

Court File No.: SJM-46-2020

IN THE COURT OF QUEEN'S BENCH OF NEW BRUNSWICK

IN BANKRUPTCY AND INSOLVENCY

JUDICIAL DISTRICT OF SAINT JOHN

IN THE MATTER OF THE RECEIVERSHIP OF:

HILLSPRING FARMS LTD., HSF FOODS LTD. and
HILLSPRING WAREHOUSE & LOGISTICS INC.

-and-

PURSUANT TO Section 33 of The *Judicature Act*,
R.S.N.B. 1973, Ch. J-2, Rule 41, Rules of Court, New
Brunswick and Section 243 of the *Bankruptcy and
Insolvency Act*, R.S.C. 1985, c. B-3

BETWEEN:

FARM CREDIT CANADA, a Federal Crown Corporation

-and-

HILLSPRING FARMS LTD., HSF FOODS LTD. and
HILLSPRING WAREHOUSE & LOGISTICS INC., each a
New Brunswick Corporation

APPLICANTS,

- and -

HILLSPRING FARMS LTD., HSF FOODS LTD. and
HILLSPRING WAREHOUSE & LOGISTICS INC., each a
New Brunswick Corporation

RESPONDENTS

**REPORT OF THE PROPOSED RECEIVER
22 JUNE 2020**

INTRODUCTION

1. Ernst & Young Inc. (“**EYI**”) has been advised that an application will be made in respect of HSF Foods Ltd. (“**HSF**”), Hillspring Farms Ltd. (“**Hillspring**”) and Hillspring Warehouse & Logistics Inc. (“**Logistics**”) (collectively the “**Company**” or the “**Respondents**”) seeking (1) an Order, if necessary, for the abridgment of time (2) a receivership order in relation to all assets, undertakings and properties of the Respondents including all proceeds thereof (the “**Property**”) save and except certain real and personal property (the “**Excluded Property**”) (3) an order approving the transaction (the “**Transaction**”) contemplated by an agreement dated 11 June 2020 between the Company and McCain Farms, a division of McCain Produce Inc. (“**McCain**” or the “**Purchaser**”) and the distribution of 98% of the proceeds from the Transaction (4) an Order declaring that the Receiver is authorized and directed to take such steps and execute such documents as may be necessary or desirable for the sale of any or all of the Property not being sold to McCain as part of the Transaction (the “**Residual Property**”) and (5) an Order sealing the Confidential Supplemental Report of the Proposed Receiver pending completion of these proceedings or the sale of all of the Property.
2. This is the first report of EYI, the proposed receiver (the “**Proposed Receiver**”) in the receivership proceedings of the Respondents. The Proposed Receiver has consented to act as Receiver in the event this Honourable Court grants the initial receivership order (the “**Receivership Order**”) sought by Farm Credit Canada (“**FCC**”) and the Respondents.
3. EYI was initially retained by FCC on 5 February 2020 to act as its financial advisor with respect to HSF and Hillspring to whom FCC advanced funds together with other related entities, including Logistics, who had granted FCC guarantees of its advances to HSF and Hillspring (collectively the “**HSF Group**”). EYI has been involved in, among other things, reviewing and monitoring the financial affairs of the Respondents, negotiating the sale of certain FCC security in relation to the HSF flake plant operating assets (the “**Flake Plant**”).

Assets”), facilitating the preparation of various equipment and real property appraisal reports, participated in negotiations with representatives from McCain with respect to various agreements including an asset purchase agreement for certain assets on behalf of the Secured Lenders and prepared this report and a corresponding supplemental report in support of the Applicants’ motion to appoint EYI as court appointed Receiver and seek this Honourable Court’s approval of the proposed sale.

4. The proposed Receivership Order, if granted, is intended to be restricted to Respondents’ assets subject to the 1st charge security interests of FCC and the Canadian Imperial Bank of Commerce (“**CIBC**”) (collectively the “**Secured Lenders**”) except for the Excluded Property. Respondent assets subject to other lenders valid and properly perfected priority security interests (and certain assets subject to CIBC’s security) are not intended to be subject to or affected by the proposed Receivership Order.

PURPOSE

5. The purpose of the report of the Proposed Receiver (the “**Report**”) is to provide information to this Honourable Court on:
 - (a) Overview of the Respondents’ Business
 - (b) McCain Agreements
 - (i) Amended Term Sheet;
 - (ii) Management Agreement;
 - (iii) Purchase Agreement; and
 - (iv) Farming Equipment Lease
 - (c) Appraisals
 - (d) HSF Flake Plant Operation

- (e) Excluded and Residual Property
 - (f) Proposed Distribution
 - (g) Bankruptcy of HSF, Hillspring and Logistics
 - (h) Conclusions and Recommendations of the Proposed Receiver
6. In preparing this Report, the Proposed Receiver has relied upon unaudited financial information, the books and records of the Company, financial information prepared by the Company, discussions with the employees of the Company and other information from various sources, including the affidavits filed in support of the receivership application and the sale approval motion. The Proposed Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information, and, accordingly, the Proposed Receiver expresses no opinion or other form of assurance on the information contained in this Report.
7. All references to monetary amounts in this Report are in Canadian dollars unless otherwise noted.

OVERVIEW OF THE RESPONDENTS' BUSINESS

8. The Proposed Receiver has reviewed the affidavits of Ben Brake, Jeremy Brake, Jason Inman, David Boyd and Supriya Sarin filed in support of the motion which collectively provide business overviews of the Respondents and other affiliated entities within the HSF Group. Although there were multiple legal entities involved within the HSF Group, there were two primary business segments historically operated by the Respondents being (1) the potato farming operation of Hillspring and (2) the flake plant operation of HSF. Logistics was primarily responsible for grain brokerage services to certain customers on a limited scale basis.

9. Hillspring, HSF and Logistics were incorporated under the New Brunswick Business Corporations Act on 3 June 1981, 6 December 2006 and 15 December 2016 respectively. Under Mr. Ben Brake's leadership these businesses collectively grew into substantial, profitable enterprises employing in excess of 190 employees in rural New Brunswick.
10. Over the past several years the Respondents invested significant funds in farming lands and various capital projects primarily associated with the flake plant operation. These investments significantly increased the Respondents' debt levels but unfortunately failed to produce incremental revenue or profitability to the HSF Group. The combined HSF and Hillspring revenues between fiscal 2016 and 2019 remained relatively stable averaging \$30.6 million per year however the combined debt levels increased from \$43.1 million in 2016 to \$107.0 million in 2019.
11. HSF and Hillspring reported combined net losses for the 21 month period 1 May 2018 through 31 January 2020 of \$17.3 million. The Secured Lenders supported the Respondents through these challenging times providing new funding and various debt payment holidays designed to address the Respondents short term cash flow deficiencies and provide sufficient time for the businesses to return to profitability. Unfortunately, financial losses continued to accrue.
12. EYI was initially retained by FCC to conduct a general review of the Respondents' business affairs. CIBC engaged the services of PwC as its financial advisor in relation to CIBC's advances to the Respondents. In February 2020, the Respondents' operating lines of credit with CIBC were at or nearing their maximum limits, short margined several times and the Secured Lenders were uncertain how or if the Respondents could sustain their operations heading into the 2020 growing season. Preliminary estimates indicated the Respondents would require approximately \$13.5 million of incremental borrowings to plant and maintain Hillsprings farm lands in 2020. In addition, the Flake Plant was

operating at a loss and access to raw material was becoming a problematic issue for the organization.

13. The Company was advised that the Secured Lenders were not prepared to provide additional loans to address the continuing financial needs of the businesses given the Respondents historical financial performance. Timelines to assess the situation and develop a workable strategy were compressed given the Respondents limited liquidity and the time of year. Alternative planting strategies specific to Hillspring had to be pursued in a very short time frame or the 2020 planting season would be at risk as would the value of the cultivated farm lands if some form of planting program was not implemented.
14. In response to the Respondents financial challenges, Mr. Ben Brake initiated discussions with McCain Foods Limited (“**MFL**”), an affiliate of the Purchaser, and other significant industry participants to explore alternative solutions. MFL is a global leader in the potato industry and was familiar with the Respondents’ operations and the financial impact that the New Brunswick potato growing community would sustain if Hillspring’s farm lands were not planted in 2020.

MCCAIN AGREEMENTS

15. On 4 March 2020, representatives from the Respondents, FCC, CIBC, MFL and their respective counsel and financial advisors met in Fredericton New Brunswick to discuss the situation facing the Respondents and MFL’s interest, if any, to pursue a potential transaction. The meeting was intended to explore options and determine whether the collective groups positions regarding assets available for sale, valuation ranges and transaction time lines were generally aligned such that further discussions with the broad group might produce a transaction frame work that all parties could support. The Respondents granted MFL a period of exclusivity through 9 March 2020 in relation to such discussions.

Amended Term Sheet

16. On 11 March 2020, MFL presented an initial term sheet for the Respondents consideration. The initial term sheet formed the basis for additional dialogue between the primary stakeholder groups including the Respondents and the Secured Lenders which resulted in the issuance of an amended term sheet dated 13 March 2020 (the “**Amended Term Sheet**”) which summarized the principal terms by which MFL proposed to acquire certain assets, on an as is where is basis, including all of the real property owned and associated with the operation of the potato farming, packing and seed businesses and all potato, grain, seeds, packing and chemical inventories (collectively the “**McCain Agreement Assets**”). A redacted copy of the Amended Term Sheet is attached as **Appendix “A”**.
17. The Amended Term Sheet was conditional upon the Respondents delivering the consent of the Secured Lenders to the proposed sale by no later than 13 March 2020. The required consents were provided within the specified time frame as both FCC and CIBC independently considered the MFL offer and determined that the proposed transaction provided a reasonable recovery for each lender given the current situation notwithstanding that the Secured Lenders would each crystallize a significant deficiency with respect to their respective advances to the Respondents.
18. The discussions between the parties following the meeting on 4 March 2020 and the completion of the Amended Term Sheet were active and intense. Given the pending 2020 crop season and the associated need for approximately \$13.5 million to plant and maintain Hillspring’s farm lands, the parties worked diligently to try to find a solution. All parties were very cognizant of the potential impact the shutdown of the HSF Group would have on the community. As well, these negotiations were taking place just as the COVID-19 pandemic was developing.
19. The Amended Term Sheet contemplated that the McCain Agreement Assets would include the following:

- (a) Real property associated with the operation of the Sellers' potato farming, packing and seed businesses (the "**Cultivated Lands**");
 - (b) Packing shed, potato storages and related buildings (the "**Packing Shed**");
 - (c) Rail siding facilities associated with the Logistics business (the "**Rail Siding**");
 - (d) An aggregate cash amount for the lease of the owned equipment used in the business subject to the security of the Secured Lenders (the "**Leased Equipment**");
 - (e) Inventory; and
 - (f) An amount equal to certain assumed liabilities (the "**Assumed Liabilities**").
20. In addition, MFL proposed to assume various real property and equipment lease obligations not subject to FCC or CIBC security or in which FCC or CIBC hold a subordinate interest and not subject to the proposed Receivership proceedings.

Management Agreement

21. In order to address immediate liquidity concerns facing the Repondents as well as the potential loss in value to Hillsprings farm lands if not planted, the Amended Term Sheet proposed that a management agreement (the "**Management Agreement**") be entered into pursuant to which MFL, as an independent contractor and not as agent, would provide various services and assist in the payment of the operating expenses associated with the farming business from 21 March 2020 utilizing the Respondents' receivable collections or if such collections were insufficient, funds from MFL would be made available.
22. The Mangement Agreement with MFL was a critical component of the proposed transaction as this arrangement provided Hillspring with critical funds and qualified operational oversight to support activities required to prepare Hillspring's fields for the

2020 planting season. The Respondents were otherwise unable to source necessary funds to address these obligations.

23. MFL also provided assurances that they would, at a minimum, facilitate the planting of ground cover crops on Hillspring's fields. MFL's undertaking to plant potatoes or ground cover crops pursuant to the terms of the Management Agreement alleviated FCC concerns that field values might be compromised should an alternative solution for the 2020 crop rotation not otherwise materialize. As a result of the arrangements negotiated with MFL approximately 74 New Brunswick jobs were preserved and the Hillspring lands have been planted. MFL has managed the farming operations through the COVID-19 pandemic which has had a significant impact on the potato industry as a whole. A redacted copy of the Management Agreement is attached as **Appendix "B"**.
24. The Management Agreement contemplates that the Transaction will be consummated through a court-approved receivership process. The term of the Management Agreement expired on 29 April 2020, but was extended until 30 June 2020. The Proposed Receiver has been advised by Peter Dawe, Chief Strategy Officer of MFL ("**Mr. Dawe**") that McCain does not intend to extend the Management Agreement beyond 30 June 2020 unless the Transaction has been court-approved.

Asset Purchase Agreement

25. The terms of the Amended Term Sheet formed the basis for ongoing discussions and negotiations between McCain, FCC, CIBC and the Respondents. The Respondents' books and records, PPSA registration reports and land registry records were thoroughly reviewed to identify the Respondents' real and personal property holdings. McCain and the proposed Receiver completed independent asset verification processes to develop equipment listings associated with the Respondents' operations which could be specifically verified. In addition, inventory count procedures were conducted in consultation with representatives from McCain and CIBC.

26. The primary asset category of interest to McCain associated with the proposed transaction is the owned Cultivated Land associated with the farming business. The parties examined various source materials including GEONB satellite mapping reports and internal farm land logs to ascertain the total cultivated acreage available for sale (the “**Farmland**”). Negotiations between McCain and the Secured Lenders, who hold valid security over the Farmland, ultimately led to the parties agreeing that the total Farmland acreage was 6,300 acres.
27. Equipment lists were reviewed to determine whether the equipment was owned or leased and discussions with McCain ultimately determined if equipment was intended to be included or excluded from the McCain Purchase Assets. In certain circumstances negotiations arose to determine whether the verified equipment was intended to form part of the Packing Shed or Rail Siding assets, as specific purchase price amounts had been negotiated and agreed to for those assets under the Amended Term Sheet. Other identified equipment which McCain determined was needed to support the farming operation forms part of the farming equipment lease agreement described below.
28. Prior to signing the asset purchase agreement, significant efforts were undertaken to finalize definitive lists of real and personal property, leases and contracts to be included or excluded from the McCain Agreement Assets, which as previously noted, is limited to the Respondents’ assets subject to the 1st charge security interests of FCC and CIBC.
29. On 11 June 2020, the asset purchase agreement with McCain (the “**Purchase Agreement**”) was signed. Mr. Dawe has advised the Proposed Receiver that the sale, if approved, will add to McCain’s farming assets in New Brunswick in support of a strong agricultural supply chain and the company’s commitment to rural development in its home province. In line with the company’s continued support of the River Valley region, McCain has made provisions for financial contributions in support of local businesses that are essential to the continued operation of the farm business and the grower community.

30. The proposed sale of the McCain Agreement Assets remains subject to the Respondents obtaining an order from the Court of Queens Bench of New Brunswick (the “**Court**”) approving the transaction and vesting title to the McCain Agreement Assets to McCain free and clear of claims and encumbrances. A redacted copy of the Purchase Agreement is attached as **Appendix “C”**.

