IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	:	Chapter 11
MERCER INTERNATIONAL INC., *et al.*,	:	Case No. 26-90829 (CML)
Debtors.[1]	:	(Joint Administration Requested)

DECLARATION OF RICHARD SHORT IN SUPPORT OF
DEBTORS' CHAPTER 11 PETITIONS AND FIRST DAY RELIEF

I, Richard Short, pursuant to section 1746 of title 28 of the United States Code, hereby declare that the following is true and correct:

1. I am the Chief Financial Officer ("***CFO***") of Mercer International Inc. ("***Mercer***"). Mercer and its wholly owned subsidiary, Mercer International (Texas) LLC, are the debtors in these prepackaged chapter 11 cases (the "***Chapter 11 Cases***") and are collectively referred to herein as the "***Debtors***".[2] I submit this Declaration in support of the Chapter 11 Cases, through which the Debtors seek to implement a consensual restructuring of the Company's balance sheet (the "***Restructuring***"). More specifically, I submit this Declaration in support of the Debtors' petitions and all "first-day" motions and applications filed by the Debtors (collectively, the "***First Day Pleadings***").

2. I was appointed as CFO in June 2023. Before that, I served in the following capacities at Mercer: (i) Vice President, Controller from February 2014 to June 2023; (ii) Controller from November 2010 to February 2014; and (iii) Director, Corporate Finance from July 2007 to November 2010. I have been personally involved in the Company's business and

[1] The Debtors in the Chapter 11 Cases, together with the last four digits of each Debtor's taxpayer identification number, are: Mercer International Inc. (6945) and Mercer International (Texas) LLC (N/A). The Debtors' mailing address for purposes of the Chapter 11 Cases is: Suite 1120, 700 West Pender Street, Vancouver, British Columbia V6C 1G8.

[2] The "***Company***" as defined below collectively refers to the Debtors together with their non-Debtor affiliates.

operations for almost 20 years. More recently, as CFO, I have been personally involved in the Debtors' restructuring efforts alongside the Special Committee and the Board (each as defined below), the other members of Mercer's executive management team, and the Company's advisors. Through my tenure at Mercer and my involvement in these efforts, I have acquired extensive knowledge of the Company's business, operations, capital structure, and financial affairs, as well as the circumstances leading to the commencement of the Chapter 11 Cases.[3]

3. I received a Bachelor of Arts from the University of British Columbia and am a member of the Chartered Professional Accountants of British Columbia.

4. Except as otherwise indicated herein, the facts set forth in this Declaration are based upon my personal knowledge, my review of relevant documents, information provided to me by employees working under my supervision, my opinion based upon experience, knowledge, and information concerning the Company's operations and financial condition, my own reasonable inquiry, or my discussions with the Company's officers, directors, and restructuring advisors, including professionals at Latham & Watkins LLP ("***Latham***"), Hunton Andrews Kurth LLP ("***Hunton***"), Houlihan Lokey Capital, Inc. ("***Houlihan Lokey***"), and Alvarez & Marsal North America, LLC ("***A&M***" and, together with Latham, Hunton, and Houlihan Lokey, the "***Advisors***"). If called upon to testify, I would testify to the facts set forth in this Declaration.

5. On the date hereof (the "***Petition Date***"), the Debtors filed voluntary petitions (the "***Petitions***") in the United States Bankruptcy Court for the Southern District of Texas (the "***Court***"), thereby commencing the Chapter 11 Cases under chapter 11 of title 11 of the United States Code (the "***Bankruptcy Code***").

6. This Declaration is organized into four sections. The **first section** provides an overview of the Company and the Chapter 11 Cases, including the general framework for the Restructuring. The **second section** describes the Company's business, organizational and capital structure, history, and current operations. The **third section** describes the events leading to the

[3] Capitalized terms used but not otherwise defined herein have the meanings ascribed to such terms in the Consenting Senior Noteholder RSA or the Plan (each as defined below), as applicable.

commencement of the Chapter 11 Cases and the Debtors' prepetition restructuring efforts. The **fourth section** identifies the First Day Pleadings and provides the factual basis for the relief requested therein.

I. OVERVIEW

7. The Debtors, together with their non-Debtor affiliates (the "***Non-Debtor Affiliates***" and, together with the Debtors, the "***Company***"), are a leading group of global forest products companies that process sustainably sourced wood into a wide range of products used primarily in paper, packaging, and construction applications. The Company's principal executive office is in Vancouver, British Columbia, Canada, and it has significant operations and assets in the United States, Canada, and Germany. Mercer's common stock is listed on the NASDAQ Global Select Market and trades under the symbol "MERC".

8. These Chapter 11 Cases involve only two Debtor entities: (i) Mercer International Inc., the publicly traded parent of the corporate group, and (ii) its wholly owned subsidiary, Mercer International (Texas) LLC (which was formed shortly in advance of the Petition Date). Neither Debtor has direct business operations or employees. Moreover, the two Debtor entities have only unsecured funded debt creditors and intend to fund the Chapter 11 Cases entirely with unencumbered cash, without the need for debtor-in-possession financing or the use of cash collateral. The Debtors are not seeking to prime or otherwise affect the rights of any secured creditors.

9. The Company's operations are carried out through Non-Debtor Affiliates that are not subject to the Chapter 11 Cases. The Company expects to continue operating its business in the ordinary course with minimal disruption throughout the Restructuring.

10. Although the Company remains a leading global forest products producer, it faces significant financial challenges driven by near-term debt maturities, increased indebtedness, and challenging industry and market conditions. Despite its efforts to address these challenges through various strategic and liquidity-preservation initiatives, the Company ultimately determined that a

financial restructuring was necessary to strengthen its balance sheet, enhance liquidity, and position the business for long-term success.

11. These Chapter 11 Cases involve a "straddle" prepackaged balance sheet restructuring primarily designed to address approximately $1.275 billion in unsecured Senior Notes (as defined below), which represent substantially all of the Debtors' funded indebtedness as of the Petition Date. Under the Plan, the Senior Notes will be predominantly equitized, with holders of Senior Notes Claims receiving a substantial majority of the reorganized equity (together with takeback secured debt and the opportunity to participate in the Rights Offering), and holders of Existing Equity Interests retaining a minority interest in Reorganized Mercer. The Senior Notes Claims and Existing Equity Interests are the only two impaired classes under the Plan. All other classes, including those of general unsecured creditors and trade creditors, will remain unimpaired.

12. The Restructuring also provides for up to $400.0 million in new financing through the Rights Offering, together with access of up to $300.0 million under the New ABL Facility, to support the Company's operations and provide liquidity upon emergence. The Rights Offering is fully backstopped by certain holders of Senior Notes Claims, with a backstop fee of $56.0 million payable in Put Option Premium Notes pursuant to the Backstop Commitment Letter.[4] The $420.0 million Rights Offering is subject to a dollar-for-dollar reduction for amounts drawn under the New ABL Facility (in the aggregate across all facilities comprising the New ABL Facility) at close; *provided* that such dollar-for-dollar reduction shall only be available if and to the extent liquidity at close is above $300.0 million and such dollar-for-dollar reduction shall not reduce liquidity at close to below $300.0 million. The Debtors are seeking approval of the Rights Offering Procedures at the first-day hearing to permit the Rights Offering to proceed alongside the solicitation of votes on the Plan. The Debtors are also filing a separate motion on the Petition Date seeking approval of the Backstop Commitment Letter, including the consideration payable thereunder to the Backstop Parties, and are requesting entry of an order granting such relief within

[4] The backstop fee is payable in cash if the Backstop Commitment Letter is terminated before the Effective Date for any reason other than a breach by the Backstop Parties.

22 days after the Petition Date. The Debtors are not seeking approval of the $56.0 million backstop fee at the First Day Hearing.

13. The Restructuring has substantial support from holders in both impaired classes. Pursuant to the Consenting Senior Noteholder RSA (as defined below), the Plan is supported by the Consenting Senior Noteholders who collectively hold approximately 88.58% of the aggregate outstanding principal amount of Senior Notes. Separately, pursuant to the Consenting Equityholder RSA, the Plan is supported by the Consenting Equityholders who collectively hold approximately 43.1% of the aggregate outstanding Existing Equity Interests.

14. The Debtors expect to proceed through these Chapter 11 Cases on an expedited basis, targeting emergence by December 31, 2026 (subject to domestic and foreign regulatory approvals). With substantial stakeholder support, an agreed-upon restructuring framework, and limited disruption to the Company's ordinary-course operations, the Debtors believe that the proposed Restructuring provides an efficient path to materially reduce indebtedness, enhance liquidity, and strengthen the Company's balance sheet while preserving ongoing relationships with stakeholders.

A. Overview of the Plan and Restructuring Support Agreements

15. In connection with the Restructuring, the Debtors have entered into: (i) a Restructuring Support Agreement with the Consenting Senior Noteholders who collectively hold approximately 88.58% of the aggregate outstanding principal amount of Senior Notes (including any amendments, modifications, and joinders thereto, the "***Consenting Senior Noteholder RSA***"); and (ii) a Restructuring Support Agreement with the Consenting Equityholders who collectively hold approximately 43.1% of the aggregate outstanding Existing Equity Interests (including any amendments, modifications, and joinders thereto, the "***Consenting Equityholder RSA***" and, together with the Consenting Senior Noteholder RSA, the "***Restructuring Support Agreements***"). Copies of the Consenting Senior Noteholder RSA and the Consenting Equityholder RSA are attached hereto as **Exhibits A and B**, respectively (each with signature pages and attachments

omitted). The Debtors have also filed their proposed *Joint Prepackaged Chapter 11 Plan of Reorganization of Mercer International Inc. and its Debtor Affiliate* (the "***Plan***").

16. A summary of the key components of the Restructuring, as set forth in the Plan and the Restructuring Support Agreements, is as follows:

a. ***Substantial Deleveraging and Equitization of Senior Notes***. The Restructuring will substantially deleverage the Company's balance sheet by reducing total funded debt from approximately $1.6 billion as of the Petition Date to approximately $700 million upon emergence. This reduction will be achieved principally through the cancellation of approximately $1.275 billion in aggregate principal amount of outstanding Senior Notes, with the holders of Senior Notes Claims receiving 91.5% of the New Common Stock (subject to the dilution described in the Plan), 56.5% of the New Convertible Preferred Stock, $150.0 million in Takeback Senior Secured Notes, and Subscription Rights under the Rights Offering.

b. ***Fully Backstopped Rights Offering***. The Restructuring will also provide significant new capital to fund the business and address the Company's near-term debt maturities. On the Effective Date, Reorganized Mercer will effectuate the Rights Offering, whereby holders of Allowed Senior Notes Claims will have the opportunity to purchase up to $420.0 million in aggregate principal amount of New Money Senior Secured Notes (inclusive of $20.0 million of original issue discount but exclusive of the Put Option Premium described below), representing up to $400.0 million of new liquidity for the business. As detailed in the Plan, each Rights Offering Participant that elects to exercise its Subscription Rights will receive its Pro Rata Share of the Stapled Equity, which consists of 40.0% of the New Common Stock and 40.0% of the New Convertible Preferred Stock. The Rights Offering is fully backstopped by certain holders of Senior Notes Claims, with a backstop fee of $56.0 million payable in Put Option Premium Notes (or, solely if the Backstop Commitment Letter is terminated before the Effective Date for any reason other than a breach by the Backstop Parties, in Cash) pursuant to the Backstop Commitment Letter. The $420.0 million Rights Offering is further subject to a dollar-for-dollar reduction for amounts drawn under the New ABL Facility (in the aggregate across all facilities comprising the New ABL

Facility) at close; *provided* that such dollar-for-dollar reduction shall only be available if and to the extent liquidity at close is above $300.0 million and such dollar-for-dollar reduction shall not reduce liquidity at close to below $300.0 million.

c. ***New ABL Facility***. In addition, on or around the Effective Date, Reorganized Mercer or its Affiliates will enter into the New ABL Facility, providing for commitments in an aggregate principal amount of up to $300.0 million. The New Money Senior Secured Notes are subject to a dollar-for-dollar reduction for amounts drawn under the New ABL Facility (in the aggregate across all facilities comprising the New ABL Facility) at closing; *provided* that such dollar-for-dollar reduction shall only be available if and to the extent liquidity at closing is above $300.0 million and shall not reduce liquidity at closing to below $300.0 million. Proceeds of the Rights Offering and the New ABL Facility, together with other available liquidity, will be used to, among other things, (i) reduce the outstanding indebtedness under the Canadian ABL Facility, which matures in January 2027 and (ii) repay in full and terminate the German RCF, which matures in September 2027, thereby addressing significant near-term maturities, while also providing post-emergence working capital and liquidity.

d. ***Rights Offering Procedures & Backstop Commitment Letter***. The Debtors are seeking approval of the Rights Offering Procedures at the first-day hearing to permit the Rights Offering to proceed alongside the post-petition solicitation of votes on the Plan. The Debtors are also filing a separate motion on the Petition Date seeking approval of the Backstop Commitment Letter, including the consideration payable thereunder to the Backstop Parties, and are requesting entry of an order granting such relief within 22 days after the Petition Date. The Debtors are not seeking approval of the $56.0 million Put Option Premium at the First Day Hearing.

e. ***Treatment of Existing Equity Interests***. Each holder of Allowed Existing Equity Interests will receive its Pro Rata Share of 8.5% of the New Common Stock (subject to the dilution described in the Plan) and 3.5% of the New Convertible Preferred Stock, representing a materially greater recovery than such holders would be expected to receive in a liquidation.

f. ***All Other Stakeholder Classes Unimpaired.*** To minimize disruption to the Company's business and preserve ordinary-course stakeholder relationships, holders of Allowed Secured Claims, Allowed Other Priority Claims, Allowed General Unsecured Claims, Intercompany Claims, Intercompany Interests, and Allowed 510(b) Claims will be unimpaired under the Plan.

B. Proposed Timeline & Solicitation of Votes

17. The Debtors commenced the solicitation of votes on the Plan (the "***Solicitation***") before the Petition Date from holders of Senior Notes Claims. Holders of Existing Equity Interests will be solicited following entry of the Solicitation Procedures Order. The Solicitation will continue through the Voting Deadline, currently expected to be December 10, 2026.

18. Under the proposed Solicitation Procedures, Eligible Holders (i.e., accredited investors, qualified institutional buyers, and certain non-U.S. persons) of Senior Notes Claims may submit ballots at any time before the Voting Deadline, while Non-Eligible Holders of Senior Notes Claims and holders of Existing Equity Interests may only submit ballots following entry of the Solicitation Procedures Order. Given the support of the Consenting Senior Noteholders and the Consenting Equityholders under each applicable Restructuring Support Agreement, the Debtors anticipate that the Plan will receive the requisite votes for acceptance under section 1126 of the Bankruptcy Code.

19. The Consenting Senior Noteholder RSA establishes the following milestones (the "***Milestones***"), which may be extended with the prior written consent of the Required Consenting Senior Noteholders and the Debtors:

Event	Deadline
Deadline to commence Solicitation	One (1) hour before commencement of the Chapter 11 Cases
Deadline to commence the Chapter 11 Cases	November 9, 2026
Deadline to file the Plan, the Disclosure Statement, and the motion seeking entry of the Disclosure Statement Approval Order	One (1) calendar day after the Petition Date

Deadline for entry of an order conditionally approving the Disclosure Statement	Three (3) calendar days after filing of the Disclosure Statement
Deadline for entry of Backstop Order	Twenty-two (22) calendar days after the Petition Date, subject to an automatic extension due to Bankruptcy Court unavailability, but in no event later than twenty-eight (28) calendar days after the Petition Date
Deadline for entry of Disclosure Statement Approval Order and Confirmation Order	Forty-five (45) calendar days after the Petition Date
Deadline for the Effective Date	The earlier of: (i) December 31, 2026; and (ii) fourteen (14) calendar days after entry of the Confirmation Order, subject to an automatic thirty (30) calendar day extension if the Effective Date has not occurred solely because required Regulatory Approvals have not yet been obtained

20. The Debtors are committed to meeting this timeline and are targeting emergence by December 31, 2026 (subject to any domestic or foreign regulatory approvals). The commencement of the Chapter 11 Cases represents a crucial step in the Company's efforts to right-size its capital structure while preserving customer confidence and continuity across its business. Through the Restructuring, the Debtors expect to emerge with a stronger balance sheet and enhanced liquidity, better positioning the Company to serve its customers, pursue its long-term business objectives, and create value for its stakeholders.

II. BACKGROUND

A. Overview of the Company's Business Operations

21. The Debtors, together with their Non-Debtor Affiliates, are a leading group of global forest products companies that process sustainably sourced wood into a wide range of products used primarily in paper, packaging, and construction applications. The Company's principal executive office is in Vancouver, British Columbia, Canada, and it has significant operations and assets in the United States, Canada, and Germany. Mercer's shares of common stock are quoted and listed for trading on the NASDAQ Global Select Market under the symbol "MERC". The Company operates through two primary business segments: the pulp segment (the "***Pulp Segment***") and the solid wood segment (the "***Solid Wood Segment***").

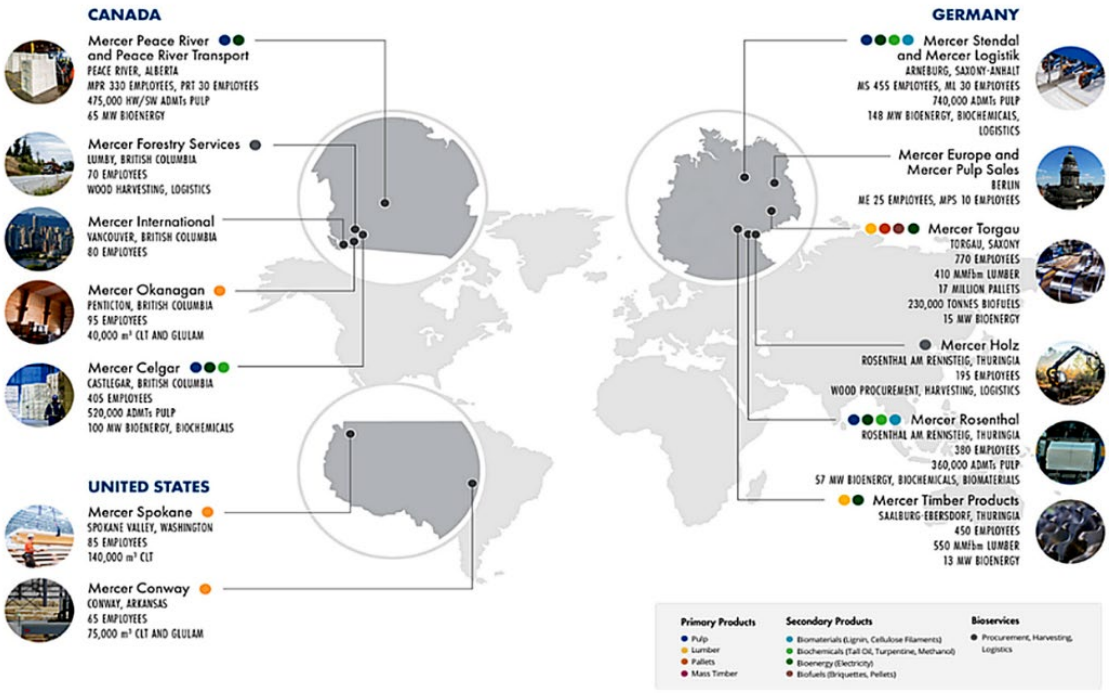
22. The Company employs approximately 3,500 employees worldwide across its pulp mills, sawmills, mass timber facilities, and corporate functions, including approximately 2,310 employees in Germany, 1,070 employees in Canada, and 145 employees in the United States. All of these employees are employed by Mercer's Non-Debtor Affiliates.[5]

23. The Company's primary strategic focus is on the production of high-quality pulp and solid wood forest products through its two principal operating segments. Mercer is one of the world's largest producers of "market" pulp and a growing leader in solid wood products. The Company's large-scale, modern pulp mills produce northern bleached softwood kraft ("***NBSK***") pulp, northern bleached hardwood kraft ("***NBHK***") pulp, and biomass-based green energy and bioextractives.

24. Mercer also operates one of the world's largest softwood lumber facilities and is firmly establishing itself as one of North America's leading mass timber providers. In addition to traditional forest products, which are the core of its business, the Company generates green electricity using biofuels in connection with its pulping and sawmilling operations and sells surplus electricity to third-party utilities and into regional electricity markets, thus providing the Company with a stable supplemental revenue source unrelated to pulp or lumber prices.

25. The following chart provides an overview of the Company's global operations and geographic footprint:

[5] The Company has no more than $1.7 million in accrued and unpaid obligations under its short-term incentive plan, which it intends to satisfy in the ordinary course at emergence.



B. History and Formation

26. Mercer was originally organized in 1968 as a business trust under the laws of the State of Washington. On March 1, 2006, Mercer converted from a business trust to a corporation organized under the laws of the State of Washington through a series of merger transactions. The Company's principal executive offices are located in Vancouver, British Columbia, Canada. Mercer is the ultimate parent company of the Mercer International group and is the issuer of the Company's publicly traded common stock and the Senior Notes. The Company's operations are primarily carried out through Mercer's various Non-Debtor Affiliates in the United States, Germany, and Canada.

27. Mercer originally invested in various real estate assets with the intention of becoming a real estate investment trust. However, in 1985, the Company changed its strategic direction and began acquiring controlling interests in operating companies. In 1994, the Company entered the pulp business through the acquisition of the Rosenthal mill in Germany. Over the following decades, the Company expanded its pulp operations through a combination of organic investment and strategic acquisitions. In 1999, the Company converted the Rosenthal mill to the

production of kraft pulp. The Company continued to expand its pulp operations with the construction of the Stendal mill in Germany, which commenced operations in 2004 following an investment of approximately $1.1 billion, and the subsequent acquisitions of the Celgar mill in British Columbia, Canada for approximately $210.0 million in 2005, and the Peace River mill in Alberta, Canada in 2018, as part of a share purchase transaction valued at approximately $344.0 million.

28. Beginning in 2017, the Company expanded beyond its traditional pulp business into solid wood products with the acquisition of the Friesau mill in Germany. The Company subsequently expanded its solid wood business through the acquisition of the Spokane facility for approximately $51.3 million in 2021, the Torgau facility (through a share purchase transaction) for approximately $263.2 million in 2022, and the Conway facility and Okanagan facility from the Structurlam group of companies for approximately $82.1 million in 2023.

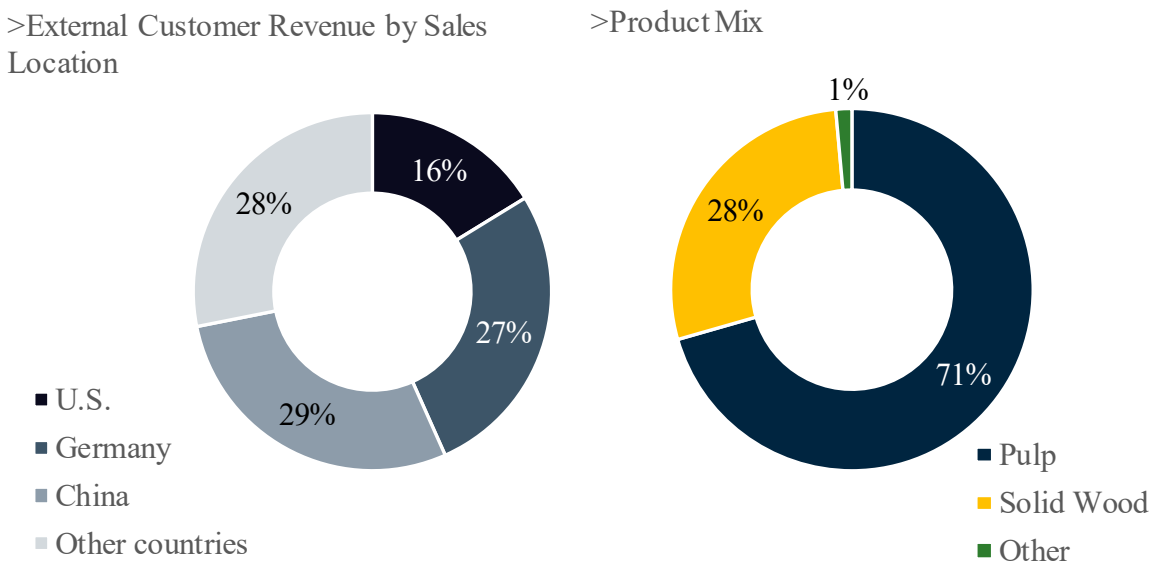
29. Throughout its history, the Company has pursued long-term growth in the forest products industry through a combination of strategic acquisitions and organic investments, including targeted capital expenditures to enhance and expand its existing assets.

C. Current Business Operations

1. Products & Services

30. As described above, the Company's two primary operating segments are the Pulp Segment and the Solid Wood Segment. Each segment is described in greater detail below. The following chart sets out the Company's principal product and geographic sales mix for the six months ending June 30, 2026:

Diversified Geographics and Products



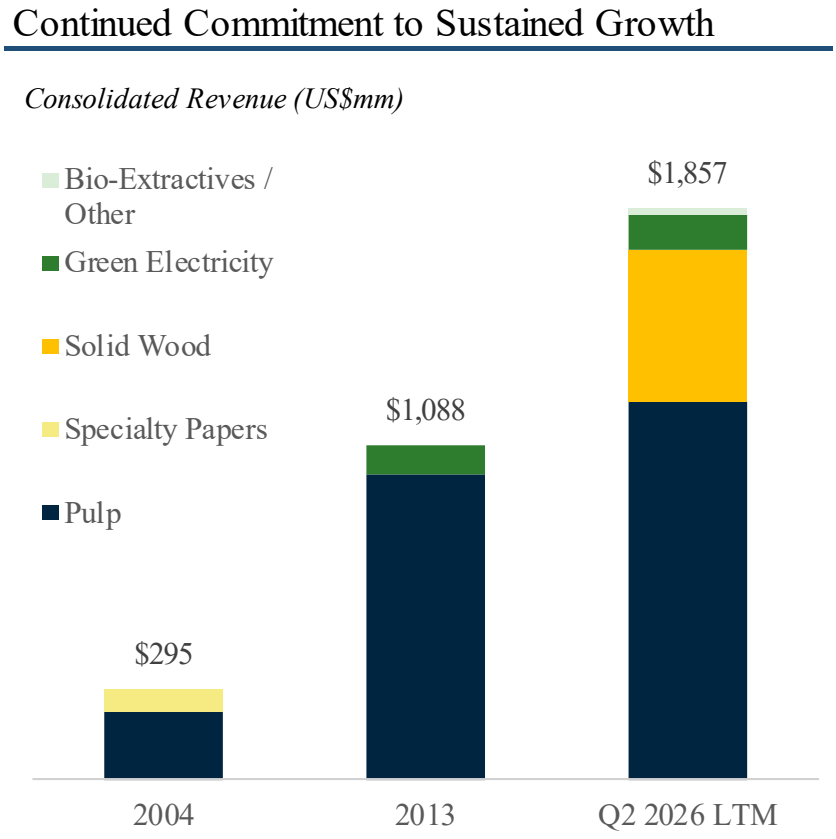
31. ***Pulp Segment***. The Pulp Segment consists of the manufacture, sale, and distribution of pulp, green electricity, and bio-chemicals at Mercer's pulp mills located in Germany and Canada. The Company is one of the world's largest producers of market NBSK pulp, a premium grade of pulp valued in part for its strength characteristics, which is sold primarily to tissue and paper producers. The Company operates four pulp mills, including two NBSK mills in Germany and two mills in Western Canada (one NBSK mill and one "swing" kraft mill capable of producing both NBSK and NBHK pulp). In addition to producing pulp, Mercer's mills operate as large-scale bio-refineries that generate green electricity from biofuels produced during the pulp manufacturing process, including black liquor and wood waste. This green electricity is used to support mill operations, and surplus electricity is sold to third-party utilities or into regional electricity markets.

32. ***Solid Wood Segment***. The Solid Wood Segment consists of the manufacture, sale, and distribution of lumber, engineered wood products, wood pallets, electricity, biofuels, and wood residuals from the Company's sawmills in Germany and its mass timber facilities in North America. The Company's lumber products include dimensional, specialty, and other finished

sawn lumber and are sold primarily to national and regional distributors, construction firms, secondary manufacturers, retail yards, and home centers in the United States, Europe, and Asia. The Solid Wood Segment also involves the production of wood pallets, including Euro-pallets for customers primarily located in Europe. In addition, the Company manufactures engineered wood products, including cross-laminated timber ("***CLT***"), glulam, and finger joint lumber. CLT and glulam are used in residential and commercial construction, with CLT serving as a more sustainable alternative to traditional building materials, such as steel and concrete. Wood residuals generated through the manufacturing process are used internally, sold to third parties, or converted into products such as wood pellets and briquettes, while certain facilities also generate renewable electricity from biomass.

2. Revenue Breakdown

33. The Company's revenues are diversified across its Pulp and Solid Wood Segments, as reflected in the chart below, which presents the Company's consolidated revenue by product as of 2004, 2013, and Q2 2026. As detailed below, the Company continues to generate revenues across an increasingly diverse range of product categories. During Q2 2026, the Company generated approximately $460 million of revenue, consisting of approximately: (i) $303 million, or 66%, from pulp sales; (ii) $57 million, or 12%, from lumber sales; (iii) $32 million, or 7%, from wood pallet sales; (iv) $28 million, or 6%, from green energy and bio-chemical sales; (v) $26 million, or 6%, from manufactured products; (vi) $11 million, or 2%, from biofuel sales; and (vii) $3 million, or 1%, from wood residual sales. Notwithstanding the challenging market conditions described herein, the Company's revenues have been relatively stable year over year, with revenues of approximately $460 million during the second quarter of 2026 compared with approximately $454 million during the second quarter of 2025.



34. The Company manufactures its pulp and solid wood products at nine facilities located in the United States, Canada, and Germany, as set forth below:

Name of Facility	Location	Year Built (Acquired)	Products & Approximate Capacity	Owner	Facility Illustration
Peace River Facility	Peace River, Alberta	1990 (acquired by Company in 2018)	NBSK and NBHK pulp (475,000 ADMTs of annual production capacity)	Mercer Peace River Pulp Ltd.	
Okanagan Facility	Okanagan Falls/Penticton, British Columbia	Acquired by Company in 2023	CLT and glulam (40,000 m3 of aggregate annual production capacity)	OK Laminators Inc.	
Celgar Facility	Castlegar, British Columbia	1960 (acquired by Company in 2005)	NBSK pulp (520,000 ADMTs of annual production capacity)	Mercer Celgar Limited Partnership	

Name of Facility	Location	Year Built (Acquired)	Products & Approximate Capacity	Owner	Facility Illustration
Spokane Facility	Spokane Valley, Washington	2019 (acquired by Company in 2021)	CLT (140,000 m3 of annual production capacity)	Mercer Spokane LLC	
Conway Facility	Conway, Arkansas	2021 (acquired by Company in 2023)	CLT and glulam (75,000 m3 of annual production capacity)	Mercer Conway Inc.	
Stendal Facility	Arneburg, Germany	2004	NBSK pulp (740,000 ADMTs of annual production capacity)	Mercer Stendal GmbH	
Torgau Facility	Torgau, Germany	1999 (acquired by Company in 2022)	Lumber, wood pallets, and biofuels (annual production capacity of approximately (i) 473 MMfbm of lumber, (ii) 17 million pallets and (iii) 230,000 tonnes of biofuels)	Mercer Torgau Holding GmbH	
Friesau Facility	Friesau, Germany	1992 (acquired by Company in 2017)	Lumber (550 MMfbm of annual lumber production capacity)	Mercer Timber Products GmbH	
Rosenthal Facility	Rosenthal am Rennsteig, Germany	1883 (acquired by Company in 1994)	NBSK pulp (360,000 ADMTs of annual production capacity)	Mercer Rosenthal GmbH	

D. Corporate Structure, Governance & Management

35. Mercer is the ultimate parent company of the corporate group and is the direct or indirect owner of nine material operating subsidiaries that are not Debtors in the Chapter 11 Cases. A chart illustrating the Company's simplified organizational structure as of the Petition Date is attached hereto as **Exhibit C**. As noted above, the only Debtors in the Chapter 11 Cases are Mercer and its direct, wholly-owned subsidiary Mercer International (Texas) LLC.

36. Although Mercer is a holding company and conducts its operations primarily through its Non-Debtor Affiliates, Mercer serves as the principal financing entity within the

corporate group and is the issuer of the Senior Notes and the Company's publicly traded common stock.

