0	15.00%	11,346.7	92
12/31/94	3/31/95	296,000.0		(4,000.0)	292,000.0	15.00%	11,100.0	90
3/31/95	7/1/95	292,000.0			292,000.0	15.00%	11,193.3	92
7/1/95	10/1/95	292,000.0		(4,000.0)	288,000.0	15.00%	11,193.3	92
10/1/95	12/31/95	288,000.0			288,000.0	15.00%	10,920.0	91
12/31/95	3/30/96	288,000.0		(4,000.0)	284,000.0	15.00%	10,800.0	90
3/30/96	6/30/96	284,000.0			284,000.0	15.00%	10,886.7	92
6/30/96	9/30/96	284,000.0		(4,000.0)	280,000.0	15.00%	10,886.7	92
9/30/96	12/30/96	280,000.0			280,000.0	15.00%	10,616.7	91
12/30/96	3/30/97	280,000.0		(4,000.0)	276,000.0	15.00%	10,500.0	90
3/30/97	6/30/97	276,000.0			276,000.0	15.00%	10,580.0	92
6/30/97	9/30/97	276,000.0		(4,000.0)	272,000.0	15.00%	10,580.0	92
9/30/97	12/30/97	272,000.0			272,000.0	15.00%	10,313.3	91
12/30/97	3/31/98	272,000.0		(4,000.0)	268,000.0	15.00%	10,313.3	91
3/31/98	7/1/98	268,000.0			268,000.0	15.00%	10,273.3	92
7/1/98	10/1/98	268,000.0		(4,000.0)	264,000.0	15.00%	10,273.3	92
10/1/98	12/31/98	264,000.0			264,000.0	15.00%	10,010.0	91
12/31/98	3/31/99	264,000.0		(4,000.0)	260,000.0	15.00%	9,900.0	90
3/31/99	7/1/99	260,000.0			260,000.0	15.00%	9,966.7	92
7/1/99	10/1/99	260,000.0		(4,000.0)	256,000.0	15.00%	9,966.7	92
10/1/99	12/31/99	256,000.0			256,000.0	15.00%	9,706.7	91
12/31/99	3/30/00	256,000.0		(4,000.0)	252,000.0	15.00%	9,600.0	90
3/30/00	6/30/00	252,000.0			252,000.0	15.00%	9,660.0	92
6/30/00	9/30/00	252,000.0		(4,000.0)	248,000.0	15.00%	9,660.0	92
9/30/00	12/30/00	248,000.0			248,000.0	15.00%	9,403.3	91
12/30/00	3/30/01	248,000.0		(4,000.0)	244,000.0	15.00%	9,300.0	90
3/30/01	6/30/01	244,000.0			244,000.0	15.00%	9,353.3	92
6/30/01	9/30/01	244,000.0		(4,000.0)	240,000.0	15.00%	9,353.3	92
9/30/01	12/30/01	240,000.0			240,000.0	15.00%	9,100.0	91
12/30/01	3/31/02	240,000.0		(4,000.0)	236,000.0	15.00%	9,100.0	91
3/31/02	7/1/02	236,000.0			236,000.0	15.00%	9,046.7	92
7/1/02	10/1/02	236,000.0		(4,000.0)	232,000.0	15.00%	9,046.7	92
10/1/02	12/31/02	232,000.0			232,000.0	15.00%	8,796.7	91

AMERICAN BANKRUPTCY INSTITUTE

12/31/02	3/31/03	232,000.0	(4,000.0)	228,000.0	15.00%	8,700.0	90
3/31/03	7/1/03	228,000.0		228,000.0	15.00%	8,740.0	92
7/1/03	10/1/03	228,000.0	(4,000.0)	224,000.0	15.00%	8,740.0	92
10/1/03	12/31/03	224,000.0		224,000.0	15.00%	8,493.3	91
12/31/03	3/30/04	224,000.0	(4,000.0)	220,000.0	15.00%	8,400.0	90
3/30/04	6/30/04	220,000.0		220,000.0	15.00%	8,433.3	92
6/30/04	9/30/04	220,000.0	(4,000.0)	216,000.0	15.00%	8,433.3	92
9/30/04	12/30/04	216,000.0		216,000.0	15.00%	8,190.0	91
12/30/04	3/30/05	216,000.0	(4,000.0)	212,000.0	15.00%	8,100.0	90
3/30/05	6/30/05	212,000.0		212,000.0	15.00%	8,126.7	92
6/30/05	9/30/05	212,000.0	(4,000.0)	208,000.0	15.00%	8,126.7	92
9/30/05	12/30/05	208,000.0		208,000.0	15.00%	7,886.7	91
12/30/05	3/31/06	208,000.0	(4,000.0)	204,000.0	15.00%	7,886.7	91
3/31/06	7/1/06	204,000.0		204,000.0	15.00%	7,820.0	92
7/1/06	10/1/06	204,000.0	(4,000.0)	200,000.0	15.00%	7,820.0	92
10/1/06	12/31/06	200,000.0		200,000.0	15.00%	7,583.3	91
12/31/06	3/31/07	200,000.0	(4,000.0)	196,000.0	15.00%	7,500.0	90
3/31/07	7/1/07	196,000.0		196,000.0	15.00%	7,513.3	92
7/1/07	10/1/07	196,000.0	(4,000.0)	192,000.0	15.00%	7,513.3	92
10/1/07	12/31/07	192,000.0		192,000.0	15.00%	7,280.0	91
12/31/07	3/30/08	192,000.0	(4,000.0)	188,000.0	15.00%	7,200.0	90
3/30/08	6/30/08	188,000.0	(100,000.0)	88,000.0	15.00%	7,206.7	92
6/30/08	9/30/08	88,000.0	(4,000.0)	84,000.0	15.00%	3,373.3	92
9/30/08	12/30/08	84,000.0		84,000.0	15.00%	3,185.0	91
12/30/08	3/30/09	84,000.0	(4,000.0)	80,000.0	15.00%	3,150.0	90
3/30/09	6/30/09	80,000.0		80,000.0	15.00%	3,066.7	92
6/30/09	9/30/09	80,000.0	(4,000.0)	76,000.0	15.00%	3,066.7	92
9/30/09	12/30/09	76,000.0		76,000.0	15.00%	2,881.7	91
12/30/09	3/31/10	76,000.0	(4,000.0)	72,000.0	15.00%	2,881.7	91
3/31/10	7/1/10	72,000.0		72,000.0	15.00%	2,760.0	92
7/1/10	10/1/10	72,000.0	(4,000.0)	68,000.0	15.00%	2,760.0	92
10/1/10	12/31/10	68,000.0		68,000.0	15.00%	2,578.3	91
12/31/10	3/31/11	68,000.0	(4,000.0)	64,000.0	15.00%	2,550.0	90
3/31/11	7/1/11	64,000.0		64,000.0	15.00%	2,453.3	92
7/1/11	10/1/11	64,000.0	(4,000.0)	60,000.0	15.00%	2,453.3	92
10/1/11	12/31/11	60,000.0		60,000.0	15.00%	2,275.0	91
12/31/11	3/30/12	60,000.0	(4,000.0)	56,000.0	15.00%	2,250.0	90
3/30/12	6/30/12	56,000.0		56,000.0	15.00%	2,146.7	92
6/30/12	9/30/12	56,000.0	(4,000.0)	52,000.0	15.00%	2,146.7	92
9/30/12	12/30/12	52,000.0		52,000.0	15.00%	1,971.7	91
12/30/12	3/30/13	52,000.0	(4,000.0)	48,000.0	15.00%	1,950.0	90
3/30/13	6/30/13	48,000.0		48,000.0	15.00%	1,840.0	92

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

6/30/13	9/30/13	48,000.0	(4,000.0)	44,000.0	15.00%	1,840.0	92
9/30/13	12/30/13	44,000.0		44,000.0	15.00%	1,668.3	91
12/30/13	3/31/14	44,000.0	(4,000.0)	40,000.0	15.00%	1,668.3	91
3/31/14	7/1/14	40,000.0		40,000.0	15.00%	1,533.3	92
7/1/14	10/1/14	40,000.0	(4,000.0)	36,000.0	15.00%	1,533.3	92
10/1/14	12/31/14	36,000.0		36,000.0	15.00%	1,365.0	91
12/31/14	3/31/15	36,000.0	(4,000.0)	32,000.0	15.00%	1,350.0	90
3/31/15	7/1/15	32,000.0		32,000.0	15.00%	1,226.7	92
7/1/15	10/1/15	32,000.0	(4,000.0)	28,000.0	15.00%	1,226.7	92
10/1/15	12/31/15	28,000.0		28,000.0	15.00%	1,061.7	91
12/31/15	3/30/16	28,000.0	(4,000.0)	24,000.0	15.00%	1,050.0	90
3/30/16	6/30/16	24,000.0		24,000.0	15.00%	920.0	92
6/30/16	9/30/16	24,000.0	(4,000.0)	20,000.0	15.00%	920.0	92
Total Interest		2012				8,515.0	
		2013				7,298.3	
		2014				6,100.0	
		2015				4,865.0	
		2016				2,890.0	

AMERICAN BANKRUPTCY INSTITUTE

MLC Revolver

	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14
Unused Commitment	55000	55000	55000	55000	55000	55000	55000	55000	45000	45000
Beginning Balance	0	0	0	0	0	0	0	0	0	10000
Draws	0	0	0	0	0	0	0	0	10000	0
Repayments	0	0	0	0	0	0	0	0	0	0
Ending Balance	0	0	0	0	0	0	0	0	10000	10000
Interest	0	0	0	0	0	0	0	0	0	32
Unused Fee	11.45833333	11.45833	11.45833	11.45833	11.45833	11.45833	11.45833	11.45833	9.375	9.375
Total Interest and fees	11.45833333	11.45833	11.45833	11.45833	11.45833	11.45833	11.45833	11.45833	9.375	41.375
									101.0417	
LIBOR									0.35%	0.34%
Interest Rate									3.8500%	3.8400%
Unused fee	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15
45000	45000	45000	45000	45000	45000	45000	45000	45000	45000	35000	35000	35000
10000	10000	10000	10000	10000	10000	10000	10000	10000	10000	10000	20000	20000
0	0	0	0	0	0	0	0	0	0	10000	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0
10000	10000	10000	10000	10000	10000	10000	10000	10000	10000	20000	20000	20000
31.91667	31.91667	31.83333	31.83333	31.91667	32	31.91667	31.91667	31.91667	31.91667	32.16667	64.33333	64.66667
9.375	9.375	9.375	9.375	9.375	9.375	9.375	9.375	9.375	9.375	7.291667	7.291667	7.291667
41.29167	41.29167	41.20833	41.20833	41.29167	41.375	41.29167	41.29167	41.29167	41.29167	39.45833	71.625	71.95833
										604.0833		
0.33%	0.33%	0.32%	0.32%	0.33%	0.34%	0.33%	0.33%	0.33%	0.33%	0.36%	0.36%	0.38%
3.8300%	3.8300%	3.8200%	3.8200%	3.8300%	3.8400%	3.8300%	3.8300%	3.8300%	3.8300%	3.8600%	3.8600%	3.8800%
0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%

AMERICAN BANKRUPTCY INSTITUTE

Mar-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16
35000	35000	35000	35000	35000	35000	35000	35000	35000	25000	25000	25000	25000
20000	20000	20000	20000	20000	20000	20000	20000	20000	20000	30000	30000	30000
0	0	0	0	0	0	0	0	0	10000	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0
20000	20000	20000	20000	20000	20000	20000	20000	20000	30000	30000	30000	30000
65	65.16667	65.5	65.83333	66.5	67.16667	67.16667	67.5	69.33333	72.5	109	109.25	109.5
7.291667	7.291667	7.291667	7.291667	7.291667	7.291667	7.291667	7.291667	7.291667	5.208333	5.208333	5.208333	5.208333
72.29167	72.45833	72.79167	73.125	73.79167	74.45833	74.45833	74.79167	76.625	77.70833	114.2083	114.4583	114.7083
886.0833												
0.40%	0.41%	0.43%	0.45%	0.49%	0.53%	0.53%	0.55%	0.66%	0.85%	0.86%	0.87%	0.88%
3.9000%	3.9100%	3.9300%	3.9500%	3.9900%	4.0300%	4.0300%	4.0500%	4.1600%	4.3500%	4.3600%	4.3700%	4.3800%
0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%	0.25%

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16
25000	25000	25000	25000	25000	0
30000	30000	30000	30000	30000	30000
0	0	0	0	0	25000
0	0	0	0	0	0
30000	30000	30000	30000	30000	55000
110	112.25	111.25	110.5	115.5	118.75
5.208333	5.208333	5.208333	5.208333	5.208333	0
115.2083	117.4583	116.4583	115.7083	120.7083	118.75
					1047.667
0.90%	0.99%	0.95%	0.92%	1.12%	1.25%
4.4000%	4.4900%	4.4500%	4.4200%	4.6200%	4.7500%
0.25%	0.25%	0.25%	0.25%	0.25%	0.25%

AMERICAN BANKRUPTCY INSTITUTE

Forest Co - 13 Week Cash Flow Period Ended January 29, 2011

(\$ in 000's)