Farming Equipment Lease

31. Pursuant to the terms of the Purchase Agreement, McCain has the right to lease certain specific farming equipment (the “**Leased Equipment**”) through 15 November 2020 subject to various terms and conditions as set out in the farming equipment lease agreement that will be substantially in form and substance as the redacted draft attached as **Appendix “D”** (the “**Farming Equipment Lease**”) which will be executed prior to or on closing of the Transaction. The Farming Equipment Lease rate was negotiated as a percentage of the equipment’s fair market value as appraised by Ritchie Bros (the “**Appraised Value**”).
32. The Leased Equipment subject to the Farming Equipment Lease is referenced within Schedule 1.1 a of the Purchase Agreement. McCain has a right of first refusal to purchase the Leased Equipment from the Receiver at the Appraised Value less rent payments paid and less approved repair costs which are subject to the review and approval of the Receiver.
33. In the event McCain elects not to purchase all of the Leased Equipment at the end of the lease term, the Receiver will arrange to secure all of the Leased Equipment which McCain elects not to purchase and will proceed to liquidate the residual equipment through an alternative sales process at a future date for the benefit of the Secured Lenders. However, should the purchase option be exercised, upon delivery of the Receiver’s Equipment Certificate to the Court and payment being made to the Receiver, title to the Leased Equipment shall transfer to McCain as the Leased Equipment shall be deemed to be Purchased Assets for the purposes of the Purchase Agreement and the Approval and Vesting Order.

APPRAISALS

34. In anticipation of a sale approval and vesting order application, the Proposed Receiver commissioned various real property and equipment appraisal reports (collectively the “**Appraisal Reports**”) to assist the Court with its assessment of the reasonability of the purchase price negotiated with McCain. The Proposed Receiver commissioned the following appraisal reports:

- (a) E1 - Market Value Range Potato Rotation Lands Western New Brunswick;
- (b) Potato Storage Land Valuation Reports
 - (i) E2 - Hillspring Farms Ltd Tarrtown Road LSD of Kent, NB;
 - (ii) E3 - Hillspring Farms Ltd Route 580 (McIntosh) LSD of Aberdeen, NB;
 - (iii) E4 - Hillspring Farms Ltd Brown Road LSD of Grand Falls, NB;
 - (iv) E5 - Hillspring Farms Ltd Route 580 (Ridge View) LSD of Aberdeen, NB;
 - (v) E6 - Hillspring Farms Ltd Beechwood Road LSD of Kent, NB;
 - (vi) E7 - Hillspring Farms Ltd Route 565 Holmesville, NB;
 - (vii) E8 - Hillspring Farms Ltd Killoween Road LSD of Kent, NB;
 - (viii) E9 - Hillspring Farms Ltd 291 Tarrtown Road Monqart, NB;
 - (ix) E10 - Hillspring Farms Ltd 373 Brown Road Four Fall, NB;
 - (x) E11 - Hillspring Farms Ltd 11554 Route 5 Kilburn, NB;
 - (xi) E12 - Hillspring Farms Ltd 206 Lane Road California Settlement, NB;
 - (xii) E13 - Hillspring Farms Ltd 285 Tarrtown Road Monqart, NB;
 - (xiii) E14 - Hillspring Farms Ltd Hawthorne Road LSD of Kent, NB;
 - (xiv) E15 - Hillspring Farms Ltd Kincardine Road LSD of Perth, NB;

- (xv) E16 - Hillspring Farms Ltd McElroy Road LSD of Kent, NB;
 - (xvi) E17 - Hillspring Farms Ltd Cahill Road LSD of Kent, NB;
 - (xvii) E18 - Hillspring Farms Ltd Lot Tarrtown Road LSD of Kent, NB;
 - (xviii) E19 - Hillspring Farms Ltd Vacant Lot Palmer Road Upper Kent, NB;
 - (xix) E20 - Hillspring Farms Ltd 59 Palmer Road Upper Kent, NB;
 - (c) E21 - HSF Foods Ltd. and Hillspring Farms Ltd Grand Falls NB – Grain Storage Valuation Report; and
 - (d) E22 - Ritchie Bros - Equipment Valuation Report
35. Unredacted copies of the Appraisal Reports are attached as **Appendicies “E1 to E22”** to the Supplemental Report. Redacted copies have been provided to McCain, FCC, CIBC and the Respondents and will be made available to any interested party on request.
36. The Proposed Receiver did not undertake to prepare an independent assessment of the Respondents’ Inventory. Support materials with respect to the valuation of the Inventory have been incorporated within the affidavit of David Boyd of PwC, as CIBC holds the priority security interest over this asset category.
37. The Proposed Receiver can confirm that the purchase price payable for the McCain Agreement Assets contemplated by the Purchase Agreement is supported by the Appraisal Reports commissioned by the Proposed Receiver.

HSF FLAKE PLANT OPERATION

38. The Amended Term Sheet excluded the Flake Plant Assets from the proposed sale and the Management Agreement.
39. The Respondents’ liquidity challenges with respect to the flake plant operations however remained. Separate discussions and negotiations ensued with Oregon Potato Company (“**OPC**”) an industry participant in relation to the Flake Plant Assets and the funding needs

associated with that business segment. These discussions ultimately resulted in FCC, CIBC and other secured lenders independently selling a portion or all of their respective security interests and a portion or all of their respective indebtedness specific to certain Flake Plant Assets (the “**OPC Flake Assets**”) to OPC. As the OPC Flake Assets are no longer subject to FCC or CIBC security and not required for the Transaction, they are excluded from the proposed receivership proceedings.

40. The Proposed Receiver understands that OPC will be taking its own steps as a secured creditor in relation to the OPC Flake Assets and is supportive of the within proceedings.

EXCLUDED AND RESIDUAL PROPERTY

41. There are three categories of assets of the Respondents that are addressed by these proceedings which are:
- (a) McCain Agreement Assets, which are addressed above;
 - (b) Excluded Property; and
 - (c) Residual Property.
42. The Excluded Property is comprised of the Respondents’ assets that are not subject to the 1st charge security interests of FCC and CIBC which include the OPC Flake Assets, certain bank accounts maintained during the Management Agreement by MFL or by OPC or its affiliate since OPC acquired a security interest in the OPC Flake Assets and the underlying assets subject to any equipment financing or lease arrangement that McCain will either assume or enter into a new agreement with the lessor or financier of such equipment. In addition, the Excluded Property will include the: (i) receivables of the Respondents (other than receivables relating to Inventory sold in a prescribed period prior to the closing of the Transaction) (ii) the right, title and interest, if any, of the Respondents in certain antique vehicles shown in the books and records of 631544 NB Ltd., a company related to the Respondents and (iii) wood inventory and other personal property of HSF. Excluding this

property from the proposed receivership respects the rights of the various stakeholders in such assets.

43. The Residual Property is any property of the Respondents that FCC and CIBC hold a 1st charge security interest in and not forming part of the Excluded Property or the McCain Agreement Assets. The Residual Property that has been identified to date includes numerous pieces of personal property and seven separate land parcels (PID 10284115, 10284172, 1028406, 10153278, 10277069, 10121499 and 10264810) (the “**Residual Real Property**”).
44. The Proposed Receiver requests that any personal property not sold via the Farming Equipment Lease or the Purchase Agreement which at present has been identified to be numerous pieces of equipment or farm implements (the “**Residual Equipment**”) be liquidated through a tender, private sale or auction process facilitated by the Proposed Receiver and conducted by a reputable and qualified auctioneer firm without further order of the Court subject to the Receiver ensuring standard notice and advertising activities are completed. In the case of a private sale, the Proposed Receiver would only complete such a sale with the concurrence of the Secured Creditor having an interest in the Residual Equipment to be sold.
45. Appraisal reports of the Residual Real Property were commissioned and unredacted copies of the Residual Real Property appraisals are attached as **Appedicies “F1 to F5”** to the Supplemental Report. Redacted copies of the Residual Real Property appraisal reports have been provided to McCain, FCC, CIBC and the Respondents and will be made available to any interested party on request.
46. The Proposed Receiver requests permission to list the Residual Real Property with a reputable and qualified realtor with discretion and authority to liquidate each separate land parcel without further order of the Court subject to the negotiated selling price being agreed

to by the Secured Creditor having an interest therein or at a price approved by further Order of the Court.

PROPOSED DISTRIBUTION

47. The Proposed Receiver has obtained opinions from Bingham Law, copies of which are attached collectively as **Appendix “G”**, which provide, subject to what the Proposed Receiver understands to be customary assumptions and qualifications in an insolvency context, that:
- (a) FCC and CIBC collectively have valid and enforceable security against all of the present and after-acquired personal property of each of the Respondents governed by the New Brunswick PPSA; and
 - (b) the security interests in favour of FCC and CIBC in all of the present and after-acquired personal property of each of the Respondents have been perfected by registration under the provisions of the New Brunswick PPSA and were perfected as of the date of the legal review.
48. In addition, with respect to the real property of the Respondents located in the Province of New Brunswick subject to collateral mortgages and or debentures in favour of FCC and CIBC including the real property listed in Schedule 2.1 (c) of the Purchase Agreement, the Receiver has obtained an opinion that, subject to what the Receiver understands to be customary assumptions and qualifications in an insolvency context, the collateral mortgages and debentures create, under the laws of the Province of New Brunswick, valid mortgages and charges in favour of FCC and CIBC in the applicable real property, and the mortgages and charges created by the collateral mortgages and debentures have been, or were, registered in favour of FCC and CIBC in the appropriate land title offices maintained in the Province of New Brunswick in respect of the applicable real property and are enforceable as against the applicable Respondents.

49. Based on the foregoing, the Receiver understands that all of the Assets subject to the proposed Receivership Order including the McCain Agreement Assets are subject to security held by FCC and or CIBC save and except for three parcels of real property.
50. The Proposed Receiver has been advised by FCC that, as at 13 March 2020, the outstanding indebtedness, liabilities and obligations of the Respondents, secured by FCC's security described above, excluding accrued interest and professional fees was \$70,691,926.52.
51. The Proposed Receiver has been advised by CIBC that, as at 3 March 2020, the outstanding indebtedness, liabilities and obligations of the Respondents, secured by CIBC's security described above, excluding accrued interest and professional fees is CDN\$20,884,993.60 and USD\$1,000,000.
52. As noted earlier in this Report both FCC and CIBC are expected to sustain material losses associated with their respective advances to the Respondents. As a means of reducing the accruing interest expense payable by the Respondents to the Secured Lenders and in recognition of the Secured Lenders' valid security positions, the Proposed Receiver recommends that 98% of the net cash proceeds generated from the Transaction closing be distributed to the Secured Lenders subject to the parties reaching a consensus on the distribution allocation. The residual 2% of the net cash proceeds combined with rental payments from the Farming Equipment Lease and net sale proceeds generated from the Residual Property will be maintained and used to fund the costs of the Receivership administration pending a future distribution motion.
53. The Proposed Receiver will provide further commentary and calculations of the proposed initial distribution to FCC and CIBC within the Supplemental Report (as defined below).

BANKRUPTCY OF HSF, HILLSPRING and LOGISTICS

54. The Proposed Receiver requests, if court appointed as receiver, an order directing it to make a bankruptcy filing on behalf of HSF, Hillspring and Logistics pursuant to the Bankruptcy and Insolvency Act (the “**BIA**”). The bankruptcies are intended to invert certain statutory priority charges associated with the McCain Agreement Assets. In addition, the bankruptcies will provide a claims adjudication process which will simplify the claims process and the Receivership administration. The Proposed Receiver notes that such actions are often pursued by secured lenders in similar situations.

CONCLUSIONS AND RECOMMENDATIONS

55. The Proposed Receiver has reviewed the terms of the Amended Term Sheet and the Purchase Agreement and compared the transaction price with the indicators of value available to the Proposed Receiver. Although the McCain Agreement Assets have not been marketed through a standard insolvency process, we respectfully submit that it is appropriate for this Honourable Court to approve the proposed sale on the basis that:
- (a) The selling price is supported by the Appraisal Reports;
 - (b) In the event the proposed sale is not approved, McCain will likely terminate the Management Agreement and all arrangements associated with their management of the business would be terminated. There is no certainty that a court appointed receiver would be successful to secure alternative arrangements necessary to facilitate a contract grow or short term lease arrangement for the farming lands in order to properly grow, harvest and winterize the fields prior to the 2021 season. As such the value of the farming lands may be adversely affected;
 - (c) A future sales process for the McCain Agreement Assets would have to be commissioned. The cost of the sales process combined with the holding costs to preserve and protect the McCain Agreement Assets would be significant and have

to be funded by the Secured Lenders; and

- (d) There is a very limited pool of buyers that would be capable of purchasing the farming assets as a going concern. While it may have been possible to pursue a sale of the assets on a piecemeal basis, it is unlikely that a series of smaller transactions would yield the same consideration as the Transaction or preserve the jobs, customer and supply arrangements offered by the Transaction. As a result, there is no reason to conclude that the results of a future sales process would produce more or the same value currently being offered for the McCain Agreement Assets and it is more likely that the value would be less even before any holding costs.
56. The Respondents are seeking Court approval for the sale, if applicable, of any farming equipment to McCain pursuant to the terms of the Farming Equipment Lease without need for further court application on the basis that the future sale, if the election is made at the conclusion of the lease term, will be based upon the equipment fair market value supported by the independent appraisal information.
57. The Proposed Receiver has prepared, and will submit to this Honourable Court on a confidential basis, a supplement to this Report (the “**Supplemental Report**”) which will attach unredacted copies of the Amended Term Sheet, the Management Agreement, the Purchase Agreement, the Farming Equipment Lease and the Appraisal Reports. The Proposed Receiver will be seeking a sealing order from this Honourable Court with respect to the Supplemental Report, on the basis that the Supplemental Report contains sensitive commercial information with respect to the Respondents, the dissemination of which could be prejudicial to the best interests of the Secured Lenders should the proposed sale fail to close for any reason and in relation to the planned sales of the Residual Property.
58. The Proposed Receiver believes that it is appropriate, and recommends to this Honourable Court, that the application with respect to the Respondents be granted, as the proposed

Purchase Agreement provides for a streamlined and cost effective recovery process to be completed. The purchase price for the McCain Agreement Assets is supported by independent appraisals. Furthermore, the Proposed Receiver notes that the Purchase Agreement and the Management Agreement provide financial stability to an otherwise tenious situation and have preserved the ongoing employment of approximately 74 employment positions in rural New Brunswick as well as the economic spin off from the ongoing supply arrangements for the operation of the Hillspring farm.

All of which is respectfully submitted this 22nd day of June 2020.

ERNST & YOUNG INC.

Licensed Insolvency Trustee

Acting in its capacity as the Proposed Receiver of

HSF Foods Ltd., Hillspring Farms Ltd. and Hillspring Warehouse & Logistics Inc.

