

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

THE HONOURABLE ) MONDAY, THE 19<sup>th</sup>  
)  
)  
JUSTICE STEELE ) DAY OF AUGUST, 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

**ORDER  
(Approval of SISP and Key Consultant Retention Plan)**

THIS MOTION, made by FTI Consulting Canada Inc., in its capacity as 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 “**FCC Receivership Order**”), in the within proceedings), for an order approving a Sale and Investor Solicitation Process and a Key Consultant Retention Plan and related charge, was heard this day by judicial videoconference via Zoom in Toronto, Ontario.

ON READING the First Report of the Receiver dated August 13, 2024, and the attachments thereto (the “**First Report**”), and on hearing the submissions of counsel for

the Receiver, the Applicant, the Respondents, Siena Lending Group Canada LLC, and Richter Inc., in its capacity as Court-appointed receiver of certain assets, undertakings, and properties of the Respondents.

### **SERVICE AND INTERPRETATION**

1. **THIS COURT ORDERS** that, if necessary, the time for service and filing of the Notice of Motion 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 given in the FCC Receivership Order.

### **SALE AND INVESTOR SOLICITATION PROCESS**

3. **THIS COURT ORDERS** that the Sale and Investor Solicitation Process attached as Schedule “A” (the “**SISP**”) is approved.

4. **THIS COURT ORDERS** that the Receiver and the Sale Agent (as defined in the SISP), are authorized and directed to implement the SISP and perform their respective obligations, including all things that are reasonably necessary or desirable to carry out and give full effect to the SISP.

5. **THIS COURT ORDERS** that neither the Receiver nor the Sale Agent nor their respective affiliates, partners, directors, employees, agents and controlling persons shall have any liability whatsoever to any person or party for any act or omission related to the SISP, except to the extent such act or omission is the result of gross negligence or wilful misconduct of the Receiver or the Sale Agent.

6. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada), the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders and to their advisors, but only to the extent desirable or required in furtherance of the SISP. Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of

such information to its evaluation of the Opportunity (as defined in the SISP), and if the Opportunity is no longer being pursued, shall return all such information to the Receiver, or in the alternative destroy all such information.

#### **KEY CONSULTANT RETENTION PLAN**

7. **THIS COURT ORDERS** that the Key Consultant Retention Plans (collectively, the “**KCRP**”), as described in the First Report, are hereby approved and the Receiver is authorized to enter into the KCRPs *nunc pro tunc* and make payments contemplated thereunder in accordance with the terms and conditions of each KCRP.

8. **THIS COURT ORDERS** that payments made by the Receiver pursuant to the KCRP do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

9. **THIS COURT ORDERS** that the consultants referred to in the KCRP (collectively, the “**Key Consultants**”) shall be entitled to the benefit of and are hereby granted a fixed and specific charge on the FCC Secured Property, which charge shall not exceed an aggregate amount of \$53,450 (the “**KCRP Charge**”), as security for amounts payable to the Key Consultants pursuant to the KCRP, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge, the Receiver’s Borrowings Charge, and subject to sections 14.06(7), 81.4(4), and 81.6(2) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended.

10. **THIS COURT ORDERS** that the KCRP Charge shall not be enforced without leave of this Court.

11. **THIS COURT ORDERS** that the priorities of the Receiver’s Charge (as defined in the Receivership Order), the Receiver’s Borrowings Charge (as defined in the Receivership Order), and the KCRP Charge, as among them, shall be as follows:

First – Receiver’s Charge (to the maximum amount of \$500,000);

Second – Receiver’s Borrowings Charge (to the maximum amount of \$500,000 or such greater amount as this Court may by further Order authorize);

Third – KCRP Charge (to the maximum amount of \$53,450).

## **SEALING**

12. **THIS COURT ORDERS** that Confidential Schedule 1 to the First Report shall be sealed, kept confidential and shall not form part of the public record pending further Order of the Court.

