



Court File No. CV-24-00720526-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE ) TUESDAY, THE 12<sup>TH</sup>  
JUSTICE OSBORNE ) DAY OF NOVEMBER, 2024

B E T W E E N:

**FARM CREDIT CANADA**

Applicant

- and -

**GLOBAL FOOD AND INGREDIENTS INC. and GFI BRANDS INC.**

Respondents

**IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE  
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED, AND  
SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C-43, AS AMENDED**

**APPROVAL AND VESTING ORDER  
(Lajord Property)**

THIS MOTION, made by FTI Consulting Canada Inc. (“**FTI**”) in its capacity as the Court-appointed receiver (the “**Receiver**”) over all assets, undertakings, and properties of Global Food and Ingredients Inc. (“**Global Foods Canada**”) and GFI Brands Inc. (“**GFI Brands**”, and together with Global Foods Canada, the “**Debtors**”, and each individually, a “**Debtor**”) that constitute “**FCC Secured Property**” (as such term is defined in the Order (Appointing Receiver), granted by the Honourable Justice Steele on May 30, 2024 (the (“**Appointment Order**”), in the within proceedings), for an order approving the sale transaction (the “**Transaction**”) contemplated by an Asset Purchase Agreement (the “**Lajord Purchase Agreement**”) between the Receiver and C2 Farms (the “**Lajord Purchaser**”) dated November 4, 2024 and appended to the Second Report of the Receiver dated November 4, 2024 (the “**Second**

**Report**"), and vesting in the Lajord Purchaser the Debtor's right, title and interest in and to the assets described in the Lajord Purchase Agreement (the "**Purchased Assets**"), was heard this day via judicial videoconference.

ON READING the Report and on hearing the submissions of counsel for the Receiver and those parties listed on the counsel slip, no one else appearing for any other person although duly served as appears from the affidavit of Meena Alnajar sworn November 5, 2024, filed:

### **SERVICE AND INTERPRETATION**

1. **THIS COURT ORDERS** that, if necessary, the time for service and filing of the Notice of Motion and Motion Record for this Order is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used but not defined herein have the meanings ascribed to them in the Appointment Order and the Lajord Purchase Agreement, as applicable.

### **SALE AGREEMENT APPROVAL**

3. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Lajord Purchase Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
4. **THIS COURT ORDERS AND DECLARES** that the Lajord Purchase Agreement is a Successful Bid as defined in the Sale Process and the Receiver is authorized and empowered, *nunc pro tunc*, to enter into any and all necessary agreements with respect to the Successful Bid and to undertake such other actions as may be necessary or appropriate to give effect to the Successful Bid.
5. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Lajord Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased

Assets shall vest absolutely in the Lajord Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Steele dated May 30, 2024; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario or Saskatchewan) or any other personal property registry system (all of which are collectively referred to as the "**Encumbrances**") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

6. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

7. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

8. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Lajord Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

9. **THIS COURT ORDERS** that upon delivery of the Receiver's Certificate and subject to the payment of Cure Costs by the Purchaser (defined below), all of the rights and obligations of the Debtor under the agreements set out in Schedule "B" hereto, including all associated or related agreements, schedules, appendices, addendum, amendments, supplements, restatements or other modifications which requires consent of the counterparty to assign and such consent is not obtained on or prior to the issuance of this Order (each a "**Assigned Contract**" and collectively, the "**Assigned Contracts**") shall be assigned to the Purchaser.

10. **THIS COURT ORDERS** that the assignment to the Purchaser of the rights and obligations of the Debtor under the Assigned Contracts, pursuant to this Order is valid and binding upon all of the counterparties to the Assigned Contracts notwithstanding any restriction or prohibition contained in any such Assigned Contract relating to the assignment thereof, including, without limitation, any provision requiring the consent of any party to the assignment.

11. **THIS COURT ORDERS** that each counterparty to an Assigned Contract is prohibited from exercising any right or remedy under the Assigned Contract and shall be forever barred and estopped from taking such action by reason of defaults thereunder related to these receivership proceedings, any restriction, condition or prohibition contained therein relating to the assignment thereof or any change of control, or the Transaction or any parts thereof, and are hereby deemed to waive any defaults relating thereto.

