

Attn: Trading and Market Making/Legal and Compliance/Operations/Systems
UNIFORM PRACTICE ADVISORY (UPC #07-17) 2/13/2017
Catalyst Paper Corporation (CYSTQ)

Notice has been received that the above Debtors' Plan of Arrangement filed under section 192 of the Canada Business Corporations Act, became effective on 1/27/2017. Pursuant to the Plan, At the Effective Time, each of the Existing Minority Common Shares outstanding immediately prior to the Effective Time, other than Existing Minority Common Shares held by a Dissenting Shareholder who has validly exercised such holder's Dissent Right, shall, without any further act or formality, be deemed to be assigned and transferred by the holder thereof to Catalyst (free and clear of all Liens) in exchange for the Cash Consideration, and: (i) the Existing Minority Shareholders shall cease to be the holders of such Existing Minority Common Shares and to have any rights as holders thereof, other than the right to be paid the Cash Consideration in accordance with this Plan of Arrangement; (ii) Catalyst shall be deemed to have purchased for cancellation such Existing Minority Common Shares; and (iii) such Existing Minority Shareholders' names shall be removed as the holders of such Existing Minority Common Shares from the registers of Common Shares maintained by or on behalf of Catalyst, and such Existing Minority Common Shares shall be cancelled.

The rates below are only applicable to distributions to Holders of the CYSTQ Existing Minority Common Shares:

Description	Cash Consideration per Existing Minority Common Share
Minority Common Shares	CA\$0.50

In addition, pursuant to the Plan, at the Effective Time, and in accordance with the steps and sequence set forth in this Plan of Arrangement each Noteholder shall receive from Catalyst, in exchange for all of its right, title and interest in and to the Notes and the November 2016 Accrued Interest, its Pro Rata Share of the following: (i) a principal amount of New Secured Term Loan equal to US\$135 million; and (ii) 276,023,849 Common Shares, or such adjusted number of Common Shares as will result in the Common Shares issued upon exchange of the Notes in accordance with this step representing 95% of the issued and outstanding Common Shares as of the Effective Date and before giving effect to the Privatization Transaction. Summary details of the distribution as provided by the Plan are provided below for your convenience; however, please consult the Company's bankruptcy filings for thorough details.¹

¹ See e.g., *Final Order In the Matter of a Proposed Arrangement involving Catalyst Paper Corporation & Echelon Paper Corporation*, No. S1610016 Vancouver Registry. (Plan of Arrangement).

Description	CUSIP	Rate of Stock Per \$1,000 PA	Portion of New Term Loan Per \$1,000 PA
Senior Secured Toggle Note, October 2017	14889BAB8	1,059.59	\$544.81

Members are reminded of their obligations under FINRA Rule 2111 if they continue to engage in transactions in the above security after the effective date.

Members are advised that deliveries in settlement of contracts in the OLD securities, which were executed prior to the announcement that the securities had been deemed worthless, shall be evidenced by either a) the OLD security; or b) a Letter of Indemnity which shall grant the purchaser any rights and privileges which might accrue to the holders of the physical securities. Such deliveries shall operate to close-out the contract and shall be settled at the existing contract price pursuant to Uniform Practice Code Rule 11530.

Questions regarding this notice should be directed to: FINRA Operations- 1-866-776-0800.