



This is the 14th Affidavit of William E. Aziz in this case and was made on August 11, 2017

NO. S-1510120  
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 THE *BUSINESS CORPORATIONS ACT*,  
S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMENT OF NEW  
WALTER ENERGY CANADA HOLDINGS, INC., NEW WALTER CANADIAN COAL  
CORP., NEW BRULE COAL CORP., NEW WILLOW CREEK COAL CORP., NEW  
WOLVERINE COAL CORP. AND CAMBRIAN  
ENERGYBUILD HOLDINGS ULC

PETITIONERS

**AFFIDAVIT**

I, **WILLIAM E. AZIZ**, Chief Restructuring Officer, of the Town of Oakville, in the Province of Ontario,  
MAKE OATH AND SAY AS FOLLOWS:

1. I am the President of BlueTree Advisors Inc. ("**BlueTree**") which has been retained to provide my services as Chief Restructuring Officer ("**CRO**") to the Petitioners (the "**New Walter Canada Group**"). As such, I have personal knowledge of the facts hereinafter deposed, except where such facts are stated to be based upon information and belief, and where so stated I do verily believe the same to be true.
2. This Affidavit is made in support of a motion by the New Walter Canada Group for an Order under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 as amended (the "**CCAA**") (the "**Claims Process Amendment Order**") that, *inter alia*,
  - (a) amends the Order of this Honourable Court made on August 16, 2016, and amended on December 21, 2016 (as amended, the "**Claims Process Order**") as discussed in greater detail below; and

(b) provides that paragraph 20 of the Order of this Honourable Court made on December 7, 2015 (the "Initial Order") shall be of no force and effect after August 4, 2017.

3. I was initially retained by Walter Energy Canada Holdings, Inc. ("Walter Energy Canada") to provide my services as CRO to Walter Energy Canada, its direct and indirect subsidiaries and affiliates, and the partnerships listed on Schedule "C" to the Initial Order (collectively, the "Old Walter Canada Group"). I was retained pursuant to an engagement letter dated December 30, 2015, as amended in response to certain requests made by Old Walter Canada Group stakeholders. BlueTree was appointed as CRO of the Old Walter Canada Group pursuant to the Order of this Honourable Court made on January 5, 2016 (the "SISP Order").

4. My engagement as CRO of the Old Walter Canada Group, other than as CRO of Cambrian Energy Build Holdings ULC ("Cambrian"), was terminated on December 15, 2016, when the entities comprising that group filed for bankruptcy.

5. The companies comprising the New Walter Canada Group (other than Cambrian) were incorporated on December 8, 2016, pursuant to the authorization granted in paragraph 5 of the Order of this Honourable Court made on December 7, 2016 (the "CCAA Procedure Order"). Each such company became a Petitioner in these CCAA proceedings and subject to the CCAA Charges (as defined in the CCAA Procedure Order), and I became CRO of each new company in the New Walter Canada Group when the companies were formed.

6. Where I use capitalized terms in this Affidavit, but do not define them, I intend them to bear their meanings as defined in the Claims Process Order.

7. The information in this Affidavit is arranged under the following headings:

I. Proposed Amendments to Claims Process Order .....2

II. Proposed Amendment to Initial Order .....4

I. PROPOSED AMENDMENTS TO CLAIMS PROCESS ORDER

8. The New Walter Canada Group and the Monitor have been soliciting Restructuring Claims at the appropriate times pursuant to the Claims Process Order. They are also aware of further claims that may be filed that might qualify as Restructuring Claims (as defined in the Claims Process Order). However, as the United Mine Workers of America 1974 Pension Plan and Trust (the "1974 Plan") has been asserting a Claim that exceeds \$1 billion throughout these CCAA proceedings, the New Walter Canada Group and the Monitor determined that it was prudent not to use estate resources

to resolve disputed Claims or call for new Claims until the 1974 Plan's Claim was finally determined. As a result, the New Walter Canada Group has not conclusively determined the potential universe of all Claims that may exist.

