

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release ("Settlement Agreement"), is entered into by Smurfit-Stone Container Corporation, Smurfit-Stone Container Enterprises, Inc., a Delaware corporation, i2i Europe Division of Smurfit Stone Container Enterprises, Inc. (collectively, "SSCE"); the Debtors¹; i2i Europe Ltd., a United Kingdom corporation ("i2i Europe"); and Weedon Holdings, Ltd, a United Kingdom corporation ("Weedon"). The Debtors, SSCE, i2i Europe and Weedon are each a "Party," and together, are the "Parties" to this Settlement Agreement.

RECITALS

WHEREAS, i2i Europe is the product of a joint venture between SSCE and Weedon formed in October 2005 when SSCE and Weedon entered into three agreements relevant to SSCE becoming a shareholder of i2i Europe: the Shareholders Agreement dated October 24, 2005 ("Shareholders Agreement"), the Sales Broker Agreement dated October 24, 2005 ("Sales Broker Agreement"), and the Noncompetition Agreement among SSCE and i2i Europe dated October 24, 2005 ("Noncompetition Agreement") (collectively, the "Agreements").

WHEREAS, Weedon originally held 100% of the shares of i2i Europe but, immediately after the Agreements were executed, SSCE paid Weedon \$371,000 (representing a \$190,000 payment and the forgiveness of \$181,000 of debt) for a 22% interest in the Corporation. Approximately one year later, SSCE purchased from Weedon an additional 11% interest in i2i Europe for approximately \$190,000. As such, SSCE currently holds 33% of the capital stock of i2i Europe (such interest, the "SSCE i2i Shares"), while Weedon holds the remaining 67%.

WHEREAS, on January 26, 2009, the Debtors, including SSCE, each filed a voluntary petition for relief under chapter 11 of title 11 of the United States Code.

WHEREAS, on September 11, 2009, Debtors filed the Thirteenth Omnibus Motion of the Debtors for Entry of an Order Authorizing the Rejection of Certain Executory Contracts and Unexpired Leases Pursuant to Section 365 of the Bankruptcy Code (the "Rejection Motion"), formally seeking to reject the Noncompetition Agreement and Sales Broker Agreement.

¹ The Debtors in the chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Smurfit-Stone Container Corporation (1401), Smurfit-Stone Container Enterprises, Inc. (1256), Calpine Corrugated, LLC (0470), Cameo Container Corporation (5701), Lot 24D Redevelopment Corporation (6747), Atlanta & Saint Andrews Bay Railway Company (0093), Stone International Services Corporation (9630), Stone Global, Inc. (0806), Stone Connecticut Paperboard Properties, Inc. (8038), Smurfit-Stone Puerto Rico, Inc. (5984), Smurfit Newsprint Corporation (1650), SLP Finance I, Inc. (8169), SLP Finance II, Inc. (3935), SMBI Inc. (2567), Smurfit-Stone Container Canada Inc. (3988), Stone Container Finance Company of Canada II (1587), 3083527 Nova Scotia Company (8836), MBI Limited/Limitée (6565), Smurfit-MBI (1869), 639647 British Columbia Ltd. (7733), B.C. Shipper Supplies Ltd. (7418), Specialty Containers Inc. (6564), SLP Finance General Partnership (9525), Francobec Company (7735), and 605681 N.B. Inc. (1898). The Debtors' corporate headquarters are located at, and the mailing address for each Debtor is, 222 North LaSalle Street, Chicago, Illinois 60601.

WHEREAS, on September 23, 2009, i2i Europe filed an Objection of i2i Europe Ltd. To Debtors' Thirteenth Omnibus Motion For Entry of An Order Authorizing the Rejection of Certain Executory Contracts and Unexpired Leases Pursuant to Section 365 of the Bankruptcy Code (the "Objection"), arguing that the Noncompetition Agreement and Sales Broker Agreement were intended to be construed as one with the Parties' Shareholders Agreement for purposes of determining the appropriateness of assumption or rejection. Also on September 23, 2009, i2i Europe initiated an adversary proceeding (the "Adversary Proceeding") in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") by filing a verified complaint (the "Adversary Complaint") against Debtors seeking entry of an order enjoining Debtors from soliciting i2i Europe's customers and misappropriating trade secret information in alleged violation of the Noncompetition Agreement. Also on September 23, 2009, i2i Europe filed a Motion for Temporary Restraining Order and Preliminary Injunction (the "Preliminary Injunction Motion"), seeking entry of a temporary restraining order enjoining Debtors from soliciting i2i Europe's customers and misappropriating trade secret information unless and until the Court can consider i2i Europe's request for preliminary injunction and permanent injunction.

