



NO. S-1510120
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE BUSINESS CORPORATIONS ACT,
S.B.C. c. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT
OF WALTER ENERGY CANADA HOLDINGS, INC., AND THE OTHER PETITIONERS
LISTED IN SCHEDULE "A" TO THE INITIAL ORDER

PETITIONERS

RESPONSE TO CIVIL CLAIM
Filed By United Mine Workers of America 1974 Pension Plan and Trust
(the "1974 Plan")

Response Filed by: KPMG Inc. (the "Monitor")

PART 1: RESPONSE TO NOTICE OF CIVIL CLAIM FACTS

Division 1 – Monitor's Response to Facts

1. Given the position of the Monitor on the Notice of Civil Claim (the "**Claim**") filed by the 1974 Plan set out herein, the Monitor neither admits nor denies any of the facts alleged in the Claim.

Division 2 – Monitor’s Version of Facts

Overview

2. The Claim is filed by the 1974 Plan in the proceeding brought by the Petitioners pursuant to the *Companies’ Creditors Arrangement Act* (the “CCAA”, and the “CCAA Proceeding”), and is advanced pursuant to the terms of the Claims Process Order dated August 16, 2016 made by the Honourable Madam Justice Fitzpatrick.
3. Pursuant to paragraph 9 of the Claims Process Order, the Monitor is charged with responsibility for managing the claims process in the CCAA Proceeding, subject to the ultimate supervision of the Court:

The Monitor, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA, the Initial Order and any other Orders of the Court in the CCAA Proceeding, is hereby directed and empowered to implement the Claims Process set out herein, including the determination of Claims of Claimants and the referral of any Claim to the Court and to take such other actions and fulfill such other roles as are authorized by this Claims Process Order or incidental thereto.

4. Paragraphs 30 to 32 of the Claims Process Order provide the mechanism for the claim of the 1974 Plan to be adjudicated by the Court and not by the Monitor.
5. Accordingly, the Monitor takes no position with respect to the adjudication of the 1974 Plan. The Monitor instead offers its assistance to the Court and will seek directions from the Court as to what, if anything, the Monitor can do to assist the Court in the adjudication of the Claim.

Division 3 – Additional Facts

6. The Monitor alleges no additional facts for these purposes at this time.

PART 2: RESPONSE TO RELIEF SOUGHT

7. The Monitor take no position on the granting of the relief sought in Part 2 of the Notice of Civil Claim but reserves the right to take a position on whether this Court should allow the Claim if directed to do so by this Court.

PART 3: LEGAL BASIS

8. The Monitor takes no position on the legal basis asserted in Part 3 of the Notice of Civil Claim but reserves the right to take a position regarding the basis on which the 1974 Plan asserts the Claim if directed to do so by this Court.

Monitor's address for service:

McMillan LLP
1500 - 1055 W. Georgia Street,
P.O. Box 11117,
Vancouver, BC V6E 4N7
Attention: Peter J. Reardon

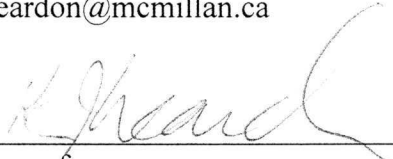
Fax number address for service (if any):

(604) 685-7084

E-mail address for service (if any):

Peter.reardon@mcmillan.ca

Date: 26/September/2016



Signature of
 plaintiff lawyer for the Monitor,
KPMG Inc.
Peter J. Reardon

Rule 7-1 (1) of the Supreme Court Civil Rules states:

- (1) Unless all parties of record consent or the court otherwise orders, each party of record to an action must, within 35 days after the end of the pleading period,
 - (a) prepare a list of documents in Form 22 that lists
 - (i) all documents that are or have been in the party's possession or control and that could, if available, be used by any party at trial to prove or disprove a material fact, and
 - (ii) all other documents to which the party intends to refer at trial, and
 - (b) serve the list on all parties of record.

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF WALTER ENERGY CANADA HOLDINGS,
INC. AND THE OTHER PETITIONERS LISTED ON SCHEDULE
"A"

PETITIONERS

RESPONSE TO CIVIL CLAIM

PETER J. REARDON
McMillan LLP
1500 – 1055 W. Georgia Street
Box 11117
Vancouver, B.C. V6E 4N7
(604) 689 9111