	Week	BUDGET	BUDGET	BUDGET	BUDGET
	Week Ending	1	2	3	4
		11/12/16	11/19/16	11/26/16	12/3/16
Operating Cash Receipts					
Log Sales		\$ -	\$ 1,805	\$ -	\$ 1,925
Other		-	-	-	-
Cash Receipts		<u>-</u>	<u>1,805</u>	<u>-</u>	<u>1,925</u>
Payroll and Benefits					
Payroll		-	253	-	253
Payroll Taxes/401K		-	83	-	83
Medical, Workers Comp, and Pharmacy		30	30	30	30
Subtotal - Payroll and Benefits		<u>30</u>	<u>366</u>	<u>30</u>	<u>366</u>
Operating Expenses					
Forest Co Reimbursements		-	165	-	175
Roads & Reforestation		240	75	240	65
Environmental Compliance		43	43	43	43
Insurance (Including Parent Reimbursement)		-	-	-	110
Other		43	43	43	43
Subtotal - Operating Expenses		<u>325</u>	<u>325</u>	<u>325</u>	<u>435</u>
Total Outflows		<u>355</u>	<u>691</u>	<u>355</u>	<u>801</u>
Net Cash Flow Operations		(355)	1,114	(355)	1,124
Debt Service					
Principal		-	-	-	-
Interest		-	-	-	-
Total Debt Service		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Net Cash Flow		(355)	1,114	(355)	1,124
Beginning Cash		150	(205)	909	554
Plus (Less) Net Cash Flow		<u>(355)</u>	<u>1,114</u>	<u>(355)</u>	<u>1,124</u>
Ending Cash		<u>(205)</u>	<u>909</u>	<u>554</u>	<u>1,678</u>
Beginning Revolver Balance		-	-	-	-
Less: Revolver Borrowing (Payment)					
Plus: Draws					
Ending Revolver Balance		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Availability		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Float		-	-	-	-
Total Liquidity		\$ (2,743)	\$ (1,629)	\$ (1,984)	\$ (860)

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

Forest Co - 13 Week Cash Flow
Period Ended January 29, 2011

(\$ in 000's)

	Week	BUDGET	BUDGET	BUDGET	BUDGET
	Week Ending	5	6	7	8
		12/10/16	12/17/16	12/24/16	12/31/16
Operating Cash Receipts					
Log Sales		\$ -	\$ 1,760	\$ -	\$ 1,810
Other		-	-	-	-
Cash Receipts		<u>-</u>	<u>1,760</u>	<u>-</u>	<u>1,810</u>
Payroll and Benefits					
Payroll		-	253	-	253
Payroll Taxes/401K		-	83	-	83
Medical, Workers Comp, and Pharmacy		30	30	30	30
Subtotal - Payroll and Benefits		<u>30</u>	<u>366</u>	<u>30</u>	<u>366</u>
Operating Expenses					
Forest Co Reimbursements		-	165	-	165
Roads & Reforestation		240	75	240	75
Environmental Compliance		43	43	43	43
Insurance (Including Parent Reimbursement)		-	-	-	200
Other		43	43	43	43
Subtotal - Operating Expenses		<u>325</u>	<u>325</u>	<u>325</u>	<u>525</u>
Total Outflows		<u>355</u>	<u>691</u>	<u>355</u>	<u>891</u>
Net Cash Flow Operations		(355)	1,069	(355)	919
Debt Service					
Principal		-	-	-	-
Interest		-	-	-	-
Total Debt Service		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Net Cash Flow		(355)	1,069	(355)	919
Beginning Cash		1,678	1,323	2,391	2,036
Plus (Less) Net Cash Flow		<u>(355)</u>	<u>1,069</u>	<u>(355)</u>	<u>919</u>
Ending Cash		<u>1,323</u>	<u>2,391</u>	<u>2,036</u>	<u>2,955</u>
Beginning Revolver Balance		-	-	-	-
Less: Revolver Borrowing (Payment)					
Plus: Draws					
Ending Revolver Balance		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Availability		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Float		-	-	-	-
Total Liquidity		\$ (1,215)	\$ (147)	\$ (502)	\$ 417

AMERICAN BANKRUPTCY INSTITUTE

Forest Co - 13 Week Cash Flow Period Ended January 29, 2011

(\$ in 000's)

	Week Week Ending	BUDGET 9 1/7/17	BUDGET 10 1/14/17	BUDGET 11 1/21/17	BUDGET 12 1/28/17
Operating Cash Receipts					
Log Sales		\$ -	\$ -	\$ 1,615	\$ -
Other		-	-	-	-
Cash Receipts		<u>-</u>	<u>-</u>	<u>1,615</u>	<u>-</u>
Payroll and Benefits					
Payroll		-	253	-	253
Payroll Taxes/401K		-	83	-	83
Medical, Workers Comp, and Pharmacy		<u>30</u>	<u>30</u>	<u>30</u>	<u>30</u>
Subtotal - Payroll and Benefits		30	366	30	366
Operating Expenses					
Forest Co Reimbursements		-	-	155	-
Roads & Reforestation		240	240	85	240
Environmental Compliance		43	43	43	43
Insurance (Including Parent Reimbursement)		-	-	-	-
Other		<u>43</u>	<u>43</u>	<u>43</u>	<u>43</u>
Subtotal - Operating Expenses		325	325	325	325
Total Outflows		<u>355</u>	<u>691</u>	<u>355</u>	<u>691</u>
Net Cash Flow Operations		(355)	(691)	1,260	(691)
Debt Service					
Principal		-	-	-	8,333
Interest		<u>-</u>	<u>-</u>	<u>-</u>	<u>8,234</u>
Total Debt Service		-	-	-	16,567
Total Net Cash Flow		(355)	(691)	1,260	(17,225)
Beginning Cash		2,955	2,600	1,909	3,169
Plus (Less) Net Cash Flow		<u>(355)</u>	<u>(691)</u>	<u>1,260</u>	<u>(17,225)</u>
Ending Cash		<u>2,600</u>	<u>1,909</u>	<u>3,169</u>	<u>(14,056)</u>
Beginning Revolver Balance		-	-	-	-
Less: Revolver Borrowing (Payment)					
Plus: Draws					
Ending Revolver Balance		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Availability		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Float		-	-	-	-
Total Liquidity		\$ 62	\$ (629)	\$ 631	\$ (16,594)

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

Forest Co - 13 Week Cash Flow
Period Ended January 29, 2011

(\$ in 000's)

	BUDGET	
Week	13	13 Weeks Ended
Week Ending	2/4/17	2/4/11
Operating Cash Receipts		
Log Sales	\$ -	\$ 8,915
Other	-	-
	<u>-</u>	<u>-</u>
Cash Receipts	<u>-</u>	<u>8,915</u>
Payroll and Benefits		
Payroll	-	1,517
Payroll Taxes/401K	-	501
Medical, Workers Comp, and Pharmacy	30	420
	<u>30</u>	<u>2,437</u>
Subtotal - Payroll and Benefits	30	2,437
Operating Expenses		
Forest Co Reimbursements	-	825
Roads & Reforestation	240	2,295
Environmental Compliance	43	595
Insurance (Including Parent Reimbursement)	-	310
Other	43	553
	<u>325</u>	<u>4,578</u>
Subtotal - Operating Expenses	325	4,578
Total Outflows	<u>355</u>	<u>7,015</u>
Net Cash Flow Operations	(355)	1,900
Debt Service		
Principal		8,333
Interest	-	8,234
	<u>-</u>	<u>16,567</u>
Total Debt Service	-	16,567
Total Net Cash Flow	(355)	(14,634)
Beginning Cash	(14,056)	(14,411)
Plus (Less) Net Cash Flow	(355)	(14,634)
	<u>(14,411)</u>	<u>(29,045)</u>
Ending Cash	(14,411)	(29,045)
Beginning Revolver Balance	-	-
Less: Revolver Borrowing (Payment)		-
Plus: Draws		-
	<u>-</u>	<u>-</u>
Ending Revolver Balance	-	-
Availability	<u>-</u>	<u>-</u>
Float	-	-
Total Liquidity	\$ (16,949)	\$ (17,022)

AMERICAN BANKRUPTCY INSTITUTE

Company Overview

Company Type: Public Company
Website: www.canfor.com
Number of Employees: 6,047
Ticker: CFP (TSX)
Year Founded: 1938

Business Description

Canfor Corporation operates as an integrated forest products company in Canada, Asia, the United States, Europe, and internationally. It operates through Lumber, and Pulp and Paper segments. The company manufactures and sells lumber, engineered wood products, wood chips, wood pellets, and logs, as well as generates green energy. Its lumber products are used in residential, commercial, and industrial construction. The company also produces and sells pulp and paper products, including northern bleached softwood kraft and bleached chemi-thermo mechanical pulp; and purchases and sells residual fiber products. Canfor Corporation was founded in 1938 and is headquartered in Vancouver, Canada.

Primary Industry Classification

Forest Products

Primary Office Location

100 - 1700 West 75th Avenue | Vancouver, BC | V6P 6G2 | Canada
 Phone: 604-661-5241 Fax: 604-661-5253

Current and Pending Investors

Great Pacific Capital Corp., Mackenzie Financial Corporation, Third Avenue Management, LLC

Prior Investors

Jarislowsky, Fraser Limited

Stock Quote and Chart (Currency: CAD)

Last (Delayed)	15.25	Market Cap (mm)	2,025.3
Open	14.94	Shares Out. (mm)	132.8
Previous Close	15.25	Float %	54.0%
Change on Day	0.26	Shares Sold Short (mm)	-
Change % on Day	1.7%	Dividend Yield %	-
Day High/Low	15.33/ 14.94	Diluted EPS Excl. Extra Items	0.86
52 wk High/Low	21.26/ 11.96	P/Diluted EPS Before Extra	17.69x
Volume (mm)	0.31	Avg 3M Dly Vlm (mm)	0.22
Beta 5Y	0.86		

Delayed Quote** | Last Updated on Nov-03-2016 04:00 PM (GMT-5)

TSX:CFP - Common Stock

Financial Information (Currency: CAD, in mm)

Total Revenue	4,244.4	Market Capitalization	1,990.7	TEV/Total Revenue	0.6x
EBITDA	483.2	Total Enterprise Value	2,641.0	TEV/EBITDA	5.4x
EBIT	244.6	Cash & ST Invst.	141.8	P/Diluted EPS Before Extra	17.4x
Net Income	114.5	Total Debt	537.6	Price/Tang BV	3.0x
Capital Expenditure	(254.1)	Total Assets	3,304.4	Total Debt/EBITDA	1.1x

Currency in CAD in mm, LTM as of Sep-30-2016 TEV and Market Cap are calculated using a close price as of Nov-02-2016

Index Membership

46

[illegible]

AMERICAN BANKRUPTCY INSTITUTE

Company Notes

No Company Notes exist.

Strategy Notes

No Strategy Notes exist.

Key Professionals

Name	Title
Kayne, Donald B.	Chief Executive Officer and President
Nicholl, Alan R.	Chief Financial Officer and Senior Vice President of Finance
Calabrigo, David M.	Senior Vice President of Corporate Development & Legal Affairs and Corporate Secretary
Stavness, Corinne	Senior Director of External Affairs and Communications
Guthrie, Wayne Ross	Senior Vice President of Sales and Marketing
Feldinger, Mark F.	Senior Vice President of Energy, Environment, Transportation and Sourcing
Mackie, Stephen	Senior Vice President of Operations - Canada
Elliott, Patrick A. J.	Vice President and Treasurer
Robinson, Brett Robert	President of Canfor Pulp
Stimpson, Frederick T.	President of Canfor Southern Pine
Hart, Peter	Vice President of Pulp & Paper - Sales & Marketing
Hayes, Bob Stephen	Vice President of Transportation Procurement and Distribution

Key Board Members

Name	Title
Korenberg, Michael J.	Chairman of the Board, Chairman of Joint Capital Expenditure Committee, Member of Audit Committee, Member of Joint Corporate Governance Committee and Member of Pension Committee
Bentley, Peter J. G.	Chairman Emeritus, Chairman of Joint Corporate Governance Committee, Member of Joint Management Resources & Compensation Committee, Member of Joint Capital Expenditure Committee, Member of Joint Environmental, Health & Safety Committee and Chairman of Canadian Forest Products Ltd
Pattison, James Allen	Independent Director, Chairman of Joint Management Resources & Compensation Committee and Member of Joint Corporate Governance Committee
Pinette, Conrad Alfred	Independent Director, Chairman of Joint Environmental, Health & Safety Committee, Member of Joint Management Resources & Compensation Committee and Member of Joint Capital Expenditure Committee
Smith, Ross S.	Independent Director, Chairman of Audit Committee, Chairman of Pension Committee and Member of Joint Management Resources & Compensation Committee
Baird, John R.	Director
Clark, Glen D.	Independent Director, Member of Joint Environmental, Health & Safety Committee, Member of Pension Committee and Member of Joint Capital Expenditure Committee
Singleton, J. McNeill	Independent Director, Member of Joint Capital Expenditure Committee and Member of Joint Environmental, Health & Safety Committee
Stinson, William W.	Independent Director, Member of Joint Capital Expenditure Committee, Member of Joint Management Resources & Compensation Committee, Member of Joint Environmental, Health & Safety Committee and Member of Audit Committee
Bracken-Horrocks, Stan E.	Director of Canfor Pulp Holding Inc
Jago, Charles J.	Member of Joint Management Resources & Compensation Committee and Director of Canfor Pulp Holding Inc

Current and Pending Subsidiaries / Investments

317231 British Columbia Ltd., Anthony Forest Products Company, Balfour Lumber Company, Inc., Beadles Lumber Company, Beadles Lumber Company and Balfour Lumber Company, Inc., Canadian Forest Products Ltd., Coastal Fibre Limited Partnership, Daaquam Lumber Inc., Houston Pellet Limited Partnership, New South Companies, Inc., New South Lumber Company, Inc., Northwood Inc., Plateau Forest Products Ltd, Produits Forestiers Anticosti Inc., Scotch & Gulf Lumber LLC (Pending), Silvastar Sorts Products, Slocan Forest Products Ltd., Southern Lumber Company Inc., Tackama Forest Products Ltd, Wynndel Box and Lumber Ltd.