Per:



George Kinsman, CPA, CA, CIRP, LIT

Senior Vice President

Attachment

Appendix A

To report of Ernst & Young Inc. as proposed receiver and receiver manager of HSF Foods Ltd., Hillspring Farms Ltd. and Hillspring Warehouse & Logistics Inc.

(SEE ATTACHED)

REVISED TERM SHEET

This Term Sheet summarizes the principal terms and sets forth certain understandings regarding the proposed offer to acquire (the "**Transaction**") certain assets of Hillspring Farms Ltd. and certain of its affiliates (collectively, the "**Sellers**") by McCain Foods Limited ("**McCain**") or one of its affiliates (the "**Purchaser**"). The parties intend to negotiate a definitive written agreement providing for the Transaction (the "**Purchase Agreement**"), the initial draft of which will be prepared by the Purchaser and its counsel, Davies Ward Phillips & Vineberg LLP ("**Davies**"). This Term Sheet constitutes a summary of the principal terms to be included in the Purchase Agreement and is not intended to be a binding and legally enforceable agreement subject to the exemptions set out below. Based on the information currently known to the Purchaser, the Purchase Agreement will include the following terms:

- Closing:** The Transaction will close on the date on which all of the conditions precedent to closing are satisfied or waived (the "**Closing**"), but in any case Closing will occur on or before April 29, 2020 (the "**Outside Date**").
- Structure:** The Transaction will be structured as an asset purchase, or other structure as determined in the sole discretion of the Purchaser, subject to the Sellers, no later than 15 days following the execution of the Purchase Agreement, obtaining an order(s) from the Court of Queens Bench of New Brunswick (the "**Court**") pursuant to the terms of the *Companies' Creditors Arrangement Act* or *Bankruptcy and Insolvency Act* (an "**Insolvency Proceeding**") (with the cooperation and support of the Secured Lenders as defined below), approving the Transaction and vesting the Purchased Assets in the Purchaser free and clear of claims and encumbrances (the "**Approval and Vesting Order**").
- Purchased Assets:** The Purchaser proposes to acquire all of the real property (the "**Real Property**") owned by the Sellers and associated with the operation of the Sellers' potato farming, packing and seed businesses (the "**Business**") as well as substantially all of the assets used in the Business, including, without limitation, those identified in Schedule "A" attached hereto (the "**Purchased Assets**") on an as is where is basis, including all potato, grain, seeds, packing and chemical inventory saleable in the ordinary course, located at the packing shed or any of the other storage facilities owned or operated by the Sellers (the "**Inventory**").
- Excluded Assets:** For greater certainty, the Purchased Assets shall not include those assets specifically identified in Schedule "B" attached hereto (the "**Excluded Assets**").
- Notwithstanding the above, the Purchaser may, in its sole and absolute discretion, at any time on or prior to the date that is two days prior to the hearing on the Approval and Vesting Order,

designate any of the Purchased Assets as an Excluded Asset for the purpose of the Transaction, which shall have no impact on the Purchase Price, subject to the Purchase Price Adjustment, as discussed below.

Assumed Liabilities:

The Purchaser will assume the following liabilities and obligations (the "**Assumed Liabilities**") of Seller:

- (a) obligations arising after the Closing under contracts assigned to Purchaser and included in the Purchased Assets;
- (b) liabilities relating to employees to whom offers of employment are to be given; and
- (c) any other liabilities that the parties agree will be assumed by Purchaser.

Excluded Liabilities:

Except for the Assumed Liabilities, Purchaser shall not assume any other liabilities of Seller.

Inventory Count:

Starting at 9:00am on March 17, 2020, the Sellers shall provide the Purchaser and its Representatives, as well as Canadian Imperial Bank of Commerce ("**CIBC**") and its Representatives with access to the packing shed and the other storage facilities owned or operated by the Sellers to permit the Purchasers to perform a physical count of the Inventory. The parties agree that the Inventory count for each category of Inventory shall be concluded by 5:00pm on March 20, 2020 (the "**Inventory Count Date**").

Purchase Price:

The purchase price (the "**Purchase Price**") to be paid by the Purchaser to the Sellers for the Purchased Assets will be \$ [REDACTED], determined by the sum of the following amounts:

- (a) an aggregate cash amount for the [REDACTED] equal to \$ [REDACTED], subject to the Purchase Price Adjustment;
- (b) an aggregate cash amount for the [REDACTED] identified in [REDACTED] equal to \$ [REDACTED];
- (c) an aggregate cash amount for the [REDACTED] including the [REDACTED] identified in [REDACTED] equal to \$ [REDACTED];
- (d) an aggregate cash amount for the [REDACTED] and subject to the security of the Secured Lenders (the [REDACTED]) including, without limitation, the [REDACTED] identified in [REDACTED] equal to \$ [REDACTED], subject to further

payment in accordance with the [REDACTED]
as defined below; and

(e) an aggregate cash amount for the [REDACTED] identified in [REDACTED] equal to \$ [REDACTED], subject to the Purchase Price Adjustment;

and an amount equal to the Assumed Liabilities.

Purchase Price Adjustment: The Purchase Price is subject to the following adjustments (the "**Purchase Price Adjustment**");

(a) a reduction in the Purchase Price equal to the difference between \$ [REDACTED] (a breakdown of which is attached as Schedule "D") and the aggregate cash amount for the Inventory equal to the sum of the price to be paid for: (i) potatoes calculated at a price of \$ [REDACTED] per hundredweight, (ii) grain-seed, calculated at a price of \$ [REDACTED] per ton, (iii) grain, calculated as a price of \$ [REDACTED] per ton, and (iv) potato-seed, calculated as a price of \$ [REDACTED] per hundredweight, (v) chemical and packaging, to the extent the assessed value is less than that allocated in Schedule "D" attached hereto, in each case based on the quantity of such Inventory in the possession of the Sellers on the applicable Inventory Count Date; and

(b) if following the execution of this Term Sheet, the Purchaser determines that the Sellers own less than [REDACTED] acres of real property identified by the Purchaser as farmland ("**Farmland**"), the Purchase Price shall be reduced by an amount equal to the following: \$ [REDACTED] multiplied by ([REDACTED] less the number of acres of Farmland owned by the Sellers).

Farmland Identification: No later than 7 days prior to Closing, the Purchaser shall complete its review of the Real Property and shall identify the total acreage of Farmland which is further identified by parcel identifier number (the "**Farmland Identification**"). The Purchaser will share the Farmland Identification with the Secured Lenders.

Local Payables Commitment: Separately, McCain is committed to providing an approximate amount equal to \$ [REDACTED] in support for (i) certain key local businesses essential for operating HSF's business, (ii) the local growing community and (iii) other select local businesses tied to the community, on terms to be discussed separately with such groups.

Consents: This Term Sheet is conditional on the Sellers delivering the consent of CIBC and Farm Credit Canada (collectively, the "**Secured Lenders**") to the Transaction (collectively, the

"Consents") by no later than Friday, March 13 by 7:00 p.m. (EST).

Deposit:

Following receipt by the Purchaser of a fully executed counterpart to the Purchase Agreement, the Purchaser shall deposit the amount of \$ [REDACTED] (the **"Deposit"**) with the proposed or acting Court-appointed Monitor, Trustee or Receiver, as applicable, of the Sellers, to be held in one or more interest-bearing trust accounts. The Deposit, together with any interest earned thereon, shall be released at Closing in partial satisfaction of the Purchase Price.

If the Closing does not occur for any reason, the Deposit, together with any interest earned thereon, shall be returned to the Purchaser forthwith.

Definitive Documents:

Closing of the Transaction is subject to negotiation or delivery of satisfactory additional legal documents, including the Farming Equipment Lease, Farmland Identification, Purchase Agreement which supplements the terms and conditions of this Term Sheet with additional terms and conditions customary for a transaction of this nature, all necessary conveyance documents, lender payout letters, security discharge documents, a Transition Services Agreement, and all application/court materials, the Approval and Vesting Order or other Court orders that may be required to implement the Transaction.

The Farming Equipment Lease, Purchase Agreement and Transition Services Agreement shall be in form and substance acceptable to the Secured Lenders.

Management Agreement

The Sellers and Purchaser will enter into a Management Agreement pursuant to which the Purchaser will operate and fund the Business as of 12:01am on March 21, 2020 until Closing.

Farming Equipment Lease

The Sellers and Purchaser with the consent of the Secured Lenders will enter into a lease agreement for the Farming Equipment from Closing to and including November 15, 2020 at an effective annual rate of [REDACTED] % on a total value of \$ [REDACTED]. The Farming Equipment Lease shall provide for a further payment by the Purchaser in the event the Farming Equipment is appraised at a value higher than \$ [REDACTED], such appraisal to be determined by a mutually agreed upon accredited appraiser.

The Lease shall provide the Purchaser with a right of first refusal at market value on the sale of any Farming Equipment at the end of the Lease term. Any amounts paid under the Lease will be credited against the purchase price paid by the Purchaser for any Farming Equipment, provided that if the Purchaser elects to

purchase Farming Equipment such credit shall be made against the purchase price on a pro rata basis in accordance with the appraised value.

Non-Competition Agreement:

As a condition to Closing, the Purchaser, the Sellers and those management employees of the Sellers who will not receive offers of employment from the Purchaser (the "**Principals**") will enter into a [REDACTED] non-competition and non-solicitation agreement, pursuant to which the Principals and the Sellers shall agree that none of them, nor any of their affiliates, will compete with or solicit any employees of the Purchaser or any of its affiliates for two years after Closing, and containing confidentiality and other customary provisions.

Conditions to Closing:

The Purchase Agreement will contain customary conditions to Closing, including:

- (a) the Court shall have granted an Approval and Vesting Order in form and substance acceptable to the Purchaser, with such amendments, modifications or supplements as may be approved by the Purchaser and obtained on a motion made on notice to such persons as the Purchaser determines, acting reasonably, and such order shall not be (i) stayed or (ii) subject to a (A) stay motion, (B) motion to vary in a manner materially adverse to the Purchase or Sellers, (C) appeal, or (D) motion for leave to appeal for a purpose set forth in the foregoing clauses (ii)(A) or (B);
- (b) accuracy of representations and warranties;
- (c) compliance with covenants;
- (d) third party consents, including any governmental, regulatory or other approvals;
- (e) the transfer, assignment or re-issuance, as applicable, of any necessary permits, licenses, quotas or similar authorizations required to operate the Sellers' business;
- (f) delivery of customary closing documentation; and
- (g) no material adverse change in the Sellers' business.

Representations and Warranties:

The Purchase Agreement will contain such customary representations and warranties by the Purchaser and the Sellers as are appropriate for a transaction of this type, size and nature, including, without limitation, representations and warranties regarding the Purchased Assets and the Inventory, the absence

of undisclosed liabilities and the Sellers' payment of all its liabilities.

Employees:

The Purchase Agreement will provide that the Purchaser will extend an offer of employment to the employees of the Sellers identified by the Purchaser as necessary for the Business and any other employees identified by the Purchaser prior to the Closing. Each offer will provide for substantially the same remuneration and benefits, on an overall basis, as the employee's current remuneration and benefits.

Transition Services:

As a condition to Closing, the Sellers and the Purchaser shall enter into a Transition Services Agreement in respect of any services that are required for a transition of the ownership of the Purchased Assets and the business of the Sellers to the Purchaser, including but not limited to human resources, financial, IT, logistics services.

Due Diligence:

At any time between the receipt of the Purchaser of an executed counterpart of this Term Sheet by the recipients and the expiry of the Exclusivity Period (as defined below), the Purchaser shall have the right to conduct its due diligence relating to the business, assets, liabilities and affairs of the Sellers. During such period, the Sellers shall continue to make all of their books and records, facilities and personnel available to the Purchaser and its affiliates, directors, officers, employees and advisors (including financial advisors and legal counsel) (the "**Representatives**") and will provide the Purchaser and its Representatives with such other information relating to the business, assets, liabilities and affairs of the Sellers as the Purchaser may reasonably request from time to time.

Conduct of Business:

During the period between the receipt of the Purchaser of (a) a fully executed counterpart of this Term Sheet and the Consents and (b) the Closing, the Sellers shall conduct their business only in a prudent manner in the ordinary course consistent with past practices and shall not engage in any of the following transactions without the Purchaser's prior written consent, including, but not limited to:

- (i) disposing of, or entering into any agreement or understanding to dispose of or purchase any assets except in the ordinary course of business consistent with past practice;
- (ii) entering into or modifying any current arrangement, agreement or understanding with any employee, officer or director concerning their compensation, benefits, severance or similar entitlement;

- (iii) making, paying or declaring any dividends or other distributions of cash or assets of the business to its shareholders;
- (iv) borrowing any funds, under existing credit lines or otherwise, except as reasonably necessary for the ordinary operation of the business in a manner, and in amounts, consistent with past practices; and
- (v) granting any security of any kind in any of the Purchased Assets.

Confidentiality:

Each of the Purchaser and the Sellers will cause their respective affiliates and Representatives to keep the information contained in this Term Sheet confidential and shall not disclose any information relating to the Transaction to any third party without the prior consent of the Purchaser other than (a) the Secured Lenders, or (b) legal, tax and other professional service providers who will be involved in the due diligence related to the Transaction, and the negotiation, drafting and execution of the Purchase Agreement and related documents. Notwithstanding anything else contained herein, the parties shall be entitled to make such disclosure required by applicable law or regulation, including any Insolvency Proceedings and the disclosing party shall notify the other party prior to such disclosure including the reason therefor, provided that in the case of disclosure pursuant to any Insolvency Proceedings, the Sellers shall first obtain the consent of the Purchaser prior to making any such disclosure.

Except as and to the extent required by law, neither party shall, and each party shall direct its Representatives not to, make any public comment, statement or communication with respect to the Transaction or the existence of discussions or negotiations relating thereto, without the prior written consent of the other party. With respect to any legally required public statement, the disclosing party shall, to the extent practicable, provide the other party with prior notice of the statement and its contents.

Exclusivity:

From the date hereof until the delivery of a fully executed Purchase Agreement (the "**Exclusivity Period**"), the Sellers shall work exclusively with the Purchaser in respect of the Transaction.

During the Exclusivity Period, the Sellers shall not, directly or indirectly through its Representatives, affiliates or otherwise:

- (a) solicit, initiate, encourage or otherwise facilitate any proposal, offer or inquiry from any other person in respect of: (i) a sale of the Sellers, or their subsidiaries, assets or any portion thereof or

interest therein, (ii) any offer to acquire or subscribe for, any shares or other securities of the Sellers or their subsidiaries, (iii) any amalgamation, merger, plan of arrangement, partnership, joint venture or other business combination or transaction involving the acquisition or change of control of the Sellers or their subsidiaries or assets, (iv) or any transaction involving the assignment or sale of its indebtedness to a Secured Lender (any proposal, offer or enquiry relating to the transactions described in (i) through (iv) being an "**Acquisition Proposal**");

- (b) participate or engage in any discussions or negotiations regarding an Acquisition Proposal;
- (c) agree to, approve or recommend, or enter into any agreement or commitment related to any Acquisition Proposal; or
- (d) furnish to any person any information with respect to an Acquisition Proposal, or otherwise knowingly co-operate in any way with, or assist or participate in, facilitate or encourage, any attempt by any other person to do or seek to do any of the foregoing. The Sellers and their affiliates and Representatives shall immediately postpone any discussions or negotiations with any third party regarding any Acquisition Proposal.

