

**SUPERIOR COURT  
(COMMERCIAL DIVISION)**

Canada  
Province of Québec  
District of Montréal  
No: 500-11-063474-247  
Date: February 5, 2024

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Presiding: The Honourable Michel A. Pinsonnault, J.S.C.

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**In the matter of the notice of intention to make a proposal under the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3 of:**

**Cook it Recipes Inc.**

Debtor

**and**

**Raymond Chabot Inc.**

Trustee under the notice of intention to make a proposal

**and**

**Fresh Prep Foods Inc.**

**The Registrar of the Register of Personal and Movable Real Rights (Québec)**

Mis-en-cause

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**APPROVAL, VESTING AND ASSIGNMENT ORDER**

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**HAVING READ** the *Application for the Issuance of an Approval, Vesting and Assignment Order and Ancillary Relief* of Cook it Recipes Inc. (the “**Debtor**”) pursuant to the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”) (the “**Application**”), the exhibits and the affidavit filed in support thereof and the Report of the Trustee dated January 29, 2024 (**P-10**);

**GIVEN** the notification of the Application;

**GIVEN** the notice of intention to make a proposal filed by the Debtor with the official receiver on January 29, 2024 (**P-1**);

**GIVEN** the submissions of counsel and the testimony of the Trustee;

**GIVEN** the provisions of the BIA, including its section 65.13;

**GIVEN** that under the present circumstances, it is appropriate to issue an order approving the transaction (the “**Transaction**”) contemplated by the agreement entitled Asset Purchase Agreement (the “**Purchase Agreement**”), by and between the Debtor, as seller, and **Fresh Prep Foods Inc.** (the “**Purchaser**”), as purchaser, a copy of which was filed as Exhibit **P-5** to the Application, and vesting in the Purchaser all of the Debtor’s rights, title and interest in and to all of the Purchased Assets (as defined in the Purchase Agreement) and listed in **Schedule “A”** hereto (the “**Purchased Assets**”).

#### **THE COURT:**

- [1] **GRANTS** the Application.
- [2] **DECLARES** that all capitalized terms used but not otherwise defined in the present Order (this “**Order**”) shall have the meanings ascribed to them in the Purchase Agreement (**P-5**).

#### **Notification**

- [3] **ORDERS** that any prior delay for the presentation of the Application is hereby abridged and validated so that the Application is properly returnable today and hereby dispenses with any further notification thereof.
- [4] **PERMITS** notification of this Order at any time and place and by any means whatsoever, including by email.
- [5] **DECLARES** that the parties to the Assigned Contracts (as defined at paragraph [11] of this Order) have received adequate notice of the Application.

#### **Sale Approval**

- [6] **ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Purchase Agreement by the parties thereto is hereby authorized and approved, with such non-material alterations, changes, amendments, deletions or additions thereto as may be agreed to by the parties thereto, but only with the consent of the Trustee.

#### **Authorization**

- [7] **ORDERS AND DECLARES** that this Order shall constitute the only authorization required by the Trustee and the Debtor to proceed with the Transaction and that no other approval or authorization, including any board, shareholder or regulatory approval, if applicable, shall be required in connection therewith.

#### **Execution of Documentation**

- [8] **AUTHORIZES** the Trustee to perform all acts, sign all documents and take any necessary action to execute any agreement, contract, deed, provision, transaction or undertaking stipulated in the Purchase Agreement and any other ancillary document which could be required or useful to give full and complete effect thereto, as provided for in the Purchase Agreement.

