



No.S241161
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

**BIFANO CONSOLIDATED INC.,
BIFANO FARMS INC., NATA FARMS INC.,
SSC VENTURES (NO. 105) LTD. and
SPALLUMCHEEN FARM LTD.**

RESPONDENTS

**SUPPLEMENT TO THE
FIRST REPORT OF THE RECEIVER
ALVAREZ & MARSAL CANADA INC.**

August 7, 2024



ALVAREZ & MARSAL

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Appendix A – Redacted Copy of the Amendment Agreement

1.0 INTRODUCTION

- 1.1 On February 28, 2024 (the “**Filing Date**”), the Bank of Nova Scotia (the “**Petitioner**”) sought and was granted an initial order (the “**Initial Order**”), by the Supreme Court of British Columbia (the “**Court**”) to commence proceedings (the “**CCAA Proceedings**”) pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the “**CCAA**”) in respect of Bifano Consolidated Inc. (“**Bifano Consolidated**”), Bifano Farms Inc. (“**Bifano Farms**”), Spallumcheen Farm Ltd. (“**Spallumcheen**”), Nata Farms Inc. (“**Nata**”) and SSC Ventures (No. 105) Ltd. (“**SSC**” and together with Nata, Spallumcheen, Bifano Farms and Bifano Consolidated, “**Bifano**” or the “**Companies**”), a group of privately held companies that operate a dairy farm in Armstrong, British Columbia.
- 1.2 On June 24, 2024, the Court granted an order (the “**Receivership Order**”) to among other things, appoint A&M as Receiver (the “**Receiver**”) of all the assets, undertakings and property, including real property, of Bifano.
- 1.3 On July 31, 2024, the Receiver applied to this Honourable Court seeking, among other things, an Order approving the sale of all right, title and interest, in and to the assets and properties of the Companies excluding certain leased and other assets (the “**Transaction**”) pursuant to the terms of a purchase and sale agreement (“**PSA**”) between the Receiver and Hallano Farm Holdings Inc. (“**Hallano**” or the “**Purchaser**”) dated July 19, 2024.
- 1.4 The hearing on July 31, 2024 was adjourned until August 12, 2024 to allow time for the Receiver and Hallano to amend the PSA for which approval of this Honourable Court is sought. Certain background to and details of the amendment to the PSA (the “**Amendment Agreement**”) are referenced in paragraphs 2.1 to 2.4 below.
- 1.5 Further information regarding the CCAA Proceedings (including the Receivership Order and related materials) is available on A&M’s website at www.alvarezandmarsal.com/BifanoNata.

2.0 AMENDMENT TO THE PURCHASE AND SALE AGREEMENT

- 2.1 The PSA as drafted was intended to effect a going concern sale of Bifano’s assets to Hallano whereby SSC and Bifano Farms were excluded from the Transaction such that the ownership of the assets held by SSC and Bifano Farms namely, owned and managed milk quota, were not subject to any sale or transfer. As part of the Transaction, the Receiver was seeking an order from this Court discontinuing the CCAA Proceedings as against SSC and Bifano Farms and

releasing SSC and Bifano Farms from all claims of the Petitioner, Bank of Nova Scotia (“BNS”) as well as the CCAA Charges (as defined in the PSA).

2.2 With a view to clarify and simplify how SSC and Bifano Farms would be excluded from the Transaction and released from any and all claims of the Petitioner, BNS has agreed to an assignment (the “**Assignment**”) to the Purchaser of a portion of its debt and security over the assets of SSC and Bifano Farms with the Assignment to the Purchaser and payment thereunder to BNS closing concurrently with the completion of the sale pursuant to the PSA, as amended. The amount to be paid to BNS by the Purchaser pursuant to the Assignment represents the purchase price allocation for the ‘Release of SSC and Bifano Farms’ set out in Schedule “F” of the PSA. The net effect of the foregoing is that the total consideration paid by the Purchaser to acquire the Companies’ business enterprise as a going concern (excluding the assets of SS and Bifano Farms) will remain the same as set out in the PSA.

2.3 As noted at paragraph 3.5 of the First Report of the Receiver dated July 26, 2024, the Receiver sought a sealing order from the Court to preserve the confidentiality of the Purchase Price and Schedule F - Purchase Price Allocation (which is attached to the PSA) in order to prevent any compromise of future marketing efforts and solicitation of bids by the Receiver for the assets and business of Bifano should the Transaction not complete.

