

# LEXPERT<sup>®</sup>

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## Leading From Within

(From left to right):  
J. Guy Joubert; *Aikins, MacAulay & Thorvaldson LLP*  
Susan McGrath; *Barrister & Solicitor*  
Gavin MacKenzie; *Heenan Blaikie LLP*

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## Ainsworth Lumber Completes US\$1.2B Recapitalization

On July 30, 2008, Ainsworth Lumber Co. Ltd., a leading manufacturer of engineered wood products, including oriented strand board (OSB), completed a US\$1.2 billion recapitalization transaction pursuant to a plan of arrangement under the *Canada Business Corporations Act*. The transaction involved the exchange of US\$824 million of debt for new equity and warrants and US\$150 million of new senior unsecured notes, and the issuance for cash of US\$200 million of new senior unsecured notes.

Ainsworth was represented in Canada by **Blake, Cassels & Graydon LLP** with a team led by Bill Sirett, which included Steve McKoen, Kathleen Keilty, Ryan Goodman and Greg Smith (corporate and securities), David Zacks, QC, Neal Wang and Samantha Richer (banking), Robert Kopstein, Janette Pantry and Kirsten Kjellander (tax), Jason Gudovsky, QC, (competition), Caroline Findlay and Selina Lee-Anderesen (forestry), Greg Umbach and Jennifer Williams (real estate), Sue Grundy and Milly Chow (restructuring and insolvency) and Bill Kaplan and Sean Boyle (litigation).

Ainsworth was represented in the United States by **Skadden, Arps, Slate, Meagher & Flom LLP** with a team that included Christopher Morgan, Ryan Dzierniejko and David Beeston (securities), David Armstrong (banking), Joseph Nisa (competition), Van Durrer II (restructuring and insolvency) and Eric Sensenbrenner and Aaron Feinberg (tax).

The special committee of the board of directors of Ainsworth was represented by John Smith and Michael Lee of **Lawson Lundell LLP**. UBS Securities Canada and Barclays Capital acted as financial advisors to Ainsworth.

HBK Master Fund L.P., an Ainsworth noteholder and

backstop party, was represented in Canada by **Bennett Jones LLP** with a team that included Kevin Zych, Raj Sahni and A.L. Friend, QC, (restructuring), Jeffrey Kerbel, Ian Goldberg and Kristopher Hanc (corporate and securities) and Stephen Bowman and Daniela Evtimova (tax). HBK was represented in the United States by **Kramer Levin Naftalis & Frankel LLP** with a team that included David Feldman and Joshua Brody (restructuring) and Eric Wise, Ernest Wechsler, John Bessonette, Elan Daniels, Theodore Sica, Robert Wollin and Alyssa Katz (corporate).

Tricap Partners II L.P., a noteholder and backstop party, was represented in Canada by **Torys LLP** with a team that included Tony DeMarinis and Adam Slavens (restructuring), Cornell Wright, Michael Sitala, Jay Holsten, Omar Wakil, Jennifer Lennon and Jon Reay (corporate and securities), Amanda Balasubramanian and Nadine Rockman (banking), and Corrado Cardarelli and Richard Johnson (tax). Tricap was represented in the United States by **Paul Weiss, Rifkind, Wharton & Garrison LLP** with a team that included Alan W. Kornberg, Raphael Russo, Margaret A. Phillips, Stanislaw Grigoryev and Rebecca Zubaty.

Certain other noteholders and backstop parties were represented by **Goodmans LLP** with a team that included Rob Chadwick, Melaney Wagner, Tim Heeney and Carrie Smit.

The note trustee, The Bank of New York Mellon, was represented in the United States by Andrew Silverstein and Issac Yedid of **Seward & Kissel LLP**, and in Canada by **Lang Michener LLP** (Peter Reardon and Sheryl Seigel).

Concurrently with the recapitalization, Ainsworth amended three credit facilities representing approximately US\$175 million in senior secured and unsecured debt. The syndicate of senior secured lenders under the Goldman Sachs facility

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was represented by **Fasken Martineau DuMoulin LLP** with a team that included Jon Levin, John Elias, Don Weaver, Ian Cassie, Kevin Clinton and KC Miu, and by **McDermott Will Emery LLP** with a team including John Sullivan, Vladimir Rossman and Laura Gardner.

The Bank of New York Mellon (the new administrative agent and collateral agent under the Goldman Sachs facility) was represented by Jonathan Thalheimer of **McGuire, Craddock & Strother, P.C.**; BNY Trust Company of Canada was represented in-house by George Bragg; and Goldman Sachs was represented by Andrew Faye of **Latham & Watkins LLP**.

