

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

ORDER MADE AFTER APPLICATION

APPROVAL AND VESTING ORDER

BEFORE THE HONOURABLE

JUSTICE FITZPATRICK

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01/June/2023

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 31, 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 Sale 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 Sale 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.

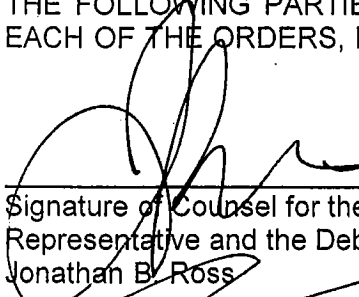
7. Subject to the terms of the Sale Agreement, vacant possession of the Purchased Assets shall be delivered by the Debtors to the Purchaser at 12:00 noon prevailing Eastern Time on the Closing Date (as defined in the Sale Agreement), subject to the permitted encumbrances as set out in the Sale Agreement.
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.

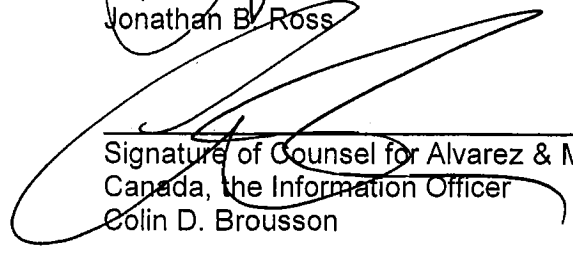
10. The Debtors are authorized and directed to pay the DIP Obligations and the Prepetition Obligations (each as defined in the Foreign Sale Order) to the Bank of Montreal in the manner prescribed by, and subject to the terms of, the Foreign Sale Order, including paragraph 23 thereof.
11. THIS COURT HEREBY 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 and Counsel for the Information Officer 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 Counsel for the Foreign
Representative and the Debtors
Jonathan B. Ross



Signature of Counsel for Alvarez & Marsal
Canada, the Information Officer
Colin D. Brousson

BY THE COURT



REGISTRAR



Schedule A

LIST OF COUNSEL

<u>Name</u>	<u>Acting for</u>
Colin Brousson Jeffrey Bradshaw	Alvarez & Marsal (Information Officer)
Kelly J. Bourassa Christopher Keliker	Bank of Montreal (Secured Creditor and DIP Lender)
Joseph Latham	Official Committee of Unsecured Creditors

Schedule B

Foreign Sale order

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

STRUCTURLAM MASS TIMBER U.S., INC., *et al.*,¹

Debtors.

)
) Chapter 11
)
) Case No. 23-10497 (CTG)
)
) (Jointly Administered)
)
) Re: Docket Nos. 16 and 87

**ORDER (I) AUTHORIZING (A) SALE OF ASSETS FREE AND CLEAR OF ALL
LIENS, CLAIMS, ENCUMBRANCES AND INTERESTS AND (B) THE DEBTORS'
ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS
AND UNEXPIRED LEASES; AND (II) GRANTING RELATED RELIEF**

Upon 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 Deadlines and the Auction, (IV) Scheduling Hearings and Objection Deadlines with Respect to the Sale, (V) Approving the Form and Manner of Notice Thereof, (VI) Approving Contract Assumption 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 [Docket No. 16] (the "Motion")² of the above-captioned debtors and debtors in possession (collectively,

¹ 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.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion or the Purchase Agreement (as defined herein), as applicable; *provided* that in the event of any conflict with respect to the meaning of a capitalized term between the Motion and the Purchase Agreement, the meaning ascribed to such term in the Purchase Agreement shall control.



the “Debtors”)³ for entry of an order (this “Order”), among other things, (a) authorizing the sale (the “Sale”) of the Transferred Assets (as defined in the Purchase Agreement (as defined below)) to Mercer International Inc. (or any permitted assignee pursuant to the terms of the Purchase Agreement, the “Buyer”), pursuant to the Asset Purchase Agreement dated April 21, 2023 (as amended), attached hereto as **Exhibit 1** and incorporated herein by reference as if set forth herein (together with all other documents contemplated thereby, as such agreement has been or may be amended, restated or supplemented, the “Purchase Agreement”), free and clear of all Liens, Claims, and Interests (each as defined below) with the exceptions of the Assumed Liabilities and Permitted Encumbrances (each as defined in the Purchase Agreement); (b) authorizing the assumption and assignment of certain executory contracts and unexpired leases to the Buyer; (c) authorizing the Debtors to pay the net proceeds from the Sale, up to the amount of the DIP Obligations and the Prepetition Obligations (each as defined below), to Bank of Montreal as lender under (i) the Debtors’ debtor-in-possession financing facility (in such capacity, the “DIP Lender,” such facility, the “DIP Facility,” and the obligations under such facility, the “DIP Obligations”) and (ii) the Debtors’ prepetition secured lending facility (in such capacity, the “Prepetition Lender,” such facility, the “Prepetition Facility,” and the obligations under such facility, the “Prepetition Obligations”); and (d) granting related relief, all as more fully set forth in the Motion; and the Court having 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 Notice Thereof, (VI) Approving*

³ All references to the “Debtors” shall include the debtors and their estates.

Contract Assumption and Assignment Procedures, and (VII) Granting Related Relief [Docket No. 87] (the “Bidding Procedures Order”); and the auction (the “Auction”) for the Transferred Assets, if any, having been held on May 24, 2023; and the Buyer’s bid having been declared the Winning Bid; and the Debtors having filed the *Notice of Winning Bidder* [Docket No. 178] identifying the Buyer as the Winning Bidder for the Transferred Assets in accordance with the Bidding Procedures Order; and the Court having found that the relief requested in the Motion is in the best interests of the Debtors and their estates, their creditors, and all other parties in interest; and the Court having jurisdiction to consider the matters raised in the Motion pursuant to 28 U.S.C. § 1334; and the Court having authority to hear the matters raised in the Motion pursuant to 28 U.S.C. § 157; and venue being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; and consideration of the Motions and the requested relief being a core proceeding that the Court can determine pursuant to 28 U.S.C. § 157(b)(2)(A), (M), (N) and (O); and due and proper notice of the Motion and the hearing to consider the Motion having been given, and it appearing that no other or further notice need be provided; and the Court having reviewed and considered the Motion and the *Supplemental Declaration of Kevin Haggard in Support of the Debtors’ Sale Motion* [Docket No. 183] (the “Haggard Declaration”); and the Court having held a hearing to consider the Motion on May 30, 2023 (the “Sale Hearing”) at which time all interested parties were offered an opportunity to be heard regarding the Motion, the Purchase Agreement and the transactions contemplated by the Purchase Agreement (the “Transactions”); and the Court having found that the relief requested in the Motion is in the best interests of the Debtors, their creditors, their estates, and all other parties in interest; and the Court having reviewed and considered the objections, if any, to the Motion (collectively, the “Objections”); and based upon and as demonstrated by the Haggard Declaration, the evidence proffered or adduced at the Sale Hearing, and the arguments of counsel

made on the record at the Sale Hearing; and upon all of the proceedings had before the Court; and after due deliberation and sufficient cause appearing therefor, **IT IS HEREBY FOUND AND DETERMINED THAT:**

Findings of Fact and Conclusions of Law

A. The findings of fact and conclusions of law herein constitute the Court's findings of fact and conclusions of law for the purposes of Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any findings of facts are conclusions of law, they are adopted as such. To the extent any conclusions of law are findings of fact, they are adopted as such.

Jurisdiction and Venue

B. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. Without limiting the generality of the foregoing, this Court has exclusive *in rem* jurisdiction over the Transferred Assets pursuant to 28 U.S.C. § 1334(e), as such Transferred Assets are property of the Debtors' chapter 11 estates, and, as a result of such jurisdiction, this Court has all necessary power and authority to grant the relief contained herein. This matter is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A) and (N). Venue in this district is proper under 28 U.S.C. §§ 1408 and 1409.

Statutory Predicates

C. The statutory and other legal bases for the relief requested in the Motion are sections 105(a), 363, and 365 of the Bankruptcy Code, as supplemented by Bankruptcy Rules 2002, 6004, 6006, 9007, 9008 and 9014. The consummation of the Transactions contemplated by the Purchase Agreement and this Order is legal, valid, and properly authorized under all applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, and the Local

Rules, and the Debtors and the Buyer and their affiliates have complied with all of the applicable requirements of such sections and rules in respect of the Transactions.

Notice

D. As evidenced by the affidavits and/or certificates of service filed with the Court, proper, timely, adequate, and sufficient notice of the Motion, the Bidding Procedures, the Auction, the Sale (and the Transactions contemplated in connection therewith), the assumption and assignment to the Buyer of the executory contracts and unexpired leases specified as of the date hereof pursuant to the Purchase Agreement or as may be subsequently designated to be an “Additional Assumed Contract” (as defined in the Purchase Agreement) in accordance with Section 1.6(b) of the Purchase Agreement (collectively, the “Assigned Contracts”), the Cure Costs (as defined below), the Sale Hearing, and all deadlines related thereto, has been provided, as relevant, in accordance with sections 102(1), 363, and 365 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, 6006, 9007, 9008, and 9014, and in compliance with the Bidding Procedures Order, to all interested persons and entities.

E. The Debtors served notices substantially in the form included in the Notice of (I) Potential Assumption and Assignment of Contracts and (II) Cure Amounts and Adequate Assurance in Connection Therewith [Docket No. 92] (each a “Notice of Assumption and Assignment”), in accordance with the Bidding Procedures Order, identifying, among other things, the Cure Costs (as defined below). The Debtors served (or, with respect to any Additional Assumed Contracts (as defined in the Purchase Agreement), will serve) the Notice of Assumption and Assignment on each of the non-Debtor counterparties to the Assigned Contracts. The service of the Notice of Assumption and Assignment was sufficient under the circumstances and in full compliance with the Bidding Procedures Order, and no further notice need be provided in respect of the Debtors’ assumption and assignment to the Buyer of the Assigned Contracts or the Cure

Costs. All non-Debtor counterparties to the Assigned Contracts have had an adequate opportunity to object to the assumption and assignment of the Assigned Contracts and the Cure Costs.

F. The notice described in the foregoing paragraphs is good, sufficient, and appropriate under the circumstances, and no other or further notice of the Motion, the Bidding Procedures, the Auction, the Sale (and the Transactions contemplated in connection therewith), the assumption and assignment to the Buyer of the Assigned Contracts, the Cure Costs, the Sale Hearing, and all deadlines related thereto is or shall be required.

Marketing and Sale Process

G. The Sale of the Transferred Assets to the Buyer pursuant to the Bidding Procedures is duly authorized pursuant to sections 363(b)(1) and 363(f) of the Bankruptcy Code and Bankruptcy Rule 6004(f). As demonstrated by (i) evidence proffered or adduced at the Sale Hearing and (ii) the representations of counsel made on the record at the Sale Hearing, the Debtors and their professionals, agents, and other representatives have marketed the Transferred Assets and conducted all aspects of the sale process, including the solicitation of bids for an Auction, in good faith and in compliance with the Bidding Procedures and the Bidding Procedures Order. The marketing process undertaken by the Debtors and their professionals, agents, and other representatives with respect to the Transferred Assets has been adequate and appropriate and reasonably calculated to maximize value for the benefit of all stakeholders. The Bidding Procedures and the Auction were duly noticed, were substantively and procedurally fair to all parties, including all Potential Bidders and including with respect to all provisions governing credit bidding, and were conducted in a diligent, non-collusive, fair, and good-faith manner.

H. The auction contemplated in the Bidding Procedures Order was conducted in good faith, without collusion, and in accordance with the Bidding Procedures Order on May 24, 2023. At the conclusion of the Auction, the Debtors (in consultation with the Consultation Parties)

selected the Buyer as the Winning Bidder for the Transferred Assets in accordance with the Bidding Procedures Order.

I. The Debtors' determinations that the offer reflected in the Purchase Agreement constitutes the highest or otherwise best offer for the Transferred Assets and that the Sale Transaction and the Purchase Agreement maximize value for the benefit of the Debtors' estates are valid and sound exercises of the Debtors' business judgment (exercised in consultation with Bank of Montreal).

J. The Winning Bid (as defined in the Bidding Procedures Order and which is memorialized in the Purchase Agreement) is in accordance and compliance with the Bidding Procedures Order and constitutes the highest or otherwise best offer for the Transferred Assets.

K. The Debtors have demonstrated good, sufficient, and sound business purposes and justifications for consummation of the Sale and Transactions contemplated by the Purchase Agreement in accordance with the requirements of section 363(b) of the Bankruptcy Code.

L. The Purchase Agreement provides fair and reasonable terms for the purchase and sale of the Transferred Assets, and reasonable opportunity has been given to any interested party to make a higher or otherwise better offer for the Transferred Assets.

M. The Buyer has complied in all respects with the Bidding Procedures Order and all other applicable orders of the Court in negotiating and entering into the Purchase Agreement.

N. After completion of the Auction and the Debtors' selection of the Buyer as the Winning Bidder, the Debtors and the Buyer negotiated and finalized in good faith and at arm's length the Purchase Agreement and all related documents necessary to consummate the Sale Transaction.

O. Approval of the Purchase Agreement pursuant to sections 105(a) and 363 of the Bankruptcy Code is necessary to maximize the value of the Debtors' assets.

P. Neither the Purchase Agreement nor the Transactions contemplated thereunder constitute a *sub rosa* chapter 11 plan. The Purchase Agreement does not specify the terms of, or any distributions under, any subsequent chapter 11 plan by the Debtors (other than provisions that are consistent with the sale of the Transferred Assets under the Purchase Agreement and the relief granted hereunder).

Q. Approval of the Motion and the Purchase Agreement, and the prompt consummation of the Transactions contemplated thereby, will maximize the value of the Debtors' estates and are in the best interests of the Debtors, their chapter 11 estates, their creditors, and other parties in interest.

R. The Debtors conducted a robust, sufficient marketing process, and (i) the Purchase Agreement and total consideration to be provided by the Buyer thereunder constitutes the highest or otherwise best offer received by the Debtors for the Transferred Assets, (ii) the bidding procedures utilized were designed to yield the highest or otherwise best bids for the Debtors' assets; (iii) the Purchase Agreement and the completion of the Transactions will present the best opportunity to realize the value of the Transferred Assets and avoid further decline and devaluation of the Transferred Assets; (iv) there is risk of deterioration of the value of the Transferred Assets if the Sale is not consummated promptly; and (v) the Purchase Agreement and the consummation of the Transactions will provide greater value to the Debtors' estates than would be provided by any other presently available alternative.

S. The total consideration to be provided by the Buyer under the Purchase Agreement constitutes (i) fair value, (ii) fair, full, and adequate consideration, (iii) reasonably equivalent

value, and (iv) reasonable market value for the Transferred Assets for purposes of the Bankruptcy Code, the Uniform Fraudulent Transfer Act, the Uniform Fraudulent Conveyance Act, and any other applicable laws of the United States, any state, territory, or possession thereof or the District of Columbia.

T. The terms of the Purchase Agreement and the Transactions contemplated therein are fair and reasonable under the circumstances of the Debtors' businesses and these Chapter 11 Cases.

Corporate and Organizational Authority

U. The Transferred Assets constitute property of the Debtors' estates and title thereto is vested in the Debtors' estates within the meaning of section 541 of the Bankruptcy Code. The Debtors (i) have full corporate and other organizational power and authority to execute the Purchase Agreement and all other documents contemplated thereby, and the Sale to the Buyer has been duly and validly authorized by all necessary corporate and other organizational action, (ii) have all of the corporate and other organizational power and authority necessary to consummate the Sale and the Transactions contemplated by the Purchase Agreement, (iii) have taken all corporate and other organizational action necessary to authorize and approve the Purchase Agreement and the consummation by the Debtors of the Sale and the Transactions contemplated thereby, and (iv) require no consents or approvals, other than those expressly provided for in the Purchase Agreement, to consummate the Transactions.

Highest and Best Offer; Business Judgment

V. The Debtors have demonstrated a sufficient basis to enter into the Purchase Agreement, sell the Transferred Assets on the terms outlined therein, and assume and assign the Assigned Contracts to the Buyer under sections 363 and 365 of the Bankruptcy Code. All such actions are appropriate exercises of the Debtors' business judgment and in the best interests of the

Debtors, their creditors, their estates and other parties in interest. Approval of the Sale pursuant to the Purchase Agreement at this time is in the best interests of the Debtors, their creditors, their estates, and all other parties in interest.

W. The offer of the Buyer, upon the terms and conditions set forth in the Purchase Agreement, including the total consideration to be realized by the Debtors thereunder, (i) is the highest and best offer received by the Debtors after extensive marketing, including through the Bidding Procedures, (ii) is in the best interests of the Debtors, their creditors, their estates and other parties in interest and (iii) constitutes full and adequate consideration, is fair and reasonable and constitutes reasonably equivalent value, fair consideration, and fair value for the Transferred Assets under the Bankruptcy Code, the Uniform Fraudulent Transfer Act, and under the laws of the United States, any state, territory, possession, or the District of Columbia. Taking into consideration all relevant factors and circumstances, no other entity has offered to purchase the Transferred Assets for greater economic value to the Debtors or their estates.

X. There has been no showing that any of the Debtors or Buyer (i) has entered into the Purchase Agreement or proposes to consummate the Transactions for the purposes of hindering, delaying, or defrauding the Debtors' present or future creditors or (ii) is entering into the Purchase Agreement or proposing to consummate the Transactions fraudulently, for the purpose of statutory or common law fraudulent conveyance and fraudulent transfer claims, whether under the Bankruptcy Code or under the laws of the United States, any state, territory, possession thereof or the District of Columbia or any other applicable jurisdiction with laws substantially similar to the foregoing.

Y. The sale of the Transferred Assets outside a chapter 11 plan pursuant to the Purchase Agreement neither impermissibly restructures the rights of the Debtors' creditors nor impermissibly dictates the terms of a chapter 11 plan of the Debtors.

Opportunity to Object

Z. A reasonable opportunity to object or be heard with respect to the Motion, the Bidding Procedures, the Sale (and the Transactions contemplated in connection therewith), the assumption and assignment to the Buyer of the Assigned Contracts, the Cure Costs, the Sale Hearing, and all deadlines related thereto has been afforded to all interested persons and entities.

Good Faith Purchaser; Arm's Length Sale

AA. The Purchase Agreement was negotiated, proposed, and entered into by the Debtors and the Buyer without collusion, in good faith, and from arm's length bargaining positions. Neither the Debtors, the Buyer, nor any parent or affiliate of the Buyer has engaged in any conduct that would cause or permit the Purchase Agreement or the Sale to be avoided under section 363(n) of the Bankruptcy Code.

BB. The Buyer is a good-faith purchaser under section 363(m) of the Bankruptcy Code and, as such, is entitled to all of the protections afforded thereby.

CC. Neither Buyer nor any of its affiliates, members, officers, directors, shareholders, or any of their respective successors or assigns is an "insider" or "affiliate" of any of the Debtors, as those terms are defined in sections 101(31) and 101(2) of the Bankruptcy Code, and the Buyer's professionals, agents, and other representatives have complied in all respects with the Bidding Procedures Order and all other applicable orders of this Court in negotiating and entering into the Purchase Agreement. The Purchase Agreement complies with the Bidding Procedures Order and all other applicable orders of this Court.

Free and Clear Transfer Required by Buyer

DD. The Buyer would not have entered into the Purchase Agreement and would not consummate the Sale, if each of the Sale and the assumption and assignment of the Assigned Contracts to the Buyer were not free and clear of all Liens, Claims, and Interests of any kind or nature whatsoever (with the exceptions of: (i) the Assumed Liabilities; (ii) any Permitted Encumbrances; or (iii) as more fully set forth in Paragraphs 9–11 of this Order), or if the Buyer would, or in the future could, be liable for any of the Excluded Liabilities except to the extent expressly provided in this Order. For the avoidance of doubt, subject to Paragraphs 9–11 of this Order, neither the Buyer nor any of its affiliates shall have any responsibility whatsoever with respect to the Excluded Liabilities, which shall remain the responsibility of the Debtors before, on, and after the Closing.

EE. As of the Closing, pursuant and subject to the terms of the Purchase Agreement and this Order, the transfer of the Transferred Assets and of the Assumed Liabilities and the Sale will effect a legal, valid, enforceable, and effective transfer of the Transferred Assets and will vest the Buyer with all of the Debtors' rights, title, and interests in the Transferred Assets free and clear of all Liens, Claims, and Interests of any kind or nature whatsoever (with the exceptions of the Assumed Liabilities and any Permitted Encumbrances).

Satisfaction of Section 363(f)

FF. The Debtors may sell the Transferred Assets free and clear of any and all Liens, Claims, and Interests of any kind or nature whatsoever (with the exception of any Permitted Encumbrances), including any rights or claims based on any putative successor or transferee liability, as set forth herein, because, in each case, one or more of the standards set forth in section 363(f)(1)–(5) of the Bankruptcy Code has been satisfied. All parties in interest, including, without limitation, any holders of Liens, Claims, and/or Interests, and any non-Debtor

counterparties to the Assigned Contracts, that did not object, or who withdrew their objection, to the Sale, the Motion, the assumption and assignment of the applicable Assigned Contract, or the associated Cure Cost are deemed to have consented to the relief granted herein pursuant to section 363(f)(2) of the Bankruptcy Code.

Assigned Contracts

GG. The Debtors have demonstrated (i) that it is an exercise of their sound business judgment to assume and assign the Assigned Contracts to the Buyer in each case in connection with the consummation of the Sale and (ii) that the assumption and assignment of the Assigned Contracts to the Buyer is in the best interests of the Debtors, their estates, and creditors, and other parties in interest. The Assigned Contracts being assigned to the Buyer are an integral part of the Transferred Assets being purchased by the Buyer and, accordingly, such assumption, assignment, and cure of any defaults under the Assigned Contracts are reasonable and enhance the value of the Debtors' estates. Any non-Debtor counterparty to an Assigned Contract that has not actually filed with the Court an objection to such assumption and assignment in accordance with the terms of the Motion is deemed to have consented to such assumption and assignment.

Cure Costs and Adequate Assurance

HH. The Debtors and the Buyer, as applicable, have, including by way of entering into the Purchase Agreement, and agreeing to the provisions therein relating to the Assigned Contracts, (i) cured, or provided adequate assurance of cure, of any default existing prior to the date hereof under any of the Assigned Contracts within the meaning of section 365(b)(1)(A) of the Bankruptcy Code and (ii) provided compensation or adequate assurance of compensation to any party for any actual pecuniary loss to such party resulting from a default prior to the date hereof under any of the Assigned Contracts within the meaning of section 365(b)(1)(B) of the Bankruptcy Code and the Buyer has, based upon the record of these proceedings, including the evidence

adduced at the Sale Hearing, provided adequate assurance of its future performance of and under the Assigned Contracts pursuant to sections 365(b)(1) and 365(f)(2) of the Bankruptcy Code. The Buyer's agreement under the Purchase Agreement to perform the obligations under the Assigned Contracts after the Closing shall constitute adequate assurance of future performance under the Assigned Contracts being assigned to the Buyer within the meaning of sections 365(b)(1)(C) and 365(f)(2)(B) of the Bankruptcy Code. The Cure Costs are hereby found to be the sole amounts necessary to cure any and all defaults under the Assigned Contracts under section 365(b) of the Bankruptcy Code.

Time Is of the Essence; Waiver of Stay

II. Time is of the essence in consummating the Sale. In order to maximize the value of the Transferred Assets, it is essential that the sale and assignment of the Transferred Assets occur within the time constraints set forth in the Purchase Agreement. Accordingly, there is cause to waive the stays contemplated by Bankruptcy Rules 6004 and 6006.

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

Motion is Granted

1. The relief requested by the Motion is granted as set forth herein.

Objections Overruled

2. All objections to the entry of this Order or to the relief granted herein, whether filed, stated on the record before this Court or otherwise, which have not been withdrawn, waived, or settled, and all reservations of rights included therein, are denied and overruled on the merits.

3. Notice of the Motion, the Bidding Procedures, the Sale (and the Transactions contemplated in connection therewith), the assumption and assignment to the Buyer of the Assigned Contracts, the Cure Costs, the Sale Hearing, and all deadlines related thereto was fair

and equitable under the circumstances and complied in all respects with section 102(1) of the Bankruptcy Code and Bankruptcy Rules 2002, 6004 and 6006.

Approval of the Purchase Agreement

4. The Purchase Agreement, as amended to reflect the increased Purchase Price as set forth on the record of the Auction, including all of the terms and conditions thereof, is hereby approved. Pursuant to sections 105, 363, and 365 of the Bankruptcy Code, the Debtors are authorized and directed to take any and all actions necessary to fulfill their obligations under, and comply with the terms of, the Purchase Agreement and to consummate the Sale pursuant to and in accordance with the terms and conditions of the Purchase Agreement and this Order, without further leave of the Court. The Debtors are further authorized and directed to pay, without further order of this Court, whether before, at, or after the Closing, any expenses or costs, if any, that are required to be paid to consummate the Transactions contemplated by the Purchase Agreement, as set forth in the Purchase Agreement and this Order, or otherwise perform their obligations under the Purchase Agreement and this Order.

5. The Debtors are authorized, in accordance with the Purchase Agreement, to execute and deliver, and empowered to perform under, consummate, and implement, the Purchase Agreement, together with all additional instruments, documents, and other agreements that may be reasonably necessary or desirable to implement the Purchase Agreement, and to take all further actions as may be reasonably requested by the Buyer for the purpose of assigning, transferring, granting, conveying, and conferring to the Buyer or reducing to possession, the Transferred Assets, or as may be reasonably necessary or appropriate to the performance of the obligations as contemplated by the Purchase Agreement.

6. Buyer and the Debtors have no obligation to proceed with the Closing unless and until all conditions precedent to their respective obligations to do so, as set forth in the Purchase

Agreement, have been met, satisfied, or waived in accordance with the terms of the Purchase Agreement.

Binding Effect of Order

7. This Order and the Purchase Agreement shall be binding upon all creditors of, and equity holders in, the Debtors and any and all other parties in interest, including, without limitation, any and all holders of Liens, Claims, and Interests (including holders of any rights or claims based on any putative successor or transferee liability) of any kind or nature whatsoever, all non-Debtor parties to the Assigned Contracts, the Buyer, the Debtors and their affiliates and subsidiaries, and any trustee or successor trustee appointed in the Debtors' Chapter 11 Cases or upon a conversion to cases under chapter 7 under the Bankruptcy Code.

Amendments to the Purchase Agreement

8. The Purchase Agreement and any related agreements, documents, or other instruments may be modified, amended, supplemented, or restated by the parties thereto in a writing signed by such parties and in accordance with the terms thereof, without further order of this Court, provided that any such modification, amendment, supplement, or restatement does not have a material adverse effect on the Debtors' estates or any other person or entity, including Bank of Montreal. The Purchase Agreement and this Order and the Debtors' and Buyer's obligations therein and herein shall not be altered, amended, rejected, discharged, or otherwise affected by any chapter 11 plan proposed or confirmed in these bankruptcy cases or any other relief sought from or granted by the Court without the prior written consent of the Buyer.

Transfer of the Transferred Assets Free and Clear

9. Subject to Paragraphs 9–11 hereof, the Buyer shall assume and be liable for only those liabilities expressly assumed pursuant to the Purchase Agreement. Except as expressly permitted or otherwise specifically provided for in the Purchase Agreement or this Order, pursuant

to sections 105(a), 363(b), 363(f), and 365(b) of the Bankruptcy Code, upon the Closing, the Transferred Assets shall be transferred to the Buyer free and clear of any and all Liens, Claims, and Interests of any kind or nature whatsoever, with the exceptions of the Assumed Liabilities and any Permitted Encumbrances, with such Liens, Claims and Interests to attach to the proceeds of such transfer to the same extent and with the same priority as such Liens, Claims and Interests had in the Transferred Assets. For purposes of this Order, “Liens,” “Claims,” and “Interests” shall mean, respectively:

- a. any and all Encumbrances, charges, liens (statutory or otherwise), claims, mortgages, leases, subleases, hypothecations, deeds of trust, pledges, security interests, options, hypothecations, rights of use or possession, rights of first offer or first refusal (or any other type of preferential arrangement), rights of consent, rights of offset and setoff (but only to the extent not actually taken pre-petition), successor liability, easements, servitudes, restrictive covenants, interests or rights under any operating agreement, encroachments, encumbrances, restrictions on transferability of any type, any dedication under any gathering, transportation, treating, purchasing or similar agreement that is not assumed by or assigned to the Buyer, any rights that purport to give any party a right or option to effect any forfeiture, modification, right of first offer or first refusal, or consents, or termination of the Debtors’ or the Buyer’s interest in the Transferred Assets, any similar rights, and third-party interests or any other restrictions or limitations of any kind with respect to the Transferred Assets (collectively, “Liens”);
- b. any and all claims as defined in section 101(5) of the Bankruptcy Code and jurisprudence interpreting the Bankruptcy Code, including, without limitation, (i) any and all claims or causes of action based on or arising under any labor, employment or pension laws, labor or employment agreements, including any employee claims related to worker’s compensation, occupational disease, or unemployment or temporary disability, including, without limitation, claims that might otherwise arise under or pursuant to (a) ERISA (as defined below), (b) the Fair Labor Standards Act, (c) Title VII of the Civil Rights Act of 1964, (d) the Federal Rehabilitation Act of 1973, (e) the National Labor Relations Act, (f) the Age Discrimination and Employment Act of 1967 and Age Discrimination in Employment Act, as amended, (g) the Americans with Disabilities Act of 1990, (h) the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, including, without limitation, the requirements of Part 6 of Subtitle B of Title I of ERISA and Section 4980B of the Internal Revenue Code and of any similar state law (collectively, “COBRA”), (i) state

discrimination laws, (j) state unemployment compensation laws or any other similar state laws, (k) any other state or federal benefits or claims relating to any employment with the Debtors or any of their predecessors, or (l) the WARN Act (29 U.S.C. §§2101 et seq.), (ii) any rights under any pension or multiemployer plan (as such term is defined in Section 3(37) or Section 4001(a)(3) of the Employee Retirement Income Security Act of 1974 (as amended, “ERISA”), health or welfare, compensation or other employee benefit plans, agreements, practices, and programs, including, without limitation, any pension plans of the Debtors or any multiemployer plan to which the Debtors have at any time contributed to or had any liability or potential liability, (iii) any and all claims or causes of action based upon or relating to any putative successor or transferee liability, (iv) any rights related to intercompany loans and receivables between the Debtors and any non-Debtor subsidiary or affiliate, (v) any Excluded Liabilities, (vi) any and all claims or causes of action based upon or relating to any unexpired and executory contract or unexpired lease to which a Debtor is a party that is not an Assigned Contract that will be assumed and assigned pursuant to this Order and the Purchase Agreement, (vii) any and all claims or causes of action based upon or relating to any bulk sales or similar law, (viii) any and all claims or causes of action based upon or relating to any tax statutes or ordinances, including, without limitation, the Internal Revenue Code of 1986, as amended, and any taxes arising under or out of, in connection with, or in any way relating to the operation of the Transferred Assets prior to the Closing, including, without limitation, any ad valorem taxes assessed by any applicable taxing authority (notwithstanding the foregoing, the Sale is not tax exempt under Section 1146(a) of the Bankruptcy Code, and nothing herein releases, waives, or enjoins enforcement of the Buyer’s obligation to pay any transfer taxes that may be due and owing as a result of the Sale), and (ix) any and all other claims, causes of action, proceedings, warranties, guaranties, rights of recovery, setoff (but only to the extent not actually taken pre-petition), rights, remedies, obligations, liabilities, counterclaims, cross-claims, third party claims, demands, restrictions, responsibilities, or contribution, reimbursement, subrogation, or indemnification claims or liabilities based on or relating to any act or omission of any kind or nature whatsoever asserted against any of the Debtors or any of their respective affiliates, subsidiaries, directors, officers, agents, successors or assigns in connection with or relating to the Debtors, their operations, their business, their liabilities, the Debtors’ marketing and bidding process with respect to the Transferred Assets, the Assigned Contracts, or the Transactions contemplated by the Purchase Agreement (collectively, “Claims”); and

- c. any and all equity or other interests of any kind or nature whatsoever in or with respect to (x) any of the Debtors or their respective affiliates, subsidiaries, successors or assigns, (y) the Transferred Assets, or (z) the Assigned Contracts (collectively, “Interests”);

whether in law or in equity, known or unknown, choate or inchoate, filed or unfiled, scheduled or

unscheduled, noticed or unnoticed, recorded or unrecorded, perfected or unperfected, allowed or disallowed, contingent or non-contingent, liquidated or unliquidated, matured or unmatured, material or non-material, disputed or undisputed, direct or indirect, and whether arising by agreement, understanding, law, equity or otherwise, and whether occurring or arising before, on or after the Petition Date, or occurring or arising prior to the Closing. On the Closing, the Buyer shall take title to and possession of the Transferred Assets, subject only to the Permitted Encumbrances and Assumed Liabilities, and Paragraphs 9–11 of this Order.

Vesting of Transferred Assets in the Buyer

10. The transfer of the Transferred Assets to the Buyer pursuant to the Purchase Agreement shall constitute a legal, valid, effective and final transfer of the Transferred Assets on the Closing, and shall vest the Buyer with all of the Debtors' rights, title and interests in the Transferred Assets free and clear of all Liens, Claims, and Interests of any kind or nature whatsoever (with the exceptions of the Assumed Liabilities, any Permitted Encumbrances, and subject to Paragraphs 9–11 of this Order), with such Liens, Claims and Interests to attach to the proceeds of such transfer to the same extent and with the same priority as such Liens, Claims and Interests had in the Transferred Assets.

11. In connection with the Closing and subject in all respects to any financing documents or organizational agreements, the Buyer is hereby authorized in connection with the consummation of the Sale to allocate the Transferred Assets, including the Assigned Contracts, to and among its direct and indirect parent and subsidiary corporations (collectively, "Designees"), in a manner as it in its sole discretion deems appropriate, and to assign, lease, sublease, license, sublicense, transfer, or otherwise dispose of any of the Transferred Assets, including the Assigned Contracts, to and among its Designees with all of the rights and protections accorded to the Buyer

under this Order and the Purchase Agreement with respect thereto, and the Debtors shall cooperate with and take all actions reasonably requested by the Buyer to effectuate any of the foregoing.

Assumption and Assignment of Assigned Contracts

12. Pursuant to sections 105(a) and 365 of the Bankruptcy Code, and subject to and conditioned upon the Closing, the Debtors' assumption and assignment to the Buyer of the Assigned Contracts is hereby approved, and the requirements of section 365(b)(1) of the Bankruptcy Code with respect thereto are hereby deemed satisfied.

13. The Debtors are hereby authorized, in accordance with the Purchase Agreement, and in accordance with sections 105(a) and 365 of the Bankruptcy Code, to (i) assume and assign to the Buyer the Assigned Contracts, effective upon and subject to the occurrence of the Closing, free and clear of all Liens, Claims, and Interests of any kind or nature whatsoever (with the exceptions of the Assumed Liabilities and Permitted Encumbrances), which Assigned Contracts, by operation of this Order, shall be deemed assumed and assigned to the Buyer effective as of the Closing, and (ii) execute and deliver to the Buyer such documents or other instruments as the Buyer may deem necessary to assign and transfer the Assigned Contracts to the Buyer.

14. Subject to Paragraph 15 hereof:

- a. The Debtors are authorized to and shall assume all of the Assigned Contracts in accordance with section 365 of the Bankruptcy Code.
- b. The Debtors are authorized to and shall assign each Assigned Contract to the Buyer in accordance with sections 363 and 365 of the Bankruptcy Code, and any provisions in any Assigned Contract that prohibit or condition the assignment of such Assigned Contract to the Buyer on the consent of the counterparty thereto or allow the non-Debtor party to such Assigned Contract to terminate, recapture, impose any penalty, condition, renewal or extension, or modify any term or condition upon the assignment of such Assigned Contract, shall constitute unenforceable anti-assignment provisions which are expressly preempted under section 365 of the Bankruptcy Code.

- c. All requirements and conditions under sections 363 and 365 of the Bankruptcy Code for the assumption and assignment of the Assigned Contracts by the Debtors to the Buyer have been satisfied.
- d. To the extent provided in section 365(f)(1) of the Bankruptcy Code, upon the Closing, the Assigned Contracts shall be transferred and assigned to, and remain in full force and effect for the benefit of, the Buyer in accordance with their respective terms, notwithstanding any provision in any such Assigned Contract (including those of the type described in sections 365(b)(2), 365(e)(1) and 365(f) of the Bankruptcy Code) that prohibits, restricts, limits, or conditions such assignment or transfer.
- e. After the Debtors' transfer and assignment of the Assigned Contracts to the Buyer, in accordance with sections 363 and 365 of the Bankruptcy Code, the Buyer shall be fully and irrevocably vested in all right, title, and interest of each Assigned Contract free and clear of Liens, Claims, and Interests with the exceptions of the Assumed Liabilities and Permitted Encumbrances, with such Liens, Claims and Interests to attach to the proceeds of such transfer and assignment to the same extent and with the same priority as such Liens, Claims and Interests had in the Assigned Contracts.
- f. Any portion of any Assigned Contract which purports to permit a landlord thereunder to cancel the remaining term of such Assigned Contract if the lessee discontinues its use or operation of the leased premises is void and of no force and effect, and shall not be enforceable against the Buyer, or its assignees and sublessees; and the landlords under any such Assigned Contract shall not have the right to cancel or otherwise modify the Assigned Contract or increase the rent, assert any claim, or impose any penalty by reason of such discontinuation, the Debtors having suspended or ceased operations in, on, or about the leased premises prior to the transfer and assignment of such Assigned Contract to the Buyer, the assignment of such Assigned Contract to the Buyer, or the interruption of business activities at any of the leased premises.
- g. The failure of the Debtors to enforce, at any time prior to the Closing Date, one or more terms or conditions of any Assigned Contract shall not be a waiver of such terms or conditions, or of the Buyer's rights to enforce every term and condition of the Assigned Contracts.
- h. There shall be no rent accelerations, assignment fees, increases, or any other fees charged to the Buyer as a result of the assumption, assignment, and sale of the Assigned Contracts.

15. All defaults and all other obligations of the Debtors under the Assigned Contracts occurring, arising or accruing prior to the assignment thereof to the Buyer at Closing (without

giving effect to any acceleration clauses or any default provisions of the kind specified in section 365(b)(2) of the Bankruptcy Code) are deemed to have been cured or satisfied by the payment of the proposed amount necessary, if any, to cure all monetary defaults, if any, under each Assigned Contract in the amounts set forth in the Notice of Assumption and Assignment or any supplemental Notice of Assumption and Assignment (or any other cure cost reached by agreement after an objection to the proposed cure cost by a counterparty to an Assigned Contract), which was served in compliance with the Bidding Procedures Order (the “Cure Costs”), and which Cure Costs were satisfied, or shall be satisfied as soon as practicable, by the Buyer, as the case may be, as provided in the Purchase Agreement. For all Assigned Contracts for which a Notice of Assumption and Assignment was served, the Buyer is authorized and directed to pay the Cure Costs required to be paid by such parties in accordance with the Purchase Agreement upon the Closing. For any Assigned Contract that is designated by Buyer to be an Assigned Contract after the date of this Order in accordance with the Purchase Agreement, the Debtors shall file a Notice of Assumption and Assignment on the counterparties thereto that identifies the Cure Costs, and, to the extent no objection is received to such notice within seven (7) days of the date of mailing, such Assigned Contract shall be deemed assumed and assigned to Buyer as an Assigned Contract with the Cure Costs set forth in such notice and subject to all relief set forth herein that applies to Assigned Contracts effective as of the Closing. To the extent a timely objection to such notice is received and a is not resolved between the Debtors and such counterparty in accordance with the procedures governing the assumption and assignment of executory contracts and leases approved in the Bidding Procedures Order, such objection will be adjudicated by this Court.

16. Pursuant to section 365(k) of the Bankruptcy Code, the Debtors and their estates shall be relieved from any liability for any breach for any Assigned Contract that occurs after the effectiveness of such assumption and assignment to the Buyer.

17. Notwithstanding any provision in this Order, any and all agreements and obligations of Buyer shall be and are subject to Closing in accordance with the Purchase Agreement.

No Successorship or Transferee Liability

18. Neither the Buyer nor any of its affiliates is or shall be deemed, as a result of the consummation of the Transactions contemplated herein, to: (a) be legal successors to the Debtors or their estates by reason of any theory of law or equity, (b) have, *de facto* or otherwise, merged with or into the Debtors, or (c) be an alter ego or a mere continuation or substantial continuation or successor of the Debtors in any respect. Neither the Buyer nor any of its affiliates shall assume or in any way be responsible for any liability or obligation of any of the Debtors and/or their estates, except as otherwise expressly provided in the Purchase Agreement or this Order.

Modification of the Automatic Stay

19. The automatic stay provisions of section 362 of the Bankruptcy Code are lifted and modified to the extent necessary to implement the terms and conditions of the Purchase Agreement and the provisions of this Order.

Release of Liens by Creditors; Collection of Transferred Assets

20. Except as expressly provided to the contrary in this Order or in the Purchase Agreement, the holder of any valid Lien, Claim, or Interest in the Transferred Assets (other than a Permitted Encumbrance) shall, as of the Closing, without regard to whether such holder has executed or filed any applicable release, and such Liens, Claims and Interests shall be deemed to attach to the proceeds of such transfer to the same extent and with the same priority as such Liens,

Claims and Interests had in the Transferred Assets. Notwithstanding the foregoing and except as expressly provided in this Order or the Purchase Agreement, any such holder of such a Lien, Claim, or Interest is authorized and directed to execute and deliver any waivers, releases, or other related documentation reasonably requested by the Debtors to evidence the release of their Liens, Claims, or Interests in the Transferred Assets. Any person or entity that has filed any financing statements, mortgages, mechanic's liens, lis pendens, or any other documents or agreements evidencing a Lien on any of the Transferred Assets conveyed pursuant to the Purchase Agreement and this Order is directed to deliver to the Debtors prior to the Closing, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, or releases of all Liens which the person or entity has with respect to the Transferred Assets or otherwise.

21. In the event that such termination statements, instruments of satisfaction, or releases of all Liens (excluding Permitted Encumbrances) are not filed in accordance with the foregoing paragraph, the Debtors and the Buyer are hereby authorized to file, register, or otherwise record a certified copy of this Order, which, once filed, registered, or otherwise recorded, shall constitute conclusive evidence of the release of all Liens in the Transferred Assets of any kind or nature whatsoever (except any Permitted Encumbrances) except as expressly provided in this Order or the Purchase Agreement.

22. As of the Closing, the Buyer and its successors and assigns shall be designated and appointed as the Debtors' true and lawful attorney with full power of substitution in the Debtors' name and stead on behalf of and for the benefit of the Buyer, and its successors and assigns, for the following sole and limited purposes: to have the power to demand and receive any and all of the Transferred Assets and to give receipts and releases for and in respect of the Transferred Assets, or any part thereof, and from time to time to institute and prosecute against third parties for the

benefit of the Buyer, its successors and assigns, proceedings at law, in equity or otherwise, which the Buyer, and its successors and assigns, may deem proper for the collection or reduction to possession of any of the Transferred Assets.

Payment of Net Proceeds

23. Within three (3) business days of the Closing, the Debtors will deliver the net proceeds from Sale, up to the amount of the DIP Obligations and the Prepetition Obligations, to the DIP Lender and the Prepetition Lender, respectively, for application to the DIP Obligations in accordance with the DIP Facility and the Prepetition Obligations in accordance with the Prepetition Facility (the “DIP and Prepetition Payoff”); provided that, notwithstanding the DIP and Prepetition Payoff, (a) the rights of the Committee and any other party in interest pursuant to section 4.1(b) of the *Final Order (I) Authorizing Debtors and Debtors in Possession to (A) Obtain Postpetition Financing, (B) Use Cash Collateral, (C) Grant Liens and Super-Priority Claims, and (D) Grant Adequate Protection; (II) Modifying the Automatic Stay; and (C) Granting Related Relief* [Docket No. 136] (the “DIP Order”) shall be expressly reserved, (b) the rights of the DIP Lender and the Prepetition Lender are expressly reserved in connection with the same, including, without limitation, any rights (including but not limited to any rights of indemnification) arising under the DIP Order and DIP Credit Agreement (as defined in the DIP Order) in the event of a Challenge (as defined in the DIP Order) (the “Lender Rights”) and (c) notwithstanding the DIP and Prepetition Payoff, the liens of the DIP Lender and the Prepetition Lender under the DIP Order and the Pre-Petition Loan Documents (as defined in the DIP Order) shall attach to the net proceeds from the Sale to secure the Lender Rights, and such liens shall be deemed perfected without any further notice, filing or action (subject, with respect to the rights of the Prepetition Lender under the Pre-Petition Loan Documents and the DIP Order, to the Challenge Period).