2.4 Attached hereto as Appendix ‘A’ is a redacted copy of the Amendment Agreement. An unredacted copy of the Amendment Agreement has been attached to a second confidential affidavit of Todd M. Martin sworn August 7, 2024 (the “**Second Confidential Affidavit**”). Consistent with the objective of maintaining the confidentiality of sensitive Purchase Price related information contained in the PSA, the Receiver is seeking this Honourable Court’s approval to have the Second Confidential Affidavit sealed pursuant to a Sealing Order.

3.0 RECOMMENDATION

3.1 The Receiver respectfully recommends that this Honourable Court approve the Amendment Agreement and the Sealing Order sought herein.

All of which is respectfully submitted to this Honourable Court this 7th day of August, 2024.

Alvarez & Marsal Canada Inc.,
in its capacity as Receiver of
Bifano Consolidated Inc., Bifano Farms Inc.,
Spallumcheen Farm Ltd., Nata Farms Inc.,
and SSC Ventures (No. 105)
and not in its personal capacity

A handwritten signature in black ink, appearing to read "Todd M. Martin", written in a cursive style.

Per: Todd M. Martin
Senior Vice President

Appendix A

AMENDMENT AGREEMENT

THIS AGREEMENT (the "Agreement") is dated effective August 6, 2024

BETWEEN:

BIFANO CONSOLIDATED INC. ("Bifano"), BIFANO FARMS INC. ("Bifano Farms"), NATA FARMS INC. ("Nata"), SSC VENTURES (NO. 105) LTD. ("SSC"), and SPALLUMCHEEN FARM LTD., ("SF"), and together with Bifano, Bifano Farms, Nata and SSC, the "**Companies**"), by their court-appointed receiver **ALVAREZ & MARSAL CANADA INC. (the "Receiver")**, acting solely in such capacity and not in its personal or corporate capacity

(collectively, the Companies and the Receiver are referred to as the "**Vendor**")

AND:

HALLANO FARM HOLDINGS INC., a corporation incorporated pursuant to the laws of British Columbia, and having a registered office at 20th Floor, 250 Howe Street, Vancouver, British Columbia V6C 3R8

(the "**Purchaser**")

WHEREAS:

- A. Pursuant to an order made on February 28, 2024, subsequently amended and restated by further order made on March 11, 2024 (as amended and restated, the "**ARIO**"), the Supreme Court of British Columbia (the "**Court**") granted protection to the Companies, appointed Alvarez & Marsal Canada Inc. as monitor of the Companies and approved interim financing to be provided by The Bank of Nova Scotia (the "**Bank**"), all under the provisions of the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36 (the "**CCAA**") and the Companies' proceedings under the CCAA, the "**CCAA Proceedings**").
- B. On June 24, 2024, the Court granted an order within the CCAA Proceedings (the "**Receivership Order**"), which, among other things, terminated the relief granted under the ARIO (with certain exceptions), and appointed Alvarez & Marsal Canada Inc. as receiver and manager over all assets, undertakings and property of the Companies, with authority to, *inter alia*, sell the assets of the Companies.
- C. The Vendor and the Purchaser entered into a Purchase and Sale Agreement dated July 19, 2024 (the "**Purchase Agreement**") in which, subject to the approval of the Court, the Vendor agreed to sell to the Purchaser, and the Purchaser agreed to purchase from the Vendor, the Purchased Assets (as defined in the Purchase Agreement) upon and subject to the terms and conditions set out therein.

- D. The Vendor and the Purchaser wish to amend the Purchase Agreement on the terms and conditions set forth below.