37. Mercer is governed by its nine-member Board of Directors (the "***Board***"), as shown below:

Name	Position
William D. McCartney	Director, Chairperson of the Board (Special Committee Member)
Juan Carlos Bueno	Director, President, and Chief Executive Officer
Thomas Kevin Corrick	Director (Special Committee Member)
Alice Laberge	Director (Special Committee Member)
Janine North	Director
Rainer Rettig	Director
James Shepherd	Director
Markwart von Pentz	Director
Linda J. Welty	Director

38. In connection with the Company's evaluation of strategic alternatives and financing options to address its liquidity needs and maturing indebtedness, the Board appointed a special committee of independent directors of Mercer (the "***Special Committee***") to oversee, review, and evaluate the development and implementation of potential liquidity management strategies and other transactions to improve the Company's capital structure. The current members of the Special Committee are Alice Laberge, Thomas Kevin Corrick, and William D. McCartney. Following its formation in February 2026, the Special Committee continued to oversee, review, and evaluate potential alternatives to improve the Company's capital structure, while the Company, with the assistance of its Advisors, evaluated strategic alternatives and broader financing initiatives.[6]

39. These efforts culminated in discussions with certain holders of the Senior Notes and other stakeholders across the Company's capital structure regarding potential financing and liquidity-enhancing transactions. These discussions continued into and throughout October 2026 with the Majority Ad Hoc Group (as defined below), comprising holders of approximately 88.58%

[6] The Company has agreed to pay the Special Committee members $200,000 in the aggregate in one-time transaction fees, which it intends to satisfy at emergence.

of the aggregate outstanding principal amount of the Senior Notes, as well as certain large holders of Existing Equity Interests, ultimately culminating in the execution of the Restructuring Support Agreements.

40. Additionally, the Restructuring Support Agreements and the Plan also provide for typical releases to the Debtors' directors and officers, among others. Considering these proposed releases, the Special Committee will direct and oversee an investigation into prepetition transactions and conduct to ensure that any releases to be provided under the Plan are appropriate in scope and nature. Latham will assist the Special Committee with this investigation. I understand that, to date, no viable claims have been identified that would affect the Board's decision to authorize entry into the Restructuring Support Agreements and solicitation of the Plan.

41. In the ordinary course of business, Mercer maintains various compensation, stock and cash-only deferred stock unit plans with certain of its non-employee directors (collectively, the "***Covered Plans***"). Under the Covered Plans, the stock-based and cash awards are settled when the applicable director ceases to be a member of the Board of Directors of Mercer. These awards are largely vested, with the exception of the unvested annual awards made in May 2026, which vest at the next annual meeting of Mercer in 2027. In light of the transactions contemplated by, and the timing and mechanics of, the Plan, including the cancellation of Mercer's Existing Equity Interests and the deemed resignation of the Board on the Effective Date, the Board adjusted the terms of such awards to clarify that such amounts are settled the day immediately preceding the Effective Date and that any cash awards are instead paid one-to-one in Mercer's common stock. Unvested awards would also vest and settle in an amount pro rated to such date. At today's value of Mercer's existing common stock, these amounts under the Covered Plans equal approximately $218,000 in the aggregate for all non-employee directors. Shares issued to directors pursuant to the Covered Plans will receive the same pro rata treatment under the Plan as all other Existing Equity Interests.

E. Capital Structure

42. The following description of the Company's capital structure is for informational purposes only and is qualified in its entirety by reference to the documents setting forth the specific terms of such obligations and their respective related agreements. A summary of the approximate outstanding principal amounts of the Company's funded debt obligations as of the Petition Date is set forth below:

Debt Instrument	Debtor or Non-Debtor Obligations	Approximate Principal Drawn / Outstanding in Millions (USD)[7]
Canadian ABL Facility	Non-Debtor Obligations	$80.8
German RCF	Non-Debtor Obligations	$287.0
Total Funded Secured Debt		**$367.8**
2028 Senior Notes	Debtor Obligations	$400.0
2029 Senior Notes	Debtor Obligations	$875.0
Total Funded Unsecured Debt		**$1,275.0**
Total Funded Debt		**$1,642.8**

1. Debtor Obligations

i. 2028 Senior Notes

43. Mercer is the issuer of those certain 12.875% Senior Notes due October 1, 2028 (the "***2028 Senior Notes***" and holders thereof, the "***2028 Senior Noteholders***"), issued pursuant to that certain Indenture, dated as of September 21, 2023 (as amended, restated, amended and restated, modified, refinanced, or supplemented from time to time, the "***2028 Senior Notes Indenture***"), by and between Mercer and Computershare Trust Company, N.A., as trustee. The 2028 Senior Notes Indenture was subsequently supplemented on November 5, 2026 to add Mercer International (Texas) LLC as a guarantor of the 2028 Senior Notes. The 2028 Senior Notes mature in October 2028.

[7] All CAD amounts herein are converted to USD using an exchange rate of 1 CAD = 0.7086 USD and all EUR amounts herein are converted to USD using an exchange rate of 1 EUR = 1.1165 USD.

44. The 2028 Senior Notes are senior unsecured obligations of the Debtors and are not guaranteed by any of their Non-Debtor Affiliates. As of the Petition Date, the aggregate principal amount outstanding (excluding accrued and unpaid interest, other fees, charges, and expenses) under the 2028 Senior Notes was approximately $400.0 million. Accrued and unpaid interest under the 2028 Senior Notes was approximately $31.6 million as of the Petition Date.

ii. 2029 Senior Notes

45. Mercer is the issuer of those certain 5.125% Senior Notes due February 1, 2029 (the "***2029 Senior Notes***" and holders thereof, the "***2029 Senior Noteholders***"; the 2028 Senior Notes and the 2029 Senior Notes, collectively, the "***Senior Notes***" and the 2028 Senior Noteholders and the 2029 Senior Noteholders, collectively, the "***Senior Noteholders***"), issued pursuant to that certain Indenture, dated as of January 26, 2021 (as amended, restated, amended and restated, modified, refinanced, or supplemented from time to time, the "***2029 Senior Notes Indenture***"), by and between Mercer and Computershare Trust Company, N.A., as successor trustee. The 2029 Senior Notes Indenture was subsequently supplemented on November 5, 2026 to add Mercer International (Texas) LLC as a guarantor of the 2029 Senior Notes. The 2029 Senior Notes mature in February 2029. The 2029 Senior Notes are senior unsecured obligations of the Debtors and are not guaranteed by any of their Non-Debtor Affiliates. As of the Petition Date, the aggregate principal amount outstanding (excluding accrued and unpaid interest, other fees, charges, and expenses) under the 2029 Senior Notes was approximately $875.0 million. Accrued and unpaid interest under the 2029 Senior Notes was approximately $12.2 million as of the Petition Date.

iii. General Tax Obligations

46. The Company and its subsidiaries incur and pay taxes and governmental fees in the ordinary course of business in the United States, Canada, Germany, and other jurisdictions in which they operate, including income, property, sales and use, value-added, payroll and withholding, and other applicable taxes and fees. These obligations generally arise at the Company's operating subsidiaries and are paid by the applicable entities as they become due, while

Mercer has limited direct tax obligations and, as the parent of the U.S. consolidated group, filed its 2025 federal income tax return on October 14, 2026. As of the Petition Date, the Company is not aware of any material delinquent tax obligations, although certain Non-Debtor Affiliates are subject to routine tax audits and proceedings in the ordinary course.

2. Non-Debtor Obligations

i. Canadian ABL Facility

47. Pursuant to that certain Credit Agreement, dated as of January 21, 2022 (as amended, restated, amended and restated, modified, refinanced, or supplemented from time to time, the "***Canadian ABL Credit Agreement***"), by and among Mercer Peace River Pulp Ltd., Mercer Celgar Limited Partnership, and Mercer Forestry Services Ltd., as borrowers, Mercer Celgar Pulp Ltd. and Mercer Celgar Holdings LLC, as guarantors, the lenders from time to time party thereto, and Royal Bank of Canada, as administrative agent and collateral agent, the lenders made available to certain Non-Debtor Affiliates an asset-based revolving credit facility in the aggregate principal amount of up to CAD$160.0 million (the "***Canadian ABL Facility***"). The Canadian ABL Facility matures on January 21, 2027.

48. The obligations of the borrowers and guarantors under the Canadian ABL Credit Agreement are secured by substantially all of their respective property and assets pursuant to applicable security agreements. Neither of the Debtors is a borrower or guarantor under the Canadian ABL Credit Agreement, and the obligations thereunder will remain unimpaired under the proposed Restructuring. As of the Petition Date, the aggregate principal amount drawn (excluding accrued and unpaid interest, letters of credit, other fees, charges, and expenses) under the Canadian ABL Credit Agreement was approximately CAD$114.0 million or USD$80.8 million. Letters of credit outstanding under the Canadian ABL Facility totaled approximately CAD$0.6 million or USD$0.4 million as of the Petition Date.

ii. Canadian Standby L/C Facility

49. Pursuant to that certain Letter Re: C$20,000,000 EDC Guaranteed Standby Letters of Credit Facility (as amended, restated, amended and restated, modified, refinanced, or supplemented from time to time, the "***Canadian Standby L/C Agreement***"), by and among Mercer Celgar Limited Partnership and Mercer Peace River Pulp Ltd., as borrowers, and Canadian Imperial Bank of Commerce, as issuer, the issuer agreed to make available to certain Non-Debtor Affiliates a standby L/C facility in the aggregate amount of up to CAD$20.0 million and issue certain standby L/Cs thereunder (the "***Canadian Standby L/C Facility***"). The aggregate availability under the Canadian Standby L/C Facility was reduced to CAD$13.0 million in October 2026.

50. The Canadian Standby L/C Facility matures on August 31, 2027 and is available through letters of credit denominated in Canadian dollars and U.S. dollars. The facility and all letters of credit issued before August 2026 are guaranteed by Export Development Canada through their maturity in August 2027. Neither of the Debtors is a borrower or guarantor under the Canadian Standby L/C Agreement, and the obligations thereunder will remain unimpaired under the proposed Restructuring. As of the Petition Date, the aggregate face amount of letters of credit outstanding under the Canadian Standby L/C Agreement was approximately CAD$4.1 million or $2.9 million.

iii. *German Revolving Credit Facility*

51. Pursuant to that certain Revolving Facility Agreement, dated as of September 15, 2022 (as amended, restated, amended and restated, modified, refinanced, or supplemented from time to time, the "***German Revolving Facility Agreement***"), by and among Mercer Rosenthal GmbH, Mercer Timber Products GmbH, Mercer Stendal GmbH, Mercer Holz GmbH, Mercer Europe GmbH, Mercer Stendal Logistik GmbH, Mercer Timber Products Stendal GmbH, and Mercer Torgau GmbH & Co.KG, as borrowers, Mercer Rosenthal GmbH, Mercer Timber Products GmbH, Mercer Stendal GmbH, Mercer Holz GmbH, Mercer Europe GmbH, Mercer Stendal Logistik GmbH, Mercer Pulp Sales GmbH, Mercer Timber Products Stendal GmbH, Mercer

Torgau GmbH & Co.KG, Mercer Torgau Holding GmbH, and Mercer Torgau Beteiligungs AG, as guarantors, the lenders from time to time party thereto, and UniCredit Bank AG, as agent, the lenders made available to certain Non-Debtor Affiliates a revolving credit facility in the aggregate principal amount of up to €370.1 million (the "***German RCF***"). The German RCF matures on September 15, 2027.

52. Pursuant to a waiver entered into in May 2026, utilization of the German RCF is limited to €300 million for so long as the applicable leverage ratio exceeds 2.00:1.00, and certain of the borrowers and guarantors granted security over certain of their assets on a temporary basis. Neither of the Debtors is a borrower or guarantor under the German Revolving Facility Agreement, and the obligations thereunder will remain unimpaired under the proposed Restructuring. As of the Petition Date, the aggregate principal amount drawn, excluding accrued and unpaid interest, other fees, charges, and expenses, under the German Revolving Facility Agreement was approximately €257.0 million or $287.0 million. Letters of credit outstanding under the German RCF totaled approximately €21.5 million or $24.0 million as of the Petition Date.

iv. Demand Loan Facility

53. Pursuant to that certain Universalvertrag für Geschäftskredite (Universal Agreement for Business Credits), dated as of November 29, 2018 (effective as of December 1, 2018, which replaced the prior agreement dated November 25, 2015, and as further amended, restated, amended and restated, modified, refinanced, or supplemented from time to time, the "***Demand Loan Agreement***"), by and between Zellstoff-und Papierfabrik Rosenthal GmbH (now Mercer Rosenthal GmbH), as borrower, and Kreissparkasse Saale-Orla, as lender, the lender made available to a Non-Debtor Affiliate a demand loan facility in the aggregate principal amount of €2.6 million (the "***Demand Loan Facility***").

54. The Demand Loan Agreement does not have a stated maturity date, and borrowings thereunder are unsecured. Neither of the Debtors is a borrower or guarantor under the Demand Loan Agreement, and the obligations thereunder will remain unimpaired under the proposed Restructuring. As of the Petition Date, the aggregate principal amount outstanding, together with

accrued and unpaid interest (but excluding other fees, charges, and expenses), under the Demand Loan Agreement was approximately €2.6 million or $2.8 million.

III. KEY EVENTS LEADING TO COMMENCEMENT OF CHAPTER 11 CASES

55. Although the Company remains a leading global forest products producer, the Debtors are confronting acute financial challenges due to a confluence of factors, including, among others: (i) near-term debt maturities, which would be challenging to refinance or extend absent a restructuring; (ii) significant expansion (which has been funded in part with incremental debt); (iii) ongoing geopolitical developments, including evolving global trade and tariff dynamics; (iv) sluggish global economic growth; and (v) substantial margin compression driven by rising input costs and challenging market conditions, including lower market prices for pulp. Each of these factors is described in greater detail below.

56. Despite the Company's recent efforts to address these challenges, including through negotiations with the lenders under the Canadian ABL Facility and the German RCF, cost-saving measures, liquidity-preservation initiatives, and other actions, the Company ultimately determined that a comprehensive financial restructuring through the Chapter 11 Cases was necessary to reduce its funded debt burden and associated interest expense, enhance liquidity, strengthen its balance sheet, address significant near-term debt maturities, and position the Company for greater financial stability on a go-forward basis.

A. Capacity Expansion Initiatives

57. In recent years, the Company has made substantial investments to increase its production capacity and broaden its product offerings. The Company began expanding beyond its traditional pulp business before the COVID-19 pandemic and accelerated that strategy beginning in 2021, particularly through investments in solid wood and mass timber. This period began amid strong demand and pricing in the U.S. and European lumber markets, including strong demand from the U.S. housing and home renovation markets and steady demand in Europe. From 2021 through 2023 alone, Mercer invested approximately $396.6 million in acquisitions to expand its solid wood operations and product mix. While these investments expanded the scale and breadth

of the Company's operations, they also required substantial capital and contributed to increased leverage and financial obligations, placing additional strain on the Company's liquidity and overall financial position.

a. ***Friesau Mill***. In April 2017, Mercer entered the solid wood business through its acquisition of the Friesau mill in Germany for approximately $61.6 million. The Friesau mill is a large-scale sawmill that produces lumber for customers in Europe, the United States, and other international markets. The acquisition represented a significant expansion of Mercer's business beyond its traditional pulp operations.

b. ***Peace River Mill***. In December 2018, Mercer significantly expanded its pulp business through a share purchase transaction pursuant to which it acquired Mercer Peace River for approximately $344 million. The acquisition included the Peace River pulp mill in Alberta, a 50% interest in the Cariboo pulp mill in British Columbia, and related forestry assets. In connection with the acquisition, Mercer issued $350 million of notes, the net proceeds of which were used to finance the transaction.

c. ***Spokane Facility***. In August 2021, Mercer acquired a CLT production facility near Spokane, Washington for approximately $51.3 million. The acquisition marked Mercer's entry into the North American mass timber market and added CLT, an engineered wood product used in building construction, to the Company's product offerings.

d. ***Torgau Facility***. In September 2022, Mercer acquired the Torgau facility in Germany for approximately $263.2 million. Torgau is an integrated sawmill and value-added manufacturing facility that produces, among other products, lumber, wood pallets, biofuels, and green energy. The acquisition substantially increased the scale of Mercer's solid wood operations and further broadened its product offerings. In 2022, Mercer borrowed approximately $115.3 million under its revolving credit facilities to partially finance the Torgau acquisition.

e. ***Conway and Okanagan Facilities***. In June 2023, Mercer acquired substantially all of the assets of a Structurlam entity for approximately $82.1 million, including a mass timber production facility in Conway, Arkansas, and three mass timber production facilities

in British Columbia that Mercer subsequently combined into its Okanagan facility. The acquisition further expanded Mercer's North American mass timber platform and added CLT and glulam production capacity.

58. Collectively, the foregoing acquisitions represented approximately $803 million of aggregate acquisition consideration between 2017 and 2023. During that period, Mercer also made substantial capital investments in its existing facilities. In addition to the approximately $396.6 million invested in solid wood acquisitions from 2021 through 2023, the Company invested approximately $96.3 million in capital expenditures in its Solid Wood Segment to increase production, lower costs, and enhance operating efficiency.

59. The growth of Mercer's operations through these initiatives required substantial capital and was primarily funded through a combination of additional indebtedness and available cash. For example, from December 31, 2020 through December 31, 2023, during the period in which Mercer significantly expanded its solid wood and mass timber operations, the aggregate principal amount of the Company's Senior Notes and credit facility borrowings increased by approximately $430 million (from approximately $1.15 billion to approximately $1.58 billion). These capital-intensive expansion initiatives, together with other factors described herein, contributed to increased leverage and interest expense, thus placing additional pressure on the Company's financial position and liquidity.

B. Macroeconomic and Geopolitical Factors

60. Mercer operates in highly cyclical industries in which the prices of pulp, lumber, and other forest products are driven largely by global supply and demand. In recent periods, continued economic uncertainty and weak conditions in key markets, elevated interest rates, and geopolitical uncertainty have contributed to challenging demand conditions for many of the Company's products. At the same time, Mercer has experienced significant increases in wood fiber costs and higher transportation costs, together with adverse foreign exchange effects and other cost pressures. The combination of weak demand, lower NBSK pulp pricing, elevated interest rates and input costs, and adverse foreign exchange movements has contributed to

significant margin compression and placed pressure on the Company's earnings, cash flows, and debt service capacity.

a. ***Weaker Demand and Pulp Pricing***. Market conditions for pulp have remained challenging, particularly for NBSK pulp in China and North America. Demand in China, one of the world's largest pulp markets, has been constrained by an oversupplied paper market and broader economic and trade uncertainty. During the first half of 2026, quoted NBSK net prices in China averaged approximately $672 per tonne, compared with approximately $764 per tonne during the same period in 2025, while quoted NBSK list prices in North America also declined materially. Mercer's average NBSK sales realizations decreased approximately 11% during the first half of 2026 compared with the prior-year period. Demand for solid wood products in Europe has also remained subdued due to weak economic conditions. Although Solid Wood Segment revenues increased in the first half of 2026 and average lumber sales realizations increased by approximately 5%, lumber revenues declined due to lower sales volumes, and higher fiber costs more than offset the benefit of higher sales realizations, placing additional pressure on segment profitability. In the Pulp Segment, weaker demand has reduced the prices Mercer receives for its NBSK pulp at the same time that the Company is facing elevated production costs, placing significant pressure on margins and cash flows.

b. ***Higher Fiber and Other Input Costs***. The Company has also experienced substantial increases in the cost of wood fiber, one of its most significant production inputs. These pressures have been particularly acute in Germany, where reduced fiber availability and increased demand for wood as an energy source, including in connection with ongoing geopolitical conflicts, have contributed to higher fiber costs. During the first half of 2026, Mercer's per-unit pulp fiber costs increased approximately 18% compared with the same period in 2025, primarily due to reduced supply in Germany and Canada and strong demand for wood as an energy source in Germany. Fiber costs represented approximately 85% of lumber cash production costs during the first half of 2026, and per-unit fiber costs for lumber production increased approximately 32% year over year. High fiber costs also caused the Company to reduce production at its German pulp

mills. As a result, the Company has faced higher production costs and, in certain cases, reduced production volumes.

c. ***Geopolitical and Energy Cost Pressures***. Ongoing geopolitical conflicts, including the conflicts in Ukraine and the Middle East, have increased economic uncertainty and have generally disrupted global energy markets. The conflict in the Middle East, in particular, has driven oil and other energy prices higher, adding inflationary pressure to freight, fiber, and other production costs. At the same time, heightened geopolitical uncertainty has weighed on macroeconomic activity, contributing to weaker demand for the Company's products. These conditions have contributed to higher input costs at a time of weaker demand and pricing, thus putting further pressure on margins and cash flows.

d. ***Foreign Exchange Volatility***. Mercer's global geographic footprint also exposes the Company to foreign exchange risk. Most of the operating costs of the Company's German mills are incurred in euros and most of the operating costs of its Canadian mills are incurred in Canadian dollars, while the majority of the Company's products are priced in U.S. dollars. As a result, a weakening U.S. dollar relative to the euro or Canadian dollar can increase the Company's costs in U.S. dollar terms and place pressure on operating margins and cash flows. During the first half of 2026, Mercer experienced an approximately $15.7 million negative foreign exchange impact on operating loss compared with the same period in 2025, primarily as a result of the weaker U.S. dollar increasing its euro- and Canadian-dollar-denominated costs and expenses.

61. Collectively, these conditions have contributed to weaker demand across the Company's key markets and significant margin compression notwithstanding the Company's continued efforts to reduce costs and improve operational efficiency. Mercer's Operating EBITDA declined from approximately $243.7 million in 2024 to negative $22.2 million in 2025 and was negative $13.1 million during the first half of 2026, compared with positive $26.5 million during the same period in 2025. During the first half of 2026, the Company also incurred approximately $51.0 million of inventory impairment charges, primarily against pulp and fiber

inventory as a result of low pulp prices and high fiber costs. The Company also used approximately $100.8 million of cash in operating activities during the first half of 2026, compared with approximately $7.5 million during the same period in 2025. Against the backdrop of the Company's increased indebtedness described above, these macroeconomic and geopolitical factors have placed additional strain on the Company's capital structure and liquidity.

C. Near-Term Debt Maturities

62. In addition to the financial and operating pressures described above, the Company faces near-term maturities under two of its principal secured credit facilities. The Canadian ABL Facility matures in January 2027, and the German RCF matures in September 2027. Without the Restructuring, the Company would not have sufficient liquidity to repay these facilities at maturity and, despite carefully evaluating potential financing alternatives, may not be able to refinance or extend these facilities on commercially viable terms. The need to address these maturities was therefore a significant factor in the timing of the Restructuring and the commencement of the Chapter 11 Cases. As described above, the Restructuring will allow the Company to refinance or otherwise address these facilities before their respective maturities as part of a broader series of transactions designed to maximize going-concern value for the benefit of the Company's stakeholders.

D. Financial Challenges

63. As of the Petition Date, the Company had approximately $1.6 billion of funded debt and in the first half of 2026, the Company had generated negative Operating EBITDA of approximately $13.1 million. In light of the financial and operating pressures described above, the Company determined that its existing capital structure was not sustainable over the long term. Under the prepetition capital structure, the Company's annual cash interest expense was approximately $122 million. The approaching debt maturities described above further constrained the Company's liquidity and shortened the timeframe available to address its challenges.

64. Through the Chapter 11 Cases and the Restructuring, the Debtors seek to reduce their aggregate funded debt by approximately $900.0 million, address the Company's near-

term debt maturities, reduce annual cash interest expense by approximately $100.0 million, and position the Company with a stronger balance sheet and improved liquidity profile on a go-forward basis.

E. Prepetition Restructuring Efforts

65. In light of the foregoing financial and operating challenges, the Company undertook a number of initiatives to preserve liquidity and reduce costs while evaluating potential strategic and financial alternatives. The January 2027 maturity of the Canadian ABL Facility and the September 2027 maturity of the German RCF also created a need for the Company to identify and implement a near-term solution to its liquidity needs and capital structure. Among other things, the Company continued to implement its "One Goal One Hundred" cost-savings and operational-efficiency program, reduced discretionary capital expenditures, pursued opportunities to optimize working capital, and implemented operational restructuring initiatives at the Torgau facility. By October 2026, the Company had realized approximately $75.7 million of cost savings under the "One Goal One Hundred" program.

66. As the Company's financial challenges persisted, and under the oversight of the Special Committee described above, the Company retained Latham and Hunton as legal counsel, Houlihan Lokey as investment banker, and A&M as financial advisor to assist in evaluating and implementing potential strategic and restructuring alternatives. With the assistance of these Advisors, the Company evaluated a range of strategic alternatives and broader financing initiatives intended to address its liquidity needs, upcoming debt maturities, and capital structure.

67. As part of these efforts, the Company and its Advisors engaged with the lenders under the Canadian ABL Facility and the German RCF regarding potential extensions, refinancings, and other alternatives to address the upcoming maturities of those facilities. These discussions did not result in an extension, refinancing, or other transaction on commercially viable terms that would adequately address the Company's near-term liquidity and maturity needs.

68. By July 2026, the Company and its Advisors had commenced preliminary discussions with certain holders of the Senior Notes and other stakeholders across the Company's

capital structure regarding potential financing, restructuring, and other liquidity-enhancing transactions. As those discussions progressed, the Company and its Advisors engaged more extensively with an ad hoc group of Senior Noteholders (the "***Majority Ad Hoc Group***"), represented by Paul, Weiss, Rifkind, Wharton & Garrison LLP, as legal counsel, Ducera Partners LLC, as financial advisor and investment banker, and certain other professionals set forth in the Consenting Senior Noteholder RSA (together, the "***Majority Ad Hoc Group Advisors***"), as well as certain large holders of Existing Equity Interests.

69. By September 2026, these discussions had developed into advanced negotiations regarding the terms of a potential comprehensive restructuring. Following extensive negotiations among the Company, the Majority Ad Hoc Group, and their respective advisors, the parties reached agreement in principle on a high-level commercial term sheet setting forth the principal economic terms of the proposed restructuring of the Company's balance sheet, which served as the basis for the negotiation of the Restructuring Support Agreements and the Plan.

70. During late September and October 2026, the Company, the Majority Ad Hoc Group, certain holders of Existing Equity Interests, and their respective advisors engaged in extensive, good-faith and arm's-length negotiations to develop and finalize the terms of the Restructuring Support Agreements and the Plan. These negotiations included frequent meetings and calls and the exchange of drafts and counterproposals regarding, among other things, the treatment of Claims and Interests, the terms of new financing, including financing intended to address the Company's near-term liquidity and maturity needs, and the post-emergence capital structure. The parties spent considerable time negotiating these terms, including the Rights Offering and Backstop Commitment to ensure the Company had sufficient liquidity to implement the Restructuring and fund go-forward operations upon emergence. In parallel, the parties and their advisors negotiated the other Definitive Documents necessary to implement the proposed Restructuring.

71. While these negotiations were ongoing, the Company elected not to make the approximately $25.8 million interest payment due on October 1, 2026 with respect to the 2028

Senior Notes and instead utilized the 30-day grace period provided under the 2028 Senior Notes Indenture to continue to negotiate and finalize the Restructuring Support Agreements and the Plan. The 2028 Senior Notes Indenture was supplemented on October 31, 2026, to extend this grace period from 30 to 90 days to provide additional time to finalize the Restructuring Support Agreements and the Plan. In addition: (i) as described above, on November 5, 2026, each of the Senior Notes Indentures was supplemented to add Mercer International (Texas) LLC as a guarantor thereunder; and (ii) on November 6, 2026, each of the Senior Notes Indentures was supplemented to provide that the commencement of the Chapter 11 Cases would not constitute an Event of Default thereunder.

F. Restructuring Support Agreements and Plan

72. On November 2, 2026, following extensive, good-faith, arm's-length negotiations, and after considering the terms of the proposed restructuring and the available alternatives, and upon recommendation of the Special Committee and approval by the Board, the Debtors determined that the transactions set forth in the Restructuring Support Agreements and the Plan were in the best interests of the Company and its stakeholders and entered into (i) the Consenting Senior Noteholder RSA with the Consenting Senior Noteholders and (ii) the Consenting Equityholder RSA with the Consenting Equityholders. Pursuant to the applicable Restructuring Support Agreement, the Consenting Senior Noteholders and the Consenting Equityholders agreed to support the Restructuring by, among other things: (i) voting to accept the Plan; (ii) agreeing not to opt out of the releases provided under the Plan; and (iii) supporting and effectuating the transactions set forth in the Restructuring Support Agreements.

73. The terms of the Restructuring are reflected in the Plan. Upon the Effective Date, the Plan will: (i) effect a significant deleveraging of the Company's capital structure; and (ii) constitute an integrated and global, good-faith compromise and settlement of all Claims and Interests and all controversies relating thereto, including with respect to any distributions to be made on account thereof and the transactions set forth in the Restructuring Support Agreements and the Plan.

IV. FACTS SUPPORTING RELIEF SOUGHT IN FIRST DAY PLEADINGS

74. In furtherance of their objective of preserving value for all stakeholders, the Debtors have filed the following First Day Pleadings and related proposed forms of order (the "***Proposed Orders***") contemporaneously herewith, and respectfully request that the Court enter the Proposed Orders granting the relief sought therein. To the extent any First Day Pleading seeks authorization to pay prepetition obligations, the Debtors seek authority, but not direction, to satisfy such obligations. The facts set forth in each of the First Day Pleadings are incorporated herein by reference. The First Day Pleadings include:

A. Administrative and Procedural Pleadings

i. *Emergency Motion of Debtors for Entry of an Order Directing Joint Administration of Chapter 11 Cases*

ii. *Emergency Motion of Debtors for an Order (I) Authorizing the Debtors to File a Consolidated Creditor Matrix and List of the 30 Largest Unsecured Creditors, (II) Waiving the Requirement to File a List of Equity Holders; (III) Authorizing the Debtors to Redact Certain Personally Identifiable Information; (IV) Authorizing Service of Parties in Interest by Electronic Mail; and (V) Granting Related Relief*

iii. *Emergency Ex Parte Application of Debtors for Entry of an Order Authorizing the Employment and Retention of Stretto, Inc. as Claims, Noticing, and Solicitation Agent*

iv. *Notice of Designation as Complex Bankruptcy Case*

v. *Pro Hac Vice Applications*

vi. *Notice of Emergency Virtual Hearing on First Day Motions*

B. Business Operations Motions

i. *Emergency Motion of Debtors for Entry of an Order (I) Authorizing the Debtors to Pay Prepetition Trade Claims in the Ordinary Course of Business; and (II) Granting Related Relief*

ii. *Emergency Motion of Debtors for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Continue Existing Cash Management System, (B) Maintain Existing Business Forms and Intercompany Arrangements, and (C) Continue Intercompany Transactions; and (II) Granting Related Relief*

iii. *Emergency Motion of Debtors for Entry of an Order (I) Authorizing the Debtors to (A) Continue Insurance Programs and (B) Pay All Obligations with Respect Thereto; and (II) Granting Related Relief*

iv. *Emergency Motion of Debtors for Entry of an Order (I) Authorizing Debtors to Pay Certain Prepetition Taxes and Fees; and (II) Granting Related Relief*

v. *Emergency Motion of Debtors for an Order (I) Establishing Notification Procedures and Approving Restrictions on (A) Certain Transfers of Interests in the Debtors and (B) Claims of Certain Worthless Stock Deductions; and (II) Granting Related Relief*

C. Solicitation Procedures Motion

i. *Emergency Motion of Debtors for Entry of an Order (I) Scheduling Combined Hearing on (A) Adequacy of Disclosure Statement and (B) Confirmation of Plan; (II) Approving (A) Solicitation Procedures and (B) Form and Manner of Notice of Commencement, Combined Hearing, and Objection Deadline and (C) Rights Offering Procedures and Related Forms, and Authorizing Commencement of the Rights Offering; (III) Fixing Deadline to Object to Disclosure Statement and Plan; (IV) Conditionally (A) Directing the United States Trustee Not to Convene Section 341 Meeting of Creditors and (B) Waiving Requirement to File Statements of Financial Affairs and Schedules of Assets and Liabilities; (V) Conditionally Approving the Disclosure Statement; and (VI) Granting Related Relief*

75. The Restructuring Support Agreements and the Plan reflect extensive negotiations among each of the applicable parties thereto and their respective advisors. To preserve the value of the Company's business while the Restructuring is implemented, the Debtors seek the relief requested in the First Day Pleadings to minimize disruption to ongoing operations and relationships with key stakeholders.