Historical Equity Pricing Data supplied by

**Intraday Quotes are delayed by at least 20 minutes.

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

Company Overview	
Company Type:	Public Company
Website:	www.deltic.com
Number of Employees:	536
Ticker:	DEL (NYSE)
Year Founded:	1996

Business Description
<p>Deltic Timber Corporation, a natural resources company, engages in the growing and harvesting of timber; and manufacturing and marketing of lumber and medium density fiberboards (MDF) in the United States. The company's Woodlands segment harvests pine and hardwood pulpwood for sale to third parties for use in the manufacture of paper products; and provides timberland management services, such as harvesting and thinning operations, reforestation, cull timber removal programs, and introducing genetically improved seedlings. This segment also leases oil and gas, hunting land, and other rights on its timberlands; and provides harvest planning, silvicultural improvement, and maintenance works for timberlands. This segment owns approximately 530,000 acres of timberland primarily in Arkansas and north Louisiana. Its Manufacturing segment owns and operates two sawmills that manufacture and sell various softwood lumber products, such as dimension lumber, boards, and timbers primarily to wholesale distributors, large retailers, lumber treaters, industrial accounts, and truss manufacturers, as well as used in residential construction, roof trusses, remanufactured products, and laminated beams. This segment also produces wood chips, shavings, sawdust, and bark as by-products. In addition, the Manufacturing segment manufactures and markets MDF under the Solidium trade name for use in furniture, kitchen cabinets, laminate flooring, store fixtures, door parts, and moldings. This segment sells MDF to wholesalers, retailers, and manufacturers. The company's Real Estate segment develops and markets residential lots for homebuilders and individuals; and commercial sites for developers and businesses, as well as sells undeveloped acreage. It also leases retail and office space to third parties; resells existing homes; and operates a country club. Deltic Timber Corporation was founded in 1996 and is headquartered in El Dorado, Arkansas.</p>

Primary Industry Classification
Forest Products

Primary Office Location
210 East Elm Street PO Box 7200 El Dorado, AR 71731 United States Phone: 870-881-9400

Current and Pending Investors
Wellington Management Group LLP

Stock Quote and Chart (Currency: USD)			
Last (Delayed)	58.87	Market Cap (mm)	687.8
Open	56.69	Shares Out. (mm)	12.2
Previous Close	56.61	Float %	77.7%
Change on Day	2.26	Shares Sold Short (mm)	0.4
Change % on Day	4.0%	Dividend Yield %	0.7%
Day High/Low	59.22/ 56.69	Diluted EPS Excl. Extra Items	0.36
52 wk High/Low	72.74/ 50.84	P/Diluted EPS Before Extra	161.66x
Volume (mm)	0.07	Avg 3M Dly Vlm (mm)	0.04
Beta 5Y	0.92		

Delayed Quote** Last Updated on Nov-03-2016 04:02 PM (GMT-5)	NYSE:DEL - Common Stock
--	-------------------------

Financial Information (Currency: USD, in mm)					
Total Revenue	210.5	Market Capitalization	683.8	TEV/Total Revenue	4.4x
EBITDA	40.2	Total Enterprise Value	922.6	TEV/EBITDA	22.9x
EBIT	17.5	Cash & ST Invest.	3.0	P/Diluted EPS Before Extra	115.8x
Net Income	6.0	Total Debt	241.8	Price/Tang BV	2.8x
Capital Expenditure	(40.1)	Total Assets	555.0	Total Debt/EBITDA	6.0x
Currency in USD in mm, LTM as of Sep-30-2016 TEV and Market Cap are calculated using a close price as of Nov-02-2016					

Index Membership

AMERICAN BANKRUPTCY INSTITUTE

[illegible]

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

Company Notes

No Company Notes exist.

Strategy Notes

No Strategy Notes exist.

Key Professionals

Name	Title
Leland, D. Mark	Interim Chief Executive Officer, Interim President and Director
Mann, Kenneth D.	Chief Financial Officer, Vice President of Finance & Administration, Treasurer and Member of Pension Investment & Employee Benefits Committee
Streeter, Kent L.	Vice President of Operations
Andrews, Jim F.	Vice President, General Counsel, Secretary and Member of Pension Investment & Employee Benefits Committee
Walker, Byrom L.	Controller
Meghreblian, David V.	Vice President of Real Estate

Key Board Members

Name	Title
Nolan, Robert C.	Chairman, Chairman of Executive Committee, Ex Officio Member of Nominating & Corporate Governance Committee and Ex Officio Member of Executive Compensation Committee
Leland, D. Mark	Interim Chief Executive Officer, Interim President and Director
Keller, Christoph	Director, Chairman of Nominating & Corporate Governance Committee and Member of Executive Compensation Committee
Murphy, Robert Madison	Director, Chairman of Executive Compensation Committee, Member of Executive Committee and Member of Nominating & Corporate Governance Committee
Roach, J. Thurston	Director, Chairman of Audit Committee, Member of Nominating & Corporate Governance Committee and Member of Executive Committee
Coley, Randolph C.	Director, Member of Audit Committee and Member of Nominating & Corporate Governance Committee
Jones, Bert H.	Director and Member of Executive Compensation Committee
Lemmon, David L.	Director, Member of Audit Committee and Member of Executive Compensation Committee
Pierson, R. Hunter	Director, Member of Audit Committee and Member of Executive Compensation Committee
Sullivan, Lenore M.	Director and Member of Audit Committee
Tudor, Robert Beall	Director and Member of Executive Compensation Committee

Current and Pending Subsidiaries / Investments

64,443 Acres of Timberland in Arkansas, 71,900 Acres of Timberland Near Ola Mill, Chenal Country Club, Inc., Chenal Properties Inc., Del-Tin Fiber LLC, Deltic Southwest Timber Company, Deltic Timber Purchasers, Inc.

Historical Equity Pricing Data supplied by

**Intraday Quotes are delayed by at least 20 minutes.

AMERICAN BANKRUPTCY INSTITUTE

Company Overview

Company Type: Public Company
Website: www.interfor.com
Number of Employees: 2,856
Ticker: IFP (TSX)
Year Founded: 1963

Business Description

Interfor Corporation, together with its subsidiaries, produces wood products. It offers commodity structural lumber products; and specialty products, such as exterior decking and siding products, machine stress rated products, industrial timber products, and various appearance grade items. The company is also involved in the purchase and sale of logs that are unsuitable for cutting or in excess of its manufacturing requirements. In addition, it provides lumber by-products, including wood chips and other residuals. The company sells its products in Canada, the United States, Japan, China/Taiwan, and internationally. The company was formerly known as International Forest Products Limited and changed its name to Interfor Corporation in May 2014. Interfor Corporation was founded in 1963 and is headquartered in Vancouver, Canada.

Primary Industry Classification

Forest Products

Primary Office Location

1055 Dunsmuir Street Suite 3500 PO Box 49114 | Vancouver, BC | V7X 1H7 | Canada
 Phone: 604-689-6800 Fax: 604-688-0313

Current and Pending Investors

Mackenzie Financial Corporation

Stock Quote and Chart (Currency: CAD)

Last (Delayed)	14.79	Market Cap (mm)	1,035.8
Open	14.54	Shares Out. (mm)	70.0
Previous Close	14.79	Float %	98.7%
Change on Day	0.25	Shares Sold Short (mm)	-
Change % on Day	1.7%	Dividend Yield %	-
Day High/Low	15.00/ 14.50	Diluted EPS Excl. Extra Items	0.21
52 wk High/Low	15.99/ 8.67	P/Diluted EPS Before Extra	72.33x
Volume (mm)	0.11	Avg 3M Dly Vlm (mm)	0.25
Beta 5Y	1.28		

Delayed Quote** | Last Updated on Nov-03-2016 04:00 PM (GMT-5)

TSX:IFP - Common Stock

Financial Information (Currency: CAD, in mm)

Total Revenue	1,735.0	Market Capitalization	1,018.2	TEV/Total Revenue	0.8x
EBITDA	146.0	Total Enterprise Value	1,414.3	TEV/EBITDA	9.7x
EBIT	32.0	Cash & ST Invst.	11.1	P/Diluted EPS Before Extra	70.9x
Net Income	14.4	Total Debt	407.1	Price/Tang BV	2.1x
Capital Expenditure	(88.2)	Total Assets	1,337.6	Total Debt/EBITDA	2.8x

Currency in CAD in mm, LTM as of Jun-30-2016 TEV and Market Cap are calculated using a close price as of Nov-02-2016

Index Membership

52

[illegible]

AMERICAN BANKRUPTCY INSTITUTE

Company Notes

No Company Notes exist.

Strategy Notes

No Strategy Notes exist.

Key Professionals

Name	Title
Davies, Duncan K.	Chief Executive Officer, President and Non Independent Director
Horning, John Allen	Chief Financial Officer and Executive Vice President
Fillinger, Ian M.	Head of Operations and Senior Vice President
Kritsos, Xenia	General Counsel and Corporate Secretary
Bender, J. Barton	Senior Vice President of Sales & Marketing
Juravsky, Martin L.	Senior Vice President of Corporate Development and Strategy
Stock, Mark W.	Senior Vice President of Human Resources
Slaco, Richard J.	Chief Forester and Vice President
Brandt, Karen	Director of Economic Partnerships & Sustainability
Cocke, Laurie D.	Director of Corporate Financial Analysis
Wood, W. J.	Advisor

Key Board Members

Name	Title
Sauder, E. Lawrence	Chairman, Member of Management Resources & Compensation Committee and Member of Environment & Safety Committee
Davies, Duncan K.	Chief Executive Officer, President and Non Independent Director
Lynch, Peter M.	Independent Director, Chairman of Environment & Safety Committee, Member of Audit Committee and Member of Corporate Governance & Nominating Committee
MacDougall, Gordon Howard	Independent Director, Chairman of Management Resources & Compensation Committee and Member of Corporate Governance & Nominating Committee
McMillan, J. Eddie	Independent Director, Chairman of Corporate Governance & Nominating Committee and Member of Management Resources & Compensation Committee
Whitehead, Douglas William Geoffrey	Lead Director, Chairman of Audit Committee and Member of Corporate Governance & Nominating Committee
Herbert, Paul	Independent Director, Member of Audit Committee and Member of Environment & Safety Committee
Hull, Jeane L.	Independent Director, Member of Corporate Governance & Nominating Committee and Member of Environment & Safety Committee
Milroy, Thomas Voysey	Independent Director
Platt, Gillian L.	Director

Current and Pending Subsidiaries / Investments

Cedarprime Inc, Interfor U.S. Inc., Keadle Lumber Enterprises, Inc., Pope & Talbot Ltd., Three Sawmills, Portac, Inc., Primex Forest Products Ltd. (Canada), Seaboard International Shipping Company Limited, Springer Creek Forest Products Ltd., Two Timber Tenures In The Kootenay Region, The Price Companies, Inc., Sawmill in Monticello, Weyerhaeuser Co., Kamloops Sawmill

Historical Equity Pricing Data supplied by

**Intraday Quotes are delayed by at least 20 minutes.

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

Company Overview	
Company Type:	Public Company
Website:	www.lpcorp.com
Number of Employees:	4,800
Ticker:	LPX (NYSE)
Year Founded:	1972

Business Description
Louisiana-Pacific Corporation, together with its subsidiaries, manufactures and sells building products primarily for use in new home construction, repair and remodeling, and outdoor structures, as well as light industrial and commercial construction. It operates in four segments: North America Oriented Strand Board; Siding; Engineered Wood Products; and South America. The company offers structural panel products comprising plywood, including roof decking, sidewall sheathing, and floor underlayment; SmartSide siding products and related accessories, such as wood-based sidings, trim, soffit, and fascia; and CanExel siding and accessory products, including pre-finished lap and trim products. It also provides laminated veneer lumber, I-joists, laminated strand lumber, and other related products for residential and commercial flooring, roofing systems, headers and beams, and other structural applications; and timber and timberlands, and other products and services. The company sells its products to retail home centers, manufactured housing producers, distributors, and wholesalers primarily in North America and South America, as well as in Asia, Australia, and Europe. Louisiana-Pacific Corporation was founded in 1972 and is headquartered in Nashville, Tennessee.