Fees and Expenses:

Each of the Sellers and the Purchaser shall be responsible for their own fees and expenses incurred in connection with the due diligence, negotiation, documentation and execution of the Transaction.

Currency:

All dollar amounts refer to Canadian dollars.

Governing Law:

This Term Sheet, the Purchase Agreement and any other agreements or instruments entered into pursuant thereto will be governed by the laws of the Province of New Brunswick.

This Term Sheet does not constitute a legally binding obligation of any party hereto, except for the obligations of the parties set forth under the captions "Management Agreement", "Inventory Count", "Due Diligence", "Conduct of Business", "Confidentiality", "Exclusivity", "Fees and Expenses" and "Governing Law", which obligations are legally binding upon the parties hereto. This Term Sheet does not constitute a commitment by the Purchaser or the Sellers to consummate the transaction contemplated hereby. Such an obligation will exist only upon execution of a final, written definitive Purchase Agreement and then only in accordance with the terms and conditions thereof.

The parties agree to promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other parties may reasonable require from time to time for the purpose of giving effect to this Term Sheet and the Transaction and shall take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Term Sheet.

Schedules "A", "B" and "C" are attached to and incorporated in this Term Sheet and deemed to be a part hereof.

The parties agree that this Term Sheet may be executed in counterpart and executed and delivered by PDF or other reliable electronic means.

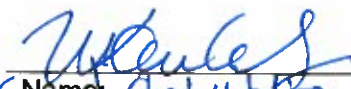
[Signature Page Follows]

IN WITNESS WHEREOF the parties have executed this Term Sheet as of March 13, 2020.

On behalf of the Purchaser:

MCCAIN FOODS LIMITED

by 
Name: PETER DAWE
Title: CHIEF STRATEGY OFFICER

by 
per Name: Chad Hutchinson
Title: Chief Legal officer

On behalf of the Sellers:

HSF FOODS LTD.

by _____
Name:
Title:

HILLSPRING FARMS LTD.

by _____
Name:
Title:

**HILLSPRING WAREHOUSE
& LOGISTICS INC.**

by _____
Name:
Title:

IN WITNESS WHEREOF the parties have executed this Term Sheet as of March 13, 2020.

On behalf of the Purchaser:

MCCAIN FOODS LIMITED

by _____
Name:
Title:

by _____
Name:
Title:

On behalf of the Sellers:

HSF FOODS LTD.

by  _____
Name:
Title:

HILLSPRING FARMS LTD.

by  _____
Name:
Title:

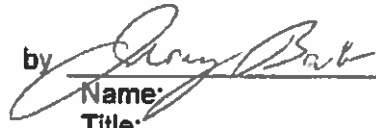
**HILLSPRING WAREHOUSE
& LOGISTICS INC.**

by  _____
Name:
Title:

**BURBANK WATER &
WASTEWATER INC.**

by 
Name: _____
Title: _____

**BURBANK INDUSTRIAL
SUPPLY INC.**

by 
Name: _____
Title: _____

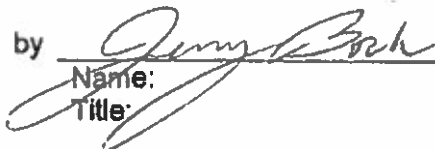
FROM THE FARM INC.

by 
Name: _____
Title: _____

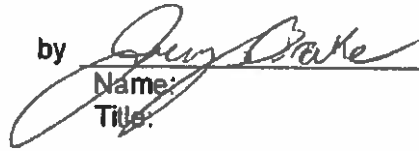
631544 N.B. LTD.

by 
Name: _____
Title: _____

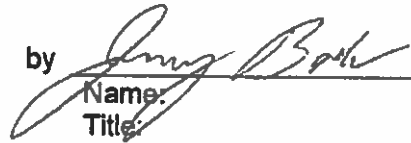
**SUNRISE SEED FARMS
LTD.**

by 
Name: _____
Title: _____

HILLSPRING THAW LTD.

by 
Name:
Title:

**EMPIRE CONSTRUCTION &
FABRICATION LTD.**

by 
Name:
Title:

698731 NB INC.

by 
Name:
Title:


BENJAMIN BRAKE


JEREMY BRAKE

Schedule "A"

Purchased Assets

Land

- All owned acreage of land associated with Business, including all farm land and land associated with the fabrication shop and chip operations including any buildings thereon
- The Bonnefield Lease, except for the portion outlined in Schedule "B"

Packing Shed, Potato Storages & Related Buildings

- Packing Shed and related building/equipment
- All potato storage facilities (22 in total)
- Truck shop (320 Tarrtown Rd., Monquart, NB, E7J 2M2), scales and related equipment
- Any and all offices on farm sites
- Ridgeview Farms building
- Offsite tractor shop (235 Beechwood Rd, Piercemont, NB, E7L 1R3) and related equipment
- All storages related to the seeding operation (3 in total)

Rail Siding (incl. Grain Silos)

- Rail siding assets (land, Grand Falls warehouse, train siding, and other related equipment)

Inventory (Farm & Grain)

- Potato, grain-seed, grain, potato-seed and chemical inventory
- All packaging inventory associated with the Business

Other

- Any debt owed by Hillspring Farms French Fry Hut
- All computers and other office-related assets associated with the Business

Schedule "B"

Schedule of Excluded Assets

The Excluded Assets shall include, but not be limited to, the following specific assets:

- Portion of the long term lease with [REDACTED] for [REDACTED] acres of farmable land near Grand Falls and Tilley
- Other rolling one-year leases for land
- Personal vehicles, recreation vehicles
- Antique car collection

Flake Assets

- Land and buildings used exclusively in the flakes operations
- Equipment and machinery used exclusively in the flakes operations
- Inventory that is associated with the flakes operations
- Equipment and trucks associated with the fabrication shop and chip operations
- Vehicles, trucks, computers, etc. associated with the flake operation
- Any other land, building, equipment, machinery, etc. associated with operating the Flake Plant, including but not limited to
 - All assets associated with the wastewater treatment facility
 - All assets associated with the Hillspring Thaw operations, including building and equipment
 - All office buildings, warehouses, structures on the property
 - The turbines and boiler machinery associated with the flake plant
 - Lagoon pump house and related assets

Schedule "C"

Equipment

Category	Description	ID / Serial number
Trucks	Freightliner	2FUPYDYB3GV283983
Trucks	Freightliner	2FUYDXYB6NA499400
Trucks	Freightliner	2FUYDDYB6TA761587
Trucks	Freightliner Stake Truck	2FUPYXYB6HV299162
Trucks	Freightliner Tractor	2FUPDXYB5VA714938
Trucks	Freightliner	2FUPYDYB0HV285014
Trucks	GMC Brigadeer (Dump)	1GDT8C4Y0GV535894
Trucks	Freightliner	2FUPDDYB5MV393134
Trucks	Freightliner	1FUPDWEB6YLF58893
Trucks	Freightliner	2FV9Y0Y9XGV261702
Trucks	International	1HTSHAAT4SH645662
Trucks	Freightliner	1FUYTEDB8XHA01987
Trucks	Freightliner	2FUYDDYB9WA984775
Trucks	International	2HSCHASR22C040770
Trucks	International	2HSFMAER6XC049421
Trucks	Freightliner	1FUYZDYB6KH442476
Trucks	Freightliner Dump Truck	2FUP2DYB3JV324606
Trucks	Freightliner	2FUPYCYBXJV324224
Trucks	International	1HTAA1951EHA17135
Trucks	Freightliner	1FUJAHCG33LK53219
Trucks	International 9300 Conventional	2HSFBBHR3PC072520
Trucks	International 9200 Conventional	2HSFMHNR1RC083469
Trucks	Freightliner FL112	1FVX1WYB9KH442529
Trucks	Freightliner FL112	1FVX1LYB9KH442528
Trucks	Freightliner T Series	2FUPDDYB6RA900296
Trucks	Freightliner (Red Dump)	1FUPYXYB5JP321135
Trucks	Freightliner (Blue Dump)	2FUPYXYB9GV283651
Trucks	White Volvo GMC	4V1YDBRG4JN602490
Trucks	Freightliner	2FUY3MDB0WA905910
Trucks	Mack CH613	1M1AA18Y82W146518
Trucks	International 5500	1HTXLAHTX4J022746

Category	Description	ID / Serial number
Trucks	International ProStar	3HSCUAPR7AN279930
Trucks	Western Star	5KKXAF0048PZ89193
Trucks	Freightliner Classic	1FUJF6AVX7DX67401
Trucks	Mack CH613	1M2AA18Y11W134169
Trucks	Mack CH613	1M2AA18Y8VW071545
Trucks	Freightliner Cascadia 125	1FUJGEDR0BLAW2548
Trucks	Kenworth Classic	1XKAD29X2WJ950517
Trucks	Freightliner FLC	2FUPYSYB2HV283902
Trucks	Wester Star 4900	2WKPDCJH8RK935790
Trucks	International F2674 SBA	1HTGLAAT62H504841
Trucks	International 9400	2HSFHB7R7PC064985
Trucks	Freightliner FL80	1FVXJJB2XHA22469
Trucks	White GMC WIA Areo	4V1WDBCH2SN690823
Trucks	International F-2674	1HTZVJUT1GHA58073
Trucks	International F-2674	1HTGLATR9WH522791
Trucks	Kenworth C550	2NKJXATX5KM920855
Trailers	Utility Dry Van	1UYVS35318M529502
Trailers	Utility Trailer VS3RA	1UYVS35308M533301
Trailers	Fruehauf Semi-Trailer	1H2R04822LH012314
Trailers	Manac Trailer	2M5631347A1123174
Trailers	Homemade Potato Trailer	NA
Trailers	Homemade Cattle Trailer	NA
Trailers	Value 2020 Trailer	5NHUVH4287N053746
Trailers	Equipment trailer (Homemade) 16'	000000000000
Trailers	Homade Grain Auger Trailer	P32301
Equipment	John Deere Skid Steer	
Equipment	John Deere Skid Steer	
Equipment	Lawnmower Tractor	
Equipment	Farmall H	
Equipment	Case IH Combine 7088	YB000271
Equipment	D6 Bulldozer	

Category	Description	ID / Serial number
Equipment	Alis Chalmers Bulldozer H20	
Equipment	Lockwood 2 Row Harvester	603052
Equipment	Lockwood 2 Row Harvester	U4061
Equipment	Lockwood 2 Row Harvester	B00473
Equipment	Craig High Tip Chip Bucket	T12080048
Equipment	Sprayer, SPX3320	Y7T021729
Equipment	Sprayer, SPX3320	Y7T022012
Equipment	International Scout (Utility Vehicle)	
Equipment	DAEWOO Fork Lift	CJ-00166
Equipment	324D Excavator	JJG01215
Equipment	CAT Forklift	6GC00513
Equipment	ROAD GRADER	730A17764220739
Equipment	Ford LNT8000 Lime Loader	1FDZW82A0HVA59599
Equipment	Lockwood Planter # 1	H00004
Equipment	Lockwood Planter # 2	U4120
Equipment	Lockwood Planter # 3	F01923
Equipment	Lockwood Planter # 4	
Equipment	Lockwood Planter # 5	C00961
Equipment	Lockwood Planter # 6	
Equipment	Hartland Machine 3 Row Rock Picker # 1	
Equipment	Hartland Machine 3 Row Rock Picker # 2	
Equipment	Grain Cart	D57040160
Equipment	Blaisdell Stationary Planter Filler	
Equipment	Loader Planter Filler # 1	
Equipment	Loader Planter Filler # 2	
Equipment	10 Bottom Plow # 1	103306
Equipment	Woods Bat Wing Mower	1169173
Equipment	6 Row Hartland Machine Front and	

Category	Description	ID / Serial number
	Rear Mount Cultivators #1	
Equipment	6 Row Hartland Machine Front and Rear Mount Cultivators #2	
Equipment	6 Row Hartland Machine Front and Rear Mount Cultivators #3	
Equipment	6 Row Hartland Machine Front and Rear Mount Cultivators #4	
Equipment	6 Row Hartland Machine Front and Rear Mount Cultivators #5	
Equipment	6 Row Hartland Machine Front and Rear Mount Cultivators #6	
Equipment	6 Row Hartland Machine Front and Rear Mount Cultivators #7	
Equipment	6 Row Hartland Machine Front and Rear Mount Cultivators #8	
Equipment	6 Row Hartland Machine Front and Rear Mount Cultivators #9	
Equipment	BT Hillers Rear Mount #1	
Equipment	BT Hillers Rear Mount #2	
Equipment	Navigator (SUK-UP) #1	
Equipment	Navigator (SUK-UP) #2	

Category	Description	ID / Serial number
Equipment	Seed Cutter	20142242
Equipment	Seed Treater Wet	2008353
Equipment	Seed Treater Dry	2015716
Equipment	Cat Fork Lift	
Equipment	Toyota Fork Lift	
Equipment	John Deer Bat Wing Mower - Seed Farm	
Equipment	Spudnik Crop Cart for Potatoes	
Equipment	Lieber Pay Loader	
Equipment	Dirt Eliminator 6' wide #1	
Equipment	Dirt Eliminator 6' wide #2	
Equipment	Dirt Eliminator 6' wide #3	
Equipment	Double Stinger #1	
Equipment	Double Stinger #2	
Equipment	Double Stinger #3	
Equipment	Double Stinger #4	
Equipment	Double Stinger #5	
Equipment	Dirt Eliminator 5' wide	
Equipment	Conveyor 30' x 30" #1	
Equipment	Conveyor 30' x 30" #2	
Equipment	Conveyor 30' x 30" #3	
Equipment	Conveyor 30' x 30" #4	
Equipment	Conveyor 30' x 30" #5	
Equipment	Conveyor 30' x 30" #6	
Equipment	Conveyor 30' x 30" #7	
Equipment	Conveyor 30' x 30" #8	
Equipment	Conveyor 30' x 30" #9	

Category	Description	ID / Serial number
Equipment	Conveyor 30' x 36" #1	
Equipment	Conveyor 30' x 36" #2	
Equipment	Conveyor 30' x 36" #3	
Equipment	Conveyor 30' x 36" #4	
Equipment	Conveyor 30' x 36" #5	
Equipment	Conveyor 30' x 36" #6	
Equipment	Conveyor 30' x 36" #7	
Equipment	Conveyor 30' x 36" #8	
Equipment	Conveyor 30' x 36" #9	
Equipment	Conveyor 30' x 36" #10	
Equipment	Conveyor 32' x 36" #1	
Equipment	Conveyor 32' x 36" #2	
Equipment	Conveyor 32' x 36" #3	
Equipment	Conveyor 32' x 36" #4	
Equipment	Telescopic Conveyor 60' x 36" #1	
Equipment	Telescopic Conveyor 60' x 36" #2	
Equipment	Telescopic Conveyor 60' x 36" #3	
Equipment	Conveyor 40' x 36"	
Equipment	Conveyor 20' x 30"	
Equipment	Conveyor 12' x 30" #1	
Equipment	Conveyor 12' x 30" #2	
Equipment	Conveyor 12' x 30" #3	

