

BCSC File 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, 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 (APPLICANTS)

AND

THE UNITED STEEL, PAPER AND FORESTRY, RUBBER, MANUFACTURING,  
ENERGY, ALLIED INDUSTRIAL AND SERVICE WORKERS  
INTERNATIONAL UNION (UNITED STEELWORKERS), LOCAL 1-424

APPLICATION RESPONDENT

**APPLICATION RESPONSE**

**APPLICATION RESPONSE OF: The United Steelworkers, Local 1-424 (the "Application Respondent")**

TO: The Service List

THIS IS A RESPONSE TO: The Notice of Application of Walter Energy Holdings Inc. et al, Applicants (Petitioners), filed February 22, 2018.

**PART 1: ORDERS CONSENTED TO**

1. The following paragraphs in the Applicants' Notice of Application Schedule A Draft Order:

1(a)

**PART 2: ORDERS OPPOSED**

2. The following paragraphs in the Applicants' Notice of Application Schedule A Draft Order:

1(b)

3. The Application Respondent opposes any extension of the Stay unless Applicants comply with the following:

- i) The Applicants shall provide a date by which the Applicants must file a plan of arrangement.
- ii) The Applicants, with assistance from the Monitor, shall provide a written explanation for the delay of distribution, in plain and accessible English, for the Application Respondent to provide to creditors who are former employees' of Wolverine Mine near Tumbler Ridge, BC operated by Walter Energy Inc. and Wolverine Coal Ltd. as Wolverine Coal Partnership (the "Former Employees") .

**PART 3: ORDERS ON WHICH NO POSITION IS TAKEN**

4. The following paragraphs in the Applicants' Notice of Application Schedule A Draft Order:  
none

**PART 4: FACTUAL BASIS**

5. The Application Respondent, the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union (the "Steelworkers"), was the certified bargaining agent for the Former Employees.

6. The Applicants say that an extension is necessary for them to finish preparing a plan of compromise and arrangement that can be put to the creditors, close the transaction with Specialty Carbons (if approved by the Court), and continue litigating a claim from Kevin James.

7. By the end of the proposed stay extension, April 16, 2018, many of the Former Employees will have waited over 4 years to be paid wages owed to them.

8. The Affidavit #2 of Dan Will, attached to this application, details some of the hardship suffered by the Former Employees due to the delay of distributions.

9. The Application Respondents are not a party to the current issues involved with finalizing the plan of arrangement and, as a result, have struggled to provide the Former Employees with a clear explanation as to why the plan of arrangement has not yet been filed, or why the Former Employees remain unpaid.

#### **PART 5: LEGAL BASIS**

10. The Court has discretion under section 11.02(3) of the *Companies Creditors Arrangement Act* to extend a stay period only in circumstances where making such an order is appropriate.

11. The Application Respondent submits that it is not yet appropriate to make such an order under the current circumstances. There is currently no deadline for the Applicants to file a plan of arrangement. Furthermore, many creditors including the Former Employees remain without a clear explanation as to why they have yet to be paid.

12. The Application Respondent submits that it would only be appropriate to allow for an extension of the stay in the following circumstances:

- i) the Applicants provide a date by which the plan of arrangement must be filed, and;
- ii) the Applicants (with the assistance of the Monitor) draft a clear and accessible explanation setting out why the Former Employees have not yet been paid out, for the Application Respondent to distribute and post on its website.

13. Until the above requests are ordered or agreed to, the Application Respondent cannot support any further extension of the stay.

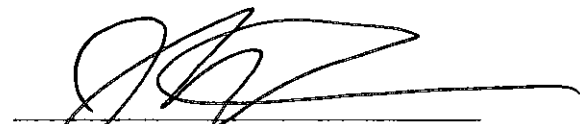
**PART 6: MATERIAL TO BE RELIED ON**

1. Affidavit #2 of Dan Will, sworn February 13, 2018.

The Application Respondent estimates that the application will take: **70 minutes**.

The Application Respondent has filed in this proceeding a document that contains the application respondent's address for service.

Date: February 26, 2018



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Jeff Sanders  
Counsel for the Application Respondent