

**MACLEAN'S**

\$117M settlement between Ernst & Young, Sino-Forest gets OK by Ontario court

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TORONTO – The Ontario Superior Court has approved a \$117-million class-action settlement involving Sino-Forest C former auditor, Ernst & Young.

The agreed deal will see the accounting firm pay towards into a fund to compensate shareholders of the troubled Chin company, which has been accused of fraudulently overstating its assets.

It's believed to be one of the largest settlements involving an auditor in Canadian history.

The class-action had alleged that directors, officers, auditors and underwriters at timber trader misled investors with it. Several shareholders had originally objected to the settlement.

The company was first accused in 2011 of being a Ponzi scheme by Muddy Waters Research, prompting investigations l Ontario regulator and the RCMP.

The company and several former executives have since also been accused of lying to investors and attempting to misle. investigators.

A number of lawsuits involving Sino-Forest are still ongoing in the courts.



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