Primary Industry Classification
Forest Products

Primary Office Location
414 Union Street Suite 2000 Nashville, TN 37219 United States Phone: 615-986-5600

Current and Pending Investors
Adage Capital Management, L.P., Citadel LLC, Impala Asset Management, LLC, Owl Creek Asset Management, L.P., T. Rowe Price Associates, Inc., T. Rowe Price Group, Inc. (NasdaqGS:TROW), Teachers Advisors, LLC

Prior Investors
JHL Capital Group LLC

Investment Arms
Louisiana Pacific Salaried, ESOP, Louisiana-Pacific Corp, Pension Arm

Stock Quote and Chart (Currency: USD)			
Last (Delayed)	17.56	Market Cap (mm)	2,560.1
Open	18.06	Shares Out. (mm)	142.2
Previous Close	18.00	Float %	93.7%
Change on Day	(0.44)	Shares Sold Short (mm)	4.5
Change % on Day	(2.4)%	Dividend Yield %	-
Day High/Low	18.06/ 17.54	Diluted EPS Excl. Extra Items	0.69
52 wk High/Low	20.97/ 13.31	P/Diluted EPS Before Extra	25.46x
Volume (mm)	1.42	Avg 3M Dly Vlm (mm)	1.77
Beta 5Y	1.35		
Delayed Quote** Last Updated on Nov-03-2016 04:02 PM (GMT-5)		NYSE:LPX - Common Stock	

Financial Information (Currency: USD, in mm)					
Total Revenue	2,146.3	Market Capitalization	2,560.1	TEV/Total Revenue	1.3x
EBITDA	261.6	Total Enterprise Value	2,832.8	TEV/EBITDA	10.5x
EBIT	151.6	Cash & ST Invst.	559.7	P/Diluted EPS Before Extra	26.0x
Net Income	100.0	Total Debt	832.4	Price/Tang BV	2.3x
Capital Expenditure	(125.4)	Total Assets	2,432.4	Total Debt/EBITDA	3.2x
Currency in USD in mm, LTM as of Sep-30-2016 TEV and Market Cap are calculated using a close price as of Nov-02-2016					

Index Membership

AMERICAN BANKRUPTCY INSTITUTE

[illegible]

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

Company Notes
No Company Notes exist.

Strategy Notes
No Strategy Notes exist.

Key Professionals	
Name	Title
Stevens, Curtis M.	Chief Executive Officer and Director
Bailey, Sallie B.	Chief Financial Officer and Executive Vice President
Southern, William Bradley	Chief Operating Officer and Executive Vice President of Oriented Strand Board
Crowe, David M.	Vice President of Corporate Engineering and Director of Technology
Kinney, Michael E.	Head of Investor Relations
Fuchs, Mark A.	Vice President, General Counsel and Secretary
Sims, Michael J.	Senior Vice President of Sales and Marketing
Luoma, Brian Eugene	Executive Vice President of Siding and General Manager of Siding
Sherman, Neil	Senior Vice President of Engineered Wood Products
Barckley, Rebecca Anne	Controller of Financial Reporting
Price, Frederick	President of South America
Tobin, Mark G.	Treasurer

Key Board Members	
Name	Title
Cook, E. Gary	Chairman, Chairman of Executive Committee, Member of Finance & Audit Committee and Member of Compensation Committee
Stevens, Curtis M.	Chief Executive Officer and Director
De La Court Watson, Colin	Independent Director, Chairman of Compensation Committee and Member of Finance & Audit Committee
Frierson, Daniel K.	Director, Chairman of Nominating & Corporate Governance Committee and Member of Environmental & Compliance Committee
Landgraf, Kurt M.	Director, Chairman of Finance & Audit Committee, Member of Executive Committee and Member of Compensation Committee
McCoy, Dustan E.	Independent Director, Chairman of Environmental & Compliance Committee and Member of Nominating & Corporate Governance Committee
Embree, Tracy A.	Director
Gottung, Lizanne C.	Independent Director, Member of Nominating & Corporate Governance Committee and Member of Compensation Committee
Horton, Ozey K.	Director
Weaver, John W.	Director, Member of Environmental & Compliance Committee and Member of Finance & Audit Committee

Current and Pending Subsidiaries / Investments
3047525 Nova Scotia Company, 3047526 Nova Scotia Company, Abitibi-LP Engineered Wood, Inc., ABT Building Products Corporation, Evans Forest Products Ltd., GreenStone Industries, Inc., Hoff Companies Inc., Composite Decking Unit, L-PSPV Inc, Le Groupe Forex, Inc., Louisiana Pacific de Mexico, S.A. de C.V., Louisiana-Pacific Canada Holdings Ltd., Louisiana-Pacific Canada Pulp Co., Louisiana-Pacific Canada Sales ULC, Louisiana-Pacific Chile S.A., Louisiana-Pacific Corp., Manufacturing Plant in Selma, Louisiana-Pacific International, Inc., Louisiana-Pacific South America S.A, Louisiana Pacific, LP Canada Ltd., LP Pinewood SPV, LLC, LP Receivables Corporation, Lp Wood Polymers, Inc., LPS Corporation, New Waverly Transportation, Inc., Norbord, Inc., OSB mill in Val-d'Or (Pending), Peace Valley Oriented Strand Board Mill, Sawyer Lumber Company, Slocan-LP OSB Corp., UOP LLC, Goodman Staniforth Division

Historical Equity Pricing Data supplied by
--

**Intraday Quotes are delayed by at least 20 minutes.

AMERICAN BANKRUPTCY INSTITUTE

Company Overview

Company Type: Public Investment Firm
Website: www.potlatchcorp.com
Direct Investments: 14-Current and Pending; 9-Prior
Ticker: PCH (NasdaqGS)
Year Founded: 1903

Color Notes

Potlatch Corporation operates as a real estate investment trust (REIT) that owns and manages timberlands located in Arkansas, Idaho, Minnesota and Wisconsin in the United States. The Resource Management Division manages its timberlands, harvests timber, procures other wood fiber, sells logs and leases land for hunting and other recreational activity. The Real Estate Division develops and sells land parcels, as well as invests in timberlands. The Wood Products Division manufactures lumber, plywood, and particleboard in Arkansas, Idaho, Michigan, and Minnesota. This segment's products are sold to wholesalers primarily for use in home building and other construction activities. Potlatch was founded in 1903 and is headquartered in Spokane, Washington.

Primary Office Location

601 West First Avenue Suite 1600 | Spokane, WA | 99201 | United States
Phone: 509-835-1500

Current and Pending Investors

Fidelity Management & Research Company

Stock Quote and Chart (Currency: USD)

Last (Delayed)	37.70	Market Cap (mm)	1,497.2
Open	37.15	Shares Out. (mm)	40.5
Previous Close	36.95	Float %	98.7%
Change on Day	0.75	Shares Sold Short (mm)	2.1
Change % on Day	2.0%	Dividend Yield %	4.1%
Day High/Low	38.15/ 36.35	Diluted EPS Excl. Extra Items	0.0007
52 wk High/Low	40.35/ 24.01	P/Diluted EPS Before Extra	NM
Volume (mm)	0.31	Avg 3M Dly Vlm (mm)	0.23
Beta 5Y	1.20		

Delayed Quote** | Last Updated on Nov-03-2016 04:00 PM (GMT-5)

Financial Information (Currency: USD, in mm)

Total Revenue	581.4	Market Capitalization	1,497.2	TEV/Total Revenue	3.5x
EBITDA	103.4	Total Enterprise Value	2,049.7	TEV/EBITDA	19.8x
EBIT	68.2	Cash & ST Invst.	32.8	P/Diluted EPS Before Extra	NM
Net Income	0.1	Total Debt	585.4	Price/Tang BV	9.6x
Total Assets	933.1	Total Debt/EBITDA	5.7x		

Currency in USD in mm, LTM as of Sep-30-2016 TEV and Market Cap are calculated using a close price as of Nov-02-2016

Direct Investment Criteria

Industries of Interest

No Industries of Interest exist.

Geographies of Interest

No Geographies of Interest exist.

Company Stages

No Company Stages exist.

Transaction Types

No Transaction Types exist.

Bite Size Information

Criteria (\$mm)	Min	Max	Min	Max
Equity Investment	-	-	-	-
Enterprise Value	-	-	-	-
Sales Value	-	-	-	-
EBITDA	-	-	-	-
Debt Investment Value	-	-	-	-

Company Notes

No Company Notes exist.

Strategy Notes

No Strategy Notes exist.

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

Key Professionals	
Name	Title
Covey, Michael J.	Chairman of the Board, Chief Executive Officer and Member of Finance Committee
Cremers, Eric J.	President, Chief Operating Officer, Director and Member of Finance Committee
Richards, Jerald W.	Chief Financial Officer and Vice President
Brady, Stephanie A.	Principal Accounting Officer and Controller
Scott, Lorrie D.	Vice President, General Counsel and Corporate Secretary
Schwartz, Robert L.	Vice President of Human Resources
Benson, Mark J.	Vice President of Public Affairs
DeReu, William R.	Vice President of Real Estate & Lake States Resource
Temple, Thomas J.	Vice President of Wood Products & Southern Resource
Vleet, Matt Van	Spokeswoman

Key Board Members	
Name	Title
Covey, Michael J.	Chairman of the Board, Chief Executive Officer and Member of Finance Committee
Moody, John S.	Vice Chairman, Lead Independent Director, Member of Nominating & Corporate Governance Committee, Member of Executive Compensation & Personnel Policies Committee and Member of Finance Committee
Cremers, Eric J.	President, Chief Operating Officer, Director and Member of Finance Committee
Dickey, Boh A.	Independent Director, Chairman of Audit Committee and Member of Finance Committee
Driscoll, William L.	Independent Director, Chairman of Nominating & Corporate Governance Committee and Member of Finance Committee
Peiros, Lawrence S.	Independent Director, Chairman of Executive Compensation & Personnel Policies Committee, Member of Nominating & Corporate Governance Committee and Member of Audit Committee
Quesnel, Gregory L.	Independent Director, Chairman of Finance Committee, Member of Audit Committee, Member of Nominating & Corporate Governance Committee and Member of Executive Compensation & Personnel Policies Committee
Breard, Linda M.	Independent Director and Member of Audit Committee
Grenier, Charles P.	Independent Director, Member of Audit Committee, Member of Executive Compensation & Personnel Policies Committee and Member of Finance Committee

Current and Pending Direct Investments
9,285 Acres of Timberland in Arkansas, Louisiana-Pacific Corporation, Lumber Mill at Gwinn, Michigan, PFHI Idaho Investment LLC, PFPC McCall Investment LLC, Potlatch Forest Holdings, Inc., Potlatch Holdings, Inc., Potlatch Idaho Investment, LLC, Potlatch Lake States Timberlands LLC, Potlatch Land & Lumber, LLC, Potlatch Minnesota Timberlands, LLC, Potlatch Timberlands, LLC, Potlatch Wisconsin Timberlands, LLC, Tomahawk Timberlands, LLC and Tomahawk Highlands, LLC, Prime Forestland in Wisconsin, Western Pacific Timber, LLC, 179,000 Acres of Timberland in Idaho

Historical Equity Pricing Data supplied by
--

**Intraday Quotes are delayed by at least 20 minutes.

AMERICAN BANKRUPTCY INSTITUTE

Company Overview

Company Type: Public Investment Firm

Website: www.rayonier.com

Direct Investments: 49-Current and Pending; 9-Prior

Ticker: RYN (NYSE)

Year Founded: 1926

Color Notes

Rayonier Inc. operates as an investment arm of Rayonier TRS Operating Company. Rayonier, Inc. engages in the sale and development of real estate and timberland management, as well as in the production and sale of cellulose fibers in the United States, New Zealand, and Australia. The company operates in four segments: Timber, Real Estate, Performance Fibers, and Wood Products. Timber segment owns, leases, or manages timberlands and sells standing timber at auction to third parties, as well as sells delivered logs. Real Estate segment sells medium and large tracts of land with infrastructure. This segment holds development and rural properties primarily in the southeast United States. Performance Fibers segment manufactures cellulose specialties that are used principally in acetate textile fibers, cigarette filters, rigid packaging, LCD screens, photographic film, impact-resistant plastics, high-tenacity rayon yarn, pharmaceuticals, cosmetics, detergents, food casings, and food products; and absorbent materials that are used in disposable baby diapers, feminine hygiene products, incontinence pads, convalescent bed pads, industrial towels and wipes, and nonwoven fabrics. Wood Products segment primarily manufactures and sells dimension lumber used for residential and industrial construction applications. In addition, Rayonier involves in trading and exporting logs, lumber, and wood panel products. As of December 31, 2005, it owned, leased, or managed approximately 2.5 million acres of timberland and real estate. The company has a joint venture with RREEF Infrastructure to own and manage timber lands in New Zealand. Rayonier has elected to be treated as a real estate investment trust (REIT) for federal income tax purposes and would not be subject to federal income tax on its REIT income that it distributes to its shareholders. The company, formerly known as Rainier Pulp & Paper Company, was founded in 1926. Rayonier is headquartered in Jacksonville, Florida.

Primary Office Location

225 Water Street Suite 1400 | Jacksonville, FL | 32202 | United States
Phone: 904-357-9100

Corporate Parent

Rayonier TRS Operating Company

Current and Pending Investors

J.P. Morgan Investment Management Inc.

