



No. S-244212
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

AND

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

AND

IN THE MATTER OF GOOD NATURED PRODUCTS INC., & THOSE ENTITIES LISTED
IN SCHEDULE "A"

PETITIONERS

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE)
MADAM JUSTICE FITZPATRICK) 2024/07/11
)

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 11th day of July, 2024 (the "Order Date"); AND ON HEARING Mary Buttery, K.C., counsel for the Petitioners and those other counsel listed on Schedule "B" hereto; AND UPON READING the material filed, including the Second Affidavit of Paul Antoniadis sworn July 11, 2024; AND UPON BEING ADVISED that the secured creditors who are likely to be affected by the charges created herein were given notice; AND pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the "CCAA"), the British Columbia Supreme Court Civil Rules, BC Reg 168/2009 and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

1. This order is made further to the amended and restated order of this Court made in these proceedings on July 8, 2024 (the "ARIO").

2. Any capitalized terms used but not defined herein shall have the meanings given to them in the ARIO, unless otherwise indicated therein.

SERVICE

3. The time for service of this notice of application and supporting materials is hereby abridged such that the notice of application is properly returnable today.

STAY EXTENSION

4. The Stay Period as defined in paragraph 16 of the ARIO is hereby further extended until and including October 25, 2024.

INTERIM FINANCING

5. The Petitioners are hereby authorized and empowered to borrow under a credit facility from Wells Fargo Capital Finance Corporation Canada (the "**DIP Lender**") in order to finance the continuation of the Business and preservation of the Property, provided that borrowings under such credit facility shall not exceed \$15,100,000, unless permitted by further Order of this Court.

6. Such credit facility shall be on the terms and subject to the conditions set forth in the credit agreement dated August 25, 2022 between the Petitioners, as borrower and guarantors, as applicable, and the DIP Lender, as lender, as amended to date including by the Ninth Amendment to Credit Agreement, dated July 11, 2024, between the Petitioners and the DIP Lender (collectively, the "**Credit Agreement**").

7. The Petitioners are hereby authorized and empowered to execute and deliver the Ninth Amendment.

8. The Petitioners are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the Credit Agreement or as may be reasonably required by the DIP Lender pursuant to the terms

thereof, and the Petitioners are hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Credit Agreement and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order and the ARIO.

9. The Petitioners are authorized and directed to pay any and all amounts owing to the DIP Lender pursuant to the Credit Agreement on account of the Petitioners' pre-filing obligations due and owing thereunder to the DIP Lender, provided that no funds advanced by the DIP Lender under the Credit Agreement after the date of this Order shall be used to pay pre-filing obligations outstanding under the Credit Agreement.

10. The DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Property (other than any owned real property owned by one or more of the Petitioners located in the United States). The DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs 15 and 16 hereof.

11. Notwithstanding any other provision of this Order or the ARIO:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under any of the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon 10 days notice to the Petitioners and the Monitor, may exercise any and all of its rights and remedies against the Petitioners or the Property under or pursuant to the Credit Agreement, Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Petitioners and set off and/or consolidate any amounts owing by the DIP Lender to the Petitioners against the obligations of the Petitioners to the DIP Lender under the Credit Agreement, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices,

or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Petitioners and for the appointment of a trustee in bankruptcy of the Petitioners; and

- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Petitioners or the Property.

12. The DIP Lender, in such capacity, shall be treated as unaffected in any plan of arrangement or compromise filed by the Petitioners under the CCAA, or any proposal filed by the Petitioners under the *Bankruptcy and Insolvency Act* of Canada, with respect to any advances made under the Definitive Documents after the date of this Order.

SALES AGENT

13. Capital West Partners, in its capacity as “Sales Agent” shall be entitled to the benefit of and is hereby granted a charge (the “Cap West Work Fee Charge”) on the Property (other than any owned real property owned by one or more of the Petitioners located in the United States) in the amount of \$75,000 for its work fees charged pursuant to the Capital West Partners’ engagement letter dated July 11, 2024 (the “Cap West Engagement Letter”). The Cap West Work Fee Charge shall have the priority set out in paragraphs 15 and 16 hereof.

14. The Sales Agent shall be entitled to the benefit of and is hereby granted a charge (the “Cap West Success Fee Charge”) on the any proceeds derived from the sale of the Petitioners’ Property as a result of a sale resulting from the SISP, ranking in priority to all other ~~claims~~^{claims}, in the amount of \$1,250,000 for its success fees charged pursuant to the Cap West Engagement Letter.