76. I have reviewed each of the First Day Pleadings, Proposed Orders, and exhibits thereto, or have otherwise had their contents explained to me, and the facts set forth therein are true and correct to the best of my knowledge, information, and belief. Moreover, I believe that the relief sought in each of the First Day Pleadings: (i) is vital to enabling the Debtors to make the transition to, and operate in, chapter 11 with minimal employee attrition and disruption to their businesses, and without loss of productivity or value; (ii) is necessary to preserve valuable relationships with customers and other stakeholders; and (iii) is critical to preserving and

maximizing value for the benefit of the Debtors' estates and stakeholders and represents a prudent exercise of the Debtors' business judgment.

1. Solicitation Procedures Motion

77. As further detailed in the Debtors' motion seeking approval of Solicitation and Rights Offering Procedures and related relief (the "***Solicitation Procedures Motion***"), the Debtors seek entry of an order, among other things: (i) scheduling a combined hearing (the "***Combined Hearing***") to consider final approval of the Disclosure Statement and confirmation of the Plan; (ii) conditionally approving the Disclosure Statement; (iii) approving the Solicitation Procedures and related notices; (iv) approving the Rights Offering Procedures and authorizing commencement of the Rights Offering; and (v) conditionally waiving certain administrative requirements, including the convening of a meeting of creditors under section 341 of the Bankruptcy Code and the filing of schedules of assets and liabilities and statements of financial affairs.[8]

78. ***Combined Hearing***. Under the Consenting Senior Noteholder RSA, the Debtors must obtain entry of an order conditionally approving the Disclosure Statement within three (3) calendar days after the Disclosure Statement is filed, and entry of the Confirmation Order within forty-five (45) calendar days after the Petition Date. I believe that a Combined Hearing on the Disclosure Statement and the Plan will promote judicial economy and allow the Debtors to implement the Restructuring on that timeline while minimizing the cost and disruption of the Chapter 11 Cases. The Consenting Senior Noteholder RSA further requires consummation of the Plan by the earlier of December 31, 2026, and fourteen (14) calendar days after entry of the Confirmation Order, subject to an automatic 30-day extension if required Regulatory Approvals have not yet been obtained.

79. ***Prepetition Solicitation of Senior Noteholders***. Before the Petition Date, the Debtors, through the Solicitation Agent, commenced solicitation of votes on the Plan from holders of Senior Notes Claims in Class 3; *provided*, that only Eligible Holders of Senior Notes Claims

[8] This section provides a summary of certain aspects of the relief requested in the Solicitation Procedures Motion and is qualified in its entirety by reference to the Solicitation Procedures Motion.

may vote before entry of the Solicitation Procedures Order. Non-Eligible Holders of Senior Notes Claims may vote following entry of the Solicitation Procedures Order. The Debtors will commence the solicitation of votes on the Plan from holders of Existing Equity Interests in Class 8 following entry of the Solicitation Procedures Order. I believe conditional approval of the Disclosure Statement at the outset of these cases pursuant to the Solicitation Procedures Order is necessary to facilitate completion of the Solicitation within the timeline contemplated by the Restructuring Support Agreements and avoid potentially significant costs and delays associated with re-solicitation.

80. ***Voting and Non-Voting Classes***. Only holders in Class 3 (Senior Notes Claims) and Class 8 (Existing Equity Interests) (together, the "***Voting Classes***") are entitled to vote on the Plan, with all other Classes unimpaired and presumed to accept the Plan. The proposed Voting Deadline is December 10, 2026, at 4:00 p.m. (prevailing Central Time). I believe the proposed solicitation period provides sufficient time for holders to consider the Plan, particularly given the sophistication of the Consenting Senior Noteholders and the Consenting Equityholders and their respective involvement in the prepetition negotiations. Holders in the Non-Voting Classes, other than holders of Intercompany Claims and Intercompany Interests, will receive the Combined Notice, a Notice of Non-Voting Status, and a Release Opt-Out Form, and will have access to the Plan and Disclosure Statement through the Solicitation Agent's website. I believe these procedures provide appropriate notice while minimizing unnecessary costs to the Debtors' estates.

81. ***Rights Offering Procedures***. As described above, the Rights Offering is a critical component of the Plan and is expected to provide, together with the New ABL Facility, up to $400.0 million in new capital to support the Company's emergence from chapter 11. The Rights Offering will provide holders of Senior Notes Claims with the opportunity to purchase New Money Senior Secured Notes and receive related Stapled Equity. The Rights Offering is fully backstopped by the Backstop Parties pursuant to the Backstop Commitment Letter, providing greater certainty regarding the availability of the financing necessary to consummate the Plan. The Debtors seek approval of the Rights Offering Procedures at the outset of the Chapter 11 Cases to allow the

Rights Offering to proceed concurrently with the Solicitation and in accordance with the Milestones under the Consenting Senior Noteholder RSA. Such approval would authorize only the commencement of the Rights Offering and solicitation of subscriptions, with approval of the Rights Offering itself and related transactions to be considered at the Combined Hearing. Moreover, the Debtors are seeking approval of the Backstop Commitment Letter pursuant to a separate motion to be heard within 22 days of the Petition Date. It is my understanding that the fees and expenses contained in the Backstop Commitment Letter are not being approved at the First Day Hearing. For these reasons, I believe the proposed procedures are reasonable and necessary to facilitate timely consummation of the Plan.

82. ***Section 341 Meeting and Schedules***. Given the prepackaged nature of these Chapter 11 Cases and the Debtors' anticipated expedited path to confirmation, I do not believe that parties in interest would derive material benefit from a meeting of creditors under section 341 of the Bankruptcy Code. Similarly, preparing schedules of assets and liabilities and statements of financial affairs before the Combined Hearing would impose significant costs and administrative burdens, with limited corresponding benefit to stakeholders, particularly given that General Unsecured Claims are unimpaired under the Plan.

83. I believe that the relief requested in the Solicitation Procedures Motion, including approval of the Rights Offering Procedures, is a reasonable exercise of the Debtors' business judgment and is necessary to implement the Restructuring on the timeline required by the Consenting Senior Noteholder RSA. I believe that the relief requested in the Solicitation Procedures Motion is in the best interests of the Debtors, their estates, and their stakeholders, and should therefore be approved by the Court.

V. CONCLUSION

84. This Declaration describes the Company's business and capital structure, the circumstances leading to the commencement of the Chapter 11 Cases, and the need for the Debtors to obtain the relief requested in the First Day Pleadings. I believe that the protections afforded by chapter 11, together with the relief requested in the First Day Pleadings, will enable the Debtors

to preserve the Company's going-concern value, implement the Restructuring, and emerge from chapter 11 as a financially stronger enterprise, better positioned for long-term success for the benefit of its stakeholders and employees.

[*Remainder of page left intentionally blank*]

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: November 9, 2026
Vancouver, British Columbia

/s/ Richard Short
Name: Richard Short
Title: Chief Financial Officer, Mercer International Inc.

CERTIFICATE OF SERVICE

I certify that on November 9, 2026, a true and correct copy of the foregoing document was served by the Electronic Case Filing System for the United States Bankruptcy Court for the Southern District of Texas on those parties registered to receive electronic notices.

/s/ Timothy A. ("Tad") Davidson II
Timothy A. ("Tad") Davidson II

Exhibit A

Consenting Senior Noteholder Restructuring Support Agreement

(Signature Pages and Attachments Intentionally Omitted)

THIS RESTRUCTURING SUPPORT AGREEMENT DOES NOT CONSTITUTE, AND SHALL NOT BE DEEMED, AN OFFER OR A SOLICITATION WITH RESPECT TO ANY SECURITIES. ANY SUCH OFFER OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE SECURITIES LAWS. NOTHING CONTAINED IN THIS RESTRUCTURING SUPPORT AGREEMENT SHALL BE AN ADMISSION OF FACT OR LIABILITY OR, UNTIL THE OCCURRENCE OF THE AGREEMENT EFFECTIVE DATE ON THE TERMS DESCRIBED HEREIN, DEEMED BINDING ON ANY OF THE PARTIES HERETO.

THIS RESTRUCTURING SUPPORT AGREEMENT DOES NOT PURPORT TO SUMMARIZE ALL OF THE TERMS, CONDITIONS, REPRESENTATIONS, WARRANTIES, AND OTHER AGREEMENTS WITH RESPECT TO THE TRANSACTIONS DESCRIBED HEREIN, WHICH TRANSACTIONS SHALL BE SUBJECT TO THE EXECUTION OF DEFINITIVE DOCUMENTS INCORPORATING THE TERMS AND CONDITIONS SET FORTH HEREIN AND THE CLOSING OF ANY TRANSACTIONS SHALL BE SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN SUCH DEFINITIVE DOCUMENTS.

RESTRUCTURING SUPPORT AGREEMENT

This Restructuring Support Agreement (together with the exhibits and attachments hereto, including the Restructuring Term Sheet (as defined below), as each may be amended, restated, amended and restated, supplemented, or otherwise modified from time to time in accordance with the terms hereof, this "***Agreement***"), dated as of November 2, 2026 (the "***Execution Date***"), is entered into by and among:

(a) Mercer International Inc. ("***Mercer***") and certain of its subsidiaries listed on the signature pages hereto (together with Mercer, each a "***Company Party***" and, collectively, the "***Company***"); and

(b) the undersigned holders, or investment advisors, sub-advisors, or managers for the accounts of beneficial holders or beneficial holders, which such accounts or beneficial holders such investment advisors, sub-advisors, or managers have authority to bind or direct, of Senior Notes (as defined below) (such undersigned holders of Senior Notes, and investment advisors, sub-advisors, or managers for the accounts of beneficial holders or beneficial holders of Senior Notes, the "***Initial Consenting Senior Noteholders***", and together with any such holders of Senior Notes, and investment advisors, sub-advisors, or managers for the accounts of beneficial holders or beneficial holders of Senior Notes, that subsequently become party to this Agreement, solely in their capacity as holders of Senior Notes, or investment advisors, sub-advisors, or managers for the accounts of beneficial holders or beneficial holders of Senior Notes, the "***Consenting Senior Noteholders***"); *provided*, that the terms "Initial Consenting Senior Noteholders" and "Consenting Senior Noteholders" (i) with respect to any sub-advised entity, shall not include any portion of such sub-advised entity that is not managed by the investment advisor, sub-advisor, or manager that is executing this Agreement, and (ii) without limiting clause (i) hereof, with respect to an investment manager or investment advisor executing this Agreement, shall only include the funds or accounts over which such investment manager or investment advisor has investment authority, voting discretion, or control for the beneficial holders of Senior Notes as further identified on its signature page to this Agreement or any joinder thereto.

This Agreement collectively refers to the Company Parties and the Consenting Senior Noteholders, as the "***Parties***", and each of the foregoing individually as a "***Party***".

RECITALS

WHEREAS, the Parties have, in good faith and at arm's length, negotiated or been apprised of the terms of the transactions contemplated in the term sheet attached as Exhibit A hereto (together with the

exhibits and attachments thereto, as each may be amended, restated, amended and restated, supplemented, or otherwise modified from time to time in accordance with the terms hereof, the "***Restructuring Term Sheet***") and have agreed to support and pursue the Transactions (as defined below) in accordance with and subject to the terms and conditions of this Agreement;

WHEREAS, as of the date hereof, the Initial Consenting Senior Noteholders, in the aggregate, hold, own, or control approximately 87.25% of the aggregate outstanding principal amount of Senior Notes; and

WHEREAS, this Agreement sets forth the agreement among the Parties concerning their respective commitments, subject to the terms and conditions of this Agreement, to support and implement the Transactions.

NOW, THEREFORE, in consideration of the promises, mutual covenants, and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the Parties, intending to be legally bound, hereby agrees as follows:

AGREEMENT

ARTICLE 1
DEFINITIONS AND INTERPRETIVE MATTERS

Section 1.01 Definitions; Construction.

(a) Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Restructuring Term Sheet or as otherwise expressly set forth herein. The following terms used in this Agreement are defined as:

"***Affiliate***" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with, such Person, including any other investment fund or pooled investment vehicle now or hereafter existing that shares the same management company with such Person. For the avoidance of doubt, Parties with investments managed by separate Persons shall be deemed to be Affiliates of one another if the Persons who manage their investments are themselves under common control.

"***Agreement***" has the meaning set forth in the preamble hereof.

"***Agreement Effective Date***" has the meaning set forth in Section 2.01.

"***Agreement Effective Period***" means, with respect to a Party, the period from (a) the later of (i) the Agreement Effective Date and (ii) the date such Party becomes a Party to this Agreement, as applicable, to (b) the Termination Date.

"***Alternative Transaction***" means any dissolution, winding up, liquidation, receivership, assignment for the benefit of creditors, restructuring, reorganization, workout, exchange, extension, sale of all or any material portion of assets, disposition, merger, amalgamation, acquisition, consolidation, partnership, plan of arrangement, plan of reorganization, plan of liquidation, investment, debt investment, equity investment, tender offer, refinancing, recapitalization, share exchange, business combination, joint venture, or similar transaction involving all or a material portion of the assets, debt or equity of the Company Parties and their respective subsidiaries (taken as a whole), in each case that is a bona fide alternative to the Transactions; *provided*, that any Transaction that is implemented pursuant to a valid amendment of this Agreement shall not be an Alternative Transaction.

"***Applicable Existing Security***" has the meaning set forth in Section 5.01(a).

"***Automatic Termination Event***" has the meaning set forth in Section 4.01(d).

"***Avoidance Action***" means any and all actual or potential avoidance, recovery, subordination, or similar actions or remedies that may be brought by or on behalf of the Debtors or the Estates under the Bankruptcy Code or applicable non-bankruptcy law, including actions or remedies arising under chapter 5 and section 724(a) of the Bankruptcy Code or under similar or related local, state, federal, or foreign statutes and common law, including fraudulent transfer laws, fraudulent conveyance laws, or other similar related laws, in each case whether or not litigation to prosecute such Claims and Causes of Action was commenced before the Plan Effective Date.

"***Backstop Commitment Letter***" has the meaning set forth in the Restructuring Term Sheet.

"***Backstop Order***" means the order entered by the Bankruptcy Court approving and authorizing the Debtors' entry into the Backstop Commitment Letter and other related documents and procedures.

"***Backstop Parties***" has the meaning set forth in the Restructuring Term Sheet.

"***Bankruptcy Code***" means title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq*.

"***Bankruptcy Court***" has the meaning set forth in the Restructuring Term Sheet.

"***Business Day***" means any day other than a Saturday, Sunday, or any other day on which banks in New York, New York are authorized or required by law to close.

"***Canadian ABL Facility***" has the meaning set forth in the Restructuring Term Sheet.

"***Canadian Standby L/C Facility***" has the meaning set forth in the Restructuring Term Sheet.

"***Certificate of Designation***" means any certificate of designation for the New Convertible Preferred Stock and any other forms of preferred equity on terms consistent with the Convertible Preferred Stock Term Sheet.

"***Chapter 11 Cases***" has the meaning set forth in the Restructuring Term Sheet.

"***Causes of Action***" means any action, claim, cross-claim, third-party claim, cause of action, controversy, dispute, proceeding, demand, right, lien, indemnity, contribution, guaranty, suit, obligation, liability, loss, debt, fee or expense, damage, interest, judgment, cost, account, defense, remedy, offset, power, privilege, license, and franchise of any kind or character whatsoever, known, unknown, foreseen or unforeseen, existing or hereafter arising, contingent or non-contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, disputed or undisputed, secured or unsecured, assertable directly or derivatively (including any alter ego theories), choate, inchoate, reduced to judgment or otherwise whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity, or pursuant to any other theory of law (including under any state or federal securities laws). Causes of Action also includes: (a) any right of setoff, counterclaim, or recoupment; (b) any claim based on or relating to, or in any manner arising from, in whole or in part, tort, breach of contract, breach of fiduciary duty, fraudulent transfer or fraudulent conveyance or voidable transaction law, violation of local, state, or federal or non-U.S. law, or breach of any duty imposed by law or in equity, including securities laws; (c) the right to object to Claims or Interests; (d) any claim pursuant to section 362 or chapter 5 of the Bankruptcy Code or similar local, state, or federal U.S. or non-U.S. law; (e) any claim or defense including fraud, mistake, duress, and

usury and any other defenses set forth in section 558 of the Bankruptcy Code; (f) any "lender liability" or equitable subordination claims or defenses; and (g) any Avoidance Actions.

"***Claim***" means (a) a right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured, or (b) a right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured, each as set forth in section 101(5) of the Bankruptcy Code.

"***Company***" has the meaning set forth in the preamble hereof.

"***Company Parties***" has the meaning set forth in the preamble hereof.

"***Company Termination Event***" has the meaning given to such term in Section 4.01(b).

"***Confirmation Order***" means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

"***Consenting Senior Noteholders***" has the meaning set forth in the preamble hereof.

"***Consenting Senior Noteholder Termination Event***" has the meaning given to such term in Section 4.01(a).

"***control***" (including the terms "***controlling***," "***controlled by***" and "***under common control with***"), with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise.

"***Convertible Preferred Stock Term Sheet***" has the meaning set forth in the Restructuring Term Sheet.

"***Corporate Governance Documents***" means, with respect to any Person other than a natural person, the organizational and corporate governance documents for each such Person including limited liability company agreements, operating agreements, certificates of incorporation, certificates of formation, certificates of limited partnership, articles of organization (or equivalent organizational documents), warrant agreements, certificates of designation for preferred stock or other forms of preferred equity, by-laws, partnership agreements, shareholders' agreements, members' agreement, or equivalent governing documents.

"***Current Approved Budget***" has the meaning set forth in Section 3.01(t).

"***Debtor***" means any Company Party that commences a Chapter 11 Case.

"***Definitive Documents***" means, collectively, all documents and agreements governing the Transactions and shall include all documents necessary or reasonably desirable to implement the Transactions, including, but not limited to: (a) the Plan and any and all supplements thereto, including, without limitation, any schedules of assumed or rejected contracts; (b) the disclosure statement (the "***Disclosure Statement***") and the solicitation materials and exhibits related thereto (collectively with the Disclosure Statement, the "Solicitation Materials"); (c) the order of the Bankruptcy Court approving such Disclosure Statement and Solicitation Materials and solicitation procedures in connection therewith

(the "***Disclosure Statement Approval Order***"), which may be the Confirmation Order; (d) the Confirmation Order; (e) the Rights Offering Documents, including the Backstop Order; (f) the New ABL Documents; (g) all documents required or advisable under the Canadian ABL Facility and the German RCF, including the Canadian ABL Amendment and related documents, if any; (h) the New Senior Secured Notes Indenture and related documents; (i) the New Corporate Governance Documents; (j) the Registration Rights Agreement; (k) the First Day Orders and Second Day Orders; (l) the Restructuring Transactions Exhibit, if any; (m) any New Intercreditor Agreements; and (n) all other material pleadings and other material documents or agreements filed with the Bankruptcy Court in each case, including any amendments, modifications, and supplements thereto; provided, for the avoidance of doubt, that any purely procedural notices or similar filings and related documents are not Definitive Documents.

"***Demand Loan Facility***" has the meaning set forth in the Restructuring Term Sheet.

"***Estate***" or "***Estates***" mean, individually or collectively, the estate or estates of the Debtors created under section 541 of the Bankruptcy Code.

"***Exchange Act***" means the Securities Exchange Act of 1934.

"***Execution Date***" has the meaning set forth in the preamble hereof.

"***Existing Debt***" means, collectively, the Senior Notes and the Other Existing Debt.

"***Existing Equity Interests***" has the meaning set forth in the Restructuring Term Sheet.

"***Existing Senior Notes Debt***" means the indebtedness and obligations of Mercer and any of its Affiliates under the Senior Notes.

"***Existing Senior Notes Documents***" means, collectively, the Senior Notes Indentures and all documents and agreements related thereto.

"***Fiduciary Out Determination***" means a determination by the board of directors, board of managers, or other similar governing body (including any special committee) of any Company Party, each acting reasonably, in good faith after consultation with outside counsel, that proceeding with any of the Transactions, or any of the Company Parties' obligations hereunder or in connection with any of the Transactions, would be inconsistent with the exercise of its fiduciary duties under applicable law.

"***First Day Orders***" means any interim or final orders of the Bankruptcy Court granting the relief requested in the first-day pleadings that the Debtors determine are necessary or desirable to file in the Chapter 11 Cases.

"***German RCF***" has the meaning set forth in the Restructuring Term Sheet.

"***Global Termination Event***" means any of a Consenting Senior Noteholder Termination Event, a Company Termination Event, a Mutual Termination Event, or an Automatic Termination Event.

"***Governance Term Sheet***" has the meaning set forth in the Restructuring Term Sheet.

"***Governmental Authority***" means any supranational, national, state, municipal, local, or foreign government, any court, tribunal, arbitrator or arbitral body (public or private), administrative agency, commission or other governmental official, authority, or instrumentality (including any legislature, commission, regulatory administrative authority, governmental agency, bureau, branch, or department).

"***Holder Counsel***" means, with respect to any Consenting Senior Noteholder, the legal counsel identified on such Consenting Senior Noteholder's signature page or joinder.

"***Houlihan***" means Houlihan Lokey Capital, Inc.

"***Houlihan Engagement Letter***" means that certain engagement letter, dated as of December 3, 2025, by and between Mercer and Houlihan, as may be amended in a manner acceptable to the Required Consenting Senior Noteholders and Houlihan.

"***Initial Consenting Senior Noteholders***" has the meaning set forth in the preamble hereof.

"***Interest***" has the meaning set forth in the Restructuring Term Sheet.

"***Latham***" means Latham & Watkins LLP.

"***Majority Ad Hoc Group***" means that certain ad hoc group of holders of Senior Notes Claims, represented by the Majority Ad Hoc Group Advisors.

"***Majority Ad Hoc Group Advisors***" means (a) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as counsel to the Majority Ad Hoc Group, (b) Ducera Partners LLC, as financial advisor and investment banker to the Majority Ad Hoc Group, (c) SSI (U.S.) d/b/a Spencer Stuart, as executive search and leadership consulting firm to the Majority Ad Hoc Group, (d) Jon F Weber & Co., LLC, as restructuring advisor to the Majority Ad Hoc Group, (e) Osler, Hoskin & Harcourt LLP, as Canadian counsel to the Majority Ad Hoc Group, (f) Porter Hedges LLP, as local counsel to the Majority Ad Hoc Group, and (g) such other professional advisors as are retained by the Majority Ad Hoc Group with the prior written consent of Mercer, whose consent shall not be unreasonably withheld, conditioned, or delayed.

"***Mercer***" has the meaning set forth in the preamble hereof.

"***Milestones***" means the milestones set forth on Exhibit B.

"***MIP***" has the meaning set forth in the Restructuring Term Sheet.

"***Mutual Termination Event***" has the meaning set forth in Section 4.01(c).

"***New ABL Credit Agreement***" has the meaning set forth in the Restructuring Term Sheet.

"***New ABL Documents***" means, collectively, the New ABL Credit Agreement and the other documents governing the New ABL Facility (including, if applicable, each New Regional ABL Facility and any intercreditor, cross-guarantee, or allocation arrangements among the New Regional ABL Facilities).

"***New ABL Facility***" has the meaning set forth in the Restructuring Term Sheet.

"***New Corporate Governance Documents***" means the new Corporate Governance Documents of the Reorganized Debtors, including, but not limited to, any Certificate of Designation after giving effect to the Transactions, as applicable, on terms consistent with this Agreement, the Convertible Preferred Stock Term Sheet, and the Governance Term Sheet.

"***New Global ABL Facility***" has the meaning set forth in the Restructuring Term Sheet.

"***New Intercreditor Agreements***" means any customary intercreditor agreement or agreements to be entered into on the Plan Effective Date in respect of the New ABL Facility and the New Senior Secured Notes, if necessary.

"***New Money Senior Secured Notes***" has the meaning set forth in the Restructuring Term Sheet.

"***New Regional ABL Facility***" has the meaning set forth in the Restructuring Term Sheet.

"***New Senior Secured Notes***" has the meaning set forth in the Restructuring Term Sheet.

"***New Senior Secured Notes Indenture***" has the meaning set forth in the Restructuring Term Sheet.

"***New Senior Secured Notes Term Sheet***" has the meaning set forth in the Restructuring Term Sheet.

"***Open Trade***" means a written transaction, agreement, or other arrangement under which a Party to this Agreement is entitled or obligated to Transfer or receive a Transfer of any Existing Senior Notes Debt or Existing Equity Interests, with a trade date on or before the applicable date of determination.

"***Other Existing Debt***" means, collectively, (a) the Canadian ABL Facility, (b) the German RCF, (c) the Demand Loan Facility, and (d) the Canadian Standby L/C Facility.

"***Party***" or "***Parties***" has the meaning set forth in the preamble hereof.

"***Permitted Transferee***" has the meaning set forth in Section 5.01(a).

"***Person***" means an individual, partnership, joint venture, limited liability company, corporation, trust, unincorporated organization, group, or any other legal entity or association.

"***Petition Date***" means the date on which the Chapter 11 Cases are commenced.

"***Plan***" means the joint plan of reorganization to be filed by the Debtors under chapter 11 of the Bankruptcy Code that embodies the Transactions, including all exhibits, annexes, schedules, and supplements thereto, each as may be amended, supplemented, or modified from time to time in accordance with the terms of this Agreement.

"***Plan Effective Date***" means the date on which all Plan Effective Date Conditions Precedent have been satisfied in full or waived, in accordance with the terms of the Plan, and the Plan becomes effective, unless otherwise specified herein.

"***Plan Effective Date Conditions Precedent***" means the conditions described in the "Conditions Precedent to the Plan Effective Date" section of the Restructuring Term Sheet and any further conditions agreed to by the Required Consenting Senior Noteholders and reasonably agreed to by the Company Parties.

"***Plan Supplement***" means the compilation of documents and forms of documents, schedules, and exhibits to the Plan that shall be filed by the Debtors with the Bankruptcy Court, as the same may be amended, supplemented, or modified from time to time, which will include, without limitation, the following documents: (a) the New Senior Secured Notes Indenture and related documents; (b) the New Corporate Governance Documents; (c) the New Global ABL Facility documents, as applicable; (d) the key terms of any New ABL Facility, including the principal amount of such New ABL Facility; (e) any New Intercreditor Agreements; (f) the Registration Rights Agreement; (g) the identity of the Reorganized Board

and any officers of Reorganized Mercer; (h) the Schedule of Rejected Executory Contracts and Unexpired Leases; (i) the Schedule of Retained Causes of Action; and (j) the Restructuring Transactions Exhibit, if any.

"***Qualified Marketmaker***" means an entity that (a) holds itself out to the public, the syndicated loan market, or the applicable private markets as standing ready in the ordinary course of business to purchase from customers and sell to customers claims against or interests in the Company Parties (including Existing Senior Notes Debt or Existing Equity Interests), or enter with customers into long and short positions in claims against the Company Parties, in its capacity as a dealer or market maker in such claims and (b) is, in fact, regularly in the business of making a market in claims against or interests in issuers or borrowers (including term loans, or debt or equity securities).

"***Registration Rights Agreement***" means the registration rights agreement or other similar agreement with respect to Reorganized Mercer, which shall be on terms consistent with this Agreement and the Governance Term Sheet.

"***Reorganized Board***" has the meaning set forth in the Restructuring Term Sheet.

"***Reorganized Mercer***" has the meaning set forth in the Restructuring Term Sheet.

"***Required Consenting Senior Noteholders***" means at least two unaffiliated Consenting Senior Noteholders who hold at least 50.1% of the aggregate principal amount of all outstanding Senior Notes that are held by Consenting Senior Noteholders at the relevant time.

"***Restructuring Expenses***" means the reasonable and documented fees and out-of-pocket expenses of the Majority Ad Hoc Group Advisors and advisors to Computershare Trust Company, N.A., in each case incurred in connection with the negotiation, formulation, preparation, documentation, execution, delivery, implementation, consummation, or enforcement of this Agreement, the Transactions, or the Definitive Documents, whether incurred before, on, or after the Agreement Effective Date, including a reasonable retainer for any post-Plan Effective Date work, and subject to any applicable fee arrangements agreed with respect thereto.

"***Restructuring Term Sheet***" has the meaning set forth in the recitals hereof.

"***Restructuring Transactions Exhibit***" means, if necessary, the exhibit containing a summary of transaction steps to complete the restructuring contemplated by the Plan, which shall be included in the Plan Supplement and shall provide for a structure that is tax-efficient for each of the Company Parties and the Consenting Senior Noteholders.

"***Rights Offering***" means that certain rights offering pursuant to which each Rights Offering Participant is entitled to receive rights to acquire New Money Senior Secured Notes on a pro rata basis in accordance with the Rights Offering Procedures and which shall be fully backstopped by the Backstop Parties pursuant to the Backstop Commitment Letter.

"***Rights Offering Documents***" means, collectively, the Backstop Order, the Rights Offering Procedures, the Rights Offering Procedures Order, the Backstop Commitment Letter, and any and all other agreements, documents, and instruments delivered or entered into or distributed in connection with, or otherwise governing, the Rights Offering.

"***Rights Offering Procedures***" means the procedures for the implementation of the Rights Offering as approved by the Rights Offering Procedures Order.

"***Rights Offering Procedures Order***" means the order of the Bankruptcy Court approving the Rights Offering Procedures.

"***Rules***" means Rule 501(a)(1), (2), (3), (7), (8), (9), (12), and (13) of the Securities Act.

"***Schedule of Rejected Executory Contracts and Unexpired Leases***" means the schedule of Executory Contracts and Unexpired Leases to be rejected by the Debtors pursuant to the Plan, if any, as the same may be amended, modified, or supplemented from time to time.

"***Schedule of Retained Causes of Action***" means a schedule of Causes of Action to be retained by the Reorganized Debtors as set forth in the Plan Supplement.

"***SEC***" means the U.S. Securities and Exchange Commission.

"***Second Day Orders***" means any interim or final orders of the Bankruptcy Court granting the relief requested in the second-day pleadings that the Debtors determine are necessary or desirable to file in the Chapter 11 Cases, excluding any orders in respect of the retention of the Debtors' professionals.

"***Securities Act***" means the Securities Act of 1933.

"***Senior Notes***" has the meaning set forth in the Restructuring Term Sheet.

"***Senior Notes Claims***" means any Claim on account of the Senior Notes.

"***Senior Notes Indentures***" means, collectively, the 2028 Senior Notes Indenture and the 2029 Senior Notes Indenture.

"***Termination Date***" has the meaning set forth in Section 4.01(f).

"***Termination Event***" means any Global Termination Event.

"***Transactions***" means those transactions described in the Restructuring Term Sheet and all other transactions contemplated by or consented to pursuant to and in accordance with the terms of this Agreement, the Restructuring Term Sheet, and the Definitive Documents.

"***Transfer***" or "***Transferred***" has the meaning set forth in Section 5.01(a).

"***Transferor***" has the meaning set forth in Section 5.01(a).

"***Variance Report***" has the meaning set forth in Section 3.01(v).

(b) In this Agreement, unless the context otherwise requires:

(i) references to Articles, Sections, Exhibits, and Schedules are references to the articles and sections or subsections of, and the exhibits and schedules attached to, this Agreement;

(ii) unless otherwise specified, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions; *provided*, that nothing contained in this Section shall or shall be construed to modify the consent rights set forth herein;

(iii) unless otherwise specified, any reference herein to an existing document, schedule, or exhibit shall mean such document, schedule, or exhibit, as it may have been or may be amended, restated, supplemented, or otherwise modified from time to time; *provided*, that any capitalized terms herein which are defined with reference to another agreement, are defined with reference to such other agreement as of the date of this Agreement, without giving effect to any termination of such other agreement or amendments to such capitalized terms in any such other agreement following the date hereof;

(iv) references in this Agreement to "writing" or comparable expressions include a reference to a written document transmitted by means of electronic mail, in portable document format (.pdf), facsimile transmission or comparable means of communication;

(v) words expressed in the singular number shall include the plural and vice versa; words expressed in the masculine shall include the feminine and neuter gender and vice versa;

(vi) capitalized terms defined only in the plural or singular form shall nonetheless have their defined meanings when used in the opposite form;

(vii) the words "hereof," "herein," "hereto," and "hereunder," and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole, including all exhibits and schedules attached to this Agreement, and not to any specific provision of this Agreement;

(viii) the term "Agreement" shall be construed as a reference to this Agreement as the same may have been, or may from time to time be, amended, modified, varied, novated, or supplemented;

(ix) unless otherwise specified, all references herein to "Sections" are references to Sections of this Agreement;

(x) captions and headings to Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of this Agreement;

(xi) "include," "includes," and "including" are deemed to be followed by "without limitation" whether or not they are in fact followed by such words;

(xii) references to "day" or "days" are to calendar days;

(xiii) the word "or" shall not be exclusive;

(xiv) unless otherwise specified, references to a statute mean such statute as amended from time to time and include any successor legislation thereto and any rules or regulations promulgated thereunder in effect from time to time;

(xv) references to "dollars" or "$" refer to the currency of the United States of America, unless otherwise expressly provided; and

(xvi) references to requirements of "consent" or "written consent" in this Agreement or the Restructuring Term Sheet may be satisfied via email from counsel to the applicable Party.

