

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)	2024/08/29
)	

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 29 day of August, 2024; AND ON HEARING Emma Newbery and Christian Graton, counsel for the Petitioners and those other counsel listed on Schedule "B" hereto; AND UPON READING the material filed, including the First Affidavit of Jason Braam sworn August 26, 2024 (the "**First Braam Affidavit**"), and the Second Affidavit of Jason Braam sworn August 26, 2024 (the "**Second Braam Affidavit**"); 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:

DEFINITIONS

1. Capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them the Amended and Restated Initial Order of this Court dated July 8, 2024 (the “**ARIO**”), or the Order of this Honourable Court granted July 11, 2024 approving DIP financing (the “**DIP Approval Order**”), as applicable.

KERP APPROVAL

2. The key employee retention plan (the “**KERP**”) described in the First Braam Affidavit and attached to the Second Braam Affidavit is hereby approved and the Petitioners are authorized and directed to make payments in accordance with the terms thereof.

3. The Petitioners are authorized to deliver such documents as may be necessary to give effect to the KERP, subject to prior approval of the Monitor, or as may be ordered by this Court.

4. Each of the KERP participants (as listed in the Second Braam Affidavit) shall be entitled to the benefit of and are hereby granted a charge (the “**KERP Charge**”) on the Property, which charge shall not exceed the maximum principal amounts of \$116,000 as security for the obligations of the Petitioners under the KERP. The KERP Charge shall have the priority set out in this Order.

VALIDITY AND PRIORITY OF CHARGES

5. Paragraph 35 of the ARIO and Paragraph 15 of the DIP Approval Order are amended and restated such that priorities of the Administration Charge, the DIP Lender's Charge, the Directors' Charge, the Cap West Work Fee Charge, and the KERP 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);

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

Fourth – KERP Charge (to the maximum amount of \$116,000).

6. Notwithstanding paragraph 37 of the ARIO, the KERP 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, 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 RBC.

GENERAL

7. 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.

8. 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.

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

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, K.C.

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
Emma Newbery Christian Garton	The Petitioners
Lance Williams Ashley Bowron	The Monitor, Alvarez & Marsal Canada Inc.
Kieran Siddall Candace Formosa	Wells Fargo Capital Finance Corporation Canada
John Sandrelli Cassandra Federico Valerie Cross	Royal Bank of Canada
Scott Stephens	Toronto-Dominion Bank
Laura Culleton	Export Development Canada