Category	Description	ID / Serial number
Equipment	Bin Piler 36" #1	
Equipment	Bin Piler 36" #2	
Equipment	Bin Piler 36" #3	
Equipment	Sizer 77" #1	
Equipment	Sizer 77" #2	
Equipment	Sizer 77" #3	
Equipment	Sizer 77" #4	
Equipment	RCO Bin Piler 32" #1	
Equipment	RCO Bin Piler 32" #2	
Equipment	GOW Bin Piler 30"	
Equipment	Seed Rack 48"	
Equipment	Seed Conveyor 24"	
Equipment	Telescopic Seed Conveyor 24"	
Equipment	Seed Conveyor 30"	
Equipment	Hartland Machine Telescopic BinPiler	
Equipment	Hartland Machine Dirt Eliminator 30"	
Equipment	Potato Hopper 25 Bbl	
Equipment	Hartland Machine Potato Hopper (25bbl)	
Equipment	Hartland Machine Hydraulic Drive (25bbl)	
Equipment	Milestone Seed Piece Treater #1	
Equipment	Milestone Seed Piece Treater #2	
Equipment	Betterbuilt Seed Piece Treater	
Equipment	Betterbuilt Seed Cutter 24" wide	375-6-4290
Equipment	RCO Grading Table 36"	
Equipment	RCO Conveyor 24" x 72"	
Equipment	RCO Rock Dinger 36"	
Equipment	Hartland Machine Seed Conveyor 25' x 30"	

Category	Description	ID / Serial number
Equipment	RCO Sizer 72"	
Equipment	RCO Telescopic Bin Piler	
Equipment	John Deer 320 Skid Steer (2640 Hr)	T00320A157236
Equipment	G25P Daewoo Forklift (5604 Hr)	D202210
Equipment	RCO Double Stinger 48"	
Equipment	RCO Telescopic Conveyor 38' x 24"	
Equipment	Smalleys Repair Dirt Eliminator 28"	
Equipment	Telescopic Bin Piler	
Equipment	Valley Sales Rock Eliminator 60"	
Equipment	Valley Sales Rock Eliminator 48"	
Equipment	RCO Conveyor 3' x 24"	
Equipment	RCO Conveyor 12' x 30"	
Equipment	Vector Spreader	M1700610
Tractor	MX120	JJA0093205
Tractor	MX255	JAZ126232
Tractor	Case MX285	JAZ127464
Tractor	Case Magnum 285	JAZ139925
Tractor	Case 706	33993
Tractor	Case 766	2490191U01776
Tractor	Case 856	14450SY
Tractor	Case 966	JJA0093205
Tractor	Case 986	JAZ126232

Schedule "D"

Breakdown of Inventory

Inventory Asset (type)	Volume	Measurement Unit	Value / Measurement Unit	Value
Potato	480,000	Hundredweight		
Potato Seed	110,000	Hundredweight		
Grain	6,185	Tons		
Grain Seed	65	Tons		
Chemicals				
Packaging				
TOTAL				

Appendix B

To report of Ernst & Young Inc. as proposed receiver and receiver manager of HSF Foods Ltd., Hillspring Farms Ltd. and Hillspring Warehouse & Logistics Inc.

(SEE ATTACHED)

MANAGEMENT AGREEMENT

MCCAIN FOODS LIMITED

- and -

**HILLSPRING FARMS LTD.
AND SUCH OTHER PARTIES LISTED ON SCHEDULE "A" HERETO**

Dated as of March 21, 2020

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MANAGEMENT AGREEMENT

THIS AGREEMENT is made as of the 21st day of March, 2020.

AMONG:

MCCAIN FOODS LIMITED,

a corporation existing under the laws of New Brunswick,

(hereinafter referred to as the "**Manager**"),

- and -

HILLSPRING FARMS LTD.,

a corporation existing under the laws of New Brunswick,

(hereinafter referred to as "**Hillspring**")

- and -

Such other parties listed on Schedule "A" hereto

(together with Hillspring, hereinafter collectively referred to as the "**Seller**")

(together, the "**Parties**" and each of them, a "**Party**")

WHEREAS pursuant to a term sheet dated as of March 13, 2020 (the "**Term Sheet**") between the Manager and the Seller, the Seller has expressed its intention to sell and the Manager has expressed its interest to purchase all of the real property owned by the Seller and associated with the operation of the Seller's potato farming, packing and seed business (the "**Business**") as well as substantially all of the assets used in the Business, on an as is where is basis, including all Inventory (as defined below), subject to the negotiation and delivery of satisfactory additional legal documents, including an asset purchase agreement (the "**Purchase Agreement**"), which will supplement the terms and conditions of the Term Sheet (the "**Transaction**");

AND WHEREAS the Secured Lenders (as defined below) intend to seek an order of the Court of Queen's Bench of New Brunswick appointing a court-appointed receiver of the Seller under the *Bankruptcy and Insolvency Act* ("**Receivership**");

AND WHEREAS the Manager intends to consummate the Transaction by way of an approval and vesting order (the "**Approval and Vesting Order**"), in the Receivership;

AND WHEREAS the Parties have agreed to enter into this management agreement (this "**Management Agreement**") pursuant to which the Manager will be appointed to act as manager and provide the Services (as defined below) to the Seller, on the terms and

conditions of this Management Agreement during the Term (as defined below), and ending on the date on which all of the conditions precedent to the closing of the Transaction pursuant to the terms of the Purchase Agreement are satisfied or waived (the "**Closing**"), unless terminated sooner in accordance with the terms of this Management Agreement;

AND WHEREAS the Manager has agreed to accept such delegation and appointment and to perform the Services upon and subject to the terms and conditions set out in this Management Agreement;

AND WHEREAS the Parties acknowledge that the Seller Employees (as defined below) will at all times during the Term (as defined below) remain employees of the Seller and will not, for any purpose, be employees of the Manager;

AND WHEREAS in the absence of the Manager's acceptance of this Management Agreement and the appointment of the Manager to perform the Services, the Seller acknowledges that it is insolvent and would continue to be unable to meet its obligations as they generally become due to the continued detriment of its stakeholders;

AND WHEREAS the Parties each acknowledge that the current state of global affairs and any resultant economic impacts are unprecedented due to the emergence of the COVID-19 pandemic ("**COVID-19 Pandemic**") and the related governmental and private efforts to contain such COVID-19 Pandemic has already and will continue to directly impact the Business and that certain other risks and impacts associated with the COVID-19 Pandemic may be unforeseeable;

AND WHEREAS the Manager requires that the Secured Lenders provide their consent and release the Manager of certain liability as described herein; and the Secured Lenders therefore wish to consent to this Management Agreement and provide the consent and release of liability attached hereto as Schedule "B" (the "**Secured Lenders' Consent**");

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the respective covenants set forth herein and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the Parties), the Parties covenant and agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Definitions

In this Management Agreement, unless the context otherwise requires, the following words, phrases and expressions will have the following meanings:

"Applicable Laws" means any laws, statutes, treaties, regulations, codes, ordinances, orders, decrees, rules, judgments, decisions, writs, policies, by-laws, permits, consents, injunctions, guidelines, practices, settlement agreements or government requirements enacted, promulgated, issued, entered into, agreed or imposed by any Governmental Authority, that apply to the Business or the use and occupancy thereof;

"Approval and Vesting Order" has the meaning set out in the recitals hereto;

"Bank Account" has the meaning set out in Section 5.3;

"Business" has the meaning set out in the recitals hereto;

"Business Day" means any day, other than a Saturday, Sunday or statutory holiday in the Province of Ontario or New Brunswick, on which banks and the offices of Governmental Authorities are open for business;

"CIBC" means Canadian Imperial Bank of Commerce;

"Closing" has the meaning set out in the recitals hereto;

"Compensation" means, without duplication, the salaries and wages paid to, or accrued for the benefit of, any Seller Employee, including overtime, incentive compensation, together with all fringe benefits payable to, or accrued for the benefit of, such Seller Employee, unemployment compensation or other employment taxes, pension fund contributions, worker's compensation, group life, accident and health insurance premiums, and profit sharing, retirement bonuses, vacation pay, disability and other similar benefits;

"COVID-19 Pandemic" has the meaning set out in the recitals hereto;

"Effective Time" means 12:01 AM (ADT) on the date of this Management Agreement;

"Equipment" means all equipment, fixtures and furniture used in the Business;

"Event of Default" means a Seller Default or a Manager Default;

"Extension Term" has the meaning set out in Section 2.2;

"Flake Operations" means the potato flake manufacturing business primarily located in Centreville, New Brunswick and operated by HSF;

"Force Majeure" means any *bona fide* event beyond the control of a Party (other than as a result of such Party's financial incapacity) which is not caused by an act or omission of such Party or a Person not acting at arm's length from such Party, in the nature of:

- (a) an inability to obtain materials, goods, equipment, services, utilities or labour;
- (b) any new statute, law, by-law or order-in-council or any regulation or order or amendment thereto passed or made pursuant thereto or any change after the Effective Time in the interpretation or applications of any Applicable Laws;
- (c) an order or direction of any Governmental Authority having jurisdiction;
- (d) an inability to procure any licence, permit, permission or authority;
- (e) a strike, lockout, slow-down or other combined action of workers or other industrial disturbances;
- (f) an act of God;

- (g) a freight embargo, blockade, war (declared or undeclared), riot, act of terrorism or insurrection, general outbreaks of sickness and pandemics, including the COVID-19 Pandemic;

which will cause such Party to be unable to fulfil, or to be materially delayed or restricted in the fulfilment of, any obligation hereunder;

"Governmental Authority" means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, body, board, tribunal or dispute settlement panel or other law or regulation-making organization or entity: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory, state or other geographic or political subdivision thereof; or (b) exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

"Gross Receipts" means, for any period, the gross receipts of the Seller for that period received from all sources including without duplication:

- (a) all receipts received or receivable from purchasers of Inventory on account of the purchase price for such Inventory;
- (b) all recoveries received or receivable from purchases of Inventory on account of taxes, levies, utilities and operating costs;
- (c) all amounts received or receivable as proceeds of insurance for loss of income from the Business; and
- (d) all amounts received or receivable as interest or investment income;

"HSF" means HSF Foods Ltd., a corporation existing under the laws of New Brunswick;

"include", "includes" and "including" means including without limitation and including without limiting the generality of the foregoing;

"Initial Term" means the period from the Effective Time until the earlier of the Closing or April 29, 2020;

"Insolvency Event" means, with respect to a Party, the occurrence of any of the following events: (i) the Party becomes the subject of any bankruptcy, insolvency, liquidation, receivership, interim receivership, winding up, dissolution, reorganization proceeding or any similar proceeding under any bankruptcy, insolvency or comparable laws, including any law providing for the compromise of debts with creditors generally; (ii) a petition, application or other process is filed against the Party for any proceedings described in item (i) immediately above, the effectiveness of which is not stayed or dismissed within thirty (30) days after the filing thereof; or (iii) the Party makes a general assignment of all or substantially all of its assets for the benefit of creditors.

"Inventory" means potato, grain-seed, grain, potato-seed, packing and chemical inventory saleable in the ordinary course, in each case located at the packing shed or any of the other storage facilities owned or operated by Seller from and after the date of this Management Agreement or in transit to such storage facilities;

"Inventory Reimbursement Amount" has the meaning set out in Section 7.7;

"Management Agreement" has the meaning set out in the recitals hereto;

"Manager" has the meaning set out in the recitals hereto;

"Manager Approval" means a written confirmation by the Manager;

"Manager Default" has the meaning set out in Section 7.2;

"Manager Indemnitees" has the meaning set out in Section 6.1;

"Manager Personnel" means the officers, employees or executives of the Manager who spend a percentage of their time engaged in the management of the Business from time to time and who are designated as such by the Manager;

"Operating Expenses" means for any period the aggregate, without duplication, of all costs and expenses of every nature and kind paid or incurred in connection with the management, marketing, operation, maintenance and repair of the Business and properly attributable to the Term, determined on an accrual basis under generally accepted accounting principles or otherwise in accordance with this Management Agreement. For greater certainty, the Operating Expenses for the Business will include the following:

- (a) wages, salaries and other labour costs, including payroll, vacation pay, taxes, insurance, medical and other employee benefits and severance costs, for Seller Employees of the Business and the percentage of such expenses for Manager Personnel (including a proportionate amount of overhead and support services for such employees or executives) that is equal to the percentage of time that such Manager Personnel spend on the operation of the Business;
- (b) the cost and expenses associated with the Business in the ordinary course, including related to planting, growing, harvesting, storing and packaging of potatoes and other expenses related to Inventory;
- (c) the cost of operation of all air conditioning, electricity, steam, water, heating, mechanical, ventilating, and elevator systems in respect of the Business including the cost of supplies and Equipment and maintenance and service contracts in connection therewith;
- (d) all charges for public utilities and energy and fuel supplies used or consumed at or supplied to the Business including the cost of local and long distance telephone, internet and data communication services;
- (e) the cost of all repairs and maintenance of the Business other than costs which are treated as capital expenditures in accordance with generally accepted accounting principles;
- (f) the costs of cleaning, extermination, security and all other similar contract services in connection with the operation of the Business;

- (g) credit card and bank service charges incurred in connection with the Business' banking arrangements;
- (h) costs and expenses incurred in connection with leasing or licensing of Equipment by the Business;
- (i) costs and expenses incurred in connection with the maintenance of Equipment by the Business;
- (j) insurance premiums for insurance obtained by or on behalf of the Seller with respect to the Business, and all expenses incurred in the adjustment or collection of claims under such insurance;
- (k) the costs of maintaining books of account and other records and producing operating statements in respect of the Business;
- (l) all real property, business, personal property and other similar taxes payable in respect of the Business or the activities conducted at the Business;
- (m) the actual amount of any GST or other similar value added or sales taxes imposed by any Governmental Authority and paid as a result of the operations of the Business, less any credits with respect to such taxes otherwise granted with respect to the operations of the Business;
- (n) all charges under leases or licences of personal property used in the ordinary course of the activities conducted at the Business;
- (o) the Reimbursable Expenses;
- (p) amounts reimbursed to the Manager for expenses in connection with the provision of the Services and the operation of the Business in accordance with this Management Agreement; and
- (q) any other costs incurred with respect to sales or revenues generated by the Business or which are directly attributable to the operation of the Business,

provided that Operating Expenses will not include:

- (r) any expenses related to the Flake Operations;
- (s) depreciation or amortization expenses in respect of the Equipment;
- (t) income or other similar taxes (except to the extent specifically included above); or
- (u) any capital expenditures outside the ordinary course of business, including, but not limited to the renovation, refurbishment, improvement, upgrade or replacement of, or addition to, the Real Property, the buildings located or installed therein or used in connection therewith, or the Equipment.