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. **Defined Terms.** Capitalized terms used in this Agreement have the same meanings as set out in the Purchase Agreement, unless otherwise specified in this Agreement.
2. **Full Force and Effect.** The parties agree that, notwithstanding that the Receiver did not obtain the Approval and Vesting Order from the Court on or before July 31, 2024, the Purchase Agreement remains in full force and effect, and the parties agree to continue to be bound by the Purchase Agreement and to complete the Sale Transaction in accordance with its terms, as amended by this Agreement.
3. **Amendment.** The Vendor and the Purchaser agree to amend the Purchase Agreement as follows:
 - (a) Section 1.1(h)(iii)(C) [*Approval and Vesting Order*] is deleted in its entirety and replaced with the following:

“(C) a full and unequivocal release of SSC and Bifano Farms from the CCAA Charges; and”
 - (b) Section 2.5(a) [*Purchase Price*] is amended by deleting the figure [REDACTED] and replacing it with [REDACTED]
 - (c) Section 7.2 [*Mutual Condition*] is amended by deleting it in its entirety and replacing it as follows:

“7.2 **Mutual Condition.** The obligation of the Parties to complete the transactions contemplated by this Agreement will be subject to the mutual conditions (each a “**Mutual Condition**”), for the benefit of both the Vendor and the Purchaser that:

 - (a) on or before August 26, 2024, the Receiver will have obtained the Approval and Vesting Order; and
 - (b) concurrently with Closing, an assignment of debt and security agreement between the Bank as assignor and the Purchaser as assignee, in a form reasonably acceptable to the Bank and the Purchaser, will be fully executed and delivered and the Bank and the Purchaser will have delivered all closing deliverables contemplated thereby in order to complete the transactions contemplated thereby, subject only to the concurrent Closing of the transactions contemplated by this Agreement, and without limiting the foregoing, the Purchaser will have delivered to the Bank consideration therefor in the amount of [REDACTED]

The Mutual Conditions are for the mutual benefit of the Vendor and the Purchaser and may not be waived unilaterally by either Party. Both Parties agree that they will use all reasonable commercial efforts to satisfy the Mutual Conditions. If the Mutual Conditions have not been satisfied by the applicable deadline provided for in this Section 7.2, then the Purchaser's and the Vendor's obligation to complete the Sale Transaction pursuant to this Agreement will be at an end."

Any instance of the words "Mutual Condition" in the remainder of the Purchase Agreement is amended to "Mutual Conditions".

- (d) Section 10.16 [*Business Day*] is deleted in its entirety and replaced with the following:

"If the date for the performance of any act or thing falls on a day which is not a Business Day, then the date for the performance of such act or thing shall be extended to the next Business Day, except that the Closing Date shall be no later than the date which is 10 days after Court Approval is granted, unless extended in accordance with Section 2.9."
- (e) Schedule F [*Purchase Price Allocation*] is deleted in its entirety and replaced with Schedule F attached hereto.
- (f) Exhibit A [*Form of Approval and Vesting Order*] is deleted in its entirety and replaced with Exhibit A attached hereto.
- 4. **Ratification.** The terms and conditions of the Purchase Agreement, as amended by this Agreement, are hereby ratified and approved.
- 5. **Time.** Time remains of the essence of the Purchase Agreement, as hereby amended.
- 6. **Governing Law.** This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein.
- 7. **Binding and Enurement.** This Agreement will enure to the benefit of and is binding upon the parties hereto and their respective successors and permitted assigns.
- 8. **Further Assurances.** Each of the parties will execute and deliver, at the request of the other, all such further documents and instruments, and will do all things that are necessary to give full effect to the intent and meaning of this Agreement.
- 9. **Counterparts.** This Agreement may be executed and delivered by the parties in one or more counterparts, each of which will be an original, and each of which may be delivered by facsimile, e-mail or other functionally equivalent electronic means of transmission, and those counterparts will together constitute one and the same instrument.

[signature page follows]

The parties are signing this Agreement as of the date set out above.

**BIFANO CONSOLIDATED INC.,
BIFANO FARMS INC., NATA FARMS
INC., SSC VENTURES (NO. 105) LTD.,
and SPALLUMCHEEN FARM LTD., by
their court-appointed receiver, ALVAREZ
& MARSAL CANADA INC. acting solely
in such capacity and not in its personal or
corporate capacity**

By: 

Name: TODD N. MARTIN

Title: SENIOR VICE PRESIDENT

HALLANO FARM HOLDINGS INC.

By: _____

Name: Lee Nilsson

Title: Director

The parties are signing this Agreement as of the date set out above.