Stock Quote and Chart (Currency: USD)

Last (Delayed)	26.56	Market Cap (mm)	3,180.8
Open	27.00	Shares Out. (mm)	122.5
Previous Close	25.96	Float %	99.6%
Change on Day	0.60	Shares Sold Short (mm)	2.5
Change % on Day	2.3%	Dividend Yield %	3.9%
Day High/Low	27.00/ 26.46	Diluted EPS Excl. Extra Items	1.25
52 wk High/Low	28.16/ 17.85	P/Diluted EPS Before Extra	21.31x
Volume (mm)	0.61	Avg 3M Dly Vlm (mm)	0.37
Beta 5Y	0.57		

Delayed Quote** | Last Updated on Nov-03-2016 04:02 PM (GMT-5)

NYSE:RYN - Common Stock

Financial Information (Currency: USD, in mm)

Total Revenue	704.9	Market Capitalization	3,180.8	TEV/Total Revenue	6.0x
EBITDA	327.1	Total Enterprise Value	4,223.3	TEV/EBITDA	12.9x
EBIT	215.5	Cash & ST Invst.	110.0	P/Diluted EPS Before Extra	18.3x
Net Income	173.9	Total Debt	1,065.1	Price/Tang BV	2.3x
Capital Expenditure	(424.0)	Total Assets	2,671.4	Total Debt/EBITDA	3.3x

Currency in USD in mm, LTM as of Sep-30-2016 TEV and Market Cap are calculated using a close price as of Nov-02-2016

Direct Investment Criteria

Industries of Interest

No Industries of Interest exist.

Geographies of Interest

No Geographies of Interest exist.

Company Stages

No Company Stages exist.

Transaction Types

No Transaction Types exist.

Bite Size Information

Criteria (\$mm)	Min	Max	Min	Max
Equity Investment	-	-	-	-
Enterprise Value	-	-	-	-
Sales Value	-	-	-	-

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

EBITDA	-	-	-	-
Debt Investment Value	-	-	-	-

Company Notes

No Company Notes exist.

Strategy Notes

No Strategy Notes exist.

Key Professionals

Name	Title
Nunes, David L.	Chief Executive Officer, President and Director
McHugh, Mark D.	Chief Financial Officer and Senior Vice President
Bridwell, Mark R.	Vice President, General Counsel and Corporate Secretary
Pyatt, Shelby L.	Vice President of Human Resources and Information Technology
Corr, Christopher T.	Senior Vice President of Real Estate & Public Affairs and President of Terrapointe Services INC
Long, Douglas M.	Senior Vice President of U.S. Operations
Iannotti, Joseph L.	Vice President and Corporate Controller

Key Board Members

Name	Title
Kincaid, Richard D.	Chairman, Member of Audit Committee and Member of Compensation & Management Development Committee
Nunes, David L.	Chief Executive Officer, President and Director
Fraser, Dod A.	Director, Chairman of Audit Committee and Member of Compensation & Management Development Committee
Jones, Scott R.	Director, Chairman of Compensation & Management Development Committee and Member of Nominating & Corporate Governance Committee
Martin, V. Larkin	Director, Chairman of Nominating & Corporate Governance Committee and Member of Audit Committee
Blumberg, John A.	Director, Member of Compensation & Management Development Committee and Member of Nominating & Corporate Governance Committee
Lanigan, Bernard	Director, Member of Audit Committee and Member of Nominating & Corporate Governance Committee
Lincoln, Blanche Lambert	Director, Member of Audit Committee and Member of Nominating & Corporate Governance Committee
Wiltshire, Andrew G.	Director, Member of Audit Committee and Member of Compensation & Management Development Committee

Current and Pending Direct Investments

18,000 Acres in Southwest Louisiana and Northwest Oregon, 250,000 Acres of Timberlands, Approximately 62,600 Acres Of Timberland in East Texas, Belfast Commerce Centre LLC, Great Eastern Timber Company, LLC, Southern Alabama Timberland, Jefferson Smurfit Corp, Acres Of Timberland, Lassiter Properties Inc., 53,800 Acres of Timberland in Upstate New York, Matariki Forestry Group, Matariki Forests Limited, Menasha Forest Products Corporation, Neoga Lakes, LLC, Rayonier Canada Ltd, Rayonier Canterbury, LLC, Rayonier East Nassau Timber Properties I, LLC, Rayonier East Nassau Timber Properties II, LLC, Rayonier East Nassau Timber Properties III, LLC, Rayonier East Nassau Timber Properties IV, LLC, Rayonier East Nassau Timber Properties V, LLC, Rayonier East Nassau Timber Properties VI, LLC, Rayonier East Nassau Timber Properties VII, LLC, Rayonier Forest Resources, L.P., Rayonier Gulf Timberlands LLC, Rayonier Louisiana Timberlands LLC, Rayonier Mississippi Timberlands Company, Rayonier New Zealand Forests, Rayonier New Zealand Limited, Rayonier Operating Company LLC, Rayonier Performance Fibers, LLC, Rayonier Products LLC, Rayonier Properties, LLC, Rayonier Timberland Acquisitions Four, LLC, Rayonier Timberlands Management, LLC, Rayonier Timberlands Operating Co. L.P., Rayonier TRS Forest Operations, LLC, Rayonier TRS Holdings Inc., Rayonier TRS Louisiana Operations Inc., Rayonier TRS Mississippi Operations Inc., Rayonier TRS Operating Company, Rayonier TRS Tennessee Operations Inc., Rayonier Wood Procurement, LLC, Rayonier, Certain Land and Timber Property, Sierra Pacific Industries, Timberland in Southwestern Washington, Smurfit Stone Container Corp., Southeastern Timberland Holdings, Southern Wood Piedmont Co., TerraPointe LLC, TerraPointe Services, Inc., Timberland in Six States of USA, Timberland in Texas, Timberland Property in Georgia

Historical Equity Pricing Data supplied by

**Intraday Quotes are delayed by at least 20 minutes.

AMERICAN BANKRUPTCY INSTITUTE

Company Overview

Company Type: Public Company
Website: www.resolutefp.com
Number of Employees: 8,000
Ticker: RFP (NYSE)
Year Founded: -

Business Description

Resolute Forest Products Inc. operates in the forest products industry in the United States, Canada, and South Korea. It operates through five segments: Market Pulp, Tissue, Wood Products, Newsprint, and Specialty Papers. The Market Pulp segment provides market pulp, recycled bleached kraft pulp, and bleached hardwood kraft pulp used to make a range of consumer products comprising tissue, packaging, specialty paper products, diapers, and other absorbent products. The Tissue segment offers a range of tissue products, such as recycled and virgin paper products for the away-from-home and private-label at-home markets. The Wood Products segment produces construction-grade lumber, spruce-pine-fir lumber, bed frame components, finger joints, and furring strips, as well as I-joists. The Newsprint segment provides newsprint and sells to newspaper publishers worldwide, as well as to commercial printers in North America for a range of uses, such as inserts and flyers. The Specialty Papers segment produces various specialty papers consisting of uncoated mechanical papers, including supercalendered, superbright, high bright, bulky book, and directory papers, as well as coated mechanical papers and uncoated freesheet papers. Its specialty papers are used in books, retail inserts, direct mail, coupons, magazines, catalogs, and other commercial printing applications. This segment sells specialty papers to commercial printers, direct mailers, publishers, catalogers, and retailers. The company also produces electricity at seven cogeneration facilities and seven hydroelectric dams. Resolute Forest Products Inc. is based in Montreal, Canada.

Primary Industry Classification

Paper Products

Primary Office Location

111 Duke Street Suite 5000 | Montréal, QC | H3C 2M1 | Canada
Phone: 514-875-2515

Current and Pending Investors

Fairfax Financial Holdings Limited (TSX:FFH), Steelhead Partners, LLC

Prior Investors

Paulson & Co. Inc.

Investment Arms

AbitibiBowater Inc. Foreign Equity Master Trust Fund, The AbitibiBowater Inc. US Master Trust for Defined Benefit Plans

Stock Quote and Chart (Currency: USD)

Last (Delayed)	4.00	Market Cap (mm)	358.5
Open	4.50	Shares Out. (mm)	89.6
Previous Close	4.00	Float %	99.9%
Change on Day	(0.45)	Shares Sold Short (mm)	0.6
Change % on Day	(10.1)%	Dividend Yield %	-
Day High/Low	4.60/ 3.85	Diluted EPS Excl. Extra Items	(3.00)
52 wk High/Low	8.41/ 3.79	P/Diluted EPS Before Extra	NM
Volume (mm)	0.82	Avg 3M Dly Vlm (mm)	0.14
Beta 5Y	1.55		

Delayed Quote** | Last Updated on Nov-03-2016 04:03 PM (GMT-5)

NYSE:RFP - Common Stock

Financial Information (Currency: USD, in mm)

Total Revenue	3,550.0	Market Capitalization	398.8	TEV/Total Revenue	0.3x
EBITDA	239.0	Total Enterprise Value	1,087.8	TEV/EBITDA	4.6x
EBIT	21.0	Cash & ST Invst.	55.0	P/Diluted EPS Before Extra	NM
Net Income	(250.0)	Total Debt	727.0	Price/Tang BV	0.2x
Capital Expenditure	(239.0)	Total Assets	4,312.0	Total Debt/EBITDA	3.0x

Currency in USD in mm, LTM as of Sep-30-2016 TEV and Market Cap are calculated using a close price as of Nov-02-2016

Index Membership

62

[illegible]

AMERICAN BANKRUPTCY INSTITUTE

Company Notes

No Company Notes exist.

Strategy Notes

No Strategy Notes exist.

Key Professionals

Name	Title
Garneau, Richard C.	Chief Executive Officer, President and Director
Longworth, Jo-Ann	Chief Financial Officer and Senior Vice President
Travaglini, Silvana	Chief Accounting Officer and Vice President
Vachon, Jacques P.	Chief Legal Officer, Senior Vice President of Corporate Affairs and Corporate Secretary
Kursman, Seth	Vice President of Corporate Communications, Sustainability and Government Affairs
Boniferno, Stephen	Senior Vice President of Human Resources
LaFave, John	Senior Vice President of Pulp & Paper Sales & Marketing
Laflamme, Yves	Senior Vice President of Wood Products, Procurement & Information Technology
Piche, Andre L.	Senior Vice President of Tissue Group
Tremblay, Richard Joseph	Senior Vice President of Pulp & Paper Group
Lalonde, Rémi G.	Vice President and Treasurer
Blackburn, Karl	Director of Canadian Public Affairs & Government Relations - Canada Regional Issues

Key Board Members

Name	Title
Martin, Bradley P.	Non-Executive Chairman, Member of Environmental, Health & Safety Committee and Member of Finance Committee
Garneau, Richard C.	Chief Executive Officer, President and Director
Falconer, Richard Douglas	Director, Chairman of Finance Committee, Member of Environmental, Health & Safety Committee and Member of Audit Committee
Hearn, Jeffrey A.	Director, Chairman of Environmental, Health & Safety Committee and Member of Human Resources & Compensation/Nominating & Governance Committee
Rhéaume, Alain	Lead Director, Chairman of Audit Committee and Member of Finance Committee
Rousseau, Michael Stewart	Director, Chairman of Human Resources & Compensation/Nominating & Governance Committee and Member of Audit Committee
Desbiens, Michel P.	Director, Member of Environmental, Health & Safety Committee and Member of Finance Committee
Dolan, Jennifer C.	Director, Member of Audit Committee and Member of Human Resources, Compensation/Nominating & Governance Committee
Wilkins, David H.	Director, Member of Human Resources & Compensation/Nominating & Governance Committee and Member of Environmental, Health & Safety Committee

Current and Pending Subsidiaries / Investments

ABI Escrow Corporation, AbitibiBowater, Abitibi Consolidated Sales LLC, AbitibiBowater Canada Inc., AbitibiBowater Canadian Forest Products, Inc., AbitibiBowater Inc., 997 acres of Timberland in Rhea County, Tennessee, AbitibiBowater, Inc., Dam and Related Pipeline Assets in New Brunswick, AbitibiBowater, Inc., Paper Mill in Lufkin, Texas, Atlas Paper Mills, LLC, Augusta Newsprint Holding LLC, Boralex Inc., Thermal Power Station in Dolbeau, Québec, Bowater Alabama LLC, Bowater Finance II LLC, Bowater Newsprint South LLC, Bowater Nuway Inc., Bowater Nuway Mid-States Inc., Bowater Shelburne Corporation, Calhoun Newsprint Company, Donohue Corp, FD Powerco LLC, Fibrek Inc., Fibrek U.S. Inc., GLPC Residual Management, LLC, Lake Superior Forest Products Inc., Produits Forestiers Mauricie S.E.C., Resolute FP Canada Inc., Resolute FP US Inc., Tembec Inc., Senneterre Sawmill Operations (Pending)

Historical Equity Pricing Data supplied by

**Intraday Quotes are delayed by at least 20 minutes.

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

Company Overview	
Company Type:	Public Investment Firm
Website:	www.weyerhaeuser.com
Direct Investments:	31-Current and Pending; 72-Prior
Ticker:	WY (NYSE)
Year Founded:	1900

Color Notes
Weyerhaeuser Co. is a real estate investment trust. It primarily invests in United States. The firm operates under four business segments, timberlands, wood products, cellulose fibers and real estate. It owns timberlands primarily in the U.S and has long-term licenses in Canada. The firm manufactures wood and specialty cellulose fibers products, and develops real estate, primarily as a builder of single-family homes. Weyerhaeuser Co was founded in 1900 and is based in Federal Way, Washington.

