

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE

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In re:	)	Chapter 11
	)	
STRUCTURLAM MASS TIMBER U.S., INC., <i>et al.</i> , <sup>1</sup>	)	Case No. 23-10497 (CTG)
	)	
	)	(Jointly Administered)
Debtors.	)	
	)	<b>Re: Docket No. 8</b>

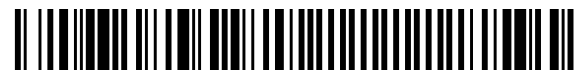
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**INTERIM ORDER (I) AUTHORIZING THE DEBTORS TO  
(A) CONTINUE TO OPERATE THEIR CASH MANAGEMENT  
SYSTEM, (B) HONOR CERTAIN PREPETITION OBLIGATIONS  
RELATED THERETO, (C) MAINTAIN EXISTING BUSINESS FORMS,  
AND (D) CONTINUE TO PERFORM INTERCOMPANY TRANSACTIONS,  
(II) GRANTING ADMINISTRATIVE EXPENSE STATUS TO POSTPETITION  
INTERCOMPANY BALANCES, AND (III) GRANTING RELATED RELIEF**

Upon the motion (the “Motion”)<sup>2</sup> of the above-captioned debtors and debtors in possession (collectively, the “Debtors”) for entry of an interim order (this “Interim Order”): (a) authorizing the Debtors to (i) continue to operate their Cash Management System, (ii) honor certain prepetition obligations related thereto, (iii) maintain existing Business Forms in the ordinary course of business, and (iv) continue to perform Intercompany Transactions consistent with historical practice; (b) granting administrative expense status to postpetition Intercompany Balances; (c) scheduling a final hearing to consider approval of the Motion on a final basis; and (d) granting related relief, all as more fully set forth in the Motion; and upon the First Day Declaration; and this Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and the

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

<sup>2</sup> Capitalized terms used but not otherwise defined herein have the meanings given to such terms in the Motion.



*Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and this Court having found that the Debtors' notice of the Motion and opportunity for a hearing on the Motion were appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard any statements in support of the relief requested therein at a hearing before this Court (the "Hearing"): and this Court having determined that the legal and factual bases set forth in the Motion and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings had before this Court; and after due deliberation and sufficient cause appearing therefor, it is HEREBY ORDERED THAT:

1. The Motion is granted on an interim basis as set forth herein.
2. The final hearing (the "Final Hearing") on the Motion shall be held on May 19, 2023, at 10:00 a.m. (prevailing Eastern Time). Any objections or responses to entry of a final order on the Motion shall be filed on or before 4:00 p.m. (prevailing Eastern Time) on May 12, 2023, and shall be served on: (a) the Debtors, 2176 Government Street, Penticton, British Columbia, Canada V2A 8B5, Attn: Matthew Karmel (mkarmel@structurlam.com); (b) proposed counsel to the Debtors, Chipman Brown Cicero & Cole, LLP, Hercules Plaza, 1313 North Market Street, Suite 5400, Wilmington, Delaware 19801, Attn: William E. Chipman, Jr. (chipman@chipmanbrown.com); Robert A. Weber (weber@chipmanbrown.com); Mark L. Desgrosseilliers (desgross@chipmanbrown.com); and Mark Olivere

(olivere@chipmanbrown.com); (c) the Office of the United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn: Benjamin A. Hackman (Benjamin.A.Hackman@usdoj.gov); (d) counsel to the Prepetition Lender and DIP Lender (i) Blake, Cassels & Graydon LLP, 855 - 2nd Street S.W., Suite 3500, Bankers Hall East Tower, Calgary, Alberta, T2P 4J8, Attn: Kelly Bourassa (kelly.bourassa@blakes.com), Christopher Keliher (christopher.keliher@blakes.com), Erik Fleming (erik.fleming@blakes.com), and Austin Beck (Austin.Beck@blakes.com) (ii) Chapman and Cutler LLP, 320 South Canal Street, Chicago, Illinois 60606, Attn: Stephen R. Tetro II (tetro@chapman.com), James P. Sullivan (jsullivan@chapman.com), and (iii) Womble Bond Dickinson (US) LLP, 1313 North Market Street, Suite 1200, Wilmington, Delaware 19801 (Attn: Matthew P. Ward), email: matthewward@wbd-us.com; and (f) counsel to any statutory committee appointed in the Chapter 11 Cases.

