

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36. AS AMENDED

AND
IN THE MATTER OF SLP HOLDINGS LTD.
STRUCTURLAM MASS TIMBER CORPORATION
STRUCTURLAM MASS TIMBER U.S., INC.
NATURAL OUTCOMES, LLC,

APPLICATION OF SLP HOLDINGS LTD. UNDER SECTION 46 OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

ORDER MADE AFTER APPLICATION

APPROVAL AND VESTING ORDER

BEFORE THE HONOURABLE)
) 01/June/2023
JUSTICE FITZPATRICK)

THE APPLICATION of SLP Holdings Ltd., in its capacity as the foreign representative (the "**Foreign Representative**") of SLP Holdings Ltd, Structurlam Mass Timber Corporation, Structurlam Mass Timber U.S., Inc. and Natural Outcomes, LLC (the "**Debtors**") in respect of the proceedings (the "**Foreign Proceedings**") commenced in the United States Bankruptcy Court for the District of Delaware (the "**U.S. Bankruptcy Court**") under docket numbers 23-10500-CTG, 23-10499-CTG, 23-10498-CTG, and 23-10497-CTG respectively, coming on for hearing at Vancouver, British Columbia, on the 1st day of June, 2023; AND ON HEARING Jonathan Ross and Manuel Dominguez, counsel for the Foreign Representative and the Debtors, and those other counsel listed on Schedule "A" hereto; AND UPON READING the material filed, including the Affidavit #1 of Shawn Turkington sworn April 26, 2023, the Affidavit #2 of Shawn Turkington sworn May 11, 2023, the Affidavit #3 of Michèle Hay sworn May 30, 2023, the Affidavit of Kevin Haggard #1 sworn May 11, 2023 and the Affidavit of Kevin Haggard #2 sworn May 30, 2023, the first report of Alvarez & Marsal Canada Inc., in its capacity as court-appointed information officer in respect of these proceedings (in such capacity, the "**Information Officer**") dated May 12, 2023, and the second report of the Information Officer dated May 1, 2023;

THIS COURT ORDERS AND DECLARES THAT:

1. The Final Order of the U.S. Bankruptcy Court made in the Foreign Proceeding dated May 30th, 2023 authorizing, among other things, the sale of assets free and clear of all liens, claims, interest, and encumbrances, a copy of which is attached hereto as Schedule "B"

(the “**Foreign Order**”) is hereby recognized and given full force and effect in all provinces and territories of Canada, provided, however, that in the event of any conflict between the terms of the Foreign Order and the Orders of this Court made in the within proceedings, the Orders of this Court shall govern with respect to Purchased Assets (as defined below) in Canada.

2. The sale transaction (the “**Transaction**”) contemplated by the Asset Purchase Agreement dated April 21, 2023 as amended (the “**Sale Agreement**”) between the Debtors and Mercer International Inc. (the “**Purchaser**”) is hereby approved, and the Sale Agreement is commercially reasonable. The execution of the Sale Agreement by the Debtors is hereby authorized and approved, and the Debtors are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance to the Purchaser of the assets described in the Sale Agreement (the “**Purchased Assets**”).
3. Upon delivery by the Information Officer to the Purchaser of a certificate substantially in the form attached as Schedule “C” hereto (the “**Information Officer’s Certificate**”), all of the Debtors’ right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser in fee simple, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Orders of this Court in this proceeding; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system (all of which are collectively referred to as the “**Encumbrances**”, and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
4. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and from and after the delivery of the Information Officer’s Certificate all Claims shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.
5. The Information Officer is to file with the Court a copy of the Information Officer’s Certificate forthwith after delivery thereof.
6. Pursuant to Section 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act* or Section 18(1)(o) of the *Personal Information Protection Act* of British Columbia, the Petitioner is hereby authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the company’s records pertaining to the Debtors’ past and current employees, including personal information of those employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner

which is in all material respects identical to the prior use of such information by the Debtors.

7. Subject to the terms of the Sale Agreement, vacant possession of the Purchased Assets shall be delivered by the Debtors to the Purchaser at 12:00 noon on the Closing Date (as defined in the Sale Agreement), subject to the permitted encumbrances as set out in the Sale Agreement.
8. The Debtors, with the written consent of the Purchaser, shall be at liberty to extend the Closing Date to such later date as those parties may agree without the necessity of a further Order of this Court.
9. Notwithstanding:
 - (a) these proceedings;
 - (b) any applications for a bankruptcy order in respect of the Debtors, or any one of them, now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and
 - (c) any assignment in bankruptcy made by or in respect of the Debtors, or any one of them,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtors, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

10. Pursuant and in accordance with the Foreign Order, including paragraph 23 thereof, the Debtors will pay the DIP Obligations and the Prepetition Obligations (each as defined in the Foreign Order) to the Bank of Montreal.
11. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Petitioner, and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Information Officer, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Information Officer and its agents in carrying out the terms of this Order.
12. The Debtors, the Information Officer or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.

13. Endorsement of this Order by counsel appearing on this application other than counsel for the Debtors 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 Lawyer for the Foreign
Representative and the Debtors

BY THE COURT

REGISTRAR

Schedule A
LIST OF COUNSEL

<u>Name</u>	<u>Acting for</u>
Colin Brousson	Alvarez & Marsal (Information Officer)
Kelly J. Bourassa	Bank of Montreal (Secured Creditor and DIP Lender)

Schedule B

Foreign order

Schedule C

CERTIFICATE

No. S233209
Vancouver Registry

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PETITIONER

INFORMATION OFFICER'S CERTIFICATE

A. Pursuant to an Order of the Supreme Court of British Columbia (the "**Court**") dated April 27, 2023, Alvarez & Marsal Canada Inc. was appointed as the Information Officer (in such capacity, the "**Information Officer**") of SLP Holdings Ltd., Structurlam Mass Timber Corporation, Structurlam Mass Timber U.S., Inc. and Natural Outcomes, LLC (collectively, the "**Debtors**").

B. Unless otherwise stated herein, all capitalized terms in this Information Officer's Certificate shall have the meaning set out in the Asset Purchase Agreement dated April 21, 2023 (the "**Sale Agreement**") among the Debtors and Mercer International Inc. (the "**Purchaser**").

C. Pursuant to an Order of the Court dated June 1st 2023 (the "**Approval and Vesting Order**"), the Court approved the sale of the Purchased Assets to the Purchaser, providing for the vesting in the Purchaser of all of the Debtors' right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Information Officer to the Purchaser of a certificate confirming the transaction contemplated by the Sale Agreement has been completed to the satisfaction of the Information Officer.

THE INFORMATION OFFICER HEREBY CERTIFIES the following:

1. The Information Officer has received written confirmation from the Debtors and the Purchaser, or their respective counsel, that all conditions to Closing have been satisfied and/or waived and that the Purchase Price has been paid in full.

ALVAREZ & MARSAL CANADA INC., in its capacity as the Information Officer, and not in its personal capacity:

Per: _____
Name:
Title:

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Attention : Jonathan B. Ross

File No. V56936/JR