+ Charges AS.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER AND THE ARIO

15. Paragraph 35 of the ARIO is amended and restated such that priorities of the Administration Charge, the DIP Lender's Charge, and the Directors' Charge (collectively, the "Charges"), as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$250,000); and the Cap West Work Fee Charge (to the maximum amount of \$75,000)

Second – DIP Lender's Charge (provided that the DIP Lender's Charge shall only secure the aggregate of the borrowings and obligations under the Credit Agreement, made on or after the date of this Order to the maximum amount of \$15,100,000, plus interest, fees and expenses in accordance with the Definitive Documents); and

Third – Directors' Charge (to the maximum amount of \$400,000).

16. Notwithstanding paragraph 37 of the ARIO, the DIP Lender's Charge shall be subordinate to the security of The Toronto-Dominion Bank ("TD Bank") and Royal Bank of Canada (formerly HSBC Bank Canada) ("RBC") in respect of the priorities granted in the Third Amended and Restated Intercreditor Agreement amongst the Petitioners, the DIP Lender, TD Bank, RBC (formerly HSBC Bank Canada), and Export Development Canada, dated February 22, 2024 and in the case of RBC such shall be subordinate to the HSBC Priority Collateral (as defined therein), the Purchase Money Security Interest of RBC in respect of the PTI Model G5000 Extrusion System and the term deposit in account 00990244624-0001 at ~~HSBC~~ ^{RBC}

GENERAL

17. Each of the Petitioners and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

18. Endorsement of this Order by counsel appearing on this application is hereby dispensed with.

THIS COURT REQUESTS the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies, including any Court or administrative tribunal of any federal or State Court or administrative body in the United States of America, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Petitioners and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Petitioners and the Monitor and their respective agents in carrying out the terms of this Order.



BY THE COURT

REGISTRAR

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ENDORSEMENTS ATTACHED

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of

Party Lawyer for the Petitioners

Mary Buttery

Mary Buttery, K.C.

Christon
Gorton
For:

BY THE COURT

REGISTRAR

Schedule "A"

Canadian Petitioners

1. good natured Products Inc.
2. good natured Real Estate Holdings (Ontario) Inc.
3. 1306187 B.C. Ltd.
4. good natured Products (CAD) Inc.
5. good natured Products Packaging Canada GP Inc.
6. good natured Products Packaging Brampton GP Inc.
7. good natured Products Industrial Canada GP Inc.
8. good natured Products Packaging Canada LP
9. good natured Products Packaging Brampton LP
10. good natured Products Industrial Canada LP

US Petitioners

11. good natured Products (US) Inc.
12. good natured Products (Illinois), LLC
13. good natured Products Real Estate U.S., LLC
14. good natured Products Packaging US LLC
15. good natured Products Direct LLC
16. good natured Products (Texas) LLC

Schedule "B"
Appearance List

NAME	APPEARING FOR
<p>Osler, Hoskin & Harcourt LLP Suite 3000, Bentall Four 1055 Dunsmuir Street Vancouver BC V7X 1K8</p> <p>Mary Buttery, K.C. Christian Garton Emma Newbery</p>	The Petitioners
<p>McCarthy Tétrault 745 Thurlow Street Suite 2400 Vancouver, BC V6E 0C5</p> <p>Lance Williams Ashley Bowron</p>	The Monitor, Alvarez & Marsal Canada Inc.
<p>Norton Rose Fulbright Canada LLP 510 West Georgia Street, Suite 1800 Vancouver, BC V6B 0M3</p> <p>Kieran Siddall Candace Formosa</p>	Wells Fargo Capital Finance Corporation Canada
<p>Dentons Canada LLP 250 Howe Street 20th Floor Vancouver, BC V6C 3R8</p> <p>John Sandrelli Cassandra Federico</p>	Royal Bank of Canada

<p>Owen Bird Law Corporation 2900 – 733 Seymour St., P.O. Box 1, Vancouver, BC V6B 0S6</p> <p>Scott Stephens</p>	<p>Toronto-Dominion Bank</p>
<p>Chaitons LLP 5000 Yonge St, 10th Floor, Toronto, ON M2N 7E9</p> <p>Laura Culleton</p>	<p>Export Development Canada</p>