Section 1.02 Definitive Documents; Incorporation by Reference.

(a) Each of the Definitive Documents shall (i) contain terms and conditions consistent in all material respects with this Agreement, including the Restructuring Term Sheet and all exhibits thereto, as this Agreement may be modified, amended, or supplemented in accordance with Section 7.04, and (ii) otherwise be in form and substance reasonably acceptable to the Required Consenting Senior Noteholders and the Company Parties (other than (A) the New Senior Secured Notes Indenture and related documents, (B) the New Corporate Governance Documents, (C) any New Intercreditor Agreements, (D) the Registration Rights Agreement, and (E) the Restructuring Transactions Exhibit, each of which must be in form and substance acceptable to the Required Consenting Senior Noteholders and reasonably acceptable to the Company Parties). The Company Parties shall consult in good faith with the Majority Ad Hoc Group Advisors regarding each Definitive Document and shall not execute, file, or seek approval of any Definitive Document unless the Required Consenting Senior Noteholders have provided the applicable consent required under this Agreement.

(b) The exhibits hereto, including the Restructuring Term Sheet, are fully incorporated by reference herein and are made a part of this Agreement as if fully set forth herein, and all references to this Agreement shall include and incorporate all exhibits hereto; *provided*, that (i) to the extent that there is a conflict between this Agreement (excluding the Restructuring Term Sheet), on the one hand, and the Restructuring Term Sheet, on the other hand, the terms and provisions of the Restructuring Term Sheet shall govern, (ii) to the extent there is a conflict between the Restructuring Term Sheet, on the one hand, and any of the Definitive Documents, on the other hand, the terms and provisions of the Definitive Documents shall govern, and (iii) to the extent there is a conflict between the Governance Term Sheet, on the one hand, and any term of this Agreement and the Restructuring Term Sheet (excluding the Governance Term Sheet), on the other hand, the Governance Term Sheet shall govern. Neither this Agreement nor any provision hereof may be modified, waived, amended, or supplemented, except in accordance with Section 7.04 hereof.

ARTICLE 2
AGREEMENT EFFECTIVE DATE

Section 2.01 Agreement Effective Date. This Agreement shall become effective upon the occurrence of the following events (the date on which such events occur, the "***Agreement Effective Date***"):

(a) the execution and delivery of this Agreement by each of the Company Parties; and

(b) the execution and delivery of this Agreement by holders of at least 66 and two-thirds (⅔) percent of the outstanding principal amount of all Senior Notes as of such date.

ARTICLE 3
COVENANTS

Section 3.01 Commitments of the Company Parties. Subject to the terms and conditions of this Agreement, each Company Party agrees that it shall (and shall cause each of its direct and indirect subsidiaries to), so long as the Termination Date has not occurred:

(a) support and take all commercially reasonable actions reasonably necessary to facilitate the implementation and consummation of the Transactions, including (i) taking all commercially reasonable actions to support and complete the Transactions and all other commercially reasonable actions contemplated in connection therewith in this Agreement and under the Definitive Documents, (ii) taking all commercially reasonable actions to obtain any and all required governmental, regulatory, and third-party approvals or consents for the implementation and consummation of the Transactions, including payment of all of the Company's filing fees associated with securing all required regulatory approvals, (iii) refraining

from taking any actions inconsistent with, and not failing or omitting to take an action that is required by, this Agreement or the Definitive Documents, (iv) using commercially reasonable efforts to obtain confirmation of the Plan as soon as reasonably practicable after the Petition Date in accordance with the Bankruptcy Code and on terms consistent with this Agreement, and (v) taking such action (including executing and delivering any other agreements) as may be reasonably necessary or as may be required by order of the Bankruptcy Court to carry out the purpose and intent of this Agreement;

(b) on a timely basis, negotiate in good faith the Definitive Documents with the respective parties thereto, execute and deliver each Definitive Document to which it is to be a party, effectuate the Definitive Documents (as applicable) as contemplated herein and subject to the terms and conditions of this Agreement, and consummate the Transactions, in each case as promptly as reasonably practicable; *provided*, that, notwithstanding anything to the contrary herein, the Company Parties shall not be required to enter into Definitive Documents on any terms less favorable to any Company Party than those terms contemplated by this Agreement (including the Restructuring Term Sheet and the exhibits and annexes thereto);

(c) to the extent any legal, regulatory, or structural impediment arises that would prevent, hinder, or delay the consummation of the Plan or Transactions, negotiate in good faith and use commercially reasonable efforts to execute and deliver any appropriate additional or alternative provisions or agreements to address any such impediment;

(d) propose, support, and not object to approval of and entry of orders regarding the Definitive Documents and confirmation and consummation of the Plan and the Transactions, in each case consistent with the terms and conditions, and within the timeframes contemplated by, this Agreement (including the Restructuring Term Sheet);

(e) except to the extent prohibited by applicable law, notify the Majority Ad Hoc Group Advisors and Holder Counsel as promptly as reasonably possible (but in no event later than two (2) Business Days after the applicable occurrence) as to:

(i) the rejection of any material authorizations (including any consents) from any competent judicial body, Governmental Authority, banking, taxation, supervisory or regulatory body that are required for the implementation and consummation of the Transactions;

(ii) any material governmental or third-party complaints, litigations, investigations, or hearings against a Company Party that a Company Party has actual knowledge of;

(iii) any event or circumstance that a Company Party has actual knowledge of that has occurred, or that is reasonably likely to occur (and if it did so occur), that would reasonably be expected to prevent the consummation of the Transactions or result in the termination of this Agreement;

(iv) any notice of any commencement of any involuntary insolvency proceedings against any Company Party or material legal suit for payment of debt or securement of security from or by any Person against any Company Party; and

(v) any breach of any Company Party's obligations or covenants set forth in this Agreement (including any Company Party's failure to meet any Milestone), to the extent actually known by such Company Party;

(f) provide (i) the Majority Ad Hoc Group Advisors with drafts of any Definitive Documents at least three (3) Business Days before the applicable document's execution and/or filing, as appropriate, or, if three (3) Business Days' notice is not reasonably practicable, as soon as reasonably practicable, which Definitive Documents shall in any event remain subject to all applicable consent rights set forth in Section 1.02 hereof, notwithstanding such advance notice; (ii) the Majority Ad Hoc Group Advisors, the Required Consenting Senior Noteholders, and Holder Counsel (in the case of Holder Counsel, on a counsel-only and confidential basis) with regular updates regarding the Company Parties' material developments and the status of the Transactions; and (iii) the Majority Ad Hoc Group Advisors and the Required Consenting Senior Noteholders with regular updates regarding the Company Parties' business, financial condition, liquidity, and cash flow, and, upon reasonable advance written notice, reasonable access to the Company Parties' management, advisors, books, records, financial information, operating forecasts, and other information reasonably requested in connection with the Transactions, in each case subject to customary privilege and confidentiality protections;

(g) within two (2) Business Days following the Agreement Effective Date, pay in full all Restructuring Expenses for which an invoice has been received by the Company Parties before the Agreement Effective Date in accordance with the applicable engagement letters or fee arrangements and, to the extent this Agreement remains in effect, promptly pay as and when due all Restructuring Expenses properly incurred and invoiced in accordance with the applicable engagement letters or fee arrangements, including all such fees and expenses incurred before and during the Chapter 11 Cases; *provided*, that the Company Parties shall pay in full before the Petition Date all invoices for Restructuring Expenses received at least two (2) Business Days before the Petition Date and shall, subject to any applicable orders of the Bankruptcy Court, continue to pay all Restructuring Expenses as they become due during the Chapter 11 Cases and after any termination of this Agreement to the extent accrued or payable under the applicable engagement letters or this Agreement; *provided*, further, that following any termination of this Agreement, such payment obligation shall apply solely with respect to Restructuring Expenses incurred on or before the effective date of such termination;

(h) to the extent applicable, object to any motion filed with the Bankruptcy Court by any Person (i) seeking the entry of an order terminating the Company Parties' exclusive right to file or solicit acceptances of a chapter 11 plan or (ii) seeking the entry of an order terminating, annulling, or modifying the automatic stay (as set forth in section 362 of the Bankruptcy Code) with regard to any material asset that, to the extent such relief was granted, would have a material adverse effect on or delay the consummation of the Transactions;

(i) to the extent applicable, object to, and not file, any pleading before the Bankruptcy Court seeking entry of an order (i) directing the appointment of an examiner or trustee, (ii) converting the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code, (iii) dismissing the Chapter 11 Cases, or (iv) for relief that (x) would prevent or materially delay the consummation of the Transactions or (y) is otherwise inconsistent with this Agreement in any material respect;

(j) use commercially reasonable efforts to work in good faith with, and consult in good faith with, the Majority Ad Hoc Group Advisors with respect to the refinancing, repayment, extension, amendment, or other treatment of the Other Existing Debt in a manner consistent with the Restructuring Term Sheet;

(k) keep the Majority Ad Hoc Group Advisors reasonably informed on a current basis (and in any event not less than weekly) of the status and progress of all discussions and negotiations regarding the Other Existing Debt and the New ABL Credit Agreement, including by (i) providing, within two (2) Business Days of receipt or delivery, copies of all material proposals, term sheets, commitment letters, fee letters, and draft documentation exchanged with any existing or prospective lender, agent, or arranger (or,

if not in writing, a reasonably detailed summary thereof), (ii) providing the Majority Ad Hoc Group Advisors with a reasonable opportunity to participate in material calls and meetings with such Persons, and (iii) promptly responding to reasonable information requests from the Majority Ad Hoc Group Advisors relating thereto;

(l) not, without the prior written consent of the Required Consenting Senior Noteholders, enter into any commitment, agreement, amendment, waiver, forbearance, extension, or refinancing with respect to any Other Existing Debt or the New ABL Credit Agreement; *provided*, that such consent shall not be unreasonably withheld, conditioned, or delayed to the extent such documents are consistent with the Restructuring Term Sheet;

(m) not, without the prior written consent of the Required Consenting Senior Noteholders, enter into, materially amend, waive any material right under, or terminate any material agreement outside the ordinary course of business, and consult in good faith with the Majority Ad Hoc Group Advisors before entering into any other material agreement, in each case, other than in the ordinary course of business and until the consummation of the Transactions;

(n) not, without the prior written consent of the Required Consenting Senior Noteholders, (i) consummate or enter into any agreement for any sale, transfer, or other disposition of material assets outside the ordinary course of business or (ii) seek, negotiate the material terms of, or enter into any financing, loan, guarantee, grant, or other credit support from any Governmental Authority (including any Canadian federal or provincial Governmental Authority);

(o) consult in good faith with the Majority Ad Hoc Group Advisors before engaging any additional legal, financial, or other professional advisor;

(p) timely file all reports, schedules, forms, statements, and other documents required to be filed by it with the SEC under the Exchange Act, including all annual reports on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K, which filings shall comply in all material respects with applicable SEC rules, and not take any action to terminate or suspend its reporting obligations under the Exchange Act or to delist its securities from any national securities exchange;

(q) take all commercially reasonable actions to cause the New Common Stock (as defined in the Restructuring Term Sheet) to be listed for trading on The New York Stock Exchange, the NASDAQ Capital Market, the NASDAQ Global Market, or such other national securities exchange as is selected by the Required Consenting Senior Noteholders and reasonably acceptable to the Company Parties, effective on, or as soon as reasonably practicable after, the Plan Effective Date, unless, before the Plan Effective Date, the Required Consenting Senior Noteholders determine, with the reasonable consent of the Company Parties, that the New Common Stock shall not be listed for public trading, and take all commercially reasonable actions to maintain the Company's status as a public reporting company under the Exchange Act unless the Required Consenting Senior Noteholders determine otherwise with the reasonable consent of the Company Parties;

(r) take all commercially reasonable actions to provide the Majority Ad Hoc Group Advisors with tax diligence for the Company Parties upon reasonable request by the Majority Ad Hoc Group Advisors;

(s) take all commercially reasonable actions, in consultation with the Required Consenting Senior Noteholders, effective no later than the Plan Effective Date and to the extent not self-effectuating under the Plan, to (i) amend or modify the Employee Plans (as defined in the Restructuring Term Sheet) to provide that the Transactions (either alone or in conjunction with any other event) shall not constitute a

"change in control," "change of control," or similar event or trigger any related payment, vesting, funding, or other benefit and (ii) terminate any Employee Plan providing for the grant of any equity-based award and cancel any unvested equity-based awards outstanding thereunder that are subject to time-based vesting or performance-based vesting that may have not fully vested as of immediately prior to the Plan Effective Date, in each case consistent with the Plan;

(t) on the Agreement Effective Date and every thirty (30) days thereafter, deliver, or cause the Debtors, as applicable, to deliver, to the Majority Ad Hoc Group Advisors a budget of the Company Parties through the Plan Effective Date, in the form of a weekly cash flow forecast for the pendency of the Chapter 11 Cases, which shall be in form and substance acceptable to the Required Consenting Senior Noteholders (each such budget, upon receiving the consent of the Required Consenting Senior Noteholders, such consent not to be unreasonably withheld, conditioned, or delayed, a "***Current Approved Budget***"); *provided*, that until a subsequent budget has been consented to by the Required Consenting Senior Noteholders, the most recent Current Approved Budget shall remain in effect;

(u) the Company Parties shall not permit at any time before December 31, 2026, the aggregate amount of cash held on the balance sheets of the Company Parties and all direct and indirect subsidiaries of the Company Parties, plus amounts then available to be drawn under the Canadian ABL Facility and the German RCF, to be less than $30.0 million;

(v) commencing on the second Friday following the Agreement Effective Date and continuing every second Friday thereafter (or, if such day is not a Business Day, the next succeeding Business Day) or more frequently upon the reasonable request of the Required Consenting Senior Noteholders (provided that such requests shall not be more frequent than weekly), deliver, or cause the Debtors, as applicable, to deliver a report (a "***Variance Report***") comparing the Current Approved Budget to actual results and shall offer a call between the Company Parties' advisors and the Majority Ad Hoc Group Advisors to occur within twenty-four (24) hours of production of the Variance Report, or such time as agreed between the Company Parties and the Required Consenting Senior Noteholders, to discuss such Variance Report; *provided*, that any failure by the Company Parties or the Debtors, as applicable, to timely deliver a Variance Report in accordance with this clause (v) shall not constitute a breach of this Agreement (including for purposes of Section 4.01(a)(i)) unless such failure remains uncured for three (3) days after the date on which such Variance Report was required to be delivered; and

(w) without limiting the generality of the foregoing, except as expressly contemplated by this Agreement, between the Agreement Effective Date and the Plan Effective Date, not:

(i) file or execute, as applicable, any motion, pleading, or Definitive Document that, in whole or in part, is not consistent with this Agreement (including the consent rights set forth herein);

(ii) declare, set aside, or pay any dividend or other distribution (whether in cash, stock, or property or any combination thereof) in respect of the capital stock of the Company or another Company Party, or redeem, repurchase, or otherwise acquire or offer to redeem, repurchase, or otherwise acquire any shares of the Company's or a Company Party's capital stock (other than any tax distributions permitted pursuant to the terms of the Existing Debt);

(iii) make any material loans, advances, or capital contributions to, or investments in, any other entity that is not a Company Party or a direct or indirect subsidiary of Mercer, other than (x) in the ordinary course of business, including intercompany funding consistent with past practice, or (y) pursuant to any applicable cash management order entered by the Bankruptcy Court in the Chapter 11 Cases;

(iv) make any payment in satisfaction of any Existing Debt, other than (A) pursuant to the Transactions; (B) to the extent consistent with this Agreement; or (C) in the ordinary course of business, including regular scheduled principal and interest payments under any Other Existing Debt;

(v) (A) commence any proceeding or other action that challenges (1) the amount, validity, allowance, character, enforceability, or priority of any Existing Senior Notes Debt, or (2) the validity or enforceability of any Claims of any holder of Senior Notes or (B) support any Person in connection with any of the acts described in the foregoing clauses;

(vi) subject solely to the terms set forth in Section 3.03, solicit, consummate, or enter into a binding agreement to consummate an Alternative Transaction prior to the consummation of the Transactions;

(vii) create, incur, assume or otherwise be liable with respect to any third-party indebtedness for borrowed money or guarantees thereof, other than (A) with respect to the Existing Senior Notes Debt; (B) in the ordinary course of business, including in connection with intercompany transactions or funding arrangements consistent with past practice or pursuant to any applicable cash management order entered by the Bankruptcy Court in the Chapter 11 Cases; or (C) as otherwise required under any of the Definitive Documents; or

(viii) enter into, adopt, amend, modify, renew, extend, or terminate (other than for cause) any employment, consulting, compensation, bonus, incentive, retention, severance, change-in-control, or similar plan, program, or agreement with any officer, director, or member of senior management of any Company Party, or increase or accelerate the compensation or benefits payable to any such Person, in each case other than with the prior written consent of the Required Consenting Senior Noteholders.

Section 3.02 Commitments of the Consenting Senior Noteholders. Subject to the terms and conditions of this Agreement, each Consenting Senior Noteholder (severally and not jointly), solely in its capacity as a holder of Senior Notes, and solely with respect to the Senior Notes identified on its signature page or applicable joinder, agrees that it shall, so long as the Termination Date has not occurred and subject to the express limitations and reservations set forth in Section 3.04 and Section 7.02:

(a) support and not object to approval of and entry of orders regarding the Definitive Documents and confirmation and consummation of the Plan and the Transactions, in each case consistent with the terms and conditions, and within the timeframes contemplated by, this Agreement (including the Restructuring Term Sheet);

(b) with respect to the Transactions in which it is a participant and solely to the extent required under this Agreement, support and take commercially reasonable actions reasonably necessary or reasonably requested by the Company Parties to facilitate implementation and consummation of the Transactions, without requiring such Consenting Senior Noteholder to incur any out-of-pocket cost other than Restructuring Expenses payable by the applicable Company Party, including:

(i) taking all commercially reasonable actions to support and complete the Transactions and all other commercially reasonable actions contemplated in connection therewith and in this Agreement and under the Definitive Documents, including using commercially reasonable efforts to obtain confirmation of the Plan (solely to the extent that the Plan comports with this Agreement, including the consent rights set forth herein) as soon as reasonably practicable after the Petition Date in accordance with the Bankruptcy Code and on terms consistent with this

Agreement and taking such action (including executing and delivering any other agreements) as may be reasonably necessary or as may be required by order of the Bankruptcy Court to carry out the purpose and intent of this Agreement;

(ii) if applicable, taking all commercially reasonable actions to obtain or assist the Company Parties in obtaining any and all required regulatory approvals and third-party approvals for the Transactions;

(iii) refraining from taking any actions inconsistent with or in contravention of, and not failing or omitting to take an action that is required by, this Agreement or the Definitive Documents;

(iv) without creating any obligation to incur any out-of-pocket costs that are not Restructuring Expenses payable under this Agreement by the applicable Company Party or to provide anything in the nature of an indemnity or otherwise, directing the trustees and collateral agents (and similar agents) appointed from time to time under the Existing Senior Notes Documents, in each case as applicable, to enter into, execute, and effect any and all of the Definitive Documents, as applicable;

(v) timely vote, cause to be voted, or direct to be voted, all of its Claims (or Claims under its control or direction) entitled under the Plan to vote to accept the Plan, and not change or withdraw any such vote; *provided*, that any vote shall be immediately revoked and deemed void *ab initio* upon the occurrence of a Termination Event with respect to such Consenting Senior Noteholder (other than a Termination Event resulting from such Consenting Senior Noteholder's breach of this Agreement), and each Consenting Senior Noteholder may change or withdraw its vote if the Company Parties withdraw the Plan, modify the Plan, or modify any Definitive Document in a manner that is materially inconsistent with this Agreement, or following termination of this Agreement (other than a termination resulting from such Consenting Senior Noteholder's breach of this Agreement, provided that such breaching party may seek Bankruptcy Court approval to change or withdraw its vote and the Company Parties' rights are reserved with respect to such relief); and

(vi) consent to, not "opt out" of, or in the alternative, to the extent required by the applicable ballot or Plan, "opt in" to the releases, exculpations, and indemnification protections described in the Plan and Confirmation Order, in each case only to the extent such releases apply to the Consenting Senior Noteholders and their respective Affiliates, advisors, agents, representatives, and other indemnitees, and are consistent with this Agreement.

(c) with respect to the Consenting Senior Noteholders that are Backstop Parties, commit to backstop the Rights Offering on the terms and conditions set forth in the Backstop Commitment Letter;

(d) to the extent any legal, regulatory, or structural impediment arises that would prevent, hinder, or delay the consummation of the Plan or Transactions, negotiate in good faith and use commercially reasonable efforts to execute and deliver any appropriate additional or alternative provisions or agreements to address any such impediment;

(e) on a timely basis, negotiate in good faith the Definitive Documents with the Company Parties and complete, enter into, and effectuate the Definitive Documents (as applicable) as contemplated herein and consummate the Transactions, in each case as promptly as reasonably practicable and subject to the terms and conditions of this Agreement;

(f) provide all applicable consents reasonably required for the consummation of the Transactions;

(g) not (x) object to, delay, or impede the Transactions or the implementation thereof or initiate any legal proceedings that are materially inconsistent with, or that would delay, prevent, frustrate, or impede the approval, solicitation, or consummation of, the Transactions, the Definitive Documents, or any related transactions outlined therein or in this Agreement, or take any other action barred by this Agreement, (y) vote for, consent to, support, or participate in the formulation of an Alternative Transaction that is materially inconsistent with this Agreement, or (z) solicit, encourage, or direct any Person to undertake an action described in clauses (x) or (y); provided, that nothing in this Section shall limit any Consenting Senior Noteholder's right to appear, be heard, file proofs of claim, preserve or defend its Claims, respond to discovery, or take any action expressly permitted or reserved under this Agreement or the Definitive Documents;

(h) not incur or suffer to exist any lien, charge, encumbrance, participation, security interest, adverse claim, or any other restriction that would prevent such Consenting Senior Noteholder's performance of its obligations contained in this Agreement at the time such obligations are required to be performed;

(i) not object to or otherwise challenge the Company's retention of Houlihan in the Chapter 11 Cases pursuant to the terms of the Houlihan Engagement Letter or object to the payment or allowance of any fees or amounts payable under the Houlihan Engagement Letter;

(j) not direct any administrative agent or indenture trustee (or similar agent) (as applicable) to take any action inconsistent with such Consenting Senior Noteholder's obligations under this Agreement, and if any applicable administrative agent or indenture trustee (or similar agent) takes any action inconsistent with such Consenting Senior Noteholder's obligations under this Agreement, such Consenting Senior Noteholder, following written notification from the Company Parties to such Consenting Senior Noteholder, shall use commercially reasonable efforts to direct such administrative agent or indenture trustee (or similar agent) to cease, desist, and refrain from taking any such action, and to take such action as may be commercially reasonable to effect the Transactions; and

(k) during the Agreement Effective Period, forbear from exercising and from directing any administrative agent, collateral agent, or indenture trustee (or similar agent) (as applicable) to exercise rights or remedies, including the enforcement, collection, or recovery of any Claims against or Interests in the Company Parties, including, for the avoidance of doubt, as a result of a breach by any Company Party or any occurrence or continuation of any "Default" or "Event of Default" or other similar term (each as defined in the applicable document) under the Existing Senior Notes Documents, in each case solely to the extent doing so would be inconsistent with the terms of this Agreement.

Section 3.03 Additional Provisions Regarding Company Parties.

(a) Nothing in this Agreement shall require a Company Party or the board of directors, board of managers, board of trustees, or similar governing body (including any special committee) of any Company Party to take or refrain from taking any action with respect to the Transactions to the extent such Company Party or governing body determines in good faith, after consultation with outside counsel, that taking or failing to take such action would be inconsistent with applicable law or the exercise of its fiduciary duties under applicable law. Any such determination shall be limited to the specific action or inaction required to comply with applicable law, shall not waive or limit any right of the Consenting Senior Noteholders to terminate this Agreement or exercise any other right or remedy, and the applicable Company

Party shall notify the Majority Ad Hoc Group Advisors and all Parties in writing of any such determination within twenty-four (24) hours after such determination.

(b) Notwithstanding anything to the contrary in this Agreement (but subject to Section 3.03(a) hereof), if any Company Party receives an unsolicited written or oral proposal or expression of interest regarding any Alternative Transaction that its board of directors, board of managers, board of trustees, or such similar governing body (including any special committee) determines in good faith, after consulting with outside counsel, that failure to take action would be inconsistent with the fiduciary duties of the members of such board or governing body under applicable law, each Company Party and its respective directors, officers, employees, investment bankers, attorneys, accountants, consultants, and other advisors or representatives shall have the right to: (i) consider, respond to, facilitate, discuss, and negotiate such Alternative Transaction proposal; (ii) provide access to non-public information concerning the Company Parties to any entity making such Alternative Transaction proposal and enter into any confidentiality agreement with such entity in connection therewith; *provided*, *however*, that subsequent to the Agreement Effective Date, each Company Party shall use commercially reasonable efforts not to enter into any confidentiality agreement or nondisclosure agreement with any such party to the extent such confidentiality agreement or nondisclosure agreement would restrict any Company Party's ability to share any documents or terms concerning such Alternative Transaction with the Consenting Senior Noteholders and the Majority Ad Hoc Group Advisors in accordance with the terms of this Agreement; (iii) otherwise cooperate with, assist, or participate in any inquiries, proposals, discussions, or negotiations of such Alternative Transaction proposal; and (iv) enter into or continue discussions or negotiations with holders of Claims against or Interests in a Company Party, any other party in interest in the Chapter 11 Cases (including any official committee and the United States Trustee), or any other entity regarding such Alternative Transaction proposal. If any Company Party receives an Alternative Transaction proposal, then such Company Party shall (subject to confidentiality restrictions), within two (2) calendar days of receiving such proposal, (i) provide to the Consenting Senior Noteholders and the Majority Ad Hoc Group Advisors all documentation received in connection with such Alternative Transaction proposal (or, if such proposal was not made in writing, a reasonably detailed summary of such Alternative Transaction proposal), including the identity of the Person or group of Persons involved and reasonable updates as to the status and progress of such Alternative Transaction proposal, and (ii) respond promptly to reasonable information requests and questions from the Majority Ad Hoc Group Advisors relating to such Alternative Transaction proposal, and promptly notify the Majority Ad Hoc Group Advisors of any commitments made, or documents signed, in respect of such Alternative Transaction; *provided*, that the Company Parties shall make commercially reasonable efforts to share such documentation and information, including seeking any necessary waivers or modifications of any confidentiality provisions.

(c) Nothing in this Agreement shall (i) impair or waive the rights of any Company Party to assert or raise any objection permitted under this Agreement in connection with the Transactions or (ii) prevent any Company Party from enforcing this Agreement or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement.

(d) Nothing in this Agreement shall require any Company Party to incur, assume, become liable in respect of, or suffer to exist any expenses, liabilities, or other obligations, other than (i) as expressly set forth, required, or agreed to in this Agreement or any other Definitive Document (as applicable), or (ii) that arise in connection with a breach of this Agreement by such Company Party.

Section 3.04 Additional Provisions For All Parties. Notwithstanding the Parties' respective commitments to support the Transactions as set forth herein, this Agreement shall not:

(a) subject to applicable confidentiality agreements, affect the ability of any Party to consult with any other Party, or any other party in interest in the Chapter 11 Cases (including any official committee

and the United States Trustee) or their respective advisors, counsel or other representatives, so long as such consultation does not violate such Party's respective obligations set forth herein;

(b) prevent any Party from: (i) enforcing this Agreement or any Definitive Document; (ii) contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement or any Definitive Document, including by filing an objection or initiating a contested matter or other proceeding with the Bankruptcy Court; or (iii) exercising its rights or remedies expressly reserved herein or in the Definitive Documents;

(c) impair or waive the rights of any Party to assert or raise any objection permitted under this Agreement or limit the rights of a Party in the Chapter 11 Cases, including appearing as a party in interest in any matter to be adjudicated in order to be heard concerning any matter arising in the Chapter 11 Cases, so long as the exercise of any such right is consistent with such Party's respective obligations under this Agreement and the Definitive Documents;

(d) constitute a waiver or amendment of any term or provision of the Existing Senior Notes Documents or any agreements or documents governing the Existing Equity Interests, in each case, unless otherwise set forth in this Agreement or the Definitive Documents;

(e) require any Consenting Senior Noteholder or any of its Affiliates, advisors, agents, representatives, employees, or indemnitees to incur, assume, become liable in respect of, or suffer to exist any expenses, liabilities, commitments, indemnities, or other obligations, other than obligations expressly set forth in this Agreement or a Definitive Document to which such Consenting Senior Noteholder is a party and costs and expenses that a Company Party has agreed to reimburse on terms satisfactory to such Consenting Senior Noteholder; for the avoidance of doubt, no Consenting Senior Noteholder shall be required to fund or provide any DIP financing, cash collateral, backstop, exit financing, or other new money, or to waive, release, impair, or forego any rights or remedies except as expressly provided herein or in the Definitive Documents or the Backstop Commitment Letter;

(f) prevent a Party from taking any action that is (i) required to comply with applicable law upon the advice of counsel or (ii) otherwise consistent with this Agreement or the Restructuring Term Sheet;

(g) obligate a Party to deliver a vote to support a Plan (or any other Transactions) from and after the Termination Date;

(h) be construed to prevent any Party from exercising any consent rights or their rights or remedies specifically reserved herein or in the Definitive Documents; or

(i) require any Party to take any action which is prohibited by applicable law upon the advice of counsel or to waive or forego the benefit of any applicable legal professional privilege.

Section 3.05 Covenant Regarding Additional Documents. Each Party covenants and agrees that the Definitive Documents not executed or in a form attached to this Agreement as of the Execution Date remain subject to negotiation and completion pursuant to Section 1.02 hereof. Each Party hereby covenants and agrees to cooperate with each other Party in good faith in connection with, and shall exercise commercially reasonable efforts with respect to, the negotiation, drafting, and execution and delivery of the Definitive Documents. Upon completion, the Definitive Documents and every other document, deed, agreement, filing, notification, letter, or instrument related to the Transactions shall contain terms, conditions, representations, warranties, and covenants consistent with the terms of this Agreement, as they may be modified, amended, or supplemented in accordance with Section 7.04. Prior to the Plan Effective Date, the Company and the Majority Ad Hoc Group shall engage in good faith discussions regarding the

potential terms of a long term MIP that will be implemented by the Reorganized Board following the Plan Effective Date.

Section 3.06 Equal Treatment. Notwithstanding anything to the contrary in this Agreement:

(a) Except for (i) the Put Option Premium payable to the Backstop Parties in accordance with the Restructuring Term Sheet and the Backstop Commitment Letter; (ii) the Restructuring Expenses payable in accordance with this Agreement; and (iii) otherwise explicitly provided under this Agreement and the Restructuring Term Sheet, no Company Party or Consenting Senior Noteholder shall enter into, or give or receive any consideration under, any agreement or arrangement that provides any Consenting Senior Noteholder (or any of its Affiliates or advisors) with any fee, premium, expense reimbursement, allocation, security, or other consideration or treatment in connection with the Transactions and on account of the Senior Notes Claims (other than the treatment of Senior Notes Claims set forth in the Restructuring Term Sheet), unless the same is offered on the same terms, and ratably based on the principal amount of Senior Notes held, to each other Consenting Senior Noteholder;

(b) each Company Party represents and warrants to each Consenting Senior Noteholder that, as of the Execution Date and as of the date of each joinder to this Agreement, other than this Agreement (including the Restructuring Term Sheet), the Backstop Commitment Letter, and the engagement letters and fee arrangements governing the Restructuring Expenses, there is no agreement, arrangement, or understanding between any Company Party and any holder of Senior Notes (or any of its Affiliates or advisors) providing for any consideration or treatment of the type described in the preceding clause that is not offered on the same terms, and ratably, to each other Consenting Senior Noteholder; and

(c) if any Company Party breaches the preceding clauses, any Consenting Senior Noteholder that is not offered the applicable consideration or treatment on the same terms may terminate this Agreement solely as to itself upon written notice to the Company Parties.

ARTICLE 4
TERMINATION

Section 4.01 Termination.