## **RECEIVER’S ACTIVITIES AND REPORT**

13. **THIS COURT ORDERS** that the First Report of the Receiver and the activities described therein are approved.

## **MISCELLANEOUS**

14. **THIS COURT ORDERS** that at any time during the SISP, the Receiver may apply to this Court for advice and directions from this Court with respect to this order, or for such further order or orders as it may consider necessary or desirable to amend, supplement or clarify the terms of this order or the SISP.

15. **THIS COURT ORDERS** that this order shall have full force and effect in all provinces and territories in Canada, outside Canada, and against all persons against whom it may be enforceable.

16. **THIS COURT REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, or abroad, 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 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, and to grant representative status to the Receiver in any foreign proceeding.

17. **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.

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

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**SCHEDULE "A" – Sale and Investor Solicitation Process**

## **Global Food and Ingredients Inc. and GFI Brands Inc. Sale and Investor Solicitation Process**

### **Introduction**

On May 30, 2024, pursuant to an order (the “**Receivership Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), FTI Consulting Canada Inc. (“**FTI**”) was appointed as receiver and manager (the “**Receiver**”), without security, of all of the assets, undertakings and properties of Global Food and Ingredients Inc. (“**Global Food Canada**”) and GFI Brands Inc. (“**GFI Brands**”, and collectively with Global Foods Canada, the “**Companies**”) that constitutes Term Loan Priority Collateral, including, but not limited to, the lands and buildings at the Mortgaged Lands and the Leasehold Interest (each as defined in the Affidavit of Jason Inman, sworn on May 16, 2024 (the “**Inman Affidavit**”)) (collectively, the “**FCC Secured Property**”). The Companies operated a plant-based foods and ingredients business (the “**Business**”), which included the operation of the Properties (as defined below).

The FCC Secured Property includes, without limitation, the facilities and lands municipally known as 100 Elevator Road, Zealandia, Saskatchewan (the “**Zealandia Property**”), the facilities and lands municipally known as R.M. of Lajord No. 128, Lajord, Saskatchewan (the “**Vigro Property**”) and the facilities and leasehold interest at the location municipally known as 100 South Railway Avenue, Lajord, Saskatchewan (the “**Lajord Property**”, the Zealandia Property, the Vigro Property, and the Lajord Property are collectively referred to as, the “**Properties**”).

The FCC Secured Property consists of the following assets, undertakings, and properties of the Companies (using capitalized terms that are defined in the Inman Affidavit):

- (i) All Equipment and fixtures;
- (ii) All Intellectual Property;
- (iii) All Real Property (including the Properties described above);
- (iv) The insurance policy with respect to the life of David Hanna, in the amount of \$1,000,000; and,
- (v) All books and records relating to the foregoing.

Pursuant to the Receivership Order, the Receiver is authorized to market any or all of the FCC Secured Property (including the Properties), including advertising and soliciting offers in respect of any and all such FCC Secured Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver, in its discretion, may deem appropriate.

The Receiver intends to seek Court approval of the Sale and Investor Solicitation Process set forth herein (the “**SISP**”). The purpose of the SISP is to seek and to implement proposals to acquire the FCC Secured Property, including, without limitation, the property, equipment, and fixtures comprising or associated with the Properties. The Receiver has retained FTI Capital Advisors Canada (the “**Sale Agent**”), an affiliate of FTI, to assist in the development and execution of the SISP and related marketing strategy.

### **Defined Terms**

1. Capitalized terms used in this SISP have the meanings given to them herein and as set out in **Appendix “A”** hereto.

### **Opportunity**

2. This SISP is intended to solicit interest in the opportunity (the “**Opportunity**”) to acquire all or any portion of the FCC Secured Property (each a “**Sale Proposal**”).
3. Any transaction entered into pursuant to this SISP will be on an “as is, where is” basis and without surviving representations or warranties of any kind, nature, or description by the Companies, Receiver, Sale Agent, or any of their respective agents or estates, except to the extent set forth in a definitive final agreement executed with a Successful Bidder and approved by the Court.
4. Potential Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the FCC Secured Property and the Business in connection with their participation in the SISP and any transaction they enter in respect of the FCC Secured Property or Business.