Effect of Recordation of Order

24. This Order, once filed, registered, or otherwise recorded, (a) shall be effective as a conclusive determination that, upon the Closing, all Liens, Claims, and Interests of any kind or nature whatsoever (with the exceptions of the Assumed Liabilities and any Permitted Encumbrances and except as expressly provided in this Order) existing as to the Transferred Assets prior to the Closing have been unconditionally released, discharged, and terminated and that the conveyances described herein have been effected, and (b) shall be binding upon and shall govern the acts of all persons and entities including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, local officials, notaries, protonotaries, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to, the Transferred Assets. Each and every federal, state, and local governmental agency or department is hereby authorized to accept any and all documents and instruments necessary and appropriate to consummate the Transactions contemplated by the Purchase Agreement and this Order, including, without limitation, recordation of this Order.

Prohibition of Actions Against the Buyer

25. Except for the Assumed Liabilities and any Permitted Encumbrances or as expressly permitted or otherwise specifically provided for in the Purchase Agreement or this Order, the Buyer and its affiliates shall have no liability or responsibility for any liability or other obligation of the Debtors or any of their affiliates arising under or related to the Transferred Assets or otherwise. Without limiting the generality of the foregoing, and except as otherwise specifically provided in this Order or in the Purchase Agreement, the Buyer and its affiliates shall not be liable

for any claims against the Debtors or any of their predecessors or affiliates, and the Buyer and its affiliates shall have no successor or vicarious liabilities of any kind or character including, without limitation, any theory of antitrust, warranty, product liability, environmental, successor or transferee liability, labor law, ERISA, *de facto* merger, mere continuation, or substantial continuity, whether known or unknown as of the Closing, now existing or hereafter arising, whether fixed or contingent, with respect to the Debtors or any obligations of the Debtors, including, without limitation, liabilities on account of any taxes arising, accruing, or payable under, out of, in connection with, or in any way relating to the operation of the Debtors' business prior to the Closing or any claims under the WARN Act or any claims related to wages, benefits, severance, or vacation pay owed to employees or former employees of the Debtors.

26. EFFECTIVE UPON THE CLOSING, WITH THE SOLE EXCEPTIONS OF ANY ENFORCEMENT OF RIGHTS RELATED TO THE ASSUMED LIABILITIES OR ANY PERMITTED ENCUMBRANCES, AND EXCEPT AS EXPRESSLY PROVIDED BY THIS ORDER, ALL PERSONS AND ENTITIES HAVING LIENS, CLAIMS, ENCUMBRANCES, CAUSES OF ACTION OR INTERESTS OF ANY KIND OR NATURE WHATSOEVER AGAINST OR IN THE DEBTORS OR THE TRANSFERRED ASSETS OR ASSIGNED CONTRACTS SHALL BE, AND HEREBY ARE, FOREVER BARRED AND ENJOINED FROM (A) TAKING ANY ACTION THAT WOULD ADVERSELY AFFECT OR INTERFERE WITH THE ABILITY OF THE DEBTORS TO TRANSFER THE TRANSFERRED ASSETS TO THE BUYER IN ACCORDANCE WITH THE TERMS OF THIS ORDER AND THE PURCHASE AGREEMENT OR BUYER'S RIGHTS, USE, AND ENJOYMENT OF THE TRANSFERRED ASSETS AND ASSIGNED CONTRACTS IN ACCORDANCE WITH THE TERMS OF AND AS AUTHORIZED BY THIS ORDER TO THE EXTENT SUCH ACTION

RELATED TO A LIEN, CLAIM, ENCUMBRANCE, INTEREST, OR CAUSE OF ACTION ARISING ON OR PRIOR TO THE CLOSING DATE AND (B) ASSERTING, PROSECUTING, OR OTHERWISE PURSUING, WHETHER IN LAW OR IN EQUITY, IN ANY JUDICIAL, ADMINISTRATIVE, ARBITRAL, OR OTHER PROCEEDING, ANY LIENS, CLAIMS, ENCUMBRANCES, CAUSES OF ACTION, OR INTERESTS OF ANY KIND OR NATURE WHATSOEVER ARISING ON OR PRIOR TO THE CLOSING DATE AND RELATING TO (i) ANY LIEN, CLAIM, ENCUMBRANCE, CAUSE OF ACTION, OR INTEREST RELEASED PURSUANT TO THIS ORDER, (ii) THE PURCHASE AGREEMENT, (iii) THE SALE, (iv) THE TRANSACTIONS, (v) THE TRANSFERRED ASSETS, OR (vi) THE ASSIGNED CONTRACTS AGAINST THE BUYER AND ITS AFFILIATES, SUCCESSORS, DESIGNEES, ASSIGNS, OR PROPERTY, OR THE TRANSFERRED ASSETS OR ASSIGNED CONTRACTS CONVEYED UNDER THE AUTHORIZATION OF THIS ORDER IN ACCORDANCE WITH THE PURCHASE AGREEMENT.

No Interference

27. Following the Closing, subject to paragraphs 9–11 of this Order, no holder of a Lien, Claim, and/or Interest (with the exception of any holders of Permitted Encumbrances) in or against the Debtors or the Transferred Assets, or any other entity or person, shall interfere with the Buyer's title to or use and enjoyment of the Transferred Assets based on or related to such Lien, Claim, and/or Interest or any actions that the Debtors may take in their bankruptcy cases or any successor cases.

Retention of Jurisdiction

28. This Court retains jurisdiction prior to, on, and after Closing to, among other things, interpret, enforce, and implement the terms and provisions of the this Order and the Purchase Agreement, all amendments thereto, any waivers and consents thereunder, and each of the

agreements executed in connection therewith in all respects, including, without limitation, retaining jurisdiction to: (a) compel delivery of the Transferred Assets or performance of other obligations owed to the Buyer; (b) compel performance of obligations owed to the Debtors; (c) resolve any disputes arising under or related to the Purchase Agreement; (d) interpret, implement, and enforce the provisions of this Order; (e) determine whether any lien or Encumbrance constitutes a Permitted Encumbrance, (f) determine any claim, cause, cause of action, or controversy brought by the Buyer relating to the Purchase Agreement or the Transferred Assets or that constitute Transferred Assets, and (g) protect the Buyer and its affiliates against (i) any Liens, Claims, and Interests in or against the Debtors or the Transferred Assets of any kind or nature whatsoever and (ii) any creditors or other parties in interest regarding the turnover of the Transferred Assets that may be in their possession.

No Stay of Order

29. Notwithstanding Bankruptcy Rules 6004(h) and 6006(d), this Order shall be effective and enforceable immediately upon entry and its provisions shall be self-executing. In the absence of any person or entity obtaining a stay pending appeal, the Debtors and the Buyer are free to close the Sale under the Purchase Agreement at any time pursuant to the terms thereof.

Good Faith Purchaser

30. The Sale contemplated by the Purchase Agreement is undertaken by the Buyer in good faith, as that term is used in section 363(m) of the Bankruptcy Code, and Buyer has acted without collusion in undertaking and consummating the Sale and Transactions contemplated by the Purchase Agreement. Accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Sale shall not affect the validity of the Sale to the Buyer (including the assumption and assignment by the Debtors of any of the Assigned Contracts), unless such authorization is duly stayed pending such appeal. The Buyer is a buyer in good faith of the

Transferred Assets, and is entitled to all of the protections afforded by section 363(m) of the Bankruptcy Code.

31. There has been no showing that the Debtors or Buyer or its affiliates engaged in any action or inaction that would cause or permit the Transactions to be avoided or costs or damages to be imposed under section 363(n) of the Bankruptcy Code.

Inconsistencies with Prior Orders, Pleadings or Agreements

32. To the extent of any conflict between the Purchase Agreement and this Order, the terms of this Order shall govern. To the extent this Order is inconsistent or conflicts with any prior order or pleading in these Chapter 11 Cases, the terms of this Order shall govern to the extent required to permit consummation of the Sale.

Failure to Specify Provisions

33. The failure to specifically reference any particular provisions of the Purchase Agreement or other related documents in this Order shall not diminish or impair the effectiveness of such provisions, it being the intent of the Court that the Purchase Agreement and other related documents be authorized and approved in their entirety.

Resolution of Informal Objection by the Environmental Protection Agency

34. Nothing in this Order or the Asset Purchase Agreement releases, nullifies, precludes or enjoins the enforcement of any police or regulatory liability to a U.S. governmental unit that any entity would be subject to as the post-sale owner or operator of property after the date of entry of this Order. Nothing in this Order or the Asset Purchase Agreement authorizes the transfer or assignment of any U.S. governmental (a) license, (b) permit, (c) registration, (d) authorization, or (e) approval, or the discontinuation of any obligation thereunder, without compliance with all applicable legal requirements and approvals under police or regulatory law in the United States.

Nothing in this Order divests any tribunal of any jurisdiction it may have under police or regulatory law to interpret this Order or to adjudicate any defense asserted under this Order.

A handwritten signature in black ink, appearing to read "Craig Goldblatt", is positioned above the printed name and title of the judge.

Dated: May 30th, 2023
Wilmington, Delaware

CRAIG T. GOLDBLATT
UNITED STATES BANKRUPTCY JUDGE

Exhibit 1

Purchase Agreement

Execution Version
CONFIDENTIAL

ASSET PURCHASE AGREEMENT

by and among

MERCER INTERNATIONAL INC.

SLP HOLDINGS LTD.

STRUCTURLAM MASS TIMBER U.S., INC.

STRUCTURLAM MASS TIMBER CORPORATION

and

NATURAL OUTCOMES, LLC.

Dated as of April 21, 2023

TABLE OF CONTENTS

ARTICLE I PURCHASE AND SALE OF THE BUSINESS.....	2
Section 1.1 Purchase and Sale of Assets	2
Section 1.2 Excluded Assets	3
Section 1.3 Assumption of Liabilities	5
Section 1.4 Excluded Liabilities	6
Section 1.5 Assumption and Assignment of Contracts.....	7
Section 1.6 Bankruptcy Proceeding Assumption and Assignment of Contracts	7
Section 1.7 U.S. Bankruptcy Proceedings Assumption and Assignment of Contracts	10
Section 1.8 Non-Assignment of Assets.....	10
Section 1.9 Wrong Pocket.....	11
Section 1.10 Intracompany Arrangements	11
Section 1.11 Further Conveyances and Assurances.....	12
ARTICLE II CONSIDERATION; CLOSING	12
Section 2.1 Consideration	12
Section 2.2 Purchase Price Deposit.....	12
Section 2.3 Closing.....	12
Section 2.4 Deliveries by Buyer	13
Section 2.5 Deliveries by Sellers	13
Section 2.6 [Reserved].....	14
Section 2.7 Escrow Mechanics	14
Section 2.8 Withholding	14
ARTICLE III REPRESENTATIONS AND WARRANTIES OF SELLERS.....	15
Section 3.1 Organization; Good Standing	15
Section 3.2 [Reserved].....	15
Section 3.3 Authority; Approval.....	15
Section 3.4 Governmental Filings; No Violations	15
Section 3.5 Financial Statements	16
Section 3.6 Litigation.....	16
Section 3.7 Transferred Owned Property	16
Section 3.8 Material Contracts	16
Section 3.9 Compliance with Laws; Permits	17
Section 3.10 Brokers and Finders	18
Section 3.11 Employees.....	18
Section 3.12 Employee Benefit Plans	18
Section 3.13 Title to Transferred Assets	19
Section 3.14 Intellectual Property.....	19
Section 3.15 Environmental Matters.....	19
Section 3.16 Taxes	20
Section 3.17 Insurance.....	20
Section 3.18 Real Property.....	21
Section 3.19 Status of Transferred Assets.....	21
Section 3.20 Full Disclosure.	21

Section 3.21	No Other Representations or Warranties	21
ARTICLE IV REPRESENTATIONS AND WARRANTIES OF BUYER.....		22
Section 4.1	Organization, Good Standing	22
Section 4.2	Authority; Approval.....	22
Section 4.3	Government Filings; No Violations	23
Section 4.4	Litigation.....	23
Section 4.5	Available Funds.....	23
Section 4.6	Condition of the Business.....	23
Section 4.7	Brokers and Finders	24
Section 4.8	No Other Representations or Warranties	24
Section 4.9	Due Diligence by Buyer.....	24
Section 4.10	[Reserved].....	25
Section 4.11	No Other Representations or Warranties	25
ARTICLE V BANKRUPTCY MATTERS.....		25
Section 5.1	Competing Transactions.....	25
Section 5.2	U.S. Bankruptcy Actions.....	26
Section 5.3	CCAA and Bankruptcy Court Filings	26
ARTICLE VI COVENANTS.....		27
Section 6.1	Access and Information.....	27
Section 6.2	Interim Operations of the Business	28
Section 6.3	Cooperation; Status Updates; Regulatory Filings	28
Section 6.4	Tax Matters	30
Section 6.5	Employment Matters.....	32
Section 6.6	Confidentiality.....	34
Section 6.7	Personal Information.....	35
Section 6.8	Publicity	35
Section 6.9	Maintenance of Books and Records	35
Section 6.10	Insurance Matters	36
Section 6.11	Wallis Lease Extension	36
Section 6.12	[Reserved].....	36
Section 6.13	Environmental.....	36
Section 6.14	Conduct of Sellers.....	36
Section 6.15	Notification of Certain Matters.....	37
Section 6.16	Transfer of Permits.	38
Section 6.17	Sellers' Obligations.....	38
ARTICLE VII CONDITIONS TO CLOSING.....		39
Section 7.1	Conditions Precedent to Each Party's Obligations	39
Section 7.2	Conditions Precedent to Obligations of Buyer.....	39
Section 7.3	Conditions Precedent to Obligations of Sellers.....	40
Section 7.4	No Frustration of Closing Conditions	40
ARTICLE VIII TERMINATION.....		41
Section 8.1	Termination of Agreement	41

Section 8.2	Effect of Termination.....	42
Section 8.3	Break-Up Fee and Expense Reimbursement Amount	43
ARTICLE IX MISCELLANEOUS		44
Section 9.1	Survival.....	44
Section 9.2	Notices.....	44
Section 9.3	Entire Agreement; Amendments and Waivers.....	46
Section 9.4	Assignment	46
Section 9.5	Expenses	47
Section 9.6	Governing Law.....	47
Section 9.7	Specific Performance	47
Section 9.8	Submission to Jurisdiction; Consent to Service of Process; Waiver of Jury Trial.....	47
Section 9.9	Interpretation; Construction.....	48
Section 9.10	Severability	49
Section 9.11	Counterparts and Electronic Execution	49

EXHIBITS AND SCHEDULES

EXHIBITS

Exhibit A	-	Defined Terms
Exhibit B	-	Form of Assignment and Assumption Agreement
Exhibit C	-	Form of IP Assignment Agreement
Exhibit D	-	Form of Employment Confirmation Letter
Exhibit E	-	Form of Canadian Sale Order

SCHEDULES

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (including the Exhibits and Schedules hereto, each as amended or restated from time to time in writing, this “Agreement”), dated as of April 21, 2023, is made by and among Mercer International Inc., a corporation organized under the Laws of the State of Washington (“Buyer”), SLP Holdings Ltd., a British Columbia company (“SLP”), Structurlam Mass Timber U.S., Inc., a Delaware corporation (“Structurlam U.S.”), Structurlam Mass Timber Corporation, a British Columbia company and Natural Outcomes, LLC, a Delaware limited liability company (each a “Seller”, and collectively, “Sellers”). Buyer and Sellers are collectively referred to as the “Parties” and each individually as a “Party”. Exhibit A contains definitions of certain capitalized terms used in this Agreement.

RECITALS

WHEREAS, Sellers and certain of their Affiliates carry on the business of offering a broad scope of timber products to builders and retailers in the U.S. and Canada, including manufacturing, distributing and selling glulam products, parallam, cross-laminated timber and related hardware and industrial matting (the “Business”);

WHEREAS, Sellers and certain of their Affiliates will commence voluntary proceedings under Chapter 11 of the Bankruptcy Code (the “U.S. Bankruptcy Proceeding”) by filing petitions for relief in the U.S. Bankruptcy Court for the District of Delaware (the “U.S. Bankruptcy Court”);

WHEREAS, Sellers and certain of their Affiliates will seek to obtain an Order (the “Initial Order”) under the Companies’ Creditors Arrangement Act (Canada) (“CCAA”) from the Supreme Court of British Columbia (the “CCAA Proceedings”) to recognize the U.S. Bankruptcy Proceeding as a foreign proceeding pursuant to Part IV of the CCAA and to, among other things, have the orders of the U.S. Bankruptcy Court recognized for enforcement in Canada;

WHEREAS, Sellers will seek to obtain from the U.S. Bankruptcy Court an Order (the “Bid and Contract Procedures Order”), among other things, approving bid procedures for the sale of Sellers’ assets (the “Bid Procedures”), approving stalking horse bid protections with respect to Sellers’ entry into stalking horse purchase agreements, scheduling the Auction for, and Sale Hearing(s) to approve, the sale of Sellers’ assets, approving the form and manner of notices of sale, the Auction and Sale Hearing(s), and approving contract procedures for the assumption and assignment of executory contracts and unexpired leases, and will subsequently seek to have the Bid and Contract Procedures Order recognized for enforcement in the CCAA Proceedings;

WHEREAS, Buyer and Sellers are contemplating, among other things, that following the execution of this Agreement, Buyer will act as a “stalking horse bidder” pursuant to the Bid Procedures for the Transferred Assets, meaning that, in the absence of Sellers’ acceptance of a superior bid made in accordance with the Bid Procedures, Buyer will purchase Sellers’ right, title and interest in and to the Transferred Assets and assume the Assumed Liabilities on the terms and subject to the conditions set forth in this Agreement, in accordance with the Bid Procedures and subject to obtaining the U.S. Sale Order and the Canadian Sale Order (the “Acquisition”);

WHEREAS, the Parties desire to consummate the Acquisition as promptly as practicable following the satisfaction of the conditions precedent set out herein, including the issuance by the

U.S. Bankruptcy Court of the U.S. Sale Order and the issuance by the Canadian Court of the Canadian Sale Order;

WHEREAS, the Acquisition and the transactions contemplated by this Agreement and the agreements contemplated hereby are subject to the approval of the U.S. Bankruptcy Court and the Canadian Court and will be consummated only subject to the terms and conditions set forth herein and in accordance with the U.S. Orders and the Canadian Orders to be entered in the U.S. Bankruptcy Proceeding and the CCAA Proceedings, respectively; and

WHEREAS, Buyer shall deliver to Citibank, N.A. (the “Escrow Agent”) a deposit in the sum of US\$6,000,000 (the “Deposit Amount”) on the terms contemplated herein;

NOW, THEREFORE, in consideration of the foregoing, and of the representations, warranties, covenants and agreements contained herein, the Parties agree as follows:

ARTICLE I

PURCHASE AND SALE OF THE BUSINESS

Section 1.1 Purchase and Sale of Assets. On the terms and subject to the conditions set forth herein, subject to Section 1.8, at the Closing, Sellers shall Transfer to Buyer, and Buyer shall purchase and acquire from Sellers the entirety of Sellers’ right, title and interest in and to all of the Sellers’ assets, properties and rights of every kind and nature, whether real, personal or mixed, tangible or intangible (including goodwill), wherever located, in the physical possession of Sellers or another Person, including the following, in each case free and clear of all Liens, claims, encumbrances, and interests (other than Permitted Encumbrances) and Excluded Liabilities (the “Transferred Assets”):

- (a) [Reserved];
- (b) Inventory;
- (c) Transferred Leased Property;
- (d) Transferred Owned Property;
- (e) Fixtures and Equipment, including, for greater certainty, all of those assets listed on Schedule 1.1(e) of the Seller Disclosure Schedule;
- (f) Transferred Intellectual Property and all the goodwill of the Business and/or associated with or related to such Transferred Intellectual Property;
- (g) each Seller Contract listed on Schedule 1.1(g) of the Seller Disclosure Schedule and each Transferred Lease with respect to which an Order has been entered by the U.S. Bankruptcy Court (which may be the U.S. Sale Order) or the Canadian Court (which may be the Canadian Sale Order) authorizing the assumption and assignment of such Contract (such Contracts collectively, the “Closing Assumed Contracts”);

- (h) each non-executory Seller Contract;
- (i) pursuant to Section 1.6(c), each Additional Assumed Contract with respect to which an Order has been entered by the U.S. Bankruptcy Court or the Canadian Court authorizing the assumption and assignment of such Contract;
- (j) the Books and Records, subject to Section 6.9;
- (k) to the extent their transfer is permitted by Law, all Permits that are held by Sellers and applications therefor or related thereto;
- (l) all rights under the Seller Plans and any trusts, funding vehicles and other assets related thereto, Unionized Employees or Continuing Employees as set forth in Schedule 1.1(l) of the Seller Disclosure Schedule (collectively, the "Transferred Seller Plans");
- (m) all credits, prepaid expenses, deferred charges, advance payments, refunds, security deposits, prepaid items and duties to the extent related to a Transferred Asset, but excluding any refunds of Taxes to the extent included in Section 1.2(h) and any prepayments or deposits of any Asset Taxes prior to the date hereof for which Sellers shall receive credit to the extent provided in Section 6.4(b); and
- (n) any claim, right, award, recovery, indemnity, warranty, right to insurance proceeds, refund, reimbursement, audit right, duty, obligation, liability or other intangible right in favor of or owed to any Seller (other than rights arising under or relating to this Agreement, the Transaction Documents or Sellers' or any of their Affiliates' directors' and officers' insurance policies (the "D&O Insurance Claims")), to the extent (i) related to any Transferred Seller Plan, (ii) related to any other Transferred Asset and arising or attributable to the period of time on or after the Closing or (iii) related to any insurance proceeds as set forth in Section 6.10(a) other than the Excluded Insurance Proceeds.

Section 1.2 Excluded Assets. Notwithstanding anything to the contrary set forth in this Agreement or in any of the other Transaction Documents, the Parties expressly acknowledge and agree that nothing in this Agreement shall be construed to obligate any Seller to Transfer to Buyer any of the assets, properties or rights of any Seller other than the Transferred Assets specifically listed in Section 1.1, and all such assets, properties or rights of any Seller (the "Excluded Assets") shall be excluded from the Transferred Assets. Each Seller shall retain all of its respective right, title and interest in and to the Excluded Assets and Buyer shall not acquire and shall have no rights or Liabilities with respect to the right, title and interest of each Seller in and to the Excluded Assets, including, the following:

- (a) any claim, right, award, recovery, indemnity, warranty, refund, reimbursement, audit right, duty, obligation, liability or other intangible right in favor of or owed to any Seller (i) to the extent arising under or related to the D&O Insurance Claims, (ii) to the extent related to a Transferred Asset (other than a Transferred Seller Plan) and arising or attributable to the period of time prior to the date hereof, (iii) to the extent related to any of the Excluded Liabilities, (iii) related to any insurance proceeds from Sellers' or any of their Affiliates' third party insurance policies to the extent such proceeds arise on account of acts or omissions that occurred prior to the date of this Agreement (together with the D&O Insurance Claims, the "Excluded Insurance Proceeds");

(b) all trade credits or refunds of costs or expenses borne by any Seller, in each case, attributable to the Transferred Assets and attributable to any period of time prior to the Closing Date;

(c) any shares or other interests in any Person or any securities of any Person;

(d) the articles and notice of articles, corporate charter, seal, minute books, stock record books and other similar documents relating to the organization, maintenance and existence of any Seller or any Affiliate of any Seller;

(e) all invoices, shipping documents, purchase orders and other preprinted business forms that have any Trademark thereon other than those included in the Transferred Intellectual Property;

(f) all Intellectual Property owned by any Seller or any of their Affiliates, other than the Transferred Intellectual Property;

(g) all personnel records (including all human resources and other records) of any Seller or any of their Affiliates relating to employees of any Seller or any of their Affiliates, in either case, other than the personnel records of the Unionized Employees and Continuing Employees;

(h) any refund of any Taxes paid by or on behalf of any Seller, other than refunds of Asset Taxes allocable to Buyer pursuant to Section 6.4(b);

(i) all deposits, cash and cash equivalents, checks and funds, bank accounts and other similar cash items;

(j) all consideration received by any Seller or their Affiliates pursuant to, and all rights of any Seller and their Affiliates under, this Agreement or any Transaction Document, subject to the terms hereof and thereof;

(k) all of the following documents prepared or received by Sellers, their Affiliates or any of their respective Representatives, in each case, with respect to the Transferred Assets: (i) lists of prospective buyers; (ii) offers, bids or proposals submitted by any prospective buyer; (iii) analyses by Sellers of any offers, bids or proposals submitted by any prospective buyer; (iv) correspondence between or among Sellers, their Representatives and any prospective buyer; and (v) correspondence between Sellers, their Affiliates or any of their respective Representatives with respect to any offers, bids or prospective buyers, the transactions contemplated hereby or otherwise contemplated by the Bid Procedures;

(l) all Retained Accounts Receivable (which, for the avoidance of doubt, shall not include the Buyer Accounts Receivable, to which Sellers shall have no entitlement under this Agreement);

(m) all Seller Contracts that are not Closing Assumed Contracts or Additional Assumed Contracts (the "Excluded Contracts");

(n) all Intracompany Receivables;

(o) all Tax Returns;

(p) all Actions owned by or available to any Seller, whether in Law or equity and under any forum (including, purely by way of example and without limitation, Canadian or United States federal courts, any provincial court or state court, any foreign court and any extrajudicial dispute resolution mechanism), including any (i) Action set forth on Schedule 1.2(p)(i) and (ii) Avoidance Action, attributable to any period of time prior to the Closing Date including, in each case, without limitation any Action (w) related to the acquisition, ownership, management, operation, use, function or value of any Transferred Asset or Excluded Asset, (x) against any counterparty to a Closing Assumed Contract, or any Affiliate of such counterparty or (y) against any director, officer, manager, employee, contractor, consultant or advisor employed by or providing services to any Seller (such Actions, the “Excluded Actions”) unless (1) related to any Transferred Assets and (2) is attributable to any period of time following the Closing Date;

(q) any prepayments and good faith and other bid deposits submitted by any third party under the terms of the Bid and Contract Procedures Order; and

(r) any claim, right, award, recovery, reimbursement, or other benefit arising prior to the Closing Date from the Rebate Program and any federal matching program related thereto.

Section 1.3 Assumption of Liabilities. On the terms and subject to the conditions set forth herein, at the Closing, Buyer will assume, without duplication, and will otherwise in a timely manner pay, perform and discharge and be responsible for, in accordance with their respective terms, all of the following Liabilities arising from and after the Closing (collectively, the “Assumed Liabilities”):

(a) all Liabilities with respect to the ownership, possession, use and operation of the Transferred Assets accruing on or after the Closing;

(b) [Reserved];

(c) all Liabilities for, or related to any obligation for, any Tax that Buyer bears under Section 6.4;

(d) all Liabilities under the Closing Assumed Contracts and the Additional Assumed Contracts, including all Cure Costs;

(e) all Liabilities under any Permitted Encumbrance to the extent related to any Transferred Asset;

(f) all Liabilities under the Transferred Seller Plans and all Liabilities assumed by Buyer pursuant to Section 6.5; and

(g) all other Liabilities that Buyer has expressly assumed or agreed to assume or be responsible for under this Agreement and the other Transaction Documents.

Section 1.4 Excluded Liabilities. Notwithstanding anything to the contrary set forth in this Agreement or in any of the other Transaction Documents, the Parties expressly acknowledge and agree that, except as set forth in Section 1.3, Buyer will not assume, be obligated to pay, perform or otherwise discharge or in any other manner be liable or responsible for any Liabilities of Sellers (or any of them), including those arising from or in connection with the Transferred Assets or the Business, or for any Action against Sellers (or any of them) or relating to the Transferred Assets or the Business, whether existing on the Closing or arising thereafter as a result of any act, omission, event, thing or circumstances taking place or not taking place prior to the Closing, including the following (all such Liabilities that Buyer is not assuming being referred to collectively, as the “Excluded Liabilities”):

- (a) all Income Taxes of Sellers;
- (b) all Liabilities relating to or arising out of the Excluded Assets;
- (c) all Liabilities in respect of any pending or threatened Action arising out of, relating to or otherwise in respect of the Business or the Transferred Assets to the extent such Action relates to the Business or the Transferred Assets for any period on or prior to the Closing Date;
- (d) all product Liability or similar claim for injury to a Person or property which arises out of or is based upon any express or implied representation, warranty, agreement or guaranty made by any Seller or based on any tort claim, or by reason of the improper performance or malfunctioning of a product, improper design or manufacture, failure to adequately package, label or warn of hazards or other related product defects of any products at any time manufactured or sold or any service performed by Seller prior to the Closing Date;
- (e) all recall, design defect, improper installation, manufacturing defect or similar or related claims of any products manufactured or sold or any service performed by any Seller prior to the Closing Date;
- (f) all Liabilities arising under or in connection with any present or former employee benefit plan providing benefits to any present or former employee of any Seller, other than as set forth in Section 1.3(f), provided, that all such Liabilities with respect to the Continuing Employees shall only be Excluded Liabilities to the extent arising or related to any period prior to the Closing;
- (g) except as provided in Section 6.5, including the Liabilities assumed by Buyer in relation to the Continuing Employees and the Unionized Employees as set out in Section 6.5(l), all Liabilities with respect to any present or former employees, officers, directors, independent contractors or consultants of Seller, including for wages or other work-related benefits, bonuses, fees, accrued vacation, workers’ compensation, employee deferred compensation including stock option plans, equity grants, other grants and agreements, severance, retention, termination or other payments;
- (h) all Accounts Payable;
- (i) all Liabilities of the Business relating or arising from unfulfilled commitments, quotations, purchase orders, customer orders or work orders that do not constitute part of the Transferred Assets or Assumed Liabilities;

(j) all Liabilities to indemnify, reimburse, or advance amounts to any present or former officer, director, employee, agent or independent contractors of any Seller (including with respect to any breach of fiduciary obligations by same);

(k) all Liabilities under the Excluded Contracts, Intracompany Payables and/or resulting from the termination of obligations provided for in Section 1.10(b);

(l) all Liabilities associated with debt, loans, notes, bonds, guarantees, indemnifications or credit facilities of any Seller and/or the Business or the Transferred Assets;

(m) all Liabilities arising out of, in respect of or in connection with the failure by any Seller to comply with any Law; and

(n) all Liabilities associated with, or arising from or in connection with the redemption and cancellation of the Conway Material Bond Agreements as contemplated by Section 6.3(b).

Section 1.5 Assumption and Assignment of Contracts.

(a) Sellers shall assign to Buyer, and Buyer shall assume, the Closing Assumed Contracts at the Closing pursuant to the U.S. Sale Order or Canadian Sale Order, as applicable, subject to the other provisions of this Section 1.5. Buyer shall pay all Cure Costs in respect of the Closing Assumed Contracts and the Additional Assumed Contracts, which shall not be the obligation, liability or responsibility of Sellers.

(b) The U.S. Sale Order and Canadian Sale Order, as applicable, shall provide for the assumption by the applicable Seller party thereto, and the assignment to the extent legally capable of being assigned by such Seller to Buyer, of (i) each Closing Assumed Contract on the terms and conditions set forth in Section 1.6 and Section 1.7 and (ii) each Additional Assumed Contract on the terms and conditions set forth in Section 1.6 and Section 1.7.

Section 1.6 Bankruptcy Proceeding Assumption and Assignment of Contracts.

(a) Sellers may file with the U.S. Bankruptcy Court on the later of (i) May 4, 2023 or (ii) the date that is three (3) Business Days after the entry of the Bid and Contract Procedures Order, a notice (a "Notice of Potential Assignment") in the form approved by the Bid and Contract Procedures Order and serve such Notice of Potential Assignment by first-class mail on all non-Seller counterparties to those certain executory contracts and unexpired leases Related to the Business that Sellers may wish to assume and assign to Buyer in connection with the transactions contemplated hereby (each, an "Identified Contract"). Within one day after the conclusion of the Auction, or as soon as reasonably practicable thereafter, Sellers may file with the U.S. Bankruptcy Court a notice in the form approved by the Bid and Contract Procedures Order reflecting Sellers' proposed assumption and assignment of the Closing Assumed Contracts. At the Closing, Sellers shall assume and assign to Buyer the Closing Assumed Contracts, in each case, pursuant to Section 365 of the Bankruptcy Code or the U.S. Sale Order, subject to provision by Buyer of adequate assurance as may be required under Section 365 of the Bankruptcy Code. Pursuant to the terms of the Bid and Contract Procedures Order or the U.S. Sale Order, as the case may be, Sellers shall assume and assign to Buyer the Additional Assumed Contracts, in each case, pursuant

to Section 365 of the Bankruptcy Code and the U.S. Sale Order, subject to provision by Buyer of adequate assurance as may be required under Section 365 of the Bankruptcy Code.

(b) From time to time following the date hereof (and not later than five days prior to the expected Closing Date (or such later date as may be approved by the U.S. Bankruptcy Court) (the “Designation Deadline”)), Buyer may, in its sole discretion, (i) designate additional Identified Contracts or any other executory contracts or unexpired leases that Buyer wishes to assume in connection with the transactions contemplated hereby as “Additional Assumed Contracts” by providing written notice to Sellers in the form of an updated Additional Assumed Contracts Schedule and (ii) notify Sellers in writing of any Closing Assumed Contract or Additional Assumed Contract that it does not any longer wish to assume and any such previously considered Closing Assumed Contract or Additional Assumed Contract that Buyer no longer wishes to assume shall be automatically deemed removed from the Schedules related to Closing Assumed Contracts or Additional Assumed Contracts and shall be automatically deemed an Excluded Contract without any adjustment to the Purchase Price.

(c) Within three Business Days following the Designation Deadline, Sellers may file with the U.S. Bankruptcy Court a further assumption notice (a “Further Assignment Notice”) by first-class mail in the form approved by the Bid and Contract Procedures Order on all non-Seller counterparties to all Additional Assumed Contracts not previously noticed by Sellers in accordance with Section 1.6(a), and provide a copy of the same to Buyer. Following filing of the Further Assignment Notice, Sellers shall assume and assign to Buyer the Additional Assumed Contracts on such date as specified in such Further Assignment Notice, in each case, pursuant to Section 365 of the Bankruptcy Code and an Order providing for the assumption by the applicable Seller party thereto, and the assignment to the extent legally capable of being assigned by such Seller to Buyer, of each of the Additional Assumed Contracts pursuant to Section 365 of the Bankruptcy Code on the terms and conditions set forth in this Section 1.6, subject to provision by Buyer of adequate assurance as may be required under Section 365 of the Bankruptcy Code. For the avoidance of doubt, (x) if Buyer has not provided Sellers an updated Additional Assumed Contract Schedule to assume any additional Identified Contracts or other executory contracts or unexpired leases in accordance with the foregoing, then such Identified Contract or other executory contract or unexpired lease shall be deemed to be an Excluded Contract and may be rejected by any Seller party thereto after the expiration of the Designation Deadline, (y) no prepetition Cure Cost shall be due or payable with respect to any executory contract or unexpired lease until the permanent assumption thereof and (z) each Identified Contract or other executory contract or unexpired lease that becomes an Additional Assumed Contract pursuant to this Section 1.6(c) shall concurrently be deemed to have become a Transferred Asset.

(d) With respect to any Identified Contracts that are not Closing Assumed Contracts, if following the Closing Date, Sellers incur any direct incremental administrative expenses allowed pursuant to section 503(b) of the Bankruptcy Code associated with its continuance of such Identified Contract during the period between the Closing Date and the earlier of (x) the date such Identified Contract is either assumed and assigned to Buyer or rejected and (y) the Designation Deadline, then Buyer shall, within 15 days following the Closing Date, reimburse Sellers for such incremental expenses (other than expenses caused as a result of the relevant Seller’s breach of such executory contract or unexpired lease).

(e) As part of any motion with respect to the Bid and Contract Procedures Order (or as necessary in one or more separate motions), Sellers shall request that, by virtue of any Seller providing seven days' prior notice of its intent to assume and assign any Closing Assumed Contract or Additional Assumed Contract, the U.S. Bankruptcy Court deem any non-debtor party to such Closing Assumed Contract or Additional Assumed Contract that does not file an objection with the U.S. Bankruptcy Court during such notice period to have given any Necessary Consent to the assumption of the Closing Assumed Contract or Additional Assumed Contract by the relevant Seller and assignment to Buyer.

(f) At Buyer's reasonable request, and at Buyer's sole cost and expense, Sellers shall reasonably cooperate with Buyer for a period of 90 days following the Closing Date to allow Buyer to enter into an amendment of any Closing Assumed Contract or Additional Assumed Contract upon assumption of such Closing Assumed Contract or Additional Assumed Contract by Buyer (and Sellers shall reasonably cooperate with Buyer to the extent reasonably requested by Buyer in negotiations with the counterparties thereof for a period of 90 days following the Closing Date); provided that (i) in no event shall any such amendments be effective prior to the Closing and (ii) Sellers shall not be required to enter into any such amendment if such amendment would result in the incurrence of any Liability by Sellers that is not otherwise paid by Buyer at the time of the assumption by Sellers of such Closing Assumed Contract or Additional Assumed Contract.

(g) Sellers shall use their respective commercially reasonable efforts to obtain one or more Orders of the U.S. Bankruptcy Court, which Order(s) shall be in form and substance reasonably acceptable to Buyer, and shall reflect the terms and conditions set forth herein, to assume and assign the Closing Assumed Contracts and the Additional Assumed Contracts to Buyer on the terms set forth in this Section 1.6.

(h) Subject to Section 1.6(i), to the extent that there is (i) an objection to the assignment and assumption of any Closing Assumed Contract outstanding at the Closing Date, (ii) an objection to the assignment and assumption of any Additional Assumed Contract on or prior to the seventh day after the Further Assignment Notice is served or (iii) any Necessary Consent that is required to assume and assign to Buyer any Closing Assumed Contract or Additional Assumed Contract is not obtained by the Closing Date, each Seller shall, with respect to each such Seller Contract, from and after the Closing and until the earliest to occur of (A) the date on which such objection is resolved or such applicable Necessary Consent is obtained, and (B) the date on which such Seller Contract is deemed rejected under Section 365 of the Bankruptcy Code, use commercially reasonable efforts during the term of such Seller Contract (and to the extent the term of such Seller Contract ends prior to the earlier of clause (A) or (B)) to (1) provide to Buyer the benefits under such Seller Contract (it being understood that Buyer shall be solely responsible for the obligations under such Seller Contract), (2) cooperate in any reasonable and lawful arrangement, including holding such Seller Contract in trust for Buyer pending resolution of such objection or receipt of the Necessary Consent, designed to provide such benefits to Buyer, and (3) use its commercially reasonable efforts to enforce for the account of Buyer any rights of such Seller under such Seller Contract, including the right to elect to terminate such Seller Contract in accordance with the terms thereof upon the written direction of Buyer; provided, however, that notwithstanding the foregoing, Sellers shall not be obligated to take any action that breaches, violates or results in default under the terms of any Seller Contract. Buyer shall reasonably cooperate with Sellers in order to enable Sellers to provide to Buyer the benefits contemplated by this Section 1.6(h).

(i) Notwithstanding the foregoing, a Seller Contract shall not be a Closing Assumed Contract or Additional Assumed Contract hereunder and shall not be assigned to, or assumed by, Buyer to the extent that such Seller Contract is (i) deemed rejected under Section 365 of the Bankruptcy Code or (ii) the subject of an objection to assignment or assumption or requires a Necessary Consent of any Governmental Entity or other third party (other than, and in addition to, that of the U.S. Bankruptcy Court) in order to permit the assumption and assignment by the applicable Seller to Buyer of such Seller Contract pursuant to Section 365 of the Bankruptcy Code, and such objection has not been resolved or such Necessary Consent has not been obtained prior to the 60th day following the Closing (as such 60-day period may be extended by mutual agreement of Buyer and Sellers) or (iii) is terminated by any party thereto other than Sellers, or terminates or expires by its terms, on or prior to such time as it is to be assumed by Buyer as a Closing Assumed Contract or Additional Assumed Contract hereunder and is not continued or otherwise extended upon assumption. For the avoidance of doubt, in no event shall the failure to assign to Buyer any Seller Contract due to the termination of such Seller Contract in accordance with subsection (iii) above, (x) reduce the Purchase Price or the Deposit Amount payable to Sellers (if applicable) or (y) constitute a failure to satisfy the conditions to the obligations of Buyer under Section 7.2.

Section 1.7 U.S. Bankruptcy Proceedings Assumption and Assignment of Contracts.

(a) In the period between the execution of this Agreement and the hearing of the application for the U.S. Sale Order (the “Interim Period”), Sellers shall use reasonable commercial efforts to obtain any consents or approvals required in respect of the Acquisition including:

- (i) any consents of any non-Seller counterparties to any Identified Contracts for the transfer or assignment of Identified Contracts; and
- (ii) any consents or approvals required of applicable Governmental Entity for the transfer or assignment of Permits to Buyer or the reissuance of Permits in favor of Buyer;

and Buyer shall provide such assistance to Sellers as is reasonably required by Sellers in respect thereof.

(b) If a non-Seller counterparty to an Identified Contract is unwilling to consent to the assignment of an Identified Contract or is unwilling to consent on terms acceptable to Buyer, acting reasonably, and such consent is required in order to assign such Identified Contract, the application to the U.S. Bankruptcy Court or the Canadian Court for the U.S. Sale Order or Assignment Order, as applicable, shall include a request that the U.S. Bankruptcy Court order that such Identified Contract be assigned pursuant to and in accordance with the terms of the Bid and Contract Procedures Order or the CCAA.

Section 1.8 Non-Assignment of Assets. Notwithstanding any other provision of this Agreement to the contrary, this Agreement will not constitute an agreement to assign or Transfer and will not effect the assignment or Transfer of any Transferred Asset (including any Closing Assumed Contract or Additional Assumed Contract) if (i) (A) prohibited by applicable Law, (B) an attempted assignment or transfer thereof would be reasonably likely to subject Buyer, its Affiliates or any of its or their respective Representatives to civil or criminal Liability or (C) an attempted

assignment or transfer thereof, without the approval, authorization, consent or waiver of, or granting or issuance of any license or permit by, any third party thereto (each such action, a “Necessary Consent”), would constitute a breach, default or violation thereof or of any Law or Order or in any way adversely affect the rights of Buyer thereunder or (ii) the U.S. Bankruptcy Court or the Canadian Court, as applicable, has not entered an Order approving such assignment or Transfer. In such event, such assignment or transfer is subject to such Necessary Consent being obtained and Sellers and Buyer will use their commercially reasonable efforts to obtain the Necessary Consents with respect to any such Transferred Asset (including any Closing Assumed Contract or Additional Assumed Contract) or any claim or right or any benefit arising thereunder for the assignment or transfer thereof to Buyer as Buyer may reasonably request; provided, however, that Sellers will not be obligated to pay any consideration therefor to any third party from whom approval, authorization, consent or waiver is requested or to initiate any litigation or legal proceedings to obtain any such approval, authorization, consent or waiver. If such Necessary Consent is not obtained, or if an attempted assignment or transfer thereof would give rise to any of the circumstances described in clauses (i) or (ii) of the first sentence of this Section 1.8, be ineffective or adversely affect the rights of Buyer to such Transferred Asset following the Closing, (x) Sellers and Buyer will, and will cause their respective Affiliates to, (1) use commercially reasonable efforts (including cooperating with one another to obtain such Necessary Consents, to the extent feasible) as may be necessary so that Buyer would obtain the benefits and assume the obligations thereunder in accordance with this Agreement, (2) complete any such assignments or Transfers as soon as reasonably practicable and (3) upon receipt of any applicable Necessary Consents, Transfer or assign the applicable Transferred Asset to Buyer, and (y) Sellers will, and will cause their respective Affiliates to, reasonably cooperate with Buyer in good faith without further consideration in any arrangement reasonably acceptable to Buyer and Sellers intended to provide Buyer with the benefit of any such Transferred Assets at Buyer’s sole cost and expense, in each case, for a period of 60 days following the Closing Date.

