



Affidavit of Kevin Haggard #2  
Sworn: May 30, 2023

No. S233209  
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 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

PETITIONER

**AFFIDAVIT**

I, **KEVIN HAGGARD**, of 787 Seventh Avenue, New York, New York, 10019, SWEAR  
THAT:

1. I am the Managing Director of Miller Buckfire & Co. LLC ("**Miller Buckfire**"), an investment banking firm that provides strategic and financial advisory services in large scale restructuring transactions.

2. Miller Buckfire was retained by SLP Holdings Ltd., Structurlam Mass Timber Corporation, Structurlam Mass Timber U.S., Inc., and Natural Outcomes LLC (the "**Debtors**" or the "**Company**") on February 10, 2023, to assist in a broad range of initiatives, including, among other things, marketing the Company for a potential sale. As such, I have personal knowledge of the facts and matters hereinafter deposed to, save and except where the same are stated to be based upon information and belief, and where so stated I verily believe the same to be true.

3. Attached hereto and marked as **Exhibit "A"** to this affidavit, is a copy of my declaration filed on May 26, 2023 in the United States Bankruptcy Court for the District of Delaware and submitted in support of the Debtors' Sale Motion (the "**Declaration**"). As Managing Director of Miller Buckfire I affirm and repeat the statements set out in the Declaration.

SWORN BEFORE ME at Wilmington, )  
~~New York~~, this 30 day of May, 2023. )  
Delaware )  
Rena M. Fusco )  
A Notary for the State of ~~New York~~ Delaware )

Kevin Haggard  
KEVIN HAGGARD



Chipman Brown Cicero & Cole, LLP  
Hercules Plaza  
1313 N. Market Street, Suite 5400  
Wilmington, DE 19801  
(302) 468-4593

This is Exhibit "A" referred to in the Affidavit of **KEVIN HAGGARD**, sworn before me at Wilmington  
~~New York~~, this 30 day of May, 2023.  
Delaware

Renee M. Fusco  
A Notary for the State of New York Delaware



**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	
	)	Chapter 11
STRUCTURLAM MASS TIMBER U.S., INC., <i>et al.</i> , <sup>1</sup>	)	Case No. 23-10497 (CTG)
	)	
Debtors.	)	(Joint Administration Requested)
	)	Related Docket Nos. 16 and 87

**SUPPLEMENTAL DECLARATION OF KEVIN HAGGARD IN SUPPORT OF  
DEBTORS' SALE MOTION**

I, Kevin Haggard, hereby declare under penalty of perjury:

1. I am a Managing Director of Miller Buckfire & Co. LLC ("Miller Buckfire"), an investment banking firm that provides strategic and financial advisory services in large scale restructuring transactions. Miller Buckfire is an indirect, wholly owned subsidiary of Stifel, Nicolaus & Co., Inc. ("Stifel"), a U.S. broker-dealer and investment banking subsidiary of Stifel Financial Corp. Miller Buckfire has its principal office at 787 Seventh Avenue, New York, New York, 10019.

2. I submit this declaration in support of (a) the *Debtors' Motion Seeking Entry of an Order (A)(I) Approving Bidding Procedures, (II) Approving Stalking Horse Protections and Debtors' Entry into Stalking Horse Purchase Agreement (III) Scheduling the Bid Deadline and the Auction, (IV) Scheduling Hearings and Objection Deadlines with Respect to the Sale, (V) Approving the Form and Manner of the Notice Thereof, (VI) Approving Contract Assumption*

---

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number or Canadian business number, as applicable, include: Structurlam Mass Timber U.S., Inc. (6287); Natural Outcomes, LLC (n/a); Structurlam Mass Timber Corporation (5050); and SLP Holdings Ltd. (3114). The location of the Debtors' headquarters is: 2176 Government Street, Penticton, British Columbia, Canada V2A 8B5. The address of the registered agent for Structurlam Mass Timber U.S., Inc. is: 8 The Green, Suite A, Dover, Delaware 19901.

*and Assignment Procedures, and (VII) Granting Related Relief and (B)(I) Approving the Sale of the Assets Free and Clear of All Liens, Claims, Interests, and Encumbrances, (II) Approving Assumption and Assignment of Executory Contracts and Unexpired Leases, and (III) Granting Related Relief, filed contemporaneously herewith (the “Sale Motion”)<sup>2</sup>*

3. The statements in this declaration are, except where specifically noted, based on (i) my personal knowledge, (ii) my discussions with the senior management of the above-captioned debtors and debtors in possession (collectively, the “Debtors” or the “Company”), other members of the Miller Buckfire team, the Debtors’ advisors, or other interested parties, (iii) my review of relevant documents, or (iv) my view based upon my experience, knowledge, and information concerning the Debtors’ operations and financial affairs.