### **Timeline**

5. The following table provides a high-level summary of the key stages and milestones anticipated under the SISP:

<b>Milestone</b>	<b>Date(s)</b>
Phase 1: Formal Marketing Process and Initial Due Diligence Period	July 15, 2024 – September 13, 2024
Phase 1 Bid Deadline	5:00 p.m. (Eastern Time) on September 13, 2024
Phase 2: Due Diligence Period for Selected Bidders	September 14, 2024 – October 4, 2024
Phase 2 Bid Deadline	5:00 p.m. (Eastern Time) on October 4, 2024
Court Approval of Successful Bid	Target the week of October 21, 2024
Outside Date	November 15, 2024

Any extensions or amendments to the deadlines above, to the extent permissible hereunder, will be communicated to all known Participating Bidders (defined below) and such extensions or amendments shall be posted on the website the Receiver maintains in

respect of these receivership proceeding at <http://cfcanada.fticonsulting.com/gfi/> (the “Receiver’s Website”).

### **Supervision of the SISP and Consultation with Farm Credit Canada**

6. The marketing of the Opportunity, and negotiation with Potential Bidders described in this SISP will be conducted by the Sale Agent on behalf of, and under the supervision of the Receiver. For the avoidance of doubt, with respect to the Receiver’s role in regards to the SISP, the terms of the Receivership Order and SISP Order concerning the Receiver’s rights and duties in this receivership proceeding will govern.
7. Farm Credit Canada (the “**Applicant**”), in its capacity as a secured creditor of the Companies, shall be entitled to confidential information and bid information and to be consulted at each stage of the SISP in which consultation with the Sale Agent is required.

### **Notice and Solicitation of Interest**

8. The Sale Agent and the Receiver have:
  - (a) prepared a list of known Potential Bidders (a “**Bidder List**”), inclusive of potential strategic and financial bidders and such persons as may be identified by the Receiver and the Sale Agent, in their sole discretion;
  - (b) prepared a form of non-disclosure agreement to be signed by Potential Bidders (an “**NDA**”); and
  - (c) prepared a form of confidential information memorandum (“**CIM**”), to be distributed to those Potential Bidders who deliver, to the Sale Agent, an NDA executed by such Potential Bidder.
9. As soon as reasonably practicable after an order approving the SISP (the “**SISP Order**”) is issued and entered (the “**SISP Order Date**”), but in any event no more than five (5) Business Days after the SISP Order Date, the Receiver and Sale Agent shall cause a notice of the SISP (and such other relevant information which the Sale Agent and Receiver consider appropriate) to be posted on the Receiver’s Website.
10. No more than five (5) Business Days after the SISP Order Date, the Receiver and Sale Agent shall confirm that the NDA and communication highlighting the Opportunity have been sent to (or shall send the NDA and communication to): (a) all parties on the Bidder List; and (b) any other party who wishes to participate in the SISP who requests a copy of the NDA or is identified to the Sale Agent or the Receiver as a potential bidder by that time (each such party, a “**Potential Bidder**”).

### **SISP – Phase 1**

11. During Phase 1 of the SISP, the Sale Agent (under the supervision of the Receiver and in accordance with this SISP) will solicit non-binding offers from Potential Bidders to acquire the Property or to invest in the Business.

12. Any Potential Bidder who wishes to participate in the SISP must provide, to the Sale Agent, an executed NDA. Upon executing an NDA and providing the same to the Sale Agent and the Receiver, the Potential Bidder shall become a **“Participating Bidder”**.