Section 1.9 Wrong Pocket. Subject to Section 1.8, if at any time after the Closing (i) Buyer or its designee holds any Excluded Assets or Excluded Liabilities or (ii) any Seller holds any Transferred Assets or Assumed Liabilities, Buyer or the applicable Seller, as applicable, will promptly Transfer (or cause to be Transferred) such assets or assume (or cause to be assumed) such Liabilities to or from (as the case may be) the other Party, without further consideration from the other Party. Prior to any such Transfer, the Party receiving or possessing any such asset will hold it in trust for such other Party.

Section 1.10 Intracompany Arrangements.

(a) Each of Buyer and Sellers agree that any Intracompany Payables between any Seller, on the one hand, and any other Seller or Affiliate thereof, on the other hand, shall be fully settled or otherwise deemed cancelled effective as of immediately prior to the Closing.

(b) Each of Buyer and Sellers agree that, any contract, commitment or arrangement between any Seller, on the one hand, and any other Seller or Affiliate thereof, on the other hand, shall be terminated and be of no further force or effect and all obligations thereunder shall be fully satisfied and extinguished, notwithstanding any terms thereof to the contrary, effective as of immediately prior to the Acquisition.

(c) No additional consideration shall be payable by, and no additional amounts shall be owed by, Buyer or any of its Affiliates to Sellers or any of their Affiliates in connection with the transactions effected pursuant to this Section 1.10.

Section 1.11 Further Conveyances and Assurances. From time to time following the Closing, Sellers and Buyer will, and will cause their respective Affiliates to, execute, acknowledge and deliver all such further conveyances, notices, assumptions, assignments, releases and other instruments, and will take such further actions, as may be reasonably necessary or appropriate to assure to Buyer and its successors or assigns, all of the properties, rights, titles, interests, estates, remedies, powers and privileges intended to be conveyed to Buyer under this Agreement and to assure fully to each Seller and its respective Affiliates and their respective successors and assigns, the assumption of the Liabilities and obligations intended to be assumed by Buyer under this Agreement, and to otherwise make effective the transactions contemplated hereby.

ARTICLE II

CONSIDERATION; CLOSING

Section 2.1 Consideration. At the Closing, Buyer will pay to Sellers, by wire transfer in immediately available funds to the account or accounts designated by Sellers, an amount equal to US\$60,000,000, less the Deposit Amount and, if applicable in accordance with Section 8.3, the Break-Up Fee and the Expense Reimbursement Amount (the "Purchase Price").

Section 2.2 Purchase Price Deposit. Buyer shall deliver to Escrow Agent, within one (1) Business Day of the later of the date hereof and the execution of the Escrow Agreement, the Deposit Amount. Buyer's deposit of the Deposit Amount with the Escrow Agent will be either returned to Buyer or paid to Sellers as follows, in each case, in accordance with the Escrow Agreement: (a) if the Closing occurs, the Deposit Amount shall be paid to Sellers in accordance with Section 2.7, (b) if this Agreement is terminated by Sellers pursuant to Section 8.1(e), then the Deposit Amount shall be paid to Sellers (which will be deemed fully earned by Sellers as compensation and consideration for entering into this Agreement), and Sellers shall have no further recourse against Buyer, or (c) if this Agreement is terminated for any reason other than by Sellers pursuant to Section 8.1(e), then the Deposit Amount shall be returned to Buyer without any set-off or deduction within three Business Days after such termination and Buyer shall have no further recourse against Sellers other than as set forth in Section 8.3; provided that if the Deposit Amount is payable to Buyer upon termination due to the U.S. Bankruptcy Court approving a Competing Transaction, the Deposit Amount shall not be payable until three Business days after such Competing Transaction is consummated. The Deposit Amount shall only constitute property of Sellers in the event that the Deposit Amount is released to Sellers by the Escrow Agent in accordance with the terms of this Agreement and the Escrow Agreement. The Deposit Amount shall not be subject to any lien, attachment, trustee process, or any other judicial process of any creditor of any of Sellers or Buyer.

Section 2.3 Closing. The closing of the purchase and sale of the Acquisition (the "Closing") shall take place remotely, via electronic exchange of documents, at 10:00 a.m., prevailing Eastern time, on the third Business Day following the date on which the last of the conditions set forth in Article VII (other than those conditions that by their nature are to be satisfied

at the Closing but subject to the fulfillment or waiver of those conditions) has been satisfied or waived, or at such other date, time and place as the Parties may mutually agree. The date on which the Closing occurs is called the “Closing Date.”

Section 2.4 Deliveries by Buyer. At the Closing, Buyer shall deliver, or cause to be delivered, to Sellers, the following:

- (a) the payment required to be made pursuant to Section 2.1;
- (b) the certificates to be delivered pursuant to Section 7.3(c);
- (c) pursuant to Section 2.7, a counterpart to a joint instruction to the Escrow Agent, instructing the Escrow Agent to release the Deposit Amount to Sellers;
- (d) a duly executed counterpart to each of the Transaction Documents;
- (e) duly executed counterparts to one or more assignment and assumption agreements with respect to the Transferred Leases, Closing Assumed Contracts and any Additional Assumed Contracts, substantially in the form of Exhibit B attached hereto (the “Assignment and Assumption Agreements”); and
- (f) such other instruments of assumption and other instruments or documents, including bills of sale and/or assignment and assumption agreements, in form and substance reasonably acceptable to Sellers, as may be necessary to effect Buyer’s assumption of the Assumed Liabilities and the assignment of any Transferred Assets in accordance with the requirements of applicable Law and this Agreement, in each case duly executed by Buyer.

Section 2.5 Deliveries by Sellers. At the Closing, Sellers shall deliver, or cause to be delivered, to Buyer, the following:

- (a) the certificate to be delivered pursuant to Section 7.2(c);
- (b) pursuant to Section 2.7, a counterpart to a joint instruction to the Escrow Agent, instructing the Escrow Agent to release the Deposit Amount to Sellers;
- (c) a duly executed counterpart to each of the Transaction Documents;
- (d) an IRS Form W-9 with respect to each Seller that is a United States person within the meaning of Section 7701 of the Code, duly completed and executed;
- (e) the Books and Records; provided that the delivery obligations of Sellers hereunder shall be deemed satisfied if such Books and Records remain at the Transferred Owned Property or Transferred Leased Property;
- (f) a copy of the U.S. Sale Order as entered by the U.S. Bankruptcy Court, vesting the Transferred Assets in Buyer free and clear of any Liens (other than Permitted Encumbrances);

- (g) a copy of the Canadian Sale Order as entered by the Canadian Court, vesting the Transferred Assets in Buyer free and clear of any Liens (other than Permitted Encumbrances);
- (h) duly executed counterparts to the Assignment and Assumption Agreements;
- (i) an instrument of assignment substantially in the form of Exhibit C attached hereto with respect to the transfer of the Transferred Intellectual Property (the “IP Assignment Agreement”);
- (j) a Joint Election;
- (k) an instrument of conveyance (including a quit claim deed, real property transfers or similar documents as customary in the applicable jurisdiction and as may be necessary in accordance with the requirements of applicable Law) conveying to Buyer fee simple title to the Transferred Owned Property, subject to Permitted Encumbrances; and
- (l) such other instruments of assumption and other instruments or documents, including bills of sale and/or assignment and assumption agreements, in form and substance reasonably acceptable to Buyer, as may be necessary to effect Buyer’s assumption of the Assumed Liabilities and the effective assignment of any Transferred Assets in accordance with the requirements of applicable Law and this Agreement, in each case duly executed by the applicable Seller.

Section 2.6 [Reserved].

Section 2.7 Escrow Mechanics. At the Closing, SLP shall deliver a written instruction to the Escrow Agent, in accordance with the Escrow Agreement, instructing the Escrow Agent to disburse an amount equal to the Deposit Amount to SLP. Any disbursement of any amounts by the Escrow Agent pursuant to this Section 2.7 and the Escrow Agreement shall be made by wire transfer of immediately available funds to such account or accounts as may be designated in such joint written instruction by Sellers, pursuant to the terms and subject to the conditions set forth in this Agreement and the Escrow Agreement.

Section 2.8 Withholding. Buyer shall be entitled to deduct or withhold from consideration otherwise payable pursuant to this Agreement such amounts as it is required to deduct or withhold with respect to the making of such payment under any provision of Canadian or U.S. federal, state, provincial or local Law related to Taxes, provided, however that Buyer shall use commercially reasonable efforts to provide Sellers with at least ten Business Days’ notice of the applicability of any such deduction or withholding prior to making such deduction or withholding, and shall afford Sellers a reasonable opportunity to provide any applicable certificates, forms or documentation that would reduce or eliminate the requirement to deduct or withhold Tax under applicable Law. To the extent that amounts are so deducted and withheld, such deducted and withheld amounts shall be timely paid by Buyer to the applicable Tax Governmental Entity and shall be treated for all purposes of this Agreement as having been paid to Sellers. The Parties shall reasonably cooperate to determine whether any such deduction or withholding applies to the payment, and, if so, shall further cooperate to minimize applicable withholding Taxes and to obtain any available refund or credit of withheld amounts.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF SELLERS

Except (x) as set forth in the corresponding numbered section or subsection of a Schedule (it being agreed that for the purposes of the representations and warranties made by Sellers in this Agreement, disclosure of any item in any Schedule of the Seller Disclosure Schedule shall be deemed disclosure with respect to any other section or sub-section of the Agreement to which the relevance of such item is reasonably apparent) or (y) to the extent relating to the Excluded Assets or the Excluded Liabilities, Sellers represent and warrant to Buyer as of the date of this Agreement and as of the Closing as follows:

Section 3.1 Organization; Good Standing. Each Seller is duly incorporated, formed or organized, validly existing and in good standing under the Laws of its jurisdiction of incorporation, formation or organization. Each Seller has all requisite corporate or similar power and authority to own, lease and operate its properties and assets and to carry on its business as presently conducted and is qualified to do business in each jurisdiction where the ownership, leasing or operation of its assets or properties or conduct of the Business requires such qualification, except where the failure to be so qualified or in good standing, or to have such power or authority, would not, in the aggregate, have a Material Adverse Effect.

Section 3.2 [Reserved].

Section 3.3 Authority; Approval. Subject to (a) the issuance of the U.S. Sale Order and any other Order required by the U.S. Bankruptcy Court and (b) the issuance of the Canadian Sale Order and any other Order required by the Canadian Court, in connection with the transactions contemplated hereby:

(a) each Seller has all right, power and authority to enter into and perform its obligations under the Transaction Documents to which it is or will become a party and has all requisite corporate or similar power and authority and has taken all organizational action necessary in order to execute, deliver and perform its obligations under the Transaction Documents to which it is or will become a party; and

(b) this Agreement has been duly executed and delivered by each Seller and, assuming due execution and delivery by Buyer, will constitute a valid and binding agreement of each Seller, enforceable against each Seller in accordance with its terms, subject to bankruptcy, insolvency, fraudulent conveyance, preferential transfer, reorganization, moratorium and similar Laws relating to or affecting creditors' rights generally and subject, as to enforceability, to the effect of general principles of equity (the "Equitable Exception").

Section 3.4 Governmental Filings; No Violations.

(a) Other than the filings, notices, reports, consents, registrations, approvals, permits and authorization set forth on Schedule 3.4(a) of the Seller Disclosure Schedule, and subject to the issuance of the U.S. Sale Order, the Canadian Sale Order, and any other Order required by the U.S. Bankruptcy Court or the Canadian Court in connection with the transactions contemplated hereby, no filing, notice, report, consent, registration, approval, permit or authorization is required to be

given, filed or obtained by any Seller to or from any Governmental Entity in connection with the execution, delivery and performance by any Seller of this Agreement or the transactions contemplated hereby, except those that the failure to make or obtain would not, in the aggregate, have a Material Adverse Effect.

(b) Other than the filings, notices, reports, consents, registrations, approvals, permits and authorization set forth on Schedule 3.4(b) of the Seller Disclosure Schedule, the execution, delivery and performance by Sellers of this Agreement does not, and the consummation of the transactions contemplated hereby will not, conflict with, or result in any violation of or default (with or without notice, lapse of time or both) under, or give rise to a right of termination or acceleration of any obligation under, or result in the creation of any Lien upon any of the Transferred Assets (i) under any provision of the articles, by-laws or comparable governing documents of any Seller, (ii) subject to the U.S. Sale Order, the Canadian Sale Order, or any other Order required by the U.S. Bankruptcy Court or the Canadian Court in connection with the transactions contemplated hereby, any Law or Order to which any Seller, the Business and the Transferred Assets are subject, or (iii) subject to the U.S. Sale Order, Canadian Sale Order, or any other Order required by the U.S. Bankruptcy Court or the Canadian Court in connection with the transactions contemplated hereby, any Material Contract, except, in the case of clauses (ii) and (iii) above, for any such breach, violation, termination, default, creation or acceleration that would not, in the aggregate, have a Material Adverse Effect.

Section 3.5 Financial Statements. The financial statements set forth in Schedule 3.5 of the Seller Disclosure Schedule (the “Financial Statements”) present fairly, in all material respects the consolidated financial position of SLP and its Subsidiaries in respect of the Business as of the dates thereof and the consolidated results of operations and cash flows for the periods then ended.

Section 3.6 Litigation. Except as set forth in Schedule 3.6 of the Seller Disclosure Schedule and except for the general pendency of the Bankruptcy Proceeding, the CCAA Proceedings, and Actions arising in the Ordinary Course and that would not have, in the aggregate, a Material Adverse Effect, as of the date hereof, there are no Actions pending or, to the Knowledge of Sellers, threatened against any Seller that are attributable to any of the Transferred Assets or the ownership or operation thereof or the Business.

Section 3.7 Transferred Owned Property. There are no pending, or, to the Knowledge of Sellers, threatened, appropriation, condemnation, eminent domain or like proceedings relating to any Transferred Owned Property.

Section 3.8 Material Contracts.

(a) Other than this Agreement, the other Transaction Documents and the DIP Financing, Schedule 3.8 of the Seller Disclosure Schedule sets forth a true and correct list of the following Seller Contracts relating to the Transferred Assets (together, the “Material Contracts”):

(i) any joint venture agreements, partnership agreements, purchase and sale agreements or similar agreements that are material to the Business;

(ii) any Seller Contract which is reasonably expected by Sellers as of the date hereof to either (i) involve any future aggregate receipts of revenues by any Seller or Sellers

in excess of US\$2,000,000 in the aggregate during the 2023 calendar year or (ii) involve any future aggregate payments or obligations by any Seller or Sellers in excess of US\$2,000,000 in the aggregate during the 2023 calendar year (other than purchase orders in the Ordinary Course);

(iii) any non-competition agreement or any agreement that purports to restrict, limit or prohibit the manner in which, or the locations in which, any Seller conducts the Business;

(iv) [Reserved];

(v) any Seller Contract pursuant to which any Seller grants or receives any license with respect to Intellectual Property that is material to the Business, taken as a whole, that (i) is exclusive or (ii) requires aggregate payments to or from any of Sellers in excess of US\$200,000 per annum, in each case of clauses (i) and (ii), other than (x) agreements granted on standardized terms for commercially available software or information technology services, or (y) outbound licenses granted in the Ordinary Course;

(vi) any Seller Contract with a Governmental Entity;

(vii) any Transferred Lease;

(viii) any Seller Contract pursuant to which any Seller currently leases personal property to or from any Person providing for lease payments in excess of US\$200,000 per annum; and

(ix) any collective bargaining agreement with any union, staff association, works council or other agency or representative body certified or otherwise recognized for the purposes of bargaining collectively.

(b) Except as disclosed on Schedule 3.8(b) of the Seller Disclosure Schedule and except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, no Seller is in breach or default under any Material Contract and no Seller has received a written notice of a breach or default of the terms of any Material Contract. The Material Contracts are in full force and effect in accordance with their terms, except as may be limited by the Equitable Exception, and no event has occurred which constitutes, or which with notice or lapse of time or both would be reasonably be likely to constitute, a breach or default by any Seller (or to Sellers' Knowledge, any other party thereto) of its obligations under any of the Material Contracts (for the avoidance of doubt, not including with respect to the Bankruptcy Proceeding or the CCAA Proceedings), except in each case for those breaches or defaults which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 3.9 Compliance with Laws; Permits.

(a) The Business is being conducted in all material respects pursuant to the Laws applicable to the Business or the Transferred Assets. No Seller has received any written notice of (i) any material investigation or review by any Governmental Entity with respect to the Business or the Transferred Assets or (ii) any material noncompliance with any applicable Laws which

noncompliance has not been cured as of the date hereof. Each Seller has obtained and is in material compliance with all Permits and Orders issued or granted by a Governmental Entity necessary to conduct its Business as presently conducted, except those the absence of which to have or be in compliance with would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) Each of Sellers is in compliance with the Foreign Corrupt Practices Act of 1977, as amended (the “FCPA”), and any other U.S. or foreign Law concerning anti-corruption or anti-bribery applicable to the Business, and no Seller is, to Sellers’ Knowledge, being investigated by any Governmental Entity with respect to, or been given notice in writing by a Governmental Entity of, any violation by any of Sellers of the FCPA or any other U.S. or foreign Law concerning anti-corruption or anti-bribery applicable to the Business.

Section 3.10 Brokers and Finders. Except for fees and expenses payable to Stifel, Nicolaus & Company, Incorporated and Miller Buckfire & Co., LLC all of which shall be paid by, and be the responsibility of Sellers, there are no fees or expenses payable by any Seller to any investment banker, broker, finder or other intermediary that has been retained by or is authorized to act on behalf of Sellers in connection with the transactions contemplated hereby.

Section 3.11 Employees. Except for the Collective Agreement disclosed in Schedule 3.11 of the Seller Disclosure Schedules and the applicable certification and bargaining rights related thereto, no Seller is a party to any collective bargaining agreement or other agreement with a labor union or like organization covering any of the Scheduled Employees. As of the date hereof, there is no pending or, to the Knowledge of Sellers, threatened strike, lockout, slowdown or work stoppage involving the Scheduled Employees.

Section 3.12 Employee Benefit Plans. (a) each Seller Plan (including any related trusts) has been established, operated and administered in compliance with its terms and all applicable Laws in all material respects, including, without limitation and as applicable in the circumstances, ERISA, the Code and the ITA, (b) other than as set forth on Schedule 3.12 of the Seller Disclosure Schedule, all contributions or other amounts payable by Sellers with respect to each Seller Plan in respect of current or prior plan years have been paid or accrued in accordance with GAAP, (c) each Seller Plan that is subject to ERISA and that is intended to be qualified under Section 401(a) of the Code has been determined by the Internal Revenue Service (“IRS”), to be qualified under Section 401(a) of the Code and, to the Knowledge of Sellers, nothing has occurred that would adversely affect the qualification or tax exemption of any such Seller Plan, (d) with respect to any Seller Plan that is subject to ERISA, none of Sellers has engaged in a transaction in connection with which any of Sellers reasonably could be subject to either a civil penalty assessed pursuant to Section 409 or 502(i) of ERISA or a tax imposed pursuant to Section 4975 or 4976 of the Code, (e) no Seller maintains or contributes to (i) a plan that is subject to Section 412 of the Code or Section 302 or Title IV of ERISA or, in the case of Canadian Plans, provides benefits under a “Defined benefit provision” of a “pension plan” within the meaning of those terms as set out in the Pension Benefits Standards Act (British Columbia) (ii) any “multiemployer plans” within the meaning of Section 3(37) of ERISA, whether or not subject to ERISA and (f) as of the date hereof, there are no Actions pending or, to the Knowledge of Sellers, threatened against any Seller that involve or relate to any Seller Plan, other than routine claims for benefits in the Ordinary Course.

Section 3.13 Title to Transferred Assets. Sellers, as applicable, have good and valid title to, or in the case of leased assets, have or will have on the Closing Date good and valid leasehold interests in, all material Transferred Assets, free and clear of all Liens (other than Permitted Encumbrances) and, at the Closing, Buyer will be vested with good and valid title to, or in the case of leased assets, good and valid leasehold interest in, such material Transferred Assets, free and clear of all Liens (other than Permitted Encumbrances) and Excluded Liabilities, to the fullest extent permissible under Law, including Section 363(f) of the Bankruptcy Code and the CCAA.

Section 3.14 Intellectual Property.

(a) Sellers own, as applicable, all material Transferred Intellectual Property, free and clear of all Liens other than Permitted Encumbrances. To the Knowledge of Sellers, all material Transferred Intellectual Property is valid, subsisting and enforceable, and is not subject to any outstanding Order, judgment, decree or agreement materially and adversely affecting Sellers' use thereof or rights thereto.

(b) (i) To the Knowledge of Sellers' (i) Sellers' conduct of the Business as currently conducted does not infringe, misappropriate or otherwise violate the Intellectual Property of any other Person, (ii) since January 1, 2020, Sellers have not received any written notice alleging any such infringement, misappropriation or violation by any of Sellers of Intellectual Property owned by any other Person, and (iii) none of the Transferred Intellectual Property is being infringed upon, misappropriated or otherwise violated by any other Person.

(c) There is no Action pending before any Governmental Entity (other than the Bankruptcy Proceeding and the CCAA Proceedings) concerning the ownership, validity, registrability, enforceability, infringement, misappropriation or violation of any material Transferred Intellectual Property. None of the Transferred Intellectual Property is subject to any outstanding injunction, directive, Order, decree, award, settlement or judgment restricting the use or validity thereof.

(d) Since January 1, 2020, there have been no security breaches of or unauthorized access to the technology and computer systems and infrastructure, owned by Sellers and used in connection with the Business, in each case, except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

Section 3.15 Environmental Matters. Except for matters that relate to an Excluded Liability or as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, to Sellers' Knowledge:

(a) the Business and the Transferred Assets are in compliance in all material respects with all applicable Environmental Laws and there are no facts that could give rise to a notice of non-compliance with any Environmental Law with respect to the Business or the Transferred Assets;

(b) there are no writs, injunctions, decrees, Orders or judgments outstanding, or any actions, suits, proceedings or investigations pending or threatened, relating to compliance with or Liability under any Environmental Law affecting the Business, the Transferred Owned Property or the Transferred Leased Property;

(c) there has been no waste generated by Seller or any of its Affiliates or any legally responsible predecessor corporation of Seller, that has given or could reasonably be expected to give rise to any Liability under any Environmental Law for which the Business would incur Liability; and

(d) Notwithstanding anything in this Agreement to the contrary, the representations and warranties made by Sellers in this Section 3.15 are the sole and exclusive representations and warranties made regarding environmental matters, including those related to Environmental Laws.

Section 3.16 Taxes. Other than as set forth in Schedule 3.16 of the Seller Disclosure Schedule:

(a) Sellers have filed all material Tax Returns with respect to the Transferred Assets required under applicable Law to be filed by Sellers with the appropriate Governmental Entities in all jurisdictions in which such Tax Returns are required to be filed prior to the Closing Date (taking into account any extension of time to file); and (ii) all material Taxes shown as due from Sellers on such Tax Returns with respect to such assets have been paid or arrangements for the payment thereof have been made, except to the extent nonpayment of which is permitted or required by the Bankruptcy Code or the CCAA.

(b) Each Seller has filed all material Tax Returns required under applicable Law to be filed by such Seller with the appropriate Governmental Entities in all jurisdictions in which such Tax Returns are required to be filed prior to the Closing Date (taking into account any extension of time to file); and (ii) all material Taxes shown as due on such Tax Returns have been paid or arrangements for the payment thereof have been made, except to the extent nonpayment of which is permitted or required by the Bankruptcy Code or the CCAA, and only to the extent that failure to file such Tax Return or to pay such Taxes would give rise to a Lien (other than a Permitted Encumbrance) on the Transferred Assets.

(c) No audit or other proceeding with respect to any Taxes or Tax Returns with respect to the Transferred Assets is currently in progress, or has been proposed or threatened in writing.

(d) No Seller has received written notice of any material outstanding, proposed or assessed Tax deficiency that has not been paid or accrued for and in accordance with applicable Law, nor has any Seller executed any waiver of any statute of limitations in respect of material Taxes nor agreed to any extension of time with respect to a material Tax assessment, collection or deficiency, which notice, waiver, or extension of time could give rise to a Lien (other than a Permitted Encumbrance) on the Transferred Assets.

(e) There are no liens for Taxes other than Permitted Encumbrances upon any of the Transferred Assets.

(f) There are not any outstanding ruling requests, and no rulings have been received, by any Seller relating to Taxes which ruling requests or rulings relate to Taxes which could be a Lien (other than a Permitted Encumbrance) on the Transferred Assets.

Section 3.17 Insurance. Schedule 3.17 of the Seller Disclosure Schedule sets forth a true and complete list of all insurance policies (the "Existing Insurance Policies") maintained by Sellers

applicable to the Transferred Assets, together with the insurer, the amount of the coverage, the type of insurance, the policy number and any pending claims thereunder. Except as set forth on Schedule 3.17 of the Seller Disclosure Schedule, Sellers are up-to-date in the payment of all premiums and other amounts payable under the Existing Insurance Policies to maintain the Existing Insurance Policies in full force and effect, and Sellers shall continue to make all such payments until the Closing. As of the date hereof all such policies are in full force and effect in all material respects and are sufficient for compliance by Sellers with all applicable Laws.

Section 3.18 Real Property. On the Closing Date, Sellers shall convey to Buyer pursuant to Section 363 of the Bankruptcy Code good and marketable fee simple title and the deed to the Transferred Owned Property, free and clear of all Liens other than Permitted Encumbrances. Except as set forth on Schedule 3.18 of the Seller Disclosure Schedule, Sellers have not leased or otherwise granted to any Person the right to use or occupy the Transferred Owned Property or any portion thereof, and there are no Persons in possession or Person having the right to occupy or use any of the Transferred Owned Property. Sellers have no leases of any real property other than as set forth on Schedule 3.18 of the Seller Disclosure Schedule. The civic addresses of the parcels comprising the Transferred Owned Property are set out in Schedule 3.18 of the Seller Disclosure Schedule.

Section 3.19 Status of Transferred Assets. To the Knowledge of Sellers, since the commencement of the Bankruptcy Proceeding and CCAA Proceedings, no Fixtures and Equipment or other tangible personal property has been removed or transferred from the Business or otherwise sold, leased, assigned or transferred, other than as would not materially adversely affect the operation of the Transferred Assets or the Business. The Transferred Assets constitute all of the assets of every nature and kind whatsoever necessary for Buyer to conduct and operate the Business immediately after the Closing in the manner previously conducted by Sellers.

Section 3.20 Full Disclosure. There has been no event, transaction or information regarding the Business or the Transferred Assets that has come to the Sellers' Knowledge that has not been disclosed to Buyer in writing that could reasonably be expected to have a Material Adverse Effect.

Section 3.21 No Other Representations or Warranties.

(a) Except for the representations and warranties contained in this Article III, no Seller nor any other Person on Sellers' behalf makes any other express or implied representation or warranty with respect to Sellers, the Business, the Transferred Assets, the Assumed Liabilities or the transactions contemplated hereby, and each Seller expressly disclaims any other representations or warranties, whether made by Sellers, any Affiliate of Sellers or any of Sellers' or their Affiliates' respective Representatives. Except for the representations and warranties contained in this Article III, each Seller (i) expressly disclaims and negates any representation or warranty, expressed or implied, at common law, by statute or otherwise, relating to the condition of the Transferred Assets (including any express or implied warranty of merchantability or fitness for a particular purpose) and (ii) disclaims all liability and responsibility for any representation, warranty, projection, forecast, statement or information made, communicated or furnished (orally or in writing) to Buyer or its Affiliates or Representatives (including any opinion, information, projection or advice that may have been or may be provided to Buyer by any Representative of

Sellers or any of its Affiliates). Sellers make no representations or warranties to Buyer regarding the probable success or profitability of the Transferred Assets or the use thereof. The disclosure of any matter or item in any Schedule hereto will not be deemed to constitute an acknowledgment that any such matter is required to be disclosed or is material or that such matter could result in a Material Adverse Effect.

(b) Each Seller acknowledges and agrees that, except for the representations and warranties expressly set forth in Article IV, neither Buyer nor any other Person has made any express or implied representation or warranty with respect to the transactions contemplated hereby or with respect to the accuracy or completeness of any other information provided, or made available, to Sellers in connection with the transactions contemplated hereby and none of Sellers have relied on any representation or warranty other than those expressly set forth in Article IV.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Sellers as of the date hereof and as of the Closing as follows:

Section 4.1 Organization, Good Standing. Buyer is a corporation duly organized, validly existing and in good standing under the Laws of the State of Washington. Buyer has all requisite corporate or similar power and authority to own, lease and operate its properties and assets and to carry on its business as presently conducted and is qualified to do business and, to the extent such concept applies, is in good standing as a foreign legal entity in each jurisdiction where the ownership, leasing or operation of its assets or properties or conduct of its business requires such qualification, in each case, except where the failure to be so qualified or in good standing or to have such power or authority, would not, individually or in the aggregate, reasonably be likely to prevent, materially delay or materially impair the consummation of the transactions contemplated by this Agreement.

Section 4.2 Authority; Approval.

(a) Buyer has all right, power and authority to enter into and perform its obligations under this Agreement and the other Transaction Documents to which it is or will become a party and has all requisite corporate or similar power and authority and has taken all organizational action necessary in order to execute, deliver and perform its obligations under this Agreement and the other Transaction Documents to which it is or will become a party and to consummate the transactions contemplated hereby. No additional corporate or shareholder authorization or consent is required in connection with the execution, delivery and performance by Buyer of this Agreement or any of the Transaction Documents to which it is or will become party.

(b) This Agreement has been duly executed and delivered by Buyer and, when executed and delivered by Sellers, will constitute a valid and binding agreement of Buyer enforceable against Buyer in accordance with its terms, subject to the Equitable Exception.

Section 4.3 Government Filings; No Violations.

(a) Subject to the issuance of the U.S. Sale Order, the Canadian Sale Order and any other Order required by the U.S. Bankruptcy Court or the Canadian Court in connection with the transactions contemplated hereby, no filing, notice, report, consent, registration, approval, permit or authorization is required to be given, filed or obtained by Buyer to or from any Governmental Entity in connection with the execution, delivery and performance by Buyer of this Agreement or the transactions contemplated hereby.

(b) The execution, delivery and performance by Buyer of this Agreement does not, and the consummation of the transactions contemplated hereby will not, conflict with, or result in any violation of or default (with or without notice, lapse of time or both) under, or give rise to a right of termination, loss of rights, adverse modification of provisions, cancellation or acceleration of any obligation under (i) any provision of the articles, by-laws or comparable governing documents of Buyer, (ii) subject to the U.S. Sale Order, the Canadian Sale Order, any Law or Order to which Buyer is subject or (iii) subject to the U.S. Sale Order, the Canadian Sale Order, any Contracts to which Buyer is a party, except, in the case of clauses (i) and (ii) above, for any such breach, violation, termination, default, creation or acceleration that would not, individually or in the aggregate, reasonably be expected to prevent, materially delay or materially impair the consummation of the transactions contemplated by this Agreement.

Section 4.4 Litigation. There are no Actions pending, or, to the Knowledge of Buyer, threatened against Buyer, and Buyer is not subject to any Order, in each case, that would, individually or in the aggregate, reasonably be expected to prevent, materially delay or materially impair the consummation of the transactions contemplated by this Agreement.

Section 4.5 Available Funds. Buyer has sufficient funds available to it in cash to pay or cause to be paid the Purchase Price, all Cure Costs and the other fees and expenses required to be paid by Buyer in connection with the transactions contemplated hereby, and to effect the transactions contemplated hereby. Upon the consummation of the transactions contemplated hereby, (a) Buyer will not be insolvent as defined in Section 101 of the Bankruptcy Code or under the CCAA, (b) Buyer will not be left with unreasonably small capital, (c) Buyer will not have incurred debts beyond its ability to pay such debts as they mature and (d) the capital of Buyer will not be impaired.

Section 4.6 Condition of the Business. Notwithstanding anything contained in this Agreement to the contrary, Buyer acknowledges and agrees (a) that it has conducted its own independent review and analysis of the Business and the Transferred Assets, Assumed Liabilities and other rights and obligations it is acquiring and assuming under this Agreement and the other Transaction Documents, as it deems necessary and appropriate in connection with the execution and delivery of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby and (b) that Buyer will acquire the Transferred Assets (i) without any representation or warranty, express or implied, as to the fitness for purpose, merchantability, condition, quantity or quality of the Transferred Assets or any part thereof and (ii) in an “as is” condition and on a “where is” and “with all faults” basis without any warranty whatsoever, legal or conventional, at Buyer’s own risk as more fully set out

in Section 3.21, except, in each case, for the representations and warranties expressly set forth in Article III of this Agreement.

Section 4.7 Brokers and Finders. Except for fees and expenses payable by Buyer, there are no fees or expenses payable to any investment banker, broker, finder or other intermediary that has been retained by or is authorized to act on behalf of Buyer in connection with the transactions contemplated hereby.

Section 4.8 No Other Representations or Warranties.

(a) Except for the representations and warranties contained in this Article IV, neither Buyer nor any other Person makes any other express or implied representation or warranty with respect to the transactions contemplated hereby, and Buyer disclaims any other representations or warranties, whether made by Buyer, any Affiliate of Buyer or any of Buyer's or its Affiliates' respective Representatives.

(b) Buyer acknowledges and agrees that, except for the representations and warranties expressly set forth in Article III, no Seller nor any other Person has made any express or implied representation or warranty with respect to the transactions contemplated hereby or with respect to the accuracy or completeness of any other information provided, or made available, to Buyer in connection with the transactions contemplated hereby and Buyer has not relied on any representation or warranty other than those expressly set forth in Article III.

(c) Buyer acknowledges and agrees that the enforceability of this Agreement against Sellers is subject to receipt of the U.S. Sale Order and the Canadian Sale Order.

Section 4.9 Due Diligence by Buyer. Buyer (on behalf of itself and each of its Affiliates) acknowledges and agrees that:

(a) the representations and warranties of Sellers set forth in Article III, any other Transaction Document or in any certificate delivered with respect to this Agreement (the "Covered Representations") are the only representations and warranties of any kind given by or on behalf of Sellers, and all other representations and warranties of any kind or nature expressed or implied (including, any relating to the future or historical financial condition, results of operations, revenues, expenses, assets, liabilities or other financial information included in the Business or the Transferred Assets or the quality, quantity or condition of the assets of the Business or the Transferred Assets) are specifically disclaimed by Sellers, and none of Sellers, their respective Affiliates or their respective Representatives make or provide any other warranty or representation, and Buyer hereby waives (on behalf of itself and each of its Affiliates) any other warranty or representation, in each case, express or implied, as to the quality, merchantability, fitness for a particular purpose or condition of the Business or the Transferred Assets or any part thereof;

(b) to the extent that Buyer has received any forecasts, estimates and projections, statements of intent or statements of opinion, including projected financial statements, cash flow items, other financial information, market intelligence and predictions and certain business plan information, including in any information memorandum, any management presentations or any other information, Buyer acknowledges and agrees that, except for the Covered Representations, (i) there are uncertainties inherent in attempting to make such projections and forecasts and,

accordingly, Buyer is not relying on any of them, (ii) Buyer is familiar with such uncertainties and is taking full responsibility for making its own evaluation of the adequacy and accuracy of all such projections and forecasts, (iii) Buyer has no claim under or in connection with this Agreement against anyone with respect to the accuracy of such projections and forecasts, and (iv) none of Sellers, their respective Affiliates or any of their respective Representatives have made any representation, warranty or indemnity with respect to such projections and forecasts; and

(c) (i) Buyer has engaged expert advisors experienced in the evaluation and acquisition of businesses such as the Business, as contemplated hereby, (ii) it has conducted a due diligence exercise in relation to the Business and the Transferred Assets, it has received the Seller Disclosure Schedule, it has been provided with, among other things, access to the Virtual Data Room, including all materials regarding the Business and the Transferred Assets contained therein (and not removed), from February 24, 2023 to the first Business Day prior to the Closing Date, (iii) it has been afforded the opportunity to request additional information to evaluate the merits of the transactions contemplated herein, and (iv) in making its decision to enter into this Agreement and consummate the transactions contemplated herein, Buyer has relied exclusively upon the Covered Representations and its own efforts and opinions and those of its Representatives, including its own professional, legal, financial, tax and other advisors.

Section 4.10 [Reserved].

Section 4.11 No Other Representations or Warranties. Except for the representations and warranties contained in this Article IV, any other Transaction Document or in any certificate delivered with respect to this Agreement, neither Buyer nor any other Person makes any other express or implied representation or warranty on behalf of Buyer.

ARTICLE V

BANKRUPTCY MATTERS

Section 5.1 Competing Transactions.

(a) Consummation of the transactions contemplated hereby is subject to approval by the U.S. Bankruptcy Court and the Canadian Court and the consideration by Debtors, the U.S. Bankruptcy Court and the Canadian Court of higher or better competing bids. From and after the date hereof until the Auction is declared closed by Debtors in accordance with the Bid and Contract Procedures Order, Sellers shall be permitted to cause their respective Representatives and Affiliates to (i) initiate contact with, or solicit or encourage submission of any inquiries, proposals or offers by, any Person (in addition to Buyer and its Affiliates, agents and Representatives) with respect to any transaction (or series of transactions) involving the direct or indirect sale, transfer or other disposition of all, or a material portion of, the Transferred Assets to a purchaser or purchasers other than Buyer or effecting any other transaction the consummation of which would be substantially inconsistent with or in lieu of the transactions contemplated hereby, including by way of any merger, share purchase or exchange, asset purchase, tender offer, business combination, consolidation, joint venture, license, restructuring, reorganization, recapitalization, spin-off, split-off, or other transaction (a "Competing Transaction"), and (ii) respond to any inquiries or offers with respect to a Competing Transaction, including the purchase of all or any

part of the Transferred Assets (whether in combination with other assets of Sellers and the other Debtors or otherwise) and perform any and all other acts related thereto which are required or permitted under the Bankruptcy Code, the CCAA, the Bid and Contract Procedures Order, or other applicable Law, including supplying information relating to the Business and the assets of Sellers to prospective purchasers.

(b) If, upon completion of the Auction, Sellers have agreed to sell their assets under a Competing Transaction, Sellers may select Buyer as a Back-Up Bidder (as defined in the Bid Procedures) or may select another Back-Up Bidder as provided in the Bid Procedures on the terms and conditions contained herein (as revised in the Auction), or may select another Back-Up Bidder as provided in the Bid and Contract Procedures Order. Buyer hereby agrees and acknowledges that it shall serve as a Back-Up Bidder if so requested.

(c) Sellers agree that all pleadings with respect to the transactions contemplated hereby, including any reply in support thereof or any pleading relating to the assignment or assumption of Contracts, shall be provided to Buyer as soon as reasonably practicable prior to filing and shall be reasonably acceptable to Buyer. Buyer and Sellers understand and agree that such contemplated transactions are subject to approval by the U.S. Bankruptcy Court or the Canadian Court, as applicable.

Section 5.2 U.S. Bankruptcy Actions. As promptly as practicable after the date hereof and the commencement of the U.S. Bankruptcy Proceeding, Sellers shall file with the U.S. Bankruptcy Court an application seeking the Bid and Contract Procedures Order, which shall, among other things, (a) approve and authorize payment of the Break-Up Fee and the Expense Reimbursement Amount, and (b) establish procedures for the conduct of the Auction. Buyer agrees that it will reasonably cooperate with Sellers in obtaining granting of the Bid and Contract Procedures Order and the recognition of the Bid and Contract Procedures Order in the CCAA Proceedings. Sellers shall file such motions or pleadings as may be appropriate or necessary to assume and assign the Closing Assumed Contracts and to determine the amount of the Cure Costs.

Section 5.3 CCAA and Bankruptcy Court Filings.

(a) Buyer and Sellers shall take all actions as may be reasonably necessary to cause the Canadian Sale Order and U.S. Sale Order to be issued, entered and become Final Orders, including furnishing affidavits, declarations or other documents or information for filing with the Canadian Court and U.S. Bankruptcy Court. Buyer agrees that it will promptly take such actions as are reasonably requested by Sellers to assist in obtaining granting and entry of the Canadian Sale Order and the U.S. Sale Order including a finding of adequate assurance of future performance by Buyer, including furnishing affidavits or other documents or information for filing with the Canadian and U.S. Bankruptcy Court for the purposes, among others, of providing necessary assurances of performance by Buyer under this Agreement and demonstrating that Buyer is a “good faith” Buyer under Section 363(m) of the Bankruptcy Code.

(b) Sellers shall use their commercially reasonable efforts, subject to U.S. Bankruptcy Court and Canadian Court availability and approval, to (i) hold the Auction, unless an Auction is not required to be held pursuant to the terms of the Bid Procedures, on or before May 19, 2023 and (ii) file and have entered the Canadian Sale Order and U.S. Sale Order on or before May 31, 2023.

(c) The Parties shall consult with each other regarding pleadings that any of them intends to file with the Canadian Court and the U.S. Bankruptcy Court in connection with, or which might reasonably affect the U.S. Bankruptcy Court's approval of the U.S. Sale Order or the Canadian Court's approval of the Canadian Sale Order, including, with respect to Debtors, sharing in advance any drafts thereof for Buyer's review and comment. Each Seller shall promptly provide Buyer and its outside legal counsel with copies of all notices, filings and Orders of the Canadian Court and U.S. Bankruptcy Court that such Seller has in its possession (or receives) pertaining to the Canadian Sale Order or U.S. Sale Order, or any other Order related to any of the transactions contemplated hereby, but only to the extent such papers are not publicly available in the CCAA Proceedings or the docket of the U.S. Bankruptcy Court or otherwise made available to Buyer and its outside legal counsel. No Seller shall seek any modification to the Canadian Sale Order or U.S. Sale Order by the Canadian Court or U.S. Bankruptcy Court (as the case may be) or any other Governmental Entity of competent jurisdiction to which a decision relating to the CCAA Proceedings or Bankruptcy Proceeding has been appealed, in each case, without the prior written consent of Buyer (not to be unreasonably withheld, conditioned or delayed).

(d) If the U.S. Sale Order, Canadian Sale Order or any other Orders of the U.S. Bankruptcy Court or Canadian Court relating to this Agreement or the transactions contemplated hereby are appealed by any Person (or if any petition for certiorari or motion for reconsideration, amendment, clarification, modification, vacation, stay, rehearing or reargument shall be filed with respect to any such Order), Sellers shall promptly notify Buyer in writing thereof and subject to rights otherwise arising from this Agreement, Sellers shall use commercially reasonable efforts to prosecute such appeal, petition or motion and obtain an expedited resolution of any such appeal, petition or motion with input from Buyer.

ARTICLE VI

COVENANTS

Section 6.1 Access and Information.

(a) From the date hereof through the Closing Date, subject to Section 6.1(b), Buyer will be entitled, through its Representatives, to have reasonable access to the Scheduled Employees, the Transferred Assets, the Business and the Assumed Liabilities. Any such access will be conducted upon reasonable advance notice and under reasonable circumstances and will be subject to restrictions under COVID-19 Measures and applicable Law. Sellers will direct and use their commercially reasonable efforts to cause their Representatives to cooperate with Buyer and Buyer's Representatives in connection with such access, and Buyer and its Representatives will cooperate with Sellers and their Representatives; provided that: (i) any such access shall be conducted at Buyer's expense, in accordance with applicable Law (including applicable privacy and competition laws), under the supervision of Sellers' personnel and in such a manner as to maintain confidentiality and not to interfere with the normal operations of the Business of Sellers and their Affiliates; (ii) in no event will the foregoing permit any sampling, invasive testing or analysis of soil, groundwater, building materials or other media including any investigations of the sort generally referred to as a Phase II or detailed environmental site investigation; and (iii) the foregoing shall not require Sellers to disclose information or materials (A) protected by attorney-client, attorney work product or other legally recognized privileges or immunity from disclosure

or the disclosure of which would result in the disclosure of any trade secrets of third parties or violate any applicable Laws related to the exchange of information or any obligation of any Seller with respect to confidentiality; or (B) relating to other bids or potential bids for any of the Transferred Assets.