BIFANO CONSOLIDATED INC.,
BIFANO FARMS INC., NATA FARMS
INC., SSC VENTURES (NO. 105) LTD.,
and SPALLUMCHEEN FARM LTD., by
their court-appointed receiver, ALVAREZ
& MARSAL CANADA INC. acting solely
in such capacity and not in its personal or
corporate capacity

By: _____
Name:
Title:

HALLAXO FARM HOLDINGS INC.

By:  _____
Name: Lee Nilsson
Title: Director

**SCHEDULE F
PURCHASE PRICE ALLOCATION**

Purchased Asset	Purchase Price Allocation
Lands	
PID: 030-083-893	
PID: 011-498-986	
PID: 011-291-761	
PID: 011-255-188	
PID: 011-367-750	
PID: 011-367-784	
PID: 014-003-449	
PID: 013-795-848	
Chattels (including Equipment, but excluding Leased Equipment)	
Purchased Contracts	
Inventory (including livestock)	
Assets described in Schedule D	
Business Records	
Permits, Licenses and Certifications	
TOTAL:	

EXHIBIT A

FORM OF APPROVAL AND VESTING ORDER

[see attached]

No. S241161
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

BIFANO CONSOLIDATED INC.
BIFANO FARMS INC.
NATA FARMS INC.,
SSC VENTURES (NO. 105) LTD. AND
SPALLUMCHEEN FARM LTD.

RESPONDENTS

ORDER MADE AFTER APPLICATION

APPROVAL AND VESTING ORDER

BEFORE THE HONOURABLE MADAM
JUSTICE FITZPATRICK

)
)
)
)

MONDAY, THE 12TH DAY
OF AUGUST 2024

ON THE APPLICATION of Alvarez & Marsal Canada Inc., in its capacity as Court-appointed Receiver and Manager (the "**Receiver**") of all of the assets, undertakings and properties of Bifano Consolidated Inc., Bifano Farms Inc., Nata Farms Inc., SSC Ventures (No. 105) Ltd. and Spallumcheen Farm Ltd. (collectively, "**Bifano**") coming on for hearing at Vancouver, British Columbia, on the 12th day of August 2024; AND ON HEARING Bryan C. Gibbons and Noor Mann, counsel for the Receiver, and those other counsel listed on **Schedule "A"** hereto, and no one else appearing, although duly served; AND UPON READING the material filed, including the First Report of the Receiver dated July 26, 2024 (the "**First Report**") and the Supplement to the First Report of the Receiver dated • (the "**Supplement**")

THIS COURT ORDERS AND DECLARES THAT:

Service

1. The time for service of this Notice of Application and supporting materials is hereby abridged so that the application is properly returnable on August 12, 2024, and the need

for further service of the Notice of Application and supporting materials is hereby dispensed with.

Approval of Transaction

2. The sale transaction (the "**Transaction**") contemplated by the Purchase and Sale Agreement dated July 19, 2024, as amended by an Amendment Agreement dated August • (collectively, the "**Sale Agreement**") between the Receiver and Hallano Farm Holdings Inc. (the "**Purchaser**"), a redacted copy of which is attached as Appendix A to the Supplement is hereby approved, and the Sale Agreement is commercially reasonable. The execution of the Sale Agreement by the Receiver is hereby authorized and approved, and 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 to the Purchaser of the assets described in the Sale Agreement (the "**Purchased Assets**").
3. Upon delivery by the Receiver to the Purchaser of a certificate substantially in the form attached as **Schedule "B"** hereto (the "**Receiver's Certificate**"), all of Bifano's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on **Schedule "C"** hereto shall vest absolutely in the Purchaser in fee simple, 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 this Court dated February 28, 2024, as amended and restated March 11, 2024, and by the Order of this Court dated June 24, 2024 (collectively, the "**CCAA Charges**"); and (ii) all charges, security interests or claims evidenced by registrations pursuant to the Personal Property Security Act of British Columbia or any other personal property registry system; and (iii) those Claims listed on **Schedule "D"** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule "E"** hereto), 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.
4. Upon delivery by the Receiver to the Purchaser of the Receiver's Certificate, Bifano Farms Inc. and SSC Ventures (No. 105) Ltd. (together, the "**Released Entities**") shall be released from the CCAA Charges, and the Released Entities shall cease to be Respondents in these proceedings and shall be deemed released from the purview of all orders of this Court granted in these proceedings, save and except for this order, and the style of cause shall be amended accordingly.
5. Upon presentation for registration in the Land Title Office for the Land Title District of Kamloops of a certified copy of this Order, together with a letter from Lawson Lundell

