



**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE
MR. JUSTICE NEWBOULD

) THURSDAY, THE 4TH DAY OF
)
) DECEMBER, 2014

BETWEEN:

8527504 CANADA INC.

Applicant

- and -

SUN PAC FOODS LIMITED

Respondent

APPLICATION UNDER SUBSECTION 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

THIS MOTION, made by BDO Canada Limited in its capacity as the Court-appointed receiver (the "Receiver") of the undertakings, properties and assets of Sun Pac Foods Limited (the "Debtor"), for an Order:

- (a) approving the activities of the Receiver as set out in the Third Supplement to the First Report of the Receiver, dated August 28, 2014 (the "Supplement") and the Third Report of the Receiver, dated November 25, 2014 (the "Third Report");
- (b) approving the fees and disbursements of the Receiver and its counsel, more particularly described in the Third Report;

- (c) approving the Receiver's statement of receipts and disbursements;
- (d) authorizing the Receiver to make an interim distribution with respect to the funds held in connection to the sale of the Debtor's assets, more particularly described in the Third Report;
- (e) approving a sale process with respect to the litigation in which the Debtor and Liquibrands Inc. are parties; and
- (f) such further and other relief as this Honourable Court shall deem just.

ON READING the Supplement, the Third Report and on hearing the submissions of counsel for the Receiver, and such other parties in attendance at the hearing as indicated on the counsel slip.

1. THIS COURT ORDERS that the time for service of the Notice of Motion and Motion Record is hereby abridged so that this motion is properly returnable today and further service thereof is hereby dispensed with.
2. THIS COURT ORDERS that, subject to paragraph 8 below, the Supplement and the activities of the Receiver set out therein be and the same are hereby approved.
3. THIS COURT ORDERS that, subject to paragraph 8 below, the Third Report and the activities of the Receiver set out therein be and the same are hereby approved.
4. THIS COURT ORDERS that the Receiver's statement of receipts and disbursements, attached as Appendix B to the Third Report is hereby approved.
5. THIS COURT ORDERS that the fees and disbursements of the Receiver and its counsel, as set out in the Third Report and the fee affidavits, attached as Appendices E and F of the Third Report, are hereby approved.
6. THIS COURT ORDERS that the Receiver make an interim distribution to 8527504 Canada Inc. in the amount of \$420,495.24.

7. THIS COURT ORDERS that the Receiver retain a reserve in the total sum of \$40,000.00 and the Receiver is hereby authorized to apply the reserve at its discretion to fees and disbursements in this matter and the receivership of Liquibrands Inc. (Court File No. CV-14-10543-OOCL).

8. THIS COURT ORDERS that this Order is without prejudice to the claims of the plaintiffs or any other person or persons that acquires the interests of the plaintiffs in Court File No. CV-13-00492612 (the "Action") pursuant to the sale process set out in paragraph 9 herein and that the plaintiffs or any other person or persons that acquires the interests of the plaintiffs are not estopped from advancing any claims or arguments in the Action.

9. THIS COURT ORDERS that the Receiver conduct a sales process with respect to the Action (more particularly described in paragraphs 48 through 49 of the Second Report of the Receiver dated April 10, 2014) as described below:
 - a) The Receiver shall notify all parties on the service list in this matter, as well as the service list in the Liquibrands Inc. receivership (Court File No.: CV-14-10543-00CL);

 - b) the Receiver shall post a copy of the Statement of Claim in the Action on its website at <http://www.extranets.bdo.ca/SunPac>;

 - c) offers to be made on the Receiver's form of Agreement of Purchase and Sale (the "APS") to be provided to the prospective purchaser or purchasers;

 - d) the Action is being offered for sale subject to the terms and conditions set out in the APS, including, without limitation on a 'as is, where is' basis with no representations, warranties or conditions of any nature or kind whatsoever being made by the Receiver;

e) 8527504 Canada Inc. may be an offeror and may make its offer by way of credit bid

with or otherwise, *without prejudice to any party to oppose the right of 8527504 Canada Inc to make an offer or to oppose any offer made.*

f) following the offer deadline, the Receiver will review all offers submitted and may accept a submitted offer by executing the APS, subject to seeking court approval of the offer and the APS; and

g) the sale of the Action shall be conditional upon this Honourable Court's approval of same, which approval is to be sought by the Receiver within three months following the sending of the notice set out in subparagraph (a).

John T.

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8527504 CANADA INC.
Applicant

-and-

SUN PAC FOODS LIMITED
Respondent
Court File No. CV13-10331-00CL

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COMMERCIAL LIST
Proceeding commenced at
TORONTO

ORDER

LIPMAN, ZENER & WAXMAN LLP
Barristers and Solicitors
1220 Eglinton Avenue West
Toronto, Ontario
M6C 2E3

JASON D. SPETTER
Law Society Registration No. 46105S

ANTHONY J. O'BRIEN
Law Society Registration No. 27440E
Tel.: (416) 789-0652
Fax: (416) 789-9015
Emails: jspetter@lzwlaw.com;
tobrien@lzwlaw.com

Lawyers for the Receiver