(b) All information received pursuant to this Section 6.1 shall be governed by the terms of the Confidentiality Agreement.

Section 6.2 Interim Operations of the Business. Except (a) (i) as required by applicable Law including any COVID-19 Measures, (ii) the DIP Financing or (iii) as authorized by any Order of the U.S. Bankruptcy Court or the Canadian Court, which Order is consistent with this Agreement, (b) as otherwise expressly contemplated by this Agreement or another Transaction Document, (c) with the prior written consent of Buyer (such consent not to be unreasonably withheld, conditioned or delayed), (d) as set forth on Schedule 6.2 of the Seller Disclosure Schedule, (e) as reasonably undertaken, consistent with actions taken by similarly situated industry participants and, except where not reasonably practicable in light of an imminent threat to health and safety, in prior consultation with Buyer, to respond to the actual or anticipated effects on the Business of COVID-19 or COVID-19 Measure, or (f) to the extent related to any Excluded Assets or Excluded Liabilities, during the period from the date hereof to and through the Closing Date, Sellers will use best efforts to conduct the Business in the Ordinary Course and maintain the Transferred Assets in their current condition, ordinary wear and tear excepted, including by making all payments in the respect of wages, benefits and pensions, due (or with respect to wages, accrued) to the Unionized Employees up to the Closing Date; *provided that* in the event that the Seller does not make all such payments (including in respect of accrued wages), then such aggregate amount shall be in good faith estimated by the Seller and the Buyer and deducted from the Purchase Price on Closing. For greater certainty, Seller will not sell, dispose or otherwise transfer howsoever the Specified Inventory. For clarity, in this Section 6.2, any reference to “wages” does not include vacation pay that is accrued but unused in the Ordinary Course as of the Closing Date.

Section 6.3 Cooperation; Status Updates; Regulatory Filings.

(a) Cooperation. Subject to the terms and conditions set forth in this Agreement, the Orders of the U.S. Bankruptcy Court and the Canadian Court, the Parties shall cooperate with each other and use their respective reasonable commercial efforts to: (i) take or cause to be taken all actions reasonably necessary, proper or advisable on their part under this Agreement or applicable Law to consummate the transactions contemplated hereby as promptly as reasonably practicable in accordance with the Bid Procedures; (ii) execute, acknowledge and deliver in proper form any further documents, certificates, agreements and other writings, and take such other action as such other Party may reasonably require, in order to effectively carry out the intent of the Transaction Documents; (iii) make or cause to be made all registrations, filings, notifications, submissions and applications with, to give all notices to and to obtain any consents, governmental transfers, approvals, Orders, qualifications and waivers from any Governmental Entity necessary for the consummation of the transactions contemplated hereby; (iv) not to take any action prior to the Closing that would reasonably be expected to prevent, materially impair or materially delay the consummation of the transactions contemplated hereby, except to the extent such action is otherwise expressly contemplated by this Agreement or the Bid Procedures; (v) provide the other

Party with cooperation and take such actions as such other Party may reasonably request in connection with the consummation of the transactions contemplated hereby; and (vi) cause the fulfillment at the earliest practicable date of all of the conditions to their respective obligations to consummate the transactions contemplated hereby.

(b) Unless otherwise agreed by Sellers and Buyers in writing, effective as of the Closing Date, Sellers shall take or cause to be taken all actions necessary, proper or advisable on their part to redeem or otherwise have cancelled the Bond and the other Conway Material Bond Agreements including the Conway Lease Agreement such that legal title to all of the Conway Lease Assets is duly and validly assigned and transferred to Structurlam U.S. or Buyer (pursuant to the U.S. Sales Order), all of which shall be effected (i) without any Liabilities to Buyer (including for any period from and after the Closing), unless Liabilities are paid and settled in full by Sellers prior to the Closing and (ii) in a manner that permits all of the Conway Lease Assets to be and constitute Transferred Assets, to be transferred to, or as directed by, Buyer on the Closing.

(c) Status Updates. Each of Sellers and Buyer shall promptly notify the other Party or Parties, as applicable, in writing (email being sufficient) of the occurrence, to such Parties' or Party's, as applicable, knowledge, of any event or condition, or the existence of any fact or circumstance, that would reasonably be expected to result in any of the conditions set forth in Article VII not being satisfied as of a reasonably foreseeable Closing Date.

(d) Regulatory Filings. Sellers and Buyer shall prepare and file as promptly as practicable all documentation to effect any necessary notices, reports and other filings and to obtain as promptly as practicable all consents, clearances, registrations, approvals, permits and authorizations necessary or advisable to be obtained from any Governmental Entity in order to consummate the transactions contemplated hereby within five Business Days after the date of this Agreement.

(e) Reasonable Best Efforts.

(i) Without limiting the generality of the foregoing, Buyer and Sellers agree to take or cause to be taken the following actions:

(A) the prompt use of its reasonable best efforts to avoid the entry of any permanent, preliminary or temporary injunction or other decree, decision, determination or judgment that would reasonably be expected to delay, restrain, prevent, enjoin or otherwise prohibit consummation of the transactions contemplated hereby;

(B) the defense through litigation on the merits of any claim asserted in any court, agency or other proceeding by any Person or entity, including any Governmental Entity, seeking to delay, restrain, prevent, enjoin or otherwise prohibit consummation of the transactions contemplated hereby; and

(C) the prompt use of its best efforts to take, in the event that any Order is entered or issued, or becomes reasonably foreseeable to be entered or issued, in any regulatory proceeding or inquiry of any kind that would make consummation of the transactions contemplated hereby in accordance with the terms of this Agreement unlawful or that would reasonably be expected to delay, restrain, prevent, enjoin or otherwise

prohibit consummation of the transactions contemplated hereby, any and all steps (including the appeal thereof or the posting of a bond necessary to resist, vacate, modify, reverse, suspend, prevent, eliminate or remove such actual, anticipated or threatened Order) so as to permit such consummation on a schedule as close as possible to that contemplated by this Agreement.

Section 6.4 Tax Matters.

(a) Transfer Taxes. All documentary, stamp, transfer, including land transfer, registration charges, including motor vehicle registration, sales, including GST/HST, provincial sales, use, value added, excise, consumption, gross receipt, turnover, and other similar non-income Taxes and all filing and recording fees (and any penalties and interest associated with such Taxes and fees) arising from or relating to the consummation of the transactions contemplated hereby (collectively, "Transfer Taxes") will be borne by Buyer, regardless of the Party on whom liability is imposed under the provisions of the Laws relating to such Transfer Taxes, provided that all such Transfer Taxes with respect to the transfer of real property assets of Sellers located in the U.S. shall not exceed US\$200,000. Upon the reasonable request of any Seller, Buyer will furnish proof of the payment of those Transfer Taxes to the appropriate Governmental Entity, where permitted. Sellers and Buyer will consult and cooperate in timely preparing and making all filings, Tax Returns, reports and forms as may be required to comply with the provisions of the Laws relating to such Transfer Taxes, and will cooperate and otherwise take commercially reasonable efforts to obtain any available refunds for or exemptions from such Transfer Taxes, including preparing exemption certificates and other instruments as are applicable to claim available exemptions from the payment of Transfer Taxes under applicable Law and executing and delivering such affidavits and forms as are reasonably requested by the other Party. Without limiting the generality of the foregoing, the Parties will:

(i) complete and sign a joint election under subsection 167(1) of the ETA on or before the Closing Date to avoid the application of GST/HST to the purchase and sale of the Transferred Assets, to the extent applicable. Buyer will duly file the election with the appropriate Governmental Entity within the time permitted under the ETA (the "Joint Election"); and

(ii) to the extent any Seller has received any amount in respect of an obligation to deliver goods or services, and Buyer has agreed to assume that obligation under this Agreement, Transferred Assets having a fair market value equal to that amount are being transferred to Buyer under this Agreement as payment by such Seller for Buyer's agreement to assume that obligation, and the Parties will file an election pursuant to the provisions of subsections 20(24) and 20(25) of the ITA, and any corresponding provisions of any other applicable Tax Law, within the prescribed time period.

(b) Asset Taxes. Sellers shall be allocated and bear all Asset Taxes for any period or portion thereof ending prior to the Closing Date, and Buyer shall be allocated and bear all Asset Taxes for any period or portion thereof that begins at or after the Closing Date. For purposes of this Section 6.4(b), (i) Asset Taxes that are based upon or related to income or receipts or imposed on a transactional basis (other than such Asset Taxes described in clause (ii)), shall be allocated to the period in which the transaction giving rise to such Asset Taxes occurred, and (ii) Asset Taxes

that are ad valorem, property or other Asset Taxes imposed on a periodic basis pertaining to a Straddle Period shall be allocated between the portion of such Straddle Period ending immediately prior to the Closing Date and the portion of such Straddle Period beginning at the Closing Date by prorating each such Asset Tax based on the number of days in the applicable Straddle Period that occur before the date on which the Closing Date occurs, on the one hand, and the number of days in such Straddle Period that occur on or after the date on which the Closing Date occurs, on the other hand. For the avoidance of doubt, to the extent any Seller has prepaid or deposited any amounts of any Asset Taxes prior to the Closing, Seller shall receive credit for such amounts in determining payments of Asset Taxes. Buyer shall be responsible for the preparation and timely filing of any Tax Returns and the payment to the applicable Governmental Entity of all Asset Taxes that become due or payable on or after the Closing Date, provided that to the extent any such Tax Returns relate to a Straddle Period, Sellers shall have the right to review and comment upon such Tax Returns prior to the filing thereof and Buyer shall incorporate any such reasonable comments that are timely provided. Sellers shall be responsible for the preparation and timely filing of any Tax Returns and payment to the applicable Governmental Entities of all Asset Taxes that become due or payable prior to the Closing Date.

(c) Purchase Price Allocation.

(i) As promptly as practicable after the Closing Date, but no later than 45 days thereafter, Buyer will prepare and deliver to Sellers, an allocation schedule setting forth the amounts to be allocated among Sellers and among the Transferred Assets of each Seller, pursuant to (and to the extent necessary to comply with) Section 1060 of the Code and the applicable regulations promulgated thereunder (or, if applicable, any similar provision under state, local or foreign Law or regulation, or for purposes of the ITA) (the “Proposed Allocation Statement”). Sellers will have 20 Business Days following delivery of the Proposed Allocation Statement during which to notify Buyer in writing (an “Allocation Notice of Objection”) of any objections to the Proposed Allocation Statement, setting forth in reasonable detail the basis of their objections. If Sellers fail to deliver an Allocation Notice of Objection in accordance with this Section 6.4(c)(i), the Proposed Allocation Statement will be conclusive and binding on all Parties and will become the “Final Allocation Statement.” If Sellers submit an Allocation Notice of Objection, then for 20 Business Days after the date Buyer receives the Allocation Notice of Objection, Buyer and Sellers will use their commercially reasonable efforts to agree on the allocations. Failing such agreement within 20 Business Days of such notice, the unresolved allocations will be submitted to an independent, nationally recognized accounting firm mutually agreeable to Buyer and Sellers, which firm will be instructed to determine its best estimate of the allocation schedule based on its determination of the unresolved allocations and provide a written description of the basis for its determination within 45 Business Days after submission, such written determination to be final, binding and conclusive. The allocations determined by such accounting firm (or those on the Proposed Allocation Statement to the extent Sellers did not object) will be conclusive and binding on all Parties and will become the “Final Allocation Statement.” The fees and expenses of such accounting firm will be apportioned 50% to Sellers and 50% to Buyer. For the avoidance of doubt, in administering any Action, the U.S. Bankruptcy Court shall not be required to apply the Final Allocation Statement in determining the manner in which the Purchase Price should be allocated as between Sellers and their respective estates.

(ii) Except to the extent otherwise required by a “determination” within the meaning of Section 1313(a) of the Code or by applicable Law, or as agreed to between the Parties as a result of any proposed assessment or reassessment by a relevant Tax authority, Sellers and Buyer and their respective Affiliates will report, act and file Tax Returns (including, but not limited to IRS Form 8594) in all respects and for all purposes consistent with the Final Allocation Statement and neither Sellers nor Buyer will take any position (whether in audits, Tax Returns, or otherwise) that is inconsistent with the Final Allocation Statement.

(d) Cooperation and Audits. Buyer and Sellers will cooperate fully with each other regarding Tax matters and will make available to the other as reasonably requested all information, records and documents relating to Taxes with regard to the Transferred Assets, Unionized Employees and Continuing Employees until the expiration of the applicable statute of limitations or extension thereof or the conclusion of all audits, appeals or litigation with respect to such Taxes. Notwithstanding anything in this Section 6.4(d) to the contrary, Sellers, Buyer and their respective Affiliates shall not be required to provide to Sellers and their Affiliates or Buyer and its Affiliates, as the case may be, any records, Tax Returns or any other information, in each case, which includes any information not solely related to the Transferred Assets, Unionized Employees or Continuing Employees.

Section 6.5 Employment Matters.

(a) Schedule 6.5(a) sets forth the names of all individuals who are Seller Employees as of the date hereof and (x) whose job responsibilities relate to the ownership, operation or use of the Transferred Assets or (y) whom Buyer and Sellers have otherwise designated as Scheduled Employees (the individuals set forth on Schedule 6.5(a), as such Schedule may be updated in accordance with this Section 6.5(a), the “Scheduled Employees”). Schedule 6.5(a) also sets forth, for each Scheduled Employee as applicable, the Scheduled Employee’s job title, date of hire, annual base salary and target bonus opportunity for 2023 (the “Scheduled Employees Schedule”). The Scheduled Employees Schedule shall be held in confidence and shall not be filed with the U.S. Bankruptcy Court or the Canadian Court (unless under seal). From time to time following the date hereof (and not later than 15 Business Days prior to the expected Closing Date), to the extent necessary, Sellers shall update the Scheduled Employees Schedule to reflect any changes thereto permitted by this Agreement. Sellers shall provide Buyer with any such updated Scheduled Employees Schedule at least 12 Business Days prior to the expected Closing Date. Buyer may add Seller Employees to Schedule 6.5(a) by providing written notice of such additions to Sellers not later than 15 Business Days prior to the expected Closing Date.

(b) At least ten Business Days prior to the expected Closing Date, Buyer shall provide Sellers with its list of Target Employees. For clarity, this list of Target Employees shall include (and may only include) all Unionized Employees.

(c) At least ten Business Days prior to the expected Closing Date, Buyer shall deliver to Sellers the form of written offer of employment that is to be provided to the Target Employees that are not Unionized Employees (if any) in accordance with the requirements set out in Section 6.5(d), and agrees to consider in good faith any comments provided by Sellers on such form.

(d) No later than seven Business Days prior to the expected Closing Date, Buyer shall, in its sole discretion, in consultation with Sellers, offer employment in writing to each of the Target Employees who are not Unionized Employees and are not independent contractors effective as of the Closing, if any.

(e) No later than seven Business Days prior to the expected Closing Date, Buyer shall, in its sole discretion, offer to retain the services of the Target Employees who are independent contractors on terms and conditions substantially similar to the terms and conditions of each such Target Employee's contract with the applicable Seller.

(f) No later than seven Business Days prior to the expected Closing Date, Buyer shall present all Unionized Employees with an Employment Confirmation Letter in the form attached hereto at Exhibit D confirming each Unionized Employee's continuing employment on the same terms and conditions as set forth in the Collective Agreement.

(g) No later than two Business Days prior to the expected Closing Date, Buyer shall deliver to Sellers a list identifying: (i) each Unionized Employee who has signed the Employment Confirmation Form referenced in Section 6.5(f); and (ii) each Target Employee who is not a Unionized Employee who has then accepted Buyer's offer of employment or engagement (each Target Employee who accepts such offer on or prior to the Closing Date and commences employment or engagement with Buyer, a "Continuing Employee"), and a list identifying: (A) each Unionized Employee that has not signed the Employment Confirmation Form referenced in Section 6.5(f); and (B) each Target Employee who has then rejected Buyer's offer of employment or engagement. In the event any, some or all of the Target Employees (who are not Unionized Employees) do not accept offers of employment or engagement with Buyer, no Material Adverse Effect shall have been deemed to occur solely due to such refusal.

(h) [Reserved].

(i) At the Closing, Buyer will be a successor employer in respect of, and will assume all obligations under and will become bound by, the Collective Agreement governing the terms and conditions of employment of the Unionized Employees, including the obligation to continue the employment of the Unionized Employees under applicable Laws, and shall recognize the service of the Unionized Employees for all purposes, including, without limitation, all Seller Plans, vacation, service awards and all post-Closing severance and termination obligations, as if they had been employed by Buyer since their individual dates of hire by the applicable Sellers or any predecessor of the applicable Seller.

(j) To the extent required by the Collective Agreement or applicable laws, Buyer shall (i) cause any pre-existing conditions or limitations and eligibility waiting periods under any group health plans of Buyer or its Affiliates to be waived with respect to the Unionized Employees and their eligible dependents, (ii) give each Unionized Employee credit for the plan year in which the Closing Date occurs towards applicable deductibles and annual out-of-pocket limits for medical expenses incurred prior to the Closing Date for which payment has been made and (iii) give each Unionized Employee service credit for such Unionized Employee's employment with Sellers since such Unionized Employee's date of hire with Sellers as set forth on Schedule 6.5(a) for all purposes, including but not limited to termination entitlements, vesting, benefit accrual (including

determination of severance benefits) and eligibility to participate under each applicable benefit plan of Buyer or its Affiliates, as if such service had been performed with Buyer, except for benefit accrual under defined benefit pension plans, for purposes of qualifying for subsidized early retirement benefits or to the extent it would result in a duplication of benefits.

(k) [Reserved].

(l) Buyer will assume all Liabilities in respect of Unionized Employees (but not Continuing Employees who are not Unionized Employees) which may become payable to, receivable by, or accrued in favor of the Unionized Employees at any point prior to the Closing Date and Buyer will assume all Liabilities in respect of Continuing Employees and Unionized Employees that arise or are incurred or accrued following the Closing Date, including premiums for employment insurance, workers' compensation, any obligations under any Seller Plans, any obligations under the Collective Agreement, any Liabilities under workers' compensation or similar Laws, accrued statutory holiday pay, fees, wages, accumulated overtime, accumulated paid time off, salaries, commissions, bonuses, accumulated vacation with pay credits or entitlements and other employee benefits or claims.

(m) Nothing in this Agreement is intended to (i) be treated as an amendment of any particular Seller Plan, (ii) prevent Buyer or any of its Affiliates from amending or terminating any compensation or benefit plan of Buyer or its Affiliates (including any Transferred Seller Plan) on or after the Closing Date in accordance with their terms the Collective Agreement (where applicable) and applicable Law, or (iii) prevent Buyer or any of its Affiliates from terminating the employment of any Continuing Employee. No current or former employee of Sellers or any beneficiary or dependent thereof is entitled to any third party beneficiary or other rights under this Section 6.5 or under any other provisions of this Agreement with respect to the compensation, terms and conditions of employment and/or benefits that may be provided to any such employee or beneficiary or dependent by Sellers, Buyer or any of its Affiliates or under any benefit plan (including any Transferred Seller Plans) which Sellers, Buyer or any of its Affiliates may maintain, other than what is legally required in accordance with the Collective Agreement or applicable Laws.

Section 6.6 Confidentiality. Each Party acknowledges that the information being provided to it in connection with the transactions contemplated hereby is subject to the terms of the Confidentiality Agreement. The terms of the Confidentiality Agreement are incorporated into this Agreement by reference in their entirety (and the Confidentiality Agreement shall continue in full force and effect until the Closing, at which time all obligations under the Confidentiality Agreement shall terminate (other than those which expressly survive the termination thereof pursuant to its terms)). If, for any reason, the Closing does not occur, the Confidentiality Agreement shall continue in full force and effect in accordance with its terms. Buyer acknowledges and understands that this Agreement, before it becomes otherwise publicly available, may be publicly filed in the U.S. Bankruptcy Court or the Canadian Court and further made available by Sellers to prospective bidders and that, except as prohibited herein, such disclosure will not be deemed to violate any confidentiality obligations owing to Buyer, whether pursuant to this Agreement, the Confidentiality Agreement or otherwise. Sellers acknowledge that from and after the Closing, all non-public information relating to the Transferred Assets and the Assumed Liabilities, will be valuable and proprietary to Buyer and its Affiliates. Sellers agree

that, from and after the Closing, no Seller will disclose to any Person any information relating to Buyer and its Affiliates, the Transferred Assets or the Assumed Liabilities, except as required by Law, Order, U.S. Bankruptcy Court requirement, Canadian Court requirement, or as otherwise becomes available in the public domain other than through any action by any Seller in violation of its obligations under this Section 6.6.

Section 6.7 Personal Information. The collection, use and disclosure of Personal Information by Buyer before the Closing is restricted to those purposes that relate to the transactions contemplated by this Agreement, and Buyer will protect that Personal Information by security safeguards appropriate to the sensitivity of the information. If, for any reason, the Closing does not occur, the Personal Information will be returned to Sellers or destroyed within a reasonable time. Following the Closing, Buyer will: (i) use and disclose the Personal Information transferred to it under the terms of this Agreement solely for the purposes for which that Personal Information was collected or permitted to be used or disclosed before the transaction was completed, or otherwise as permitted by applicable Law including applicable privacy laws; (ii) protect that Personal Information by security safeguards appropriate to the sensitivity of the information; (iii) notify the individuals who are the subject of the Personal Information, including the Continuing Employees, that the transaction has been completed that the their Personal Information has been disclosed to Buyer; and (iv) give effect to any withdrawal of consent made to the collection, use, and disclosure of the Personal Information in accordance with applicable Law including applicable privacy laws.

Section 6.8 Publicity. Except as required by the U.S. Bankruptcy Court in connection with the Bankruptcy Proceeding, or the Canadian Court in connection with the CCAA Proceedings, as applicable, any disclosure statement that the Debtors may file in connection with the Bankruptcy Proceeding or the CCAA Proceedings and any public disclosure issued by SLP pursuant to its contractual obligations under any confidentiality agreement or as required by Law or as required to be disclosed by Buyer pursuant to applicable securities laws or the rules and policies of any applicable stock exchange or quotation system, Buyer and Sellers will not issue any press release or public announcement concerning this Agreement or the transactions contemplated hereby without obtaining the prior written approval of the other Parties, which approval may not be unreasonably withheld, except that such consent shall not be required in connection with ordinary or required pleadings made by any Debtor in the U.S. Bankruptcy Court or the Canadian Court or if disclosure is otherwise required by applicable Law, by the U.S. Bankruptcy Court or by the Canadian Court; provided, however, that Buyer or Sellers, as applicable, will use its or their commercially reasonable efforts consistent with such applicable Law, U.S. Bankruptcy Court requirement or Canadian Court requirement to consult with the other Parties with respect to the text of any such required disclosure.

Section 6.9 Maintenance of Books and Records. After the Closing Date, Buyer shall until the sixth anniversary of the Closing Date, preserve, maintain and retain all books, records, other documents and electronically stored information Related to the Business, including the Books and Records, in existence on the Closing Date and, subject to compliance with applicable Law, make the same available for inspection and copying by Sellers, any of Sellers' successors or assigns or any trustee in bankruptcy and, in each case, any of their respective Representatives for any reasonable business purpose or compliance with any obligation under any applicable Law, during normal business hours of the Business upon reasonable request and upon reasonable notice.

Section 6.10 Insurance Matters.

(a) Sellers shall, and shall cause their Affiliates to, assign, to the extent assignable, to Buyer any and all proceeds owing to Sellers under Sellers' or any of their Affiliates' third party insurance policies written prior to the Closing in connection with (i) the damage or destruction of any of the Transferred Assets from and after the date of this Agreement and prior to the Closing that is, or would have been but for such damage or destruction, included in the Transferred Assets or (ii) any Assumed Liability (other than, in the case of this clause (ii), where insurance proceeds are directly or indirectly funded by Sellers or any of their Affiliates through self-insurance or other similar arrangements); provided that, Sellers shall not be required to, or to cause their Affiliates to, assign to Buyer any Excluded Insurance Proceeds. If such proceeds are not assignable, Sellers agree to pay any such proceeds received by them or any of their Affiliates to Buyer promptly upon the receipt thereof.

(b) Except as set forth in Section 1.1(n), from and after the Closing, the Business, the Transferred Assets and the Assumed Liabilities shall cease to be insured by Sellers' or their Affiliates' insurance policies or by any of their self-insurance programs or other similar arrangements, and Buyer (i) agrees on or prior to Closing to arrange for its own insurance policies (including self-insurance or similar arrangements funded directly or indirectly by Buyer or any of its Affiliates) with respect to the Business, the Transferred Assets and the Assumed Liabilities covering all periods from and after the Closing and (ii) without prejudice to any right to indemnification under this Agreement or any other Transaction Document, agrees not to seek, through any means, to benefit from any of Sellers' or their Affiliates' insurance policies which may provide coverage for claims relating in any way to the Business.

Section 6.11 Wallis Lease Extension. From and after the signing of this Agreement, Sellers and Buyer shall work together in good faith to obtain an extension of the Wallis Lease on terms satisfactory to Buyer. Buyer shall be permitted to communicate directly with the Lessor to settle satisfactory terms for the extension. In the event that Buyer reaches a satisfactory extension of the Wallis Lease, Sellers will properly execute and sign the same as requested by Buyer.

Section 6.12 [Reserved].

Section 6.13 Environmental. Buyer acknowledges and agrees that Sellers shall not be obligated to provide a site disclosure statement under the Environmental Management Act (BC) and the regulations thereto with respect to any Transferred Leased Property located in the Province of British Columbia.

Section 6.14 Conduct of Sellers. Until the earlier of the termination of this Agreement under Section 8.1 or the Closing, except (a) (i) as required by applicable Law including any COVID-19 Measures, (ii) the DIP Financing, or (iii) as authorized by any Order of the U.S. Bankruptcy Court or the Canadian Court, which Order is consistent with this Agreement, (b) as otherwise expressly contemplated by this Agreement or another Transaction Document, (c) with the prior written consent of Buyer (such consent not to be unreasonably withheld, conditioned or delayed), (d) as set forth in Schedule 6.14, (e) as reasonably undertaken, consistent with actions taken by similarly situated industry participants and, except where not reasonably practicable in light of an imminent threat to health and safety, in prior consultation with Buyer, to respond to the

actual or anticipated effects on the Business of COVID-19 or COVID-19 Measures, or (f) to the extent related to any Excluded Assets or Excluded Liabilities, during the period from the date hereof to and through the Closing Date, Sellers will (x) operate the Transferred Assets only in the Ordinary Course consistent with past practice, (y) preserve intact the Transferred Assets, reasonable wear and tear excepted, and as necessary to keep all of the Transferred Assets in substantially the same condition as at the date hereof, and (z) shall not:

(a) sell, assign, license, transfer, convey, or waive or release any right or claim relating to any of the Transferred Assets, lease, surrender, relinquish or otherwise dispose of any portion of the Transferred Assets;

(b) increase the total number of employees working as part of the Transferred Assets by more than 5%, except for construction workers in the Ordinary Course consistent with past practice;

(c) except as required by the terms of and in accordance with any key employee retention program or key employee incentive program implemented by Sellers, the Collective Agreement, any other written employment or engagement agreement currently in effect between the applicable Seller and the employee, or applicable Laws, increase the compensation payable (whether through the payment of, or agreement to pay, bonus amounts or otherwise) to any employees; provided that the foregoing shall not apply to employees working as part of the Transferred Assets for an amount of up to an additional 5% of any such employee's compensation;

(d) subject any portion of the Transferred Assets to any encumbrance, except for Permitted Encumbrances;

(e) incur any capital expenditures (other than for reasonably necessary repairs and Ordinary Course maintenance) for an amount greater than US\$250,000;

(f) amend or modify in any material respect or terminate any Closing Assumed Contract or Additional Assumed Contract;

(g) take any action that could reasonably be expected to result in a Material Adverse Effect on the value of the Transferred Assets;

(h) sell, lease, remove from the Transferred Owned Property, transfer, license or otherwise dispose of, abandon or permit to lapse, fail to take any material action necessary to maintain, enforce or protect, or permit or create any encumbrance (other than Permitted Encumbrances) on any of the Transferred Assets; or

(i) agree or commit to do any of the foregoing.

Nothing contained in this Agreement is intended to give Buyer or its Affiliates, directly or indirectly, the right to control or direct the Business prior to the Closing.

Section 6.15 Notification of Certain Matters.

(a) Sellers will promptly notify Buyer of: (i) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement; (ii) any notice or other communication from any Governmental Entity related to or in connection with the transactions contemplated by this Agreement; (iii) promptly upon discovery thereof, any variances from, or the existence or occurrence of any event, fact or circumstance arising after the execution of this Agreement that would reasonably be expected to cause, any of the representations and warranties contained in Article III to be untrue or inaccurate such that the condition set forth in Section 7.2(a) will not be able to be satisfied. If the subject matter of any such notification required by the previous sentence requires any change in the Seller Disclosure Schedule, Sellers shall deliver to Buyer prior to the Closing a supplement to such Seller Disclosure Schedule (the “Updated Schedules”) with such change; provided that in no event will any Updated Schedule serve to amend, supplement or modify the Schedules for purposes of Section 7.2(a) or limit the remedies available to Buyer under or with respect to this Agreement; provided, further that if the Closing occurs, the Updated Schedules will be considered and deemed to be part of the Seller Disclosure Schedule for all purposes under this Agreement, and each reference in this Agreement to a particular Seller Disclosure Schedule will mean such Seller Disclosure Schedule in, or as updated by, the Updated Schedules; and (iv) the occurrence of any fact or circumstance that could reasonably be expected to have a Material Adverse Effect.

(b) Buyer will promptly notify Sellers of any Actions relating to or involving or otherwise affecting Buyer or its Affiliates that, if pending on the date of this Agreement, would have been required to have been disclosed pursuant to Section 4.4 or that relate to the transactions contemplated by this Agreement.

Section 6.16 Transfer of Permits.

(a) From and after the date hereof, Sellers, on the one hand, and Buyer, on the other hand, shall reasonably cooperate to transfer to Buyer as of the Closing Date all Permits included in the Transferred Assets.

(b) In addition, at any time prior to the Closing Date, Buyer may, at its sole discretion and at its sole expense, request for Sellers to maintain in effect any Permit for up to three months after the Closing for the purposes of passing through the benefits of such Permit to Buyer, and (i) provided Buyer timely pays any costs associated with such Permit, including any costs referred to in clause (iii) below and to the extent practicable and permitted by applicable Law, Sellers shall use commercially reasonable efforts to maintain in effect such Permit, (ii) Sellers and Buyer shall use commercially reasonable efforts to agree in writing on arrangements for the purposes of passing through the benefits of such Permit to Buyer, and (iii) any such arrangements described in the foregoing shall be at the sole expense of Buyer.

Section 6.17 Sellers’ Obligations. Each of Sellers hereby acknowledges and agrees that their representations and warranties made hereunder are made jointly and severally, and their respective covenants and obligations under this Agreement are joint and several responsibilities. Each of Sellers agrees to be jointly and severally responsible for any damage, loss, cost and expense for which either of them may be responsible hereunder.

ARTICLE VII

CONDITIONS TO CLOSING

Section 7.1 Conditions Precedent to Each Party's Obligations. The Parties' obligations to consummate the transactions contemplated hereby are subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions (any or all of which may be waived by the Parties in whole or in part to the extent permitted by applicable Law):

(a) there shall not be in effect any Order of a Governmental Entity of competent jurisdiction or any Law preventing, restraining, enjoining, making illegal or otherwise prohibiting the consummation of the transactions contemplated hereby;

(b) the U.S. Bankruptcy Court shall have entered the U.S. Sale Order, and the U.S. Sale Order shall be in full force and effect and not subject to a stay and shall have become a Final Order; and

(c) the Canadian Sale Order and the Assignment Orders (if applicable) shall have been issued by the Canadian Court and shall have become Final Orders.

Section 7.2 Conditions Precedent to Obligations of Buyer. The obligation of Buyer to consummate the transactions contemplated hereby is subject to the fulfillment, on or prior to the Closing Date, of each of the following conditions (any or all of which may be waived by Buyer in whole or in part to the extent permitted by applicable Law):

(a) (i) the representations of Sellers contained in the first sentence of Section 3.1 and in Section 3.3 shall be true and correct in all material respects (without giving effect to any materiality limitations, such as "material," "in all material respects" and "Material Adverse Effect" set forth therein) on and as of the Closing, except to the extent expressly made as of an earlier date, in which case such representations and warranties shall be true and correct in all material respects (without giving effect to any materiality limitations, such as "material," "in all material respects" and "Material Adverse Effect" set forth therein) as of such earlier date; and (ii) all other representations of Sellers contained in this Agreement (without giving effect to any materiality limitations, such as "material," "in all material respects" and "Material Adverse Effect" set forth therein) shall be true and correct on and as of the Closing, except to the extent expressly made as of an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date, except for any failure of any such representation and warranty to be so true and correct that has not had or would not reasonably be likely to have, individually or in the aggregate, have a Material Adverse Effect;

(b) Sellers shall have performed and complied in all material respects with all obligations and agreements required in this Agreement to be performed or complied with by them prior to or on the Closing Date including delivery of those items set forth in Section 2.5;

(c) Buyer shall have received from Sellers a certificate signed by an authorized officer of Sellers on behalf of Sellers certifying that the conditions set forth in Section 7.2(a), Section 7.2(b) and Section 7.2(e) have been satisfied;

(d) the Conway Material Bond Agreements shall be redeemed or cancelled as contemplated by Section 6.3(b), in form and substance reasonably satisfactory to Buyer;

(e) Since the date of this Agreement there shall not have occurred any Material Adverse Effect;

(f) Seller shall have performed all actions required of Sellers pursuant to this Agreement to convey title to the Transferred Owned Property to Buyer, free and clear of all Liens pursuant to Section 363 of the Bankruptcy Code, subject only to the Permitted Encumbrances, and a licensed title company or companies reasonably satisfactory to Buyer (the "Title Company") shall be irrevocably committed to issue to Buyer a title policy, insuring Buyer's fee simple title to the Transferred Owned Property, subject only to the Permitted Encumbrances, which policy shall be reasonably in form and substance to Buyer (the "Title Policy"), subject to Buyer's payment of any required premiums and fees to the Title Company and delivery of such documentation by Buyer as required by the Title Company in order to issue to Buyer the Title Policy, provided that in the event Title Company shall be unable or unwilling to provide the Title Policy notwithstanding Seller's and Buyer's fulfillment of the foregoing requirements, Seller may select a replacement title insurer, which shall be a nationally recognized title insurance company reasonably acceptable to Buyer, to provide the Title Policy; and

(g) The form of U.S. Sale Order shall be in a form reasonably acceptable to Buyer.

Section 7.3 Conditions Precedent to Obligations of Sellers. The obligations of Sellers to consummate the transactions contemplated hereby are subject to the fulfillment, prior to or on the Closing Date, of each of the following conditions (any or all of which may be waived by Sellers in whole or in part to the extent permitted by applicable Law):

(a) the representations and warranties of Buyer contained in this Agreement shall be true and correct on and as of the Closing, except to the extent expressly made as of an earlier date, in which case such representations and warranties shall be true and correct as of such earlier date, except for any failure of any such representation and warranty to be so true and correct as would not, individually or in the aggregate, reasonably be expected to prevent the ability of Buyer to consummate the transactions contemplated hereby and deliver the Purchase Price pursuant to Section 2.1;

(b) Buyer shall have performed and complied in all material respects with all obligations and agreements required in this Agreement to be performed or complied with by Buyer prior to or on the Closing Date; and

(c) Sellers shall have received from Buyer a certificate signed by an authorized officer of Buyer on behalf of Buyer certifying that the conditions set forth in Section 7.3(a) and Section 7.3(b) have been satisfied.

Section 7.4 No Frustration of Closing Conditions. Neither Buyer nor Sellers may rely on the failure of any condition to their respective obligations to consummate the transactions contemplated hereby set forth in Section 7.1, Section 7.2 or Section 7.3, as the case may be, to be satisfied if such failure was caused by such Party's or its Affiliates' failure to use its reasonable best efforts (or such other applicable efforts standard expressly contemplated hereby) to satisfy the

conditions to the consummation of the transactions contemplated hereby or by any other breach of a representation, warranty, or covenant hereunder.

ARTICLE VIII

TERMINATION

Section 8.1 Termination of Agreement. This Agreement may be terminated prior to the Closing as follows:

- (a) by mutual written consent of Buyer and Sellers;
- (b) automatically, upon the consummation of a Competing Transaction, or the U.S. Bankruptcy Court approves a Competing Transaction;
- (c) by either Party, upon written notice to the other Party:
 - (i) if the Closing has not occurred by 5:00 p.m., prevailing Eastern time, on or before sixty (60) days after the date of this Agreement (the "Termination Date"), which date may be extended by mutual written agreement of the Parties or otherwise pursuant to Section 8.1(d)(i) or Section 8.1(e)(i);
 - (ii) if there is in effect a final non-appealable Order of a Governmental Entity of competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby (it being agreed that the Parties will promptly appeal any adverse determination which is appealable and pursue such appeal in accordance with their respective obligations under Section 6.3(e)(i)(C) unless and until this Agreement is terminated pursuant to this Section 8.1);
 - (iii) if the Bankruptcy Proceeding is dismissed or converted to a case under Chapter 7 of the Bankruptcy Code or if the CCAA Proceedings are dismissed; or
 - (iv) if Buyer is not selected as a Successful Bidder or a Back-Up Bidder (each as defined in the Bid Procedures) upon entry of the U.S. Sale Order or Canadian Sale Order, as applicable.
- (d) by Buyer, upon written notice to Sellers:
 - (i) in the event of a material breach by Sellers of any representation or warranty or any covenant or agreement contained in this Agreement that (A) would result in any of the conditions set forth in Section 7.1 or Section 7.2 not being satisfied if such breach remained uncured as of the Closing and (B) such breach is incapable of being cured prior to the Termination Date or, if capable of being cured, such breach has not been cured within 30 days after the giving of written notice by Buyer to Sellers of such breach; provided that Buyer is not then in material breach of any representation, warranty, covenant or agreement contained in this Agreement; provided, further, that in the event that Buyer provides such written notice to Sellers within 30 days of the Termination Date, then the Termination Date shall be extended until the end of the 30-day cure period set forth in this Section 8.1(d)(i);

(ii) if, following entry by the U.S. Bankruptcy Court or the Canadian Court of the U.S. Sale Order or the Canadian Sale Order, respectively, the U.S. Sale Order or the Canadian Sale Order (as applicable) is materially amended, modified or supplemented without Buyer's prior written consent or is voided, reversed or vacated; or

(iii) if (A) all of the conditions set forth in Section 7.1 and Section 7.3 have been satisfied or waived (other than those that, by their nature, are to be satisfied at the Closing, all of which are capable of being satisfied at the Closing), (B) Buyer has irrevocably confirmed by written notice to Sellers that (1) all conditions set forth in Section 7.2 have been satisfied (other than those that, by their nature, are to be satisfied at the Closing) or that it would be willing to waive any unsatisfied conditions in Section 7.2 if the Closing were to occur, and (2) they are ready, willing and able to consummate the Closing and (C) Sellers fail to consummate the Closing within two Business Days following the date the Closing should have occurred pursuant to Section 2.3; provided, however, that any purported termination by Sellers pursuant to Section 8.1(c)(i) shall be deemed to be a termination by Buyer pursuant to this Section 8.1(d)(iii) if Buyer is entitled to terminate this Agreement pursuant to this Section 8.1(d)(iii) at the time of such termination.

(e) by Sellers, upon written notice to Buyer:

(i) in the event of a breach by Buyer of any representation or warranty or any covenant or agreement contained in this Agreement, if (A) such breach would result in a failure of a condition set forth in Section 7.1 or Section 7.3 to be satisfied if such breach remained uncured as of the Closing and (B) such breach is incapable of being cured prior to the Termination Date or, if capable of being cured, such breach has not been cured within 30 days after the giving of written notice by Sellers to Buyer of such breach; provided that Sellers are not then in material breach of any representation, warranty, covenant or agreement contained in this Agreement; provided, further, that in the event that Sellers provide such written notice to Buyer within 30 days of the Termination Date, then the Termination Date shall be extended until the end of the 30-day cure period set forth in this Section 8.1(e); or

(ii) if (A) all of the conditions set forth in Section 7.1 and Section 7.2 have been satisfied or waived (other than those that, by their nature, are to be satisfied at the Closing, all of which are capable of being satisfied at the Closing), (B) Sellers have irrevocably confirmed by written notice to Buyer that (1) all conditions set forth in Section 7.3 have been satisfied (other than those that, by their nature, are to be satisfied at the Closing) or that it would be willing to waive any unsatisfied conditions in Section 7.3 if the Closing were to occur, and (2) they are ready, willing and able to consummate the Closing and (C) Buyer fails to consummate the Closing within two Business Days following the date the Closing should have occurred pursuant to Section 2.3; provided, however, that any purported termination by Buyer pursuant to Section 8.1(c)(i) shall be deemed to be a termination by Sellers pursuant to this Section 8.1(e)(ii) if Sellers are entitled to terminate this Agreement pursuant to this Section 8.1(e)(ii) at the time of such termination.

Section 8.2 Effect of Termination. In the event of termination of this Agreement pursuant to Section 8.1, this Agreement shall become void and of no effect; provided, however,

that the provisions set forth in this Section 8.2, Section 8.3, Article IX and in the Confidentiality Agreement shall survive the termination of this Agreement; provided, further, that nothing in this Section 8.2 shall be deemed to release any Party from liability for any willful or material breach of this Agreement prior to termination.

Section 8.3 Break-Up Fee and Expense Reimbursement Amount. In consideration of Buyer and its Affiliates having expended considerable time and expense in connection with this Agreement and the negotiation thereof, and the identification and quantification of assets to be included in the Transferred Assets, and to compensate Buyer as a stalking-horse bidder in connection with the Auction, should Seller enter into a written binding agreement with respect to a Competing Transaction, then in such event, Buyer shall be entitled to:

- (a) the Expense Reimbursement Amount, not to exceed US\$600,000; and
- (b) an amount equal to US\$1,800,000 (the "Break-Up Fee").

No bidder other than Buyer shall be entitled to a Break-Up Fee or Expense Reimbursement Amount. For the avoidance of doubt, (x) the Break-Up Fee and Expense Reimbursement Amount shall be free of any Liens and shall be payable or credited to Buyer only upon closing of the sale of the Transferred Assets (or a material portion of them) and (y) notwithstanding anything contained herein to the contrary, (i) Buyer shall have the right, but not the obligation, to increase its bid for the Transferred Assets at the Auction, and (ii) the amount of the Break-Up Fee and Expense Reimbursement Amount, once triggered pursuant to the terms of this Agreement, shall act as a credit toward any Closing by the Buyer as the high bidder or as the Backup Bidder (as defined in the Bid Procedures). Notwithstanding anything to the contrary set forth in this Agreement, Buyer agrees that the amount of the Break-Up Fee and the Reimbursement Amount credited to Buyer against the Purchase Price at the Closing as set forth in Section 2.1 (the "Closing Credit Amount") shall be reduced to the extent such credit would result in the Sellers receiving less than US\$60,000,000 in proceeds at the Closing, taking into consideration (i) any amount of the Deposit of the Winning Bidder (as such terms are defined in the Bidding Procedures) under a Competing Transaction that is payable to Sellers pursuant to the Bidding Procedures and is not disputed by the Winning Bidder, or if disputed (such amount, a "Disputed Amount"), such dispute has been resolved in favor of Sellers prior to the Closing and (ii) the purchase price paid by Buyer at the Closing (taking into account the Deposit Amount payable to Sellers by Buyer in accordance with Section 2.2); provided, that if any Disputed Amount is excluded from consideration under the foregoing subclause (i) because such amount remained in dispute at the time of the Closing and such Disputed Amount is later disbursed to Sellers (or Sellers' representative) following the Closing, Sellers (or Sellers' representative) shall calculate the amount that would have been credited to Buyer at the Closing pursuant to this Section 8.3 had the Disputed Amount been undisputed at the Closing (the "Final Credit Amount"), and Sellers (or Sellers' representative) shall pay Buyer the difference between the Final Credit Amount and the Closing Credit Amount, by wire transfer of immediately available funds to an account directed by Buyer, without further consideration from Buyer.