3. The Debtors are authorized, but not directed, on an interim basis, to: (a) continue operating the Cash Management System, as described in the Motion, with all pre-petition agreements related to the Bank Accounts remaining in full force and effect; (b) honor their prepetition obligations related thereto; (c) use, in their present form, all preprinted correspondence and Business Forms (including letterhead and checks) without reference to the Debtors' status as debtors in possession, subject to paragraph 5 below; and (d) continue to perform Intercompany Transactions consistent with historical practice.

4. The Debtors are further authorized, but not directed, on an interim basis, to: (a) continue to use, with the same account numbers, the Bank Accounts in existence as of the Petition Date, including those accounts identified on **Exhibit 1** attached hereto; (b) treat the Bank Accounts for all purposes as accounts of the Debtors as debtors in possession; (c) deposit funds in and withdraw funds from the Bank Accounts by all usual means, including checks, wire transfers,

and other debits; (d) pay the Bank Fees (including any prepetition amounts); and (e) pay, pursuant to those certain existing deposit, cash management and credit card agreements between the Debtors and the Cash Management Banks, any ordinary course Bank Fees, including attorneys' fees, incurred in connection with the Bank Accounts, irrespective of whether such fees arose prior to the Petition Date, and to otherwise perform their obligations under the documents governing the Bank Accounts. Any postpetition fees, costs, charges and expenses, including Bank Fees, or charge-backs payable to the Cash Management Banks that are not so paid shall be entitled to priority as administrative expenses pursuant to section 503(b)(1) of the Bankruptcy Code.

5. In the event the Debtors need to purchase additional check stock during the pendency of these Chapter 11 Cases, such new check stock shall include a legend referring to the Debtors as a "Debtors in Possession" or "DIP." Further, within fourteen days of entry of this Interim Order, the Debtors will update any electronically produced checks to reflect the Debtors' status as "Debtors in Possession."

6. The Cash Management Banks are authorized to continue to maintain, service, and administer the Bank Accounts as accounts of the Debtors as debtors in possession, without interruption and in the ordinary course, and to receive, process, honor, and pay, to the extent of available funds, any and all checks, drafts, wires, credit card payments, and ACH transfers issued and drawn on the Bank Accounts after the Petition Date by the holders or makers thereof, as the case may be; *provided*, however, the Debtors will take all reasonable steps to stop payment on any checks, drafts, wires, or ACH transfers drawn or issued by the Debtors before, but which did not clear the Bank Accounts prior to, the Petition Date; provided further that (a) those certain existing deposit, cash management and credit card agreements between the Debtors and the Cash Management Banks shall continue to govern the postpetition cash management relationship

between the Debtors and the respective Cash Management Bank, and all of the provisions of such agreements, including the termination and fee provisions and any provisions relating to offset or charge back rights with respect to returned items, shall remain in full force and effect, and (b) the Debtors and the Cash Management Banks may, without further order of this Court, agree to and implement changes to the Cash Management System and procedures related thereto in the ordinary course of business pursuant to terms of those certain existing deposit, cash management and credit card agreements, including the closing of Bank Accounts or the opening of new bank accounts; *provided, however*, that, except as provided in this Interim Order, none of the Cash Management Banks shall sweep, without an order from this Court, any cash postpetition in the Bank Accounts to set off or otherwise pay down or diminish any prepetition debt owed to such Cash Management Bank.

7. The relief granted in this Interim Order is extended to any new bank account opened by the Debtors after the date hereof, which account shall be deemed a Bank Account, and to the bank at which such account is opened, which bank shall be deemed a Cash Management Bank.

8. All banks, including the Cash Management Banks, provided with notice of this Interim Order maintaining any of the Bank Accounts shall not honor or pay any bank payments drawn on the listed Bank Accounts, or otherwise issued before the Petition Date, absent further direction from the Debtors.

9. The Debtors will maintain records in the ordinary course reflecting transfers of cash, if any, so as to permit all such transactions to be ascertainable.

10. In the course of providing cash management services to the Debtors, each of the Cash Management Banks is authorized, in the ordinary course of business without further order of this Court, to deduct, pursuant to those certain existing deposit, cash management and credit card

agreements between the Debtors and the Cash Management Banks, the applicable fees and expenses (including any costs incurred by the Cash Management Banks to comply with any requirements of the U.S. Trustee, including posting collateral and all letter of credit fees and expenses) associated with the nature of the deposit, cash management and credit card services rendered to the Debtors, whether arising prepetition or postpetition, from the appropriate accounts of the Debtors, and further, to charge back to the appropriate accounts of the Debtors any amounts resulting from returned checks or other returned items, including returned items that result from wire transfers, ACH transactions, or other electronic transfers of any kind, regardless of whether such items were deposited or transferred prepetition or postpetition and regardless of whether the returned items relate to prepetition or postpetition items or transfers.