LLP, solicitors for the Receiver, authorizing registration of this Order, the British Columbia Registrar of Land Titles is hereby directed to:

- (a) enter the Purchaser as the owner of the Lands, as identified in **Schedule "C"** hereto, together with all buildings and other structures, facilities and improvements located thereon and fixtures, systems, interests, licenses, rights, covenants, restrictive covenants, commons, ways, profits, privileges, rights, easements and appurtenances to the said hereditaments belonging, or with the same or any part thereof, held or enjoyed or appurtenant thereto, in fee simple in respect of the Lands, and this Court declares that it has been proved to the satisfaction of the Court on investigation that the title of the Purchaser in and to the Lands is a good, safe holding and marketable title and directs the BC Registrar to register indefeasible title in favour of the Purchaser as aforesaid; and
 - (b) having considered the interest of third parties, to discharge, release, delete and expunge from title to the Lands all of the registered Encumbrances except for those listed in **Schedule "E"**.
6. 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 from and after the delivery of the Receiver's Certificate all Claims 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 had possession or control immediately prior to the sale.
7. The Receiver is to file with the Court a copy of the Receiver's Certificate forthwith after delivery thereof.
8. Pursuant to Section 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act* or Section 18(10)(o) of the *Personal Information Protection Act* of British Columbia, the Receiver is hereby authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the company'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 Bifano.
9. Subject to the terms of the Sale Agreement, vacant possession of the Purchased Assets, including any real property, shall be delivered by the Receiver to the Purchaser at 12:00 noon on the Closing Date (as defined in the Sale Agreement), subject to the permitted encumbrances as set out in the Sale Agreement and listed on **Schedule "E"**.
10. The Receiver, with the consent of the Purchaser, shall be at liberty to extend the Closing Date to such later date as those parties may agree without the necessity of a further Order of this Court.

11. Notwithstanding:
 - (a) these proceedings;
 - (b) any applications for a bankruptcy order in respect of Bifano now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and
 - (c) any assignment in bankruptcy made by or in respect of Bifano,the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of Bifano and shall not be void or voidable by creditors of Bifano, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* 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.
12. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, 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.
13. The Receiver or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.
14. Endorsement of this Order by counsel appearing on this Application is hereby dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

BRYAN C. GIBBONS
Lawyer for the Receiver, Alvarez & Marsal
Canada Inc.

By the Court.

Registrar

SCHEDULE "A"

List of Counsel

Counsel	Party
Bryan C. Gibbons Noor Mann	The Receiver, Alvarez & Marsal Canada Inc.
Lisa Hiebert Mishaal Gill	The Bank of Nova Scotia

SCHEDULE "B"

Receiver's Certificate

No. S241161
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36**

BETWEEN:

THE BANK OF NOVA SCOTIA

PETITIONER

AND:

BIFANO CONSOLIDATED INC.
BIFANO FARMS INC.
NATA FARMS INC.
SSC VENTURES (NO. 105) LTD. AND
SPALLUMCHEEN FARM LTD.

RESPONDENTS

Receiver's Certificate

RECITALS

A. Pursuant to an Order of the Supreme Court of British Columbia (the "**Court**") dated June 24, 2024 (the "**Receivership Order**"), Alvarez & Marsal Canada Inc. was appointed as Receiver and Manager (the "**Receiver**") of all of the assets, undertakings and properties of Bifano Consolidated Inc., Bifano Farms Inc., Nata Farms Inc., SSC Ventures (No. 105) Ltd. and Spallumcheen Farm Ltd. (collectively, the "**Debtor**").

B. Pursuant to an Order of the Court dated August 12, 2024 (the "**Approval and Vesting Order**"), the Court approved the Purchase and Sale Agreement dated July 19, 2024, as amended by an Amendment Agreement dated August 1, 2024 (collectively, the "**Sale Agreement**") between the Receiver and Hallano Farm Holdings Inc. (the "**Purchaser**"), providing for the vesting in the Purchaser of all of the right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in Article 8 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Approval and Vesting Order or the Sale Agreement, as applicable.