ARTICLE IX

MISCELLANEOUS

Section 9.1 Survival. The Parties agree that the representations, warranties, covenants or agreements contained in this Agreement (other than in respect to Section 3.21, Section 6.6 and this Article IX) will not survive the Closing hereunder, and none of the Parties will have any liability to each other after the Closing for any breach of such representations, warranties, covenants or agreements which may be made, or Action instituted, after the Closing. Notwithstanding the foregoing, the covenants and agreements that by their terms are to be satisfied after the Closing Date shall survive until satisfied in accordance with their terms.

Section 9.2 Notices. Unless otherwise set forth herein, all notices and other communications, including consents and waivers, to be given or made hereunder shall be in writing and shall be deemed to have been duly given or made on the date of delivery to the recipient thereof if received prior to 5:00 p.m. in the place of delivery and such day is a Business Day (or otherwise on the next succeeding Business Day) if (a) served by personal delivery or by recognized overnight courier service upon the Person for whom it is intended, (b) delivered by registered or certified mail, return receipt requested or (c) sent by email, as provided in this Section 9.2; provided that the email is confirmed orally or in writing by the recipient thereof (excluding out-of-office replies or other automatically generated responses):

To Buyer:

Mercer International Inc.
Suite 1120, 700 West Pender Street
Vancouver, B.C. V6C 1G8
Telephone: (604) 639-4610
Attn: Brian Merwin, Vice President Corporate Development
Email: brian.merwin@mercerint.com

With a copy to:

Sangra Moller LLP
1000 Cathedral Place
925 West Georgia Street
Vancouver, B.C. V6C 3L2
Telephone: (604) 692-3022
Attn: Harjit Sangra
Email: hsangra@sangramoller.com

and

Stearns Weaver Miller et al.
150 West Flagler Street
Suite 2200
Miami, Florida 33130
Attention: Drew M. Dillworth

Email: ddillworth@stearnsweaver.com

To Sellers or Debtors:

(a) If prior to the Closing:

c/o SLP Holdings Ltd.
2176 Government Street
Penticton, BC, Canada V2A 8B5
Telephone: (888) 858 9887
Attn: Matthew Karmel
Email: mkarmel@structurlam.com

With a copy to:

Paul Hastings LLP
1117 S. California Avenue
Palo Alto, CA 94304
Telephone: (650) 320-1800
Attn: Todd Schwartz
Email: toddschwartz@paulhastings.com

and

Gowling WLG (Canada) LLP
2300 – 550 Burrard Street
Vancouver, BC
Telephone: (604) 891-2778
Attn: Jonathan Ross
Email: jonathan.ross@gowlingwlg.com

(b) If following the Closing:

c/o Alvarez & Marsal Canada
925 West Georgia Street, Suite 902
Vancouver, BC V6C 3L2
Telephone: (604) 639 0849
Attn: Anthony Tillman
Email: atillman@alvarezandmarsal.com

With a copy to:

Paul Hastings LLP
1117 S. California Avenue
Palo Alto, CA 94304
Telephone: (650) 320-1800

Attn: Todd Schwartz
Email: toddschwartz@paulhastings.com

and

Gowling WLG (Canada) LLP
2300 – 550 Burrard Street
Vancouver, BC
Telephone: (604) 891-2778
Attn: Jonathan Ross
Email: jonathan.ross@gowlingwlg.com

or to such other Person or addressees as may be designated in writing by the Party to receive such notice as provided above; provided, however, that copies to outside counsel are for convenience only and the provision of a copy to outside counsel does not constitute notice or alter the effectiveness of any notice, request, instruction or other communication otherwise made or given in accordance with this Section 9.2.

Section 9.3 Entire Agreement; Amendments and Waivers. This Agreement together with the other agreements referred to herein, including the Transaction Documents, the Escrow Agreement and the Confidentiality Agreement represent the entire understanding and agreement between the Parties with respect to the subject matter hereof and supersede all prior discussions and agreements between the Parties with respect to the subject matter hereof. This Agreement can be amended, supplemented or changed, and any provision hereof can be waived, only by written instrument making specific reference to this Agreement signed, in the case of an amendment, supplement or change, by the Parties, or in the case of a waiver, by the Party against whom enforcement of such waiver is sought. The waiver by any Party of a breach of any provision of this Agreement will not operate or be construed as a further or continuing waiver of such breach or as a waiver of any other or subsequent breach. No failure on the part of any Party to exercise, and no delay in exercising, any right, power or remedy hereunder will operate as a waiver thereof, nor will any single or partial exercise of such right, power or remedy by such Party preclude any other or further exercise thereof or the exercise of any other right, power or remedy. All remedies hereunder are cumulative and are not exclusive of any other remedies provided by Law.

Section 9.4 Assignment. This Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. Nothing in this Agreement will create or be deemed to create any third party beneficiary rights in any Person or entity not a party to this Agreement. No assignment of this Agreement or of any rights or obligations hereunder may be made by either Sellers or Buyer (by operation of law or otherwise) without the prior written consent of the other Parties and any attempted assignment without the required consents will be void; provided, however, that (a) Buyer may assign some or all of its rights or delegate some or all of its obligations hereunder to one or more Affiliates, including to effect the purchase and transfer of the Canadian Assets and the U.S. Assets to different Affiliates and (b) Sellers may assign some or all of their rights or delegate some or all of their obligations hereunder to successor entities (including any liquidating trust) pursuant to a Chapter 11 plan confirmed by the U.S. Bankruptcy Court or as permitted by the CCAA, in the case of each of clause (a) and (b) above, without any other Party's consent. No assignment or delegation of any

obligations hereunder will relieve the Parties of any such obligations. Upon any such permitted assignment, the references in this Agreement to Sellers or Buyer will also apply to any such assignee unless the context otherwise requires.

Section 9.5 Expenses. Except as otherwise expressly provided in this Agreement, including as set forth in Section 8.3, whether or not the transactions contemplated hereby are consummated, each of Sellers, on the one hand, and Buyer, on the other hand, will bear its own expenses incurred in connection with the negotiation and execution of this Agreement and each other agreement, document and instrument contemplated by this Agreement and the consummation of the transactions contemplated hereby and all proceedings incident thereto.

Section 9.6 Governing Law. This Agreement will be governed by and construed in accordance with the internal Laws of the State of Delaware without giving effect to any choice or conflict of Law provision or rule (whether of the State of Delaware or any other jurisdiction) that would cause the application of the Laws of any jurisdiction other than the State of Delaware, and the obligations, rights and remedies of the Parties shall be determined in accordance with such Laws.

Section 9.7 Specific Performance.

(a) The Parties agree that irreparable damages would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached, and that damages at Law may be an inadequate remedy for the breach of any of the covenants, promises and agreements contained in this Agreement, and, accordingly, any Party will be entitled to injunctive relief to prevent any such breach, and to specifically enforce the terms and provisions of this Agreement without the necessity of posting bond or other security against it or proving damages, including without limitation specific performance of such covenants, promises or agreements (including to cause each Party to consummate the Closing and to make the payments and Transfer contemplated by this Agreement) or an Order enjoining a Party from any threatened, or from the continuation of any actual, breach of the covenants, promises or agreements contained in this Agreement. The rights set forth in this Section 9.7 will be in addition to any other rights which a Party may have at Law or in equity pursuant to this Agreement.

(b) The Parties hereby agree not to raise any objections to the availability of the equitable remedy of specific performance to prevent or restrain breaches of this Agreement by Buyer or Sellers, as applicable, and to specifically enforce the terms and provisions of this Agreement to prevent breaches or threatened breaches of, or to enforce compliance with, the respective covenants and obligations of Buyer or Sellers, as applicable, under this Agreement all in accordance with the terms of this Section 9.7.

Section 9.8 Submission to Jurisdiction; Consent to Service of Process; Waiver of Jury Trial.

(a) Without limiting any Party's right to appeal any Order of the U.S. Bankruptcy Court, (i) the U.S. Bankruptcy Court will retain exclusive jurisdiction to enforce the terms of this Agreement and to decide any claims or disputes which may arise or result from, or be connected with, this Agreement, any breach or default hereunder, or the transactions contemplated hereby, in

each case, relating to the U.S. Bankruptcy Proceedings, the U.S. Bankruptcy Court or the Bankruptcy Code, and (ii) any and all proceedings related to the foregoing will be filed and maintained only in the U.S. Bankruptcy Court, and the Parties hereby consent to and attorn to the jurisdiction and venue of the U.S. Bankruptcy Court for such purposes and will receive notices at such locations as indicated in Section 9.2. The Parties hereby irrevocably waive, to the fullest extent permitted by applicable Law, any objection which they may now or hereafter have to the laying of venue of any such Action brought in such courts or any defense of inconvenient forum for the maintenance of such dispute. Each of the Parties agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law.

(b) Each of the Parties hereby consents to process being served by any other Party in any Action by delivery of a copy thereof in accordance with the provisions of Section 9.2; provided, however, that such service will not be effective until the actual receipt thereof by the Party being served.

(c) Each Party to this Agreement waives any right to trial by jury in any Action regarding this Agreement or any provision hereof.

Section 9.9 Interpretation; Construction.

(a) The Article and Section headings contained in this Agreement are solely for the purpose of reference, are not part of the agreement of the Parties and shall not in any way affect the meaning or interpretation of this Agreement.

(b) Unless otherwise specified in this Agreement or the context otherwise requires: (i) the words “hereof,” “herein” and “hereunder” and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole and not to any particular provision of this Agreement; (ii) any reference to the masculine, feminine or neuter gender shall include all genders, the plural shall include the singular and the singular shall include the plural; (iii) all Preamble, Recital, Article, Section, clause, Schedule and Exhibit references used in this Agreement are to the preamble, recitals, articles, sections, clauses, schedules and exhibits to this Agreement; (iv) wherever the word “include,” “includes” or “including” is used in this Agreement, it shall be deemed to be followed by the words “without limitation;” (v) the terms “date hereof” and “date of this Agreement” mean the date first written above; (vi) with respect to the determination of any period of time, the word “from” means “from and including” and the words “to” and “until” each means “to but excluding;” (vii) (A) any reference to “days” means calendar days unless Business Days are expressly specified and (B) any reference to “months” or “years” shall mean calendar months or calendar years, respectively, in each case unless otherwise expressly specified; (viii) the word “extent” in the phrase “to the extent” shall mean the degree to which a subject or other thing extends and such phrase shall not mean simply “if;” and (ix) each accounting term not otherwise defined in this Agreement has the meaning commonly applied to it in accordance with GAAP.

(c) Unless otherwise specified in this Agreement, any deadline or time period set forth in this Agreement that by its terms ends on a day that is not a Business Day shall be automatically extended to the next succeeding Business Day.

(d) Unless otherwise specified in this Agreement or the context otherwise requires, all references to any (i) statute in this Agreement include the rules and regulations promulgated thereunder and all applicable guidance, guidelines, bulletins or policies issued or made in connection therewith by a Governmental Entity, and (ii) Law in this Agreement shall be a reference to such Law as amended, re-enacted, consolidated or replaced as of the applicable date or during the applicable period of time.

(e) Unless otherwise specified in this Agreement, all references in this Agreement (i) to any Contract, other agreement, document or instrument (excluding this Agreement) mean such Contract, other agreement, document or instrument as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof and, unless otherwise specified therein, include all schedules, annexes, addendums, exhibits and any other documents attached thereto or incorporated therein by reference, and (ii) to this Agreement mean this Agreement (taking into account the provisions of Section 9.3) as amended, supplemented or otherwise modified from time to time in accordance with Section 9.3.

(f) With regard to each and every term and condition of this Agreement, the Parties understand and agree that the same have or has been mutually negotiated, prepared and drafted, and that if at any time the Parties desire or are required to interpret or construe any such term or condition or any agreement or instrument subject thereto, no consideration shall be given to the issue of which Party actually prepared, drafted or requested any term or condition of this Agreement.

(g) All capitalized terms in this Agreement (including the Exhibits and Schedules hereto) shall have the meaning set forth in Exhibit A, except as otherwise specifically provided herein. Each of the other capitalized terms used in this Agreement has the meaning set forth where such term is first used or, if no meaning is set forth, the meaning required by the context in which such term is used.

Section 9.10 Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority of competent jurisdiction to be invalid, void or unenforceable, or the application of such provision, covenant or restriction to any Person or any circumstance, is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, (a) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision, covenant or restriction to other Persons or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application of such provision, in any other jurisdiction and the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

Section 9.11 Counterparts and Electronic Execution. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same Agreement. Delivery of an executed signature page to this Agreement

by any Party by electronic transmission shall be as effective as delivery of a manually executed copy of this Agreement by such Party.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have executed or caused this Agreement to be executed as of the date first written above.

MERCER INTERNATIONAL INC.

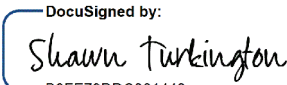
By: 

Name: Juan Carlos Bueno

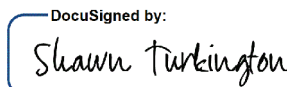
Title: Chief Executive Officer

IN WITNESS WHEREOF, the Parties have executed or caused this Agreement to be executed as of the date first written above.

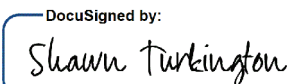
SLP HOLDINGS LTD.

By:  _____
DocuSigned by:
B8FE79DDC861448...
Name: Shawn Turkington
Title: Authorized Signatory

STRUCTURLAM MASS TIMBER CORPORATION

By:  _____
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B8FE79DDC861448...
Name: Shawn Turkington
Title: Authorized Signatory

STRUCTURLAM MASS TIMBER U.S., INC.

By:  _____
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Name: Shawn Turkington
Title: Authorized Signatory

NATURAL OUTCOMES, LLC

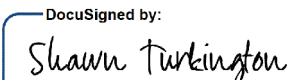
By:  _____
DocuSigned by:
B8FE79DDC861448...
Name: Shawn Turkington
Title: Authorized Signatory

EXHIBIT A

Defined Terms

In this Agreement, the following terms have the meaning specified in this Exhibit A.

“Accounts Payable” means all trade accounts payable and other obligations of payment to any Person to the extent attributable to a Transferred Asset or otherwise Related to the Business.

“Accounts Receivable” means all trade accounts receivable and other rights to payment from any Person.

“Acquisition” has the meaning set forth in the Recitals.

“Action” shall mean any action, suit, claim (including a counterclaim or cross claim), grievance, summons, mediation, prosecution, hearing, inquiry, examination, right, cause of action, complaint, litigation, investigation, audit, proceeding, arbitration or other similar dispute of any kind whatsoever.

“Additional Assumed Contract” means the executory Seller Contracts listed on Schedule 1.1(i) as modified by Buyer from time to time pursuant to Section 1.6(b) between the date hereof and two Business Days prior to the Closing Date (the “Additional Assumed Contracts Schedule”), to the extent not included in Excluded Assets.

“Additional Assumed Contracts Schedule” has the meaning set forth in the definition of “Additional Assumed Contracts”.

“Affiliate” means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with such Person as of the date on which, or at any time during the period for which, the determination of affiliation is being made (for purposes of this definition, the term “control” (including the correlative meanings of the terms “controlled by” and “under common control with”), as used with respect to any Person, means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by Contract or otherwise).

“Agreement” has the meaning set forth in the Preamble.

“Allocation Notice of Objection” has the meaning set forth in Section 6.4(c)(i).

“Asset Taxes” means ad valorem, property, excise, severance, production, sales, GST/HST, use or similar Taxes (excluding, for the avoidance of doubt, any Income Taxes and Transfer Taxes) based upon or measured by the ownership or operation of the Business.

“Assignment and Assumption Agreements” has the meaning set forth in Section 2.4(e).

“Assignment Order” means an Order of the Canadian Court made in the CCAA Proceedings, in form and substance acceptable to Parties, acting reasonably, assigning to Buyer the rights and obligations of Sellers under an Closing Assumed Contract for which a consent, approval or waiver necessary for the assignment of such Closing Assumed Contract has not been obtained.

“Assumed Liabilities” has the meaning set forth in Section 1.3.

“Auction” means the auction to be conducted for the sale of the Transferred Assets under the Bid Procedures.

“Avoidance Action” means any avoidance claims, right or cause of action under Chapter 5 of the Bankruptcy Code or any analogous state law, the BIA, the CCAA, or Canadian provincial fraudulent conveyance or fraudulent preference legislation in each case, that relates to the Transferred Assets.

“Bankruptcy Code” means Title 11 of the United States Code, 11 U.S.C. § 101 *et seq.*

“Bankruptcy Proceeding” has the meaning set forth in the Recitals.

“BIA” means the Bankruptcy and Insolvency Act (Canada).

“Bid Procedures” has the meaning set forth in the Recitals.

“Bid and Contract Procedures Order” has the meaning set forth in the Recitals.

“Bond” or “Bonds” means any or all of the Conway Taxable Industrial Development Revenue Bond (Structurlam U.S. Project), Series 2019, in the aggregate principal amount of not to exceed \$75,000,000, issued pursuant to the Indenture and legally and beneficially owned by Natural Outcomes.

“Bond Purchase Agreement” means the bond purchase agreement dated December 27, 2019 between Conway as lessor, Natural Outcomes, and approved by Structurlam U.S., the lessee.

“Books and Records” means all books, ledgers, files, papers, reports, plans, records, manuals and other materials (in any form or medium) related to the Transferred Assets or the Business, including all advertising materials, client and customer lists, supplier and vendor lists, purchase orders, sales and purchase invoices, production and operations reports, technical manuals, information and records, photos, drawings and schematics, personnel and employment records, financial and accounting records and all written paper correspondence with or to any Governmental Entity including letters, minutes and official contact reports, but excluding any such items to the extent (a) they are included in or primarily related to any Excluded Assets or Excluded Liabilities, (b) any Law prohibits their transfer, (c) they are subject to legal privilege (other than title opinions) or (d) any transfer thereof otherwise would subject any Seller or any of its Affiliates to any material liability and is identified on the Seller Disclosure Schedule.

“Break-Up Fee” has the meaning set forth in Section 8.3(b).

“Business” has the meaning set forth in the Recitals.

“Business Day” means any day ending at 11:59 p.m., prevailing Eastern time, other than a Saturday, a Sunday, a day on which banks in New York, New York or British Columbia, Canada are authorized or required by Law, executive order or other governmental action to close, or a day on which their administrative offices are closed due to COVID-19 Measures or any other Order of a relevant Governmental Entity.

“Buyer” has the meaning set forth in the Preamble.

“Buyer Accounts Receivable” means all Accounts Receivable arising after the Closing Date.

“Canadian Assets” means those Transferred Assets hereunder as the same relate to the Business as carried on by Sellers in Canada.

“Canadian Court” has the meaning set forth in the Recitals.

“Canadian Orders” mean the Canadian Sales Order and any other Order of the Canadian Court issued and entered in the CCAA Proceedings in respect of the asset purchase transaction contemplated in this Agreement.

“Canadian Plans” means all Seller Plans in which Seller Employees who are based in Canada are eligible to participate.

“Canadian Sale Order” means an Order of the Canadian Court, substantially in the form of Exhibit E hereto, with such changes as may be agreed by Buyer and Sellers, each acting reasonably, approving the transactions contemplated by this Agreement and vesting the Transferred Assets in Buyer, free and clear of all encumbrances, other than the Permitted Encumbrances.

“CCAA” shall have the meaning ascribed thereto in the Recitals of this Agreement.

“CCAA Proceedings” shall have the meaning ascribed thereto in the Recitals of this Agreement.

“Closing” has the meaning set forth in Section 2.3.

“Closing Assumed Contracts” has the meaning set forth in Section 1.1(g).

“Closing Credit Amount” has the meaning set forth in Section 8.3.

“Closing Date” has the meaning set forth in Section 2.3.

“Code” means the Internal Revenue Code of 1986.

“Collective Agreement” has the meaning set forth in Section 3.11.

“Competing Transaction” has the meaning set forth in Section 5.1(a).

“Confidentiality Agreement” means that certain Non-Disclosure Agreement, dated as of February 24, 2023 by and between Buyer and SLP.

“Contaminant” means any solid, liquid, gas, offensive odor, heat, sound, vibration or radiation that results directly or indirectly from human activities that may cause an adverse environmental effects.

“Continuing Employee” has the meaning set forth in Section 6.5(f).

“Contract” means any contract, purchase order, service order, sales order, indenture, note, bond, lease, sublease, license or other agreement that is legally binding upon a Person or its property.

“Conway” means the City of Conway, Arkansas, a municipal corporation organized and existing under the Laws of the State of Arkansas.

“Conway Lease Agreement” means the lease agreement dated December 27, 2019 between Conway as lessor and Structurlam U.S. as lessee.

“Conway Lease Assets” means all of the assets leased by Conway to Structurlam U.S. pursuant to the terms of the Conway Lease Agreement (including real property).

“Conway Material Bond Agreements” mean, collectively, the Bond, the Indenture, the Conway Lease Agreement, the Bond Purchase Agreement, the Recognition of Prior Interests, Non-Disturbance and Attornment Agreement, the PILOT Agreement and such other agreements and documents set forth at paragraph 3 of Schedule 3.8 of the Seller Disclosure Schedule and not expressly set forth in this definition.

“Covered Representations” has the meaning set forth in Section 4.9(a).

“COVID-19 Measures” means any quarantine, “shelter in place”, “stay at home”, workforce reduction, social distancing, shutdown, closure, sequester or any other Law or Order or guideline or recommendation by any Governmental Entity in connection with or in response to COVID-19.

“Cure Costs” means (a) with respect to the Bankruptcy Proceeding, monetary amounts that must be paid and obligations that otherwise must be satisfied under Sections 365(b)(1)(A) and (B) of the Bankruptcy Code or in connection with the assumption and/or assignment of any Closing Assumed Contract, as agreed upon by the Parties or determined by the U.S. Bankruptcy Court pursuant to the procedures in the Bid and Contract Procedures Order or (b) with respect to the CCAA Proceedings, with respect to any Closing Assumed Contract for which a required consent to assignment has not been obtained and is to be assigned to Buyer in accordance with the terms of the Assignment Order, the amounts, if any, required to be paid to remedy all of Sellers’ monetary defaults existing as at the Closing Date under such Closing Assumed Contract (or such other amounts as may be agreed by Buyer and the counterparty to such Closing Assumed Contract), and with respect to any Closing Assumed Contract to be assigned on consent, where consent is required, the amount, if any, required to be paid to a counterparty to secure its consent to the assignment of the applicable Closing Assumed Contract by any of Sellers to Buyer (which amount shall be set out on the form of contractual consent agreed to by Buyer and the counterparty to such Closing Assumed Contract).

“D&O Insurance Claims” shall have the meaning set forth in Section 1.1(h).

“Debtors” means SLP, Structurlam Mass Timber Corporation, a British Columbia company, Structurlam U.S., and Natural Outcomes.

“Deposit Amount” has the meaning set forth in the Recitals.

“Designation Deadline” shall have the meaning set forth in Section 1.6(b).

“DIP Financing” means that certain Secured Superpriority Debtor-in-Possession Credit Agreement, by and among Sellers and Bank of Montreal, to be entered upon the authorization of the U.S. Bankruptcy Court pursuant to an order, among other things, authorizing Sellers to obtain postpetition financing.

“Disputed Amount” has the meaning set forth in Section 8.3.

“Environment” means the ambient air, all layers of the atmosphere, all water including surface water and underground water, all land, all living organisms and the interacting natural systems that include components of air, land, water, living organisms and organic and inorganic matter, and includes indoor spaces.

“Environmental Law” means any applicable Law relating in any way to the protection of the Environment, environmental assessment, Hazardous Substances (including the use, manufacture, handling, transportation, production, disposal, discharge, storage or emission of Hazardous Substances), occupational health and safety, protection of any form of plant or animal life, natural resources or transportation of dangerous goods, including the principles of common law and equity.

“Environmental Liability” means any Liability arising under Environmental Law, including (a) any Liability arising from (i) any actual or alleged violation of any Environmental Law, (ii) any actual or alleged generation, use, handling, transportation, storage, treatment, disposal, release, or threatened release of, or exposure to, any Hazardous Substances at any facility or location, and (iii) any Liability arising under Environmental Law relating to any formerly owned, leased, or operated properties or any former, closed, divested, or discontinued business operations, and (b) any Liabilities arising under Environmental Law assumed or retained by Contract, operation of Law, or otherwise.

“Equitable Exception” has the meaning set forth in Section 3.3(b).

“ERISA” means the Employee Retirement Income Security Act of 1974.

“Escrow Agent” has the meaning set forth in the Recitals.

“Escrow Agreement” means that certain Escrow Agreement, dated as of April 19, 2023, between SLP and the Escrow Agent.

“ETA” means the *Excise Tax Act* (Canada) and all regulations thereunder, each as amended from time to time.

“Excluded Actions” has the meaning set forth in Section 1.2(p).

“Excluded Assets” has the meaning set forth in Section 1.2.

“Excluded Contracts” has the meaning set forth in Section 1.2(m).

“Excluded Insurance Proceeds” has the meaning set forth in Section 1.2(a).

“Excluded Liabilities” has the meaning set forth in Section 1.4.

“Expense Reimbursement Amount” means the aggregate amount of all reasonable and documented out of pocket costs, expenses and fees incurred by Buyer in connection with evaluating, negotiating, documenting and performing the transactions contemplated by this Agreement and the Transaction Documents, including fees, costs and expenses of any professionals (including financial advisors, outside legal counsel, accountants, experts and consultants) retained by or on behalf of Buyer in connection with or related to the authorization, preparation, investigation, negotiation, execution and performance of this Agreement, the transactions contemplated hereby, including the Bankruptcy Proceeding, the CCAA Proceedings and other judicial and regulatory proceedings related to such transactions, which amount shall be payable as set forth in Section 8.3(a).

“FCPA” has the meaning set forth in Section 3.9(b).

“Final Allocation Statement” has the meaning set forth in Section 6.4(c)(i).

“Final Credit Amount” has the meaning set forth in Section 8.3.

“Final Order” means an Order (a) as to which no appeal, leave to appeal, notice of appeal, motion to amend or make additional findings of fact, motion to alter or amend judgment, motion for rehearing or motion for new trial has been timely filed (in cases in which there is a date by which such filing is required to occur, or, if any of the foregoing has been timely filed, it has been disposed of in a manner that upholds and affirms the subject Order in all material respects without the possibility for further appeal thereon), (b) in respect of which the time period for instituting or filing an appeal, leave to appeal, motion for rehearing or motion for new trial shall have expired (in cases in which such time period is capable of expiring), and (c) as to which no stay is in effect.

“Financial Statements” has the meaning set forth in Section 3.5.

“Fixtures and Equipment” means all furniture, furnishings, vehicles, equipment, machinery, tools, fixtures, rolling stock, construction materials, accessions and all other personal and mixed property, operational and nonoperational, wherever located that are Related to the Business or used in the Business including all trade fixtures, supplies, including maintenance and repair supplies and spares (including grease, oils, chemicals and containers in which any of them are stored), desks, chairs, tables, tools, all computer equipment, telephones, other office equipment, motor vehicles, replacement parts, and all other tangible personal property, including any of the foregoing purchased subject to any conditional sales or title retention agreement in favor of any other Person each of which that is Related to the Business.

“Further Assignment Notice” shall have the meaning set forth in Section 1.6(c).

“GAAP” means United States generally accepted accounting principles.

“Governmental Entity” means any domestic or foreign governmental or regulatory authority, agency, commission, body, court, council or other legislative, executive or judicial governmental authority, agency, commission, department, board or entity, or any political

subdivision thereof, including without limitation the U.S. Bankruptcy Court and the Canadian Court, or any person acting under the authority of any of the foregoing (including any arbitrator with the authority to bind the parties at Law) or any other authority, agency, commission, department, association or board charged with the administration, regulation or enforcement of Laws.

“GST/HST” means the goods and services tax and the harmonized sales tax imposed under the ETA.

“Hazardous Substance” means any Contaminant, underground or above-ground tanks, pollutant, dangerous or potentially dangerous substance, noxious or toxic substance, hazardous material or substance, waste (including subject waste, liquid industrial waste, other industrial waste, toxic waste, corrosive waste and hazardous waste) and deleterious substance, and includes (without limitation) any flammables, explosives, fuel, micro-organism, radioactive material, lead, asbestos, asbestos containing materials, polychlorinated biphenyls (“PCB”), PCB-containing equipment or materials, pesticides, defoliants, fungi (including without limitation mould or spores arising from fungi), chlorofluorocarbons, hydrochlorofluorocarbons, urea formaldehyde foam insulation, radon gas, chemicals, substances and agents known or believed to cause cancer or reproductive toxicity, toxic substances, petroleum and petroleum-based substances, electrical or magnetic fields, and any other solid, liquid, gas, vapor, odor, heat, sound, vibration, radiation, micro waves, substance, organic or inorganic matter, condition or chemical, biological or physical agent of any nature or kind that is now or hereafter prohibited, controlled, monitored or regulated pursuant to Environmental Laws.

“Identified Contract” has the meaning set forth in Section 1.6(a).

“Income Taxes” means any income, franchise or similar Taxes.

“Indenture” means the trust indenture dated as of December 27, 2019, by and between the lessor and the trustee, relating to the Bond, and any indentures supplemental thereto.

“Initial Order” has the meaning set forth in the Recitals.

“Intellectual Property” means all intellectual property rights arising in any jurisdiction of the world, including with respect to any of the following: (a) trademarks, service marks, trade dress, trade names, and other indicia of origin, applications and registrations for the foregoing, and all goodwill associated therewith and symbolized thereby (collectively, “Trademarks”); (b) patents and patent applications, including divisions, continuations, continuations-in-part and renewal applications, and including renewals, re-examinations, extensions and reissues; (c) industrial designs, integrated circuit topographies, and mask works; (d) trade secrets and proprietary rights in confidential information; (e) copyrights, applications and registrations therefor, and renewals, extensions, restorations and reversions thereof, and the benefit of any waivers of moral rights; and (f) Internet domain names.

“Interim Period” has the meaning set forth in Section 1.7(a).

“Intracompany Payables” means all account, note or loan payables recorded on the books of Sellers or any of its Affiliates for goods or services purchased by or provided to the Business,

or advances (cash or otherwise), debt or any other extensions of credit to the Business by and/or among Sellers or any of its Affiliates, whether current or non-current or due.

“Intracompany Receivables” means all account, note or loan receivables recorded on the books of Sellers or any of its Affiliates for goods or services sold or provided by the Business to Sellers or any of its Affiliates or advances (cash or otherwise) debt or any other extensions of credit (including the bond) made by the Business to Sellers or any of its Affiliates, whether current or non-current or due.

“Inventory” means all inventory Related to the Business, of the Business, produced in the Business or used in the Business, wherever located, and includes, for greater certainty, all Specified Inventory, and including all finished goods, raw materials, work in progress, packaging, supplies and parts whether held at any location or facility of Sellers or any of their Affiliates or in transit to Sellers or any of their Affiliates, in each case as of the Closing Date, other than in the case of the Specified Inventory, which shall be as observed by representatives of the Buyer on the Observation Date.

“IP Assignment Agreement” has the meaning set forth in Section 2.5(i).

“IRS” has the meaning set forth in Section 3.12.

“ITA” means the *Income Tax Act* (Canada) and all regulations thereunder, each as amended from time to time.

“Joint Election” has the meaning set forth in Section 6.4(a)(i).

“Knowledge” means, with respect to each Seller, the actual knowledge of the Persons set forth on Schedule 1.1(a) after reasonable inquiry into the relevant subject matter, and, with respect to Buyer, the actual knowledge of Dave Ure and Brian Merwin after reasonable inquiry into the relevant subject matter.

“Law” means any federal, state, provincial, local or municipal law, bylaw, statute or ordinance, common law, or any rule, regulation, standard, judgment, Order, criteria, protocols, codes of practices, writ, injunction, decree, arbitration award, agency requirement, license, Permit or other lawful requirements of any Governmental Entity now or hereafter in force.

“Lessor” means Eagle Home Ltd., in relation to the Wallis Lease.

“Liabilities” means any and all judgments, debts, liabilities, commitments, costs, expenses, adverse claim, duty, responsibility, commitment, loss, expenditure, charge, fee, penalty, fine, contribution, obligations of any kind, whether fixed, contingent or absolute, matured or unmatured, liquidated or unliquidated, accrued or not accrued, asserted or not asserted, known or unknown, determined, determinable or otherwise, whenever or however arising (including, whether arising out of any contract or tort based on negligence, strict liability or product liability).

“Lien” or “encumbrance” means any lien (as defined in section 101(37) of the Bankruptcy Code), encumbrance, claim (as defined in section 101(5) of the Bankruptcy Code), charge, mortgage, deed of trust, option, pledge, security interest or similar interests, title defects,

hypothecations, easements, rights of way, encroachments, judgments, conditional sale or other title retention agreements and other similar impositions, imperfections or defects of title or restrictions on transfer or use.

“Material Adverse Effect” means any effect, event, change, occurrence, condition or state of facts which has had, individually or when considered together with any other effects, events, changes, occurrences, conditions or states of facts, a materially adverse effect on the financial condition, properties, assets, business or results of operations of the Business; provided, however, that in no event shall an effect, event, change, occurrence, condition or state of fact resulting from the following, either alone or in combination, be deemed to constitute or be taken into account in determining whether there has occurred a Material Adverse Effect: (i) any change in the Canadian, United States or foreign economies or financial markets in general, (ii) any economic conditions that generally affect the industries or markets in which Sellers conduct the Business, (iii) any change arising in connection with acts of God, natural disasters, earthquakes, epidemics, plagues, pandemics, disease outbreaks, illnesses or public health events (including the COVID-19 virus and any non-human epidemic, plague, pandemic or other similar disease outbreak or illness), the declaration of a national emergency, hostilities, acts of war, sabotage or terrorism or military actions or any escalation or material worsening of any such epidemics, plagues, pandemics, disease outbreaks, illnesses or public health events or hostilities, acts of war, sabotage or terrorism or military actions, (iv) any change in applicable Laws or accounting rules or the interpretation or enforcement thereof, (v) any actions required or expressly permitted to be taken by Sellers pursuant to this Agreement or any actions taken by Sellers or the other Debtors at Buyer’s written request; (vi) any action not taken by Sellers at Buyer’s written request; (vii) the execution, performance, public announcement, pendency or consummation of this Agreement, the Bankruptcy Proceeding or the CCAA Proceedings, (viii) the termination of any Seller Contract by any party thereto other than Sellers, or the termination or expiration by its terms of any Seller Contract, on or prior to such time as it is to be assumed by Buyer as a Closing Assumed Contract or Additional Assumed Contract hereunder, (ix) the refusal of any, some or all of the Target Employees (who are not Unionized Employees) to accept offers of employment or engagement with Buyer or the resignation of any Target Employees (who are not Unionized Employees) prior to the Closing resulting in the inability of Sellers to operate the Business in the Ordinary Course; or (x) (A) any Action approved by, motion made before or Orders of the U.S. Bankruptcy Court, the Canadian Court or a court of similar jurisdiction or (B) the fact that Sellers and the other Debtors are operating as debtors-in-possession under the U.S. Bankruptcy Court, the Canadian Court or a court of similar jurisdiction; provided, however, that with respect to clauses (i), (ii), (iii) and (iv), such effects, events, changes, occurrences, conditions or states of facts will not be excluded to the extent the same disproportionately adversely affects the Business, taken as a whole, as compared to other similarly situated businesses; provided, that in no event shall any reasonably anticipated effect, event, change, occurrence, condition or state of fact arising from the commencement, pendency, conduct or prosecution of the Bankruptcy Proceeding or the CCAA Proceedings be deemed to constitute or be taken into account in determining whether there has occurred a Material Adverse Effect.

“Material Contracts” has the meaning set forth in Section 3.8(a).

“Natural Outcomes” means Natural Outcomes, LLC, a Delaware limited liability company, the purchaser and owner of the Bond.

“Necessary Consent” has the meaning set forth in Section 1.8.

“Notice of Potential Assignment” has the meaning set forth in Section 1.6(a).

“Observation Date” means March 11, 2023.

“Order” means any administrative decision or award, decree, injunction, judgment, order, quasi-judicial decision or award, ruling or writ of any arbitrator, mediator or Governmental Entity.

“Ordinary Course” means the conduct of the Business, consistent with the normal day-to-day customs, practices and procedures of the Business, taking into account any changes to such practices as may have occurred since and as a result of the outbreak of COVID-19, including compliance with COVID-19 Measures.

“Party” and “Parties” have the meaning set forth in the Preamble.

“Permit” means any consent, license, permit, waiver, approval, authorization, certificate, certification (including those certifications set forth at Schedule 3.4(a) of the Sellers Disclosure Schedule), registration, variance, waiver, filing or similar right issued by, obtained from or made with a Governmental Entity.

“Permitted Encumbrance” means (a) any Liens that are expressly permitted by the U.S. Sale Order or Canadian Sale Order, as applicable, to remain attached to the Transferred Assets following the Closing, (b) any Lien on the Transferred Assets that will be expunged, released or discharged at the Closing by operation of the U.S. Sale Order or Canadian Sale Order, as applicable, (c) undetermined or inchoate liens, charges and privileges (including mechanics’, construction, carriers’, workers’, repairers’, storers’ or similar liens) which, individually or in the aggregate, are not material, arising or incurred in the Ordinary Course, (d) servitudes, easements, restrictions, encroachments, covenants, rights of way and other similar rights or restrictions in real property, or any interest therein, whether registered or unregistered, which, individually or in the aggregate, are not material to the Business, and (e) unregistered Liens for Taxes, assessments or similar charges incurred in the Ordinary Course that are not yet due and payable.

“Person” means any natural person, corporation, company, partnership (general or limited), limited liability company, trust or other entity.

“Personal Information” means, collectively, all relevant data or information constituting the personal information relating to any identifiable natural person, including employees, customers, and other individuals, that has been collected or otherwise obtained by Sellers in the conduct of the Business and that is in Sellers’ possession or custody.

“PILOT Agreement” means the agreement for payments in lieu of taxes dated December 27, 2019, by and between the Conway as lessor and Structurlam U.S. as lessee.

“Proposed Allocation Statement” has the meaning set forth in Section 6.4(c)(i).

“Purchase Price” has the meaning set forth in Section 2.1.

“Rebate Program” means the “Create Rebate Program” under the Consolidated Incentive Act of 2003 of the State of Arkansas.

“Recognition of Prior Interests, Non-Disturbance and Attornment Agreement” means the recognition of prior interests, non-disturbance and attornment agreement dated December 27, 2019 between Structurlam U.S., Natural Outcomes, Conway, Simmons Bank and Bank of Montreal.

“Related to the Business” means exclusively related to, or used exclusively in connection with, the Business as carried on by Sellers prior to the Closing.

“Representatives” means with respect to a Person, such Person’s officers, directors, employees, stockholders, partners, members, managers, agents, attorneys, accountants, consultants, advisors and other representatives.

“Retained Accounts Receivable” means the Accounts Receivable arising on and prior to the Closing Date.

“Sale Hearing” means a sale hearing held pursuant to the Bid Procedures.

“Scheduled Employees” has the meaning set forth in Section 6.5(a).

“Scheduled Employees Schedule” has the meaning set forth in Section 6.5(a).

“Securities Act” means the Securities Act of 1933.

“Seller Contracts” means any Contracts to which any Seller is a party.

“Seller Disclosure Schedule” means the disclosure schedule delivered to Buyer by Sellers prior to the Closing Date, and as modified by Seller from time to time between the date hereof and the Closing Date, except to the extent that the modification relates to a Material Adverse Effect.

“Seller Employees” means the current employees and independent contractors (including those on leave from work due to sickness, disability, temporary layoff, leave of absence, disability or other non-active status or any statutory leave and the Unionized Employees) of Sellers.

“Seller Plan” means any employee benefit or compensation plan, program, policy, practice, agreement, Contract, arrangement or other obligation, in each case, which is sponsored, contributed to or maintained by, or required to be sponsored, contributed to or maintained by, or with respect to which any liability or potential liability is borne by any Seller.

“Sellers” has the meaning set forth in the Preamble.

“SLP” has the meaning set forth in the Preamble.

“Specified Inventory” means all inventory Related to the Business, of the Business, produced in the Business or used in the Business, including all finished goods, raw materials, work in progress, packaging, supplies, parts and steel components, whether held at any location or facility of Sellers or any of their Affiliates or in transit to Sellers or any of their Affiliates, for, or

in relation to, campus buildings “six” and “eight” under construction or planned construction or constructed for, or on behalf of, Walmart Inc. and/or its Affiliates by the Sellers.

“Straddle Period” means any Tax period beginning before and ending on or after the Closing Date.

“Structuram U.S.” has the meaning set forth in the Preamble.

“Subsidiary” means, with respect to any Person, any other Person of which at least a majority of the securities or ownership interests having by their terms ordinary voting power to elect a majority of the board of directors or other Persons performing similar functions is directly or indirectly owned or controlled by such Person and/or by one or more of its Subsidiaries.

“Target Employees” means the Scheduled Employees to whom the Buyer, in its sole discretion, agrees to make offers of employment or engagement, and includes all Unionized Employees.

“Tax Returns” means any return, report, declaration, election, claim for refund or information return or statement relating to Taxes, including any schedule or attachment thereto and any amendment thereof.

“Taxes” means any and all taxes, duties, fees, premiums, assessments, imposts, levies, rates, withholdings, dues, government contributions, and other charges of any kind imposed by any Governmental Entity, whether direct or indirect, together with all interest, penalties, fines, additions to tax or other additional amounts imposed in respect thereof, including, without limitation, all income, profits, environmental, stamp, gross receipts, premium, value added, severance, property, production, sales, harmonized sales, goods and services, use, duty, license, excise, franchise, payroll, unemployment, employment, disability, escheat and unclaimed property, transfer, registration, or mortgage tax.

“Termination Date” has the meaning set forth in Section 8.1(c)(i).

“Title Company” has the meaning set forth in Section 8.1(c)(i).

“Title Policy” has the meaning set forth in Section 8.1(c)(i).

“Trademarks” has the meaning set forth in the definition of “Intellectual Property.”

“Transaction Documents” means this Agreement and all other ancillary agreements to be entered into by, or documentation delivered by, any Party pursuant to this Agreement and includes, for greater clarity, the Assignment and Assumption Agreements and the IP Assignment Agreement.

“Transfer” means to sell, assign, transfer, convey and deliver.

“Transfer Taxes” has the meaning set forth in Section 6.4(a).

“Transferred Assets” has the meaning set forth in Section 1.1.

“Transferred Intellectual Property” means the Intellectual Property, owned by Sellers and listed on Schedule 1.1(f).

“Transferred Leased Property” means all real property that is the subject of the Transferred Leases, together with any right, title and interest of Sellers in and to the leasehold estates created thereby and subject to the terms, conditions, covenants and obligations set forth in the applicable instruments.

“Transferred Leases” means the leases and subleases governing real property used or leased by the Business, all of which are set forth on Schedule 1.1(c).

“Transferred Owned Property” means the real property owned by Sellers, all of which is listed on Schedule 1.1(d), which real property forms part of the Conway Lease Assets.

“Transferred Seller Plans” has the meaning set forth in Section 1.1(l).

“U.S.” means the United States of America.

“U.S. Assets” means those Transferred Assets hereunder as the same relate to the Business as carried on by Sellers in the U.S.

“U.S. Bankruptcy Court” has the meaning set forth in the Recitals.