GE Canada Finance Holding Company was represented by Kevin McElcheran and James D. Gage of **McCarthy Tétrault LLP**. Deutsche Bank Luxembourg SA was represented by in-house counsel Frieder Bauer and David Mellgard.

### Shoppers Drug Mart Files \$1B Base Shelf Prospectus and Completes \$450M MTN Offering

On May 22, 2008, Shoppers Drug Mart Corporation filed a base shelf prospectus with the Canadian securities regulators providing for the issuance of up to an aggregate principal amount of \$1 billion of medium-term notes through a syndicate of dealers comprised of RBC Dominion Securities Inc., Scotia Capital Inc., CIBC World Markets Inc., TD Securities Inc., BMO Nesbitt Burns Inc., Merrill Lynch Canada Inc. and National Bank Financial Inc.

On June 2, 2008, Shoppers Drug Mart Corporation issued \$450 million aggregate principal amount of 4.99 per cent unsecured medium-term notes, Series 2, due June 3, 2013, for aggregate proceeds of \$448,285,500. The terms of the notes included a change of control trigger, requiring Shoppers Drug Mart Corporation to offer to repurchase the notes at 101 per cent of their principal amount plus accrued interest in the event of a change of control, coupled with a ratings downgrade below investment grade. The offering was made pursuant to a pricing supplement to Shoppers Drug Mart Corporation's aforementioned short-form base shelf prospectus.

Shoppers Drug Mart Corporation was represented in-house by senior vice president, legal affairs, Richard Alderson, and Barbara Ruddy; and by **Osler, Hoskin & Harcourt LLP**, with a team that included Michael Innes, Adam Grabowski and Jennifer Lee (corporate), and Alex Pankratz and Tania Ng (tax). The dealers were represented by **Stikeman Elliott LLP**, with a team that included D'Arcy Nordick and Stephen Johnson (corporate) and Kevin Kelly (tax).

### Québec Issues US\$1B 4.625% Global Notes Series QG

On June 19, 2008, the Province of Québec issued US\$1 bil-

lion 4.625 per cent global notes series QG due May 2018. The notes were listed on the London Stock Exchange's Regulated Market pursuant to a UK listing prospectus after closing. The notes were offered by an underwriting syndicate led by Merrill Lynch, Pierce, Fenner & Smith Incorporated and including Deutsche Bank Securities Inc., HSBC Securities (USA) Inc. and RBC Capital Markets Corporation. The underwriters were represented by **Ogilvy Renault LLP** (Canadian law, EEA regulatory matters and London listing), with a team including Peter Noble and Susan Mann and Andrew Bleau, Niko Veilleux and Jules Charette, and **Sullivan & Cromwell LLP** (US law), with a team including Robert Buckholz and Michele Walther.

### Manulife Financial Completes Offering of \$950M Principal Amount of Medium-term Notes

On June 26, 2008, Manulife Financial Corporation completed an offering of \$550 million principal amount of 5.161 per cent medium-term notes due 2015 and \$400 million principal amount of medium-term notes due 2018 pursuant to its medium-term note program. The notes were issued under a pricing supplement dated June 20, 2008, to Manulife's short-form base shelf prospectus dated March 12, 2007, and prospectus supplement dated March 27, 2007. The notes were offered through a dealer syndicate led by RBC Dominion Securities Inc. and TD Securities Inc.

Manulife was represented by **Torys LLP** with a team consisting of Sharon Geraghty, David Seville, Tom Yeo, Jonathan Gilhen, Tom Miller, Krista Stout and Joanne Barrett (Canadian securities); Andy Beck and Mark Tice (US securities); Blair Keefe (insurance regulatory); and Jim Welkoff (tax).

Manulife was represented in-house by senior vice president and deputy general counsel Richard Lococo, assistant vice president, senior counsel and assistant corporate secretary David Kerr, and assistant vice president and counsel Michael Ward.

The dealers were represented by **Davies Ward Phillips & Vineberg LLP** with a team consisting of Patricia Olasker, Mindy Gilbert, Mark O'Brien and Jonathan Ip (securities) and Raj Juneja (tax).

The notes were offered through a dealer syndicate led by RBC Dominion Securities Inc. and TD Securities Inc.

### Rogers Communications Enters into \$500M Revolving Credit Facility

On July 28, 2008, Rogers Communications Inc. entered into a new \$500 million revolving credit facility with The Bank of Nova Scotia and The Toronto-Dominion Bank.

The Bank of Nova Scotia acted as agent on the credit facility. Scotia Capital and The Toronto-Dominion Bank acted as