12. **THIS COURT ORDERS** that the monetary default accrued under or in respect of the contracts listed in Schedule "C" hereto (the "**Cure Costs**") shall be in the amounts set out in Schedule "C" hereto and that upon Closing, the Purchaser shall pay the Cure Costs as set out therein with respect to each Assigned Contract, in full and final satisfaction of any Cure Costs owing to the counterparty to the applicable Assigned Contract, on Closing.

13. **THIS COURT ORDERS** the Receiver to send a copy of this Order to all of the counterparties to the Assigned Contracts listed in Schedule “C”.

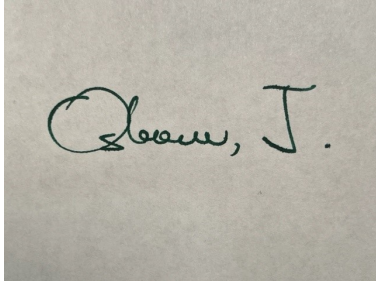
#### **GENERAL**

14. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

15. **THIS COURT ORDERS** that the Receiver is at liberty, authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this order and for assistance in carrying out the terms of this order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

16. **THIS COURT ORDERS** that this order is effective from today’s date and is enforceable without the need for entry and filing.

\_\_\_\_\_ Digitally  
signed by  
Osborne J.  
Date:  
2024.11.12  
17:12:03 -05'00'



**Schedule A – Form of Receiver’s Certificate**

Court File No. CV-24-00720526-00CL

**ONTARIO**

**SUPERIOR COURT OF JUSTICE**

**COMMERCIAL LIST**

**B E T W E E N:**

**FARM CREDIT CANADA**

Applicant

**- and -**

**GLOBAL FOOD AND INGREDIENTS INC. and GFI BRANDS INC.**

Respondents

**IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE  
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SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C-43, AS AMENDED**

**RECEIVER’S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of the Honourable Justice Steele of the Ontario Superior Court of Justice (the "**Court**") dated May 30, 2024, FTI Consulting Canada Inc. was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of Global Food and Ingredients Inc. ("**Global Foods Canada**") and GFI Brands Inc. ("**GFI Brands**"), and together with Global Foods Canada, the "**Debtors**", and each individually, a "**Debtor**") that constitute "**FCC Secured Property**" (as such term is defined in the Order (Appointing Receiver), granted by the Honourable Justice Steele on May 30, 2024 (the "**FCC Receivership Order**"), in the within proceedings).

B. Pursuant to an Order of the Court dated November 12, 2024, the Court approved the agreement of purchase and sale made as of November 4, 2024 (the "**Lajord Purchase Agreement**") between the Receiver and C2 Farms (the "**Lajord Purchaser**") and provided for the vesting in the Lajord Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Lajord Purchased Assets upon the delivery by the Receiver to the Lajord Purchaser of a certificate confirming (i) the payment by the Lajord Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in Article 6 of the Lajord Purchase Agreement have been satisfied or waived by the Receiver and the Lajord Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Lajord Purchase Agreement.

**THE RECEIVER CERTIFIES** the following:

1. The Lajord Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Lajord Purchase Agreement;
2. The conditions to Closing as set out in Article 6 of the Lajord Purchase Agreement have been satisfied or waived by the Receiver and the Lajord Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at \_\_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

**FTI Consulting Canada Inc., in its capacity as  
Receiver of the undertaking, property and  
assets of Global Food and Ingredients Inc.  
and GFI Brands Inc., and not in its personal  
capacity**

Per: \_\_\_\_\_

Name:

Title:

## **Schedule B**

### **Assigned Contracts**

Lease dated October 1, 2015 between Stewart Southern Railway Inc., as landlord, and Canpulse Foods Ltd., as tenant relating to the premises municipally known as 100 South Railway Avenue, Lajord No. 128, Saskatchewan, which was later assigned by an Assignment of Lease from 11567403 Canada Inc., in its capacity as general partner on behalf of GFI LP to Global Food and Ingredients Inc. dated March 31, 2022 pursuant to an Asset Purchase Agreement between Canpulse Foods Ltd. as seller and GFI LP as purchaser dated November 26, 2019.



### Schedule C

#### Assigned Contracts

<b>Contract Name</b>	<b>Parties</b>	<b>Agreement Date</b>	<b>Cure Costs</b>
Lease Agreement	Stewart Southern Railway Inc.	October 1, 2015	CDN \$10,000 plus GST

Applicant

Respondents

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

Proceeding commenced at Toronto

**APPROVAL AND VESTING ORDER**

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Lawyers for the Receiver