“U.S. Orders” means the U.S. Sale Order and any other Order of the U.S. Bankruptcy Court, issued and entered in the Bankruptcy Proceeding in respect of the asset purchase transaction contemplated by this Agreement.

“U.S. Sale Order” means an Order entered by the U.S. Bankruptcy Court or other court of competent jurisdiction approving the transactions contemplated by this Agreement and vesting the Transferred Assets in Buyer, free and clear of all Liens, claims, encumbrances, and interests other than Permitted Encumbrances. For the avoidance of doubt, the U.S. Sale Order may be in the form of a stand-alone sale order under Sections 363 and 365 of the Bankruptcy Code or may be included in an Order that also confirms a plan of reorganization.

“Unionized Employees” means all employees whose terms and conditions of employment are governed by the Collective Agreement.

“Virtual Data Room” means the virtual data room administered by Miller Buckfire & Co., LLC in connection with the transactions contemplated herein and containing the documents and information relating to the Business, the Subsidiaries and the Transferred Assets, and made available in electronic form to Buyer and its Representatives.

“Wallis Lease” means the lease of 1716 Wallis Road, Okanagan Falls, dated May 31, 2018 between Structurlam Mass Timber Corporation as lessee and Eagle Home Ltd. as lessor ending May 31, 2023.

SCHEDULES

[see attached]

Schedule 1.1(a)

Persons with “Knowledge”

1. Matthew Karmel, Interim Chief Executive Officer
2. Shawn Turkington, Interim Chief Financial Officer

Schedule 1.1(c)

Transferred Leases

1. Lease of 2176 Government Street, Penticton, B.C. dated June 30, 2006 between Structurlam Mass Timber Corporation as lessee and Swayback Holdings 1983 Ltd. as lessor, as amended, modified and renewed with a term ending June 30, 2025.
2. Lease of unit 104, unit 105a, unit 105b, 310 Coop Ave, Oliver, B.C. between Structurlam Mass Timber Corporation as lessee and FFD Devito Investments Ltd. as lessor, as amended, modified and renewed, with a term ending December 31, 2023.
3. Lease of 1675 Maple Street, Okanagan Falls, B.C., dated December 22, 2017 between Structurlam Mass Timber Corporation as lessee and Kerr Properties Ltd. as lessor, as amended, modified, and renewed with a term ending December 22, 2027.
4. Lease of 1716 Wallis Road, Okanagan Falls, dated May 31, 2018 between Structurlam Mass Timber Corporation as lessee and Eagle Home Ltd. as lessor ending May 31, 2023.
5. Lease of 1800 Sturgis Road Faulkner County, Arkansas between Structurlam Mass Timber U.S., Inc. as lessee and the City of Conway, Arkansas as lessor dated December 27, 2019.

Schedule 1.1(d)

Transferred Owned Property

See attached description of Conway real property.

Legal Description of Property

The following lands and real estate, including all buildings (approximately 288,137 in total square feet) situated in Faulkner County, Arkansas, to-wit:

A part of the SE1/4 of Section 19, and also a part of the NE1/4 of Section 30, all in Township 5 North, Range 13 West, Faulkner County, Arkansas, more particularly described as beginning at the Southeast corner of said SE1/4, Section 19, Township 5 North, Range 13 West, thence North 88 degrees 56 minutes 42 seconds West along the South line of said SE1/4, 232.20 feet to the point of beginning; thence South 22 degrees 08 minutes 22 seconds East 508.41 feet (deeded South 22 degrees 38 minutes 17 seconds East 504.82 feet) to a concrete monument; thence South 00 degrees 09 minutes 15 seconds East parallel to the East line of the NE1/4 NE1/4, Section 30, 452.06 feet to the North line of a cemetery; thence along said North line North 89 degrees 22 minutes 58 seconds West 175.58 feet; thence South 05 degrees 14 minutes 37 seconds East 421.61 feet (deeded South 05 degrees 02 minutes 20 seconds East 412.01 feet) to a point 180.00 feet North 89 degrees 22 minutes 58 seconds West of the Northeast corner of the SE1/4 NE1/4; thence South 00 degrees 23 minutes 08 seconds West 210.00 feet; thence South 89 degrees 22 minutes 58 seconds East 180.00 feet to the East line of said SE1/4 NE1/4; thence South 00 degrees 23 minutes 08 seconds West 1101.24 feet to the Southeast corner of said SE1/4 NE1/4; thence North 89 degrees 22 minutes 58 seconds West along the South line of said SE1/4 NE1/4 944.88 feet to the East right of way of Sturgis Road (60 foot right of way); thence along said right of way to a point North 16 degrees 10 minutes 07 seconds West 477.11 feet; thence to a point North 18 degrees 52 minutes 09 seconds West 95.58 feet; thence to a point North 26 degrees 13 minutes 00 seconds West 97.11 feet; thence to a point North 32 degrees 24 minutes 38 seconds West 95.77 feet; thence to a point North 36 degrees 52 minutes 07 seconds West 92.39 feet; thence to a point North 37 degrees 53 minutes 47 seconds West 669.81 feet to a point 357.05 feet North 89 degrees 22 minutes 58 seconds West of the Northwest corner of said SE1/4 NE1/4; thence continue along said right of way to a point North 37 degrees 53 minutes 47 seconds West 352.20 feet (deeded North 37 degrees 45 minutes 00 seconds West); thence to a point North 29 degrees 07 minutes 29 seconds West 305.49 feet (deeded N-W 306.59); thence to a point North 20 degrees 05 minutes 45 seconds West 833.31 feet (deeded North 19 degrees 54 minutes 00 seconds West 833.31 feet) to the South line of Section 19; thence continue along said right of way to a point North 19 degrees 56 minutes 58 seconds West 622.61 feet (deeded North 18 degrees 59 minutes 30 seconds West 629.14 feet); thence to a point North 16 degrees 04 minutes 30 seconds West 273.78 feet; thence leaving said right of way North 89 degrees 30 minutes 00 seconds East 1206.65 feet (deeded North 89 degrees 30 minutes East 1207.08 feet); thence North 89 degrees 29 minutes 25 seconds East 405.31 feet (deeded North 89 degrees 42 minutes 00 seconds East 407.55 feet); thence South 00 degrees 35 minutes 27 seconds West 850.73 feet (deeded South 00 degrees 47 minutes 25 seconds East 850.73 feet); thence South 88 degrees 56 minutes 42 seconds East 779.31 feet (deeded East 779.84 feet); to the point of beginning. LESS AND EXCEPT: A part of the SE1/4 NE1/4 of Section 30, T-5-N, R-13-W, Faulkner County, Arkansas, described as beginning at the Northeast corner of said SE1/4 NE1/4; thence S00°23'08" West along the East line of said SE1/4 NE1/4 210.00 feet to the point of beginning; thence continue along said East line S00°23'08" West 121.00 feet; thence N89°22'58"

West, parallel to the North line of said SE1/4 NE1/4 180.00 feet; thence N00°23'08" East 121.00 feet; thence S89°22'58" East 180.00 feet to the point of beginning.

Together with easements for ingress and egress:

An easement for ingress and egress over and across the South 30 feet of the East 196 feet of the South 1/2 Southeast 1/4 of Section 19, Township 5 North, Range 13 West, upon which the asphalt-surfaced crossing from U.S. Highway 365 across the Missouri Pacific Railroad is located.

AND

Also, an easement for ingress and egress over and across a part of the Northeast 1/4 of Section 30, Township 5 North, Range 13 West, more particularly described as beginning at the Northeast corner of said Northeast 1/4; thence North 88 degrees 56 minutes 42 seconds West along the North line of said Northeast 1/4, 197.74 feet (deeded 196 feet) to the westerly most right-of-way of Missouri Pacific Railroad, said point being the point of beginning, thence along the West right-of-way of Missouri Pacific Railroad to a point South 22 degrees 46 minutes 22 seconds East 514.06 feet to the intersection of said right-of-way and the east line of the Northeast 1/4 of said Section 30; thence leaving said right-of-way along said East line South 0 degrees 09 minutes 15 seconds East 448.82 feet, said point being 420 feet North 0 degrees 09 minutes 15 seconds West of the Southeast corner of the Northeast 1/4 Northeast 1/4; thence leaving said East line North 89 degrees 22 minutes 57 seconds West 41.82 feet; thence North 0 degrees 09 minutes 15 seconds West 452.06 feet to a concrete monument; thence North 22 degrees 08 minutes 22 seconds West 508.41 feet to the North line of the Northeast 1/4 of Section 30; Thence South 88 degrees 56 minutes 42 seconds East along said North line 34.45 feet to the point of beginning.

Schedule 1.1(e)**Fixtures and Equipment****See below list****SMTU Assets**

Asset Number	Description	Class
1547	Side by Side 4-Seater, diesel, Golf Cart A5KD2GDBAHG017806	MF GS
1557	Glulam Bay 5T Crane17470A/Hoist168599	MF GS
1558	Glulam Bay 5T Crane	MF GS
1559	Glulam 5t Crane 17470C/Hoist168600	MF GS
1560	CLT OMICrane20T 17472/ 4 Detroit Hoist168602,3,4,5	MF GS
1561	CLT Bay 1x5T Crane 17471, Hoist 188601	MF GS
1573	EZ GO Golf Cart 6 Seater	MF GS
1574	2013 Taylor Dunn B0-248-36 Elec. Cart	MF GS
1601	Short Fork T3	MF GS
1602	Long Fork T2	MF GS
1603	New Genie GS2632 Scissor lift, SCM42420	MF GS
1604	Toyota 8FGU25 LP Gas 5000 lbs cap. ref. SCM42920	MF GS
1605	Genie Boom Lift Z80/, ref. SCM42420	MF GS
1606	Lift Master Boom Model: LM-1T-8-36	MF GS
1607	Western penumatics fingerjoint line	MF GS
1618	Western Pneumatics Grinder and tools	MF GS
1626	Minda Vertical curing storage A22	MF GS
1637	Minda Multi-level storage A02	MF GS
1646	Minda Preparation of length and Cross layers A11	MF GS
1660	Minda Preparation of laying and pressing area A12 (CLT Press)	MF GS
1665	Minda Laying and pressing area A13	MF GS
1669	MGLT	MF GS
1682	Minda GLT package formation and pressing A03	MF GS
1696	Minda GLT finishing A04	MF GS
1719	Minda Safety PLC A90	MF GS
1720	Minda MCS system	MF GS
1721	Minda/System TM crosslayer saw	MF GS
1722	Rex lamella planer	MF GS
1723	Rex Glulam Planer	MF GS
1724	Rex Knife Grinder	MF GS
1725	Deal panel transport	MF GS
1727	Hugg&Hall	MF GS
1728	Combilift Big Mod:C12000XLSer. 52315Cap.10,695lbs	MF GS
1729	Hugg&Hall	MF GS
1737	Western Pneumatics Dust Collection System	MF GS
1704	Minda GLT repair station A05	MF GS

Asset Number	Description	Class
1754	Kaeser Air Compressor System	MFGS
1584	Director Table with Stools	MFGS
1761	Joulin CLT Vaccum Lifting System (15,000lbs)	MFGS
1768	Meraki Server	OFFS
1807	QC EQUIPMENT - PARENT	MFGS
1812	Racking/Storage - PARENT	MFGS
1817	Computer Software Office - PARENT	OFFS
1822	Maintenance Tools - PARENT	MFGS
1830	Small Tools Plant - PARENT	MFGS
1856	Weima WLK8 - Ginder for Wood Waste	MFGS
1859	CLT Sander 3600mm wide (lmeas)	MFGS
1862	Glulam Beam Sander 4 Sided Max Size 500x1200 (lmeas)	MFGS
1864	Computer Equipment - Plant - PARENT	MFGS
1865	Computer Equipment - Office - PARENT	OFFS
1897	Epicor Software	MFGS
1925	2016 Toyota Forklift 50000 lbs	MFGS
1944	RF Tunnel	MFGS
1950	Maintenance - Rockwell Design Software	MFGS
1955	Lawn Mower - ZT Avenger Zero Turn - Bad Boy	MFGS
S00001	System TM Grading Line # 1362	MFGS
S00042	System TM Cross-Cut Line # 1361	MFGS
1971	Storm Water Drainage Repair	MFGS
S00100	Duplicated - Western penumatics fingerjoint line	MFGS
S00200	Sturgis Land Parcel 710-08165-000	MFGS
S00201	Sturgis Land Parcel 711-08174-000	OFFS
S00202	Sturgis Land Parcel 710-08157-000	OFFS
S00203	Sturgis Land Parcel 711-07702-000	OFFS
S00204	Sturgis Land Parcel 711-08176-002	OFFS
S00220	Building Drive entrance & Sturgis Road Facing North / South	OFFS
1979	PROPANE STORAGE - Cage Cylinder 70" Height, 60" Width, 36" Depth	MFGS
S00240	Vehicle Scale	OFFS
S00260	Fencing - Sturgis	OFFS
S00280	Security Gate House	MFGS
S00300	Main Plant Building, Including all Infastructure- Sturgis	MFGS
S00305	Main Building Sturgis - Plumbing	MFGS
S00320	Hundegger UFA Machining center	MFGS
S00340	Hundegger PBA Machining center	MFGS
S00360	Hundegger K2 Machining center	MFGS
1821	Batteries and Refurbishment of cart purchased under PO 32	MFGS
1946	FJ line, spare motor for crowder	MFGS
1947	New Modified Glue Combs #4870	MFGS
1826	Alignment of Finger Jointer	MFGS
1608	Assembly profile FJT2240	MFGS

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V56936\55950369\15

Asset Number	Description	Class
1609	Corner transfer deck CTD192RA	MF GS
1610	Corner feeder rollcase CFR192RA	MF GS
1611	Assembly infeed conveyor AITCRA-EXT24TMP	MF GS
1612	Assembly main crowder Main Corwder	MF GS
1613	Assembly Crowder containment AC01160DA	MF GS
1614	Assembly #1 retard AC01126DA	MF GS
1615	Assembly Tunnel Containment 23274D18	MF GS
1616	Assembly #2 retard AC01106DA	MF GS
1617	Flying saw FS2144RA	MF GS
1953	Finger Joint Power Lines	MF GS
1975	Addition to FJ Line for New Glue, for the install of RF tunnel	MF GS
1619	Press outfeed rolls w/ lift	MF GS
1620	jump chains	MF GS
1621	transfer chains	MF GS
1622	transfer chains	MF GS
1623	butterfly table (Lifter)	MF GS
1624	butterfly table (Reciever)	MF GS
1625	UFA to Sander Bridge Conveyor	MF GS
1627	driven roller conveyor behind finger jointing line	MF GS
1628	Removal of samples	MF GS
1629	Driven roller conveyor with cam chain conveyor	MF GS
1630	Chain conveyor with 2 stopper rows	MF GS
1631	Lamellavator	MF GS
1632	Chain conv lamella turning device / 2 stopper rows	MF GS
1633	Knee lever dr roller conv w auto adjust guide rail	MF GS
1634	Non-driven top pressure in front of planer	MF GS
1635	Dr conv. in front of planer w side ruler as guide	MF GS
1636	driven top pressure in front of planer	MF GS
1638	driven roller conveyor with cam chain	MF GS
1639	chain conveyor with 2 stopper rows	MF GS
1640	Paternoster infeed	MF GS
1641	Collecting chain conveyor	MF GS
1642	Buffer chain conveyor	MF GS
1643	Separation chain conveyor	MF GS
1644	Paternoster outfeed	MF GS
1645	Steel construction multi-level storage	MF GS
1647	Separation chain conveyor	MF GS
1648	Liftable collecting chain conveyor	MF GS
1649	driven roller conveyor, takeover of length layers	MF GS
1650	Driven roller conveyor, transport length layers	MF GS
1651	Dr. roller conveyor, incl. liftable chain conveyor	MF GS
1652	Collecting chain conveyor	MF GS
1653	Separation chain conveyor	MF GS

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V56936\55950369\15

Asset Number	Description	Class
1654	Buffer-chain conveyor	MFGS
1655	Sep & buffer chain conv, incl. stop lay formation	MFGS
1656	Turntable w buffer plastic chain conv and stopper	MFGS
1657	Plastic chain conv, collect complete cross layer	MFGS
1658	Belt flap	MFGS
1659	Steel construction	MFGS
1661	chain conv for cross lay coll align pick-up sta	MFGS
1662	plas chain conv for Lng. lay and align pick-up sta	MFGS
1663	Vacuum laying gantry	MFGS
1664	Glue applicator	MFGS
1973	Minda Oest Glue Application System Project	MFGS
1949	CABLE HEAT TRACE 5W	MFGS
1666	TimberPress X337 HS	MFGS
1667	Hydraulic system	MFGS
1668	Laying table	MFGS
1670	chain conveyor for collecting lamellas	MFGS
1671	chain conveyor for buffer lamellas	MFGS
1672	Belt conveyor	MFGS
1673	Separation chain conveyor	MFGS
1674	Belt flap	MFGS
1675	Chain conveyor to feed driven roller conveyor	MFGS
1676	Knee lever dr. roller conv to feed glue applicator	MFGS
1677	driven top pressure	MFGS
1678	Hotmelt applicator and infeed guide rollers	MFGS
1679	Timber Press E 200	MFGS
1680	Hydraulic Timber Press E 200	MFGS
1681	Glue application system	MFGS
1683	Dog chain conveyor	MFGS
1684	Package stacking	MFGS
1685	driven roller conveyor to feed the glue applicator	MFGS
1686	Driven top pressure	MFGS
1687	Glue applicator PUR incl. infeed device	MFGS
1688	Ali dr rol con glue app incl. dog ch con alig stop	MFGS
1689	Chain conveyor to feed lamellas into paternoster	MFGS
1690	Stack paternoster	MFGS
1691	Dr roll conv accum. station of the press packages	MFGS
1692	rail system	MFGS
1693	Carriage for press	MFGS
1694	TimberPress V120 flex	MFGS
1695	Hydraulic Timberpress	MFGS
1697	driven roller conveyor behind TimberPress	MFGS
1698	Tilting station - incl. heavy duty chain conveyor	MFGS
1699	Heavy duty chain conveyor - 90 turning device	MFGS

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V56936\55950369\15

Asset Number	Description	Class
1700	Adj hvy duty roll conv top pres, lift chain conv	MFGS
1701	Heavy duty roller conveyor	MFGS
1702	Cut-to-length saw - incl. feed unit	MFGS
1703	Hvy duty roll conv. liftable hvy duty chain conv	MFGS
1705	Heavy duty chain conveyor incl. 180 turning device	MFGS
1706	Liftable hvy duty dr roll conv repair station	MFGS
1707	Heavy duty driven roller conveyor	MFGS
1708	Heavy duty roller conv between the sanding units	MFGS
1709	Heavy duty driven roller conveyor	MFGS
1710	Liftable heavy duty chain conveyor	MFGS
1711	Heavy duty chain conveyor	MFGS
1712	Heavy duty chain conveyor	MFGS
1713	Liftable heavy duty chain conveyor	MFGS
1714	Heavy duty driven roller conveyor	MFGS
1715	Heavy duty driven roller conveyor	MFGS
1716	Chain conv incl. frame for preparing the layers	MFGS
1717	Heavy duty chain conveyor to feed CNC	MFGS
1718	Labelling system	MFGS
1915	Shim Plates for Big Master Planer	MFGS
1972	Hydro cutter head with REX bushing (Alu special grade)	MFGS
1977	Freight for Hydro Cutter Head # 1972	MFGS
1921	Modification, Motor Process for Framing 46-333-01901	MFGS
1730	Deal Transport Outfeed Rolls POS.1	MFGS
1731	Deal Transport Jump Chains POS.2	MFGS
1732	Deal Transport Transfer Chains POS.3	MFGS
1734	Deal Transport Butterfly Table Lift	MFGS
1735	Deal Transport Butterfly Table Receiver	MFGS
1736	Deal UFA Sander Bridge Conveyor	MFGS
1827	Lift Skids	MFGS
1819	Motor Starter	MFGS
1855	Dust Explosibility	MFGS
1738	Western Pneumatics Abort Gate Position 1	MFGS
1739	Allied Back Blast Damper Position 2	MFGS
1740	Ex Vents, Sand Cyc, Planer Cyc, FJ Cyc Pos 3	MFGS
1741	Western Pneumatics FAN35 SR# Fan-592-29688	MFGS
1742	Western Pneumatics FAN60 SR# Fan-593-29688	MFGS
1743	Twin City Fan 490-RTF-Rec CCWBH FAN-444-0066470	MFGS
1744	Twin City Fan 450-RTF-Rec CCWBH FAN-429-0027060	MFGS
1745	NY Blower Fan 497-RTS-Rec CWUS/N: V10667 100	MFGS
1746	Precision 30X35 Feeder - Reconditioned	MFGS
1747	OIM FDR	MFGS
1748	WP Model FDRW 20X20 Feeder - Rec S/N FDRW-1143	MFGS
1749	West Pne Industrial Filter 386 S/N FLT-435-29688	MFGS

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V56936\55950369\15

Asset Number	Description	Class
1750	Martin Screw Conveyor(Truck Bin Leveling) 24"	MFGS
1751	Clark Spark Det guard CXL-24 31763276000000008694	MFGS
1752	WP Truck Bin Model B Size Dbl 30S TNB -293-29688	MFGS
1753	W P Truck Bin Model B Size Dbl 30S TNB -294-29688	MFGS
1755	Kaeser Air Comp CDS 100 #1 S/N 1126-7766052	MFGS
1756	Kaeser Air Comp CDS 100 #2 S/N 1122-7741393	MFGS
1757	Kaeser Air Comp CDS 100 #3 S/N 1127-7777374	MFGS
1758	Kaeser Dryer #1 TF340 S/N 1013-7772476	MFGS
1759	Kaeser Oil/Water Sep KCF400 Mat ANKCF400 S/N	MFGS
1760	Kaeser Sigma Air Cont 4.0 S/N 1853-7697505	MFGS
1868	Cisco Meraki Switches for Network Upgrades	OFFS
1876	Indoor Cisco Meraki Wireles Acess Points	OFFS
1877	Cisco Meraki Power over Ethernet Switches	OFFS
1910	Cloud managed 24 port Meraki PoE switch for surveillance systems	OFFS
1932	Cisco 2300 Redundant Power Supply System for networ critical switches	OFFS
1981	Intel S4610 Mainstream - SSD - 960 GB - SATA 6Gb	OFFS
1976	Calibre STFE Bending Proof Test Machine	MFGS
1954	QC - Instrumentation System Retrofit	MFGS
1880	QC - Instrumentation System Retrofit	MFGS
1808	TENSION TESTER	MFGS
1813	CrossLam Glue racks	MFGS
1814	Glulam Glue Rack	MFGS
1951	Racks for Hardware & Steel	MFGS
1926	Pallet Racking System for shipping	MFGS
1923	Stackable Bin Storage Cabintes 36"x24"x78"	MFGS
1818	SLGlulam Optimiser quote reference number 2225 - Software	OFFS
1823	GX300 Gas Welder	MFGS
1838	Parker Filter Cart	MFGS
1841	Fenner, Butt Welding Kit	MFGS
1831	CB Radios for Production Staff	MFGS
1833	Sweed Chopper - Bandit 300 (Bander)	MFGS
1834	CB Radios for Production Staff	MFGS
1922	Mafell NFU 50 Groove Cutter, 230V, 918701	MFGS
1938	Medium-Duty Self Dumping Forklift Hopper, 1 Cu. Yd., 4000 Lbs, Gray	MFGS
1846	Mini Spot Patch Tool	MFGS
1860	Increased DeliveryIncreased Delivery	MFGS
1861	Equipment Rental to Place Rex & Imeas Equip in Production Line	MFGS
1969	DRY ICE BLASTER FOR 12' IMEAS SANDER	MFGS
1863	Increased delivery on Sander	MFGS
1872	Forklift Kit Epicor Laptop and Hardware	MFGS
1866	Workstations for Mind Camera Systems	MFGS

Asset Number	Description	Class
1931	Battery backup for network equipment Tripp Lite 3000VA UPS Smart AVR w Installed WEBCARDLX	OFFS
1933	2 - E4S-00001 Microsoft Surface Pro X- 13"	OFFS
1934	11MY001RUS LENOVO THINK CENTRE M70G GEN 2	OFFS
1935	Lenovo ThinkSmart Core Conference Kit Teams	OFFS
1766	Lenovo ThinkBook 15p-1MH20V3	MFGS
1577	Desktop kit	MFGS
1578	Desktop Kit	MFGS
1579	Desktop Kit	MFGS
1580	Docking Stations	MFGS
1581	Laser Jet Printer	MFGS
1582	Laptop Kit	MFGS
1583	Laptop Kit	MFGS
1565	Laptop kit	MFGS
1566	Laptop Kit	MFGS
1575	Two Lenove Laptops	OFFS
1576	Laptop Kit	OFFS
1767	Lenovo ThinkPad P15 Gen 1 - 15.6" - Core i7	OFFS
1599	Laptop - Lenovo ThinkBook	OFFS
1600	Laptop - Lenovo ThinkBook	OFFS
1770	Lenovo ThinkPad	OFFS
1771	Lenovo ThinkPad	OFFS
1772	Lenovo ThinkStation	OFFS
1773	Lenovo Think Pads x3	OFFS
1774	Galaxy Tab A SM-T290 Tablet - 8" - 2 GB RAM - 32 GB Storage - Android	OFFS
1775	Lenovo ThinkBook 15P - i5, 16GB	OFFS
1776	Lenovo ThinkPad P15 Gen 1 - 15.6" - Core i7	OFFS
1785	Lenovo ThinkPad, Tripp Lite Display, Essential Wired Combo, Freight, 3yr upgrade	OFFS
1789	Laptop, ThikPad P17 Gen1 , 3 yr Warranty & Freight	OFFS
1790	6 monitors & cables for standby laptops & Freight	OFFS
1927	Four Lenovo ThinkPad P15s Gen 2 - 15.6"	OFFS
1913	Lenovo ThinkPad P15 Gen 1 - 15.6"	OFFS
1914	Three Lenovo E15 i7 16GB 512SSD laptops	OFFS
1939	ThinkPad T14 Gen 2 - 14" - Core i5 1135G7 - 16 GB x 5	OFFS
1942	Thinksmart Hub MTR with I5-8365U, 128 GB	OFFS
1961	Synology RackStation RS3618XS - NAS server	OFFS
1966	5 - Laptops	OFFS
1967	3 - Lenovo ThinkPad P15s Gen 2 - 15.6" - Core i7	OFFS
1867	Laptop dock, and monitors for new MTS hire	OFFS
1869	Lenovo ThinkPad P15 Gen 1 - 15.6"	OFFS
1870	Aaron Laptop kit and stock replenish	OFFS
1871	2 Laptops 1for EBurnett + Spare	OFFS

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V56936\55950369\15

Asset Number	Description	Class
1873	Jabra Cconference Speaker Pine Palace - BoardroomTable	OFFS
1874	Modular Offices Conference Solution	OFFS
1875	Laptop Docking Stations	OFFS
1878	DELL 5420 Rugged - 14" - Core i5 8350U - vPro - 16 x 2	OFFS
1879	Microsoft HoloLens 2 smart glasses - 64 GB PPN , PN NJX-00001	OFFS
1986	CyberPower BP72V60ART2U - battery enclosure & Smart App	OFFS
1980	Microsoft Surface Pro 8 - 13" - Core i7 1185G7	OFFS
1990	Server Courier	OFFS
1898	Epicor Production Initial Setup	MFGS
1968	PIN TYPE FORK 1.57X10X48	MFGS
1989	RF Tunnel Silicon Rectfier	MFGS
1987	RF Tunnel Diodes and Silcone Rectifier	MFGS
1978	Stiles Software Chanages	MFGS
S00002	Pack infeed conveyor (4 carriers)	MFGS
S00003	Scissors lift type T5 (4 carriers)	MFGS
S00004	Roller conveyor before planer, Length: 6,400 mm	MFGS
S00005	Roller conveyor, Length: 2,500 mm	MFGS
S00006	Electrical equipment	MFGS
S00007	Safety fence, 51 linear meters, 5 doors	MFGS
S00008	Pack roller conv, Pack l:6,401 mm Con l: 7,030 mm	MFGS
S00009	Pack roller conveyor, Conveyor length: 8,080 mm	MFGS
S00010	Pack infeed conveyor (4 carriers), Len, 4,800 mm	MFGS
S00011	Sorting belt conveyor	MFGS
S00012	Stud carrier after scanner, Length: 6,600 mm	MFGS
S00013	Feeding chain conveyor (5 carriers), L, 21,710 mm	MFGS
S00014	Electrical equipment	MFGS
S00015	Safety fence, 17 linear meters, 1 door	MFGS
S00016	Label printing station	MFGS
S00017	Stick belt, Belt length, C-C: 6,700 mm (22◆)	MFGS
S00018	Roller conveyor after planer, Length: 7,190 mm	MFGS
S00019	Feeding chain conv (5 carriers), Length, 2,390 mm	MFGS
S00020	Stud carrier w (5 carriers), L chain 5,340 mm	MFGS
S00021	Microtec Viscan	MFGS
S00022	Microtec Optiside	MFGS
S00023	Microtec Curvescan 901	MFGS
S00024	Scanner infeed conveyor (5 carries), 2,600 mm	MFGS
S00025	Scanner feeder	MFGS
S00026	belt for GE706 scanner, Belt w 350 mm	MFGS
S00027	Microtec Goldeneye 706 scanner	MFGS
S00028	Stick collector, Stick 1,270 mm Conveyor 3,000 mm	MFGS
S00029	Microtec M3Scan 301 moisture meter	MFGS
S00030	Belt conveyor , Belt len 11,300 mm, Width: 350 mm	MFGS
S00031	Infeed outfeed belt for Incline C300, 350 x 1,090	MFGS

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V56936\55950369\15

Asset Number	Description	Class
S00032	Microtec Inkline C300 Cut marking system	MFGS
S00033	Sorting belt conveyor, length 24,660 mm W 350 mm	MFGS
S00034	Electrical equipment	MFGS
S00035	Safety fence, 74 linear meters, 10 doors	MFGS
S00036	Microtec Inkline Q 8C Quality marking system	MFGS
S00037	Opti-Feed 6000 Vack	MFGS
S00038	Feeding chain conveyor (5 carriers), L,5,220 mm	MFGS
S00039	Feeding chain conveyor (5 carriers), L 4,520 mm	MFGS
S00040	Trim saw	MFGS
S00041	Trim saw waste belt, Belt length, 8,100 mm	MFGS
1952	System TM Grading Line Training	MFGS
1847	Roller for System TM	MFGS
1820	Lumber Carts	MFGS
S00043	Pack roller conveyor, Conveyor length: 6,460 mm	MFGS
S00044	Feeding chain conveyor (5 carriers), L,3,240 mm	MFGS
S00045	Feeding chain conveyor (5 carriers) L, 3,240 mm	MFGS
S00046	Feeding chain conveyor (5 carriers) L 3,240 mm	MFGS
S00047	Feeding belt conveyor (5 carriers) L,2,100mm	MFGS
S00048	Electrical equipment	MFGS
S00049	Safety fence, 70 linear meters, 5 doors	MFGS
S00050	Pack roller conveyor, Conveyor length: 7,030 mm	MFGS
S00051	Barcode scanner and software	MFGS
S00052	Scissors lift type T7	MFGS
S00053	Feeding chain conveyor (5 carriers) L, 830 mm	MFGS
S00054	Comm. and control of FJ comm. with the production	MFGS
S00055	Comm. with the prod. mang. system and prod. flow	MFGS
S00056	Communication with Minda and FJ - Expanded	MFGS
S00057	Meas conv for Opti-Kap 3002 Dr belt conv 7,200 mm	MFGS
S00058	Cross cut saw Model Opti-Kap 3002	MFGS
S00059	Waste belt after Opti-Kap, Belt length,4,000 mm	MFGS
S00060	Waste belt angled for grinder, Belt L, 3,900 mm	MFGS
S00061	Sorting belt conveyor, L, 26,340 mm, W 350 mm	MFGS
S00062	Electrical equipment	MFGS
S00063	Safety fence, 28 linear meters, 2 doors	MFGS
S00064	Scissors lift type T7	MFGS
S00065	Top hung sweeper after saw, L 5,690 mm, W 900 mm	MFGS
S00066	Feeding belt conveyor (10 carriers), L, 1,900 mm	MFGS
S00067	Electrical equipment	MFGS
S00068	Safety fence, 35 linear meters, 2 doors	MFGS
S00069	Willett luminescent ink printer	MFGS
S00070	Scissors lift type T7	MFGS
S00071	Platforms and stairs, 10 m, 2 pcs. Stairs	MFGS
S00072	Scissors lift type T7	MFGS

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V56936\55950369\15

Asset Number	Description	Class
S00073	Matthews L-series printer	MFGS
S00074	Opti-Feed 6000 Vack	MFGS
S00075	Stud carrier (10 carriers) L, chain, 11,430 mm	MFGS
S00076	Feeding chain conveyor (5 carriers) L, 3,560 mm	MFGS
S00077	Additions to Opti-Feed 6000 Vack (Pos. no. 6)	MFGS
S00078	Chute for stabilizing sticks	MFGS
S00079	Feeding belt conveyor (5 carriers) L, 2,100mm	MFGS
S00080	Additions to cross-cut saw Model Opti-Kap 3002	MFGS
S00081	Feeding chain conveyor (5 carriers), L, 3,480 mm	MFGS
S00221	Road Lighting	OFFS
S00222	Parking Lot - Sturgis	OFFS
S00301	Main Plant Sturgis - Northwest Office	OFFS
1988	Storm Water Drainage Repair Additional	MFGS
1970	TNT - Security System & Cameras	OFFS
1974	Add'd Renovation of Building	MFGS
1991	Storage Shed	MFGS
1992	Hanging Plenum for Heating at Minda	MFGS
1824	Fire Suppressin System Changes	MFGS
1825	Recently Installed Heater	MFGS
1815	2 Additional Staircases per Quote #21M11488	MFGS
1816	EUAFA Air Piping	MFGS
1809	Power to 28 space heaters	MFGS
1810	FIRE PUMP INSTAL EST. 5789	MFGS
1811	SERVICE, OUTSIDE, FABRICATE	MFGS
1835	Extended Stiles Parts Warehouse	MFGS
1836	Repairs to Fencing	MFGS
1837	5/8x4x8 BC YP Plywood for Shelving	MFGS
1828	Handrails for Controls Building	MFGS
1829	Control Tower T&M	MFGS
1832	Provide and Install Electrical Package for New Controls Building	MFGS
1839	3/4" SCH40 Pipe, for Plant Air Lines	MFGS
1840	Shelving for Parts Storage	MFGS
1842	plywood 19/32 18"x48 for Shelving	MFGS
1843	Beam Hangars, Ginding Room	MFGS
1844	Mass Timber package Controls Building	MFGS
1845	Sprinkler System	MFGS
1796	Renovation of Building	MFGS
1797	Renovation of Building	MFGS
1798	Elevated Platforms - Design & Drawings	MFGS
1799	Lip-Pipe support on Hundegger PBA	MFGS
1800	Electic Breaker	MFGS
1801	Heating Units	MFGS
1802	Dismantle & move 2x Air Makeup units	MFGS

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V56936\55950369\15

Asset Number	Description	Class
1803	Elevated platforms & K2 support frame	MFGS
1804	Renovation of Building	MFGS
1805	Transformer, Copper core	MFGS
1806	Lunch Room	MFGS
1848	Building Renovation	MFGS
1849	Building Renovation	MFGS
1850	Building Renovation	MFGS
1851	Building Renovation	MFGS
1852	Building Renovation	MFGS
1853	Building Renovation	MFGS
1854	Building Renovation	MFGS
1857	IT Cabinets and junction boxes for network`	MFGS
1858	Building Renovation	MFGS
1943	Front Entry Sign	MFGS
1940	Electrical for Wall Fans	MFGS
1948	Surge Protection for MC's that run Equip.	MFGS
1909	Fiber Optics for Internet	MFGS
1911	Cameras - IT	MFGS
1912	Misting Fans	MFGS
1924	Chain Link Fence, Secure Hardware Warehouse	MFGS
S00321	Infeed table	MFGS
S00322	UFA machine	MFGS
S00323	Outfeed table	MFGS
S00324	Deal conveyor	MFGS
S00341	PBA Machine	MFGS
S00342	Deal waste extraction	MFGS
S00343	PBA lip pipe	MFGS
S00361	K2 machine	MFGS
S00362	Deal wide conveyor	MFGS
S00363	Deal narrow conveyor	MFGS

SMTC Assets

Asset Number	Description	Class
1000	COMPRESSED AIR SYSTEM - PARENT - COOP MEARL'S	MFGC
1001	Computer Equipment - Coop	MFGC
1002	Bar Code Scanner	MFGC
1003	Cranes - Coop - Parent	MFGC
1004	Panel Lifter	MFGC
1005	Cured Panel Crane	MFGC
1006	Crane	MFGC
1007	Dust Collection System	MFGC
1008	Electrical - Coop	MFGC

{00422545.7}

V56936\55950369\15

Asset Number	Description	Class
1009	Furniture and Fixtures - Coop	MFGC
1010	Hovercrafts - Coop - Parent	MFGC
1011	Extra Capacity Upgrade	MFGC
1012	Air Reel - Hovercraft #1	MFGC
1013	10 Layer Stack Upgrade	MFGC
1014	10 Layer Stack Upgrade #2	MFGC
1015	Land Improvements - Coop	MFGC
1016	ORMP LH-CRUSH FOR FUTURE PAVING	MFGC
1017	Leasehold Improvements - Coop	MFGC
1018	HVAC Venting	MFGC
1019	Setup Capex- Bathroom Renovation ORMP	MFGC
1020	ORMP Office reno - move to Capex frm AUC	MFGC
1021	Renovations Maint room	MFGC
1022	Flammable storage	MFGC
1023	Mobile Equipment - Coop	MFGC
1024	Forklift Lease	MFGC
1025	MOULDER - COOP - PARENT	MFGC
1026	Cattelan trim saw line	MFGC
1027	ORMP M Infeed	MFGC
1028	Moulder Spiralhead	MFGC
1029	Moulder Line	MFGC
1030	Moulder Line	MFGC
1031	Moulder Rebuild	MFGC
1032	Mat Tex Equip AUC to CAP	MFGC
1033	CLT PPRESSES - COOP - PARENT	MFGC
1034	Panel press assembly	MFGC
1035	Security Equipment - Coop - Parent	MFGC
1036	Cameras	MFGC
1037	Coop - Cameras	MFGC
1038	Small Tools - Coop - Parent	MFGC
1039	TOOLS and MISCELLANEOUS, OLIVER	MFGC
1040	Circular Saw	MFGC
1041	Radio packs	MFGC
1042	Makeup Air Unit ORMP	MFGC
1043	Paint Sprayer	MFGC
1044	Table Saw	MFGC
1045	2 Heaters	MFGC
1046	Software and Computer equipment - Coop	MFGC
1047	Computer hardware Oliver	MFGC
1048	Moulder Tracking Software	MFGC
1049	Transfer Chains - Coop - Parent	MFGC
1050	Tranfer Chains addition to Oliver plant	MFGC
1051	Tranfer Chains addition to Oliver plant	MFGC

{00422545.7}

V56936\55950369\15

Asset Number	Description	Class
1055	Biofuel heating system	MF GG
1537	Boilder Replacement Biofuel Heating System	MF GG
1052	Kito Chain Hoist	MF GC
1578	Biofuel Heating System - Plant LB	MF GG
1057	Planer - Cattelan Machine Model Kompat	MF GG
1059	Compressed Air System - 2 Curtis Model RS/30 rotary screw air compressors, air dryers, all pipes, fittings, drops and accessories	MF GG
1426	Compressor	MF GG
1541	Extra Hoist for Crane	MF GG
1473	Mussell Crane Hoist Install	MF GG
1061	Cranes - Lot of 26 Kito (or similar) 2 ton electric chain hoists complete with 2 ton trolley and pendent controller	MF GG
1063	Glulam CNC Machine CRENO LAMELLE 5-AXIS CNC	MF GG
1064	Creno imp AUC to CAP	MF GG
1065	Creno Upgrade	MF GG
1066	Creno Stops	MF GG
1507	Creno Upgrade	MF GG
1509	Creno Upgrade	MF GG
1522	Creno Upgrade additional	MF GG
1549	Safety Redesign for Creno	MF GG
1068	Planer - Durand	MF GG
1070	Moving Chips to GS	MF GG
1071	Dust Collection - dust collection equipment throughout the facility including blowers, cyclone, sawdust bin, piping, fittings, etc.	MF GG
1073	Electric Power Distribution - transformers, safety switches, splitters, wiring, etc.	MF GG
1517	Hopper Self-Dump	MF GG
1491	Hopper self-Dump Bin	MF GG
1080	Chain Saw/Impact Wrench	MF GG
1082	Combi # 3 PEN CL22120LC48 (SN:18006)	MF GG
1083	Yale Model GLP090LGNGBV098 forklift (SN B813D04196W)	MF GG
1084	Caterpillar Model GP-25K forklift (SN AT17CO2438)	MF GG
1086	Racking - cantilever racking throughout the plant	MF GG
1087	Lumber Racks - GS	MF GG
1474	Moved Racks	MF GG
1089	Glulam Sanders	MF GG
1091	TOOLS and MISCELLANEOUS, PENTICTON	MF GG
1092	December addition	MF GG
1093	Chainsaw	MF GG
1094	LAMELLO F.PLANER - NP	MF GG
1095	Dumping bins	MF GG

Asset Number	Description	Class
1096	Various tools	MF GG
1097	Dumping bins, radios	MF GG
1098	Fr for warranty Repair of Radios	MF GG
1099	Saw	MF GG
1496	Mafell Chain Mortiser	MF GG
1519	Mafell BST Drilling Station	MF GG
1542	Cordless Drill	MF GG
1526	Hoffmann-BH Edge Lipping Planer	MF GG
1881	Mortiser	MF GG
1891	Bander	MF GG
1436	Chain Mortiser & Chain Beam Saw	MF GG
1469	Hippo, Detailing, Sufrcam, Hundeggar SW	MF GG
1470	Hippo SW, site service fees	MF GG
1593	ThinkPad P17, Core i7, PF2FEGDV, SPL-LT-34116	OFFG
1594	Lenovo ThinkStation, MJ0DM5HP, SMTC-31170	OFFG
1595	Lenovo ThinkStation, MJ0DM5HN, SMTC-32204	OFFG
1596	Lenovo ThinkBook, PF25WBBS, SPL-LT-206	OFFG
1534	Surveillance upgrade	MF GG
1544	Surveillance Upgrade - Penticton	MF GG
1101	Computer hardware Penticton incl HO	MF GG
1103	Hippo, Detailing, Sufrcam, Hundeggar SW	MF GG
1104	Hippo SW, site service fees	MF GG
1105	IFC Import - Cadwork Addon	MF GG
1106	CLT Load Planning - Cadwork Addon	MF GG
1107	PST on laptops	MF GG
1109	Time Clocks all locations	OFFG
1110	FURNITURE & FIXTURES head office	OFFG
1111	FURNITURE & FIXTURES head office	OFFG
1112	Fridge and other fixtures HO	OFFG
1113	TV room HO	OFFG
1114	Headoffice furnishings	OFFG
1115	Pen Office - Conference Phone	OFFG
1116	HO furniture	OFFG
1117	HO - A/C for Server Room	OFFG
1118	New Projector	OFFG
1119	Blinds	OFFG
1523	Office Furniture-Govt Trailer	OFFG
1485	Base Board Heaters	OFFG
1597	Head Office Furniture	OFFG
1592	Head Office Furniture	OFFG
1727	Mezzanine Desks	OFFG
1587	Head Office Furniture	OFFG
1568	Head Office Furniture	OFFG