### **Due Diligence**

13. The Sale Agent will provide each Participating Bidder with access to an electronic data room of due diligence information as well as access to such other due diligence materials and information relating to the FCC Secured Property and the Business as the Receiver, in its reasonable business judgment, in consultation with the Sale Agent, determines to be appropriate. This may include, as appropriate, information or materials reasonably requested by Participating Bidders, on-site visits, and access to further information in the electronic data room.
14. At the request of a Participating Bidder, the legal and financial advisor(s) and/or lenders of such Participating Bidder, may also be granted access to the materials and information described in paragraph 13 provided that, in each case, any such advisor or lender (a) is reasonably acceptable to the Sale Agent and Receiver; and (b) has executed or is bound by an NDA.
15. The Receiver, the Sale Agent, and the Companies, and their respective directors, officers, employees, contractors, advisors, and consultants, make no representation or warranty as to the accuracy or completeness of any information concerning the Companies, the Business, the FCC Secured Property, or the Properties: (a) contained in the communication relating to the Opportunity, the CIM, the SISP, or the electronic data rooms; (b) provided through the due diligence process in Phase 1 or Phase 2 of the SISP; or (c) otherwise made available, except, in the case of the Receiver only, to the extent expressly contemplated in any definitive agreement with a Successful Bidder executed and delivered in respect of the FCC Secured Property (or portion thereof comprising the Properties).

### **Phase 1 Bid Deadline: Non-Binding Qualified Phase 1 Bids**

16. A Participating Bidder that wishes to pursue a Sale Proposal must deliver a non-binding bid (a **“Phase 1 Bid”**) to the Sale Agent and the Receiver at the addresses specified in Schedule “A” hereto (including by email transmission), so as to be received by the Sale Agent and the Receiver not later than 5:00 PM (Eastern Time) on September 13, 2024 (the **“Phase 1 Bid Deadline”**).

### **Qualified Offer**

17. Subject to paragraph 18, a Phase 1 Bid so submitted will be considered a qualified Phase 1 Bid (a **“Qualified Phase 1 Bid”**) only if:
  - (a) it is submitted by a Participating Bidder, and received by the Sale Agent and Receiver, on or before the Phase 1 Bid Deadline;
  - (b) the Phase 1 Bid is an offer to purchase some or all of the FCC Secured Property and is consistent with any necessary terms and conditions established by the

Receiver and the Sale Advisor and communicated to Participating Bidders;

- (c) it is accompanied by a letter setting forth or enclosing, as applicable:
    - (i) the identity of the Participating Bidder, and full disclosure of any beneficial owner or controlling party;
    - (ii) a brief description of the Participating Bidder's experience in relation to similar acquisitions and a description of any permits, or other documents which the Participating Bidder considers necessary to consummate the transaction contemplated by its Phase 1 Bid, if any, along with any anticipated corporate, unit holder, shareholder, internal or regulatory approvals required to close the transaction and the anticipated time frame and any anticipated impediments for obtaining such approvals;
    - (iii) such other information as reasonably requested by the Receiver, in consultation with the Sale Agent;
    - (iv) the purchase price, in Canadian dollars, including details of any liabilities to be assumed by the Participating Bidder;
    - (v) a specific indication of financial information that will allow the Receiver and the Sale Agent, and each of their respective advisors to make a reasonable business or professional judgment as to the Participating Bidder's financial or other capabilities to consummate the transaction;
    - (vi) additional due diligence required to be conducted during Phase 2, if any;
    - (vii) all conditions to closing that the Participating Bidder seeks;
    - (viii) anticipated timing of closing of the proposed transaction; and
    - (ix) any other terms or conditions of the Sale Proposal which the Participating Bidder believes are material to the transaction;
18. In assessing the Phase 1 Bids, the Receiver, in consultation with the Sale Agent, may waive compliance with any one or more of the requirements specified above and deem such non-compliant bids to be a Qualified Phase 1 Bid. For the avoidance of doubt, the completion of any Sale Proposal shall be subject to the approval of the Court and the requirement of approval of the Court may not be waived.

