



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

P.O. Box 55, 19th Floor
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Toronto ON M5H 3S8

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**IN THE MATTER OF THE *SECURITIES ACT*,
R.S.O. 1990, c. S.5, AS AMENDED**

- AND -

**IN THE MATTER OF
SINO-FOREST CORPORATION, ALLEN CHAN, ALBERT IP, ALFRED C.T. HUNG,
GEORGE HO AND SIMON YEUNG**

**NOTICE OF HEARING
Section 144**

WHEREAS on August 26, 2011, the Ontario Securities Commission (the “Commission”) issued a temporary order pursuant to sections 127(1) and 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) and an order pursuant to section 144(1) of the Act varying the prior order (together the “Temporary Order”);

AND WHEREAS the Temporary Order ordered that all trading in the securities of Sino-Forest Corporation (“Sino-Forest”) shall cease and that all trading by Allen Chan, Albert Ip, Alfred C.T. Hung, George Ho and Simon Yeung (the “Individual Respondents”) in securities shall cease;

AND WHEREAS on September 8, 2011, the Temporary Order was extended by order of the Commission until January 25, 2012;

AND WHEREAS on September 15, 2011, the Temporary Order was further varied by order of the Commission pursuant to section 144(1) of the Act in the matter of Canadian Derivatives Clearing Corporation (the “CDCC Order”) but otherwise remained in effect, unamended except as expressly provided in the CDCC Order;

AND WHEREAS on January 23, 2012, the Temporary Order was extended by order of the Commission until April 16, 2012;

AND WHEREAS on March 30, 2012, Sino-Forest applied in front of the Superior Court of Justice (Ontario) for protection under the *Companies' Creditors Arrangement Act*, RSC 1985, c. C-36, as amended (the "CCAA");

AND WHEREAS on April 13, 2012, the Temporary Order was extended by order of the Commission until July 16, 2012;

AND WHEREAS on July 12, 2012, the Temporary Order was extended by order of the Commission until October 15, 2012;

AND WHEREAS on August 14, 2012, Sino Forest filed a Plan of Compromise and Reorganization pursuant to the CCAA and the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended (as amended, supplemented or restated from time to time, the "Plan");

AND WHEREAS the meeting of certain creditors to approve the Plan and the implementation of certain steps of the Plan, including without limitation (a) the assignment, transfer and conveyance of claims by holders of notes of Sino-Forest ("Sino-Forest Notes") in respect of or in relation to the Sino-Forest Notes to a new corporation to be incorporated pursuant to the Plan ("Newco") in consideration for common shares and notes of Newco pursuant to Section 6.3(i) of the Plan, (b) the cancellation of the outstanding common shares of Sino-Forest, and (c) the creation and issuance of a new class of shares of Sino-Forest, may involve trades in the securities of Sino-Forest (collectively, the "Sino-Forest Trades");

AND WHEREAS on September 18, 2012, the Temporary Order was further varied by order of the Commission pursuant to section 144(1) of the Act to allow Sino-Forest and the court appointed monitor in the CCAA proceedings, to distribute various meeting materials concerning the Plan, including a Notice of Meeting and Information Circular, along with proxy materials and any amendments and supplements, to all potential creditors, including noteholders of Sino-Forest, (the "CCAA Order") but otherwise the Temporary Order remained in effect, unamended except as expressly provided in the CCAA Order;

AND WHEREAS absent a variation by the Commission, the Temporary Order would prohibit the Sino-Forest Trades and therefore the implementation of the Plan in its current form;

AND WHEREAS the Plan will also require, among other things, approval by certain of Sino-Forest's creditors and the Superior Court of Justice (Ontario) before the Plan is implemented;

TAKE NOTICE THAT the Commission will hold a hearing (the "Hearing") pursuant to subsections 127(7) and (8) of the Act in Hearing Room B of the Commission, 20 Queen Street West, 17th Floor, commencing on October 26, 2012 at 10 a.m., or as soon thereafter as the Hearing can be held;

TO CONSIDER whether it is in the public interest for the Commission:

- (i) to vary the Temporary Order pursuant to section 144(1) of the Act to permit the Sino-Forest Trades upon implementation of the Plan; and
- (ii) to make such further orders as the Commission considers appropriate;

BY REASON OF the recitals set out in the Temporary Order and such allegations and evidence as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that any party to the proceedings may be represented by counsel at the Hearing;

AND TAKE FURTHER NOTICE that upon failure of any party to attend at the time and place aforesaid, the Hearing may proceed in the absence of that party and such party is not entitled to further notice of the proceeding.

DATED at Toronto this 28th day of September, 2012.

"John Stevenson"

John Stevenson
Secretary to the Commission