"Parties" has the meaning set out in the recitals hereto, each individually a **"Party"**;

"Person" means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;

"Real Property" means all the real or immovable property owned by the Seller and related to the operation of the Business, including any and all buildings, fixtures and equipment located thereon;

"Receivership" has the meaning set out in the recitals hereto;

"Reimbursable Expenses" has the meaning set out in Section 5.6(a);

"Secured Lenders" means CIBC and Farm Credit Canada;

"Secured Lenders' Consent" has the meaning set out in the recitals hereto;

"Seller Default" has the meaning set out in Section 7.1;

"Seller Employees" means those individuals employed by the Seller, who are determined by the Manager, in the Manager's sole discretion, to be necessary for the operation of the Business and who, for all purposes, will not be nor will be deemed to be employees of the Manager, either alone or in common with the Seller. For greater certainty, **"Seller Employees"** shall not include Manager Personnel;

"Services" has the meaning set out in Section 3.4;

"Term" means the Initial Term and any applicable Extension Term; and

"Term Sheet" has the meaning set out in the recitals hereto.

1.2 Certain Rules of Interpretation

In this Agreement:

- (a) **Currency** – All references to dollar amounts are to lawful currency of Canada unless otherwise stated;
- (b) **Headings** – Headings of Articles and Sections are inserted for convenience of reference only and will not affect the construction or interpretation of this Agreement;
- (c) **Including** – Where the word "including" or "includes" is used in this Agreement, it means "including (or includes) without limitation";
- (d) **No Strict Construction** – The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction will be applied against any Party;

- (e) **Number and Gender** – Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders;
- (f) **Time Periods** – Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done will be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day; and
- (g) **Legislation** – A reference to any legislation or to any provision of any legislation will include any amendment to, and any modification or re-enactment thereof, any legislative provision substituted therefore and all regulations and statutory instruments issued thereunder or pursuant thereto.

1.3 Severability

If any provision of this Management Agreement or portion thereof, or the application thereof to any Person or circumstance is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination will not impair or affect the validity, legality or enforceability of the remainder of this Management Agreement and the application of such provision or portion thereof to any other Persons and each provision is hereby declared to be separate, severable and distinct. To the extent that any provision is found to be invalid, illegal or unenforceable, the Parties will act in good faith to substitute for such provision, to the extent possible, a new provision with content and purpose as close as possible to the provision so determined to be invalid, illegal or unenforceable.

1.4 Governing Law

This Management Agreement will be governed by and construed in accordance with the laws of the Province of New Brunswick and the federal laws of Canada applicable therein.

1.5 Schedules

The following Schedules are attached to and form a part of this Management Agreement:

- Schedule A - Seller Entities
- Schedule B - Secured Lender Consent and Waiver of Liability

ARTICLE 2 TERM

2.1 Initial Term

The initial term of this Management Agreement will commence on the Effective Time and unless sooner terminated or extended as provided herein, expire at the end of the Initial Term.

2.2 Extension Terms

(a) Upon the expiry of the Initial Term and provided the Manager has delivered at least five days' written notice to the Seller, this Management Agreement will be extended for a further period of 30 days, or an alternative length of time indicated by the Manager in such notice (the "**Extension Term**") commencing immediately upon the expiration of the Initial Term.

(b) Upon the expiry of the Extension Term and provided the Manager has delivered at least five days' written notice to the Seller, this Management Agreement will be extended for a further Extension Term commencing immediately upon the expiration of the immediately preceding Extension Term.

ARTICLE 3 DUTIES AND RESPONSIBILITIES OF THE MANAGER

3.1 Appointment of the Manager

The Seller hereby appoints the Manager, as an independent contractor and not as agent, to manage the Business pursuant to the terms of this Management Agreement and the Manager accepts such appointment. Such appointment will be in effect during the Initial Term and any applicable Extension Term and will be irrevocable and coupled with an interest such that this Management Agreement will not be subject to termination or revocation except as specifically provided in Article 7.

3.2 Obligation of Manager to Manage

Throughout the Term, the Manager, as an independent contractor and not as an agent, may manage the Business, perform (or arrange for the performance of) the Services and carry out the other duties and activities specified in this Management Agreement, subject to the availability of funds for such purpose. The Manager may devote such time to the Business as will be reasonably necessary to perform its obligations hereunder.

3.3 Policies

The Manager may from time to time establish or adopt and provide to the Seller, written policies, limitations, instructions and procedures governing the management of the Business and, the Seller will at all times act in accordance with those written policies, limitations, instructions and procedures.

3.4 Services

Without limiting or derogating from the provisions of Sections 3.1 or 3.2 and in furtherance of its obligation to manage the Business, in each case subject to and in accordance with the provisions of this Management Agreement, the Manager may provide the following management services during the Term in respect of the Business (the "**Services**"), but subject always to the limitations in Article 4:

General Operational Services

- (a) Personnel: in accordance with Section 3.5, the Manager may, in its sole discretion, direct the Seller to hire, direct, supervise, or terminate any or all Seller

Employees, and the Seller shall carry out the Manager's directions hereunder, provided that the Seller may consult with the Manager as to the employment ramifications (including in relation to Compensation) that would flow to the Seller as employer of the Seller Employees. The Seller will coordinate any complaints and/or objections through the Manager. For the avoidance of doubt, the Seller Employees will at all times remain under the control or direction of the Seller and will not be nor will be deemed to be under the common control or direction of the Manager;

- (b) Farming and Storage: the Manager may, in its sole discretion, direct any or all Seller Employees to facilitate the planting, growing, harvesting, storing and packing of potatoes or any ground cover crop. For greater certainty, any decision surrounding planting or seeding for the 2020 growing season will be in the sole discretion of the Manager; provided that the Manager will, at a minimum, plant a ground cover crop on all the Real Property used for farming in the Business;
- (c) Contractual Rights and Obligations: endeavour to assist the Seller with compliance with the terms and conditions of contractual, statutory or municipal obligations with respect to the Seller or the Business and entered into or imposed upon the Seller, which, in the Manager's sole discretion, are necessary for the operation of the Business, including without limitation, Equipment leases and other supply contracts with purchasers of Inventory, and in so doing may call upon the Seller to provide any payments, or take any action which, in Manager's sole discretion are necessary in connection therewith and the Seller will forthwith cause such payments to be made, or such action to be taken. For greater certainty, the Manager will have no obligation to ensure the Seller is in compliance with the terms of any of its contractual, statutory, municipal, or other Business related obligations;
- (d) Insurance: assist the Seller in the maintenance and provision of any insurance, and may, in its sole discretion, direct the Seller to properly maintain or purchase all insurance, which in the sole discretion of the Manager, is required for the Seller with respect to the Business;
- (e) Compliance with Laws and Obligations: endeavour to, by the establishment of management systems or otherwise, assist the Seller with compliance of (i) the terms and conditions of the Seller's agreements and obligations with respect to the Business, or its operation or ownership of which the Manager has been previously advised by the Seller, and (ii) all Applicable Laws and all lawful requirements of all Governmental Authorities having jurisdiction over the Business;
- (f) Payables, etc.: assist the Seller in the payment of Operating Expenses, which in the Manager's sole discretion are necessary to the operation of the Business, including, without limitation, payments under Equipment leases, payments to suppliers of Inventory, property taxes, water rates, light and power rates, merchants' association dues, wages, fuel costs and insurance premiums as they become due. For greater certainty, the Manager will have no obligation to ensure the Seller has paid any of the Operating Expenses, or, in respect of

Operating Expenses that relate to Compensation, made any withholdings and remittances that are required by Applicable Laws;

- (g) Security: assist the Seller in the arrangement of and supervise the adequacy of security for the physical protection of the Business and the Inventory, which in the Manager's sole discretion is necessary and control of vehicular and pedestrian access and egress as determined necessary in the Manager's sole discretion;
- (h) General: perform and, where desirable, contract for all things, which in the sole discretion of the Manager are necessary for the proper and efficient management, operation and maintenance of the Business and the performance of every other reasonable act whatsoever in or about the Business to carry out the intent of this Management Agreement;

Accounting and Management of Funds

- (i) Cash Management: the Manager will manage the Bank Account and conduct all banking arrangements in connection with the day-to-day operation of the Business in accordance with Sections 5.3 and 5.4; and
- (j) Books of Account; Information: the Manager will maintain at its offices in Florenceville, New Brunswick appropriate books of account and records with respect to all transactions entered into in performance of this Management Agreement; the Seller will have the right at reasonable times and intervals to obtain information with respect to the Business and to cause such inspections of the books and records maintained by the Manager pursuant to this Management Agreement relating to the Business to be made as may be reasonable in the circumstances.

3.5 Personnel

(a) The Manager is hereby authorized to direct the Seller to hire, direct, supervise or terminate any or all Seller Employees which are necessary, in the Manager's sole discretion, for the proper staffing of the Business and further direct the Seller to train, supervise, direct, discharge and determine the Compensation and other terms of employment of such Seller Employees, and the Seller shall carry out the Manager's directions hereunder, provided that the Seller may consult with the Manager as to the employment ramifications (including in relation to Compensation) that would flow to the Seller as employer of the Seller Employees. For greater certainty, all such Seller Employees will remain under the control or direction of the Seller and will not be nor will be deemed to be under the common control or direction of the Manager. For greater certainty, as a consequence of Seller Employees' status as employees of the Seller during the Term, in no event shall Seller Employees have any entitlement during the Term to receive payment of Compensation from the Manager or otherwise to participate in, or accrue or receive benefits in respect of, any person, retirement, employee benefit or incentive plan sponsored or maintained by the Manager or its affiliates.

(b) All Compensation paid to Seller Employees after the Effective Time of this Management Agreement with respect to the Business and the applicable percentage of Compensation paid to Manager Personnel which corresponds to the percentage of the time and attention such Manager Personnel devotes to the Business will be an Operating Expense.

(c) The Parties acknowledge and agree that any employee employed or retained in relation to the Flake Operations will not be considered a Seller Employee for the purposes of this Management Agreement, unless such an employee is an employee of the Seller and has been approved by the Manager as a Seller Employee.

3.6 Duty to Inform

In addition to the notices expressly required to be given by the Seller to the Manager hereunder, the Seller will at all times keep the Manager informed as to all matters in any way affecting the Business or the assets used in connection therewith.

ARTICLE 4 **MANAGER'S AUTHORITY AND LIMITATIONS**

4.1 Manager's Authority

Subject to the provisions of this Management Agreement:

- (a) the Manager will have the authority on behalf of and in the name of the Seller to do such things as are, in the sole discretion of the Manager, necessary in connection with the management of the Business, the provision of Services and the performance of its other duties under this Management Agreement;
- (b) the Manager will have the authority to review all accounts payable and additional charges and other amounts from time to time payable by the Seller including, without limitation, amounts in respect of maintenance and operating costs, insurance premiums, special charges, and other like payments, which in the Manager's sole discretion are necessary in connection with the operation of the Business, and may direct the Seller to pay any such amounts;
- (c) the Manager will have the sole authority on behalf of the Seller to manage the day-to-day operations of the Business, to determine sale prices for Inventory and any other products, to plan for the 2020 planting season and any other operational matters related to the Business;
- (d) the Manager will have the sole authority to determine the Operating Expenses based on the best information available to the Manager and may, at times, estimate the amount of any individual Operating Expense, or aggregate of any number of Operating Expenses, if the amount of actual expenditure is not available; and
- (e) the Manager will have the sole right to determine operating policy, standards of operation, quality of service and any other matters affecting customer or supplier relations or efficient management and operation of the Business.

Without limiting the generality of the foregoing, the Manager will have the sole authority to make, enter into and perform, or alter as the case may be, in the name of, for the account of, on behalf of and at the expense of the Seller, any contracts and agreements which are reasonably necessary and appropriate to carry out or place in effect the terms and conditions of this Management Agreement.

4.2 COVID-19 Pandemic

The Parties acknowledge as a result of the COVID-19 Pandemic the Business may become impossible to operate or maintain over the short-term or for the foreseeable future. The Parties agree that the Manager will have the sole right to direct the Seller to:

- (a) temporarily cease all or part of the operations of the Business for such period of time as, in the sole discretion of the Manager, is necessary; or
- (b) permanently cease the operations of the Business,

upon the Manager determining, in its sole discretion, that it is necessary to do so.

4.3 Limits on Manager's Responsibility

Notwithstanding any other provision of this Management Agreement, at any time when, and for so long as, the Seller is a party to and/or is bound by this Management Agreement or any similar agreement affecting the Business and the operation or management thereof, there will be excluded from the provisions of this Management Agreement: (i) any and all parts of the Flake Operations and aspects of the operation and management thereof; and (ii) the rights, duties and obligations of the Parties in respect of such parts and such aspects.

4.4 Limitation of Liability

(a) The Seller hereby agrees that the Manager will not have any liability (whether direct or indirect, in law, tort or otherwise) to (i) the Seller, or any of its directors, officers, shareholders, partners, managers, employees, advisors, agents or representatives or any of their respective subsidiaries, affiliates, or partners, or (ii) creditors of any of them, for or in connection with the obligations associated with this Management Agreement, except to the extent such liability is found in a final and non-appealable judgment by a court of competent jurisdiction to have directly resulted from the Manager's gross negligence or wilful misconduct (to the extent such liability was not caused or contributed to by any of the Seller, or any other Person), provided that the Manager's aggregate liability under this paragraph will not exceed an amount equal to the aggregate amount of funds extended to the Seller or on behalf of the Seller by the Manager pursuant to this Management Agreement and all other fees, costs and expenses paid by the Manager under this Management Agreement. In no event, however, will the Manager be liable on any theory of liability for any special, indirect, consequential or punitive damages (including, without limitation, any loss of profits, business or anticipated savings). Notwithstanding the foregoing the Manager will not be liable in any respect for any claims related to Seller Employees.

(b) For greater certainty, the Seller will not make a claim or bring proceedings relating to the Services or otherwise under this Management Agreement against any Manager Indemnitees (as defined below). The Seller and Secured Lenders will make any claim or bring proceedings only against the Manager. The provisions of this Section 4.4 will survive the termination of this Management Agreement.

4.5 Furnish Information

The Manager will make available to the Seller and any auditor or legal counsel of the Seller such information, documentation and material relating to the Business as and when

the same may be reasonably requested in writing and otherwise give such co-operation as may be necessary for the auditor or legal counsel to carry on their duties on behalf of the Seller.

ARTICLE 5 **PAYMENTS AND FEES**

5.1 Funding

The Seller and the Manager acknowledge and agree that it is their mutual intention that:

- (a) all Operating Expenses incurred in connection with the ownership, operation, repair, maintenance and management of the Business will be funded and paid first out of Gross Receipts;
- (b) all Operating Expenses incurred in connection with the ownership, operation, repair, maintenance and management of the Business which exceed the Gross Receipts will be paid by the Manager out of the Bank Account; and
- (c) all capital expenditures outside relating to the Business must receive prior Manager Approval.