{00422545.7}

V56936\55950369\15

Asset Number	Description	Class
1569	Furniture - Dist. & Ind. Sales Dept.	OFFG
1573	Head Office Furniture	OFFG
1965	2 - 65" TV (TSS room/downstairs kitchen)	OFFG
1795	2 Darkening blinds, HW office	OFFG
1784	Head Office Expansion	OFFG
1506	Electrical-Data Lines	OFFG
1524	Galina's Office	OFFG
1121	Office improvements	OFFG
1122	Head office reno	OFFG
1123	Head office reno	OFFG
1124	Head office reno	OFFG
1125	HO furnishings	OFFG
1126	HO renovation	OFFG
1127	LED light install	OFFG
1128	Head office reno	OFFG
1129	HO Upstairs Boardroom TV	OFFG
1131	Software	OFFG
1132	Firewall	OFFG
1133	Software Pivot license	OFFG
1134	Systems Software	OFFG
1135	Timesheet SW	OFFG
1136	Epicor Software	OFFG
1137	Epicor Software	OFFG
1138	Laptop CB	OFFG
1139	H. Wentzel laptop	OFFG
1140	D. Keast laptop	OFFG
1141	Unidentified	OFFG
1142	Nick's Laptop	OFFG
1143	Andy's Laptop	OFFG
1144	S/N 5CD8083K7L	OFFG
1145	H.Wentzel Laptop	OFFG
1146	BP	OFFG
1147	COMPUTER BN + MH	OFFG
1148	COMPUTER - TH	OFFG
1149	Ron, Josh, & 2 coordinators new laptops	OFFG
1150	MHugo Laptop + delivery	OFFG
1151	SMore Laptop	OFFG
1152	SP detlr/cnc lptp	OFFG
1153	SBamford lptp	OFFG
1154	Detlr lptp	OFFG
1155	ERP HW - TABLETS	OFFG
1156	DETAILER COMPUTER MONITORS	OFFG
1157	firewall	OFFG

{00422545.7}

V56936\55950369\15

Asset Number	Description	Class
1158	Outreach Neon - Safety Signs	OFFG
1159	Tablets, Monitors, Keyboards	OFFG
1160	Server	OFFG
1161	Firewall	OFFG
1162	Webcam and tablets	OFFG
1163	Tablet	OFFG
1164	P. Eisma Laptop	OFFG
1165	Oliver Computer	OFFG
1166	M. Bush Laptop	OFFG
1167	Boardroom network connector and other	OFFG
1168	laptop	OFFG
1169	three laptops, 2 PCs	OFFG
1170	SPL-WS-114	OFFG
1171	SPL-WS-113	OFFG
1172	S/N: SMJ07VNHR	OFFG
1173	3 laptops	OFFG
1174	Computers Lenovo	OFFG
1175	Laptop - SPFWS-116	OFFG
1176	Laptop - SPFWS-117	OFFG
1177	Laptop - SPFWS-125	OFFG
1178	Laptop - SPFWS-118	OFFG
1179	Laptop - SPFWS-247	OFFG
1180	Laptop - SPFWS-252	OFFG
1181	Laptop - SPFLT-255	OFFG
1182	Laptop - SPFWS-128	OFFG
1183	Laptop - SPFWS-129	OFFG
1184	Laptop - SPFWS-130	OFFG
1185	Laptop - SPFWS-131	OFFG
1186	Laptop - SPFWS-132	OFFG
1187	SLP-LT253	OFFG
1188	SLP-LT254	OFFG
1189	SLP-LT256	OFFG
1190	SLP-LT126	OFFG
1191	SLP-LT127	OFFG
1192	SLP-LT257	OFFG
1193	SLP-LT 259	OFFG
1194	SLP-LT 260	OFFG
1195	Cterra Back Up	OFFG
1196	Laptop P53s	OFFG
1197	3 laptops	OFFG
1198	1 laptops	OFFG
1525	Epicor Software - March	OFFG
1530	Epicor Software - Apr 2020	OFFG

{00422545.7}

V56936\55950369\15

Asset Number	Description	Class
1518	Laptop	OFFG
1515	Epicor Software - Feb 2020	OFFG
1540	Epicor Software - May 2020	OFFG
1548	Epicor Software - June 2020	OFFG
1508	Laptop	OFFG
1505	Epicor - Jan 2020	OFFG
1489	2 Laptops	OFFG
1490	1 Laptop	OFFG
1478	December Epicor Additions	OFFG
1480	Laser Jet Printer	OFFG
1786	Microsoft Windows Remote Desktop Services 2019 License 25 users	OFFG
1787	Lenovo Laptop and Accessories	OFFG
1788	Lenovo Laptop and Accessories	OFFG
1789	New Meraki access point and switch for Penticton Creno	OFFG
1791	Laptops and Accessories x4	OFFG
1792	Lenovo Thinkpads for MTS plus dock and graphics card for TSS	OFFG
1793	Meraki componenets for Govt St point to point wireless shot	OFFG
1794	video card for TSS desktop upgrade	OFFG
1764	Lenovo ThinkPad P15 Gen 1 - 15.6" - Core i7	OFFG
1779	4 - LVO T15G I7-10750H 16/512/W10P Laptops	OFFG
1780	2 - Lenovo ThinkCentre M720q - tiny - Core i5	OFFG
1781	Lenovo ThinkPad P15 Gen 1 - 15.6" - Core i7	OFFG
1777	Merkaki - 3 year License	OFFG
1857	PRTG Network Monitor - upgrade license + 1 Year	OFFG
1783	LVO TP P15 17-10750HLaptop	OFFG
1882	2 Lenovo Laptops for Maintenance Dept	OFFG
1883	Airtame Wireless units for Hardy and Boardrooms	OFFG
1884	Cisco Meraki Wireless AP x 2	OFFG
1726	Graphics Card - Quadro P2000 5 GB	OFFG
1890	Logitech and SpaceMouse for TSS teams	OFFG
1574	Epicor Consulting - Nov 2020	OFFG
1562	Epicor Consulting - Sep 2020	OFFG
1563	Epicor Software - Sep 2020	OFFG
1570	Desktop Computer	OFFG
1554	Epicor Software - July 2020	OFFG
1555	Epicor Software - Aug 2020	OFFG
1588	Epicor Consulting - Dec 2020	OFFG
1589	Epicor Consulting - Dec 2020	OFFG
1590	Epicor Consulting - Dec 2020	OFFG
1576	Epicor Consulting - Nov 2020	OFFG
1761	Meraki Server Equipment	OFFG
1762	Lenovo ThinkPad P15 Gen 1 - 15.6" - Core i7	OFFG
1567	Epicor Consulttting- Oct 2020	OFFG

{00422545.7}

V56936\55950369\15

Asset Number	Description	Class
1471	Systems Software	OFFG
1472	Timesheet SW	OFFG
1457	Laptops (10)	OFFG
1458	Bluebeam Licenses	OFFG
1460	Adobe Licenses	OFFG
1461	Epicor Software	OFFG
1462	Ron, Josh, & 2 coordinators new laptops	OFFG
1440	Router Devisce for Wifi	OFFG
1441	Laptops	OFFG
1442	Server	OFFG
1443	Meraki Server	OFFG
1444	Epicor Software	OFFG
1445	Epicor Software	OFFG
1983	CyberPower Smart App Online UPS Series OL3000RTXL2UN	OFFG
1937	Tripp Lite Server Rack enclosure 42U	OFFG
1941	Cisco Meraki Cloud Managed MS225-24PSwitch	OFFG
1958	Lenovo ThinkPad X1 Carbon Gen 9 20XW - Ultrabook - Core i7 1165G7 / 2.8 GHz	OFFG
1959	2 - Lenovo ThinkPad P15S Gen 2 15.6" workstation	OFFG
1960	Synology RackStation RS3618XS - NAS server	OFFG
1916	Two Lenovo laptops	OFFG
1919	Ten Lenovo P15s core i7 32GB RAM 1TB ssd	OFFG
1920	Lenovo ThinkSmarthub 11H1 x 2	OFFG
1928	HP 24 Port Gigabit PoE Switch Managed	OFFG
1929	LVO CTO TS SR250 3YR E-2126G Backup server	OFFG
1930	Five - ThinkPad P15s Gen 2 20w6	OFFG
1893	Laptops PO 10834	OFFG
1894	3 Lenovo ThinkPad P15s Gen 2 20W6 - Core i7	OFFG
1895	Cisco Meraki Wireless AP, warranty and accessories	OFFG
1896	2 Lenovo Carbons	OFFG
1899	2 Lenovo design stations	OFFG
1900	3 Lenovo ThinkPad P15s Gen 2 20W6 - Core17	OFFG
1901	Jabra PanaCast webcams and headsets for boardrooms	OFFG
1902	Lenovo ThinkStation P520C -Tower - Xeon - 16 GB - 512 SSD	OFFG
1903	3 x Lenovo X1 Yoga Gen 5 for executives	OFFG
1904	NVR hard drives for surveillance system	OFFG
1905	3 - Lenovo ThinkPad P15s Laptops	OFFG
1450	4/6 Line Softstarter	MFGM
1551	4/6 Line Upgrade	MFGM
1886	Electrical - Connect to New 4/6 plc	MFGM
1487	Safety Rails 4/6 Line	MFGM
1200	North fingerjoint line (4 6 line)	MFGM
1202	Binford Fingerjoint (FJ) line	MFGM

{00422545.7}

V56936\55950369\15

Asset Number	Description	Class
1203	Binford Upgrade, Motor for turn table	MFGM
1205	Binford Upgrade	MFGM
1206	Binford Upgrade & LB	MFGM
1497	Binford Upgrade	MFGM
1521	Binford Upgrade additional	MFGM
1448	Binford Upgrade and Labour - Nov	MFGM
1429	Binford Upgrade & LB	MFGM
1208	Biomass Boider - Refracory - MS	MFGM
1209	Biofuel Heating system	MFGM
1430	Pressure Mat Safety System	MFGM
1449	CLT Press Safety Controls	MFGM
1488	Joulin Brake	MFGM
1212	Maple Street - crosslam press pump, Yamada Pump	MFGM
1213	Blanket Heater for Minda	MFGM
1214	Tidy Tank	MFGM
1215	Electric Sensors	MFGM
1217	Compressed Air System	MFGM
1218	Comperssor System	MFGM
1477	Compressor Replacement	MFGM
1431	Compressor	MFGM
1220	Lumber Labeler & printer	MFGM
1221	Label Printer	MFGM
1223	Cranes , Lot of 2 +-58' long 2 tonne monorails each	MFGM
1224	Cranes 1 and 2	MFGM
1225	Crane 3 and 4	MFGM
1226	JLG MODEL 600A 600 ARTICULATING BOOM LIFT	MFGM
1486	Joulin Brakes	MFGM
1228	Finishing Yard - SP (moved from AUC) Used crane installed	MFGM
1229	Distributor yard crane addition	MFGM
1984	Distrubutor Yard Crane	MFGM
1231	Dust Collection	MFGM
1232	dust collector with blower	MFGM
1233	RH-1 Bindicator	MFGM
1234	Bindicator	MFGM
1235	Hopper Self-Dump	MFGM
1236	Dust Collector x2	MFGM
1887	Electical - Bond Cable Tray for Sander & Dust Collection System	MFGM
1238	Electric Power Distribution	MFGM
1239	Trasformer	MFGM
1241	E-Rater	MFGM
1243	FURNITURE & FIXTURES Maple plant	MFGM
1244	Fridge	MFGM
1245	MAPLE STREET - TIME CLOCK	MFGM

{00422545.7}

V56936\55950369\15

Asset Number	Description	Class
1438	Fridge	MFGM
1985	Desk at Maple for M. Adams	MFGM
1962	CULLIGAN BOTTLE FREE COOLER	MFGM
1552	Jig Line Upgrade	MFGM
1247	Glue JIG line	MFGM
1248	Bending Jig	MFGM
1249	Glue mixer	MFGM
1250	Glue mixer (additional costs for the mixed above)	MFGM
1251	Hexion Glue App System - SP (from AUC)	MFGM
1252	Glueline Improvements - SP	MFGM
1253	Seal Kit, Pump Lobe - SP	MFGM
1254	Maple Street- Jig Line Rods	MFGM
1255	Glueline Bolts - MS	MFGM
1256	Gluline Upgrade - MS	MFGM
1257	Glue Line A/C - SP	MFGM
1258	Laminating Blocks	MFGM
1260	Grinder - MS	MFGM
1261	Grinder install - MS	MFGM
1264	Self Dumping Bins	MFGM
1424	Hopper Self-Dump for Grinder	MFGM
1266	Humidifier Fans	MFGM
1267	2 Humidifiers - OK F	MFGM
1268	Humidifiers-SP (moved from AUC)	MFGM
1270	Preparation of site for crane	MFGM
1271	Matts added to Maple site	MFGM
1272	Paving	MFGM
1273	Stogare	MFGM
1274	Ashphalt Paving - Stock Yard	MFGM
1275	Ashphalt Paving	MFGM
1585	Ashphalt Paving - Maple	MFGM
1963	Maple Paving	MFGM
1993	Chip Bin Catwalk Overhaul	MFGM
1907	Cameras - IT	MFGM
1918	Sarmax Sander Tent	MFGM
1598	Safety Rails	MFGM
1550	Perimeter Fence - Maple	MFGM
1571	Shelving - Electrical	MFGM
1545	New Lighting - Plant	MFGM
1531	Horn Stobes	MFGM
1277	Ancillary Improvements	MFGM
1278	Electrical, Bathroom & Smoke shack	MFGM
1279	Bathroom reno	MFGM
1280	Fire Suppression Unit	MFGM

{00422545.7}

V56936\55950369\15

Asset Number	Description	Class
1281	Maple Street - forklift garage	MFGM
1282	Maple Street - Safety Wall	MFGM
1283	Shed Siding	MFGM
1284	Shelter over Evap. Pond	MFGM
1285	Additional Lighting/Flammable Storage	MFGM
1286	LED Lighting install & Exhaust Fans	MFGM
1288	MS-Welding Machine	MFGM
1289	Mill & Drill Machine	MFGM
1291	Combi #1 MAPLE CL40140LA45 (SN 17165)	MFGM
1292	Engine replacement	MFGM
1293	Combi # 4 MAPLE CL40173LA58 (SN 4899)	MFGM
1294	Combi # 4 MAPLE	MFGM
1295	Combi # 2 MAPLE CL22100LC40 (SN 19657)	MFGM
1296	cylinders	MFGM
1297	CL402173 cylinder	MFGM
1298	Toyota Model 027FG45 forklift (SN 10078)	MFGM
1299	2004 Caterpillar Model GP40KL1 forklift (SN AT29C50278)	MFGM
1300	2005 Caterpillar GP-25K forklift (SN AT17C00372)	MFGM
1301	2018 Hyundai 70D-7E forklift (SN HFZ11CC0001455)	MFGM
1302	Camera install	MFGM
1303	Vehicles (trailer and Chevy Tahoe)	MFGM
1304	Chevy Tahoe	MFGM
1305	Golf Carts	MFGM
1306	Golf Carts	MFGM
1778	Logistics Golf Cart	MFGM
1455	Headache Rack for Lease Truck - Frank	MFGM
1468	Vehicles (trailer and Chevy Tahoe)	MFGM
1308	Moulder line	MFGM
1309	Nielson Tool Model Moulder	MFGM
1311	Power bander	MFGM
1312	Bander	MFGM
1492	Steel Strapping Tool	MFGM
1479	Bander	MFGM
1325	Rex type planer	MFGM
1326	Planer imprv	MFGM
1327	Planer, REX BigMaster, model BM 6/260	MFGM
1888	Rebuild Chainsaw on Outfeed of Rex Planer	MFGM
1543	Planer Head	MFGM
1527	IP Camera-Inline Planer	MFGM
1889	New Hydraulic Power Unit on Tesion Tester	MFGM
1329	QC Joint tester	MFGM
1330	Oven -Shelolab style door	MFGM
1331	Oven - Despatch lab oven	MFGM

{00422545.7}

V56936\55950369\15

Asset Number	Description	Class
1332	Shear tester 1	MFGM
1333	Vacuum preassure tester	MFGM
1334	Misc QC Equipment	MFGM
1335	QC Area Ancillary	MFGM
1336	Bandsaw with dust collection pick up	MFGM
1337	table saw complete with guard and fence	MFGM
1338	QC Moisture Meters	MFGM
1339	QC-Lathe	MFGM
1434	QC Oven	MFGM
1341	MATERIAL RACKS	MFGM
1342	Tool Storage - Maple	MFGM
1344	Cameras - SP	MFGM
1345	LED Lighting	MFGM
1346	Cameras - Maple	MFGM
1348	TOOLS and MISCELLANEOUS, MAPLE	MFGM
1349	December addition	MFGM
1350	Mitre Saw - SP	MFGM
1351	Impact Wrench - SP	MFGM
1352	Impact Wrench - SP	MFGM
1353	RADIO PACKS - SP	MFGM
1354	QC Moisture Meters, Blow down station, air impact wrench	MFGM
1355	Radio Packs	MFGM
1356	CHAIN BEAM SAW	MFGM
1357	chainsaw cutting guide	MFGM
1358	maintenance radios	MFGM
1359	AED	MFGM
1360	Radios and other tools	MFGM
1361	Tools	MFGM
1362	Various tools	MFGM
1364	Dust collector camera/Misc tools - MS	MFGM
1365	Radio Packs/pallet jack/lumber printer//fence	MFGM
1366	Band saw	MFGM
1367	Table Saw	MFGM
1368	Band saw x2	MFGM
1369	Torque Wrench/Radio Antenna	MFGM
1372	Saw Fencing	MFGM
1435	Portable Heaters	MFGM
1423	Ladder	MFGM
1433	Saw Blades	MFGM
1425	Chain Saw	MFGM
1464	December addition	MFGM
1446	Ladder	OFFG
1447	Angle Drill	MFGM

{00422545.7}

V56936\55950369\15

Asset Number	Description	Class
1892	Bander	MFGM
1556	2 STIHL Chainsaws 3/4	MFGM
1577	Orbital Sander	MFGM
1520	Mafell BST Drilling Station	MFGM
1481	Sawzall	MFGM
1503	Chain Saw and Bar - Gas Powered Portable for Yard	MFGM
1494	STIHL Chainsaw	MFGM
1500	Portable Yard Chain Saw - 200MP-7-SS	MFGM
1906	MI-91700 Bandsaw, Wood	MFGM
1586	Manufacturing Execution System (MES)	MFGM
1374	Computer hardware Maple	MFGM
1375	Projector	MFGM
1376	FJ Software	MFGM
1378	Tarp Wrap Machine	MFGM
1318	PBA Outfeed Saw Parts	MFGW
1321	PBA Tools - SP	MFGW
1323	PBA Tool	MFGW
1379	Cranes - Wallis	MFGW
1380	200A Switch - Crane Feed	MFGW
1381	Joulin Lifter / Flying Joulin	MFGW
1382	10-Tonne Bridge Crane	MFGW
1383	Dust Collection - Wallis - Parent	MFGW
1384	Sawdust Extraction Airtek	MFGW
1385	Bindicator light install, Sawdust silencer	MFGW
1387	Dust Collector Bin Cameras	MFGW
1388	Furniture and Fixtures - Wallis - Parent	MFGW
1389	WR Conference Phone	MFGW
1390	Wallis Road - Lunch Room Chairs	MFGW
1391	Wallis RD stuff	MFGW
1392	Office desks Maple	MFGW
1393	Humidity Control System - Wallis - Parent	MFGW
1394	Humidifiers and Compressor	MFGW
1395	Leasehold Improvements - Wallis - PARENT	MFGW
1396	Leashold improvement Wallis	MFGW
1397	Leashold Wallis	MFGW
1398	WR - code report and drawings	MFGW
1399	Picket Railing/Building Permit - WR	MFGW
1400	Fammable Storage/Camera Install	MFGW
1401	PBA - Wallis - Parent	MFGW
1402	CNC machine Hundegger PBA	MFGW
1403	End mill for PBA, sawdust bin	MFGW
1404	WR Infeed/Outfeed	MFGW
1405	PBA Parts	MFGW

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V56936\55950369\15

Asset Number	Description	Class
1406	Panel Flipper	MFGW
1407	Panel Flipper	MFGW
1408	Panel Flipper - WR	MFGW
1410	PBA Parts	MFGW
1412	TSI System (Flipper)	MFGW
1413	Racking/Storage - Wallis - Wallis	MFGW
1414	Storage Racks - Maple	MFGW
1415	Small Tools - Wallis - Parent	MFGW
1416	Circular Saw	MFGW
1417	Radio Packs - WR	MFGW
1418	Tools Wallis	MFGW
1419	Wallis Road tools	MFGW
1420	Wallis Road tools	MFGW
1421	Wallis Road tools	MFGW
1422	Blow Down Station - WR	MFGW
1432	PBA Parts	MFGW
1452	Security Equipment - Wallis - Parent	MFGW
1454	Rebuild Flipper	MFGW
1465	Sawdust Extraction Airtek	MFGW
1466	CNC machine Hundegger PBA	MFGW
1467	TSI System (Flipper)	MFGW
1495	Tidy Tank w/Pump	MFGW
1053	Kito Chain Hoist	MFGC
1501	Electrical Upgrade -Lumber RM	MFGG
1502	Replacement Roof Fan	MFGG
1476	Outlets and Lighting	MFGG
1427	Chainsaw	MFGC
1499	K2 Upgrade	MFGG
1513	Chainsaw	MFGW
1532	Steel Racks	MFGW
1539	Surveillance Upgrade	MFGG
1428	Compressor	MFGC
1437	Circular Saw/Crimper for Steel Bander	MFGC
1439	Paving & Gate	MFGC
1451	Moulder Rebuild	MFGC
1453	Cameras	MFGC
1456	Heater Install	MFGC
1459	WIFI Wiring - Coop	MFGC
1482	Rack Install	MFGC
1484	Hot Water Tank	MFGC
1493	Copressor Upgrade	MFGC
1504	LH Improvements	MFGC
1528	Breaker - Lunchroom & Washroom	MFGC

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V56936\55950369\15



Asset Number	Description	Class
1529	Boiler replacement - Biofuel Heating System	MFGC
1533	Surveillance Upgrade	MFGC
1908	Cameras - IT	MFGC
1936	(3/4" X.020-.023) MANUAL STEEL STRAPPINGTOOL	MFGC
1054	Biomass Heating System - Govt - Parent	MFGG
1056	Cattelan Planer - Govt - Parent	MFGG
1058	Compressed Air System - Govt - Parent	MFGG
1060	CRANES - GOVT - PARENT	MFGG
1062	Creno - Govt - PARENT	MFGG
1067	DURAND PANER - GOVT - PARENT	MFGG
1069	Dust Collection - Govt - PARENT	MFGG
1130	Software Computer equipment Office - Govt - PARENT	OFFG
1074	K2 - Govt	MFGG
1075	Hundegger K2 Joinery Machine	MFGG
1076	Leasehold Improvements Plant - Govt	MFGG
1079	Maintenance Equipment - Govt - PARENT	MFGG
1081	MOBILE EQUIPMENT - GOVT - PARENT	MFGG
1090	Small Tools - Govt - PARENT	MFGG
1072	Electrical - Govt	MFGG
1085	RACKING AND STORAGE - GOVT - PARENT	MFGG
1100	Software Computer equipment Plant - Govt - PARENT	MFGG
1108	Furniture and Fixtures - Govt - PARENT	OFFG
1120	Leasehold Improvements Office - Govt - PARENT	OFFG
1088	Sanding Equipment - Govt - PARENT	MFGG
1199	4/6 Line - Maple - Parent	MFGM
1201	Binford - Maple - Parent	MFGM
1210	CLT Press - Maple - Parent	MFGM
1211	CLT Press,	MFGM
1207	Biomass Heating System - Maple - PARENT	MFGM
1216	COMPRESSED AIR SYSTEMS - MAPLE - PARENT	MFGM
1222	Cranes - Maple - Parent	MFGM
1219	Computer Equipment - Maple	MFGM
1227	Distributor Yard - Maple - PARENT	MFGM
1230	Dust Collection - Maple - Parent	MFGM
1237	Electrical - Maple - PARENT	MFGM
1240	E-Rater - Maple - Parent	MFGM
1246	Glulam Glue Line - Maple - Parent	MFGM
1242	Furniture and Fixtures - Maple - PARENT	MFGM
1259	Grinder - Maple - Parent	MFGM
1265	Humidity Control System - Maple - Parent	MFGM
1269	LAND IMPROVEMENTS - MAPLE - PARENT	MFGM
1290	Mobile Equipment - Maple - Parent	MFGM
1276	LEASE HOLD IMPROVEMENTS - MAPLE - PARENT	MFGM

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V56936\55950369\15

Asset Number	Description	Class
1287	MAINTENANCE TOOLS - MAPLE - PARENT	MFGM
1307	MOULDER - MAPLE - PARENT	MFGM
1310	Packaging Tools - Maple	MFGM
1324	BIG MASTER PLANER - MAPLE - PARENT	MFGM
1328	QC Tools - Maple - Parent	MFGM
1347	Small Tools - Maple - Parent	MFGM
1340	RACKING / STORAGE - MAPLE - PARENT	MFGM
1343	Security Equipment - Maple - Parent	MFGM
1373	Software and Computer equipment - Maple - Parent	MFGM
1535	Compressed Air System - Wallis - Parent	MFGW
1536	Compressor	MFGW
1546	Compressor	MFGW
1377	Tarpping Station - Maple	MFGM
1553	Mobile Equipment - Wallis - Parent	MFGW
1564	Spinkler System & Permits	MFGW
1572	Shelving for Parts	MFGW
1575	Hopper Self Dumping Bin - Nov 2020	MFGW
1917	NVR Cameras for WR	MFGW
1945	Sander Floor 13x19"	MFGW
1475	Lease Hold Improvements - Govt	MFGG
1498	K2	MFGG
1510	Spiral Router Bit-Custom	MFGG
1511	Hopper Self-Dump	MFGG
1512	Laptop - HW	OFFG
1956	Miller Syncrowave 210 AC/DC TIG/Stick Welder with MIG Spool Gun	MFGW
1514	Impact Driver	MFGM
1516	Office Furnitruue - GP	OFFG
1964	CULLIGAN BOTTLE FREE COOLER	MFGW
1538	Security Equipment - Govt	MFGG
1982	Wallis Video Surveillance System	MFGW
1765	Lenovo Thinkpad P15 Gen1 15.6" Core i7 32GB RAM 512GB SSD Win10 Pro	OFFG
1769	3 Laptop/Desktop computers	OFFG
1763	Lenovo ThinkPad P15 Gen 1 - 15.6" - Core i7	OFFG
1782	Sarmax Sander - Maple - PARENT	MFGM

Schedule 1.1(f)**Transferred Intellectual Property****Trademarks**

	Mark	Owner	Jurisdiction	Application Number	Registration Number	Date of Issuance
1.	STRUCTURLAM	Structurlam Mass Timber Corporation	Canada	2,072,938	N/A	N/A
2.	 STRUCTURLAM	Structurlam Mass Timber Corporation	Canada	2,072,940	N/A	N/A
3.	GLULAMPLUS BY STRUCTURLAM	Structurlam Mass Timber Corporation	Canada	2,071,817	N/A	N/A
4.	FRAMEWORKS	Structurlam Mass Timber Corporation	Canada	2,071,818	N/A	N/A
5.	CROSSLAM	Structurlam Mass Timber Corporation	Canada	2,072,939	N/A	N/A
6.	CROSSLAM	Structurlam Mass Timber Corporation	Canada	1,497,306	TMA861246	September 25, 2013
7.	CROSSLAM	Structurlam Mass Timber Corporation	U.S.A.	86/220,150	4620599	October 14, 2014
8.	CROSSLAM	Structurlam Mass Timber Corporation	U.S.A.	88/776,562	6,504,992	October 5, 2021
9.	STRUCTURLAM	Structurlam Mass Timber Corporation	U.S.A.	90/785,855	N/A	N/A
10.	 STRUCTURLAM	Structurlam Mass Timber Corporation	U.S.A.	90/785,860	N/A	N/A
11.	GLULAMPLUS BY STRUCTURLAM	Structurlam Mass Timber Corporation	U.S.A.	90/776,827	N/A	N/A
12.	FRAMEWORKS	Structurlam Mass Timber Corporation	U.S.A.	90/776,825	N/A	N/A

Patents

	Title	Owner	Country	Patent or Application Number	Status	Date of Issuance	Date of Expiry
1.	ACCESS MAT	Structurlam Mass Timber Corporation	United States	US 9303366 B2	Granted	April 5, 2016	February 19, 2035
2.	Method of manufacturing glue laminated timber columns	Structurlam Mass Timber Corporation	Canada	CA 2984079	Abandoned	n/a	n/a

Domain Names

Name	Registrar	Expires
structurelam.ca	Go Daddy Domains Canada, Inc	December 23, 2023
structurelam.com	GoDaddy.com, LLC	December 23, 2023
structurlam.ca	Go Daddy Domains Canada, Inc	December 23, 2023
structurlam.com	GoDaddy.com, LLC	September 26, 2027

Trade Names

“Structurlam”

Unregistered Intellectual Property

1. Marketing and advertising materials, brochures, guides, environmental documentation, technical design documentation, project files, shop drawings, construction documentation and case studies and the copyright and other IP rights therein.
2. Content of the Sellers’ websites, and the copyright and other IP rights therein.
3. Content of the Sellers’ social media accounts, and the trademark, copyright and other IP rights therein.
4. Customer lists and information and the copyright and other IP rights therein.
5. Trade secrets and confidential information regarding the Sellers products and formulations, manufacturing techniques and specifications, and related materials.

Schedule 1.1(g)

Seller Contracts

(Closing Assumed Contracts)

Miscellaneous

1. The Lease Agreements disclosed in Schedule 1.1(c)

Schedule 1.1(i)

Additional Assumed Contracts

None

Schedule 1.1(I)

Transferred Seller Plans and Continuing Employees

Canadian Plans

1. USW Local 1-423 Employees of Structurlam Group Benefits Plan – Policy# 8945; Subdivision Number: 92955

Continuing Employees

1. Unionized Employees

Schedule 1.2(p)(i)

Excluded Actions

1. All Actions related to Stiles Machinery Inc. and its affiliates.

Schedule 3.4(a)**Governmental Filings; No Violations**

Document	Consent Required
Oliver Environmental Permit (June 29, 2015; #107227; Structurlam Mass Timber Corporation)	<ul style="list-style-type: none"> Section 3.5 of the permit provides that a transfer of the permit is without effect unless a person designated as a director under the Environmental Management Act (in this Schedule 3.4(a), the "EMA") has consented in writing to the transfer. See also <i>EMA</i>, s. 17: Transfers of permits, approvals, etc. 17 (1)A transfer of a permit or approval is without effect unless a director has consented in writing to the transfer.
Maple Street Environmental Permit (February 3, 2021; #105176; Structurlam Mass Timber Corporation)	<ul style="list-style-type: none"> Section 17 of the EMA provides that a person designated as a director under the <i>EMA</i> must consent in writing to the transfer: Transfers of permits, approvals, etc. 17 (1)A transfer of a permit or approval is without effect unless a director has consented in writing to the transfer. (2)Despite subsection (1), the director may consent to a transfer by electronic means to an address provided by the holder of the permit or approval.
Certificate of Compliance (September 25, 2012; #10827; Lot B, District Lot 551, Similkameen Division Yale District, Plan 22642)	<ul style="list-style-type: none"> Condition 1 in Schedule "B" of the Certificate of Compliance indicates that any changes in land, water or sediment use could invalidate remediation of the site to numerical standards. Any such changes must be promptly identified by the responsible person for the site in writing to the Director (i.e., an <i>EMA</i> Director), and may require an amendment of the existing Certificate or a new Certificate.
Electrical Operating Permit – (August 9, 2022; #EL-711617-2018; 2176 Government St, Penticton, BC V0H 1R2)	<ul style="list-style-type: none"> According to the Technical Safety BC website, where a company is no longer responsible for the address registered with Technical Safety BC, the company must complete a Change of Ownership form. The permit states that "Technical Safety BC must be advised in writing of any change in owner or agent within 72 hours of the change coming into effect."
Electrical Operating Permit – (August 10, 2022; #EL-711612-2018; 103-310 Co-op Avenue, Oliver BC V0H 1T0)	<ul style="list-style-type: none"> According to the Technical Safety BC website, where a company is no longer responsible for the address registered with Technical Safety BC, the company must complete a Change of Ownership form. The permit states that "Technical Safety BC must be advised in writing of any change in owner or agent within 72 hours of the change coming into effect."
Electrical Operating Permit – (August 16, 2022; #EL-1212023-2021; 1716 Wallis Road Okanagan Falls BC, V0H 1R2)	<ul style="list-style-type: none"> According to the Technical Safety BC website, where a company is no longer responsible for the address registered with Technical Safety BC, the company must complete a Change of Ownership form.

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Document	Consent Required
	<ul style="list-style-type: none"> The permit states that "Technical Safety BC must be advised in writing of any change in owner or agent within 72 hours of the change coming into effect."
Electrical Operating Permit – (August 10, 2022; #EL-711622-2018; 1675 Maple Street Okanagan Falls BC, V0H 1R2)	<ul style="list-style-type: none"> According to the Technical Safety BC website, where a company is no longer responsible for the address registered with Technical Safety BC, the company must complete a Change of Ownership form. The permit states that "Technical Safety BC must be advised in writing of any change in owner or agent within 72 hours of the change coming into effect."
ADEQ Minor Source Air Permit (August 19, 2020, 2423-A) Arkansas Department of Environmental Quality	<ul style="list-style-type: none"> Section 14 of the permit indicates that the permit may be transferred. An applicant for a transfer must submit a written request for transfer of the permit on a form provided by the Arkansas Department of Environmental Quality (in this Schedule 3.4(a), the "Department") and submit the disclosure statement required by Arkansas Code Annotated §8-1-106 at least thirty (30) days in advance of the proposed transfer date. The permit will be automatically transferred to the new permittee unless the Department denies the request to transfer within thirty days of the receipt of the disclosure statement. The Department may deny a transfer on the basis of the information revealed in the disclosure statement or other investigation or, deliberate falsification or omission of relevant information.
Arkansas Department of Health X-Ray Reg – Industrial; Structurlam Mass Timber US, Inc. Permit No. IN00337	<ul style="list-style-type: none"> Requires consent to transfer

Certifications

- Cross Laminated Timber and Glued Laminated Timber product certifications associated with the Conway, Arkansas and Penticton, British Columbia facilities, including:
 - the ANSI/APA PRG 320 certifications provided by the American Plywood Association listed in the *APA Product Report PR-L314* and *APA Product Report PR-L314C* consisting of but not limited to the following CLT lay-ups at Penticton, British Columbia and Conway, Arkansas:
 - (i) E1M3, E1M3.1, E1M3.2
 - (ii) E1M4
 - (iii) E1M5
 - (iv) E1M6
 - (v) E1M7

- (vi) E4M1
- (vii) E4M2
- (viii) E4M3, E4M3.1
- (ix) V2M1, V2M1.1
- (x) V2M2, V2M2.1
- (xi) V2.1, V2.1M1
- (xii) V3,V3.1
- (xiii) V3M1

2. Structurlam ANSI A190.1, CSA O122, CSA O177 and Japanese Agricultural Standards certifications for Glued Laminated Timber produced at Penticton, British Columbia and Okanagan Falls, British Columbia.

Schedule 3.4(b)**Government filings; No violations**

Document	Consent Required
Penticton Lease	<p>11.1 The Tenant shall not make, grant, execute, enter into, consent to, or permit any Transfer without the prior written consent of the Landlord, such consent not to be unreasonably withheld.</p> <p>Section 12 of the Penticton Lease provides that a failure of Tenant to perform any covenant under the Lease will constitute an event of default under the lease meaning the landlord can re-enter the premises and terminate the lease. The Tenant will be liable for all payments under the lease.</p> <p>12.3 (a) If during the Term any of the goods and chattels of the Tenant shall be seized or taken in attachment by any creditor of the Tenant, or if a writ of execution, sequestration, or extent shall issue against the goods and chattels of the Tenant, or if any petition or other application is presented to any court of competent jurisdiction for the dissolution, liquidation, or winding up of the Tenant or for the appointment of a receiver or receiver and manager, or if the Tenant shall become bankrupt or insolvent or take the benefit of any statute now or hereafter in force for bankrupt or insolvent debtors, or if the Premises shall be used for any purpose other than permitted by Section 7.1 without the prior written consent of the Landlord, or if the Tenant shall make an assignment for the benefit of creditors or shall make any sale or other disposition of all or substantially all of its goods and chattels (except incidental to its amalgamation with any other company), then and in every case the Tenant shall be, and be deemed to be, in default under this Lease; the then-current and the next ensuing three months' Basic Rent and Additional Rent (to be determined for the current year at rates estimated by the Landlord acting reasonably) and any additional money owing hereunder shall immediately become due and payable; the Landlord may re-enter and take possession of the Premises or any part thereof in the name of the whole, and have again, repossess, and enjoy the Premises in its former estate, anything herein to the contrary notwithstanding, as though the Tenant were holding over after the expiration of the Term; and the Term and any Renewal Term shall, at the option of the Landlord, forthwith become forfeited and determined and the then-current and the next ensuing three months' Basic Rent, the Additional Rent (to be determined for the current year at rates estimated by the Landlord acting reasonably) and any additional money owing hereunder shall be recoverable by the Landlord as if it were Rent in arrears, but the Tenant shall remain liable under this Lease.</p>

Document	Consent Required
Oliver Lease	<p>11.1 The Tenant shall not make, grant, execute, enter into, consent to, or permit any Transfer without the prior written consent of the Landlord, such consent not to be unreasonably withheld.</p> <p>Section 12 of the Oliver Lease provides that a failure of Tenant to perform any covenant under the Lease will constitute an event of default under the lease meaning the landlord can re-enter the premises and terminate the lease. The Tenant will be liable for all payments under the lease.</p> <p>12.3(a) If during the Term or any renewal thereof any of the goods and chattels of the Tenant shall be seized or taken in attachment by any creditor of the Tenant, or if a writ of execution, sequestration, or extent shall issue against the goods and chattels of the Tenant, or if any petition or other application is presented to any court of competent jurisdiction for the dissolution, liquidation or winding up of the Tenant or for the appointment of a receiver or receiver and manager, or if the Tenant shall become bankrupt or insolvent or take the benefit of any statute now or hereafter in force for bankrupt or insolvent debtors, or if the Premises shall be used for any purpose other than permitted by clause 7.1 (Use of Premises) without the prior written consent of the Landlord, or if the Tenant shall make an assignment for the benefit of creditors or shall make any sale or other disposition of all or substantially all of its goods and chattels (except incidental to its amalgamation with any other company), then and in every case the Tenant shall be, and be deemed to be, in default under this Lease; the then current and the next ensuing three (3) months' Annual Basic Rent and Additional Rent (to be determined for the current year at rates estimated by the Landlord acting reasonably) and any additional money owing hereunder shall immediately become due and payable, the Landlord may re-enter and take possession of the Premises and the Easement Area or any part thereof in the name of the whole, and have again, repossess, and enjoy the Premises and the Easement Area in its former estate, any thing herein to the contrary notwithstanding, as though the Tenant were holding over after the expiration of the Term; and the Term and any renewal thereof shall, at the option of the Landlord, forthwith become forfeited and determined and the then current and the next ensuing three (3) months' Annual Basic Rent, the Additional Rent (to be determined for the current year at rates estimated by the Landlord acting reasonably) and any additional money owing hereunder shall be recoverable by the Landlord as if it were Rent in arrears, but the Tenant shall remain liable under this Lease.</p> <p>(b) The Tenant acknowledges and agrees that unless it received the prior written consent of the Landlord, under no circumstances shall it file any notice of termination, repudiation, or disclaimer seeking to take advantage of s.65.2 of the Bankruptcy and Insolvency Act, R.S.C. 1985, c.B-3 as amended from time to time and hereby waives any and all rights to do so. The Tenant agrees that if, in breach of this section, it files such a notice, the Landlord may, in addition to all of its other remedies, produce and rely on this section in challenging the validity of the notice in the court proceedings contemplated by s.65.2 of the Bankruptcy and Insolvency Act; and the Landlord may, in those or any other proceedings, apply for injunctive relief or other relief against the Tenant filing the notice</p>
Maple Street Lease	<p>9.1 The Tenant covenants with the Landlord that the rights of the Tenant under this Lease shall not be transferred, mortgaged, assigned, sold or otherwise disposed of nor shall the Tenant sublet the whole or any part of the Premises nor grant any concession or licence within or with respect to the same to any party without the prior written consent of the Landlord first had and obtained, provided such consent shall not be unreasonably withheld or delayed.</p> <p>9.5 Notwithstanding the foregoing or anything to the contrary herein, the Tenant shall have the right, without the prior consent of Landlord, to assign the lease or sublease all or any part of the Premises to: ... (c) a purchaser acquiring the whole or substantially the whole of the Tenant's business in British Columbia, provided that such purchaser has executed and delivered an assumption agreement (in each instance, a "Permitted Transferee"),</p>

Document	Consent Required
	<p>provided that the Tenant shall not be released from its obligations on an assignment or sublease to a Permitted Transferee except in the case of a transfer under Section 9.5(c), and, in such case, only if the Landlord provides prior written approval of the financial covenant of the Tenant (which covenant shall be equal to or better than that of the Tenant), such consent not to be unreasonably withheld.</p> <p>Failure of Tenant to perform any covenant under the Maple Street Lease will constitute an event of default under the lease.</p> <p>16.1 If the Term shall be at any time seized or taken in execution or in attachment by any creditor of the Tenant or if the Tenant shall go into liquidation or receivership or if the Tenant shall commence winding-up proceedings whether voluntary or otherwise or if the Tenant shall make any assignment for the benefit of its creditors, or becoming bankrupt or insolvent shall take the benefit of any act that may be in force for bankrupt or insolvent debtors, or in case the Premises shall be used for any purpose other than as provided herein without first obtaining the written consent of the Landlord the then current month's Rent and the next ensuing three (3) months' Minimum Rent shall immediately become due and payable and the Landlord may immediately claim the same together with any arrears then unpaid and any other amounts owing to the Landlord by the Tenant; all of which is without prejudice to and under reserve of, all other rights and recourse of the Landlord to claim any and all losses and damages sustained by the Landlord by reason of or arising from any default of the Tenant and the Term shall immediately become forfeited and void.</p>
Ok Falls Lease	<p>11.1(a) The Tenant will not make, grant, execute, enter into, consent to, or permit any Transfer without the prior written consent of the Landlord, such consent not to be unreasonably withheld.</p> <p>(f) Provided further that after receiving any request for a Transfer, the Landlord will have the right, at its option and despite any provision of this Lease or any statutory provision or other law to the contrary, to terminate this Lease by giving, within 10 days after receiving the required information, notice that the Lease will be terminated effective as of the commencement date of the proposed Transfer, or earlier if mutually agreed to by the Landlord and the Tenant. In the event of such termination the Rent and other payments required to be made by the Tenant under this Lease will be adjusted to the date of termination.</p> <p>Section 12 of the OK Falls Lease provides that a failure of Tenant to perform any covenant under the Lease will constitute an event of default under the lease meaning the landlord can re-enter the premises and terminate the lease. The Tenant will be liable for all payments under the lease.</p> <p>12.3(a) If, during the Term or any renewal of it, any of the goods and chattels of the Tenant are seized or taken in attachment by any creditor of the Tenant, or if a writ of execution, sequestration, or extent issues against the goods and chattels of the Tenant, or if any petition or other application is presented to any court of competent jurisdiction for the dissolution, liquidation, or winding-up of the Tenant or for the appointment of a receiver or receiver and manager, or if the Tenant becomes bankrupt or insolvent or takes the benefit of any statute now or hereafter in force for bankrupt or insolvent debtors, or if the Premises are used for any purpose other than permitted by clause 7.1 (use of Premises) without the prior written consent of the Landlord, or if the Tenant makes an assignment for the benefit of creditors or makes any sale or other disposition of all or substantially all of its goods and chattels (except incidental to its amalgamation with any other company), then and in every case the Tenant will be, and be deemed to be, in default under this Lease; the then-current and the next ensuing three months' Annual Basic Rent and Additional Rent (to be determined for the current year at rates estimated by the Landlord acting reasonably) and any additional money owing under this Lease will immediately become due and payable; the Landlord may re-enter and take possession of the Premises or any part of them in the name of the whole, and have again, repossess, and enjoy the Premises in its former estate, anything in this Lease to the contrary notwithstanding, as though the Tenant were holding</p>

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Document	Consent Required
	<p>over after the expiration of the Term; and the Term and any renewal of it will, at the option of the Landlord, immediately be come forfeited and determined and the then-current and the next ensuing three months' Annual Basic Rent, the Additional Rent (to be determined for the current year at rates estimated by the Landlord acting reasonably) and any additional money owing under this Lease will be recoverable by the Landlord as if it were Rent in arrears, but the Tenant will remain liable under this Lease,</p> <p>(b) The Tenant acknowledges and agrees that unless it receives the prior written consent of the Landlord, under no circumstances will it file any notice of termination, repudiation, rescission, or disclaimer seeking to take advantage of s. 65.2 of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3 as amended from time to time and hereby waives any and all rights to do so. The Tenant agrees that if, in breach of this sub-clause, it files such a notice, the Landlord may, in addition to all of its other remedies, produce and rely on this subclause in challenging the validity of the notice in the court proceedings contemplated by s. 65.2 of the Bankruptcy and Insolvency Act; and the Landlord may, in those or any</p>
Conway Lease	<p>Conway Lease (certain related documents contain similar provisions as the below):</p> <p>Section 9.1 The Lessee shall be permitted to transfer, assign and sublet the Project to any Affiliate or successor to the interests of the Lessee by merger or consolidation or acquisition of the Lessee. The Lessee may not otherwise assign this Lease Agreement or sublet the leased premises or part thereof without the prior written consent of the Lessor, which consent shall not be unreasonably withheld.</p> <p>Section 10.1. Events of Default Defined. The following shall be "events of default" under this Lease Agreement and the terms "event of default" or "default" shall mean, whenever they are used in this Lease Agreement, any one or more of the following events:</p> <p>...</p> <p>(a) A court having jurisdiction in the premises shall enter a decree or order for relief in respect of the Lessee in an involuntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Lessee or for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and such decree or order shall remain unstayed and in effect for a period of sixty (60) consecutive days; or</p> <p>(b) The Lessee shall commence a voluntary case under any applicable bankruptcy, insolvency or other similar law now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) of the Lessee or for any substantial part of its property, or shall make any general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action in furtherance of any of the foregoing.</p> <p>10.2 Whenever any event of default shall happen, the Lessor (with the consent of the Bondholder if the Indenture has not been discharged) may take any of the following remedial steps:</p> <p>(a) Declare all installments of basic and additional rent payable for the remainder of the term to be immediately due and payable, where-upon the same shall become immediately due and payable;</p> <p>(b) Re-enter and take possession of the Project without terminating this Lease Agreement, and sublease any or all of the Project for the account of the Lessee, holding the Lessee liable for the difference in the rent and other amounts payable by such sublessee in such sub-leasing and the basic and additional rent payable by the Lessee here-under;</p>

Document	Consent Required
	<p>(c) Terminate the Lease Term, exclude the Lessee from possession of the Project, and use its best efforts to lease any or all of the Project to another for the account of the Lessee;</p> <p>(d) Have access to and inspect, examine and make copies of such of the books, records, accounts and data of the Lessee, as pertain to the Project; or</p> <p>(e) Take whatever action at law or in equity may appear necessary or desirable to collect the rent and any other amounts payable by the Lessee hereunder, then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the Lessee under this Lease Agreement.</p> <p>Any amounts collected pursuant to action taken under this Section shall be paid into the Bond Fund and applied in accordance with the provisions of the Indenture.</p>
Level 10 Long Form Standard Subcontract	<p>Bankruptcy</p> <p>14.3.1 Termination Absent Cure. Upon the appointment of a receiver for Subcontractor or upon Subcontractor making an assignment for the benefit of creditors, or if Subcontractor seeks protection under the Bankruptcy Code or commits any other act of insolvency, Contractor may, absent any applicable legal limitation, terminate this Subcontract upon giving forty-eight (48) hours written notice, by certified mail, to Subcontractor, its trustee, and its surety, if any, unless Subcontractor, the surety, or the trustee, within the notice period:</p> <p>(a) promptly cures all defaults;</p> <p>(b) provides adequate assurance of future performance;</p> <p>(c) compensates Contractor for actual pecuniary loss resulting from such defaults; and</p> <p>(d) assumes the obligations of Subcontractor within the statutory time limits.</p>

Schedule 3.5

Financial Statements

See attached SPL Holdings Ltd. Consolidated Financial Statements for the Year ended December 31, 2021

SLP Holdings Ltd.
Consolidated Financial Statements
For the Year ended December 31, 2021

SLP Holdings Ltd.
Consolidated Financial Statements
For the Year ended December 31, 2021

Contents

Independent Auditor's Report	1 - 2
Consolidated Financial Statements	
Consolidated Balance Sheet	3
Consolidated Statement of Operations and Deficit	4
Consolidated Statement of Cash Flows	5
Notes to Consolidated Financial Statements	6 - 18
Schedule of Operating Expenses	19



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Independent Auditor's Report

To the Board of Directors of SLP Holdings Ltd.