SCHEDULE "C"

Purchased Assets

1. The following, each as defined in the Sale Agreement:
 - a. the Chattels;
 - b. the Purchased Contracts;
 - c. the Inventory;
 - d. the Business Records; and
 - e. the Permits, Licenses and Certifications;
2. All of the intangible assets of Bifano Consolidated Inc., Nata Farms Inc. and Spallumcheen Farm Ltd.; and
3. The following lands, including all buildings, structures, improvements and all appurtenances and attachments thereto:

Bifano Consolidated Inc. - Real Property

Title 1

PID: 030-083-893

Legal Description: Lot 1 Sections 12, 13, 18 and 26 Township 18 and 35 Range 8 and 9 West of the 6th Meridian Kamloops Division Yale District Plan EPP68311

Spallumcheen Farm Ltd. - Real Property

Title 1

PID: 011-498-986

Legal Description: District Lot 94 Osoyoos Division Yale District

Title 2

PID: 011-291-761

Legal Description: Lot 2 Section 26 Township 35 Kamloops (formerly Osoyoos) Division Yale District Plan 2011

Title 3

PID: 011-255-188

Legal Description: Lot 3 Section 26 Township 35 Kamloops (formerly Osoyoos)
Division Yale District Plan 2080

Title 4

PID: 011-367-750

Legal Description: Lot 6 District Lot 148 Kamloops Division Yale District Plan 1654

Title 5

PID: 011-367-784

Legal Description: Lot 7 District Lot 148 Kamloops Division Yale District Plan 1654

Title 6

PID: 014-003-449

Legal Description: The Fractional South West $\frac{1}{4}$ Section 35 Township 35 Kamloops
(formerly Osoyoos) Division Yale District except Plan A402

Title 7

PID: 013-795-848

Legal Description: That Part of section 13 which is bounded on the North by District Lot 148 Osoyoos Division Yale District on the East by District Lot 94 Osoyoos Division Yale District, on the South by District Lot 92 Osoyoos Division Yale District and on the West by the right bank of Fortune Creek as shown on Plan of said Township dated at Ottawa on the 10th day of January, 1902 including all the timber thereon Township 18 Range 9 West of the 6th Meridian Kamloops Division Yale District

SCHEDULE "D"

Claims to be deleted/expunged from title to Real Property

Nature of Charge	Registration No.
Mortgage Bank of Nova Scotia	CA8113787
Assignment of Rents Bank of Nova Scotia	CA8113788
Mortgage Bank of Nova Scotia	CA8542605
Assignment of Rents Bank of Nova Scotia	CA8542606
Mortgage Van Maren Financial Ltd.	CB460545
Assignment of Rents Van Maren Financial Ltd.	CB460546
Mortgage Van Maren Financial Ltd.	CB460547
Assignment of Rents Van Maren Financial Ltd.	CB460548
Claim of Builder's Lien Douglas Smith	LB572943
Claim of Builder's Lien Douglas Smith	LB572944

Together with any other charges, liens, encumbrances, caveats, mortgages, certificates of pending litigation, or interests registered against the lands subsequent to the above charges.

SCHEDULE "E"

**Permitted Encumbrances, Easements and Restrictive Covenants
related to Real Property**

1. The reservations, limitations, provisos and conditions expressed in the original grant thereof from the Crown;
2. The following legal notations:
 - (a) THIS TITLE MAY BE AFFECTED BY THE AGRICULTURAL LAND COMMISSION ACT
 - (b) THIS CERTIFICATE OF TITLE MAY BE AFFECTED BY THE AGRICULTURAL LAND COMMISSION ACT, SEE AGRICULTURAL LAND RESERVE PLAN NO.M11122
 - (c) THIS TITLE MAY BE AFFECTED BY A PERMIT UNDER PART 26 OF THE LOCAL GOVERNMENT ACT, SEE KW139409
3. Any residential tenancies;
4. And the following:

Nature of Charge	Registration No.
Undersurface Rights The Director of Soldier Settlement	32820E
Covenant Her Majesty the Queen in Right of the Province of British Columbia	L41694
Covenant Her Majesty the Queen in Right of the Province of British Columbia	L41698
Statutory Right of Way British Columbia Hydro and Power Authority	CA9990276