11. Each of the Cash Management Banks is authorized to debit the Debtors' accounts in the ordinary course and without further order of this Court on account of: (a) all checks drawn on the Debtors' accounts that have been cashed at such banks' counters or exchanged for cashier's or official checks by the payees thereof prior to the Petition Date; (b) all checks or other items deposited in one of the Debtors' accounts with such bank prior to the Petition Date which have been dishonored or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Debtors were responsible for such items prior to the Petition Date; and (c) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to any bank as to service charges for the maintenance of the Cash Management System.

12. Any bank, including a Cash Management Bank, may rely upon the representations of the Debtors with respect to whether any check, draft, wire, or other transfer drawn or issued by the Debtors prior to the Petition Date should be honored pursuant to any order of this Court, and no bank that honors a prepetition check or other item drawn on any account that is the subject of

this Interim Order (a) at the direction of the Debtors, (b) in a good-faith belief that this Court has authorized such prepetition check or item to be honored, or (c) as a result of an innocent mistake made despite implementation of customary item handling procedures, shall be deemed to be nor shall be liable to the Debtors, their estates, or any other party on account of such prepetition check or other item being honored postpetition, or otherwise deemed to be in violation of this Interim Order.

13. Any and all banks, including the Cash Management Banks, are further authorized to (a) honor the Debtors' directions with respect to the opening and closing of any Bank Account and (b) accept and hold the Debtors' funds in accordance with the Debtors' instructions; *provided* that the Cash Management Banks shall not have any liability to any party for relying on such representations to the extent such reliance otherwise complies with applicable law.

14. The Debtors are authorized to open any new Bank Accounts or close any existing Bank Accounts as they may deem necessary and appropriate; *provided* that such actions are not prohibited or restricted by the terms of the DIP Order or any of the DIP Documents; *provided, further*, that the Debtors shall give notice within five business days to the U.S. Trustee and any statutory committee appointed in these Chapter 11 Cases of the opening or closing of any Bank Accounts and such opening or closing shall be timely indicated on the Debtors' monthly operating reports; *provided, further*, that the Debtors shall open any such new Bank Account at one of the Debtors' existing Banks or banks that have executed a Uniform Depository Agreement with the U.S. Trustee for the District of Delaware or at such banks that are willing to immediately execute such an agreement

15. For Cash Management Banks at which the Debtors hold Bank Accounts that are party to a Uniform Depository Agreement with the U.S. Trustee, within 14 days of the date of

entry of this Interim Order, the Debtors shall (i) contact each Cash Management Bank, (ii) provide the Cash Management Bank with each of the Debtors' employer identification numbers, (iii) identify each of their Bank Accounts held at such Cash Management Bank as being held by a debtor in possession and (iv) serve a copy of the interim order on each Cash Management Bank.

16. The requirements of section 345(b) of the Bankruptcy Code are waived on an interim basis for a period of 30 days after entry of this Interim Order as to Cash Management Banks at which the Debtors hold Bank Accounts that are not party to a Uniform Depository Agreement with the U.S. Trustee for the District of Delaware.

17. The requirement to establish separate accounts for cash collateral and/or tax payments is hereby waived.

18. Notwithstanding anything to the contrary set forth herein, the Debtors are authorized, but not directed, to continue Intercompany Transactions arising from or related to the operation of their business in the ordinary course. The Debtors shall not be authorized by this Interim Order to undertake any Intercompany Transactions that are (a) not on the same terms as, or materially consistent with, the Debtors' operation of their business in the ordinary course during the prepetition period or (b) prohibited or restricted by the terms of the DIP Order or any of the DIP Documents. All postpetition payments from a Debtor to another Debtor under any postpetition Intercompany Transactions authorized hereunder are hereby accorded administrative expense status under section 503(b) of the Bankruptcy Code, subject and junior to the claims, including adequate protection and superpriority claims, granted in connection with any DIP Orders. In connection with the Intercompany Transactions, the Debtors shall continue to maintain current records with respect to all transfers of cash so that all Intercompany Transactions may be readily ascertained, traced, and properly recorded on intercompany accounts consistent with



historical practice as described in the Motion; *provided* that such records shall distinguish between prepetition and postpetition transactions. The Debtors shall not make any intercompany loans to non-debtor entities absent further order of the court.