WHEREAS, on September 30, 2009, the Debtors and i2i Europe entered a Stipulation and Proposed Order Regarding i2i Europe, Ltd.'s Motion for Temporary Restraining Order ("TRO Stipulation"), providing that until October 20, 2009, Debtors, and any persons or entities acting in concert or participation with them, (i) shall not, without prior written consent of i2i Europe, take any action prohibited by Paragraph 2 of the Noncompetition Agreement; and (ii) agree to immediately cease any and all contact with any of i2i Europe's customers, except to the extent necessary for processing existing orders or packaging in accordance with i2i Europe's existing business, and except to the extent Debtors contact such customers to offer products or services other than merchandising solutions, which includes, but is not limited to, market research, branding, design photography, artwork production, pre-press, sourcing, packaging manufacture, fulfillment, and inventory management.

WHEREAS, on October 5, 2009, SSCE filed a Motion for Entry of an Order Pursuant to 554(a) of the Bankruptcy Code Authorizing Smurfit-Stone Container Enterprises, Inc. to Abandon Capital Stock of i2i Europe (the "Abandonment Motion").

WHEREAS, on October 9, 2009, SSCE filed a Motion to Dismiss Plaintiff's Motion for Temporary Restraining Order and Preliminary Injunctive Relief or, In the Alternative, Stay Proceedings in Favor of Arbitration (the "Motion to Dismiss").

WHEREAS, on October 15, 2009, i2i Europe filed an Objection to Debtor's Motion for Entry of an Order Pursuant to 554(a) of the Bankruptcy Code Authorizing Smurfit-Stone Container Enterprises, Inc. to Abandon Capital Stock of i2i Europe (the "Abandonment Motion Objection").

WHEREAS, on October 15, 2009, i2i Europe filed an Objection to SSCE's Motion to Dismiss (the "Motion to Dismiss Objection").

WHEREAS, on October 20, 2009, the Parties entered an Amended Stipulation and Proposed Order regarding i2i Europe, Ltd.'s Motion for Temporary Restraining Order (the

“Amended TRO Stipulation”), which extended the TRO Stipulation to the earlier of October 27, 2009 or until such time as the Court approves a settlement between the Parties.

WHEREAS, the Parties desire to avoid the expense and inconvenience inherent in litigation or other alternative resolution procedures which would otherwise be required, and to settle all claims, including without limitation those set forth in the Rejection Motion and Objection, Adversary Complaint, Adversary Proceeding, Preliminary Injunction Motion, Abandonment Motion, Motion to Dismiss, Abandonment Motion Objection and Motion to Dismiss Objection, and any and all other claims that could have been brought in connection with those proceedings and/or the bankruptcy proceedings (the “Claims”), in accordance with the terms of this Settlement Agreement.

NOW, THEREFORE, in consideration of the covenants and agreements contained herein and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to settle all Claims as set forth below.

AGREEMENT

1. **Warranties.** The Parties warrant and represent to each other that no promise or inducement has been offered or made, and no facts have been represented, except as herein set forth herein, and that this Settlement Agreement is executed without reliance upon any statement or representation by any other party or its agent, except as herein set forth. The Parties further warrant and represent to each other that they have full and complete authority to negotiate and execute this Settlement Agreement and that its implementation has been duly and fully authorized; provided, however, that the execution on the part of the Debtors is subject to approval by the Bankruptcy Court.

2. **No Assignment.** The Parties represent that they have not assigned, pledged, hypothecated or transferred the Claims to any other person or entity.

3. **No Admission of Liability by Any Party.** The Parties agree and acknowledge that this Settlement Agreement is not and shall not be construed to be an admission of any violation of any federal, state or local statute or regulation, of any foreign law (including without limitation English law), or of any duty owed to one Party by the other, and that this Settlement Agreement has been entered into by the Parties solely for the purpose of providing a mutually agreeable conclusion of the Claims.

4. **Payment to i2i Europe.** SSCE shall irrevocably pay the sum of Two Hundred Ninety Thousand Dollars (\$290,000), in the form of a wire transfer, within five days of Bankruptcy Court approval of this Settlement Agreement, in accordance with the wiring instructions attached hereto as Exhibit A (the “SSCE Final Payment”). The SSCE Final Payment shall satisfy all of the obligations of SSCE and any of its parents, affiliates, subsidiaries (direct and indirect), divisions, officers, directors, shareholders, employees, agents, successors, heirs, executors, administrators and/or assigns and the Debtors (collectively, the “Smurfit Entities”), if any, pursuant to the Shareholders Agreement, Noncompetition Agreement and Sales Broker Agreement, and any other agreements or arrangements between the Parties.