Opinion

We have audited the consolidated financial statements of SLP Holdings Ltd. and its subsidiaries (the "Group"), which comprise the consolidated balance sheet as at December 31, 2021, the consolidated statement of operations and deficit, statement of cash flows, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at December 31, 2021, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BDO Canada LLP

Chartered Professional Accountants

Kelowna, British Columbia
April 29, 2022

SLP Holdings Ltd.
Consolidated Balance Sheet

December 31	2021	2020
Assets		
Current		
Cash	\$ 5,643,121	\$ 32,872,451
Accounts receivable (Note 2)	8,364,859	8,601,904
Inventories (Note 3)	17,792,369	6,831,503
Prepaid expenses	2,215,758	814,507
	<u>34,016,107</u>	<u>49,120,365</u>
Promissory notes receivable (Note 4)	917,282	913,773
Property, plant and equipment (Note 5)	97,025,734	84,086,865
Intangible assets (Note 6)	1,573,895	1,699,544
Goodwill (Note 11)	2,699,517	11,671,517
	<u>\$136,232,535</u>	<u>\$147,492,064</u>
Liabilities and Shareholder's Equity		
Current		
Accounts payable and accrued liabilities (Note 8)	\$10,160,008	\$ 12,754,247
Deferred revenue	15,724,858	3,466,890
Current portion of long-term debt (Note 9)	5,846,613	2,773,436
	<u>31,731,479</u>	<u>18,994,573</u>
Long-term debt (Note 9)	56,960,616	49,007,465
	<u>88,692,095</u>	<u>68,002,038</u>
Shareholder's Equity		
Share capital (Note 10)	93,941,299	93,940,409
Cumulative translation adjustment	(2,936,851)	(2,493,753)
Deficit	(43,464,008)	(11,956,630)
	<u>47,540,440</u>	<u>79,490,026</u>
	<u>\$136,232,535</u>	<u>\$147,492,064</u>

On behalf of the Board:  Director,  Director

SLP Holdings Ltd.
Consolidated Statement of Operations and Deficit

<u>For the year ended December 31</u>	<u>2021</u>	<u>2020</u>
Revenue	\$ 45,343,110	\$ 58,871,760
Manufacturing costs	<u>42,663,337</u>	<u>47,178,358</u>
Gross profit	2,679,773	11,693,402
Operating expenses (Schedule)	<u>17,708,557</u>	<u>16,497,634</u>
Loss from operations before other items	<u>(15,028,784)</u>	<u>(4,804,232)</u>
Other items		
Impairment loss (Note 11)	(8,972,000)	-
Interest and other	187,015	414,459
Loss on foreign exchange	(37,359)	(228,949)
Research and development	<u>(7,656,250)</u>	<u>-</u>
	<u>(16,478,594)</u>	<u>185,510</u>
Net loss for the year	(31,507,378)	(4,618,722)
Deficit, beginning of the year	<u>(11,956,630)</u>	<u>(7,337,908)</u>
Deficit, end of the year	<u>\$ (43,464,008)</u>	<u>\$ (11,956,630)</u>

The accompanying notes are an integral part of these consolidated financial statements.

SLP Holdings Ltd.
Consolidated Statement of Cash Flows

For the year ended December 31	2021	2020
Cash flows from operating activities		
Net loss for the year	\$ (31,507,378)	\$ (4,618,722)
Items not affecting cash:		
Accrued interest on promissory notes receivable	(3,509)	(13,773)
Amortization on property, plant and equipment	4,454,071	4,049,609
Amortization of intangible assets	125,649	181,643
Impairment loss	8,972,000	-
	<u>(17,959,167)</u>	<u>(401,243)</u>
Changes in non-cash working capital:		
Accounts receivable	237,045	4,435,425
Accounts payable and accrued liabilities	(2,594,239)	5,218,014
Deferred revenue	12,257,968	(1,800,648)
Inventories	(10,960,866)	4,190,884
Prepaid expenses	(1,401,251)	(273,815)
	<u>(20,420,510)</u>	<u>11,368,617</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	<u>(17,392,940)</u>	<u>(41,141,611)</u>
Cash flows from financing activities		
Issuance of share capital	890	2,126
Proceeds from long-term debt	12,510,648	33,103,200
Repayment of long-term debt	(1,484,320)	(1,533,889)
	<u>11,027,218</u>	<u>31,571,437</u>
Effect of exchange rate on cash	<u>(443,098)</u>	<u>(1,200,442)</u>
Net (decrease) increase in cash for the period	(27,229,330)	598,001
Cash, beginning of the year	<u>32,872,451</u>	<u>32,274,450</u>
Cash, end of the year	<u>\$ 5,643,121</u>	<u>\$ 32,872,451</u>

The accompanying notes are an integral part of these consolidated financial statements.

SLP Holdings Ltd.
Notes to Consolidated Financial Statements

December 31, 2021

1. Significant Accounting Policies

Nature of Operations	SLP Holdings Ltd. (the "Group"), is a private company incorporated under the Business Corporations Act of British Columbia on December 1, 2017 and is headquartered in Penticton, British Columbia. The Group is a manufacturer of high quality cross laminated timber, glue laminated beams and a premium fabricator of complete, custom-made heavy timber packages.
Basis of Accounting	The financial statements have been prepared in accordance with Canadian accounting standards for private enterprises ("ASPE") and are reported in Canadian dollars as the functional currency.
Basis of Consolidation	These consolidated financial statements include the accounts of the Group and its wholly owned subsidiaries, Structurlam Mass Timber Corporation, Structurlam Mass Timber US Inc and Natural Outcomes LLC. The subsidiaries' assets, liabilities and operations are included in these financial statements and all significant inter-company transactions and balances have been eliminated on consolidation.
Revenue Recognition	Revenue is recorded upon change of ownership, which normally occurs at the time of the shipment or transfer of the product. Revenue is recognized when performance is achieved and ultimate collection is reasonably assured. Performance is achieved as the work is accomplished using the completed contract method and when reasonable assurance exists regarding measurement of the consideration. Payments received in advance of contracted services being performed are recorded as deferred revenue.
Income Taxes	The Group accounts for income taxes using the taxes payable method. The taxes payable method of accounting under which the Group reports as an expense (income) of the year only the cost (benefit) of current income taxes for the year, determined in accordance with the rules established by taxation authorities.
Financial Instruments	Financial Instruments are recorded at fair value when acquired or issued. In subsequent periods, equities traded in an active market and derivatives are reported at fair value, with any unrealized gains and losses reported in income. All other financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired. Transaction costs on the acquisition, sale or issue of financial instruments are expensed for those items remeasured at fair value at each balance sheet date and charged to the financial instrument for those measured at amortized cost.

SLP Holdings Ltd.
Notes to Consolidated Financial Statements

December 31, 2021

1. Significant Accounting Policies (continued)

Inventories

Raw materials (lumber, stock beams, rig mats, adhesives, parts and other materials), work in process and finished goods are stated at the lower of cost and net realizable value. Cost is determined on the first-in, first-out basis.

The cost of work in process and finished goods includes the cost of raw materials and the applicable share of the cost of labour and fixed and variable production overheads.

Net realizable value is the estimated selling price less the estimated cost of completion and the estimated costs necessary to make the sale.

Property, Plant and Equipment

Equipment and leasehold improvements are stated at cost less accumulated amortization. Amortization is based on the estimated useful life of the asset and is provided using the following annual rates:

Building	- 20 years straight line basis
Computer equipment	- 3 years straight line basis
Furniture and fixtures	- 5 years straight line basis
Leasehold improvements	- 10 years straight line basis
Manufacturing equipment	- 10-20 years straight line basis or 3-5 years straight line basis
Software	- 3 years straight line basis

Assets under construction are not amortized until the asset is substantially complete and ready for use. Land is stated at cost and is not amortized.

Equipment Under Lease

Leases are classified as capital or operating leases. A lease that transfers substantially all of the benefits and risks incidental to the ownership of property is classified as a capital lease. At the inception of a capital lease, an asset and an obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair value at the beginning of the lease. All other leases are accounted for as operating leases; wherein, payments are expensed as incurred.

Impairment of Long-Lived Assets

In the event that facts and circumstances indicate that the Group's long-lived assets may be impaired, an evaluation of recoverability would be performed. Such an evaluation entails comparing the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount to determine if a write-down to market value or discounted cash flow value is required.

SLP Holdings Ltd.
Notes to Consolidated Financial Statements

December 31, 2021

1. Significant Accounting Policies (continued)

Foreign Currency Translation

The Group utilizes the current rate method for foreign currency translation. Under this method foreign currency transactions are translated at the rate of exchange in effect at the dates of the transaction. Resulting foreign currency assets and liabilities are translated at the rate of exchange in effect at the balance sheet date. Gains and losses on translation of monetary assets are included in equity as a cumulative translation adjustment.

Foreign currency transactions are translated at the rates of exchange in effect at the dates of the transaction. Resulting foreign currency denominated monetary assets and liabilities are translated at the rates of exchange in effect at the balance sheet date. Gains and losses on translation of monetary assets and liabilities are included in net income.

Intangible Assets

Intangible assets with an indefinite life are not amortized and are tested for impairment when events or circumstances indicate that their carrying amount exceeds their fair value. The impairment test consists of a comparison of the fair value of the unamortized assets with their carrying amount. When the carrying amount exceeds the fair value, an impairment loss is recognized in an amount equal to the excess. Intangible assets with a finite life such as customer relationships are amortized on a declining balance basis to the end of their useful life using the following rates:

Industrial customer relationships	35%
Distributor customer relationships	30%

Goodwill

Goodwill is an asset that represents the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is not amortized. Goodwill is tested for impairment whenever events or changes in circumstances indicate that the fair value of the reporting unit to which the goodwill is assigned may be less than its carrying amount.

SLP Holdings Ltd.
Notes to Consolidated Financial Statements

December 31, 2021

1. Significant Accounting Policies (continued)

Use of Estimates

The preparation of financial statements in accordance with ASPE requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the non-consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates and may have an impact on future periods. Information about assumptions and estimation uncertainties that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses relate to accounts receivable valuation, inventory valuation and amortization policies and useful lives of tangible and intangible capital assets.

**Share-Based
Compensation**

The Group makes periodic grants of share-based awards to selected members of senior management.

The fair value of the equity-settled awards is determined at the date of the grant by using the Black-Scholes option pricing model. Managements best estimate of the current year, and cumulative vesting cost, for all options granted, is not considered significant in value, therefore the Group has not recognized an expense in the statement of operations.

SLP Holdings Ltd.
Notes to Consolidated Financial Statements

December 31, 2021

2. Accounts Receivable

	2021	2020
Trade receivables	\$ 7,676,056	\$ 8,206,869
Other receivables	1,079,200	759,926
Allowance for doubtful accounts	(390,397)	(364,891)
	<u>\$ 8,364,859</u>	<u>\$ 8,601,904</u>

3. Inventories

	2021	2020
Raw materials	\$10,411,691	\$ 4,616,395
Work in process	4,377,294	1,862,222
Finished goods	3,003,384	352,886
	<u>\$17,792,369</u>	<u>\$ 6,831,503</u>

Inventories of \$42,663,337 (2020 - \$47,178,358) are recognized as an expense and included in manufacturing costs.

SLP Holdings Ltd.
Notes to Consolidated Financial Statements

December 31, 2021

6. Intangible Assets

	2021		2020	
	Cost	Accumulated Amortization	Cost	Accumulated Amortization
Finite-life intangible assets:				
Distributors	\$ 1,058,000	\$ 810,325	\$ 1,058,000	\$ 704,178
Industrial	209,000	172,780	209,000	153,278
Indefinite-life intangible assets:				
Brand	1,290,000	-	1,290,000	-
	\$ 2,557,000	\$ 983,105	\$ 2,557,000	\$ 857,456
		\$ 1,573,895		\$ 1,699,544

7. Credit Facility

The Group has a demand revolving loan to assist in the financing of the day to day operations that is available by way of an account overdraft (the "Revolving Facility") which can be drawn to a maximum of \$3,000,000 (2020 - \$3,000,000) (CDN). The Revolving Facility bears interest at a variable rate based on Group performance and market rates. The Revolving Facility is also available by way of Letters of Credit up to a maximum of \$2,000,000 (CDN). No amounts have been drawn upon as at December 31, 2021 (2020 - \$Nil). These credit facilities are secured by a general security agreement over all assets of the Group, first ranking security under Section 427 of the Bank Act, an assignment and postponement of claim by certain partners, companies under common control and management, and an assignment of risk insurance.

8. Accounts Payable and Accrued Liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$173,427 (2020 - \$197,444).

SLP Holdings Ltd.
Notes to Consolidated Financial Statements

December 31, 2021

9. Long-term Debt

	<u>2021</u>	<u>2020</u>
Loan, repayable in escalating quarterly installments plus interest calculated at a rate of prime rate + 2%, which at December 31, 2021 was 4.45%, maturing on May 4, 2025, secured by first ranking security over the Group and related party's assets (i).	\$ 17,193,381	\$ 18,677,701
Loan, repayable in escalating quarterly installments plus interest calculated at a variable rate of either US prime or US Libor + a margin rate based on company performance, which at December 31, 2021 was 4.5%, estimated to mature on May 4, 2025, secured by first ranking security over the Group's assets.	45,613,848	33,103,200
	62,807,229	51,780,901
Less: Current portion	5,846,613	2,773,436
Long-term portion of debt	<u>\$ 56,960,616</u>	<u>\$ 49,007,465</u>

Principal repayments on long-term debt over the four years are as follows:

2022	\$ 5,846,613
2023	9,676,431
2024	9,961,518
2025	37,322,667
	<u>\$ 62,807,229</u>

(i) As at December 31, 2021, the above debt facility was subject to the following covenants:

- The Total Funded Debt to EBITDA Ratio must be less than 3:1
- The minimum Fixed Charge Coverage Ratio must be greater than 1.15:1

As at December 31, 2021 the Group was not in compliance with the required covenants of this facility. Subsequent to year-end these December 31, 2021 covenants were waived and amended, with a required cash injection from shareholders and an additional requirement to obtain written consent for capital expenditures in excess of \$1,600,000.

SLP Holdings Ltd.
Notes to Consolidated Financial Statements

December 31, 2021

10. Share Capital

Issued and outstanding shares:

	2021	2020
84,795,473 preferred shares, without par value, cumulative dividend at 8% of redemption value	\$93,938,283	\$ 93,938,283
301,630 (2020 - 212,630) common shares without par value	3,016	2,126
	\$93,941,299	\$ 93,940,409

In the 2021 fiscal year, employees exercised 89,000 stock options (Note 15) to purchase the same number of common shares at \$0.01 per share.

11. Impairment Loss

During the year the Group observed indicators of goodwill impairment in the form of significant adverse changes in the business climate. These indicators include, but are not limited to construction project delays, supply chain interruptions, significant inflation of material and transportation costs, and transport disruptions. As a result, the Group performed an assessment of the impairment over goodwill presented, and recognized an impairment loss of \$8,972,000.

SLP Holdings Ltd.
Notes to Consolidated Financial Statements

December 31, 2021

12. Income Taxes

The Group accounts for income taxes using the taxes payable method. As a result, the Group's income tax expense varies from the amount that would otherwise result from the application of the statutory income tax rates as set out below:

	2021	2020
Income before income taxes	\$ (31,507,378)	\$ (4,618,722)
Combined jurisdictional tax rates	26.51 %	26.10 %
Expected income tax expense (recovery)	\$ (8,352,606)	\$ (1,205,486)
Increase (decrease) in income tax expense due to:		
Non-deductible expenses	9,851	50,153
Amortization in excess of capital cost allowance	(747,095)	34,951
Capitalized expenses	2,537,414	317,373
Net operating losses incurred	4,963,726	738,160
Non-capital losses incurred	1,602,648	54,875
Miscellaneous	(13,938)	9,974
Income tax expense (recovery)	\$ -	\$ -

As at December 31, 2021, the Group has \$19,671,078 in Canadian non-capital losses and \$17,612,161 US net operating losses that can be offset against taxable income in future years. The Canadian losses will begin to expire in 2037, whereas the US net operating losses will carryforward indefinitely.

13. Economic Dependence

Approximately 13% of the Group's sales are made to one customer (2020 - 24% to one customer). Approximately 43% of the Group's purchases are made from three suppliers. The loss of a significant amount of sales to this customer, or goods/services available from these suppliers could have a negative effect on operations.

14. Related Party Transactions

Included in related party transactions is a management fee arrangement whereby the Group pays an amount equal to the greater of \$200,000 or 3% of EBITDA to Kingfish Group Inc. In the current year, the amount paid was \$250,889 (2020 - \$217,000).

SLP Holdings Ltd.
Notes to Consolidated Financial Statements

December 31, 2021

17. Commitments

City of Conway Agreement:

The Group has entered into an arrangement with the City of Conway, Arkansas ("the City"), where the manufacturing plant under construction is located. Under the arrangement, the title of the land and building has been deeded to the City, and the Group has agreed to lease the land and building back from the City. As the risk and rewards of the property, based on the terms of the arrangement, remains with the Group, the land and building of the manufacturing plant are presented in property, plant, and equipment on the consolidated balance sheet.

The Group has purchased a bond from the City with a balance of \$98,431,079 as at December 31, 2021 (2020 - \$69,343,106). The City has also provided the Group with financing for the construction of the manufacturing facilities with a balance of \$98,431,079 as at December 31, 2021 (2021 - \$69,343,106). The bond and the corresponding financing are secured by the property financed. The arrangement is a legal arrangement with receipts from the bond and the payment on financing completely offset each other as operating cashflows. The Group has recognized the above items on a net basis resulting in no balances recognized in these financial statements.

Based on the contractual arrangement, the Group has the ability to unwind the arrangement at any time. Neither party has the ability to call amounts due without simultaneously settling the equally amounts owed.

Rentals and Leases:

Yearly payments for obligations under various rental and operating leases for the next 4 years and thereafter include:

2022	\$ 1,274,969
2023	1,092,422
2024	978,031
2025	656,194
Thereafter	<u>1,256,307</u>
Total	<u>\$ 5,257,923</u>

SLP Holdings Ltd.
Notes to Consolidated Financial Statements

December 31, 2021

18. Financial Instrument Risk

Liquidity risk

Liquidity risk is the risk that the Group encounters difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Group will not have sufficient funds to settle a transaction on the due date; will be forced to sell financial assets at a value, which is less than what they are worth; or may be unable to settle or recover a financial asset. Liquidity risk arises from accounts payable and accrued liabilities, amounts required to complete the construction of the manufacturing plant, and long-term debt.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Group is exposed to credit risk in connection with its trade receivables and due to the entirety of the Group's cash being held with one financial institution.

As of December 31, 2021 there were three customers accounting for a total of 40% of trade receivables. Credit risk associated with trade receivables are limited by the Group's credit granting policies.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to this risk through its variable rate credit facility and long-term debt.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group undertakes sales and purchase transactions in foreign currencies, holds cash in foreign bank accounts and, consequently, certain of its financial instruments are exposed to foreign currency fluctuations. The following table shows the Group's net exposure to currency risk in US dollars:

	2021	2020
Cash	\$ 5,009,302	\$ 21,882,308
Accounts receivable	4,464,009	3,955,512
Accounts payable and accrued liabilities	(3,445,931)	(517,375)
	<u>\$ 8,455,233</u>	<u>\$ 22,399,683</u>

SLP Holdings Ltd.
Consolidated Schedule of Operating Expenses

For the year ended December 31	2021	2020
Advertising and promotion	\$ 598,177	\$ 702,984
Amortization	593,665	547,978
Computer	418,302	336,306
Insurance	2,902,503	1,308,104
Interest and bank charges	156,034	154,104
Interest on long-term debt	2,909,100	1,644,117
Licenses, dues and fees	149,842	67,989
Management and directors fees	444,116	397,347
Office and miscellaneous	657,242	684,205
Parallam and heavy timber commissions	344,751	1,434,697
Professional fees	1,075,945	1,059,322
Property taxes (recovery)	(338,533)	533,341
Rent and utilities	262,619	225,905
Repairs and maintenance	1,791	120,375
Salaries and benefits	6,775,191	6,804,772
Telephone	54,350	88,110
Travel and entertainment	703,462	387,978
	<u>\$17,708,557</u>	<u>\$ 16,497,634</u>

Schedule 3.6

Pending or Threatened Litigation

1. Structurlam Mass Timber Corporation v British Columbia Conference Property Development Council of the United Church of Canada; Supreme Civil (General); file Number: 92853
2. Structurlam Mass Timber Corporation v Larocque, James; Provincial Small Claims; File Number: 46931
3. Cothrom Systems Corporation v Structurlam Mass Timber Corporation; North Vancouver Provincial Court; File Number: 2227772
4. Higgins, Marlene v Structurlam Mass Timber Corporation; Supreme Civil (General); File Number: 136207
5. Demand letter sent by Basile International Legal Firm Dated March 8, 2023 on behalf of Rotho Blaas USA Inc U.S. demanding repayment of US\$124,538.50 debt owed (plus interest and collection costs). Letter states that amount must be provided no later than March 16, 2023 otherwise legal action would be commenced.
6. Demand Letter dated February 27, 2023 provided by Greenberg Traurig on behalf of Walmart Inc. in the amount of US\$31,986,000.
7. Demand Letter from Kornfeld LLP on behalf of Galina Pentecost wherein Kornfeld LLP threatens to launch legal action on April 6, 2023 against Structurlam Mass Timber Corporation if no "satisfactory response" is given in reply.¹
8. Woodpecker European Timber Framing Woodworking Ltd. v. Structurlam Mass Timber Corporation; Provincial Small Claims; File Number: 48644
9. Demand letter dated April 12, 2023 from Southern Mississippi Trading LLC demanding repayment of \$10,250.24 owed.
10. Demand letter dated April 13, 2023 from CGI Credit Guard as collection agent for Texcan a Div. of Sonepar Canada Inc., wherein CGI Credit Guard demands the repayment of \$5201.70 and indicates that "Recovery action has commenced".
11. Demand letter dated April 5, 2023 from Winsupply Conway AR Co. wherein Winsupply Conway AR Co. demands repayment of \$3,602.54
12. Demand letter dated April 17, 2023 from Pat Dowler of KOKM Lawyers wherein Mr. Dowler demands payment of \$60,826.72 for rents owing on the lease at 2176 Government Street.

¹ Galina Pentecost has provided Structurlam with an offer to settle the dispute which remains open until April 21, 2023.

Schedule 3.8

Material Contracts

1. Contract with Level 10 Construction LP in total amount of \$34,010,861.00
2. Canadian Forest Products Ltd. purchase order for total amount of \$13,795,897.50
3. Conway agreements which include:
 - I. Lease Agreement relating to the Conway Lease as disclosed on Schedule 1.1(c);
 - II. Conway Taxable Industrial Development Revenue Bond (Structurlam U.S. Project), Series 2019, in the aggregate principal amount of not to exceed US\$75,000,000, issued pursuant to the trust indenture dated as of December 27, 2019, by and between the lessor and the trustee, and any indentures supplemental thereto, and legally and beneficially owned by Natural Outcomes LLC;
 - III. Conway Taxable Industrial Development Revenue Bond (Structurlam U.S. Project), Series 2019, in the aggregate principal amount of not to exceed US\$75,000,000, issued pursuant to the Indenture and legally and beneficially owned by Natural Outcomes LLC;
 - IV. The agreement for payments in lieu of taxes dated December 27, 2019, by and between the City of Conway Arkansas as lessor and Structurlam Mass Timber U.S., Inc. as lessee;
 - V. Recognition of Prior Interests, Non-Disturbance and Attornment Agreement made as of December 27, 2019 between Structurlam Mass Timber U.S., Inc., the City of Conway, Arkansas, Simmons Bank and Bank of Montreal; and
 - VI. Bond Purchase Agreement dated December 27, 2019, between Natural Outcomes LLC and the City of Conway, Arkansas.
 - VII. Limited Warranty Deed dated December 27, 2019 between Natural Outcomes, LCC and Structurlam Mass Timber U.S., Inc.
 - VIII. Limited Warranty Deed dated December 27, 2019 between the City of Conway and Structurlam Mass Timber U.S., Inc.
 - IX. Leasehold Mortgage and Security Agreement dated December 27, 2019 between Structurlam Mass Timber U.S., Inc. and Bank of Montreal
 - X. Construction Mortgage, Security Agreement, Fixture Filing, And Assignment of Rents and leases dated December 27, 2019 Between Structurlam Mass Timber U.S., Inc. and Bank of Montreal.
 - XI. Collateral Assignment of Options Rights dated December 27, 2019 between Structurlam Mass Timber U.S., Inc. and Bank of Montreal
 - XII. UCC Financial Statement dated December 30, 2019 between Structurlam Mass Timber U.S., Inc. as the debtor and Bank of Montreal as the secured party.
 - XIII. Trust Indenture dated December 27, 2019 between City of Conway, Arkansas and Simmons Bank

XIV. Agreement for Payments in Lieu of Taxes dated December 27, 2019 between City of Conway, Arkansas and Structurlam Mass Timber U.S., Inc.

4. Collective Agreement as disclosed on Schedule 3.11
5. The Lease disclosed on Schedule 1.1(c) at Section 2, 3 and 5 thereof
6. Durwest Construction Management Inc. purchase order for total amount of \$4,901,164.80
7. Brookstone Management, LLC purchase order for total amount of \$3,734,000.00

Schedule 3.8(b)

Material Contract Disputes²

1. Level 10 Construction LP claims that Structurlam U.S. is in breach of the contract between the entities (as disclosed at Section 1 of Schedule 3.8(a) herein) due to Structurlam U.S. not providing Level 10 Construction LP with adequate financial assurances as to the Sellers' solvency and ability to fulfil obligations under the contract.

² Walmart Inc, claims that Structurlam defaulted on its obligations under the Amended and Restated Walmart Realty Supplier Agreement – Good Not For Resale dated as of June 24, 2022 (the “Supply Agreement”) between Walmart Inc. and Structurlam. Walmart terminated the Supply Agreement on December 13, 2022.

Schedule 3.11

Collective Agreement

1. The Collective Agreement between Structurlam Mass Timber Corporation and United Steelworkers (USW), Local 1-423, January 1, 2019 to December 31, 2023³

³ The Collective Agreement erroneously provides "Structurlam Products Limited Partnership" as a party to the agreement and not "Structurlam Mass Timber Corporation". Despite this clerical error, the Collective Agreement is between Structurlam Mass Timber Corporation and United Steelworkers (USW), Local 1-423

Schedule 3.12

Unpaid Seller Plan Amounts

SMTC:

Co-Operators Life \$11,444.20 CAD (04/01/2023 hourly RRSP)

SMTU:

None

Schedule 3.16

Unpaid Taxes

SMTG:

PST \$5,476.91 CAD

Schedule 3.17

Existing Insurance Policies

See attached summary⁴

Insurance claims:

1. Structurlam Mass Timber Corporation has an outstanding claim under the company's E&O policy regarding product rejected by Walmart. The amount of the claim is being determined.

US Workers Compensation Policy:

- The Sellers owe \$28,095 under the below listed US Workers Compensation policy for 2023 amounts due. The Sellers have requested that the premiums be recalculated to account for the fact that the policy now covers fewer employees than when first entered into.
- The Sellers owe \$36,808 under the below listed US Workers Compensation policy for 2022 amounts due as the result of an adjustment audit.

⁴ All of the below listed policies have been extended for a period of two months with the exception of the D&O policies which have been extended for 6 months.

StructurIam
Policy / Premium Summary

[illegible]

USD LIMITS AND PREMIUMS:

US General Liability									
US General Liability	QBE	22-Apr-23	\$1,000,000	Guaranteed Cost	\$	131,610	\$0		Financed with FIF: 35% down, 7 equal pays of \$27,842.78 payable directly to FIF
1st Excess Liability USA	Starstone	22-Apr-23	\$4,000,000	\$1,000,000	\$	159,350	\$0		
US Property	Various - Hanover lead	27-Aug-23		Deductible	\$	1,344,455	\$0		Financed with FIF: 20% down, 10 equal pays of \$100,993.13 payable directly to FIF 4 quarterly installments, offered interest free by Insurer; CAC will provide invoice to SMTC for each installment
US Workers Compensation	Liberty Mutual	01-Nov-23	Statutory / \$1M EL	Guaranteed Cost	\$	112,656	\$0		
					\$	1,748,101	USD	\$0	\$1,748,101
					PAYABLE USD FUNDS:				

Contact details:

Acera
INSURANCE

CapriCMW

David Green MBA, CLIP
Client Executive
Partner
T 804 878 3557 TF 800 263 3513
c804 888 6885 e dgreen@capricmw.ca
700 - 2025 Wittington Avenue, Burnaby, BC V5C 0J3
CapriCMW.ca

Schedule 3.18

Real Property Leases

Leases Granted with Respect to Transferred Owned Property

1. The Transferred Owned Property is subject to the Conway agreements referred to at Section 3 of Schedule 3.8(a)
2. In addition to the Conway lease agreements referred to at Section 3 of Schedule 3.8(a), refer to other lease agreements disclosed in Schedule 1.1(c).
3. Refer to civic address for the Transferred Owned Property disclosed on Schedule 1.1(d).

Schedule 6.2

Interim Operations of the Business

None

Schedule 6.5(a)

Scheduled Employees

REDACTED

Schedule 6.14

Conduct of Sellers

None

Cure Costs

Structurium Mass Timber Corporation Lease Obligations & Other Contractual Commitments April 21, 2022														
Lease/Description	Lessor	Start	End	Cure Costs	Monthly Rent	CAMS	GST	PST	2022	2023	2024	2025	Thereafter	Total Obligation
Penitence Facility	Shayback Holdings1683 Ltd.	2020-07-01	2025-06-30	\$ 34,751.41	\$ 34,751.41	\$ 17,000.00	\$ 1,737.57	\$ -	\$ 417,017	\$ 424,926	\$ 433,033	\$ 218,568	\$ -	\$ 1,076,527
Oliver Facility	FFD Devito Investments Ltd.	2022-01-01	2023-12-31	\$ 14,126.04	\$ 14,126.04	\$ -	\$ 706.30	\$ -	\$ 177,988	\$ 158,912	\$ -	\$ -	\$ -	\$ 158,912
OK Falls-1675 Maple St.*	Additional Lots 6036 & 6042 Station Street	2022-01-01	2023-02-14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,400	\$ 2,400	\$ -	\$ -	\$ -	\$ 2,400
	Kerr Properties Ltd.	2017-12-22	2027-12-17	\$ 30,532.24	\$ 30,532.24	\$ 1,526.61	\$ -	\$ -	\$ 366,387	\$ 366,387	\$ 366,387	\$ 366,387	\$ 732,774	\$ 1,831,934
OK Falls-Wallis Rd.	Eagle Home Ltd.	2018-06-01	2023-05-31	\$ 17,625.00	\$ 17,625.00	\$ 881.25	\$ -	\$ -	\$ 211,500	\$ 68,125	\$ -	\$ -	\$ -	\$ 88,125
White Toyota Tundra - 2017	Jim Pattison Leasing	2021-08-01	2024-07-31	\$ 557.21	\$ 497.51	\$ 24.88	\$ 34.83	\$ -	\$ 6,388	\$ 6,388	\$ 3,726	\$ -	\$ -	\$ 10,114
GMC Sierra 1500 - 2020	Jim Pattison Leasing	2022-08-01	2026-07-31	\$ 975.78	\$ 846.50	\$ 42.43	\$ 84.85	\$ -	\$ 11,200	\$ 11,200	\$ 11,200	\$ 11,200	\$ 6,533	\$ 40,133
Toyota Tundra - 2022	Jim Pattison Leasing	2022-11-02	2026-10-31	\$ 894.40	\$ 777.74	\$ 36.89	\$ 77.77	\$ -	\$ 1,111	\$ 10,266	\$ 10,266	\$ 10,266	\$ 8,555	\$ 39,353
Hyundai Kona - 2019	Jim Pattison Leasing	2021-08-01	2024-07-31	\$ 705.69	\$ 630.08	\$ 31.50	\$ 44.11	\$ -	\$ 8,090	\$ 8,090	\$ 4,719	\$ -	\$ -	\$ 12,810
2020 Toyota Tacoma - Grey	Jim Pattison Leasing	2020-10-01	2024-09-30	\$ 584.61	\$ 521.97	\$ 26.10	\$ 36.54	\$ -	\$ 6,702	\$ 6,702	\$ 5,027	\$ -	\$ -	\$ 11,729
2021 Nissan Murano AWD	Jim Pattison Leasing	2022-01-01	2026-12-31	\$ 831.36	\$ 742.65	\$ 37.14	\$ 51.57	\$ -	\$ 9,531	\$ 9,531	\$ 9,531	\$ 9,531	\$ 9,531	\$ 38,123
Black Sapphire BMW X3 M40i - 2021	BMW Group	2022-02-26	2026-02-26	\$ 1,208.16	\$ 1,056.03	\$ 52.80	\$ 89.33	\$ -	\$ 13,864	\$ 13,864	\$ 13,864	\$ 13,864	\$ 2,311	\$ 43,904
Black Sapphire BMW X3 M40i - 2021	BMW Group	2022-02-26	2026-02-26	\$ 1,208.16	\$ 1,056.03	\$ 52.80	\$ 89.33	\$ -	\$ 13,864	\$ 13,864	\$ 13,864	\$ 13,864	\$ 2,311	\$ 43,904
Ford F150 - 2019	Ford Credit Canada Leasing	2019-08-15	2023-06-15	\$ 822.22	\$ 734.12	\$ 36.71	\$ 51.39	\$ -	\$ 9,426	\$ 4,713	\$ -	\$ -	\$ -	\$ 4,713
Photocopiers (10)	Meridian	2021-12-15	2027-06-15	\$ 1,685.75	\$ 1,505.13	\$ 75.26	\$ 105.36	\$ -	\$ 19,326	\$ 19,326	\$ 19,326	\$ 19,326	\$ 28,989	\$ 86,966
Photocopiers (2)	Meridian	2022-01-01	2027-06-01	\$ 112.76	\$ 100.68	\$ 5.03	\$ 7.05	\$ -	\$ 1,293	\$ 1,293	\$ 1,293	\$ 1,293	\$ 1,939	\$ 5,817
Cisco HyperFlex Server cluster	Cisco Systems Capital Canada Co	2022-08-28	2025-06-28	\$ 4,226.29	\$ 3,773.47	\$ 188.67	\$ 264.14	\$ -	\$ 20,188	\$ 48,451	\$ 48,451	\$ 28,263	\$ -	\$ 125,166
C2200 Comblift S/N 43302	Leavitt - new agreement requested	2019-07-24	2022-07-23	\$ 6,138.30	\$ 5,846.00	\$ 292.30	\$ -	\$ -	\$ 73,660	\$ 12,277	\$ -	\$ -	\$ -	\$ 12,277
C2200 Comblift S/N 48077	Leavitt - new agreement requested	2020-02-11	2023-02-11	\$ 6,516.30	\$ 6,206.00	\$ 310.30	\$ -	\$ -	\$ 74,472	\$ 12,412	\$ -	\$ -	\$ -	\$ 12,412
Hyundai Forklift S/N 800-9	Leavitt	2020-11-28	2025-01-28	\$ 4,351.20	\$ 4,144.00	\$ 207.20	\$ -	\$ -	\$ 49,728	\$ 49,728	\$ 4,144	\$ -	\$ -	\$ 103,600
Taylor Forklift S/N GT1100L	Leavitt - original agreement requested	2021-11-16	2025-03-16	\$ 2,968.35	\$ 2,827.00	\$ 141.35	\$ -	\$ -	\$ 35,520	\$ 35,520	\$ 35,520	\$ 8,905	\$ -	\$ 80,145
Cat GP55N1 Forklift S/N AT33C090319	Leavitt	2020-09-12	2023-11-11	\$ 2,937.90	\$ 2,690.00	\$ 139.90	\$ -	\$ -	\$ 33,376	\$ 30,778	\$ 30,778	\$ 30,778	\$ -	\$ 30,778
Caterpillar Forklift S/N GP50CN1	Leavitt - No contract. Mth to Mth rental	2019-06-21		\$ 1,971.64	\$ 1,877.75	\$ 93.89	\$ -	\$ -	\$ 22,533	\$ 22,533	\$ -	\$ -	\$ -	\$ 22,533
* including common costs the monthly lease is \$49K per month				\$ 134,523	\$ 116,409	\$ -	\$ -	\$ -	\$ 1,584,600	\$ 1,341,923	\$ 1,012,171	\$ 691,747	\$ 790,632	\$ 3,836,473
Structurium Mass Timber (U.S.) Inc. Lease (Operating) Obligations & Other Contractual Commitments April 21, 2022 USD														
Lease/Description	Lessor	Start	End	Gross Mthly Rent	Cure Costs	Monthly base rent	Additional Charges	Taxes	2022	2023	2024	2025	Thereafter	Total Obligation
SMM-16672 (60x20 Toilet Unit)	Williams Scotsman Inc. (WILLSCOTT)	2020-12-03	2023-12-02	\$ 1,493.02	\$ 6,165.14	\$ 1,270.36	\$ 58.41	\$ 164.25	\$ -	\$ 17,916	\$ -	\$ -	\$ -	\$ 17,916
CPX-77171 (68x24 Classroom)	Williams Scotsman Inc. (WILLSCOTT)	2020-10-01	2023-09-30	\$ 3,906.13	\$ 16,581.75	\$ 1,152.28	\$ 2,423.65	\$ 330.20	\$ -	\$ 46,874	\$ -	\$ -	\$ -	\$ 46,874
MDS-667483 (64x12 Mobile Office)	Williams Scotsman Inc. (WILLSCOTT)	2020-10-01	2023-09-30	\$ 562.56	\$ 2,438.72	\$ 300.00	\$ 215.00	\$ 47.56	\$ -	\$ 6,751	\$ -	\$ -	\$ -	\$ 6,751
Williams Scotsman Inc. (WILLSCOTT)	Williams Scotsman Inc. (WILLSCOTT)	2020-12-03	2023-12-02	\$ 2,770.52	\$ 14,408.12	\$ 2,272.40	\$ 266.45	\$ 231.67	\$ -	\$ 33,246	\$ -	\$ -	\$ -	\$ 33,246
Williams Scotsman Inc. (WILLSCOTT)	Williams Scotsman Inc. (WILLSCOTT)	2020-12-03	2023-12-02	\$ 174.10	\$ 1,291.39	\$ 156.25	\$ 3.13	\$ 14.72	\$ -	\$ 2,089	\$ 2,024	\$ 2,025	\$ -	\$ 2,089
ACC-30760 (40x8 Container)	Williams Scotsman Inc. (WILLSCOTT)			\$ 174.10	\$ 1,291.39	\$ 156.25	\$ 3.13	\$ 14.72	\$ -	\$ 2,089	\$ 2,024	\$ 2,025	\$ -	\$ 2,089
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
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CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91	\$ 40,885.12	\$ -	\$ -	\$ -	\$ 108,899	\$ -	\$ -	\$ -	\$ -	\$ 104,787
CAD eqv (approx)				\$ 55,194.91										

Schedule C

CERTIFICATE

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

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:

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

ORDER MADE AFTER APPLICATION

GOWLING (WLG) CANADA LLP
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Attention : Jonathan B. Ross

File No. V56936/JR