#### **Assessment of Phase 1 Bids**

19. Promptly after the Phase 1 Bid Deadline, the Receiver, in consultation with the Sale Agent:
- (a) will review the Phase 1 Bids obtained by the Phase 1 Bid Deadline to determine whether they are Qualified Phase 1 Bids that meet the criteria set out in paragraph 17;

- (b) will assess the Qualified Phase 1 Bids and consider, in consultation with the Sale Agent, the following criteria, among other things (together, the “**Assessment Criteria**”):
    - (i) the form and amount of consideration offered;
    - (ii) the demonstrated financial capability of the Participating Bidder and ability to consummate the proposed transaction by the Outside Date;
    - (iii) any and all conditions to the transaction remaining at this time and the steps to be taken to address them prior to the Phase 2 Bid Deadline, including the degree of closing risk and the conditionality of the Qualified Phase 1 Bid; and
    - (iv) the Qualified Bid Requirements (defined below); and
  - (c) to the extent required, may request clarification of the terms of Qualified Phase 1 Bids.
20. If one or more Qualified Phase 1 Bids are received then the Receiver, in consultation with the Sale Agent, may select a number (which number shall be determined by the Receiver, in consultation with the Sale Agent) of Participating Bidders with Qualified Phase 1 Bids that the Receiver, in consultation with the Sale Agent, determines in its sole and absolute discretion have provided the highest and/or best offer(s) based on the Assessment Criteria and determines that such Qualified Phase 1 Bids have a reasonable prospect of becoming a Qualified Bid (each, a “**Selected Bidder**”) to participate in Phase 2 of the SISP in accordance with these SISP procedures.

### **Phase 2**

21. During Phase 2 of the SISP, the Sale Agent (under the supervision of the Receiver and in accordance with this SISP) will solicit final binding proposals.

### **Due Diligence**

22. During Phase 2, each Selected Bidder that is not eliminated from the SISP in accordance with the terms of the SISP will be granted further access to such due diligence materials and information relating to the FCC Secured Property and the Business as the Receiver, in its reasonable business judgment, in consultation with the Sale Agent, determines is appropriate and available.
23. The legal and financial advisor(s) and/or lenders of any such Selected Bidder, may also be granted access to the materials and information described in paragraph 22 provided that, in each case, any such advisor or lender (a) is reasonably acceptable to the Sale Agent and Receiver; and (b) has executed or is bound by an NDA.

### **Final Bids from Selected Bidders**

24. A Selected Bidder that is not eliminated from the SISP and that wishes to pursue a Sale Proposal must deliver a final binding proposal containing the following (the “**Final Bid**”):
- (a) a duly authorized, executed purchase agreement accompanied by a mark-up to the draft Agreement of Purchase and Sale provided by the Receiver, showing amendments and modifications made thereto, together with all exhibits and schedules thereto, and such ancillary agreements as may be required by the Selected Bidder with all exhibits and schedules thereto; and,
  - (b) all information or other documentation referred to in or contemplated by paragraph 25 hereof,

to the Sale Agent and the Receiver, at the addresses specified in Schedule “A” hereto (including by email transmission) so as to be received by them not later than 5:00 pm (Eastern Time) on October 4, 2024 (the “**Phase 2 Bid Deadline**”).

### **Qualified Bids**

25. A Final Bid will be considered a Qualified Bid (a “**Qualified Bid**”) only if it is received by the Phase 2 Bid Deadline and complies with, among other things, the following requirements (the “**Qualified Bid Requirements**”):
- (a) it is accompanied by a letter stating that the Selected Bidder's offer is irrevocable until the selection of the Successful Bidder (as defined herein), provided that if such Selected Bidder is selected as the Successful Bidder or Back-up Bidder, its offer shall remain irrevocable until the closing of the transaction with the Successful Bidder;
  - (b) it includes the purchase price;
  - (c) it includes written evidence of a firm, irrevocable commitment for financing, or other evidence of ability to consummate the proposed transaction, that will allow the Receiver, in consultation with the Sale Agent, to make a reasonable determination as to the Selected Bidder’s financial and other capabilities to consummate the transaction contemplated by its Final Bid;
  - (d) it sets out the FCC Secured Property to be included and includes full details in relation to any FCC Secured Property excluded from the bid, if any;
  - (e) it sets out the terms of the proposed transaction in full; any anticipated corporate, unitholder, shareholder, internal, regulatory, creditor or court approvals required to close the transaction; the anticipated time frame and any anticipated impediments for obtaining such approvals; details of any proposed financing;
  - (f) it is not conditional upon any condition, including but not limited to:

- (i) the outcome of unperformed due diligence by the Selected Bidder; or
  - (ii) obtaining financing;
- (g) it is accompanied by a deposit (the “**Deposit**”) in the form of a wire transfer (to a bank account specified by the Receiver), or such other form acceptable to the Receiver, payable to the order of the Receiver, in trust, in an amount no less than ten percent (10%) of the proposed purchase price, to be held and dealt with in accordance with the terms of this SISP;
- (h) it contains other information reasonably requested, by the Receiver, directly, or through the Sale Agent;
- (i) the Receiver, in consultation with the Sale Agent, determines that, in its reasonable business judgment, it is likely that the Selected Bidder will be able to consummate a Sale Proposal on or before the Outside Date in a manner that complies with all requirements of the SISP; and,
- (j) it includes an acknowledgement and representation that the Selected Bidder (i) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the assets to be acquired and liabilities to be assumed in making its bid; and (ii) did not rely upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), regarding the assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith, except as expressly stated in the purchase and sale agreement.
26. The Receiver, in consultation with the Sale Agent, may waive compliance with any one or more of the requirements specified above, and deem such non-compliant bids to be Qualified Bids.

### **Evaluation and Selection of Successful Bid**

27. The Receiver, in consultation with the Sale Agent, will review each Qualified Bid as set forth herein and, if one or more Qualified Bids is received, the Receiver, exercising its reasonable business judgment and following consultation with the Sale Agent, will, at its option, (A) conduct an online auction among Selected Bidders with Qualified Bids to determine the most favourable bid(s) (with the auction process to be determined by the Receiver in consultation with the Sale Agent and relayed to participants in advance) or (B) select the Qualified Bid(s) that it considers most favourable (the most favourable bid or combination of bids determined through either method, the “**Successful Bid**”) with reference to criteria, including, but not limited to the following (the “**Evaluation Criteria**”): (i) the purchase price and net value (including assumed liabilities and other obligations to be performed by the Qualified Bidder); (ii) the terms of the transaction documents; (iii) other factors affecting the speed, certainty, and value of the transaction; (iv) the assets included or excluded from the bid (with preference, for greater certainty, being given to *en bloc* offers); and, (v) the likelihood and timing of consummating the

transaction. The Sale Agent and Receiver and their advisors shall be entitled to take such further steps to negotiate and settle the terms of a definitive agreement in respect of the Successful Bid as may be required, all of which will be conditional upon Court approval.

28. The Receiver, in consultation with the Sale Agent, shall also be entitled, but not required, to select the next highest and/or best Qualified Bid(s) received in the auction or selection process, as applicable, as a back-up bid (such offer, the "**Backup Bid**" and the Participating Bidder(s) who made the Backup Bid, the "**Backup Bidder**").
29. If the Receiver, after consultation with the Sale Agent, (a) determines, at any point during Phase 2, that there is no reasonable prospect of obtaining a Final Bid resulting in a Qualified Bid; or (b) determines that no Qualified Bid has been received at the end of Phase 2, then:
  - (i) the Receiver may designate one or more Final Bids as Qualified Bids; failing which,
  - (ii) the Receiver may apply to Court for advice and directions regarding the continuation or termination of the SISP.