(a) Termination by the Consenting Senior Noteholders. This Agreement may be terminated by the Required Consenting Senior Noteholders in their sole and absolute discretion, as to all Parties, upon three (3) days' prior written notice thereof to all of the Parties in accordance with Section 7.09, upon the occurrence of any of the following events (each, a "***Consenting Senior Noteholder Termination Event***"); *provided,* that, notwithstanding the foregoing, (x) the three (3) days' prior written notice period shall not apply to any Consenting Senior Noteholder Termination Event arising under clause (iv) of this Section 4.01(a) on account of the failure to meet any Milestone, and any termination on account thereof shall be effective automatically and immediately without notice unless waived or extended in accordance with Section 4.01(d); and (y) with respect to any Consenting Senior Noteholder Termination Event that is subject to a cure period, the written notice of the applicable breach or failure delivered to the Required Consenting Senior Noteholders shall also constitute written notice of termination, and this Agreement shall terminate automatically upon the expiration of the applicable cure period if such breach or failure has not been cured by such time:

(i) a breach in any material respect by any Company Party of any representation, warranty, covenant, or obligation set forth in this Agreement, the Restructuring Term Sheet, or any Definitive Document, including any failure to provide information, consultation, or consent rights of the Required Consenting Senior Noteholders, that (if susceptible to cure) remains uncured for

five (5) Business Days after receipt by the Company Parties of written notice of such breach; *provided*, that no cure period shall apply to a breach that cannot be cured;

(ii) the issuance by any court of competent jurisdiction or Governmental Authority of any ruling, order, judgment, injunction, decree, or other relief (whether temporary, preliminary, or permanent) that is then in effect and that makes illegal, enjoins, or prohibits the consummation of the Transactions or a material portion thereof, and such ruling, order, judgment, injunction, decree, or relief has not been withdrawn, discharged, stayed, or otherwise cured within thirty (30) days of the issuance thereof;

(iii) except as otherwise expressly set forth in this Agreement or any Definitive Document, failure of any Company Party to use commercially reasonable efforts to (A) conduct its businesses and operations in the ordinary course in a manner that is consistent with past practices and in compliance with applicable law, (B) maintain its books and records in the ordinary course in a manner that is consistent with past practices, and in compliance with applicable law, (C) maintain all insurance policies, or suitable replacements therefor, in full force and effect, in a manner that is consistent with past practices, and in compliance with applicable law, and (D) preserve intact its business organizations and relationships with third parties (including creditors, lessors, licensors, and contract counterparties) and employees in the ordinary course in a manner that is consistent with past practices, and in compliance with applicable law;

(iv) the failure to meet any Milestone, in each case unless waived or extended with the prior written consent of the Required Consenting Senior Noteholders;

(v) any Company Party (A) states in writing or publicly announces its intention to pursue, consummates, or enters into a binding agreement to consummate, in each case, an Alternative Transaction, (B) states in writing or publicly announces its intention to not pursue the Transactions, (C) withdraws, materially modifies in contravention of this Agreement, or fails to support the Transactions or the Plan, or (D) informs the Parties in writing of a Fiduciary Out Determination or takes or refrains from taking any action pursuant to Section 3.03 that is inconsistent with the Transactions, this Agreement, or the rights of the Consenting Senior Noteholders;

(vi) the commencement, support, or joinder by any Company Party in any litigation or adversary proceeding against any Consenting Senior Noteholder; *provided*, that neither the Chapter 11 Cases nor any steps taken by the Company Parties under the Definitive Documents shall constitute litigation or an adversary proceeding against any of the Consenting Senior Noteholders;

(vii) any Company Party (A) seeks or obtains an order of the Bankruptcy Court authorizing the rejection of this Agreement; (B) gives written notice of termination of this Agreement in accordance with its terms; or (C) withdraws the Plan or its support therefor;

(viii) any order approving the solicitation procedures, the Plan, the Disclosure Statement, or any other material Definitive Document is reversed, dismissed, vacated, modified, or amended in a manner that is inconsistent in any material respect with this Agreement, the Restructuring Term Sheet, or the consent rights of the Required Consenting Senior Noteholders, or any motion for reconsideration, reargument, rehearing, or stay of such order is filed and the Company Parties fail to timely object;

(ix) any court of competent jurisdiction has entered a final, non-appealable judgment or order declaring this Agreement to be unenforceable;

(x) the Bankruptcy Court or any court of competent jurisdiction enters an order (A) converting any Chapter 11 Case to a case under chapter 7 of the Bankruptcy Code, (B) dismissing any Chapter 11 Case, (C) appointing a trustee or examiner for the Chapter 11 Cases (other than a fee examiner and only to the extent such trustee or examiner is granted powers beyond those set forth in sections 1106(a)(3) and (4) of the Bankruptcy Code), or (D) granting any such relief or authority that materially impairs the Transactions or the rights of the Consenting Senior Noteholders under this Agreement, and such order has not been reversed, stayed, or vacated within ten (10) Business Days after entry thereof;

(xi) failure of the Debtors to timely file a formal objection to any motion filed with the Bankruptcy Court seeking the entry of an order (A) directing the appointment of a trustee or examiner, (B) converting the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code, or (C) dismissing the Chapter 11 Cases;

(xii) the Bankruptcy Court enters an order in the Chapter 11 Cases terminating any Company Party's exclusive right, or any Company Party otherwise loses the exclusive right, to file a plan or plans of reorganization or to solicit acceptances thereof pursuant to section 1121 of the Bankruptcy Code;

(xiii) the Bankruptcy Court enters an order denying confirmation of the Plan and, if the Company Parties seek to reverse, vacate, or stay such denial, such order shall not have been amended, reversed, vacated, or stayed within ten (10) days of entry;

(xiv) the Bankruptcy Court enters an order granting relief from the automatic stay imposed by section 362 of the Bankruptcy Code that would be reasonably expected to impose a cost or liability of $5.0 million or more on the Company Parties, and such order is not appealed (or subject to any motion or request for leave to appeal), stayed, vacated, or reversed within fourteen (14) calendar days from the Bankruptcy Court's entry thereof;

(xv) the Bankruptcy Court enters an order invalidating, disallowing, subordinating, or recharacterizing, as applicable, any of the Consenting Senior Noteholders' Existing Senior Notes Debt or Claims arising from the Existing Senior Notes Documents and such order is not appealed (or subject to any motion or request for leave to appeal), stayed, vacated, or reversed within fourteen (14) calendar days from the Bankruptcy Court's entry thereof, or any Company Party files any pleading or motion with the Bankruptcy Court objecting to, challenging, or seeking to invalidate, disallow, subordinate, or recharacterize the Existing Senior Notes Debt;

(xvi) upon the commencement of an involuntary insolvency proceeding against any of the Company Parties or the involuntary filing for other similar relief in respect of the Company Parties or their debts, or of a substantial part of their assets, under any federal, state or foreign bankruptcy, insolvency, administrative, receivership, or similar law now or hereafter in effect and such involuntary proceeding is not dismissed within thirty (30) days after the filing thereof;

(xvii) any Company Party files any motion or pleading with the Bankruptcy Court that is materially inconsistent with this Agreement, and such motion has not been withdrawn or amended on or before the date which is the earlier of (A) three (3) Business Days of receipt by the Company Party of written notice from the Required Consenting Senior Noteholders that such motion or pleading is inconsistent with this Agreement and (B) the date on which such motion or pleading is scheduled to be heard by the Bankruptcy Court;

(xviii) other than as contemplated pursuant to the Transactions or asset sales in the ordinary course of business, any Company Party files any pleading seeking authority to sell, or sells, any material assets without the consent of the Required Consenting Senior Noteholders (which shall not be unreasonably withheld, conditioned, or delayed);

(xix) failure of the Company Parties to pay any and all Restructuring Expenses of the Majority Ad Hoc Group Advisors, as and when required under this Agreement or the applicable engagement letters if such failure is not cured within two (2) Business Days after written notice by the Majority Ad Hoc Group; or

(xx) termination of the Backstop Commitment Letter other than upon consummation of the transactions thereunder in connection with the Plan Effective Date or, even in the absence of any such termination, if the Backstop Parties default in any material respect with respect to their obligations thereunder to fully fund commitments under the Backstop Commitment Letter when required on the Plan Effective Date, and such default is not cured within five (5) Business Days; *provided*, that, for purposes of determining whether the Required Consenting Senior Noteholders may terminate this Agreement pursuant to this clause (xx), any Consenting Senior Noteholder that is a Backstop Party whose breach of, or default under, the Backstop Commitment Letter gave rise to such termination right, and the Senior Notes held by such Consenting Senior Noteholder, shall be excluded;

(xxi) the acceleration of any Other Existing Debt, or any Other Existing Debt otherwise becoming due and payable prior to its stated maturity as a result of the occurrence of any default, event of default, or similar event thereunder; or

(xxii) any direct or indirect subsidiary of any Company Party (other than a Debtor in the Chapter 11 Cases) commences any voluntary insolvency, bankruptcy, restructuring, reorganization, administration, receivership, liquidation, winding up, moratorium, or similar proceeding, or files for any other similar relief in respect of itself or its debts, under the laws of any jurisdiction (including the laws of Germany or Canada), other than as expressly contemplated by this Agreement and consented to by the Required Consenting Senior Noteholders.

(b) Termination by the Company. This Agreement may be terminated by the Company, in its sole and absolute discretion, as to all Parties, upon three (3) days' prior written notice thereof to all of the Parties in accordance with Section 7.09, upon the occurrence of any of the following events (each, a "***Company Termination Event***"):

(i) a breach in any material respect by any Consenting Senior Noteholder of any of its representations, warranties, covenants, or obligations set forth in this Agreement or any other agreement to be entered into in connection with the Transactions that (if susceptible to cure) remains uncured for a period of five (5) Business Days after the receipt by the Consenting Senior Noteholders of written notice of such breach; *provided*, that the Company shall not have the right to terminate this Agreement if the non-breaching Consenting Senior Noteholders still hold at least 66 and two-thirds (⅔) percent of the outstanding principal amount of all Senior Notes as of such date;

(ii) the issuance by any Governmental Authority of, or the initiation of any legal action by any Governmental Authority seeking, any ruling or order making illegal or otherwise enjoining, preventing, or prohibiting the consummation of a material portion of the Transactions, including enjoining, preventing, or prohibiting a material portion of the Transactions or a Company Party or any Affiliate of a Company Party from making any transfer or distribution required or as

contemplated by the Transactions and the Definitive Documents which prevents consummation of the Plan, and such legal action, initiation of a legal action, ruling, or order has not been withdrawn or discharged within thirty (30) days of the issuance or initiation, as applicable, thereof;

(iii) if the Required Consenting Senior Noteholders give written notice of termination of this Agreement in accordance with its terms or withdraw support for the Plan;

(iv) termination of the Backstop Commitment Letter other than upon consummation of the transactions thereunder in connection with the Plan Effective Date or, even in the absence of any such termination, if the Backstop Parties default in any material respect with respect to their obligations thereunder to fully fund commitments under the Backstop Commitment Letter when required on the Plan Effective Date, and such default is not cured within five (5) Business Days;

(v) upon written notice to the other Parties hereto that any Company Party has made a Fiduciary Out Determination to terminate this Agreement; or

(vi) any court of competent jurisdiction has entered a final, non-appealable judgment or order declaring this Agreement to be unenforceable.

(c) Mutual Termination. This Agreement may be terminated as to all Parties at any time by mutual written consent of the Company Parties and the Required Consenting Senior Noteholders (such consent, a "***Mutual Termination Event***"). The Company Parties shall deliver written notice of any such termination to all Parties in accordance with Section 7.09 hereof.

(d) Automatic Termination. This Agreement shall automatically terminate as to all Parties upon the earlier of (a) the Plan Effective Date and (b) the expiration of a two (2) Business Day grace period after the failure to meet a Milestone (the "***Milestone Grace Period***") in accordance with Section 4.01(a)(iv), unless such Milestone is waived or extended by the Required Consenting Senior Noteholders prior to the expiration of such Milestone Grace Period (each, an "***Automatic Termination Event***").

(e) Restriction on Termination. No Party may terminate this Agreement based on a Company Termination Event or a Consenting Senior Noteholder Termination Event, as applicable, if such termination event is caused by such Party's failure to perform or comply in all material respects with the terms and conditions of this Agreement (unless such failure to perform or comply arises as a result of another Party's prior failure to perform or comply in all material respects with the terms and conditions of this Agreement).

(f) Termination Date and Survival. The date on which this Agreement is terminated in accordance with this Article 4 with respect to a Party shall be referred to as the "***Termination Date***" with respect to such Party, and the provisions of this Agreement shall terminate on the Termination Date; *provided*, that Sections 1.01, 1.02, 3.01(g), 4.01(f), 4.01(g), 4.01(h), 7.01, 7.02, 7.05, 7.06, 7.07, 7.08, 7.09, 7.10, 7.11, 7.13, 7.14, and 7.15 shall survive the Termination Date.

(g) Effect of Termination. Upon the occurrence of a Global Termination Event, on the applicable Termination Date, this Agreement shall forthwith become null and void and have no further force or effect as to all Parties, each Party hereto shall be released from its commitments, undertakings, and agreements under or related to this Agreement, and there shall be no liability or obligation hereunder on the part of any Party hereto; *provided*, that in no event shall any such termination relieve any Party hereto from (a) liability for its breach or non-performance of its obligations hereunder before such Termination Date, notwithstanding any termination of this Agreement by any other Party, or (b) obligations under this Agreement that expressly survive any such termination pursuant to Section 4.01(f); *provided*, *further*, that, unless the Plan Effective Date has occurred, any and all consents, tenders, waivers, forbearances, and votes

delivered by any Consenting Senior Noteholder in connection with the Transactions automatically shall be deemed, for all purposes, to be null and void *ab initio*.

(h) No Waiver. If the Transactions are not consummated, nothing herein shall be construed as a waiver by any Party of any or all of such Party's rights, and each Party expressly reserves any and all of its respective rights as if the Parties had not entered into this Agreement. Pursuant to Federal Rule of Evidence 408 and any other applicable rules of evidence, this Agreement and all negotiations relating hereto shall not be admissible into evidence in any proceeding other than a proceeding to enforce the Agreement's terms.

ARTICLE 5
TRANSFERS

Section 5.01 Transfer of Claims or Interests.

(a) Subject to the terms and conditions of this Agreement and during the Agreement Effective Period, each Consenting Senior Noteholder agrees, solely with respect to itself, as expressly identified and limited on its signature page, and not in any other manner with respect to any Affiliates, not to, directly or indirectly, (i) sell, transfer, assign, hypothecate, pledge, grant a participation interest in, or otherwise dispose of, directly or indirectly, its right, title, or interest with respect to any of such Consenting Senior Noteholder's Existing Senior Notes Debt or Existing Equity Interests, as applicable, that are subject to this Agreement (the "***Applicable Existing Security***"), in whole or in part, or (ii) deposit any of such Consenting Senior Noteholder's Applicable Existing Security into a voting trust, or grant any proxies, or enter into a voting agreement or otherwise assign, pledge or transfer any of its rights to vote with respect to any such Applicable Existing Security (any of the actions described in clauses (i) and (ii) of this Section 5.01(a) is referred to herein as a "***Transfer***"; "***Transferred***" shall have a meaning correlative thereto; and the Consenting Senior Noteholder making such Transfer is referred to herein as the "***Transferor***"), unless (x) the transferee is either (A) a qualified institutional buyer as defined in Rule 144A of the Securities Act, (B) an institutional accredited investor (as defined in the Rules), or (C) not a "U.S. person" (as defined in Rule 902 of Regulation S under the Securities Act), and in each case executes and delivers to each of Latham and the Majority Ad Hoc Group Advisors in accordance with Section 5.01(c) a joinder, substantially in the form attached hereto as Exhibit C (each, a "***Permitted Transferee Joinder***"), and provides notice of such Transfer in accordance with Section 7.09 hereof; or (y) the transferee is a Consenting Senior Noteholder, and the transferee provides notice of such Transfer (including the amount and type of Claim or Interest Transferred) to each of Latham and the Majority Ad Hoc Group Advisors in accordance with Section 5.01(c) (any such transferee as described in (x) or (y), a "***Permitted Transferee***"); *provided*, *however*, that, notwithstanding anything to the contrary in this Agreement (including Section 5.01(g)), no Transfer of Existing Equity Interests or Senior Notes shall be permitted, and no transferee shall be a Permitted Transferee with respect to such Transfer, if, after giving effect to such Transfer, the aggregate Existing Equity Interests beneficially owned (as determined pursuant to Rule 13d-3 under the Securities Exchange Act of 1934, as amended) by all Consenting Senior Noteholders, taken together (including, for the avoidance of doubt, any transferee that would become a Consenting Senior Noteholder in connection with such Transfer), would exceed 9.9% of the issued and outstanding Existing Equity Interests as of the date of such Transfer; *provided further*, that, for purposes of the foregoing proviso, a Transferor may rely conclusively on written confirmation (which may be by email) from the Majority Ad Hoc Group Advisors, based on the holdings most recently disclosed by the Consenting Senior Noteholders pursuant to this Agreement, that such Transfer would not cause such 9.9% threshold to be exceeded. Any Transfer in violation of this Article 5 shall be void *ab initio*. Notwithstanding anything to the contrary in this Section 5.01(a), the restrictions on Transfers set forth in this Section 5.01(a) shall not apply to (i) Transfers made pursuant to Section 5.01(g) (other than the restriction set forth in the first proviso to the first sentence of this Section 5.01(a)) and (ii) the grant of any liens or encumbrances on Applicable Existing Security in

favor of a bank or broker-dealer holding custody of such Applicable Existing Security in the ordinary course of business and which lien or encumbrance is released upon the Transfer of such Applicable Existing Security.

(b) Upon the consummation of a Transfer in accordance herewith, such Permitted Transferee shall be deemed to make all of the representations, warranties, and covenants of a Consenting Senior Noteholder as set forth in this Agreement, and shall be deemed to be a Party and a Consenting Senior Noteholder for all purposes under this Agreement, and this Agreement shall become effective and binding as to such Permitted Transferee.

(c) A Consenting Senior Noteholder that Transfers Applicable Existing Security to a Permitted Transferee in accordance with the terms of this Article 5 shall (i) be deemed to relinquish its rights and be released from its obligations under this Agreement to the extent of the rights and obligations in respect of such Transferred Applicable Existing Security, (ii) not be liable to any Party to this Agreement for the failure of the Permitted Transferee to comply with the terms and conditions of this Agreement; *provided*, that in no event shall any such Transfer relieve (x) a Consenting Senior Noteholder hereto from liability for its breach or non-performance of its obligations hereunder before the date of such Transfer or (y) a Backstop Party from its obligations pursuant to the Backstop Commitment Letter and (iii) within five (5) Business Days of such Transfer, deliver written notice of the Transfer to the Company Parties, Latham, and the Majority Ad Hoc Group Advisors, which notice may be provided through counsel and shall include the amount and type of Applicable Existing Security that was Transferred.

(d) This Agreement shall not limit, restrict, or otherwise affect in any way, any right, authority, or power of any Consenting Senior Noteholder to acquire additional Existing Senior Notes Debt or Existing Equity Interests after the Execution Date. Any such acquired Existing Senior Notes Debt or Existing Equity Interests (including pursuant to an Open Trade) shall automatically and immediately upon acquisition by the Consenting Senior Noteholder be deemed to be Applicable Existing Security and to be subject to the terms of this Agreement. Within five (5) Business Days of any acquisition (calculated based on the settled trade debt or amount, as applicable) of Existing Senior Notes Debt or Existing Equity Interests by a Consenting Senior Noteholder from a Person that, to the acquiring party's actual knowledge, is not a Consenting Senior Noteholder (including any Qualified Marketmaker that is not a Consenting Senior Noteholder), such Consenting Senior Noteholder shall deliver written notice of the acquisition to the Company, Latham, and the Majority Ad Hoc Group Advisors, which notice may be provided through counsel and shall include the amount and type of Existing Senior Notes Debt or Existing Equity Interests that were acquired.

(e) Notwithstanding anything to the contrary herein, Applicable Existing Security that is Transferred to or by a Consenting Senior Noteholder pursuant to an Open Trade specified on the applicable Consenting Senior Noteholder's signature page, or as part of a short transaction, entered into by such Consenting Senior Noteholder before, and pending as of the date of, such Consenting Senior Noteholder's entry into this Agreement shall be subject to the terms of this Agreement, as provided in Section 5.01(d), and shall be permitted to participate in the Transactions on the terms applicable to Consenting Senior Noteholders, so long as such trade closes or Applicable Existing Security is transferred before the consummation of the Transactions.

(f) Notwithstanding anything to the contrary in this Agreement, the Parties understand that the Consenting Senior Noteholders may be engaged in a wide range of financial services and businesses, and, in furtherance of the foregoing, the Parties acknowledge and agree that, the terms and obligations set forth in this Agreement shall apply only to the specific signatory, portfolio management team, trading desk(s), or business group(s) on behalf of which the Consenting Senior Noteholder has executed this Agreement,

and shall not apply to any other portfolio management team, trading desk, business group, subsidiary, or Affiliate of the Consenting Senior Noteholder unless they separately become a party hereto.

(g) Notwithstanding anything to the contrary herein, (i) a Qualified Marketmaker that acquires any Existing Senior Notes Debt or Existing Equity Interests held by a Consenting Senior Noteholder and subject to this Agreement, with the purpose and intent of acting as a Qualified Marketmaker in respect of such Existing Senior Notes Debt or Existing Equity Interests, shall not be required to execute and deliver a joinder in respect of such Existing Senior Notes Debt or Existing Equity Interests if such Qualified Marketmaker transfers such Existing Senior Notes Debt or Existing Equity Interests (by purchase, sale, assignment, or other similar means) to a Permitted Transferee within five (5) Business Days after the Qualified Marketmaker acquires such Existing Senior Notes Debt or Existing Equity Interests; *provided*, that a Qualified Marketmaker's failure to comply with this Section 5.01(g) shall result in the Transfer of such Existing Senior Notes Debt or Existing Equity Interests to such Qualified Marketmaker being deemed void *ab initio*, and (ii) to the extent any Consenting Senior Noteholder is acting in its capacity as a Qualified Marketmaker, it may transfer any ownership interests in Existing Senior Notes Debt or Existing Equity Interests that it acquires from a holder thereof that is not a Consenting Senior Noteholder to a transferee that is not a Consenting Senior Noteholder at the time of such Transfer without the requirement that such transferee be a Permitted Transferee, so long as the Qualified Marketmaker communicates the material details of any such trade to the Majority Ad Hoc Group Advisors on a confidential basis.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES

Section 6.01 Representations and Warranties.

(a) Each Party (severally and not jointly) represents and warrants to each other Party that:

(i) such Party is duly organized or incorporated, validly existing, and in good standing (where such concept is recognized) under the laws of the jurisdiction of its organization or incorporation, and has all requisite corporate, partnership, limited liability company, or other organizational power and authority to enter into this Agreement and to carry out the Transactions contemplated herein, and to perform its respective obligations under this Agreement and the Definitive Documents;

(ii) the execution, delivery, and performance of this Agreement by such Party does not and shall not (A) violate any provision of law, rule, or regulation applicable to it or any of its subsidiaries or its organizational documents or those of any of its subsidiaries, or (B) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under its organizational documents or any material contractual obligations to which it or any of its subsidiaries is a party;

(iii) the execution, delivery and performance by such Party of this Agreement does not and shall not require any registration or filing with, consent or approval of, or notice to, or other action to, with or by, any Governmental Authority, except such filings that may be necessary in connection with the Chapter 11 Cases, to the extent applicable, and such filings as may be necessary or required for disclosure to any applicable Governmental Authority whose approval or consent is determined by the Company Parties to be necessary to consummate the Transactions;

(iv) as of the Execution Date (or such later date that it delivers its signature page hereto to the other Parties), such Party has no actual knowledge of any event that, due to any fiduciary or

similar duty to any other Person or entity, would prevent it from taking any action required of it under this Agreement; and

(v) this Agreement is a legally valid and binding obligation of such Party, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

(b) Each Consenting Senior Noteholder (severally and not jointly) represents and warrants to each Company Party that, as of the Execution Date (or the date of its joinder agreement delivered to the other Parties or their counsel, as applicable):

(i) it (x) either (A) is the beneficial or record owner of the principal amount or number (or, with respect to Consenting Senior Noteholders that have the same investment manager or advisor, a portion of the aggregate number or principal amount) of the Existing Senior Notes Debt or Existing Equity Interests, as applicable, indicated on its respective signature page hereto (or thereto) (in each case other than with respect to Existing Senior Notes Debt or Existing Equity Interests noted on its signature page that are subject to an Open Trade) or (B) has sole investment or voting discretion with respect to the principal amount or number of the Existing Senior Notes Debt or Existing Equity Interests indicated on its respective signature page hereto (or thereto) and has the power and authority to bind the beneficial owner of such Existing Senior Notes Debt or Existing Equity Interests to the terms of this Agreement (other than with respect to Existing Senior Notes Debt or Existing Equity Interests noted on its signature page that are subject to an Open Trade), and (y) has full power and authority to act on behalf of, vote, and consent to matters concerning such Existing Senior Notes Debt or Existing Equity Interests and to dispose of, exchange, assign, and transfer such Existing Senior Notes Debt or Existing Equity Interests;

(ii) other than pursuant to this Agreement, the Existing Senior Notes Debt or Existing Equity Interests with respect to which it is the beneficial or record owner or has sole investment or voting discretion set forth on its respective signature page are free and clear of any lien, charge, encumbrance, participation, security interest, adverse claim, or any other similar restriction, or any equity, option, proxy, voting restriction, right of first refusal, or other limitation on disposition of any kind that could reasonably be expected to adversely affect in any way such Consenting Senior Noteholder's performance of its obligations contained in this Agreement at the time such obligations are required to be performed;

(iii) other than the Existing Senior Notes Debt or Existing Equity Interests indicated on its respective signature page hereto, such Consenting Senior Noteholder does not own any other Existing Senior Notes Debt or Existing Equity Interests as of the Execution Date (other than with respect to Existing Senior Notes Debt or Existing Equity Interests that are subject to an Open Trade); and

(iv) it has reviewed, or has had the opportunity to review, with the assistance of professional and legal advisors of its choosing, all information it deems necessary and appropriate for such Consenting Senior Noteholder to evaluate the financial and other risks inherent in the Transactions and has such knowledge and experience in financial and business matters of this type that it is capable of evaluating the merits and risks of entering into this Agreement and the Transactions and of making an informed investment decision in connection therewith, and its decision to execute this Agreement and participate in any of the Transactions contemplated hereby has been based upon such of its own independent review and analysis of the business and affairs of the Company Parties (and their respective subsidiaries) and the Transactions that it considers

sufficient and reasonable for purposes of entering into this Agreement and the Transactions, and such decision is not in reliance upon any representations or warranties of any other Party (or any such other Party's financial, legal or other professional advisors), other than such express representations and warranties of the Parties contained herein.

(c) Each Consenting Senior Noteholder further represents to each other Party that (i) it is (A) a "qualified institutional buyer" within the meaning of Rule 144A of the Securities Act, (B) an institutional "accredited investor" (as defined in the Rules), or (C) not a "U.S. person" as defined in Rule 902 under the Securities Act; (ii) it understands that the securities contemplated by this Agreement and the Transactions have not been, and are not contemplated to be, registered under the Securities Act and may not be resold without registration under the Securities Act except pursuant to a specific exemption from the registration provisions of the Securities Act; (iii) it is acquiring any securities of the Company Parties in connection with the Transactions for investment and not with a view to distribution or resale in violation of the Securities Act; and (iv) it is not acquiring the securities contemplated by this Agreement and the Transactions as a result of any advertisement, article, notice or other communication regarding such securities published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or any other general solicitation or general advertisement.

(d) Each Party that is a managed account (or portion thereof) (severally and not jointly) represents and warrants that the manager or investment advisor or sub-advisor executing this Agreement on behalf of such Party has the authority to execute, on behalf of such Party, this Agreement and any transactions that this Agreement requires such Party to execute.

ARTICLE 7
MISCELLANEOUS

Section 7.01 Entire Agreement; Prior Negotiations. This Agreement, including all of the exhibits attached hereto, constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement, and supersedes all other prior negotiations, agreements and understandings, whether written, oral, or implied, among the Parties with respect to the subject matter of this Agreement; *provided*, that any confidentiality agreement or non-disclosure agreement executed by any Party shall survive this Agreement and shall continue in full force and effect, subject to the terms thereof, irrespective of the terms hereof.

Section 7.02 Reservation of Rights. If the Transactions contemplated herein are not consummated, or if this Agreement is terminated in accordance with its terms (except as a result of the occurrence of the Plan Effective Date), nothing shall be construed herein as a waiver by any Party of any or all of such Party's rights, remedies or defenses, and the Parties expressly reserve any and all of their respective rights, remedies or defenses. No Consenting Senior Noteholder hereby waives any default or event of default with respect to the Existing Senior Notes Debt, and no provision of Section 3.02 shall require any Consenting Senior Noteholder to waive any default or event of default with respect to the Existing Senior Notes Debt.

Section 7.03 Counterparts; Execution. This Agreement may be executed in one or more counterparts, each of which, when so executed, shall constitute one and the same instrument, and the counterparts may be delivered by facsimile transmission or by electronic mail in portable document format (.pdf) or by DocuSign. This Agreement may be executed on behalf of one or more Consenting Senior Noteholders by such Consenting Senior Noteholder's investment manager, advisor, or sub-advisor, which is a signatory hereto solely in its capacity as the investment manager, advisor, or sub-advisor of such Consenting Senior Noteholder.

Section 7.04 Amendments and Waivers.

(a) Except as otherwise provided herein, this Agreement may not be modified, amended, or supplemented, and no provision of this Agreement may be waived, without the prior written consent of the Company Parties and the Required Consenting Senior Noteholders, and any modification, amendment, supplement, or waiver effected in accordance with this Section 7.04 shall be binding upon all Parties; *provided*, that if any such modification, amendment, supplement, or waiver, or any Definitive Document or provision thereof, would have a disproportionate and adverse effect on the treatment of, or the consideration to be received by, any Consenting Senior Noteholder that does not consent thereto, as compared to that provided in the Restructuring Term Sheet, such Consenting Senior Noteholder shall have the right to terminate this Agreement solely as to itself; *provided*, *further*, that Section 3.06, this Section 7.04, and Section 7.06 may not be modified, amended, or supplemented without the consent of the Company Parties and all Consenting Senior Noteholders; *provided*, *further*, that any modification or amendment of the Restructuring Term Sheet for which a greater consent is therein explicitly required shall require the consent specified in the Restructuring Term Sheet.

(b) No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision of this Agreement, whether or not such provisions are similar, nor shall any waiver of a provision of this Agreement be deemed a continuing waiver of such provision.

Section 7.05 Headings. The headings of the sections, paragraphs, and subsections of this Agreement are included for convenience only and shall not affect the interpretation of the provisions contained herein.

Section 7.06 Acknowledgments; Obligations Several. Notwithstanding that this Agreement is being executed by multiple Consenting Senior Noteholders, the obligations of the Consenting Senior Noteholders under this Agreement are several and neither joint nor joint and several. No Consenting Senior Noteholder shall be responsible in any way for the performance of the obligations or any breach of any other Consenting Senior Noteholder under this Agreement, and nothing contained herein and no action taken by any Consenting Senior Noteholder pursuant hereto shall be deemed to constitute the Consenting Senior Noteholders as a partnership, an association, or a joint venture of any kind, or to create a presumption that (a) the Consenting Senior Noteholders are in any way acting other than in their individual capacities or (b) any Consenting Senior Noteholder is in any way acting in concert or as a member of a "group" with any other Consenting Senior Noteholder within the meaning of Rule 13d-5 under the Exchange Act. None of the Consenting Senior Noteholders shall have any fiduciary duty or other duties or responsibilities of any kind or form to each other, the Company Parties or any of the Company's other lenders, noteholders or stakeholders as a result of this Agreement or the transactions contemplated hereby. Each Consenting Senior Noteholder acknowledges that no other Consenting Senior Noteholder will be acting as agent of such Consenting Senior Noteholder in connection with monitoring such Consenting Senior Noteholder's investment or enforcing its rights under this Agreement, the Definitive Documents, or any other documents to be entered into in connection with the consummation of the Transactions. Each Consenting Senior Noteholder acknowledges to each other Consenting Senior Noteholder, that: (a) the Transactions described herein are arm's-length commercial transactions between the Company Parties and the Company Parties' Affiliates and each Consenting Senior Noteholder; (b) it has consulted its own legal, accounting, regulatory, and tax advisors to the extent it has deemed appropriate; (c) it is capable of evaluating, and understands and accepts, the terms, risks and conditions of the Transactions contemplated hereby; (d) the Consenting Senior Noteholders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the other Consenting Senior Noteholders, the Company Parties, and the Company Parties' Affiliates or the Affiliates of other Consenting Senior Noteholders, and the Consenting Senior Noteholders have no obligation to disclose any of such interests to any other Consenting Senior Noteholder or the Affiliates of other Consenting Senior Noteholders; and (e) except as disclosed in writing

to the Company Parties and the Majority Ad Hoc Group Advisors, it is not an insider of the Company. Each Consenting Senior Noteholder acknowledges that it has, independently and without reliance upon any other Consenting Senior Noteholder and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and that it has not relied on the credit analysis and decision or due diligence investigation of any other Consenting Senior Noteholder. Except for the agreements, covenants, and obligations expressly set forth in this Agreement, no Consenting Senior Noteholder has any agreement, arrangement, or understanding with any other Consenting Senior Noteholder with respect to acquiring, holding, voting, or disposing of any shares of common stock or other capital stock of the Company. Nothing contained in this Agreement is intended to cause any Consenting Senior Noteholder to constitute, or be deemed to constitute, a "group" with any other Consenting Senior Noteholder for purposes of Section 13(d) of the Exchange Act, except to the extent required by applicable law. All rights and obligations under this Agreement are separately granted to and undertaken by each Consenting Senior Noteholder, and the decision of each Consenting Senior Noteholder to enter into the transactions contemplated by this Agreement has been made independently.