Primary Office Location
33663 Weyerhaeuser Way South Federal Way, WA 98063 United States Phone: 253-924-2345

Current and Pending Investors
Morgan Stanley (NYSE:MS)

Prior Investors
Paulson & Co. Inc.

Stock Quote and Chart (Currency: USD)			
Last (Delayed)	28.63	Market Cap (mm)	21,544.1
Open	28.88	Shares Out. (mm)	748.1
Previous Close	28.80	Float %	98.8%
Change on Day	(0.17)	Shares Sold Short (mm)	14.1
Change % on Day	(0.6)%	Dividend Yield %	4.3%
Day High/Low	29.14/ 28.58	Diluted EPS Excl. Extra Items	0.75
52 wk High/Low	33.17/ 22.06	P/Diluted EPS Before Extra	38.09x
Volume (mm)	3.02	Avg 3M Dly Vlm (mm)	3.42
Beta 5Y	1.37		
Delayed Quote** Last Updated on Nov-03-2016 03:59 PM (GMT-5)		NYSE:WY - Common Stock	

Financial Information (Currency: USD, in mm)					
Total Revenue	7,871.0	Market Capitalization	21,544.1	TEV/Total Revenue	3.8x
EBITDA	1,765.0	Total Enterprise Value	29,597.1	TEV/EBITDA	16.8x
EBIT	1,217.0	Cash & ST Invest.	769.0	P/Diluted EPS Before Extra	38.3x
Net Income	546.0	Total Debt	8,822.0	Price/Tang BV	2.4x
Capital Expenditure	(62.0)	Total Assets	20,946.0	Total Debt/EBITDA	5.0x
Currency in USD in mm, LTM as of Sep-30-2016 TEV and Market Cap are calculated using a close price as of Nov-02-2016					

Direct Investment Criteria					
Industries of Interest					
No Industries of Interest exist.					
Geographies of Interest					
No Geographies of Interest exist.					
Company Stages			Transaction Types		
No Company Stages exist.			No Transaction Types exist.		
Bite Size Information					
Criteria (\$mm)	Min	Max	Min	Max	
Equity Investment	-	-	-	-	
Enterprise Value	-	-	-	-	
Sales Value	-	-	-	-	
EBITDA	-	-	-	-	
Debt Investment Value	-	-	-	-	

Company Notes
No Company Notes exist.

Strategy Notes
No Strategy Notes exist.

AMERICAN BANKRUPTCY INSTITUTE

Key Professionals	
Name	Title
Simons, Doyle R.	Chief Executive Officer, President and Director
Hagen, Russell S.	Chief Financial Officer and Senior Vice President
Hillman, Jeanne M.	Principal Accounting Officer and Vice President
Merle, Denise M.	Senior Vice President of Human Resources and Investor Relations
Leuzzi, Paul W.	Chief Compliance Officer
Stockfish, Devin W.	Senior Vice President, General Counsel and Corporate Secretary
Blocker, Adrian M.	Senior Vice President of Wood Products
Hunter, Rhonda A. D.	Senior Vice President of Timberlands
Kilberg, James A.	Senior Vice President of Real Estate, Energy & Natural Resources
Punke, Timothy E.	Senior Vice President of Corporate Affairs
Slater, Catherine I.	Senior Vice President of Cellulose Fibers
Dzida, Fred	President of Weyerhaeuser Company Ltd

Key Board Members	
Name	Title
Holley, Rick R.	Non-Executive Chairman
Simons, Doyle R.	Chief Executive Officer, President and Director
Piasecki, Nicole W.	Independent Director, Chairman of Governance & Corporate Responsibility Committee and Member of Compensation Committee
Steuert, Douglas Michael	Independent Director and Chairman of Audit Committee
Williamson, Charles R.	Lead Independent Director, Chairman of Executive Committee and Chairman of Compensation Committee
Bozeman, David P.	Independent Director and Member of Governance & Corporate Responsibility Committee
Emmert, Mark A.	Independent Director and Member of Compensation Committee
Kieckhefer, John I.	Independent Director, Member of Executive Committee and Member of Compensation Committee
Lewis, Sara Grootwassink	Independent Director and Member of Audit Committee
Morgan, John F.	Independent Director and Member of Audit Committee
Racicot, Marc F.	Independent Director, Member of Audit Committee and Member of Governance & Corporate Responsibility Committee
Selzer, Lawrence A.	Independent Director, Member of Compensation Committee and Member of Governance & Corporate Responsibility Committee

Current and Pending Direct Investments
Bowater Inc., Dryden Mill, Columbia & Cowlitz Railway Company, CSR Ltd., Plantations and Solidwood Manufacturing Assets in Victoria, CSR Ltd., Two Sawmills, Freeman Brothers Inc., Idabel Mill, Green Forest Lumber Corp., Gryphon Asset Management, Inc., Gryphon Investments of Nevada, Inc., Legacy Lumber Company, Longview Timber LLC, Macmillan Bloedel Delaware Inc, MacMillan Bloedel Inc., MacMillan Bloedel Limited, Ouachita Timberlands LLC, Plum Creek Timber Co. Inc., Saskfor MacMillan Limited Partnership, Southern Container Corp., Timberland Industries Inc., TJ International, Inc., Weyerhaeuser (U.S.A.) Inc., Weyerhaeuser Capital Trust I, Weyerhaeuser Capital Trust II, Weyerhaeuser Columbia Timberlands LLC, Weyerhaeuser Company Master Retirement Trust, Weyerhaeuser Financial Services, Inc., Weyerhaeuser NR Company, Weyerhaeuser Sales Company, Weyerhaeuser Uruguay S.A., Weyerhaeuser USA LLC, Willamette Industries, Inc., Willamette Mexican Holding Company

Investments as an LP
Argentina Private Equity Fund II, L.P., Exxel Capital Partners 5.5, L.P., Exxel Capital Partners V, L.P., Exxel Capital Partners VI, L.P., Lone Star Investment Advisors LLC, Lone Star New Markets Fund, L.P., Plum Creek Timber Co. Inc., Silver Creek Advisory Partners LLC, The Exxel Group, Twin Creeks Timber, LLC

Historical Equity Pricing Data supplied by
--

**Intraday Quotes are delayed by at least 20 minutes.

EXHIBIT A



Medford
Lumber
Company

Log Supply Agreement (LSA)

Summary of Terms

Term of Agreement	<ul style="list-style-type: none"> Initial term of 3 years with option to extend by mutual consent for two additional three-year periods
Subject logs	<ul style="list-style-type: none"> Merchantable volumes identified to be produced from standing and down timber under sellers ownership which shall be delivered to Purchasers sawmill or log storage yard in Medford, OR
Purchaser	<ul style="list-style-type: none"> Millco
Seller	<ul style="list-style-type: none"> Forestco
Annual Volume Commitment	<ul style="list-style-type: none"> All timber volume of at least 40 MMBF, net short log Scribner scale, harvested during such calendar year, subject to commercially reasonable efforts, acts of God, weather, legal or regulatory limitations and other constraints, etc.
Species & Log Size Proportions	<ul style="list-style-type: none"> Purchaser agrees to purchase volume in the size and species mix proportionate to that found in stands actually harvested by Seller
Pricing	<ul style="list-style-type: none"> Prices shall be established quarterly, one month in advance or as reasonably practicable Prices shall be agreed upon by the parties based upon relevant parameters, including species, size class and age class. Seller shall pay the Oregon yield tax payment Purchaser shall pay for log scaling Purchaser and Seller shall share transactional evidence for the prior three months one month prior to start of each new quarter Parties will negotiate and reach agreement on price based on the combined weighted transaction evidence indicated prices (stumpage prices). In the event the parties are unable to reach agreement, the parties agree to hire a mutually agreeable third party consultant to set the disputed price that will be accepted by the parties.
Payment	<ul style="list-style-type: none"> All logs delivered the first 15 days of the calendar month shall be paid for by the 25th day of the month. All logs delivered after the 15th day of the month shall be paid for by the 10th day of the following month.
Scaling	<ul style="list-style-type: none"> All logs shall be hand-scaled by the Oregon Log Scaling and Grading Bureau using net short log Scribner scale (20 foot maximum segment).
Log Volume Delivery Schedule	<ul style="list-style-type: none"> Deliveries in any calendar quarter shall be woods run. Seller makes no representation deliveries will duplicate historical averages or projections. Deliveries will reflect weather, regulatory and contractor delays.

AMERICAN BANKRUPTCY INSTITUTE

Point of transfer	<ul style="list-style-type: none"> Log sales shall occur when timber is received by Purchaser at Purchasers sawmill or log storage yard. There shall be no sales of standing timber.
Delivery	<ul style="list-style-type: none"> All logs sold to Purchaser shall be delivered to Purchaser's sawmill or log storage yard If unloading is delayed greater than 30 minutes by Purchasers operation, waiting charges exceeding 30 minutes shall be paid by Purchaser
Default	<ul style="list-style-type: none"> If payment is not made by due date, Seller may, at its sole discretion, cease deliver of logs until default is cured. If payment default is not cured within 10 days, Seller may, at its sole discretion, terminate this sale agreement. If Purchaser refuses to accept delivery of logs for a period greater than five business days within any given quarter, Seller may, at its sole discretion, terminate the agreement Termination of the agreement by Seller for reasons of default by Purchaser shall not waive right of Seller to damages for breach or of any other right or remedy. Termination of the agreement by Seller pursuant to its terms shall not entitle Purchaser to any damages. This Agreement shall terminate, without notice, (i) upon the institution by or against either party of insolvency, receivership or bankruptcy proceedings or any other proceedings for the settlement of either party's debts, (ii) upon either party making an assignment for the benefit of creditors, or (iii) upon either party's dissolution or ceasing to do business.
Nonassignability	<ul style="list-style-type: none"> The agreement is not assignable by Purchaser either in whole or in part.

EXHIBIT B

Summary of Terms

Forestco Bonds

Issuer / Borrower:	Forestco								
Guarantor:	Medford Lumber Company								
Closing Date:	June 20, 2008								
Securities:	\$500 million of Senior Secured Bonds (the “Forestco Bonds”)								
Maturity Date:	The then outstanding Forestco Bonds shall be due and payable in full 30 years from the anniversary of the Closing Date.								
Principal:	\$500,000,000.00								
Coupon Rate:	The interest on the Forestco Bonds shall be 7.0% per annum, payable semi-annually on the 20 th day of each January and July of each year.								
Default Interest:	Upon and during the continuance of an Event of Default, additional interest of 2% per annum, payable monthly in cash, will accrue and be payable in cash on the Forestco Bonds.								
Amortization:	Principal payments of \$8.3 million, payable semi-annually on the 20 th day of each January and July of each year.								
Use of Proceeds:	Forestco will use the proceeds of the Forestco Bonds for general corporate purposes.								
Security:	The Forestco Bonds will be secured by first priority perfected liens on the timberlands, timber thereon and products and proceeds thereof.								
Transferability:	The Forestco Bonds will be freely assignable, in whole or in part.								
Prepayment:	Forestco will have the option to prepay the Forestco Bonds in whole or in part at any time, subject to payment of the following Prepayment Fees:								
	<table> <tr> <td>Prior to 1st anniversary of Closing:</td><td>1.00%</td></tr> <tr> <td>Prior to 2nd anniversary of Closing:</td><td>0.75%</td></tr> <tr> <td>Prior to 5th anniversary of Closing:</td><td>0.50%</td></tr> <tr> <td>Thereafter:</td><td>none</td></tr> </table>	Prior to 1 st anniversary of Closing:	1.00%	Prior to 2 nd anniversary of Closing:	0.75%	Prior to 5 th anniversary of Closing:	0.50%	Thereafter:	none
Prior to 1 st anniversary of Closing:	1.00%								
Prior to 2 nd anniversary of Closing:	0.75%								
Prior to 5 th anniversary of Closing:	0.50%								
Thereafter:	none								
Events of Default:	Usual events of default, including, but not limited to, defaults relating to payment, cross-default, violation of covenants, breach of representations or warranties, bankruptcy or insolvency, judgment,								

AMERICAN BANKRUPTCY INSTITUTE

ERISA, environmental, change of control and other events of default which are customary in facilities of this nature.

Grace Period:	Payments not made by the due date will not be in default until 30 days after the due date.
Default Provisions:	Upon the expiration of the Grace Period the Indenture Trustee or holders of at least 25% of the bonds may cause all principal and interest to be immediately due and payable.
Modifications to Indenture:	Any changes to the payment terms in the Trust Indenture must be approved by holders of at least 90% of the Forestco Bonds.

EXHIBIT C**Summary of Terms****Millco Notes**

Issuer / Borrower:	Millco
Guarantor:	Medford Lumber Company
Lender:	Medford National Bank
Closing Date:	September 30, 2011
Securities:	\$80 million of Senior Secured Notes (the "Millco Notes")
Maturity Date:	The then outstanding Millco Notes shall be due and payable in full 10 years from the anniversary of the Closing Date.
Principal:	\$80,000,000.00
Coupon Rate:	The Interest on the Millco Notes shall be 6.5% per annum, payable semi-annually on the 30 th day of each March and September of each year.
Default Interest:	Upon and during the continuance of an Event of Default, additional interest of 2% per annum, payable monthly in cash, will accrue and be payable in cash on the Millco Notes.
Amortization:	Principal payments of \$4 million, payable semi-annually on the 20 th day of each March and September of each year.
Use of Proceeds:	Millco will use the proceeds of the Millco Notes for capital expenditures and other expenses related to the consolidation and upgrade of its sawmill facility.
Security:	The Millco Notes will be secured by first priority perfected liens on the real and personal property and fixtures associated with the sawmill facility.
Transferability:	The Millco Notes will be freely assignable, in whole or in part.
Prepayment:	Millco will have the option to prepay the Millco Notes in whole or in part at any time without fees.
Grace Period:	Payments not made by the due date will not be in default until 30 days after the due date.
Events of Default:	Usual events of default, including, but not limited to, defaults relating to payment, cross-default, violation of covenants, breach of

representations or warranties, bankruptcy or insolvency, judgment, ERISA, environmental, change of control and other events of default which are customary in facilities of this nature.