#### **Approval Motion for Successful Bid**

30. The Receiver will apply to the Court (the "**Approval Motion**") for an order approving the Successful Bid and authorizing the Receiver 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, and may make any application to any other court of competent jurisdiction considered by the Receiver, in consultation with the Sale Agent, to be necessary or appropriate to give effect to the Successful Bid.
31. The Approval Motion will be held on a date to be scheduled by the Court upon application by the Receiver.
32. Unless and until the Successful Bid is approved by the Court, it shall not be deemed accepted by the Receiver.
33. All Qualified Bids (other than the Successful Bid and the Backup Bid) will be deemed rejected on the date of approval of the Successful Bid by the Court.
34. If a Backup Bid is identified in accordance with these SISP Procedures, then such Backup Bid shall remain open until the consummation of the transaction contemplated by the Successful Bid (the "**Backup Bid Expiration Date**") at which time the Backup Bid will be deemed rejected.
35. If, following approval of the Successful Bid transaction by the Court, the Successful Bidder fails to consummate the transaction for any reason, then the Backup Bid, if there is one, will be deemed to be the Successful Bid and the Receiver shall effectuate a transaction with the Backup Bidder, within 30 days, subject to the terms of the Backup Bid, without further order of the Court.

## **Other Terms**

### **Deadlines and Returning to Court**

36. The Phase 1 Bid Deadline, the Phase 2 Bid Deadline, and all other deadlines under or in connection with the SISP, may be extended by the Receiver if it considers it appropriate to do so, after consultation with the Sale Agent.
37. At any time during the SISP, if the Receiver, in consultation with the Sale Agent, determines it is appropriate to do so, the Receiver may apply to the Court for advice and directions with respect to the discharge of its power and duties hereunder, to seek approval to terminate the SISP, or to seek advice and directions with respect to the SISP or any proposal received.
38. Subject to the terms of the Receivership Order and the SISP Order, the Receiver shall have the right to modify the SISP if, in its reasonable business judgment, such modification will enhance the process or better achieve the objectives of the SISP; provided that the service list in the Receivership Proceedings shall be advised of any substantive modification to the procedures set forth herein.

### **Deposits**

39. All Deposits will be retained by the Receiver and invested in a non- interest-bearing trust account. If there is a Successful Bid, the Deposit paid by the Successful Bidder whose bid is approved at the Approval Motion will be applied to the purchase price to be paid by the Successful Bidder upon closing of the approved transaction and will be non-refundable. The Deposits of Selected Bidders not selected as the Successful Bidder or Back-up Bidder will be returned to such bidders within 5 Business Days of the date upon which the Successful Bid is approved by the Court (and, for greater certainty, the Receiver shall be entitled to continue to hold the Deposit in respect of the Backup Bid until the Backup Bid Expiration Date).
40. If a Successful Bidder breaches its obligations under the terms of the SISP, its Deposit shall be forfeited, as liquidated damages and not as a penalty.

### **Approvals**

41. For the avoidance of doubt, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the Receivership Order or any other statute or as otherwise required at law in order to implement a Successful Bid.

### **No Contract**

42. This SISP does not, and will not be interpreted to, create any contractual or other legal relationship between the Receiver, the Sale Agent, the Applicant, or the Companies and any bidder, other than as specifically set forth in a definitive agreement that may be signed in respect of the Property or the Business.

43. Without limiting the preceding paragraph, neither the Receiver nor the Sale Agent shall have any liability whatsoever to any person or party, including without limitation any Potential Bidder, Participating Bidder, and persons submitting a Qualified Bid, the Companies, or any other creditor or other stakeholder of the Companies, for any act or omission related to the process contemplated by this SISP Procedure, except to the extent such act or omission is the result of the gross negligence or willful misconduct of the Receiver or Sale Agent, as applicable. By submitting a bid, each Potential Bidder, Participating Bidder, and person submitting a Qualified Bid shall be deemed to have agreed that it has no claim against the Receiver or Sale Agent for any reason whatsoever, except to the extent that such claim is the result of gross negligence or willful misconduct of the Receiver or Sale Agent, as applicable.

#### **Costs and Expenses**

44. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any bid, due diligence activities, and any further negotiations or other actions, whether or not they lead to the consummation of a transaction.