Section 7.07 Specific Performance; Damages. All remedies that are available at law or in equity, including specific performance and injunctive or other equitable relief, to any Party for a breach of this Agreement by another Party shall be available to the non-breaching Party (and for the avoidance of doubt, it is agreed by the other Parties that money damages would not be a sufficient remedy for any breach of this Agreement by any Party and each non-breaching Party will be entitled to seek specific performance and injunctive or other equitable relief as a remedy of any such breach); *provided*, that in connection with any remedy for specific performance, injunctive or other equitable relief asserted in connection with this Agreement, each Party agrees to waive the requirement for the securing or posting of a bond in connection with any remedy and to waive the necessity of proving the inadequacy of money damages. All rights, powers, and remedies provided under this Agreement or otherwise available at law or in equity will be cumulative and not alternative, and the exercise of any right, power, or remedy by any Party will not preclude the simultaneous or later exercise of any other such right, power, or remedy by such Party or any other Person. Notwithstanding anything to the contrary in this Agreement, in no event shall any Party or their representatives be liable to any other Party hereunder for any punitive, incidental, consequential, special, or indirect damages, including the loss of future revenue or income or opportunity, relating to the breach or alleged breach of this Agreement.

Section 7.08 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York without regard to any choice of law provision that would require the application of the laws of another jurisdiction. By the execution and delivery of this Agreement, each of the Parties hereto hereby irrevocably and unconditionally agrees for itself that any legal action, suit, or proceeding against it with respect to any matter arising under or out of or in connection with this Agreement or for recognition or enforcement of any judgment rendered in any such action, suit, or proceeding may be brought in either a state or federal court of competent jurisdiction in the State and County of New York, Borough of Manhattan. By the execution and delivery of this Agreement, each of the Parties hereto irrevocably and unconditionally submits to the personal jurisdiction of each such court, solely for purposes of any action, suit, or proceeding arising out of or relating to this Agreement or for the recognition or enforcement of any judgment rendered or order entered in any such action, suit, or proceeding. EACH PARTY HERETO UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY ACTION, SUIT, OR PROCEEDING REFERRED TO ABOVE. Each Party (a) certifies that no representative, agent, or attorney of any other Party has represented, expressly or otherwise, that such other Party would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that it and the other Parties have been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 7.08. Each Party hereto agrees that service of any process, summons, notice or document by registered mail addressed to such Person shall be effective service of process against such Person for any suit, action or proceeding arising out of or relating to this Agreement

brought in any such court. Notwithstanding the foregoing, during the pendency of the Chapter 11 Cases, all proceedings contemplated by this Section 7.08 shall be brought in the Bankruptcy Court.

Section 7.09 Notices. All notices (including any notice of termination as provided for herein) and other communications from any Party given or made pursuant to this Agreement shall be in writing and shall be deemed to have been duly given upon the earliest of the following: (a) upon personal delivery to the Party to be notified; (b) when sent by confirmed electronic mail if sent during the normal business hours of the recipient, and if not so confirmed, on the next Business Day; (c) three (3) Business Days after having been sent by registered or certified mail, return receipt requested, postage prepaid; and (d) one (1) Business Day after deposit with a nationally recognized overnight courier, specifying next-day delivery (with an email upon sending to the Party to be notified), with written verification of receipt. All communications shall be sent:

(a) If to the Company or the Company Parties:

Mercer International Inc.
Suite 1120, 700 West Pender Street
Vancouver, British Columbia V6C 1G8
Attn: Richard Short
Email: richard.short@mercerint.com

With copies to:

Latham & Watkins LLP
1271 Avenue of the Americas
New York, NY 10020
Attn: Ray C. Schrock
Keith Simon
Joe Zujkowski
Email: ray.schrock@lw.com
keith.simon@lw.com
joe.zujkowski@lw.com

and

Latham & Watkins LLP
10250 Constellation Blvd. Suite 1100
Los Angeles, CA 90067
Attn: Nicholas J. Messana
Email: nicholas.messana@lw.com

(b) If to the Majority Ad Hoc Group, to the addresses or electronic mail addresses set forth on the applicable Consenting Senior Noteholder's signature page to this Agreement, with a copy to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 6th Avenue
New York, NY 10019
Attn: Jacob Adlerstein
Sung Pak
Joseph M. Graham

Email: jadlerstein@paulweiss.com
spak@paulweiss.com
jgraham@paulweiss.com

(c) If to any other Consenting Senior Noteholder, to the notice address and email address set forth on its signature page or joinder, with a copy (which shall not constitute notice) to its Holder Counsel.

Section 7.10 Passage of Time. With respect to any Milestone or other reference of time herein, if the last day of such period falls on a Saturday, Sunday, or a "legal holiday," as defined in Rule 9006(a) of the Federal Rules of Bankruptcy Procedure, such Milestone or other reference of time shall be extended to the next day that is not a Saturday, Sunday, or a "legal holiday," as defined in Rule 9006(a) of the Federal Rules of Bankruptcy Procedure.

Section 7.11 No Third-Party Beneficiaries. Unless expressly stated herein, this Agreement shall be solely for the benefit of the Parties, and no other Person shall be a third-party beneficiary hereof.

Section 7.12 Publicity; Non-Disclosure. Other than as may be required by applicable law and regulation or by any Governmental Authority (including any routine or periodic examination or similar process by any Governmental Authority not specifically directed at the Company or the Transactions) as determined by a Party based on reasonable advice of counsel: (a) no Party shall issue any press release or make any other public announcement with respect to this Agreement or the Transactions without the consent of the Company Parties and the Required Consenting Senior Noteholders, which consent shall not be unreasonably delayed, conditioned, or withheld; *provided*, that the Required Consenting Senior Noteholders shall have at least two (2) Business Days to review and comment on any press release or any other public announcement by the Company Parties before the issuance of such press release or other public announcement and the Company Parties shall consult in good faith and incorporate any reasonable comments to such press release or other public announcement; and (b) no Company Party shall disclose to any Person (including for the avoidance of doubt, any other Consenting Senior Noteholder), other than legal, accounting, financial, and other advisors to the Company Parties (who are under obligations of confidentiality to the Company Parties with respect to such disclosure, and whose compliance with such obligations the Company Parties shall be responsible for), the principal amount, number, or percentage of the Senior Notes or Existing Equity Interests held by any Consenting Senior Noteholder or any of its respective subsidiaries or the signature page of such Consenting Senior Noteholder; *provided*, that the Company Parties shall be permitted to disclose at any time the aggregate principal amount and percentage of Senior Notes held by the Consenting Senior Noteholders and the aggregate amount and percentage of Existing Equity Interests held by the Consenting Senior Noteholders; *provided*, *further*, that notwithstanding the foregoing, no Party shall make any public announcement whatsoever disclosing the identity of any Consenting Senior Noteholder without such Consenting Senior Noteholder's prior written consent or an order of the Bankruptcy Court or another court of competent jurisdiction. Notwithstanding the foregoing, the Consenting Senior Noteholders hereby consent to the disclosure of the execution, terms, and contents of this Agreement by the Company Parties in the Definitive Documents to the extent required by applicable law or regulation; *provided*, that (a) if any of the Company Parties determines that it is required to attach a copy of this Agreement, the Backstop Commitment Letter, or any Permitted Transferee Joinder or Additional Consenting Senior Noteholder Joinder to any Definitive Documents or any other filing or similar document relating to the Transactions, to the extent permissible under applicable law, it will redact any reference to or concerning a specific Consenting Senior Noteholder's identity, holdings of Senior Notes or Existing Equity Interests, signature page (which shall not be publicly disclosed or filed) and commitments under the Backstop Commitment Letter, and (b) if disclosure of additional information of any Consenting Senior Noteholder is required by applicable law, advance notice of the intent to disclose, if permitted by applicable law, shall be given by the disclosing Party to each such Consenting Senior Noteholder (who shall have the right to seek a protective order prior to disclosure), and such disclosing

Party shall take reasonable measures to limit such disclosure. The Company Parties further agree that such information shall be redacted from "closing sets" or other representations of the fully executed Agreement or any Permitted Transferee Joinder or Additional Consenting Senior Noteholder Joinder. Subject in all respects to the foregoing restrictions regarding the identity, holdings, signature pages, and other confidential information of any Consenting Senior Noteholder, the Company Parties shall be permitted to make any filing or publish, issue, or file any public announcement or communication upon the failure of the Required Consenting Senior Noteholders (including by or through the Majority Ad Hoc Group Advisors), with such consent request being sent to the Majority Ad Hoc Group Advisors, to respond within two (2) Business Days of receipt of such consent request. Notwithstanding clause (a) above and subject in all respects to the foregoing restrictions regarding the identity, holdings, signature pages, and other confidential information of any Consenting Senior Noteholder, each Consenting Senior Noteholder shall be permitted to make any filing or publish, issue, or file any public announcement or communication upon the failure of the Company Parties to respond within two (2) Business Days of receipt of such consent request. For the avoidance of doubt, each Party shall have the right, without any obligation to any other Party, to decline to comment to the press with respect to this Agreement.

Section 7.13 Successors and Assigns; Severability. This Agreement is intended to bind and inure to the benefit of the Parties and their respective permitted successors, assigns, heirs, executors, estates, administrators, and representatives, *provided*, that this Section 7.13 shall not be deemed to permit Transfers other than in accordance with the express terms of this Agreement. The invalidity or unenforceability at any time of any provision hereof in any jurisdiction shall not affect or diminish in any way the continuing validity and enforceability of the remaining provisions hereof or the continuing validity and enforceability of such provision in any other jurisdiction; *provided*, that, after excluding the provision that is declared to be invalid or unenforceable, the remaining terms provide for the consummation of the Transactions contemplated hereby in substantially the same manner as originally set forth at the later of the date hereof and the date this Agreement was last amended.

Section 7.14 Error; Ambiguity. Notwithstanding anything to the contrary herein, to the extent counsel to the Company Parties or the Majority Ad Hoc Group Advisors identify, within five (5) Business Days following the Execution Date, any clear errors, material ambiguities, or internally inconsistent provisions within or among this Agreement, each Party hereto covenants and agrees that it will endeavor in good faith to enter into reasonable and mutually satisfactory modifications to this Agreement to remedy such errors, ambiguities, or inconsistent provisions.

Section 7.15 Joinder. Additional holders of Existing Senior Notes Debt, and, if applicable, Existing Equity Interests, or their investment advisors, sub-advisors, or managers of funds, clients, and discretionary accounts (together with their respective successors and permitted assigns) that hold Senior Notes, and, if applicable, Existing Equity Interests and that have authority to bind the beneficial owners of such applicable Senior Notes or Existing Equity Interests to the terms of this Agreement, as applicable, may become party to this Agreement from time to time in accordance with Article 5 (solely with the consent of the Company), in each case, by agreeing in writing to be bound by the terms of this Agreement (any such Person, an "***Additional Consenting Senior Noteholder***") by executing and delivering to the Company and Latham a joinder agreement in the form attached hereto as Exhibit D (each, an "***Additional Consenting Senior Noteholder Joinder***"). Upon the execution and delivery of an Additional Consenting Senior Noteholder Joinder, such Additional Consenting Senior Noteholder shall be deemed to make all of the representations, warranties, and covenants of a Consenting Senior Noteholder as set forth in this Agreement, and shall be deemed to be a Party and a Consenting Senior Noteholder for all purposes under this Agreement as if it were originally party hereto, and this Agreement shall become effective and binding as to such Additional Consenting Senior Noteholder. Any Additional Consenting Senior Noteholder Joinder entered into by any such Person that does not comply with the terms and procedures set forth herein, including this

Section 7.15, shall be deemed void *ab initio*, and each other Party shall have the right to enforce the voiding of such Additional Consenting Senior Noteholder Joinder.

[*Signature Pages Follow*]

Exhibit B

Consenting Equityholder Restructuring Support Agreement

(Signature Pages and Attachments Intentionally Omitted)

THIS RESTRUCTURING SUPPORT AGREEMENT DOES NOT CONSTITUTE, AND SHALL NOT BE DEEMED, AN OFFER OR A SOLICITATION WITH RESPECT TO ANY SECURITIES. ANY SUCH OFFER OR SOLICITATION WILL COMPLY WITH ALL APPLICABLE SECURITIES LAWS. NOTHING CONTAINED IN THIS RESTRUCTURING SUPPORT AGREEMENT SHALL BE AN ADMISSION OF FACT OR LIABILITY OR, UNTIL THE OCCURRENCE OF THE AGREEMENT EFFECTIVE DATE ON THE TERMS DESCRIBED HEREIN, DEEMED BINDING ON ANY OF THE PARTIES HERETO.

THIS RESTRUCTURING SUPPORT AGREEMENT DOES NOT PURPORT TO SUMMARIZE ALL OF THE TERMS, CONDITIONS, REPRESENTATIONS, WARRANTIES, AND OTHER AGREEMENTS WITH RESPECT TO THE TRANSACTIONS DESCRIBED HEREIN, WHICH TRANSACTIONS SHALL BE SUBJECT TO THE EXECUTION OF DEFINITIVE DOCUMENTS INCORPORATING THE TERMS AND CONDITIONS SET FORTH HEREIN AND THE CLOSING OF ANY TRANSACTIONS SHALL BE SUBJECT TO THE TERMS AND CONDITIONS SET FORTH IN SUCH DEFINITIVE DOCUMENTS.

RESTRUCTURING SUPPORT AGREEMENT

This Restructuring Support Agreement (together with the exhibits and attachments hereto, including the Restructuring Term Sheet (as defined below), as each may be amended, restated, amended and restated, supplemented, or otherwise modified from time to time in accordance with the terms hereof, this "***Agreement***"), dated as of November 2, 2026 (the "***Execution Date***"), is entered into by and among:

(a) Mercer International Inc. ("***Mercer***") and certain of its subsidiaries listed on the signature pages hereto (together with Mercer, each a "***Company Party***" and, collectively, the "***Company***"); and

(b) the undersigned holders, or investment advisors, sub-advisors, or managers for the accounts of beneficial holders or beneficial holders, which such accounts or beneficial holders such investment advisors, sub-advisors, or managers have authority to bind or direct, of Existing Equity Interests (as defined below) (such undersigned holders of Existing Equity Interests, and investment advisors, sub-advisors, or managers for the accounts of beneficial holders or beneficial holders of Existing Equity Interests, the "***Initial Consenting Equityholders***", and together with any such holders of Existing Equity Interests, and investment advisors, sub-advisors, or managers for the accounts of beneficial holders or beneficial holders of Existing Equity Interests, that subsequently become party to this Agreement, solely in their capacity as holders of Existing Equity Interests, or investment advisors, sub-advisors, or managers for the accounts of beneficial holders or beneficial holders of Existing Equity Interests, the "***Consenting Equityholders***"); *provided*, that the terms "Initial Consenting Equityholders" and "Consenting Equityholders" (i) with respect to any sub-advised entity, shall not include any portion of such sub-advised entity that is not managed by the investment advisor, sub-advisor, or manager that is executing this Agreement, and (ii) without limiting clause (i) hereof, with respect to an investment manager or investment advisor executing this Agreement, shall only include the funds or accounts over which such investment manager or investment advisor has investment authority, voting discretion, or control for the beneficial holders of Existing Equity Interests as further identified on its signature page to this Agreement or any joinder thereto.

This Agreement collectively refers to the Company Parties and the Consenting Equityholders as the "***Parties***", and each of the foregoing individually as a "***Party***".

RECITALS

WHEREAS, the Parties have, in good faith and at arm's length, negotiated or been apprised of the terms of the transactions contemplated in the term sheet attached as Exhibit A hereto (together with the exhibits and attachments thereto, as each may be amended, restated, amended and restated, supplemented, or otherwise modified from time to time in accordance with the terms hereof, the "***Restructuring Term Sheet***") and have agreed to support and pursue the Transactions (as defined below) in accordance with and subject to the terms and conditions of this Agreement;

WHEREAS, as of the date hereof, the Initial Consenting Equityholders, in the aggregate, hold, own, or control approximately 50.0% of the aggregate outstanding Existing Equity Interests; and

WHEREAS, this Agreement sets forth the agreement among the Parties concerning their respective commitments, subject to the terms and conditions of this Agreement, to support and implement the Transactions.

NOW, THEREFORE, in consideration of the promises, mutual covenants, and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the Parties, intending to be legally bound, hereby agrees as follows:

AGREEMENT

ARTICLE 1
DEFINITIONS AND INTERPRETIVE MATTERS

Section 1.01 Definitions; Construction.

(a) Capitalized terms used but not otherwise defined herein shall have the meanings given to them in the Restructuring Term Sheet or as otherwise expressly set forth herein. The following terms used in this Agreement are defined as:

"***Affiliate***" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with, such Person, including any other investment fund or pooled investment vehicle now or hereafter existing that shares the same management company with such Person. For the avoidance of doubt, Parties with investments managed by separate Persons shall be deemed to be Affiliates of one another if the Persons who manage their investments are themselves under common control.

"***Agreement***" has the meaning set forth in the preamble hereof.

"***Agreement Effective Date***" has the meaning set forth in Section 2.01.

"***Agreement Effective Period***" means, with respect to a Party, the period from (a) the later of (i) the Agreement Effective Date and (ii) the date such Party becomes a Party to this Agreement, as applicable, to (b) the Termination Date.

"***Alternative Transaction***" means any dissolution, winding up, liquidation, receivership, assignment for the benefit of creditors, restructuring, reorganization, workout, exchange, extension, sale of all or any material portion of assets, disposition, merger, amalgamation, acquisition, consolidation, partnership, plan of arrangement, plan of reorganization, plan of liquidation, investment, debt investment, equity investment, tender offer, refinancing, recapitalization, share exchange, business combination, joint

venture, or similar transaction involving all or a material portion of the assets, debt or equity of the Company Parties and their respective subsidiaries (taken as a whole), in each case that is a bona fide alternative to the Transactions; *provided*, that any Transaction that is implemented pursuant to a valid amendment of this Agreement shall not be an Alternative Transaction.

"***Applicable Existing Security***" has the meaning set forth in Section 5.01(a).

"***Automatic Termination Event***" has the meaning set forth in Section 4.01(d).

"***Backstop Commitment Letter***" has the meaning set forth in the Restructuring Term Sheet.

"***Backstop Order***" means the order entered by the Bankruptcy Court approving and authorizing the Debtors' entry into the Backstop Commitment Letter and other related documents and procedures.

"***Backstop Parties***" has the meaning set forth in the Restructuring Term Sheet.

"***Bankruptcy Code***" means title 11 of the United States Code, 11 U.S.C. §§ 101, *et seq*.

"***Bankruptcy Court***" has the meaning set forth in the Restructuring Term Sheet.

"***Breaching Consenting Equityholder***" means a Consenting Equityholder that is in breach in any material respect of any of its representations, warranties, covenants, or obligations set forth in this Agreement or any other agreement to be entered into in connection with the Transactions.

"***Business Day***" means any day other than a Saturday, Sunday, or any other day on which banks in New York, New York are authorized or required by law to close.

"***Canadian ABL Facility***" has the meaning set forth in the Restructuring Term Sheet.

"***Canadian Standby L/C Facility***" has the meaning set forth in the Restructuring Term Sheet.

"***Certificate of Designation***" means any certificate of designation for the New Convertible Preferred Stock and any other forms of preferred equity on terms consistent with the Convertible Preferred Stock Term Sheet.

"***Chapter 11 Cases***" has the meaning set forth in the Restructuring Term Sheet.

"***Claim***" means (a) a right to payment, whether or not such right is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, or unsecured, or (b) a right to an equitable remedy for breach of performance if such breach gives rise to a right to payment, whether or not such right to an equitable remedy is reduced to judgment, fixed, contingent, matured, unmatured, disputed, undisputed, secured, or unsecured, each as set forth in section 101(5) of the Bankruptcy Code.

"***Company***" has the meaning set forth in the preamble hereof.

"***Company Parties***" has the meaning set forth in the preamble hereof.

"***Company Termination Event***" has the meaning given to such term in 0.

"***Confirmation Order***" means the order of the Bankruptcy Court confirming the Plan pursuant to section 1129 of the Bankruptcy Code.

"***Consenting Equityholders***" has the meaning set forth in the preamble hereof.

"***Consenting Equityholder Termination Event***" has the meaning given to such term in Section 4.01(b).

"***Consenting Senior Noteholders***" has the meaning set forth in the Consenting Senior Noteholders RSA.

"***Consenting Senior Noteholders RSA***" means that certain Restructuring Support Agreement (as may be amended, restated, amended and restated, supplemented, or otherwise modified from time to time in accordance with the terms thereof), dated as of November 2, 2026, by and among the Company Parties and the Consenting Senior Noteholders.

"***control***" (including the terms "***controlling***," "***controlled by***" and "***under common control with***"), with respect to the relationship between or among two or more Persons, means the possession, directly or indirectly, of the power to direct or cause the direction of the affairs or management of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise.

"***Convertible Preferred Stock Term Sheet***" has the meaning set forth in the Restructuring Term Sheet.

"***Corporate Governance Documents***" means, with respect to any Person other than a natural person, the organizational and corporate governance documents for each such Person including limited liability company agreements, operating agreements, certificates of incorporation, certificates of formation, certificates of limited partnership, articles of organization (or equivalent organizational documents), warrant agreements, certificates of designation for preferred stock or other forms of preferred equity, by-laws, partnership agreements, shareholders' agreements, members' agreement, or equivalent governing documents.

"***Debtor***" means any Company Party that commences a Chapter 11 Case.

"***Definitive Documents***" means, collectively, all documents and agreements governing the Transactions and shall include all documents necessary or reasonably desirable to implement the Transactions, including, but not limited to: (a) the Plan and any and all supplements thereto, including, without limitation, any schedules of assumed or rejected contracts; (b) the disclosure statement (the "***Disclosure Statement***") and the solicitation materials and exhibits related thereto (collectively with the Disclosure Statement, the "Solicitation Materials"); (c) the order of the Bankruptcy Court approving such Disclosure Statement and Solicitation Materials and solicitation procedures in connection therewith (the "***Disclosure Statement Approval Order***"), which may be the Confirmation Order; (d) the Confirmation Order; (e) the Rights Offering Documents, including the Backstop Order; (f) the New ABL Documents; (g) all documents required or advisable under the Canadian ABL Facility and the German RCF, including the Amended Canadian ABL Credit Agreement and related documents, if any; (h) the New Senior Secured Notes Indenture and related documents; (i) the New Corporate Governance Documents; (j) the Registration Rights Agreement; (k) the First Day Orders and Second Day Orders; (l) the Restructuring Transactions Exhibit, if any; (m) any New Intercreditor Agreements; (n) the MIP; and (o) all other material pleadings and other material documents or agreements filed with the Bankruptcy Court in each case, including any amendments, modifications, and supplements thereto; provided, for the avoidance of doubt, that any purely procedural notices or similar filings and related documents are not Definitive Documents.

"***Demand Loan Facility***" has the meaning set forth in the Restructuring Term Sheet.

"***Exchange Act***" means the Securities Exchange Act of 1934.

"***Execution Date***" has the meaning set forth in the preamble hereof.

"***Existing Debt***" means, collectively, the Senior Notes and the Other Existing Debt.

"***Existing Equity Interests***" has the meaning set forth in the Restructuring Term Sheet.

"***Existing Senior Notes Debt***" means the indebtedness and obligations of Mercer and any of its Affiliates under the Senior Notes.

"***Existing Senior Notes Documents***" means, collectively, the Senior Notes Indentures and all documents and agreements related thereto.

"***Fiduciary Out Determination***" means a determination by the board of directors, board of managers, or other similar governing body (including any special committee) of any Company Party, each acting reasonably, in good faith after consultation with outside counsel, that proceeding with any of the Transactions, or any of the Company Parties' obligations hereunder or in connection with any of the Transactions, would be inconsistent with the exercise of its fiduciary duties under applicable law.

"***First Day Orders***" means any interim or final orders of the Bankruptcy Court granting the relief requested in the first-day pleadings that the Debtors determine are necessary or desirable to file in the Chapter 11 Cases.

"***German RCF***" has the meaning set forth in the Restructuring Term Sheet.

"***Global Termination Event***" means any of a Company Termination Event, a Mutual Termination Event, or an Automatic Termination Event.

"***Governance Term Sheet***" has the meaning set forth in the Restructuring Term Sheet.

"***Governmental Authority***" means any supranational, national, state, municipal, local, or foreign government, any court, tribunal, arbitrator or arbitral body (public or private), administrative agency, commission or other governmental official, authority, or instrumentality (including any legislature, commission, regulatory administrative authority, governmental agency, bureau, branch, or department).

"***Initial Consenting Equityholders***" has the meaning set forth in the preamble hereof.

"***Interest***" has the meaning set forth in the Restructuring Term Sheet.

"***Latham***" means Latham & Watkins LLP.

"***Majority Ad Hoc Group***" means that certain ad hoc group of holders of Senior Notes Claims, represented by the Majority Ad Hoc Group Advisors.

"***Majority Ad Hoc Group Advisors***" means (a) Paul, Weiss, Rifkind, Wharton & Garrison LLP, as counsel to the Majority Ad Hoc Group, (b) Ducera Partners LLC, as financial advisor and investment banker to the Majority Ad Hoc Group, (c) SSI (U.S.) d/b/a Spencer Stuart, as executive search and leadership consulting firm to the Majority Ad Hoc Group, (d) Jon F Weber & Co., LLC, as restructuring advisor to the Majority Ad Hoc Group, (e) any local counsel retained by the Majority Ad Hoc Group, and (f) such other professional advisors as are retained by the Majority Ad Hoc Group with the prior written consent of Mercer, whose consent shall not be unreasonably withheld, conditioned, or delayed.

"***Mercer***" has the meaning set forth in the preamble hereof.

"***Milestones***" means the milestones set forth on Exhibit B.

"***MIP***" has the meaning set forth in the Restructuring Term Sheet.

"***Mutual Termination Event***" has the meaning set forth in Section 4.01(c).

"***New ABL Credit Agreement***" has the meaning set forth in the Restructuring Term Sheet.

"***New ABL Documents***" means, collectively, the New ABL Credit Agreement and the other documents governing the New ABL Facility (including, if applicable, each New Regional ABL Facility and any intercreditor, cross-guarantee, or allocation arrangements among the New Regional ABL Facilities).

"***New ABL Facility***" has the meaning set forth in the Restructuring Term Sheet.

"***New Corporate Governance Documents***" means the new Corporate Governance Documents of the Reorganized Debtors, including, but not limited to, any Certificate of Designation after giving effect to the Transactions, as applicable, on terms consistent with this Agreement, the Convertible Preferred Stock Term Sheet, and the Governance Term Sheet.

"***New Global ABL Facility***" has the meaning set forth in the Restructuring Term Sheet.

"***New Intercreditor Agreements***" means any customary intercreditor agreement or agreements to be entered into on the Plan Effective Date in respect of the New ABL Facility and the New Senior Secured Notes, if necessary.

"***New Regional ABL Facility***" has the meaning set forth in the Restructuring Term Sheet.

"***New Senior Secured Notes***" has the meaning set forth in the Restructuring Term Sheet.

"***New Senior Secured Notes Indenture***" has the meaning set forth in the Restructuring Term Sheet.

"***Open Trade***" means a written transaction, agreement, or other arrangement under which a Party to this Agreement is entitled or obligated to Transfer or receive a Transfer of any Existing Equity Interests or Existing Senior Notes Debt, with a trade date on or before the applicable date of determination.

"***Other Existing Debt***" means, collectively, (a) the Canadian ABL Facility, (b) the German RCF, (c) the Demand Loan Facility, and (d) the Canadian Standby L/C Facility.

"***Party***" or "***Parties***" has the meaning set forth in the preamble hereof.

"***Permitted Transferee***" has the meaning set forth in Section 5.01.

"***Person***" means an individual, partnership, joint venture, limited liability company, corporation, trust, unincorporated organization, group, or any other legal entity or association.

"***Petition Date***" means the date on which the Chapter 11 Cases are commenced.

"***Plan***" means the joint plan of reorganization to be filed by the Debtors under chapter 11 of the Bankruptcy Code that embodies the Transactions, including all exhibits, annexes, schedules, and

supplements thereto, each as may be amended, supplemented, or modified from time to time in accordance with the terms of this Agreement.

"***Plan Effective Date***" means the date on which all Plan Effective Date Conditions Precedent have been satisfied in full or waived, in accordance with the terms of the Plan, and the Plan becomes effective, unless otherwise specified herein.

"***Plan Effective Date Conditions Precedent***" means the conditions described in the "Conditions Precedent to the Plan Effective Date" section of the Restructuring Term Sheet and any further conditions agreed to by the Required Consenting Senior Noteholders and reasonably agreed to by the Company Parties.

"***Plan Supplement***" means the compilation of documents and forms of documents, schedules, and exhibits to the Plan that shall be filed by the Debtors with the Bankruptcy Court, as the same may be amended, supplemented, or modified from time to time, which will include, without limitation, the following documents: (a) the New Senior Secured Notes Indenture and related documents; (b) the New Corporate Governance Documents; (c) the New Global ABL Facility documents, as applicable; (d) the key terms of any New ABL Facility, including the principal amount of such New ABL Facility; (e) any New Intercreditor Agreements; (f) the Registration Rights Agreement; (g) the identity of the Reorganized Board and any officers of Reorganized Mercer; (h) the Schedule of Rejected Executory Contracts and Unexpired Leases; (i) the Schedule of Retained Causes of Action; (j) the key terms of the MIP, and (k) the Restructuring Transactions Exhibit, if any.

"***Qualified Marketmaker***" means an entity that (a) holds itself out to the public, the syndicated loan market, or the applicable private markets as standing ready in the ordinary course of business to purchase from customers and sell to customers claims against or interests in the Company Parties (including Existing Equity Interests or Existing Senior Notes Debt), or enter with customers into long and short positions in claims against the Company Parties, in its capacity as a dealer or market maker in such claims and (b) is, in fact, regularly in the business of making a market in claims against or interests in issuers or borrowers (including term loans, or debt or equity securities).

"***Registration Rights Agreement***" means the registration rights agreement or other similar agreement with respect to Reorganized Mercer, which shall be on terms consistent with this Agreement and the Governance Term Sheet.

"***Reorganized Board***" has the meaning set forth in the Restructuring Term Sheet.

"***Reorganized Mercer***" has the meaning set forth in the Restructuring Term Sheet.

"***Required Consenting Equityholders***" means the Consenting Equityholders who hold more than 50.0% of the aggregate Existing Equity Interests held by all Consenting Equityholders at the relevant time.

"***Required Consenting Senior Noteholders***" means the Consenting Senior Noteholders who hold at least 50.1% of the aggregate principal amount of all outstanding Senior Notes that are held by Consenting Senior Noteholders at the relevant time.

"***Restructuring Term Sheet***" has the meaning set forth in the recitals hereof.

"***Restructuring Transactions Exhibit***" means, if necessary, the exhibit containing a summary of transaction steps to complete the restructuring contemplated by the Plan, which shall be included in the Plan Supplement and shall provide for a structure that is tax-efficient for each of the Company Parties and the Consenting Senior Noteholders.

"***Rules***" means Rule 501(a)(1), (2), (3), (7), (8), (9), (12), and (13) of the Securities Act.