EXHIBIT D

**Summary of Terms
MLC Bonds**

Issuer / Borrower:	Medford Lumber Company ("MLC")
Closing Date:	April 1, 1994
Securities:	\$300 million Senior Secured Term Bonds (the "MLC Bonds")
Maturity Date:	The then outstanding MLC Bonds shall be due and payable in full 25 years from the anniversary of the Closing Date.
Principal:	\$300,000,000.00
Coupon Rate:	15.0% per annum, payable quarterly.
Default Interest:	Upon and during the continuance of an Event of Default, additional interest of 5% per annum, payable monthly in cash, will accrue and be payable in cash on the MLC Bonds.
Amortization:	Principal payments of \$4 million, payable semi-annually on the first day of each March and September of each year.
Use of Proceeds:	MLC will use the proceeds of the MLC Bonds to fund shareholder distributions and for other general corporate purposes.
Security:	The MLC Bonds will be secured by first priority security interest on all the capital stock of each Subsidiary of the Company.
Transferability:	The MLC Bonds will be freely assignable, in whole or in part.
Prepayment:	<p>MLC will have the option to prepay the MLC Bonds in whole or in part beginning 10 years after the anniversary of the Closing. In the event of an early redemption, the MLC Bonds will bear a premium of 101% from the 10th anniversary of the Closing to the 15th anniversary of the Closing, and par thereafter.</p> <p>MLC shall provide 90 days' notice of its intent to elect an early termination of the Medford Notes.</p>
Subsidiaries:	Forestco, Millco
Events of Default:	Usual events of default, including, but not limited to, defaults relating to payment, cross-default, violation of covenants, breach of representations or warranties, bankruptcy or insolvency, judgment, ERISA, environmental, change of control and other events of default which are customary in facilities of this nature.

Summary of Terms

Medford Revolving Credit Facility

Issuer / Borrower:	Medford Lumber Company (“MLC”)
Administrative Agent:	Bank of Oregon
Closing Date:	March 31, 2012
Securities:	\$55 million Senior Secured Revolving Credit Facility (the “Revolving Credit Facility”)
Maturity Date:	5 years from the anniversary of the Closing Date. May be extended in 2 year increments at mutual agreement of both parties.
Commitment:	\$55,000,000.00
Coupon Rate:	All amounts outstanding under the Revolving Credit Facility shall bear interest at LIBOR + 3.5% per annum, payable monthly, calculated on a 360-day year.
Default Interest:	Upon and during the continuance of an Event of Default, additional interest of 2% per annum, payable monthly in cash, will accrue and be payable in cash.
Use of Proceeds:	MLC will use the proceeds of the Revolving Credit Facility to finance working capital in the ordinary course of the company’s business and for other general corporate purposes.
Security:	The Revolving Credit Facility will be secured by first priority security interest on all the capital stock of each Subsidiary of the Company
Unused Line Fee:	There shall be a fee of 25 basis points per annum, payable monthly, on the unused amount of the Revolving Credit Facility.
Prepayment:	The Revolving Credit Facility may be prepaid in whole or in part on the last day of any related interest period, subject to payment of any applicable Prepayment Fee due hereunder if such prepayment is accompanied by a permanent reduction in the commitment for the Revolving Credit Facility. The Borrowers shall provide 90 days notice of its intent to elect an early termination of the Credit Facility and would pay any Prepayment Fee otherwise due hereunder, in connection with termination of the Facility. If the Revolving Credit Facility is terminated for any reason, it shall be subject to the following Prepayment Fees:

EXHIBIT E

Year 1:	1.00%
Year 2:	0.50%
Thereafter:	None

Transferability:	The Revolving Credit Facility will be freely assignable, in whole or in part.
Subsidiaries:	Forestco, Millco
Events of Default:	Usual events of default, including, but not limited to, defaults relating to payment, cross-default, violation of covenants, breach of representations or warranties, bankruptcy or insolvency, judgment, ERISA, environmental, change of control and other events of default which are customary in facilities of this nature.

EXHIBIT F

Real Estate Appraisers of Medford

To: Medford Lumber Company

RE: Appraisal of Real Property

Recently you retained Market Real Estate Appraisers of Medford ("REAM") to perform an appraisal of the market value of your non-timber real property assets. In addition you requested that we provide an estimate of the liquidation value of the Mill. The following is a summary of our conclusions.

Asset	Market Value (in \$millions)	Liquidation Value (in \$millions)
Mill	\$50.0 - \$60.0	\$12-\$15
Theatre	.5	
Office building/post office	.4	
Strip mall	3.0	
Medical center	.6	
Church	.3	
Recreation center	1.0	
Day care center	.2	
Fire station	.4	
Power plant	15.0-20.0	
School	1.7-2.0	
Gas station	.2	
Motel	.2	
100 personal residences	16.3-23.7	
Total	\$89.8-\$112.5	

Tall Tree Associates

Summary of Harvest Capacity and Forecasted Log Pricing

MLC has engaged Tall Tree Associates to perform a full cruise of the timber holdings of Forestco and report on the harvest capacity. In performing this analysis Tall Tree Associates has used its proprietary data base to develop a 100 year growth model for the forest. The following summary is based on the exhaustive analysis of the recent cruise data combined with the output of the growth model. The pricing information reflects the combination of the econometric modeling Tall Tree routinely updates under its contracts with public agencies. The information provided is confidential and remains the property of Tall Tree Associates. Under our engagement agreement you (MLC) are provided a limited use license of the information and conclusions.

	Harvest Volumes (MBF)			Pricing Per MBF (Stumpage)		
Year	Redwood	Douglas-fir	Total	Redwood	Douglas-fir	Weighted Ave.
2017	37,000	13,000	50,000	\$750	\$350	\$646
2018	40,700	14,300	55,000	775	375	671
2019	40,700	14,300	55,000	800	400	696
2020	40,700	14,300	55,000	850	450	746
2021	40,700	14,300	55,000	900	500	796

Glossary of Forestry Terms

Board Foot (BF) – A unit for measuring wood volume in a tree, log, or board. A board foot contains 144 cubic inches and is commonly 1 foot by 1 foot by 1 inch.

Cruise – A survey of forest land to locate timber and estimate its quantity by species, products, size, quality or other characteristics.

Depletion – The using up or sale of value of taxable natural resource.

Green Lumber – Freshly sawed or undried wood.

MBF – Abbreviation for 1,000 board feet. MBF is a typical unit base of measurement for logs and lumber in the industry.

MBFE – Under the MBFE concept, one thousand board feet, net scribner scale, of old growth Redwood timber equates to one MBFE. One thousand board feet, net scribner scale, of each other species and category of timber is assigned a value in MBFE equal to a fraction of an MBFE. This fraction is generally determined by dividing the SBE Price applicable to such species and category for the first half of 1998 by the SBE Price applicable to old growth Redwood for the first half of 1998.

Log Rule – Table of values from which the volume of a log can be expressed in the desired unit of measurement (typically MBF). There are over 100 log rules in use, most of which use the diameter on the small end of the log.

Saw Kerf – Width of the saw tooth at its outermost widest point.

Scaling – Measurement and grading of wood volume contained in a log (i.e., the number of board feet of lumber that can be sawn from a log). The measuring standard is the log rule.

Scribner Log Rule – Main log rule used in Oregon. The Scribner Log Rule was developed in the mid 1800s and was created by drawing the cross-sections of 1-inch boards within circles representing the end view of logs. A space of 1/4 inch was left between the boards to account for saw kerf.

Silvicultural System – The art, science and practice of establishing, tending and reproducing forest stands of desired characteristics. It is based on knowledge of species characteristics and environmental requirements.

Standing Timber – Timber that has not been cut or sold. Value is referred to as stumpage.

Stumpage – The value or volume of a standing, uncut tree (on the stump) or group of trees. Stumpage value is determined by a variety of factors, including the species of tree, quality and size of trees, location of the lot, market conditions, terrain and available wood to sell.

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

EXHIBIT I

<i>Housing and Interest Rate Forecast, 10/28/2016</i>							
	2012	2013	2014	2015	2016	2017	2018
<i>Housing Activity (000)</i>							
Total Housing Starts	784	928	1,001	1,108	1,143	1,258	1,365
Single Family	537	620	647	713	773	873	992
Multifamily	247	308	355	395	369	385	373
New Single Family Sales	368	430	440	502	574	647	731
Existing Single-Family Home Sales	4,125	4,475	4,338	4,627	4,790	4,879	5,004
<i>Interest Rates</i>							
Federal Funds Rate	0.13%	0.13%	0.13%	0.38%	0.44%	1.00%	2.00%
90 day T Bill Rate	0.09%	0.06%	0.03%	0.05%	0.34%	0.87%	1.81%
Treasury Yields:							
One Year Maturity	0.18%	0.13%	0.12%	0.32%	0.63%	1.21%	2.22%
Ten Year Maturity	1.80%	2.35%	2.54%	2.14%	1.74%	2.10%	2.92%
Freddie Mac Commitment Rates:							
Fixed Rate Mortgages	3.66%	3.98%	4.17%	3.85%	3.56%	3.79%	4.57%
ARMs	2.69%	2.88%	3.02%	2.94%	2.79%	3.05%	3.87%
Prime Rate	3.25%	3.25%	3.25%	3.26%	3.53%	4.00%	5.00%
Data are averages of seasonally adjusted quarterly data and may not match annual data published elsewhere.							

LIBOR Forecast By Month.

Year	Month	Open	Max	Min	Close	Average	Month%Ch	Total%Ch
2016	November	0.884	0.928	0.823	0.875	0.878	-1.02%	-1.02%
2016	December	0.875	0.918	0.814	0.866	0.868	-1.03%	-2.04%
2017	January	0.866	0.964	0.854	0.909	0.898	4.97%	2.83%
2017	February	0.909	1.011	0.897	0.954	0.943	4.95%	7.92%
2017	March	0.954	1.062	0.942	1.002	0.99	5.03%	13.35%
2017	April	1.002	1.013	0.899	0.956	0.968	-4.59%	8.14%
2017	May	0.956	1.064	0.944	1.004	0.992	5.02%	13.57%
2017	June	1.004	1.078	0.956	1.017	1.014	1.29%	15.05%
2017	July	1.017	1.071	0.949	1.01	1.012	-0.69%	14.25%
2017	August	1.01	1.107	0.981	1.044	1.035	3.37%	18.10%
2017	September	1.044	1.107	0.981	1.044	1.044	0.00%	18.10%
2017	October	1.044	1.162	1.03	1.096	1.083	4.98%	23.98%
2017	November	1.096	1.22	1.082	1.151	1.137	5.02%	30.20%
2017	December	1.151	1.254	1.112	1.183	1.175	2.78%	33.82%
2018	January	1.183	1.239	1.099	1.169	1.173	-1.18%	32.24%
2018	February	1.169	1.301	1.153	1.227	1.213	4.96%	38.80%
2018	March	1.227	1.365	1.211	1.288	1.273	4.97%	45.70%
2018	April	1.288	1.363	1.209	1.286	1.287	-0.16%	45.48%
2018	May	1.286	1.388	1.23	1.309	1.303	1.79%	48.08%
2018	June	1.309	1.429	1.267	1.348	1.338	2.98%	52.49%
2018	July	1.348	1.478	1.31	1.394	1.383	3.41%	57.69%
2018	August	1.394	1.529	1.355	1.442	1.43	3.44%	63.12%
2018	September	1.442	1.514	1.342	1.428	1.432	-0.97%	61.54%
2018	October	1.428	1.589	1.409	1.499	1.481	4.97%	69.57%
2018	November	1.499	1.6	1.418	1.509	1.507	0.67%	70.70%



Valuation Panel

Panel Overview

Panel Description

- **Valuation of the assets** - Panel will be focused on creating an analysis detailing the expected enterprise value of the business, using typical drivers such as a DCF and/or exit multiple analysis. Panel should discuss the rationale behind metrics in their analysis, with their perspective being driven by whether they represent the debtor, UCC or successor entity. Should also consider whether a sale or some or all of the assets maximize value. At the end of the three presentations the audience will vote on which analysis they felt was most reasonable:
 - **Format** – 10 minute moderator overview, 60 minutes of panelist discussion (20 minutes for each of debtor, UCC, successor), 15 minutes Q&A, 15 minutes voting, 10 minutes on case follow-up.
 - **Analysis required** – Valuation detailing enterprise value using common methodologies (DCF, multiple, etc).