### **Vesting of Purchased Assets**

- [9] **ORDERS AND DECLARES** that upon the issuance of a Trustee's certificate substantially in the form appended as **Schedule "B"** hereto (the "**Certificate**"), all of the Debtor's rights, title and interest in and to the Purchased Assets shall vest absolutely and exclusively in and with the Purchaser, free and clear of and from any and all rights, titles, benefits, priorities, claims (including claims provable in bankruptcy in the event that the Debtor should be adjudged bankrupt), liabilities (direct, indirect, absolute or contingent), obligations, interests, prior claims, security interests (whether contractual, statutory or otherwise), liens, right of retention, charges, hypothecs, mortgages, pledges, deemed trusts, assignments, judgments, executions, writs of seizure or execution, notices of execution, notices of sale, options, agreements, rights of distress, legal, equitable or contractual setoff, adverse claims, levies, taxes, disputes, debts, charges, options to purchase, rights of first refusal or other pre-emptive rights in favour of third parties, restrictions on transfer of title, or other claims or encumbrances, whether or not they have attached or been perfected, registered, published or filed and whether secured, unsecured or otherwise (collectively, the "**Encumbrances**"), including without limiting the generality of the foregoing all Encumbrances created by order of this Court and all charges or security evidenced by registration, publication or filing pursuant to the *Civil Code of Québec*, excluding, however, the permitted encumbrances listed in **Schedule "C"** hereto (the "**Permitted Encumbrances**") and, for greater certainty, **ORDERS** that all of the Encumbrances affecting or relating to the Purchased Assets, other than the Permitted Encumbrances, be cancelled and discharged as against the Purchased Assets, in each case effective as of the applicable time and date of the Certificate.

### **Certificate**

- [10] **ORDERS** and **DIRECTS** the Trustee, upon receipt of (i) payment in full of the Cash Purchase Price and of the Purchaser's Certificate and (ii) confirmation by the Trustee that all applicable conditions under the Purchase Agreement have been satisfied and/or waived, to (a) issue forthwith its Certificate to the Purchaser, at which time the Closing will be deemed to have occurred, (b) file as soon as practicable a copy of the Certificate with the Court and (c) provide a true copy of such filed certificate to the Purchaser.

### **Assignment of Agreements**

- [11] **ORDERS AND DECLARES** that upon the issuance of the Certificate, the rights, title, interest and obligations of the Debtor under the agreements listed in **Schedule “D”** hereto (the **“Assigned Contracts”**) shall be automatically and irrevocably assigned to the Purchaser without any further consents or approval of this Court.
- [12] **ORDERS** that all monetary defaults, if any, of the Debtor in relation to the Assigned Contracts other than the Assigned Leases, other than the monetary defaults arising by reason only of the insolvency of the Debtor, the commencement of these proceedings or the failure to perform non-monetary obligations, listed in the column “Cure costs” at Schedule “D” hereof with respect to such Assigned Contracts shall be remedied by the Purchaser on or before the issuance of the Certificate.
- [13] **ORDERS** that all monetary defaults, if any, of the Debtor in relation to each Assigned Lease, other than those arising by reason only of the insolvency of the Debtor, the commencement of these proceedings or the failure to perform non-monetary obligations, listed in the column “Cure costs” at Schedule “D” hereof with respect to such Assigned Lease shall be paid to the counterparty to such Assigned Lease by the Trustee from the Cash Purchase Price within 30 days following the date of the issuance of the Certificate. Any amounts equal to such monetary defaults shall be deducted by the Trustee from the Cash Purchase Price and the Trustee shall immediately apply such amount to pay to the counterparties to such Assigned Leases.
- [14] **DECLARES** that subject to the Purchaser’s obligations relating to the monetary defaults set forth in paragraphs 12 and 13, the counterparties to any Assigned Contracts have no right to claim or effect compensation between:
- a) on the one hand, the amounts that are currently owing or which may become owing by such counterparties to the Debtor or the Purchaser, as the case may be, in connection with goods supplied or to be supplied under the Assigned Contracts by the Debtor or the Purchaser, as the case may be, as and from the date of the Certificate; and
  - b) on the other hand, any amounts owed, or allegedly owed, by the Debtor to such counterparties prior to the date of the Certificate, whether related or not to the Assigned Contracts;
- [15] **ORDERS** that any anti-assignment or consent-to-assignment provisions in any Assigned Contracts shall not restrict, limit, impair, prohibit or otherwise affect the assignment of the Assigned Contracts provided by this Order.
- [16] **ORDERS** that the Assigned Contracts shall be valid and binding and in full force and effect and enforceable by the Purchaser in accordance with their terms for the benefit of the Purchaser.

- [17] **ORDERS** and **DIRECTS** the Trustee to notify a copy of this Order to each of the counterparties to the Assigned Contracts in the same manner as such counterparty was notified of the Application.
- [18] **AUTHORIZES** the Vendor, Purchaser and the Trustee to perform all acts, sign all documents and take any other action that could be required or useful to give full effect to the assignment of the Assigned Contracts to the Purchaser in accordance with this Order.