## Schedule "A"

### Address for Notices and Deliveries

To the Receiver:

FTI Consulting Canada Inc.  
Attn: Jeffrey Rosenberg/Adsaran Vithiyananthan  
Direct Dial: 416-649-8135  
E-mail: [gfi@fticonsulting.com](mailto:gfi@fticonsulting.com)

To the Sale Agent:

FTI Capital Advisors Canada  
Attn: Dean Mullett  
Direct Dial: 416-816-0733  
E-mail: [dean.mullett@fticonsulting.com](mailto:dean.mullett@fticonsulting.com)

Michael McTaggart  
Direct Dial: 437-246-1916  
E-mail: [michael.mctaggart@fticonsulting.com](mailto:michael.mctaggart@fticonsulting.com)

## Appendix “A” – Defined Terms

The following capitalized terms have the following meanings when used in this SISP:

- (a) “Approval Motion” is defined in paragraph 30.
- (b) “Assessment Criteria” is defined in paragraph 19(b).
- (c) “Backup Bid” is defined in paragraph 28.
- (d) “Backup Bid Expiration Date” is defined in paragraph 34.
- (e) “Backup Bidder” is defined in paragraph 28.
- (f) “Bidder List” is defined in paragraph 8(a).
- (g) “Business” means the business of the Companies.
- (h) “Business Day” means a day (other than Saturday or Sunday) on which the Secured Creditors are generally open for business in Toronto, Ontario.
- (i) “Companies” is defined in the Introduction.
- (j) “Court” means the Ontario Superior Court of Justice (Commercial List).
- (k) “Debtors” is defined in the Introduction.
- (l) “Deposit” is defined in paragraph 25(g).
- (m) “Evaluation Criteria” is defined in paragraph 27.
- (n) “FCC” is defined in the Introduction.
- (o) “FCC Secured Property” is defined in the Introduction.
- (p) “Final Bid” is defined in paragraph 24.
- (q) “FTI” is defined in the Introduction.
- (r) “GFI Brands” is defined in the Introduction.
- (s) “Global Food Canada” is defined in the Introduction.
- (t) “Lajord Property” is defined in the Introduction.
- (u) “Inman Affidavit” is defined in the Introduction.
- (v) “NDA” is defined in paragraph 8(b).
- (w) “Opportunity” is defined in paragraph 2.

- (x) “Outside Date” means November 15, 2024 or such later date as may be ordered by the court or agreed to by the Receiver and the Sale Agent.
- (y) “Participating Bidder” is defined in paragraph 12.
- (z) “Potential Bidder” is defined in paragraph 10.
- (aa) “Phase 1 Bid” is defined in paragraph 16.
- (bb) “Phase 1 Bid Deadline” is defined in paragraph 16.
- (cc) “Phase 2 Bid Deadline” is defined in paragraph 24.
- (dd) “Properties” is defined in the Introduction.
- (ee) “Qualified Bid” is defined in paragraph 25.
- (ff) “Qualified Phase 1 Bid” is defined in paragraph 17.
- (gg) “Qualified Bid Requirements” is defined in paragraph 25.
- (hh) “Real Property” is defined in the Introduction.
- (ii) “Receiver” is defined in the Introduction.
- (jj) “Receivership Order” is defined in the Introduction.
- (kk) “Sale Agent” is defined in the Introduction.
- (ll) “Sale Proposal” is defined in paragraph 2.
- (mm) “Selected Bidder is defined in paragraph 20.
- (nn) “SISP” is defined in the Introduction.
- (oo) “SISP Order Date” is defined in paragraph 8.
- (pp) “Successful Bid” is defined in paragraph 27.
- (qq) “Successful Bidder” means the bidder that submits the Successful Bid.
- (rr) “Vigro Property” is defined in the Introduction.
- (ss) “Zealandia Property” is defined in the Introduction.

**FARM CREDIT CANADA**

Applicant

and

**GLOBAL FOOD AND INGREDIENTS**

**INC. and GFI BRANDS INC.**

Respondents

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

**ONTARIO  
SUPERIOR COURT OF JUSTICE -  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**ORDER**

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