4. I am not being compensated specifically for this testimony other than through payments received by Miller Buckfire as a professional to be retained by the Debtors. I am above 18 years of age, and I am competent to testify. If called upon to testify, I would testify competently to the facts set forth herein. I am authorized to submit this Declaration on behalf of the Debtors.

#### **Qualifications**

5. Miller Buckfire is an investment bank that provides strategic and financial advisory services in large-scale corporate restructuring transactions. Miller Buckfire professionals have extensive experience providing such services to financially distressed companies and to creditors, equity holders, and other constituencies in reorganization proceedings and complex financial restructurings, both in- and out-of-court.

---

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Bidding Procedures Motion.

6. I have been employed by Miller Buckfire since 2005. Previously, I was a manager in the Corporate Recovery Services group at Arthur Andersen from 1997–2002 and a manager in the Restructuring and Turnaround Group of Huron Consulting Group from 2002–2003. My experience includes advising clients on restructuring, M&A, and financing transactions and my past representations include advising American Commercial Lines, Black Diamond Mining, the City of Detroit, Crunch Fitness, Dana Corporation, Dana Credit Corporation, Edison Brothers Stores, Exide Technologies, Filene’s Basement, Global Crossing, Lehman Brothers Inc. Estate, Lenox Healthcare, Mashantucket Pequot Tribal Nation (Foxwoods), Meridian Technologies, MF Global Estate, Molycorp, Pegasus Broadcast Television, Pegasus Satellite Communications, PlayPower, Port Townsend Paper, Rand Logistics, and Ultrapetrol. I also advised creditors in the restructurings of Denali Incorporated, Global Aviation, Hilex Poly, and Station Casinos.

7. I received a B.B.A. from the University of Notre Dame in 1997 and an M.B.A. from The Wharton School of the University of Pennsylvania in 2005. I am a C.P.A. and a C.I.R.A. (Certified Insolvency and Restructuring Advisor).

8. Miller Buckfire and Stifel were retained by the Debtors on February 10, 2023, to assist in a broad range of initiatives, including, among other things, marketing the Company for a potential sale, negotiating a deleveraging restructuring transaction, and pursuing certain financing transactions (including to structure, negotiate, and secure debtor-in-possession financing). Since being retained, Miller Buckfire has become familiar with the Debtors’ businesses, finances, and capital structure, as well as their financial restructuring initiatives.

**Prepetition Marketing and Sale Process.**

9. Promptly following its retention, Miller Buckfire launched a process for the purpose of soliciting offers for the sale or recapitalization of the Company outside of a court process (the “Marketing Process”). Miller Buckfire began the Marketing Process by identifying

and contacting a broad group of potential strategic and financial sponsor parties for both sale and financing options. Seventy-four prospective buyers were solicited of which thirty-seven executed non-disclosure agreements and eighteen prospective investors were solicited of which seven executed non-disclosure agreements. The parties that executed non-disclosure agreements received access to the Company's virtual data room and were offered management meetings and site visits.

10. By March 8, 2023, five prospective buyers provided non-binding indications of interest. Of these five parties, four were selected to continue to the second round of the process and provided with access to additional diligence in the data room, continued access to Company management and site visits, and a draft asset purchase agreement. Miller Buckfire requested binding bids from these four parties by March 24, 2023. On March 24, 2023, Miller Buckfire received two bids and provided them to the Company.

#### **The Stalking Horse Purchase Agreement**

11. Following the receipt of the two second round bids, the Company and its advisors worked with initial bidders to evaluate, solidify, and improve the initial bids received. Ultimately, after such evaluation and analysis, the bid by Mercer International Inc. (the "Stalking Horse Bidder") was determined as the highest or otherwise best initial offer and the Company and its advisors engaged with the Stalking Horse Bidder concerning the terms of a purchase agreement.

12. On April 21, 2023, the Debtors and the Stalking Horse Bidder entered into that certain Asset Purchase Agreement (the "Stalking Horse Purchase Agreement").

13. The Stalking Horse Purchase Agreement provides, among other things, for the purchase of the Debtors' US and Canadian Assets, along with assumption of certain assumed liabilities, as set forth in the Stalking Horse Purchase Agreement, for a purchase price of \$60 million (USD). The Stalking Horse Purchase Agreement is also subject to certain bid

protections in favor of the Stalking Horse Bidder, subject to Court approval, consisting of a break-up fee of \$1.8 million (USD) and an expense reimbursement not to exceed \$600,000 (USD).