5. **Payment to Smurfit-Stone (Asia) Limited.** i2i Europe shall irrevocably pay the sum of Forty Five Thousand Dollars (\$45,000), in the form of a wire transfer, within five days of Bankruptcy Court approval of this Settlement Agreement, in accordance with the wiring instructions attached hereto as Exhibit B (the “i2i Europe Final Payment”). The i2i Europe Final Payment shall satisfy all of the obligations of i2i Europe and any of its parents, affiliates, subsidiaries (direct and indirect), divisions, officers, directors, shareholders, employees, agents, successors, heirs, executors, administrators and/or assigns (collectively, the “Weedon Entities”), if any, pursuant to the Shareholders Agreement, Noncompetition Agreement and Sales Broker Agreement, and any other agreements or arrangements between the Parties.

6. **Normal Course of Ongoing Business.** Notwithstanding anything to the contrary in this Settlement Agreement, the Parties acknowledge that they have certain ongoing current sales transactions and related payment obligations, as more particularly described on Exhibit C (the “Excluded Transactions”). The Excluded Transactions are governed by customary applicable commercial terms, and are not released by the execution of this Settlement Agreement.

7. **Transfer of SSCE i2i Shares.** For consideration of One Dollar (\$1) payable by Weedon, SSCE shall transfer all of its i2i Europe Shares, amounting to 33%, to Weedon (the “Transfer”), and Weedon shall accept the Transfer. The Parties make no representations or warranties (express or implied) regarding the value of the SSCE i2i Shares or the Transfer. The Parties shall take all necessary corporate action, and execute and deliver all necessary or useful forms, instruments and agreements in order to effect and consummate the Transfer. Any and all transfer fees or costs shall be shared equally between SSCE and Weedon. The effective date of the Transfer shall be deemed to be the date this Settlement Agreement is approved by the Bankruptcy Court. As of the date this Settlement Agreement is approved by the Bankruptcy Court, SSCE has no remaining ownership or any other interest in i2i Europe, and, the members of the Board of Directors of i2i Europe that were appointed or designated by any of the Smurfit Entities shall be deemed to have resigned from the Board effective as of the date this Settlement Agreement is approved by the Bankruptcy Court.

8. **Termination of All Agreements.** The Shareholders Agreement, the Sales Broker Agreement and the Noncompetition Agreement, and each and every other agreement or arrangement between the Parties, are each terminated effective as of the date this Settlement Agreement is approved by the Bankruptcy Court. To the extent the Shareholders Agreement, the Sales Broker Agreement and the Noncompetition Agreement, and each and every other agreement or arrangement between the Parties reference any continuing obligation, that obligation is hereby terminated as of the date this Settlement Agreement is approved by the Bankruptcy Court. Other than what is set forth in this Settlement Agreement and Release, no Party shall have any continuing obligation pursuant to any agreement or arrangement between the Parties, including without limitation the Shareholders Agreement, the Sales Broker Agreement or the Noncompetition Agreement.

9. **Withdrawal of Proceedings Relating to the Claims.** The Parties agree that all judicial filings relating to the Claims, including but not limited to the Adversary Complaint, Preliminary Injunction Motion, the Rejection Motion, the Abandonment Motion, and the Motion to Dismiss, are deemed withdrawn. Any obligations with respect to such pleadings

filed under seal shall survive.

10. Mutual Waiver and Release by the Parties. Except with respect to the obligations of each Party pursuant to this Settlement Agreement, the Parties hereby waive and release any and all claims they might have against each other arising from the Claims. Specifically with respect to SSCE, SSCE and the Smurfit Entities hereby release, remise, acquit and forever discharge i2i Europe and the Weedon Entities from any and all causes of action, claims or demands whatsoever, in law or in equity, whether now known or hereinafter discovered, from the beginning of time until the date of this Settlement Agreement. Specifically with respect to i2i Europe and Weedon, i2i Europe and the Weedon Entities hereby release, remise, acquit and forever discharge SSCE and the Smurfit Entities from any and all causes of action, claims or demands whatsoever, in law or in equity, whether now known or hereinafter discovered, from the beginning of time until the date of this Settlement Agreement. The foregoing waivers include waivers of all claims against or by the Debtors' bankruptcy estates, including, but not limited to, any and all claims of any of the Smurfit Entities against i2i Europe or the Weedon Entities pursuant to chapter 5 of the Bankruptcy Code.

11. Confidentiality. Neither the Debtors, SSCE, i2i Europe nor Weedon shall disclose the terms of this Settlement Agreement or the basis of or facts in connection with any dispute settled hereby or referenced in or referred to in the Adversary Proceeding, Adversary Complaint, Preliminary Injunction Motion, the Rejection Motion, the Objection, the Abandonment Motion, the Abandonment Motion Objection, the Motion to Dismiss, or the Motion to Dismiss Objection, to any person, entity, or third party other than (a) the Parties' advisors, accountants, lenders or successors on a confidential basis; (b) the Unsecured Creditors Committee and its professional advisors in the Debtors' bankruptcy action on a confidential basis; (c) as necessary in the Debtors' bankruptcy action; (d) in an action brought to enforce the Settlement Agreement's terms; (e) as otherwise may be, but strictly to the extent, required by law; and (f) strictly to the extent required to evidence the conveyances provided for in this Settlement Agreement. The Parties' obligations of confidentiality set forth herein are intended to supersede any and all other obligations of confidentiality that may have previously been agreed to by and between the Parties.