### **Cancellation of Security Registrations**

- [19] **ORDERS** the Quebec Personal and Movable Real Rights Registrar, upon presentation of the required form with a true copy of this Order and the Certificate, to proceed to a judicial reduction in respect of the Purchased Assets for the registrations listed in **Schedule "E"** hereto in order to allow the transfer to the Purchaser of the Purchased Assets free and clear of such registrations.

### **Purchase Price**

- [20] **ORDERS** that the Cash Purchase Price shall be remitted to the Trustee and shall be distributed in accordance, first, with Section 3.2 of the Purchase Agreement and, second, with the applicable legislation.
- [21] **ORDERS** that for the purposes of determining the nature and priority of the Encumbrances, the Cash Purchase Price net of the payments made in accordance with Section 3.2 of the Purchase Agreement (the "**Net Proceeds**") shall stand in the place and stead of the Purchased Assets, and that upon payment of the Cash Purchase Price by the Purchaser, all Encumbrances, except for the Permitted Encumbrances, shall attach to the Net Proceeds 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.

### **Validity of the Transaction**

- [22] **ORDERS** that notwithstanding

- (i) the pendency of the proceedings;
- (ii) any assignment in bankruptcy or any petition for a bankruptcy order now or hereafter issued pursuant to the Bankruptcy and Insolvency Act (Canada) (the “**BIA**”), and any order issued pursuant to any such petition; or
- (iii) the provisions of any federal or provincial legislation;

the vesting of the Purchased Assets contemplated in this Order, as well as the execution of the Purchase Agreement pursuant to this Order, are to be binding on any trustee in bankruptcy or receiver that may be appointed, and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transactions under the BIA or any other applicable federal or provincial legislation, as against the Debtor, the Trustee or the Purchaser, and shall not constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

### **Protection of Personal Information**

[23] **ORDERS** that, pursuant to subsection 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* or any similar provision of any applicable provincial legislation, the Trustee is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Debtor’s records pertaining to the Debtor’s past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

### **Releases**

[24] **ORDERS** that effective upon the issuance of the Certificate, any director, officer, employee, legal counsel or advisor of the Debtor (the “**Released Parties**”) shall be deemed to be forever irrevocably released and discharged from any and all present and future claims whatsoever (including, without limitation, claims for contribution or indemnity), liabilities, indebtedness, demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums of money, expenses, accounts, liens, taxes, recoveries, and obligations of any nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) in connection with the Sale Process, the Transaction and the initiation, administration and management of these proceedings (collectively, the “**Released Claims**”), which

Released Claims are hereby fully, finally, irrevocably and forever waived, discharged, released, cancelled and barred as against the Released Parties and are extinguished, provided that nothing in this paragraph shall waive, discharge, release, cancel or bar any liability of the directors of the Debtor that is not permitted to be released pursuant to section 50(14) of the BIA.

#### **General Provisions**

- [25] **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.
- [26] **DECLARES** that the Trustee or the Purchaser shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for orders which aid and complement the Order and, without limitation to the foregoing, an order under Chapter 15 of the U.S. Bankruptcy Code, for which the Trustee shall be the foreign representative of the Debtor. All courts and administrative bodies of all such jurisdictions are hereby respectfully requested to make such orders and to provide such assistance to the Trustee as may be deemed necessary or appropriate for that purpose.
- [27] **REQUESTS** the aid and recognition of any court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of the Order.
- [28] **ORDERS** that Exhibit **P-4** (Binding Offer dated January 18, 2024) and Exhibit **P-8** (Audited financial statements for the fiscal year ended June 30, 2023) are confidential and filed under seal until further order of this Court.
- [29] **ORDERS** that the Purchase Agreement (Exhibit **P-5** filed in support of the Application), is confidential and is filed under seal until further order of this Court, and that the version of the Purchase Agreement with the names of the employees at its Schedule "E" redacted (Exhibit **P-5A** filed in support of the Application) is confidential and is filed under seal until the date of the filing of the Certificate into the Court record.
- [30] **ORDERS** the provisional execution of this Order notwithstanding appeal, and without the requirement to provide any security or provision for costs whatsoever.

[31] **THE WHOLE** without legal costs.



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Michel A. Pinsonnault  
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**MICHEL A. PINSONNAULT, J.S.C.**  
**JP1736**

Date of hearing : February 5, 2024