**Postpetition Marketing and Sale Process**

14. Promptly following the petition date, Miller Buckfire began soliciting offers for a potential overbid of the Stalking Horse Purchase Agreement. On April 25, 2023, Miller Buckfire contacted all previously solicited prospective buyers that had executed a non-disclosure agreement and on April 28, 2023, Miller Buckfire contacted all previously solicited prospective buyers that had not executed a non-disclosure agreement. Miller Buckfire notified these parties of the Stalking Horse Bid and solicited interest in participating in the process.

15. During the post-petition period, Miller Buckfire contacted an additional twenty-four buyers, of which eight executed non-disclosure agreements, for a total of ninety-eight buyers contacted, of which forty-five executed a non-disclosure agreement.

**The Bidding Procedures**

16. On May 8, 2023, the Court entered the *Order (I) Approving Bidding Procedures, (II) Approving Stalking Horse Protections and Debtors' Entry into Stalking Horse Purchase Agreement, (III) Scheduling the Bid Deadlines and the Auction, (IV) Scheduling Hearings and Objection Deadlines with Respect to the Sale, (V) Approving the Form and Manner of the Notice Thereof, (VI) Approving Contract Assumption and Assignment Procedures, and (VII) Granting Related Relief* (the "Bidding Procedures Order").

17. The Bidding Procedures Order approved the Bidding Procedures for the sale of the Debtors' assets (the "Bidding Procedures").

18. Pursuant to the Bidding Procedures, potential bidders that wanted to make a qualified bid for the Debtors' assets were required to transmit a qualified bid to the Notice Parties



so as to be actually received on or before May 23, 2023, at 4:00 p.m. (prevailing Eastern Time) (the “Bid Deadline”).

19. Prior to the Bid Deadline, the Debtors received what it determined, in consultation with the Consultation Parties, to be a qualified overbid from the Weyerhaeuser Company (“Weyerhaeuser”) in the amount of \$70 million to acquire substantially all assets of the Debtors related to their United States operations (the “Weyerhaeuser Bid”).

20. The Debtors also received a non-qualifying bid from All-Fab Building Components in the amount of \$200,000 for some of the Debtors’ equipment located in Canada prior to the expiration of the bid deadline.

21. Given the receipt of the Weyerhaeuser Bid, on May 24, 2023, the Debtors conducted an auction (the “Auction”) pursuant to the Bidding Procedures.

22. At the outset of the Auction the Debtors determined, in consultation with the Consultation Parties, that the highest and best initial bid for the Debtors’ assets was offered by Weyerhaeuser.

23. After several rounds of bidding between the Stalking Horse Bidder and Weyerhaeuser during the Auction, the Debtors determined, in consultation with the Consultation Parties, that: (i) that the highest or otherwise best offer for the Debtors’ estates was provided by the Stalking Horse Bidder in the amount of \$83.5 million USD; (ii) the Stalking Horse Bidder was the Winning Bidder and its bid was the Winning Bid at the Auction; and (iii) the Debtors designated Weyerhaeuser Company, with a bid in the amount of \$80 million USD, as the Backup Bidder and its bid to acquire substantially all assets of the Debtors related to their United States operations was the Back-Up Bid under the Bidding Procedures Order.

24. Miller Buckfire administered the postpetition marketing process consistent with the proposed Bidding Procedures. I believe, based on my industry experience and deep familiarity with the prepetition and postpetition marketing processes, the Bidding Procedures elicited the highest or otherwise best offer for the Debtors' assets.

**Conclusion**

25. I believe that, given the circumstances, the Sale process was fair to all parties involved and necessary to maximize the value of the Debtors' assets for the benefit of the Debtors' estates, creditors, and other parties-in-interest.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing statements are true and correct to the best of my knowledge, information, and belief.

Dated: May 26, 2023  
New York, New York

/s/ Kevin Haggard  
Kevin Haggard  
Managing Director  
Miller Buckfire & Co., LLC

No. S233209  
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 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

PETITIONER

---

**AFFIDAVIT**

---

GOWLING (WLG) CANADA LLP  
Suite 2300  
550 Burrard Street  
Vancouver, BC V6C 2B5  
Tel. 604.683-6498 Fax 604.683.3558

**Attention : Jonathan B. Ross**

File No. V57461

JBR/msh