5.2 Shortfalls

(a) In performing its duties under this Management Agreement, the Manager may provide funds from its own accounts, via the Bank Account or otherwise, to pay any Operating Expenses or any other expenditures, which the Manager determines, in its sole discretion, are necessary for the proper operation and maintenance of the Business or to meet any financial obligations of the Seller with respect to the Business. Any amounts so provided by the Manager to pay such Operating Expenses or other expenditures will be repaid on demand by the Seller to the Manager.

(b) For greater certainty, the Manager will not have any obligation to provide its own funds to pay any Operating Expenses or any other expenditures necessary for the proper operation and maintenance of the Business or to meet any financial obligations of the Seller with respect to the Business. In the event that the Manager does not elect to provide its own funds to pay any Operating Expenses or any other expenditures then, provided that the lack of funds is not due to the fraud, unlawful conduct or negligence of the Manager, the Manager will be excused from any failure to perform its duties and obligations under this Management Agreement to the extent that such failure is attributable to the lack of funds and the Manager will have no other liability to the Seller whatsoever for any consequences arising from the Manager's decision not to provide additional funds.

5.3 Banking

The Manager agrees that all Gross Receipts will be collected by the Manager on behalf of the Seller for the account of the Seller. All Gross Receipts will be deposited forthwith upon receipt in a Canadian chartered bank or trust company selected by the Manager, in a separate and segregated interest bearing account established for the Business by the Manager, to be maintained by the Manager for the benefit of the Seller (the "**Bank Account**"). The Manager will handle all banking necessary for the due performance of the Manager's

accounting and administrative functions under the provisions of this Management Agreement and for the receipt and disbursement of all monies of the Seller pertaining to the operations of the Business required to be attended to by the Manager under the provisions of this Management Agreement in accordance with sound management practices. The Bank Account will be used solely in respect of the Business and the Manager will not co-mingle funds pertaining to the Business with funds which are unrelated to the Business. The Manager will designate the parties, who will be employees of either the Manager or the Seller, who will, following Manager Approval, have signing authority and who may draw on such accounts in accordance with this Management Agreement. The Seller will be entitled, at all times, to inspect all records with respect to the Bank Account upon reasonable notice to the Manager.

5.4 Distributions

No funds will be disbursed by the Manager out of the Bank Account except in accordance with the following provisions:

- (a) **Payments of Operating Expenses.** Subject to the terms of this Management Agreement, the Manager is authorized, for and on behalf of the Seller, to disburse funds on a current basis from the Bank Account to pay Operating Expenses other than Reimbursable Expenses, or, in the case of operating Expenses that are Compensation, to advance to the Seller funds on a current basis from the Bank Account for purposes of allowing the Seller to pay such Compensation, which Compensation the Seller shall forthwith pay or cause to be paid.
- (b) **Payment of Reimbursable Expenses.** The Manager will, subject to the requirements of Section 5.6(a), be permitted to withdraw from the Bank Account the amount of its Reimbursable Expenses payable in respect of the immediately preceding week, or alternate period determined by the Manager. If there are insufficient funds in the Bank Account to permit the Manager to make such withdrawal on any date when such withdrawal is permitted, the Manager may reimburse itself from future amounts held in the Bank Account.

5.5 Purchases Outside the Ordinary Course

The Seller may not initiate any transactions outside the ordinary course of the Business, including purchases of additional Equipment or Inventory, without Manager Approval. In the event the Manager provides Manager Approval, the Manager will:

- (a) be entitled to arrange for the consummation of the proposed transaction for the Manager's own account and arrange for the benefits of such transaction to be provided to the Seller, subject to terms and conditions to be agreed upon by the Manager and the Seller, acting reasonably; or
- (b) where the transaction involves the purchase of Equipment, Inventory or other personal property, be entitled to provide the Seller with the funds necessary to consummate the proposed transaction on the Seller's account, take a purchase money security interest in the Equipment, Inventory or other personal property proposed to be purchased by the Seller and make any further registrations which may be necessary to secure the Manager's security interest in the purchased asset.

5.6 Reimbursable Expenses

(a) The Manager will be entitled to receive reimbursement without duplication or mark-up for all reasonable out-of-pocket costs and expenses incurred by the Manager in the performance of its duties under the Management Agreement (collectively, the "**Reimbursable Expenses**"). All such Reimbursable Expenses will be Operating Expenses of the Business and payable out of the Gross Receipts of the Business. Reimbursable Expenses will be reimbursed to the Manager on a weekly basis, or such other period determined by the Manager, provided that the Manager makes available to the Seller its receipts, vouchers, invoices and other documentation in support of such expenses. For greater certainty, Reimbursable Expenses will not include a profit component for the Manager or any of its affiliates, principals, executives or employees.

(b) The Seller will provide to the Manager the office space, furnishings, equipment and storage space that the Manager determines it reasonably requires for Manager Personnel performing the Services under this Management Agreement. If such space is not provided, any cost to the Manager for any such office space, furnishings, equipment and/or storage space required by the Manager will be included as a Reimbursable Expense.

5.7 CIBC Adjustment

On Closing, the Manager agrees to reimburse CIBC, on a per diem basis, for the period from the Effective Time until the Closing, for Operating Expenses invoiced on a monthly basis and debited from the Seller's CIBC operating account, on or after March 1, 2020.

ARTICLE 6 **INDEMNITIES**

6.1 Indemnification of the Manager by the Seller

The Seller will indemnify and hold harmless the Manager, its officers, directors, employees, agents, affiliates, subcontractors, members, shareholders, partners, or principals (collectively, the "**Manager Indemnitees**") from and against any and all losses arising or resulting from or connected with:

- (a) any fraudulent, negligent or unlawful act or omission of the Seller or their respective shareholders, officers, directors, employees or agents;
- (b) any breach or non-performance by the Seller of any of its material obligations hereunder;
- (c) the lawful performance by the Manager of its obligations under this Management Agreement including in respect of the Services, or pursuant to instructions of the Seller;
- (d) any injury to any employee or other Person or damage to personal property in or about the Business by reason of any cause whatsoever;
- (e) the failure of the Seller to maintain adequate insurance coverage;
- (f) the ownership, operation or use of the Business; and

- (g) any determination by a Governmental Authority that the Manager is or has been a common employer, related employer or associated employer of any Seller Employee during the Term,

in each case except to the extent such losses are caused by any fraudulent, act or willful misconduct on the part of the Manager or its officers, directors, employees or agents. The Seller agree to indemnify and hold the Manager Indemnitees harmless from and against any claims made by third parties related to their use of, or reliance upon, the Services. All Manager Indemnitees will be entitled to rely on and enforce this paragraph. The Manager accepts the foregoing indemnity as agent and trustee for each Manager Indemnitee and the Seller agrees that the Manager may enforce the foregoing indemnity on behalf of such Manager Indemnitees. The provisions of this Section 6.1 will survive the termination of this Management Agreement.

6.2 Consent and Waiver of Liability by the Secured Lenders to the Manager

The Secured Lenders irrevocably consent to this Management Agreement and release the Manager of certain liability as more fully described in the Secured Lenders' Consent attached hereto as Schedule "B".

6.3 Notice of Claim

In the event that the Manager will become aware of any claim in respect of which the Seller (the "**Indemnifying Party**") has agreed to indemnify the Manager pursuant to this Management Agreement, the Manager will promptly give written notice thereof to the Indemnifying Party. Such notice will specify whether the claim arises as a result of a claim by a Person against the Manager or whether the claim does not so arise, and will also specify with reasonable particularity (to the extent that the information is available) the factual basis for the claim and the amount of the claim, if known.

ARTICLE 7 DEFAULT AND TERMINATION

7.1 Seller Defaults

It will be an event of default by the Seller hereunder if any one or more of the following events will occur (each a "**Seller Default**"):

- (a) the failure of the Seller to perform, keep or fulfill any of its other covenants, undertakings or obligations set forth in this Management Agreement, if such failure has or could reasonably be expected to have an adverse impact on the operation of the Business or the ability of the Seller or the Manager to perform its obligations under this Management Agreement and such failure is not cured within 5 days after written notice specifying such failure is received by the Seller from the Manager; or
- (b) any actual or alleged unlawful conduct or fraud in connection with the ownership or operation of the Business by a shareholder, director, executive or senior officer of the Seller or by any other employee of the Seller.

7.2 Manager Defaults

It will be an event of default by the Manager hereunder if any one or more of the following events will occur (each a "**Manager Default**"):

- (a) unlawful conduct or fraud in connection with the management of the Business or the provision of any Services by a shareholder, director, executive or senior officer of the Manager or by any other employee of the Manager; or
- (b) the occurrence of an Insolvency Event in respect of the Manager.

7.3 Termination

(a) This Management Agreement may be terminated by the Manager or the Seller prior to the expiration of the Term upon the occurrence of an Event of Default (other than an Insolvency Event), at the option of the non-defaulting party exercised by written notice to the defaulting party prior to the cure of such Event of Default, if applicable and effective as of such date as may be specified in such notice.

(b) If an Insolvency Event occurs in respect of the Manager, this Management Agreement will be deemed terminated effective on the day immediately prior to the occurrence of such Insolvency Event (provided that the Manager will be entitled to be paid Reimbursable Expenses which it would otherwise have been entitled to from such date of termination to the date on which the Insolvency Event occurs and that such termination will not in any way invalidate any action taken by the Manager in accordance with this Management Agreement during such interim period, if any). The occurrence of the Insolvency Event itself will constitute notice of termination of this Management Agreement and such termination will be effective without any further action or documentation by the Manager.

(c) This Management Agreement will be deemed terminated effective on the earlier of the Closing and the date the Purchase Agreement is terminated in accordance with its terms.

(d) Upon the occurrence of a Force Majeure that has continued for a period of 5 days, or any permanent cessation of the Business pursuant to Section 4.2(b), the Manager may, in its sole discretion, terminate this Management Agreement upon written notice to the Seller effective as of such date as may be specified in such notice.

7.4 Termination Payment

(a) If the Seller terminates this Management Agreement pursuant to Section 7.3 as a result of an Event of Default or Insolvency Event relating to the Manager, no severance costs, termination fee, liquidated damages or other compensation will be payable to the Manager, provided that the Seller will pay all accrued Reimbursable Expenses through the effective time of termination.

(b) If the Manager terminates this Management Agreement pursuant to Section 7.3(a) as a result of an Event of Default relating to the Seller, no severance costs, termination fee, liquidated damages or other compensation will be payable to the Seller.

7.5 Manager's Duties Upon Termination

Upon expiry of the Term, or earlier termination of this Management Agreement, other than upon Closing of the Transaction:

- (a) the Manager will have no further obligations of any kind to the Seller, whether under this Management Agreement or otherwise; and
- (b) the Manager may elect to retain copies of records, documents and books of account and the Seller will produce at its offices the originals of such records, documents and books of account whenever reasonably required to do so by the Manager for the purpose of legal proceedings or dealings with any Governmental Authorities.

7.6 Seller Duties Flowing From Termination

Upon expiry of the Term or earlier termination of this Management Agreement, other than upon Closing of the Transaction, the Seller will:

- (a) assume all leases and contracts entered into by the Manager on behalf of the Seller relating to the management of the Business and indemnify the Manager from and after the expiry or termination of this Management Agreement against any liability by reason of anything done or required to be done under leases and contracts unless such liability results from the fraudulent act or wilful misconduct, unlawful conduct of the Manager;
- (b) pay for and indemnify the Manager against the costs of all services, materials and supplies, if any, which may have been incurred by the Manager as a result of its obligations arising from this Management Agreement but which may not have been charged to and paid by the Manager at the time of termination if such services, materials and supplies have been ordered in accordance with the provisions of this Management Agreement; and
- (c) pay to the Manager all unpaid Reimbursable Expenses accrued prior to such expiry or termination.

Notwithstanding the foregoing, upon expiry of the Term or earlier termination of this Management Agreement:

- (a) the Seller will have no obligation to assume any contract of employment made between the Manager and its employees or pay for or indemnify the Manager against any amounts payable to such employees as a result of the expiry or termination of this Management Agreement; and
- (b) the Seller will continue to employ all Seller Employees then employed in the Business at their then existing levels of Compensation.

7.7 Inventory Reimbursement

The Manager covenants to reimburse CIBC for the value of any Inventory sold or used by the Manager during the period from the Effective Time through to the effective time of

termination of this Management Agreement calculated as the sum of (i) \$ [REDACTED] per hundredweight for potatoes sold during the period, (ii) \$ [REDACTED] per ton of grain-seed sold during the period; (iii) \$ [REDACTED] per ton of grain sold during the period, (iv) \$ [REDACTED] per hundredweight for potato-seed sold or used during the period, (v) a percentage of \$ [REDACTED] equal to the percentage of chemical inventory sold or used in the period, and (vi) a percentage of \$ [REDACTED] equal to the percentage of packaging inventory sold or used in the period, in each case as determined or estimated by the Manager on a best-efforts basis (the sum of such amounts are defined as the "**Inventory Reimbursement Amount**") solely in the following circumstances:

- (i) the Term of the Management Agreement expires prior to the completion of the Transaction;
- (ii) the Purchase Agreement is terminated by the Manager for any reason within its control but not otherwise owing to any act, omission, default or misconduct of a Seller or Secured Lender or any other Person, including a Force Majeure event (other than the COVID-19 Pandemic);
- (iii) the Seller terminates this Management Agreement due to an Event of Default of the Manager pursuant to Section 7.3(a); or
- (iv) this Management Agreement is deemed terminated in accordance with Section 7.3(b),

provided that the Inventory Reimbursement Amount will be a credit to the Manager on the Purchase Price (as defined in the Term Sheet) in respect of the Inventory in the event that the Manager subsequently completes the Transaction.

ARTICLE 8

GENERAL

8.1 Manager an Independent Contractor

Nothing in this Management Agreement will be construed as or will constitute a partnership, agency, joint venture or lease between the Manager and the Seller with respect to the Business. The duties to be performed and the obligations assumed by the Manager under this Management Agreement will be performed and assumed by the Manager as an independent contractor and (unless as expressly provided in this Management Agreement) not as agent or in any other way as representative of the Seller.

8.2 Notices

Any notice or other communication required or permitted to be given hereunder ("**Notice**") will be in writing and will be given by mail, by electronic transmission or by personal delivery. Any such Notice or other communication, if delivered by mail at any time other than during a general discontinuance of postal service due to strike, lockout or otherwise, will be deemed to have been received on the third Business Day following the day on which the Notice was sent. If sent by electronic transmission or personally delivered, a Notice will be deemed to have been received on the Business Day following the sending or delivery after 5:00 p.m. Toronto time on a Business Day or on the same day if sent or delivered before 5:00 p.m. Toronto time on a Business Day. Notice of change of address will also be governed by this

section. In the event of a general discontinuance of postal service due to strike, lockout or otherwise, notices or other communications will be personally delivered or sent by electronic transmission. Notices will be addressed as follows:

(a) to the Manager:

McCain Foods Limited
8800 Main St.
Florenceville-Bristol, NB
E7L 1B2

Attention: Nia Karabatsos
Email: nia.karabatsos@mccain.ca

with a copy to:

**Davies Ward Phillips & Vineberg
LLP**
155 Wellington St. W.
Toronto, ON
M5V 3J7

Attention: Natasha MacParland
Email: nmacparland@dwvpv.com

(b) to the Seller:

Hillspring Farms Ltd.
295 Tarrtown Rd.
Bath, NB
E7J 2N2

Attention: Benjamin Brake and Jeremy Brake
Email: ben.brake@hsffood.ca and jeremy.brake@hillspringfarms.ca

with a copy to:

McInnes Cooper
1969 Upper Water St., Suite 1300
Purdy's Wharf Tower II
Halifax, NS
B3J 3R7

Attention: Stephen Kingston
Email: stephen.kingston@mcinnescooper.com

or to such other address as a Party designates by Notice given in accordance with this Section 8.2 from time to time.

