

## Notes to the Consolidated Financial Statements

### 10. DISCONTINUED OPERATIONS

During 2006, income from discontinued operations of \$11 (net of \$2 of income taxes) was recorded. This income was primarily related to final adjustments to the proceeds in 2006 associated with the previously completed 2005 sale of the remaining discontinued Fisheries operations.

The current liabilities of discontinued operations were as follows as at year end:

	2007	2006
Accounts payable and accrued liabilities	\$ 3	\$ 4

The cash flows (used in) from discontinued operations were as follows:

	2007	2006
Cash flows used in operations	\$ (1)	\$ (5)
Cash flows from investing		16
Cash flows (used in) from discontinued operations	\$ (1)	\$ 11

During 2006, \$19 of cash was received, primarily related to deferred proceeds and final adjustments to the proceeds associated with the 2005 sale of the remaining discontinued Fisheries operations.

During 2006, the Company reached an agreement to settle claims against it relating to certain alleged misrepresentations and warranties arising from the sale of the Company's Forest Products business in 1998, including tax related representations and warranties dealing with years prior to 1998. The Company did not admit any wrongdoing or liability in connection with the settlement. The Company had previously accrued for certain of these tax related claims in prior years. The net impact of this settlement agreement was reflected in the 2005 loss from discontinued operations. A payment of \$7 was made during 2006 as a result of this settlement.