19. Nothing contained in the Motion or this Interim Order shall be construed to (a) create or perfect, in favor of any person or entity, any interest in cash of a Debtor that did not exist as of the Petition Date or (b) alter or impair any security interest or perfection thereof, in favor of any person or entity, that existed as of the Petition Date.

20. Notwithstanding the Debtors' use of a consolidated cash management system, the Debtors shall calculate quarterly fees under 28 U.S.C. § 1930(a)(6) based on the disbursements of each Debtor, regardless of which entity pays those disbursements.

21. The Debtors are authorized to issue postpetition checks, or to effect postpetition fund transfer requests, in replacement of any checks or fund transfer requests that are dishonored as a consequence of these Chapter 11 Cases with respect to prepetition amounts owed in connection with any Bank Fees.

22. Notwithstanding the relief granted in this Interim Order and any actions taken pursuant to such relief, nothing in this Interim Order shall be deemed: (a) an admission as to the validity, priority, or amount of any particular claim against a Debtor entity; (b) a waiver of the Debtors' or any other party in interest's right to dispute any particular claim on any grounds; (c) a promise or requirement to pay any particular claim; (d) an implication or admission that any particular claim is of a type specified or defined in this Interim Order or the Motion; (e) a request or authorization to assume any agreement, contract, or lease pursuant to section 365 of the Bankruptcy Code; (f) a waiver or limitation of the Debtors' or any other party in interest's rights under the Bankruptcy Code or any other applicable law; or (g) a concession by the Debtors or any

other party in interest that any liens (contractual, common law, statutory, or otherwise) satisfied pursuant to this Interim Order are valid and the Debtors and all other parties in interest expressly reserve their rights to contest the extent, validity, or perfection or to seek avoidance of all such liens. Any payment made pursuant to this Interim Order should not be construed as an admission as to the validity, priority, or amount of any particular claim or a waiver of the Debtors' or any other party in interest's rights to subsequently dispute such claim.

23. The banks and financial institutions on which checks were drawn or electronic payment requests made in payment of the prepetition obligations approved herein are authorized to receive, process, honor, and pay all such checks and electronic payment requests when presented for payment, and all such banks and financial institutions are authorized to rely on the Debtors' designation of any particular check or electronic payment request as approved by this Interim Order without any duty of further inquiry.

24. The contents of the Motion satisfy the requirements of Bankruptcy Rule 6003(b).


25. Notice of the Motion was provided in accordance with Local Rule 9013-1(m) and the requirements of Bankruptcy Rule 6004(a) and the Local Rules are satisfied by such notice.

26. Notwithstanding Bankruptcy Rule 6004(h), the terms and conditions of this Interim Order are immediately effective and enforceable upon its entry.

27. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Interim Order in accordance with the Motion.

28. This Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Interim Order.

**Dated: April 26th, 2023**  
**Wilmington, Delaware**



**CRAIG T. GOLDBLATT**  
**UNITED STATES BANKRUPTCY JUDGE**

**EXHIBIT 1****Bank Accounts**

<b>#</b>	<b>Debtor</b>	<b>Account Bank</b>	<b>Currency</b>	<b>Last Four Digits</b>	<b>Account Type</b>
1	SLP Holdings Ltd.	Bank of Montreal	CAD	(6367)	Inactive HoldCo Account
2	SLP Holdings Ltd.	Bank of Montreal	USD	(6078)	Inactive HoldCo Account
3	Structurlam Mass Timber Corporation	Bank of Montreal	CAD	(6375)	General Operating Account (Canada)
4	Structurlam Mass Timber Corporation	Bank of Montreal	USD	(6086)	Intermediary Exchange Account
5	Structurlam Mass Timber Corporation	BMO Harris Bank	USD	(2447)	General Operating and Intercompany Account (U.S.)
6	Structurlam Mass Timber U.S., Inc.	BMO Harris Bank	USD	(2652)	General Operating Account (U.S.)
7	Structurlam Mass Timber U.S., Inc.	BMO Harris Bank	USD	(9922)	Inactive Debt Service Reserve Account (U.S.)
8	Structurlam Mass Timber Corporation	Bank of Montreal	CAD	(6466)	Credit Card Account (CAD)
9	Structurlam Mass Timber Corporation	BMO Harris Bank	USD	(9968)	Credit Card Account (USD)