Company Overview

- The Company has three operating units – Millco, Forestco and Townco
 - Forestco owns the trees and sells the cut lumber to Millco for at current market stump prices
 - Millco owns a state of the art mill it uses to create lumber products from the trees provided by Forestco. There is a Log Supply Agreement (“LSA”) in place for Forestco to sell Millco product. Millco is located near Forestco land. The LSA also requires Millco to provide certain operational and management services not handled by Forestco’s own employees
 - Townco was established to provide a place for the workers to live. Townco owns all the real estate, which includes 100 residential homes, gas station, fire station and the power plant. Townco generates \$15 million in revenue per year from rent and selling excess power to the local energy company. Townco is a subsidiary of Millco.
 - There are 120 employees across all three operating subsidiaries.
- The Company’s capital structure is as follows
 - MLC – 51% owned by Sutton Private Equity and 49% owned by Grange Family Office. There is also a secured revolver with \$55 million drawn and \$20 million of secured bond debt.
 - Forestco – 100% owned by MLC. Also has \$500 million in secured bonds.
 - Millco – 100% owned by MLC. Also has \$80 million in secured bank debt.
 - Townco – 100% owned by Millco. Does not have any debt.

3

My view on perspectives (for discussion)

Debtor	Unsecured Creditors Committee	Successor
<ul style="list-style-type: none"> Point-of-view driven by private equity sponsor Sutton and Grange Family Office, the original owners From a valuation perspective, looking to value the businesses as one combined entity Likely have a view that Millco is generating too little EBITDA in 2016 due to price imbalance for Lumber. Expect change in future years Will likely want to put more value on the mill and less on the forest, to try to reduce debt as much as possible Will not put much value on the town 	<ul style="list-style-type: none"> Point-of-view driven by a committee composed of trade creditors and environmental litigants Trade creditors primarily in Millco, and concerned with continuing business Environmental creditors concerned about both forest reduction and pollution from mill Will likely want to show high values for both Millco and Forestco, to potentially show they are “in-the-money” Will also want to show Town has significant value, as it is not pledged as a security interest Given differing viewpoints on committee, trade vendors may want to sell Millco to maximize value away from environmental litigants (who want to reduce volumes) 	<ul style="list-style-type: none"> Point-of-view of an outsider looking at the company as a potential opportunistic acquisition Will want to partner with a secured lender (or buy their claim) to increase the leverage over the company Will want to show higher values for Forestco, as that is where most of the Secured debt is located Less interest in the Mill, and might even argue to shut it down since it loses money. No secured debt at the town makes it less interesting for the successor, particularly if the mill shuts down (reducing the number of renters) Most likely party to push for a sale or a credit bid. Might try to pick up other assets on the cheap

4

Forestco Overview

- Based on September 2016 YTD numbers, forecast projected to generate \$43.3M in revenue and \$19.5M in EBITDA
 - Assuming logging volume of 50,000, estimated rate per log of \$866
 - Gross margin of 80%
 - SG&A expense of \$15.2M for FY 2016
 - Capex ~\$0.5M per year

Year	Harvest Volumes (MBF)			Pricing Per MBF (Stumpage)		
	Redwood	Douglas-fir	Total	Redwood	Douglas-fir	Weighted Ave.
2017	37,000	13,000	50,000	\$750	\$350	\$646
2018	40,700	14,300	55,000	775	375	671
2019	40,700	14,300	55,000	800	400	696
2020	40,700	14,300	55,000	850	450	746
2021	40,700	14,300	55,000	900	500	796

- Current Tall Trees Estimate Suggests a significant revenue drop for 2017
 - Estimated revenue of \$32.3M, and COGS of \$6.5M
 - SG&A of \$15.5M assuming a 2% growth rate
 - EBITDA of \$10.3M with these assumptions
- Recovery in future periods based on price growth/volume growth

5

Millco Overview

- Based on September 2016 YTD numbers, forecast projected to generate \$59.8M in revenue and \$2.4M in EBITDA
 - Assumes Townco is a roughly break-even business – generating \$14.3M in revenue and \$14.1M in cost
 - Mill generates \$45.5M of revenue on \$43.3M of cost
- Millco should benefit significantly from reduction in lumber costs in 2017
 - Assuming revenues for 50,000 MBF of \$45.5M, reduction in average cost to \$646 per MBF will result in Mill EBITDA of \$13.2M
 - Town should continue to break even or be slightly positive in EBITDA
- Capex ~\$1M per year

6

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

YTD September I/S

	ForestCo	MillCo	HoldCo	Interco. Elimination	Consolidated
Net sales:					
Lumber	\$ -	\$ 34,125	\$ -	\$ -	\$ 34,125
Logs	32,500	-	-	(32,500)	-
Town, commercial and other	-	10,688	-	-	10,688
Subtotal	32,500	44,813	-	(32,500)	44,813
Operating Expenses:					
Cost of goods sold	6,500	35,750	-	(32,500)	9,750
SG&A	11,375	7,297	-	-	18,672
Subtotal	17,875	43,047	-	(32,500)	28,422
Division operating income	14,625	1,765	-	-	16,390
EBITDA	14,625	1,765	-	-	19,432
Depreciation, depletion and amortization	8,526	3,891	-	-	12,417
Subtotal	8,526	3,891	-	-	12,417
EBIT	6,099	(2,126)	-	-	3,973
Other income (expenses):					
Interest and other income	2,608	168	-	-	2,776
Interest expense	(20,092)	(2,243)	(3,938)	-	(26,272)
	(17,484)	(2,075)	(3,938)	-	(23,496)
Income (loss) before income taxes, extraordinary item and cumulative effect	(11,385)	(4,200)	(3,938)	-	(19,523)
Provision for income taxes	-	11	-	-	11
Income (loss) before extraordinary item and cumulative effect	(11,385)	(4,211)	(3,938)	-	(19,534)
Net income (loss)	\$ (11,385)	\$ (4,211)	\$ (3,938)	\$ -	\$ (19,534)

7

YTD September B/S

	ForestCo	MillCo	HoldCo	Interco. Elimination	Consolidated
Current assets					
Cash & cash equivalents	\$ 241	\$ (4,760)	\$ 9,410	\$ (0)	\$ 4,891
Receivables	5,081	5,996	-	-	11,077
I/C receivables-subidiaries	3,562	5,244	-	(8,806)	-
Inventories	1,546	21,739	-	-	23,285
Prepays	7,389	16,651	-	-	24,041
Total current assets	17,820	44,870	9,410	(8,806)	63,294
Property, plant & equipment, net	21,675	51,604	-	-	73,279
Timber & timberlands, net of depletion	179,663	2,575	-	-	182,237
Deferred financing costs	9,216	5,554	-	-	14,770
Long-term investments & other assets	1,066	3,024	350,000	-	354,089
Total assets	\$ 229,439	\$ 107,626	\$ 359,410	\$ (8,806)	\$ 687,669
Current liabilities					
Accounts payable - trade	\$ 907	8,440	-	\$ -	\$ 9,347
I/C payables	5,244	3,562	-	(8,806)	-
Accrued interest	5,178	3,207	-	-	8,386
Accrued compensation / benefits	692	5,475	-	-	6,167
Other accrued liabilities	6,247	4,153	-	-	10,400
Line of Credit	-	-	55,000	-	55,000
Long-term debt, current	16,667	8,000	4,000	-	28,667
Total current liabilities	34,935	32,837	59,000	(8,806)	117,966
Long-term debt, non-current portion	350,000	32,000	16,000	-	398,000
Other liabilities, non-current portion	133	18,237	-	-	18,371
Deferred & other income taxes	-	2,987	-	-	2,987
Total liabilities	385,069	86,062	75,000	(8,806)	537,324
Stockholders' equity					
Common stock	-	8	-	(9)	(1)
Additional paid-in capital	179,838	222,292	308,000	(251,286)	458,845
Prior year retained earnings	(324,083)	(196,524)	(19,652)	251,294	(288,965)
Current year income (loss)	(11,385)	(4,211)	(3,938)	-	(19,534)
Total stockholders' equity	(155,630)	21,565	284,410	(0)	150,344
Total liabilities & stockholders' equity	\$ 229,439	\$ 107,626	\$ 359,410	\$ (8,806)	\$ 687,669

8

Comps (As of Nov 2016)

Company	Ticker	Rev/EBITDA (in \$ Millions)	TEV/Rev	TEV/EBITDA	Debt/EBITDA
Canfor Corp	CFP (TSX)	\$4,244/\$483 CAD	0.6X	5.4X	1.1X
Deltic Timber Corp	DEL (NYSE)	\$210/\$40 USD	4.4X	22.9X	6.0X
Interfor Corp	IFP (TSX)	\$1,735/\$146 CAD	0.8X	9.7X	2.8X
Louisiana Pacific Corp	LPX (Nyse)	\$2,146/\$262 USD	1.3X	10.5X	3.2X
Potlatch Corp	PCH (Nasdaq)	\$581/\$103 USD	3.5X	19.8X	5.7X
Rayonier Inc.	RYN (NYSE)	\$705/\$327 USD	6.0X	12.9X	3.3X
Resolute Forest Products	RFP (NYSE)	\$3,550/239 USD	0.3X	4.6X	3.0X
Weyerhaeuser Co.	WY (NYSE)	\$7,871/\$1,765 USD	3.8X	16.8X	5.0X

2017 COMPLEX FINANCIAL RESTRUCTURING PROGRAM

Medford Lumber Company

Exhibit A-2: Discounted Cash Flow Method (1)

(in thousands of USD)

	Historical 12 mos ended December 31,		Historical 9 mos ending 9/30/16	Projected (Stub) Oct. - Dec. 2016	Projected 12 months ending December 31,				
	2014	2015			2017	2018	2019	2020	2021
Revenue	72,009.4	59,354.3	44,812.5	12,337.5	54,150.0	234,738.2	63,998.8	67,608.1	71,217.5
Growth	n/a	-17.6%	n/a	n/a	n/a	333.5%	-72.7%	5.6%	5.3%
EBITDA	28,495.9	26,578.1	16,390.0	9,205.7	23,347.1	190,486.4	32,604.8	35,942.3	39,279.9
Margins	39.6%	44.8%	36.6%	74.6%	43.1%	81.1%	50.9%	53.2%	55.2%
Growth	n/a	-6.7%	n/a	n/a	n/a	715.9%	-82.9%	10.2%	9.3%
EBIT	12,104.1	10,087.9	3,972.9	5,169.0	6,966.2	151,610.7	16,223.9	19,561.5	22,899.0
Growth	n/a	-16.7%	n/a	n/a	n/a	2076.4%	-89.3%	20.6%	17.1%
Less: Taxes	(11.0)	(11.0)	(11.0)	(1,514.6)	(2,041.2)	(44,425.1)	(4,753.9)	(5,731.9)	(6,709.9)
Debt-Free Earnings	12,093.2	10,076.9	3,962.0	3,654.4	4,925.0	107,185.6	11,470.0	13,829.6	16,189.1
Less: Capital Expenditures	(2,250.0)	(1,687.5)	(949.2)	(316.4)	(1,265.6)	(1,265.6)	(1,265.6)	(1,265.6)	(1,265.6)
Less: Change in Working Capital Requirements (3)	(3,433)	319	(10,266.8)	2,136.3	(360.3)	(42,817.2)	35,503.8	(1,709.8)	(1,709.8)
Add: Depreciation, Depletion, and Amortization	16,391.8	16,490.2	12,417.1	4,036.7	16,380.9	38,875.7	16,380.9	16,380.9	16,380.9
Total Net Investment	10,708.9	15,121.9	1,201.1	5,856.5	14,754.9	(5,207.2)	50,619.0	13,405.4	13,405.4
Net Debt-Free Cash Flows:				9,510.9	19,679.9	101,978.4	62,089.0	27,235.0	29,594.6
Partial Period Adjustment				1.0	1.0	1.0	1.0	1.0	1.0
Adjusted Net Debt-Free Cash Flows:				9,510.9	19,679.9	101,978.4	62,089.0	27,235.0	29,594.6
Discount Period				0.13	0.75	1.75	2.75	3.75	4.75
Discount Factor @ 12.0%				0.99	0.92	0.82	0.73	0.65	0.58
Present Value of Net Debt-Free Cash Flows:				9,377.1	18,076.3	83,632.8	45,463.7	17,805.7	17,275.3

Assumptions	
Discount Rate (Exhibit A-3)	12.0%
Tax Rate (2)	29.3%

Terminal Value Assumptions	
Terminal EBITDA	39,279.9
Terminal Multiple (2)	8.0x
Terminal Value	314,239.1
Discount Period	5.25
Discount Factor	0.55
Present Value of Terminal Value	173,326.8

Sensitivity Analysis: Net Present Value of Cash Flows

Discount Rate	Terminal Multiple (EV / EBITDA)				
	7.0x	7.5x	8.0x	8.5x	9.0x
11.0%	354,555.4	365,910.6	377,265.8	388,621.0	399,976.2
11.5%	348,855.2	359,945.6	371,036.0	382,126.4	393,216.8
12.0%	343,291.9	354,124.8	364,957.8	375,790.7	386,623.6
12.5%	337,861.4	348,443.9	359,026.4	369,609.0	380,191.5
13.0%	332,559.7	342,898.7	353,237.7	363,576.7	373,915.7

Footnotes:

- (1) Historical and projected financial information provided by Management.
- (2) Tax rate based on the median effective tax rate of the guideline companies. Refer to Exhibit A-3 for detail.
- (3) Change in working capital requirements in the stub period based on 25% of the estimated change for FY 2016.