9. Recently, the 1974 Plan informed the New Walter Canada Group and the Monitor that it is willing to subordinate its Claim to certain Allowed Claims, irrespective of the outcome of the ongoing appeal regarding the validity of its Claim, to permit a distribution to take place. The New Walter Canada Group would support the 1974 Plan's decision to subordinate its Claim whether such Claims have already been allowed or are allowed in the future and regardless of the outcome of the appeal, and desires to make a distribution.
10. However, before such a distribution can take place, the New Walter Canada Group and the Monitor need to conclude the Claims Process to identify and determine all remaining Claims. The Claims Process Amendment Order will allow the New Walter Canada Group to complete the Claims Process by identifying remaining Restructuring Claims and Directors/Officers Claims that have not yet been solicited, and finally determining all Claims. The Claims Process Amendment Order will permit the New Walter Canada Group and the Monitor to develop a plan of distribution that would treat all stakeholders fairly.
11. The proposed Claims Process Amendment Order provides for the following:
  - (a) Setting October 6, 2016 (the "**Unresolved Restructuring Claims Bar Date**") for the filing of all Restructuring Claims and all Directors/Officers Claims that have not previously been required to be filed pursuant to the Claims Process Order (each an "**Unresolved Restructuring Claim**").
  - (b) The Monitor shall run advertisements calling for Unresolved Restructuring Claims for at least one (1) Business Day in the Globe and Mail (National Edition), the Vancouver Sun and the Tumbler Ridge News and such other local publications as the New Walter Canada Group and the Monitor may determine is advisable, and the Monitor shall post the newspaper notice on its website for these CCAA Proceedings.
  - (c) The Monitor shall send the proof of claim form attached to the Claims Process Amendment Order (a "**Proof of Claim**") to such persons as the New Walter Canada Group and the Monitor may determine is advisable, which shall include those First Nations and Métis organizations that have entered into Cooperation Agreements with predecessors of any member of the New Walter Canada Group.
  - (d) The provisions regarding adjudication of Claims set out in paragraphs 34 to 40 of the Claims Process Order, including the time periods set out in Claims Process Order for

Notices of Revision or Disallowance and Notices of Response, will continue to apply. Under those timelines:

- (i) By no later than thirty Business Days after the Unresolved Restructuring Claims Bar Date, the Monitor, in consultation with the New Walter Canada Group, shall send a Notice of Revision or Disallowance to all Claimants who filed documentation with the Monitor before the Unresolved Restructuring Claims Bar Date where the Monitor, in consultation with the New Walter Canada Group, is of the view that the applicable Claim should not be accepted. If no Notice of Revision or Disallowance is sent to a Claimant, that Claimant's Claim is deemed to be an Allowed Claim for voting and distribution purposes.
- (ii) Claimants who receive Notices of Revision or Disallowance with which they disagree must file with the Monitor a completed Notice of Dispute by twenty Business Days from delivery of the Notice of Revision or Disallowance.
- (e) If a Claimant fails to file a Proof of Claim on or before the Unresolved Restructuring Claims Bar Date (or such later date as the Monitor, in consultation with the New Walter Canada Group may agree in writing or the Court may otherwise direct) or respond to a Notice of Revision or Dispute, then its Claim shall be forever barred or shall be determined at the amount set in the Notice of Revision or Disallowance.

- 12. The initial Claims Process, including the Claims Bar Date and any Restructuring Claims Bar Date that has occurred in the Claims Process are to remain fully effective, and the Claims Process Amendment Order will not re-open the Claims Process for any Claims that have already been barred.

## **II. PROPOSED AMENDMENT TO INITIAL ORDER**

- 13. The Claims Process Amendment Order includes a provision providing that Paragraph 20 of the Initial Order shall be of no force or effect from and after August 4, 2017. The relevant paragraph of the Initial Order stayed all rights and remedies of any person against or in respect of the Walter Canada Group (as defined in the Initial Order), Belcourt Saxon Coal Ltd. or Belcourt Saxon Coal Limited Partnership in relation to the Belcourt Saxon Limited Partnership Agreement, including any rights in respect of the removal of the general partner or the triggering of any sale, assignment or transfer rights under such agreement.

14. This provision is no longer necessary as the sale of New Water Canada Group's interests related to the Belcourt Saxon Limited Partnership Agreement closed on August 4, 2017. The transaction is described in detail in my eleventh Affidavit in these proceedings, sworn June 27, 2017.

SWORN BEFORE ME at the Town  
of Oakville, in the Province of  
Ontario, on August 11, 2017.

Waleed Mulla  
Commissioner for Taking Affidavits  
and Notary Public in the Province of  
Ontario

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William E. Aziz  
WILLIAM E. AZIZ



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COAL CORP. AND CAMBRIAN ENERGYBUILD  
HOLDINGS ULC**

PETITIONERS

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**AFFIDAVIT #14 OF WILLIAM E. AZIZ**

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