12. Merger. The Parties represent and warrant to each other that no promise or inducement has been offered or made except as herein set forth, and that this Settlement Agreement is executed without reliance upon any statement or representation by any other party or its agent, except as herein set forth.

13. Authority. The Parties further warrant and represent to each other that they have full and complete authority and capacity to negotiate and enter into this Settlement Agreement, and that each Party has executed and delivered this Settlement Agreement to the other Parties as conclusively evidenced by such Party's signature below; provided, however, that the execution on the part of the Debtors is subject to approval by the Bankruptcy Court.

14. Interpretation. The captions used herein are for convenience only and do not limit or amplify the provisions thereof. Whenever the term "include" or "including" is used in this Settlement Agreement, it shall mean "including, without limitation," (whether or not such language is specifically set forth) and shall not be deemed to limit the range of possibilities to

those items specifically enumerated. Unless otherwise explicitly stated with respect to the reference, the words “hereto,” “hereof,” “herein” and “hereunder” and words of similar import refer to this Settlement Agreement as a whole and not to any particular provision. Terms defined in the singular have a comparable meaning when used in the plural and vice versa. As used in this Settlement Agreement, the masculine, feminine or neuter gender shall be deemed to include the others whenever the context so indicates or requires. Time is of essence and the failure by a Party to perform any required action by the applicable date specified in this Settlement Agreement shall result in a breach of such term of this Settlement Agreement by such Party.

15. Choice of Law and Venue. This Settlement Agreement shall be governed by the laws of the State of Delaware without reference to choice of law principles. Any dispute arising out of this Settlement Agreement shall be litigated in the United States District Court for the District of Delaware, including to the extent applicable, Bankruptcy Court. Each Party hereby consents to the jurisdiction of such courts.

16. Modification of this Settlement Agreement. This Settlement Agreement may not be amended or modified except in a writing signed by the Party or Parties against whom the amendment or modification is to be enforced.

17. Mutual Authorship. This Settlement Agreement is the product of mutual negotiation by and among the Parties. Each of the Parties and, if applicable, their legal counsel has had the opportunity to review and revise, or request revisions of, this Settlement Agreement. Therefore, the rule of construction that any ambiguity or uncertainty in a writing shall be interpreted against the Party drafting the writing will not apply to any action on this Settlement Agreement.

18. Entire Agreement. This Settlement Agreement supersedes and merges any and all prior agreements, promises, understandings, statements, representations, warranties, indemnities, covenants and agreements between the Parties, and embodies the Parties complete and entire agreement with respect to the Claims. No statements of agreements, oral or written, made before the signing of this Settlement Agreement shall vary or modify the written terms hereof in any way whatsoever.

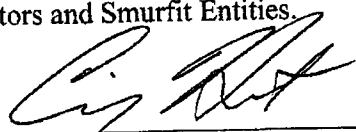
19. Execution in counterparts. This Settlement Agreement may be signed by the Parties in counterparts, which together will form the original and shall constitute one in the same agreement. Furthermore, delivery of a copy of a Party’s signature by facsimile transmission or other electronic exchange methodology shall constitute a valid and binding execution and delivery of this Settlement Agreement by such Party, and such electronic copy shall constitute an enforceable original document. This Settlement Agreement shall only become a legally binding agreement when signed by all of the Parties.

20. Attorneys’ Fees. In any action of any kind relating to the interpretation or enforcement of this Settlement Agreement, the prevailing party shall be entitled to collect reasonable attorneys’ fees and costs from the non-prevailing party, in addition to any other recovery to which the prevailing party is entitled.

[SIGNATURE PAGE FOLLOWS]

THIS SETTLEMENT AGREEMENT AND RELEASE IS ACCEPTED AND AGREED TO BY EACH OF THE PARTIES AS OF THE DATE THE BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE ENTERS AN ORDER APPROVING THIS SETTLEMENT AGREEMENT AND RELEASE AND THE UNDERSIGNED HAVE DULY EXECUTED THIS AGREEMENT AS OF OCTOBER __, 2009:

SMURFIT-STONE CONTAINER
CORPORATION, individually, and on behalf
of all Debtors and Smurfit Entities.

By: 

Title: _____

i2i EUROPE, LTD.

By: _____

Title: _____

SMURFIT-STONE CONTAINER
ENTERPRISES, INC.

By: 

Title: _____

WEEDON HOLDINGS, LTD.,
individually, and on behalf of all Weedon
Entities.

By: _____

Title: _____