"***Schedule of Rejected Executory Contracts and Unexpired Leases***" means the schedule of Executory Contracts and Unexpired Leases to be rejected by the Debtors pursuant to the Plan, if any, as the same may be amended, modified, or supplemented from time to time.

"***SEC***" means the U.S. Securities and Exchange Commission.

"***Second Day Orders***" means any interim or final orders of the Bankruptcy Court granting the relief requested in the second-day pleadings that the Debtors determine are necessary or desirable to file in the Chapter 11 Cases, excluding any orders in respect of the retention of the Debtors' professionals.

"***Securities Act***" means the Securities Act of 1933.

"***Senior Notes***" has the meaning set forth in the Restructuring Term Sheet.

"***Senior Notes Indentures***" means, collectively, the 2028 Senior Notes Indenture and the 2029 Senior Notes Indenture.

"***Senior Notes Claims***" means any Claim on account of the Senior Notes.

"***Termination Date***" has the meaning set forth in Section 4.01(f).

"***Termination Event***" means any Global Termination Event or any Consenting Equityholder Termination Event.

"***Transactions***" means those transactions described in the Restructuring Term Sheet and all other transactions contemplated by or consented to pursuant to and in accordance with the terms of this Agreement, the Restructuring Term Sheet, and the Definitive Documents.

"***Transfer***" or "***Transferred***" has the meaning set forth in Section 5.01.

"***Transferor***" has the meaning set forth in Section 5.01.

(b) In this Agreement, unless the context otherwise requires:

(i) references to Articles, Sections, Exhibits, and Schedules are references to the articles and sections or subsections of, and the exhibits and schedules attached to, this Agreement;

(ii) unless otherwise specified, any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions; *provided*, that nothing contained in this Section shall or shall be construed to modify the consent rights set forth herein;

(iii) unless otherwise specified, any reference herein to an existing document, schedule, or exhibit shall mean such document, schedule, or exhibit, as it may have been or may be amended, restated, supplemented, or otherwise modified from time to time; *provided*, that any capitalized terms herein which are defined with reference to another agreement, are defined with reference to such other agreement as of the date of this Agreement, without giving effect to any termination of such other agreement or amendments to such capitalized terms in any such other agreement following the date hereof;

(iv) references in this Agreement to "writing" or comparable expressions include a reference to a written document transmitted by means of electronic mail, in portable document format (.pdf), facsimile transmission or comparable means of communication;

(v) words expressed in the singular number shall include the plural and vice versa; words expressed in the masculine shall include the feminine and neuter gender and vice versa;

(vi) capitalized terms defined only in the plural or singular form shall nonetheless have their defined meanings when used in the opposite form;

(vii) the words "hereof," "herein," "hereto," and "hereunder," and words of similar import, when used in this Agreement, shall refer to this Agreement as a whole, including all exhibits and schedules attached to this Agreement, and not to any specific provision of this Agreement;

(viii) the term "Agreement" shall be construed as a reference to this Agreement as the same may have been, or may from time to time be, amended, modified, varied, novated, or supplemented;

(ix) unless otherwise specified, all references herein to "Sections" are references to Sections of this Agreement;

(x) captions and headings to Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of this Agreement;

(xi) "include," "includes," and "including" are deemed to be followed by "without limitation" whether or not they are in fact followed by such words;

(xii) references to "day" or "days" are to calendar days;

(xiii) the word "or" shall not be exclusive;

(xiv) unless otherwise specified, references to a statute mean such statute as amended from time to time and include any successor legislation thereto and any rules or regulations promulgated thereunder in effect from time to time;

(xv) references to "dollars" or "$" refer to the currency of the United States of America, unless otherwise expressly provided; and

(xvi) references to requirements of "consent" or "written consent" in this Agreement or the Restructuring Term Sheet may be satisfied via email from counsel to the applicable Party.

Section 1.02 Definitive Documents; Incorporation by Reference.

(a) Each of the Definitive Documents shall (i) contain terms and conditions consistent in all material respects with this Agreement, including the Restructuring Term Sheet and all exhibits thereto, as this Agreement may be modified, amended, or supplemented in accordance with Section 7.04, and (ii) otherwise be in form and substance reasonably acceptable to the Required Consenting Senior Noteholders and the Company Parties (other than (A) the New Senior Secured Notes Indenture and related documents, (B) the New Corporate Governance Documents, (C) any New Intercreditor Agreements, (D) the Registration Rights Agreement, and (E) the Restructuring Transactions Exhibit, each of which must be in form and substance acceptable to the Required Consenting Senior Noteholders and reasonably acceptable

to the Company Parties). The Company Parties shall consult in good faith with the Majority Ad Hoc Group Advisors regarding each Definitive Document and shall not execute, file, or seek approval of any Definitive Document unless the Required Consenting Senior Noteholders have provided the applicable consent required under this Agreement.

(b) The exhibits hereto, including the Restructuring Term Sheet, are fully incorporated by reference herein and are made a part of this Agreement as if fully set forth herein, and all references to this Agreement shall include and incorporate all exhibits hereto; *provided*, that (i) to the extent that there is a conflict between this Agreement (excluding the Restructuring Term Sheet), on the one hand, and the Restructuring Term Sheet, on the other hand, the terms and provisions of the Restructuring Term Sheet shall govern, (ii) to the extent there is a conflict between the Restructuring Term Sheet, on the one hand, and any of the Definitive Documents, on the other hand, the terms and provisions of the Definitive Documents shall govern, and (iii) to the extent there is a conflict between the Governance Term Sheet, on the one hand, and any term of this Agreement and the Restructuring Term Sheet (excluding the Governance Term Sheet), on the other hand, the Governance Term Sheet shall govern. Neither this Agreement nor any provision hereof may be modified, waived, amended, or supplemented, except in accordance with Section 7.04 hereof.

ARTICLE 2
AGREEMENT EFFECTIVE DATE

Section 2.01 Agreement Effective Date. This Agreement shall become effective upon the occurrence of the following events (the date on which such events occur, the "***Agreement Effective Date***"):

(a) the execution and delivery of this Agreement by each of the Company Parties;

(b) the execution and delivery of this Agreement by holders of at least 50.0% of the outstanding number of all Existing Equity Interests as of such date; and

(c) the Consenting Senior Noteholders RSA shall have become effective in accordance with its terms.

ARTICLE 3
COVENANTS

Section 3.01 Commitments of the Company Parties. Subject to the terms and conditions of this Agreement, each Company Party agrees that it shall (and shall cause each of its direct and indirect subsidiaries to), so long as the Termination Date has not occurred:

(a) support and take all commercially reasonable actions reasonably necessary to facilitate the implementation and consummation of the Transactions, including (i) taking all commercially reasonable actions to support and complete the Transactions and all other commercially reasonable actions contemplated in connection therewith in this Agreement and under the Definitive Documents, (ii) taking all commercially reasonable actions to obtain any and all required governmental, regulatory, and third-party approvals or consents for the implementation and consummation of the Transactions, including payment of all of the Company's filing fees associated with securing all required regulatory approvals, (iii) refraining from taking any actions inconsistent with, and not failing or omitting to take an action that is required by, this Agreement or the Definitive Documents, (iv) using commercially reasonable efforts to obtain confirmation of the Plan as soon as reasonably practicable after the Petition Date in accordance with the Bankruptcy Code and on terms consistent with this Agreement, and (v) taking such action (including

executing and delivering any other agreements) as may be reasonably necessary or as may be required by order of the Bankruptcy Court to carry out the purpose and intent of this Agreement;

(b) on a timely basis, negotiate in good faith the Definitive Documents with the respective parties thereto, execute and deliver each Definitive Document to which it is to be a party, effectuate the Definitive Documents (as applicable) as contemplated herein and subject to the terms and conditions of this Agreement, and consummate the Transactions, in each case as promptly as reasonably practicable; *provided*, that, notwithstanding anything to the contrary herein, the Company Parties shall not be required to enter into Definitive Documents on any terms less favorable to any Company Party than those terms contemplated by this Agreement (including the Restructuring Term Sheet and the exhibits and annexes thereto);

(c) to the extent any legal, regulatory, or structural impediment arises that would prevent, hinder, or delay the consummation of the Plan or Transactions, negotiate in good faith and use commercially reasonable efforts to execute and deliver any appropriate additional or alternative provisions or agreements to address any such impediment;

(d) propose, support, and not object to approval of and entry of orders regarding the Definitive Documents and confirmation and consummation of the Plan and the Transactions, in each case consistent with the terms and conditions, and within the timeframes contemplated by, this Agreement (including the Restructuring Term Sheet);

(e) to the extent applicable, object to any motion filed with the Bankruptcy Court by any Person (i) seeking the entry of an order terminating the Company Parties' exclusive right to file or solicit acceptances of a chapter 11 plan or (ii) seeking the entry of an order terminating, annulling, or modifying the automatic stay (as set forth in section 362 of the Bankruptcy Code) with regard to any material asset that, to the extent such relief was granted, would have a material adverse effect on or delay the consummation of the Transactions;

(f) to the extent applicable, object to, and not file, any pleading before the Bankruptcy Court seeking entry of an order (i) directing the appointment of an examiner or trustee, (ii) converting the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code, (iii) dismissing the Chapter 11 Cases, or (iv) for relief that (x) would prevent or materially delay the consummation of the Transactions or (y) is otherwise inconsistent with this Agreement in any material respect;

(g) timely file all reports, schedules, forms, statements, and other documents required to be filed by it with the SEC under the Exchange Act, including all annual reports on Form 10-K, quarterly reports on Form 10-Q, and current reports on Form 8-K, which filings shall comply in all material respects with applicable SEC rules, and not take any action to terminate or suspend its reporting obligations under the Exchange Act or to delist its securities from any national securities exchange;

(h) take all commercially reasonable actions to cause the New Common Stock (as defined in the Restructuring Term Sheet) to be listed for trading on The New York Stock Exchange, the NASDAQ Capital Market, the NASDAQ Global Market, or such other national securities exchange as is selected by the Required Consenting Senior Noteholders and reasonably acceptable to the Company Parties, effective on, or as soon as reasonably practicable after, the Plan Effective Date, unless, before the Plan Effective Date, the Required Consenting Senior Noteholders determine, with the reasonable consent of the Company Parties, that the New Common Stock shall not be listed for public trading, and take all commercially reasonable actions to maintain the Company's status as a public reporting company under the Exchange Act unless the Required Consenting Senior Noteholders determine otherwise with the reasonable consent of the Company Parties; and

(i) without limiting the generality of the foregoing, except as expressly contemplated by this Agreement, between the Agreement Effective Date and the Plan Effective Date, not:

(i) file or execute, as applicable, any motion, pleading, or Definitive Document that, in whole or in part, is not consistent with this Agreement (including the consent rights set forth herein);

(ii) declare, set aside, or pay any dividend or other distribution (whether in cash, stock, or property or any combination thereof) in respect of the capital stock of the Company or another Company Party, or redeem, repurchase, or otherwise acquire or offer to redeem, repurchase, or otherwise acquire any shares of the Company's or a Company Party's capital stock (other than any tax distributions permitted pursuant to the terms of the Existing Debt);

(iii) make any material loans, advances, or capital contributions to, or investments in, any other entity that is not a Company Party or a direct or indirect subsidiary of Mercer, other than (x) in the ordinary course of business, including intercompany funding consistent with past practice, or (y) pursuant to any applicable cash management order entered by the Bankruptcy Court in the Chapter 11 Cases;

(iv) make any payment in satisfaction of any Existing Debt, other than (A) pursuant to the Transactions; (B) to the extent consistent with this Agreement; or (C) in the ordinary course of business, including regular scheduled principal and interest payments under any Other Existing Debt;

(v) (A) commence any proceeding or other action that challenges (1) the amount, validity, allowance, character, enforceability, or priority of any Existing Equity Interests, or (2) the validity or enforceability of any Claims or Interests of any holder of Existing Equity Interests or (B) support any Person in connection with any of the acts described in the foregoing clauses;

(vi) subject solely to the terms set forth in Section 3.03, solicit, consummate, or enter into a binding agreement to consummate an Alternative Transaction prior to the consummation of the Transactions;

(vii) create, incur, assume or otherwise be liable with respect to any third-party indebtedness for borrowed money or guarantees thereof, other than (A) with respect to the Existing Senior Notes Debt; (B) in the ordinary course of business, including in connection with intercompany transactions or funding arrangements consistent with past practice or pursuant to any applicable cash management order entered by the Bankruptcy Court in the Chapter 11 Cases; or (C) as otherwise required under any of the Definitive Documents; or

(viii) enter into, adopt, amend, modify, renew, extend, or terminate (other than for cause) any employment, consulting, compensation, bonus, incentive, retention, severance, change-in-control, or similar plan, program, or agreement with any officer, director, or member of senior management of any Company Party, or increase or accelerate the compensation or benefits payable to any such Person, in each case other than with the prior written consent of the Required Consenting Senior Noteholders.

Section 3.02 Commitments of the Consenting Equityholders. Subject to the terms and conditions of this Agreement, each Consenting Equityholder (severally and not jointly) agrees that it shall, so long as the Termination Date has not occurred:

(a) support and not object to approval of and entry of orders regarding the Definitive Documents and confirmation and consummation of the Plan and the Transactions, in each case consistent with the terms and conditions, and within the timeframes contemplated by, this Agreement (including the Restructuring Term Sheet);

(b) with respect to any Transactions in which it is a participant, support and take all commercially reasonable actions reasonably necessary or reasonably requested by the Company Parties to facilitate the implementation and consummation of the Transactions, including:

(i) taking all commercially reasonable actions to support and complete the Transactions and all other commercially reasonable actions contemplated in connection therewith and in this Agreement and under the Definitive Documents, including using commercially reasonable efforts to obtain confirmation of the Plan as soon as reasonably practicable after the Petition Date in accordance with the Bankruptcy Code and on terms consistent with this Agreement and taking such action (including executing and delivering any other agreements) as may be reasonably necessary or as may be required by order of the Bankruptcy Court to carry out the purpose and intent of this Agreement;

(ii) if applicable, taking all commercially reasonable actions to obtain or assist the Company Parties in obtaining any and all required regulatory approvals and third-party approvals for the Transactions;

(iii) refraining from taking any actions inconsistent with or in contravention of, and not failing or omitting to take an action that is required by, this Agreement or the Definitive Documents;

(iv) timely vote, cause to be voted, or direct to be voted all of its Interests and Claims (or Interests and Claims under its control or direction) to accept the Plan and not change or withdraw (or cause to be changed or withdrawn) any such vote; *provided*, that each Consenting Equityholder, as applicable, shall use commercially reasonable efforts to vote, cause to be voted, or direct to be voted within three (3) Business Days following receipt of the Solicitation Materials all of its Interests (or Interests under its control or direction) to accept the Plan; *provided*, *further*, that, subject to Section 4.01(g), each Consenting Equityholder that is not a Breaching Consenting Equityholder may change or withdraw its vote following termination of this Agreement as to such Consenting Equityholder; and

(v) consent to, not "opt out" of, or in the alternative, to the extent required by the applicable ballot or Plan, "opt in" to the releases, exculpations, and indemnification protections described in the Plan and Confirmation Order, in each case only to the extent such releases apply to the Consenting Equityholders and their respective Affiliates, advisors, agents, representatives, and other indemnitees, and are consistent with this Agreement;

(c) to the extent any legal, regulatory, or structural impediment arises that would prevent, hinder, or delay the consummation of the Plan or Transactions, negotiate in good faith and use commercially reasonable efforts to execute and deliver any appropriate additional or alternative provisions or agreements to address any such impediment;

(d) on a timely basis, effectuate the Definitive Documents (as applicable) as contemplated herein and consummate the Transactions, in each case as promptly as reasonably practicable and subject to the terms and conditions of this Agreement;

(e) provide all applicable consents reasonably required for the consummation of the Transactions;

(f) not (x) object to, delay or impede the Transactions or the implementation thereof or initiate any legal proceedings that are inconsistent with, or that would delay, prevent, frustrate, or impede the approval, solicitation, or consummation of, the Transactions, the Definitive Documents, or any related transactions outlined therein or in this Agreement, or take any other action that is barred by this Agreement; (y) vote for, consent to, support or participate in the formulation of any other restructuring, exchange or settlement of any Existing Equity Interests or other transaction that is inconsistent with this Agreement or the Transactions; or (z) solicit, encourage, or direct any Person to undertake any action set forth in clauses (x) and (y) above;

(g) not incur or suffer to exist any lien, charge, encumbrance, participation, security interest, adverse claim, or any other restriction that would prevent such Consenting Equityholder's performance of its obligations contained in this Agreement at the time such obligations are required to be performed;

(h) not direct any agent or other representative to take any action inconsistent with such Consenting Equityholder's obligations under this Agreement, and if any such agent or other representative takes any action inconsistent with such Consenting Equityholder's obligations under this Agreement, such Consenting Equityholder, following written notification from the Company Parties to such Consenting Equityholder, shall use commercially reasonable efforts to direct such agent or other representative to cease, desist, and refrain from taking any such action, and to take such action as may be commercially reasonable to effect the Transactions; and

(i) not take, and cause its Affiliates not to take, any action that would reasonably be expected to impair, limit, or reduce the value or availability of the net operating losses, tax credits, tax basis, or other tax attributes of any Company Party, and comply with any order of the Bankruptcy Court establishing notification procedures and restrictions with respect to transfers of, or worthless stock deductions with respect to, Existing Equity Interests.

Section 3.03 Additional Provisions Regarding Company Parties.

(a) Nothing in this Agreement shall require a Company Party or the board of directors, board of managers, board of trustees, or similar governing body (including any special committee) of any Company Party to take or refrain from taking any action with respect to the Transactions to the extent such Company Party or governing body determines in good faith, after consultation with outside counsel, that taking or failing to take such action would be inconsistent with applicable law or the exercise of its fiduciary duties under applicable law. Any such determination shall be limited to the specific action or inaction required to comply with applicable law, shall not waive or limit any right of any Consenting Equityholder to terminate this Agreement or exercise any other right or remedy, and the applicable Company Party shall notify all Parties in writing of any such determination within twenty-four (24) hours after such determination.

(b) Notwithstanding anything to the contrary in this Agreement (but subject to Section 3.03(a) hereof), if any Company Party receives an unsolicited written or oral proposal or expression of interest regarding any Alternative Transaction that its board of directors, board of managers, board of trustees, or such similar governing body (including any special committee) determines in good faith, after consulting with outside counsel, that failure to take action would be inconsistent with the fiduciary duties of the members of such board or governing body under applicable law, each Company Party and its respective directors, officers, employees, investment bankers, attorneys, accountants, consultants, and other advisors or representatives shall have the right to: (i) consider, respond to, facilitate, discuss, and negotiate such

Alternative Transaction proposal; (ii) provide access to non-public information concerning the Company Parties to any entity making such Alternative Transaction proposal and enter into any confidentiality agreement with such entity in connection therewith; (iii) otherwise cooperate with, assist, or participate in any inquiries, proposals, discussions, or negotiations of such Alternative Transaction proposal; and (iv) enter into or continue discussions or negotiations with holders of Claims against or Interests in a Company Party, any other party in interest in the Chapter 11 Cases (including any official committee and the United States Trustee), or any other entity regarding such Alternative Transaction proposal.

(c) Nothing in this Agreement shall (i) impair or waive the rights of any Company Party to assert or raise any objection permitted under this Agreement in connection with the Transactions or (ii) prevent any Company Party from enforcing this Agreement or contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement.

(d) Nothing in this Agreement shall require any Company Party to incur, assume, become liable in respect of, or suffer to exist any expenses, liabilities, or other obligations, other than (i) as expressly set forth, required, or agreed to in this Agreement or any other Definitive Document (as applicable), or (ii) that arise in connection with a breach of this Agreement by such Company Party.

Section 3.04 Additional Provisions For All Parties. Notwithstanding the Parties' respective commitments to support the Transactions as set forth herein, this Agreement shall not:

(a) subject to applicable confidentiality agreements, affect the ability of any Party to consult with any other Party, or any other party in interest in the Chapter 11 Cases (including any official committee and the United States Trustee) or their respective advisors, counsel or other representatives, so long as such consultation does not violate such Party's respective obligations set forth herein;

(b) prevent any Party from: (i) enforcing this Agreement or any Definitive Document; (ii) contesting whether any matter, fact, or thing is a breach of, or is inconsistent with, this Agreement or any Definitive Document, including by filing an objection or initiating a contested matter or other proceeding with the Bankruptcy Court; or (iii) exercising its rights or remedies expressly reserved herein or in the Definitive Documents;

(c) impair or waive the rights of any Party to assert or raise any objection permitted under this Agreement or limit the rights of a Party in the Chapter 11 Cases, including appearing as a party in interest in any matter to be adjudicated in order to be heard concerning any matter arising in the Chapter 11 Cases, so long as the exercise of any such right is consistent with such Party's respective obligations under this Agreement and the Definitive Documents;

(d) constitute a waiver or amendment of any agreements or documents governing the Existing Equity Interests, in each case, unless otherwise set forth in this Agreement or the Definitive Documents;

(e) prevent a Party from taking any action that is (i) required to comply with applicable law upon the advice of counsel or (ii) otherwise consistent with this Agreement or the Restructuring Term Sheet;

(f) obligate a Party to deliver a vote to support a Plan (or any other Transactions) from and after the Termination Date;

(g) be construed to prevent any Party from exercising any consent rights or their rights or remedies specifically reserved herein or in the Definitive Documents; or

(h) require any Party to take any action which is prohibited by applicable law upon the advice of counsel or to waive or forego the benefit of any applicable legal professional privilege.

Section 3.05 Covenant Regarding Additional Documents. Each Party covenants and agrees that the Definitive Documents not executed or in a form attached to this Agreement as of the Execution Date remain subject to negotiation and completion pursuant to Section 1.02 hereof. Each Party hereby covenants and agrees to cooperate with each other Party in good faith in connection with, and shall exercise commercially reasonable efforts with respect to, the negotiation, drafting, and execution and delivery of the Definitive Documents. Upon completion, the Definitive Documents and every other document, deed, agreement, filing, notification, letter, or instrument related to the Transactions shall contain terms, conditions, representations, warranties, and covenants consistent with the terms of this Agreement, as they may be modified, amended, or supplemented in accordance with Section 7.04.

ARTICLE 4
TERMINATION

Section 4.01 Termination.

(a) Termination by the Company. This Agreement may be terminated by the Company, in its sole and absolute discretion, as to all Parties, upon three (3) days' prior written notice thereof to all of the Parties in accordance with Section 7.09, upon the occurrence of any of the following events (each, a "***Company Termination Event***"):

(i) the Consenting Senior Noteholders RSA is terminated in accordance with its terms as to all parties thereto;

(ii) a breach in any material respect by any Consenting Equityholder of any of its representations, warranties, covenants, or obligations set forth in this Agreement or any other agreement to be entered into in connection with the Transactions that, if susceptible to cure, remains uncured for a period of five (5) Business Days after the receipt by the Consenting Equityholders of written notice of such breach; *provided*, that the Company shall not have the right to terminate this Agreement if the non-breaching Consenting Equityholders still hold at least 50.0% of the outstanding number of all Existing Equity Interests as of such date;

(iii) the issuance by any Governmental Authority of, or the initiation of any legal action by any Governmental Authority seeking, any ruling or order making illegal or otherwise enjoining, preventing, or prohibiting the consummation of a material portion of the Transactions, including enjoining, preventing, or prohibiting a material portion of the Transactions or a Company Party or any Affiliate of a Company Party from making any transfer or distribution required or as contemplated by the Transactions and the Definitive Documents which prevents consummation of the Plan, and such legal action, initiation of a legal action, ruling, or order has not been withdrawn or discharged within thirty (30) days of the issuance or initiation, as applicable, thereof;

(iv) termination of the Backstop Commitment Letter other than upon consummation of the transactions thereunder in connection with the Plan Effective Date or, even in the absence of any such termination, if the Backstop Parties default in any material respect with respect to their obligations thereunder to fully fund commitments under the Backstop Commitment Letter when required on the Plan Effective Date, and such default is not cured within five (5) Business Days;

(v) upon written notice to the other Parties hereto that any Company Party has made a Fiduciary Out Determination to terminate this Agreement; or

(vi) any court of competent jurisdiction has entered a final, non-appealable judgment or order declaring this Agreement to be unenforceable.

(b) Termination by Consenting Equityholders. This Agreement may be terminated by a Consenting Equityholder in its sole and absolute discretion, solely as to such Consenting Equityholder (and no other Parties), upon three (3) days' prior written notice thereof to the Company Parties in accordance with Section 7.09, upon the occurrence of any of the following events (each, a "***Consenting Equityholder Termination Event***"):

(i) a breach in any material respect by any Company Party of any of its respective representations, warranties, covenants, or obligations set forth in this Agreement or any other agreement to be entered into in connection with the Transactions that materially and adversely affects such Consenting Equityholder and if susceptible to cure, remains uncured for a period of five (5) Business Days after the receipt by the Company Parties of written notice of such breach;

(ii) the issuance by any Governmental Authority of, or the initiation of any legal action by any Governmental Authority seeking, any ruling or order making illegal or otherwise enjoining, preventing, or prohibiting the consummation of a material portion of the Transactions, and such legal action, initiation of legal action, ruling, or order has not been withdrawn or discharged within thirty (30) days of the issuance or initiation, as applicable, thereof;

(iii) any Company Party (A) states in writing or publicly announces its intention to pursue, consummates, or enters into a binding agreement to consummate, in each case, an Alternative Transaction, (B) states in writing or publicly announces its intention to not pursue the Transactions, or (C) informs the Parties in writing of a Fiduciary Out Determination;

(iv) any Company Party (A) seeks or obtains an order of the Bankruptcy Court authorizing the rejection of this Agreement; (B) gives written notice of termination of this Agreement in accordance with its terms; or (C) withdraws the Plan or its support therefor;

(v) (A) any order approving the solicitation procedures, the Plan, or the Disclosure Statement is reversed, dismissed, vacated, modified, or amended in a manner that is inconsistent in any material respect with this Agreement, or (B) a motion for reconsideration, re-argument, or rehearing with respect to any such order has been filed and the Company Parties have failed to timely object to such motion;

(vi) any court of competent jurisdiction has entered a final, non-appealable judgment or order declaring this Agreement to be unenforceable;

(vii) the Bankruptcy Court or a court of competent jurisdiction enters an order (A) converting the Chapter 11 Cases to cases under chapter 7 of the Bankruptcy Code, (B) dismissing the Chapter 11 Cases, or (C) appointing a trustee or examiner for the Chapter 11 Cases (other than a fee examiner and only to the extent such trustee or examiner is granted powers beyond those set forth in sections 1106(a)(3) and (4) of the Bankruptcy Code), which order in each case has not been reversed, stayed, or vacated within ten (10) Business Days after entry thereof;

(viii) upon the commencement of an involuntary insolvency proceeding against any of the Company Parties or the involuntary filing for other similar relief in respect of the Company Parties or their debts, or of a substantial part of their assets, under any federal, state or foreign bankruptcy, insolvency, administrative, receivership, or similar law now or hereafter in effect and such involuntary proceeding is not dismissed within thirty (30) days after the filing thereof;

(ix) any Company Party files any motion or pleading with the Bankruptcy Court that is materially inconsistent with this Agreement, and such motion has not been withdrawn or amended on or before the date which is the earlier of (A) three (3) Business Days of receipt by the Company Party of written notice from such Consenting Equityholder that such motion or pleading is inconsistent with this Agreement and (B) the date on which such motion or pleading is scheduled to be heard by the Bankruptcy Court; or

(x) the Consenting Senior Noteholders RSA is terminated in accordance with its terms as to all parties thereto.

(c) Mutual Termination. This Agreement may be terminated as to all Parties at any time by mutual written consent of the Company Parties and the Required Consenting Equityholders (such consent, a "***Mutual Termination Event***"). The Company Parties shall deliver written notice of any such termination to all Parties in accordance with Section 7.09 hereof.

(d) Automatic Termination. This Agreement shall automatically terminate as to all Parties upon the Plan Effective Date (an "***Automatic Termination Event***").

(e) Restriction on Termination. No Party may terminate this Agreement based on a Company Termination Event or a Consenting Equityholder Termination Event, as applicable, if such termination event is caused by such Party's failure to perform or comply in all material respects with the terms and conditions of this Agreement (unless such failure to perform or comply arises as a result of another Party's prior failure to perform or comply in all material respects with the terms and conditions of this Agreement).

(f) Termination Date and Survival. The date on which this Agreement is terminated in accordance with this Article 4 with respect to a Party shall be referred to as the "***Termination Date***" with respect to such Party, and the provisions of this Agreement shall terminate on the Termination Date; *provided*, that Sections 1.01, 1.02, 4.01(f), 4.01(g), 4.01(h), 7.01, 7.02, 7.05, 7.06, 7.07, 7.08, 7.09, 7.10, 7.11, 7.13, 7.14, and 7.15 shall survive the Termination Date.

(g) Effect of Termination. Upon the occurrence of:

(i) a Global Termination Event, on the applicable Termination Date, this Agreement shall forthwith become null and void and have no further force or effect as to all Parties, each Party hereto shall be released from its commitments, undertakings, and agreements under or related to this Agreement, and there shall be no liability or obligation hereunder on the part of any Party hereto; *provided*, that in no event shall any such termination relieve any Party hereto from (a) liability for its breach or non-performance of its obligations hereunder before such Termination Date, notwithstanding any termination of this Agreement by any other Party, or (b) obligations under this Agreement that expressly survive any such termination pursuant to Section 4.01(f); *provided*, *further*, that, unless the Plan Effective Date has occurred, any and all consents, tenders, waivers, forbearances, and votes delivered by any Consenting Equityholder in connection with the Transactions automatically shall be deemed, for all purposes, to be null and void *ab initio*; and

(ii) a Consenting Equityholder Termination Event, on the applicable Termination Date, this Agreement shall forthwith become null and void and have no further force or effect solely with respect to the terminating Consenting Equityholder, such Consenting Equityholder shall be released from its commitments, undertakings, and agreements under or related to this Agreement to each other Party, and each other Party shall be released from its commitments, undertakings, and agreements under or related to this Agreement to such Consenting Equityholder, there shall be no liability or obligation hereunder between such Consenting Equityholder and any other Party, this

Agreement shall continue in full force and effect with respect to all other Parties, and, unless the Plan Effective Date has occurred, any and all consents, tenders, waivers, forbearances, and votes delivered by such Consenting Equityholder in connection with the Transactions automatically shall be deemed, for all purposes, to be null and void *ab initio*; *provided*, that in the event that such Consenting Equityholder is a Breaching Consenting Equityholder, such Breaching Consenting Equityholder's vote to accept the Plan shall remain in full force and effect and may not be changed or withdrawn notwithstanding such termination; *provided*, *further*, that in no event shall any such termination relieve such Consenting Equityholder or any other Party from (a) liability for its breach or non-performance of its obligations to such Consenting Equityholder or by such Consenting Equityholder, as applicable, hereunder before such Termination Date or (b) obligations under this Agreement that expressly survive any such termination pursuant to Section 4.01(f).

(h) No Waiver. If the Transactions are not consummated, nothing herein shall be construed as a waiver by any Party of any or all of such Party's rights, and each Party expressly reserves any and all of its respective rights as if the Parties had not entered into this Agreement. Pursuant to Federal Rule of Evidence 408 and any other applicable rules of evidence, this Agreement and all negotiations relating hereto shall not be admissible into evidence in any proceeding other than a proceeding to enforce the Agreement's terms.

ARTICLE 5
TRANSFERS

Section 5.01 Transfer of Claims or Interests.

(a) Subject to the terms and conditions of this Agreement and during the Agreement Effective Period, each Consenting Equityholder agrees, solely with respect to itself, as expressly identified and limited on its signature page, and not in any other manner with respect to any Affiliates, not to, directly or indirectly, (i) sell, transfer, assign, hypothecate, pledge, grant a participation interest in, or otherwise dispose of, directly or indirectly, its right, title, or interest with respect to any of such Consenting Equityholder's Existing Equity Interests or Existing Senior Notes Debt, as applicable, that are subject to this Agreement (the "***Applicable Existing Security***"), in whole or in part, or (ii) deposit any of such Consenting Equityholder's Applicable Existing Security into a voting trust, or grant any proxies, or enter into a voting agreement or otherwise assign, pledge or transfer any of its rights to vote with respect to any such Applicable Existing Security (any of the actions described in clauses (i) and (ii) of this Section 5.01(a) is referred to herein as a "***Transfer***"; "***Transferred***" shall have a meaning correlative thereto; and the Consenting Equityholder making such Transfer is referred to herein as the "***Transferor***"), unless (x) the transferee is either (A) a qualified institutional buyer as defined in Rule 144A of the Securities Act, (B) an institutional accredited investor (as defined in the Rules), or (C) not a "U.S. person" (as defined in Rule 902 of Regulation S under the Securities Act), and in each case executes and delivers to each of Latham and the Majority Ad Hoc Group Advisors in accordance with Section 5.01(c) a joinder, substantially in the form attached hereto as Exhibit C (each, a "***Permitted Transferee Joinder***"), and provides notice of such Transfer in accordance with Section 7.09 hereof; or (y) the transferee is a Consenting Equityholder, and the transferee provides notice of such Transfer (including the amount and type of Claim or Interest Transferred) to each of Latham and the Majority Ad Hoc Group Advisors in accordance with Section 5.01(c) (any such transferee as described in (x) or (y), a "***Permitted Transferee***"). Any Transfer in violation of this Article 5 shall be void *ab initio*. Notwithstanding anything to the contrary in this Section 5.01(a), the restrictions on Transfers set forth in this Section 5.01(a) shall not apply to (i) Transfers made pursuant to Section 5.01(g) and (ii) the grant of any liens or encumbrances on Applicable Existing Security in favor of a bank or broker-dealer holding custody of such Applicable Existing Security in the ordinary course of business and which lien or encumbrance is released upon the Transfer of such Applicable Existing Security.

(b) Upon the consummation of a Transfer in accordance herewith, such Permitted Transferee shall be deemed to make all of the representations, warranties, and covenants of a Consenting Equityholder, as set forth in this Agreement, and shall be deemed to be a Party and a Consenting Equityholder for all purposes under this Agreement, and this Agreement shall become effective and binding as to such Permitted Transferee.

(c) A Consenting Equityholder that Transfers Applicable Existing Security to a Permitted Transferee in accordance with the terms of this Article 5 shall (i) be deemed to relinquish its rights and be released from its obligations under this Agreement to the extent of the rights and obligations in respect of such Transferred Applicable Existing Security, (ii) not be liable to any Party to this Agreement for the failure of the Permitted Transferee to comply with the terms and conditions of this Agreement; *provided*, that in no event shall any such Transfer relieve (x) a Consenting Equityholder hereto from liability for its breach or non-performance of its obligations hereunder before the date of such Transfer or (y) a Backstop Party from its obligations pursuant to the Backstop Commitment Letter and (iii) within five (5) Business Days of such Transfer, deliver written notice of the Transfer to the Company Parties, Latham, and the Majority Ad Hoc Group Advisors, which notice may be provided through counsel and shall include the amount and type of Applicable Existing Security that was Transferred.

(d) This Agreement shall not limit, restrict, or otherwise affect in any way, any right, authority, or power of any Consenting Equityholder to acquire additional Existing Equity Interests or Existing Senior Notes Debt after the Execution Date. Any such acquired Existing Equity Interests or Existing Senior Notes Debt (including pursuant to an Open Trade) shall automatically and immediately upon acquisition by the Consenting Equityholder be deemed to be Applicable Existing Security and to be subject to the terms of this Agreement. Within five (5) Business Days of any acquisition (calculated based on the settled trade debt or amount, as applicable) of Existing Equity Interests or Existing Senior Notes Debt by a Consenting Equityholder from a Person that, to the acquiring party's actual knowledge, is not a Consenting Equityholder (including any Qualified Marketmaker that is not a Consenting Equityholder), such Consenting Equityholder shall deliver written notice of the acquisition to the Company, Latham, and the Majority Ad Hoc Group Advisors, which notice may be provided through counsel and shall include the amount and type of Existing Equity Interests or Existing Senior Notes Debt that were acquired.

(e) Notwithstanding anything to the contrary herein, Applicable Existing Security that is Transferred to or by a Consenting Equityholder pursuant to an Open Trade specified on the applicable Consenting Equityholder's signature page, or as part of a short transaction, entered into by such Consenting Equityholder before, and pending as of the date of, such Consenting Equityholder's entry into this Agreement shall be subject to the terms of this Agreement, as provided in Section 5.01(d), and shall be permitted to participate in the Transactions on the terms for Consenting Equityholders, so long as such trade closes or Applicable Existing Security is transferred before the consummation of the Transactions.

(f) Notwithstanding anything to the contrary in this Agreement, the Parties understand that the Consenting Equityholders may be engaged in a wide range of financial services and businesses, and, in furtherance of the foregoing, the Parties acknowledge and agree that, the terms and obligations set forth in this Agreement shall apply only to the specific signatory, portfolio management team, trading desk(s), or business group(s) on behalf of which the Consenting Equityholder has executed this Agreement, and shall not apply to any other portfolio management team, trading desk, business group, subsidiary, or Affiliate of the Consenting Equityholder unless they separately become a party hereto.

(g) Notwithstanding anything to the contrary herein, (i) a Qualified Marketmaker that acquires any Existing Equity Interests or Existing Senior Notes Debt held by a Consenting Equityholder and subject to this Agreement, with the purpose and intent of acting as a Qualified Marketmaker in respect of such Existing Equity Interests or Existing Senior Notes Debt, shall not be required to execute and deliver a

joinder in respect of such Existing Equity Interests or Existing Senior Notes Debt if such Qualified Marketmaker transfers such Existing Equity Interests or Existing Senior Notes Debt (by purchase, sale, assignment, or other similar means) to a Permitted Transferee within five (5) Business Days after the Qualified Marketmaker acquires such Existing Equity Interests or Existing Senior Notes Debt; *provided*, that a Qualified Marketmaker's failure to comply with this Section 5.01(g) shall result in the Transfer of such Existing Equity Interests or Existing Senior Notes Debt to such Qualified Marketmaker being deemed void *ab initio*, and (ii) to the extent any Consenting Equityholder is acting in its capacity as a Qualified Marketmaker, it may transfer any ownership interests in Existing Equity Interests or Existing Senior Notes Debt that it acquires from a holder thereof that is not a Consenting Equityholder to a transferee that is not a Consenting Equityholder at the time of such Transfer without the requirement that such transferee be a Permitted Transferee, so long as the Qualified Marketmaker communicates the material details of any such trade to the Majority Ad Hoc Group Advisors on a confidential basis.

ARTICLE 6
REPRESENTATIONS AND WARRANTIES

Section 6.01 Representations and Warranties.

(a) Each Party (severally and not jointly) represents and warrants to each other Party that:

(i) such Party is duly organized or incorporated, validly existing, and in good standing (where such concept is recognized) under the laws of the jurisdiction of its organization or incorporation, and has all requisite corporate, partnership, limited liability company, or other organizational power and authority to enter into this Agreement and to carry out the Transactions contemplated herein, and to perform its respective obligations under this Agreement and the Definitive Documents;

(ii) the execution, delivery, and performance of this Agreement by such Party does not and shall not (A) violate any provision of law, rule, or regulation applicable to it or any of its subsidiaries or its organizational documents or those of any of its subsidiaries, or (B) conflict with, result in a breach of, or constitute (with due notice or lapse of time or both) a default under its organizational documents or any material contractual obligations to which it or any of its subsidiaries is a party;

(iii) the execution, delivery and performance by such Party of this Agreement does not and shall not require any registration or filing with, consent or approval of, or notice to, or other action to, with or by, any Governmental Authority, except such filings that may be necessary in connection with the Chapter 11 Cases, to the extent applicable, and such filings as may be necessary or required for disclosure to any applicable Governmental Authority whose approval or consent is determined by the Company Parties to be necessary to consummate the Transactions;

(iv) as of the Execution Date (or such later date that it delivers its signature page hereto to the other Parties), such Party has no actual knowledge of any event that, due to any fiduciary or similar duty to any other Person or entity, would prevent it from taking any action required of it under this Agreement; and

(v) this Agreement is a legally valid and binding obligation of such Party, enforceable against it in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws relating to or limiting creditors' rights generally or by equitable principles relating to enforceability.

(b) Each Consenting Equityholder (severally and not jointly) represents and warrants to each Company Party that, as of the Execution Date (or the date of its joinder agreement delivered to the other Parties or their counsel, as applicable):

(i) it (x) either (A) is the beneficial or record owner of the principal amount or number (or, with respect to Consenting Equityholders that have the same investment manager or advisor, a portion of the aggregate number or principal amount) of the Existing Equity Interests or Existing Senior Notes Debt, as applicable, indicated on its respective signature page hereto (or thereto) (in each case other than with respect to Existing Equity Interests or Existing Senior Notes Debt noted on its signature page that are subject to an Open Trade) or (B) has sole investment or voting discretion with respect to the principal amount or number of the Existing Equity Interests or Existing Senior Notes Debt indicated on its respective signature page hereto (or thereto) and has the power and authority to bind the beneficial owner of such Existing Equity Interests or Existing Senior Notes Debt to the terms of this Agreement (other than with respect to Existing Equity Interests or Existing Senior Notes Debt noted on its signature page that are subject to an Open Trade), and (y) has full power and authority to act on behalf of, vote, and consent to matters concerning such Existing Equity Interests or Existing Senior Notes Debt and to dispose of, exchange, assign, and transfer such Existing Equity Interests or Existing Senior Notes Debt;

(ii) other than pursuant to this Agreement, the Existing Equity Interests or Existing Senior Notes Debt with respect to which it is the beneficial or record owner or has sole investment or voting discretion set forth on its respective signature page are free and clear of any lien, charge, encumbrance, participation, security interest, adverse claim, or any other similar restriction, or any equity, option, proxy, voting restriction, right of first refusal, or other limitation on disposition of any kind that could reasonably be expected to adversely affect in any way such Consenting Equityholder's performance of its obligations contained in this Agreement at the time such obligations are required to be performed;

(iii) other than the Existing Equity Interests or Existing Senior Notes Debt indicated on its respective signature page hereto, such Consenting Equityholder does not own any other Existing Equity Interests or Existing Senior Notes Debt as of the Execution Date (other than with respect to Existing Equity Interests or Existing Senior Notes Debt that are subject to an Open Trade); and

(iv) it has reviewed, or has had the opportunity to review, with the assistance of professional and legal advisors of its choosing, all information it deems necessary and appropriate for such Consenting Equityholder to evaluate the financial and other risks inherent in the Transactions and has such knowledge and experience in financial and business matters of this type that it is capable of evaluating the merits and risks of entering into this Agreement and the Transactions and of making an informed investment decision in connection therewith, and its decision to execute this Agreement and participate in any of the Transactions contemplated hereby has been based upon such of its own independent review and analysis of the business and affairs of the Company Parties (and their respective subsidiaries) and the Transactions that it considers sufficient and reasonable for purposes of entering into this Agreement and the Transactions, and such decision is not in reliance upon any representations or warranties of any other Party (or any such other Party's financial, legal or other professional advisors), other than such express representations and warranties of the Parties contained herein.

(c) Each Consenting Equityholder further represents to each other Party that (i) it is (A) a "qualified institutional buyer" within the meaning of Rule 144A of the Securities Act, (B) an institutional "accredited investor" (as defined in the Rules), or (C) not a "U.S. person" as defined in Rule 902 under the Securities Act; (ii) it understands that the securities contemplated by this Agreement and the Transactions

have not been, and are not contemplated to be, registered under the Securities Act and may not be resold without registration under the Securities Act except pursuant to a specific exemption from the registration provisions of the Securities Act; (iii) it is acquiring any securities of the Company Parties in connection with the Transactions for investment and not with a view to distribution or resale in violation of the Securities Act; and (iv) it is not acquiring the securities contemplated by this Agreement and the Transactions as a result of any advertisement, article, notice or other communication regarding such securities published in any newspaper, magazine or similar media or broadcast over television or radio or presented at any seminar or any other general solicitation or general advertisement.

(d) Each Party that is a managed account (or portion thereof) (severally and not jointly) represents and warrants that the manager or investment advisor or sub-advisor executing this Agreement on behalf of such Party has the authority to execute, on behalf of such Party, this Agreement and any transactions that this Agreement requires such Party to execute.

ARTICLE 7
MISCELLANEOUS

Section 7.01 Entire Agreement; Prior Negotiations. This Agreement, including all of the exhibits attached hereto, constitutes the entire agreement of the Parties with respect to the subject matter of this Agreement, and supersedes all other prior negotiations, agreements and understandings, whether written, oral, or implied, among the Parties with respect to the subject matter of this Agreement; *provided*, that any confidentiality agreement or non-disclosure agreement executed by any Party shall survive this Agreement and shall continue in full force and effect, subject to the terms thereof, irrespective of the terms hereof.

Section 7.02 Reservation of Rights. If the Transactions contemplated herein are not consummated, or if this Agreement is terminated in accordance with its terms (except as a result of the occurrence of the Plan Effective Date), nothing shall be construed herein as a waiver by any Party of any or all of such Party's rights, remedies or defenses, and the Parties expressly reserve any and all of their respective rights, remedies or defenses.

Section 7.03 Counterparts; Execution. This Agreement may be executed in one or more counterparts, each of which, when so executed, shall constitute one and the same instrument, and the counterparts may be delivered by facsimile transmission or by electronic mail in portable document format (.pdf) or by DocuSign. This Agreement may be executed on behalf of one or more Consenting Equityholders by such Consenting Equityholder's investment manager, advisor, or sub-advisor, which is a signatory hereto solely in its capacity as the investment manager, advisor, or sub-advisor of such Consenting Equityholder.

Section 7.04 Amendments and Waivers.

(a) Except as otherwise provided herein, this Agreement may not be modified, amended, or supplemented, and no provision of this Agreement may be waived, without the prior written consent of the Company Parties and the Required Consenting Equityholders, and any modification, amendment, supplement, or waiver effected in accordance with this Section 7.04 shall be binding upon all Parties; *provided*, that this Section 7.04 and Section 7.06 may not be modified, amended, or supplemented without the consent of the Company Parties and each Consenting Equityholder; *provided*, *further*, that notwithstanding anything to the contrary herein, the Restructuring Term Sheet may be modified, amended, supplemented, or waived in accordance with the terms of the Consenting Senior Noteholders RSA, and any

such modification, amendment, supplement, or waiver shall automatically be deemed to modify, amend, supplement, or waive the Restructuring Term Sheet attached hereto and shall be binding upon all Parties; *provided*, *further*, that if any modification, amendment, supplement, or waiver of the Restructuring Term Sheet would have a material, disproportionate, and adverse effect on any Consenting Equityholder that does not consent thereto, such Consenting Equityholder shall have the right to terminate this Agreement solely as to itself.

(b) No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision of this Agreement, whether or not such provisions are similar, nor shall any waiver of a provision of this Agreement be deemed a continuing waiver of such provision.

Section 7.05 Headings. The headings of the sections, paragraphs, and subsections of this Agreement are included for convenience only and shall not affect the interpretation of the provisions contained herein.

Section 7.06 Acknowledgments; Obligations Several. Notwithstanding that this Agreement is being executed by multiple Consenting Equityholders, the obligations of the Consenting Equityholders under this Agreement are several and neither joint nor joint and several. No Consenting Equityholder shall be responsible in any way for the performance of the obligations or any breach of any other Consenting Equityholder under this Agreement, and nothing contained herein and no action taken by any Consenting Equityholder pursuant hereto shall be deemed to constitute the Consenting Equityholders as a partnership, an association, or a joint venture of any kind, or to create a presumption that (a) the Consenting Equityholders are in any way acting other than in their individual capacities or (b) any Consenting Equityholder is in any way acting in concert or as a member of a "group" with any other Consenting Equityholder within the meaning of Rule 13d-5 under the Exchange Act. None of the Consenting Equityholders shall have any fiduciary duty or other duties or responsibilities of any kind or form to each other, the Company Parties or any of the Company's other lenders, noteholders or stakeholders as a result of this Agreement or the transactions contemplated hereby. Each Consenting Equityholder acknowledges that no other Consenting Equityholder will be acting as agent of such Consenting Equityholder in connection with monitoring such Consenting Equityholder's investment or enforcing its rights under this Agreement, the Definitive Documents, or any other documents to be entered into in connection with the consummation of the Transactions. Each Consenting Equityholder acknowledges to each other Consenting Equityholder, that: (a) the Transactions described herein are arm's-length commercial transactions between the Company Parties and the Company Parties' Affiliates and each Consenting Equityholder; (b) it has consulted its own legal, accounting, regulatory, and tax advisors to the extent it has deemed appropriate; (c) it is capable of evaluating, and understands and accepts, the terms, risks and conditions of the Transactions contemplated hereby; (d) the Consenting Equityholders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the other Consenting Equityholders, the Company Parties, and the Company Parties' Affiliates or the Affiliates of other Consenting Equityholders, and the Consenting Equityholders have no obligation to disclose any of such interests to any other Consenting Equityholder or the Affiliates of other Consenting Equityholders; and (e) except as disclosed in writing to the Company Parties and the Majority Ad Hoc Group Advisors, it is not an insider of the Company. Each Consenting Equityholder acknowledges that it has, independently and without reliance upon any other Consenting Equityholder and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement and that it has not relied on the credit analysis and decision or due diligence investigation of any other Consenting Equityholder. Except for the agreements, covenants, and obligations expressly set forth in this Agreement, no Consenting Equityholder has any agreement, arrangement, or understanding with any other Consenting Equityholder with respect to acquiring, holding, voting, or disposing of any shares of common stock or other capital stock of the Company. Nothing contained in this Agreement is intended to cause any Consenting Equityholder to constitute, or be deemed to constitute, a "group" with any other Consenting

Equityholder for purposes of Section 13(d) of the Exchange Act, except to the extent required by applicable law. All rights and obligations under this Agreement are separately granted to and undertaken by each Consenting Equityholder, and the decision of each Consenting Equityholder to enter into the transactions contemplated by this Agreement has been made independently.

Section 7.07 Specific Performance; Damages. All remedies that are available at law or in equity, including specific performance and injunctive or other equitable relief, to any Party for a breach of this Agreement by another Party shall be available to the non-breaching Party (and for the avoidance of doubt, it is agreed by the other Parties that money damages would not be a sufficient remedy for any breach of this Agreement by any Party and each non-breaching Party will be entitled to seek specific performance and injunctive or other equitable relief as a remedy of any such breach); *provided*, that in connection with any remedy for specific performance, injunctive or other equitable relief asserted in connection with this Agreement, each Party agrees to waive the requirement for the securing or posting of a bond in connection with any remedy and to waive the necessity of proving the inadequacy of money damages. All rights, powers, and remedies provided under this Agreement or otherwise available at law or in equity will be cumulative and not alternative, and the exercise of any right, power, or remedy by any Party will not preclude the simultaneous or later exercise of any other such right, power, or remedy by such Party or any other Person. Notwithstanding anything to the contrary in this Agreement, in no event shall any Party or their representatives be liable to any other Party hereunder for any punitive, incidental, consequential, special, or indirect damages, including the loss of future revenue or income or opportunity, relating to the breach or alleged breach of this Agreement.

Section 7.08 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York without regard to any choice of law provision that would require the application of the laws of another jurisdiction. By the execution and delivery of this Agreement, each of the Parties hereto hereby irrevocably and unconditionally agrees for itself that any legal action, suit, or proceeding against it with respect to any matter arising under or out of or in connection with this Agreement or for recognition or enforcement of any judgment rendered in any such action, suit, or proceeding may be brought in either a state or federal court of competent jurisdiction in the State and County of New York, Borough of Manhattan. By the execution and delivery of this Agreement, each of the Parties hereto irrevocably and unconditionally submits to the personal jurisdiction of each such court, solely for purposes of any action, suit, or proceeding arising out of or relating to this Agreement or for the recognition or enforcement of any judgment rendered or order entered in any such action, suit, or proceeding. EACH PARTY HERETO UNCONDITIONALLY WAIVES TRIAL BY JURY IN ANY ACTION, SUIT, OR PROCEEDING REFERRED TO ABOVE. Each Party (a) certifies that no representative, agent, or attorney of any other Party has represented, expressly or otherwise, that such other Party would not, in the event of litigation, seek to enforce the foregoing waiver and (b) acknowledges that it and the other Parties have been induced to enter into this Agreement by, among other things, the mutual waivers and certifications in this Section 7.08. Each Party hereto agrees that service of any process, summons, notice or document by registered mail addressed to such Person shall be effective service of process against such Person for any suit, action or proceeding arising out of or relating to this Agreement brought in any such court. Notwithstanding the foregoing, during the pendency of the Chapter 11 Cases, all proceedings contemplated by this Section 7.08 shall be brought in the Bankruptcy Court.

Section 7.09 Notices. All notices (including any notice of termination as provided for herein) and other communications from any Party or the Majority Ad Hoc Group, as applicable, given or made pursuant to this Agreement shall be in writing and shall be deemed to have been duly given upon the earliest of the following: (a) upon personal delivery to the Party or the Majority Ad Hoc Group, as applicable, to be notified; (b) when sent by confirmed electronic mail if sent during the normal business hours of the recipient, and if not so confirmed, on the next Business Day; (c) three (3) Business Days after having been sent by registered or certified mail, return receipt requested, postage prepaid; and (d) one (1) Business Day

after deposit with a nationally recognized overnight courier, specifying next-day delivery (with an email upon sending to the Party or the Majority Ad Hoc Group, as applicable, to be notified), with written verification of receipt. All communications shall be sent:

(a) If to the Company or the Company Parties:

Mercer International Inc.
Suite 1120, 700 West Pender Street
Vancouver, British Columbia V6C 1G8
Attn: Richard Short
Email: richard.short@mercerint.com

With copies to:

Latham & Watkins LLP
1271 Avenue of the Americas
New York, NY 10020
Attn: Ray C. Schrock
Keith Simon
Joe Zujkowski
Email: ray.schrock@lw.com
keith.simon@lw.com
joe.zujkowski@lw.com

and

Latham & Watkins LLP
10250 Constellation Blvd. Suite 1100
Los Angeles, CA 90067
Attn: Nicholas J. Messana
Email: nicholas.messana@lw.com

(b) If to a Consenting Equityholder, to the addresses or electronic mail addresses set forth on such Consenting Equityholder's signature page to this Agreement or any applicable joinder hereto.

(c) If to the Majority Ad Hoc Group or the Majority Ad Hoc Group Advisors:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 6th Avenue
New York, NY 10019
Attn: Jacob Adlerstein
Sung Pak
Joseph M. Graham

Email: jadlerstein@paulweiss.com
spak@paulweiss.com
jgraham@paulweiss.com

Section 7.10 Passage of Time. With respect to any Milestone or other reference of time herein, if the last day of such period falls on a Saturday, Sunday, or a "legal holiday," as defined in Rule 9006(a) of the Federal Rules of Bankruptcy Procedure, such Milestone or other reference of time shall be extended

to the next day that is not a Saturday, Sunday, or a "legal holiday," as defined in Rule 9006(a) of the Federal Rules of Bankruptcy Procedure.

Section 7.11 No Third-Party Beneficiaries. Unless expressly stated herein, this Agreement shall be solely for the benefit of the Parties and no other Person shall have any rights or remedies under or by reason of this Agreement.

Section 7.12 Publicity; Non-Disclosure. Other than as may be required by applicable law and regulation or by any Governmental Authority (including any routine or periodic examination or similar process by any Governmental Authority not specifically directed at the Company or the Transactions) as determined by a Party based on reasonable advice of counsel: (a) no Party shall issue any press release or make any other public announcement with respect to this Agreement or the Transactions without the consent of the Company Parties and the Required Consenting Senior Noteholders, which consent shall not be unreasonably delayed, conditioned, or withheld; and (b) no Party shall disclose to any Person (including for the avoidance of doubt, any other Consenting Equityholder), other than legal, accounting, financial, and other advisors to the Company Parties (who are under obligations of confidentiality to the Company Parties with respect to such disclosure, and whose compliance with such obligations the Company Parties shall be responsible for), the principal amount, number, or percentage of the Existing Equity Interests or Senior Notes held by any Consenting Equityholder or any of its respective subsidiaries or the signature page of such Consenting Equityholder; *provided*, that the Company Parties shall be permitted to disclose at any time the aggregate amount and percentage of Existing Equity Interests (and, if applicable, the aggregate principal amount and percentage of Senior Notes) held by the Consenting Equityholders; *provided*, *further*, that notwithstanding the foregoing, no Party shall make any public announcement whatsoever disclosing the identity of any Consenting Equityholder without such Consenting Equityholder's prior written consent or an order of the Bankruptcy Court or another court of competent jurisdiction. Notwithstanding the foregoing, the Consenting Equityholders hereby consent to the disclosure of the execution, terms, and contents of this Agreement by the Company Parties in the Definitive Documents to the extent required by applicable law or regulation; *provided*, that (a) if any of the Company Parties determines that it is required to attach a copy of this Agreement, the Backstop Commitment Letter, or any Joinder to any Definitive Documents or any other filing or similar document relating to the Transactions, to the extent permissible under applicable law, it will redact any reference to or concerning a specific Consenting Equityholder's identity, holdings of Existing Equity Interests or Senior Notes, or signature page (which shall not be publicly disclosed or filed), and (b) if disclosure of additional information of any Consenting Equityholder is required by applicable law, advance notice of the intent to disclose, if permitted by applicable law, shall be given by the disclosing Party to each such Consenting Equityholder (who shall have the right to seek a protective order prior to disclosure), and such disclosing Party shall take reasonable measures to limit such disclosure. The Company Parties further agree that such information shall be redacted from "closing sets" or other representations of the fully executed Agreement or Joinder. Subject in all respects to the foregoing restrictions regarding the identity, holdings, signature pages, and other confidential information of any Consenting Equityholder, the Company Parties shall be permitted to make any filing or publish, issue, or file any public announcement or communication upon the failure of the Required Consenting Senior Noteholders (including by or through the Majority Ad Hoc Group Advisors), with such consent request being sent to the Majority Ad Hoc Group Advisors, to respond within two (2) Business Days of receipt of such consent request. For the avoidance of doubt, each Party shall have the right, without any obligation to any other Party, to decline to comment to the press with respect to this Agreement.

Section 7.13 Successors and Assigns; Severability. This Agreement is intended to bind and inure to the benefit of the Parties and their respective permitted successors, assigns, heirs, executors, estates, administrators, and representatives, *provided*, that this Section 7.13 shall not be deemed to permit Transfers other than in accordance with the express terms of this Agreement. The invalidity or unenforceability at any time of any provision hereof in any jurisdiction shall not affect or diminish in any way the continuing

validity and enforceability of the remaining provisions hereof or the continuing validity and enforceability of such provision in any other jurisdiction; *provided*, that, after excluding the provision that is declared to be invalid or unenforceable, the remaining terms provide for the consummation of the Transactions contemplated hereby in substantially the same manner as originally set forth at the later of the date hereof and the date this Agreement was last amended.

Section 7.14 Error; Ambiguity. Notwithstanding anything to the contrary herein, to the extent counsel to the Company Parties or the Majority Ad Hoc Group Advisors identify, within five (5) Business Days following the Execution Date, any clear errors, material ambiguities, or internally inconsistent provisions within or among this Agreement, each Party hereto covenants and agrees that it will endeavor in good faith to enter into reasonable and mutually satisfactory modifications to this Agreement to remedy such errors, ambiguities, or inconsistent provisions.

Section 7.15 Joinder. Additional holders of Existing Equity Interests and, if applicable, Existing Senior Notes Debt, or their investment advisors, sub-advisors, or managers of funds, clients, and discretionary accounts (together with their respective successors and permitted assigns) that hold Existing Equity Interests and, if applicable, Existing Senior Notes Debt and that have authority to bind the beneficial owners of such applicable Existing Equity Interests or Existing Senior Notes Debt to the terms of this Agreement, as applicable, may become party to this Agreement from time to time in accordance with Article 5 (solely with the consent of the Company), in each case, by agreeing in writing to be bound by the terms of this Agreement (any such Person, an "***Additional Consenting Equityholder***") by executing and delivering to the Company and Latham a joinder agreement in the form attached hereto as Exhibit D (each, an "***Additional Consenting Equityholder Joinder***"). Upon the execution and delivery of an Additional Consenting Equityholder Joinder, such Additional Consenting Equityholder shall be deemed to make all of the representations, warranties, and covenants of a Consenting Equityholder, as set forth in this Agreement, and shall be deemed to be a Party and a Consenting Equityholder for all purposes under this Agreement as if it were originally party hereto, and this Agreement shall become effective and binding as to such Additional Consenting Equityholder. Any Additional Consenting Equityholder Joinder entered into by any such Person that does not comply with the terms and procedures set forth herein, including this Section 7.15, shall be deemed void *ab initio*, and each other Party shall have the right to enforce the voiding of such Joinder.

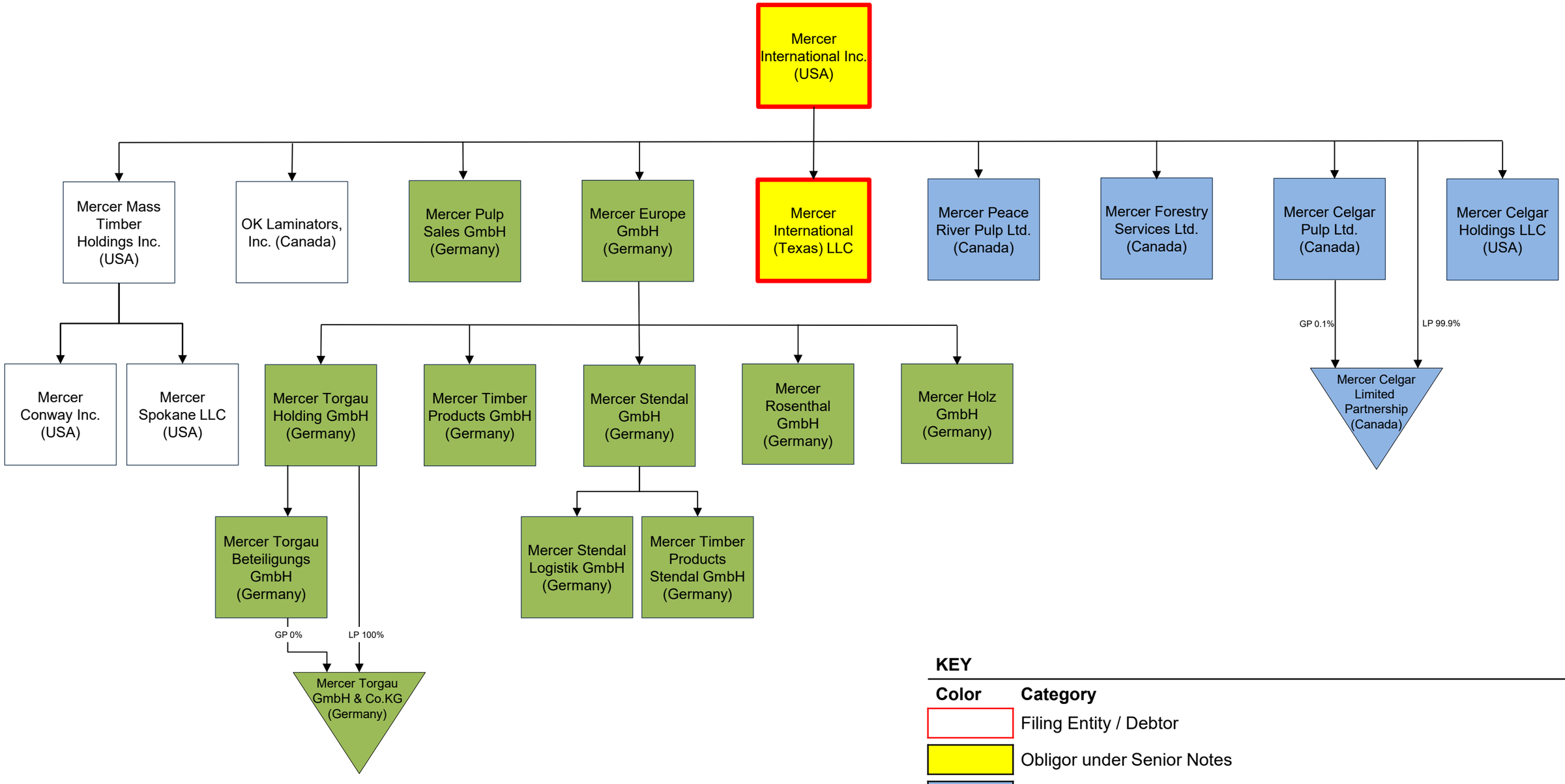
[*Signature Pages Follow*]

Exhibit C

Organizational Chart

Mercer – Simplified Organizational Chart

(as of Petition Date)



KEY

Color	Category
	Filing Entity / Debtor
	Obligor under Senior Notes
	Obligor under Canadian ABL Credit Agreement / Standby LC Agreement
	Obligor under German Revolving Facility Agreement

All companies are 100% owned unless otherwise noted