8.3 Assignment

This Management Agreement will be binding upon and enure to the benefit of the Parties and their respective successors and assigns. No Party may assign its rights hereunder except with the express written consent of the other Parties.

8.4 Further Assurances

The Parties agree that they will from time to time at the reasonable request of any of them execute and deliver such instruments, conveyances and assignments and take such further action as may be required pursuant to the terms hereof to accomplish the purposes of this Management Agreement.

8.5 Time of the Essence

Time will be of the essence with respect to this Management Agreement and all time limits mentioned in this Management Agreement.

8.6 Force Majeure

Without limiting the terms of Section 4.2 and subject to Section 7.3(d), to the extent that the Manager is temporarily unable to perform its obligations hereunder, in whole or in part, because of a Force Majeure, the Manager will be relieved from performing those obligations which it is unable to perform for the period such Force Majeure continues or the time for performing those obligations will be extended for the period such Force Majeure continues and no liability will exist to the Seller for failure of performing during such period; provided that during such period of Force Majeure the Parties will still be required to perform all other obligations hereunder which are able to be performed. The Manager which is delayed in performing its obligations as a result of Force Majeure will notify the Seller as soon as practicable after becoming aware of such Force Majeure and will from time to time, as requested by the Seller, notify the Seller of the expected duration of the delay.

8.7 Confidentiality

All information received by any Party from another Party in connection with the preparation and execution of this Management Agreement will not be disclosed by the receiving Party to any other Person except with the written consent of the other disclosing Party or unless disclosed in legal proceedings between the Parties hereto.

[Remainder of page intentionally left blank.]

8.8 Counterparts

This Management Agreement may be executed in counterparts, each of which will constitute an original and all of which, when taken together, will constitute one Management Agreement.

IN WITNESS WHEREOF the Parties have executed this Management Agreement as of the date first above written.

MCCAIN FOODS LIMITED

by _____
Name:
Title:

by _____
Name:
Title:

HILLSPRING FARMS LTD.

by _____
Name:
Title:

HSF FOODS LTD.

by _____
Name:
Title:

**HILLSPRING WAREHOUSE &
LOGISTICS INC.**

by _____
Name:
Title:

8.8 **Counterparts**

This Management Agreement may be executed in counterparts, each of which will constitute an original and all of which, when taken together, will constitute one Management Agreement.

IN WITNESS WHEREOF the Parties have executed this Management Agreement as of the date first above written.

MCCAIN FOODS LIMITED

by _____
Name: _____
Title: _____

by  _____
Name: *Chad Hutchinson*
Title: *Chief Legal Officer*

HILLSPRING FARMS LTD.

by _____
Name: _____
Title: _____

HSF FOODS LTD.

by _____
Name: _____
Title: _____

**HILLSPRING WAREHOUSE &
LOGISTICS INC.**

by _____
Name: _____
Title: _____

8.8

Counterparts

This Management Agreement may be executed in counterparts, each of which will constitute an original and all of which, when taken together, will constitute one Management Agreement.

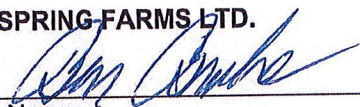
IN WITNESS WHEREOF the Parties have executed this Management Agreement as of the date first above written.

MCCAIN FOODS LIMITED

by _____
Name:
Title:

by _____
Name:
Title:

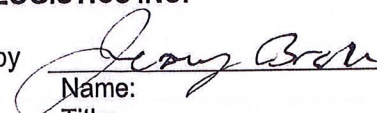
HILLSPRING FARMS LTD.

by  _____
Name:
Title:

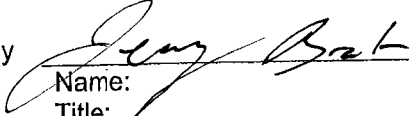
HSF FOODS LTD.

by  _____
Name:
Title:

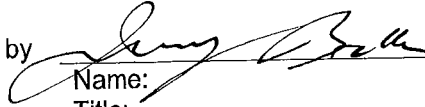
**HILLSPRING WAREHOUSE &
LOGISTICS INC.**

by  _____
Name:
Title:

**BURBANK WATER & WASTEWATER
INC.**

by 
Name:
Title:

BURBANK INDUSTRIAL SUPPLY INC.

by 
Name:
Title:

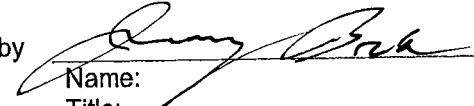
FROM THE FARM INC.

by 
Name:
Title:

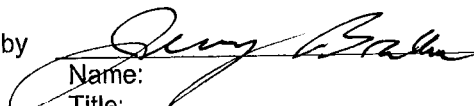
631544 N.B. LTD.

by 
Name:
Title:

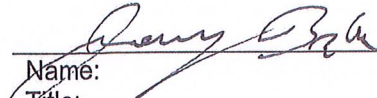
SUNRISE SEED FARMS LTD.

by 
Name:
Title:

HILLSPRING THAW LTD.

by 
Name:
Title:

**EMPIRE CONSTRUCTION &
FABRICATION LTD.**

by 
Name: _____
Title: _____


BENJAMIN BRAKE


JEREMY BRAKE

Schedule "A"

Seller Entities and Principals

HSF Foods Ltd.

Hillspring Warehouse & Logistics Inc.

Burbank Water & Wastewater Inc.

Burbank Industrial Supply Inc.

From the Farm Inc.

631544 N.B. Ltd.

Sunrise Seed Farms Ltd.

Hillspring Thaw Ltd.

Empire Construction & Fabrication Ltd.

698731 NB Inc.

Benjamin Brake

Jeremy Brake

Schedule "B"

SECURED LENDER CONSENT AND WAIVER OF LIABILITY

Reference is made to the Management Agreement dated as of March 21, 2020, between McCain Foods Limited, as Manager, and Hillspring Farms Ltd. and such other parties listed in Schedule "A" attached thereto, as Seller. Capitalized terms used herein but otherwise undefined have the meanings ascribed to them in the Management Agreement.

WHEREAS the Seller has granted certain security and entered into certain loan documents in favour of the Secured Lenders (which security and loan documents, as amended, supplemented or replaced from time to time to the date hereof are hereinafter collectively referred to as the "**Loan Documents**");

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the respective covenants set forth herein and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the parties), the Secured Lenders covenant and agree as follows:

1.1 Notwithstanding any terms of the Loan Documents to the contrary, the Secured Lenders hereby irrevocably consent to the Seller entering into the Management Agreement and to completing its obligations as set out therein and herein.

1.2 This Secured Lenders' Consent will be binding upon the Secured Lenders and their respective successors and assigns and will enure to the benefit of the Manager and its respective successors and assigns.

1.3 Each Secured Lender hereby agrees that the Manager will not have any liability (whether direct or indirect, in law, tort or otherwise) to (i) the Seller or the Secured Lenders, or any of their directors, officers, shareholders, partners, managers, employees, advisors, agents or representatives or any of their respective subsidiaries, affiliates, or partners, or (ii) creditors of any of them, for or in connection with the obligations associated with the Management Agreement, except to the extent such liability is found in a final and non-appealable judgment by a court of competent jurisdiction to have directly resulted from the Manager's gross negligence or wilful misconduct (to the extent such liability was not caused or contributed to by any of the Seller, or any other person), provided that the Manager's aggregate liability under this paragraph will not exceed an amount equal to the aggregate amount of funds extended to the Seller, or on behalf of the Seller, by the Manager pursuant to the Management Agreement and all other fees, costs and expenses paid by the Manager under the Management Agreement. In no event, however, will the Manager be liable on any theory of liability for any special, indirect, consequential or punitive damages (including, without limitation, any loss of profits, business or anticipated savings). Notwithstanding the foregoing the Manager will not be liable in any respect for any claims related to Seller Employees.

1.4 For greater certainty, the Secured Lenders will not make a claim or bring proceedings relating to the Services or otherwise under the Management Agreement against any Manager Indemnitees. The Seller and Secured Lenders will make any claim or bring proceedings only against the Manager. The provisions of this Secured Lenders' Consent will survive the termination of the Management Agreement.

1.5 In the event that the Manager does not elect to provide its own funds to pay any Operating Expenses or any other expenditures then, provided that the lack of funds is not due to the fraud, unlawful conduct or negligence of the Manager, the Manager will be excused from any failure to perform its duties and obligations under the Management Agreement to the extent that such failure is attributable to the lack of funds and the Manager will have no other liability to the Secured Lenders whatsoever for any consequences arising from the Manager's decision not to provide additional funds.

1.6 Upon expiry of the Term, or earlier termination of the Management Agreement, other than upon Closing of the Transaction, the Manager will have no further obligations of any kind to the Secured Lenders, whether under the Management Agreement or otherwise, other than those obligations owed to CIBC pursuant to Sections 5.7 and 7.7 of the Management Agreement and to plant a ground cover crop in accordance with sub-section 3.4(b) of the Management Agreement.

1.7 All information received by any Secured Lender from another Party or Secured Lender in connection with the preparation and execution of the Management Agreement will not be disclosed by the receiving party to any other Person except with the written consent of the other disclosing party or unless disclosed in legal proceedings between the parties hereto.

1.8 Any notice to be issued to the Seller shall be contemporaneously issued to the Secured Lenders in accordance with Section 8.2 of the Management Agreement to the addressees below:

Canadian Imperial Bank of Commerce
370 Connell Street, Unit 143
Woodstock, NB
E7M 5G9

Attention: Supriya Sarin
Email: Supriya.Sarin@cibc.com

with a copy to:

Stewart McKelvey
Queen's Marque
600-1741 Lower Water Street
Halifax, NS
B3J 0J2

Attention: Maurice Chiasson
Email: mchiasson@stewartmckelvey.com

Farm Credit Canada
Suite 230
1133 St. George Blvd.
Moncton, NB
E1E 4E1

Attention Jason Inman
Email: jason.inman@fcc-fac.ca

with a copy to:

Cox & Palmer
Brunswick Square, Suite 1500
1 Germain Street
Saint John, NB
E2L 4V1

Attention: Josh McElman
Email: jmcelman@coxandpalmer.com

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF the Secured Lenders have granted their irrevocable consent as of the 21st day of March, 2020.

CANADIAN IMPERIAL BANK OF COMMERCE

by Supriya Sarin Digitally signed by Supriya Sarin
Date: 2020.03.20 16:12:34 -04'00'
Name:
Title:

FARM CREDIT CANADA

by _____
Name:
Title:

IN WITNESS WHEREOF the Secured Lenders have granted their irrevocable consent as of the 21st day of March, 2020.

CANADIAN IMPERIAL BANK OF COMMERCE

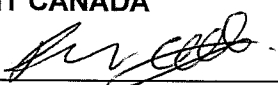
by

Name:

Title:

FARM CREDIT CANADA

by



Name: Brent Clark

Title: Director special credit.

Appendix C

To report of Ernst & Young Inc. as proposed receiver and receiver manager of HSF Foods Ltd., Hillspring Farms Ltd. and Hillspring Warehouse & Logistics Inc.

(SEE ATTACHED)

ASSET PURCHASE AGREEMENT

MCCAIN FARMS, A DIVISION OF MCCAIN PRODUCE INC.

- and -

HILLSPRING FARMS LTD., HSF FOODS LTD. AND HILLSPRING WAREHOUSE & LOGISTICS INC.

- and -

THE OTHER SIGNATORIES TO THIS AGREEMENT LISTED AS RELATED PARTIES

June 11, 2020

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT is made the 11th day of June 2020

BETWEEN:

**MCCAIN FARMS, A DIVISION OF MCCAIN
PRODUCE INC.,**

a corporation existing under the laws of the Province
of New Brunswick,

(hereinafter referred to as "**Purchaser**")

- and -

HILLSPRING FARMS LTD.,

a corporation existing under the laws of the Province
of New Brunswick,

(hereinafter referred to as "**Hillspring**")

- and -

HSF FOODS LTD.,

a corporation existing under the laws of the Province
of New Brunswick,

(hereinafter referred to as "**HSF**")

- and -

HILLSPRING WAREHOUSE & LOGISTICS INC.,

a corporation existing under the laws of the Province
of New Brunswick,

(together with Hillspring and HSF collectively
referred to as the "**Seller**")

- and -

**THE OTHER PARTIES LISTED AS SIGNATORIES
TO THIS AGREEMENT AS RELATED PARTIES
TO SELLER (COLLECTIVELY REFERRED TO AS
THE "RELATED PARTIES")**

RECITALS:

- A. Seller operates, among others, a potato and grain farming, packing and seed business (the "**Business**");
- B. The Secured Lenders (as defined below) and Seller intend to seek an order (the "**Appointment Order**") of the Court of Queens Bench of New Brunswick (the "**Court**") appointing Ernst & Young Inc. ("**EY**") as the court-appointed receiver of Seller (the "**Receiver**") under the *Bankruptcy and Insolvency Act* (the "**BIA**") with authority to make an assignment in bankruptcy on behalf of Seller;
- C. Subject to approval of the Court, Seller has agreed to sell, transfer, assign and lease to Purchaser and Purchaser has agreed to purchase and lease substantially all of Seller's assets used in connection with, and assume certain liabilities and obligations of, the Business, upon the terms and subject to the conditions set forth herein; and
- D. The Related Parties execute this Agreement as part of the overall corporate group of the Seller or as shareholders of Seller to confirm, among other things, their agreement to Seller consummating the transactions contemplated herein.

THEREFORE in consideration of the foregoing and their respective representations, warranties, covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties (as defined below) hereby agree as follows:

ARTICLE 1
DEFINITIONS AND PRINCIPLES OF INTERPRETATION

1.1 Definitions

Whenever used in this Agreement the following words and terms shall have the meanings set out below:

"Administration Charge" has the meaning given to that term in the Appointment Order;

"Affiliate" of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of such Person, whether through the ownership of voting securities or otherwise;

"Agreement" means this asset purchase agreement, including all schedules, and all amendments or restatements, as permitted, and references to "**Article**", "**Section**" or "**Schedule**" mean the specified Article or Section of, or Schedule to, this Agreement;

"Applicable Laws" means any laws, statutes, treaties, regulations, codes, ordinances, orders, decrees, rules, judgments, decisions, writs, policies, by-laws, permits, consents, injunctions, guidelines, practices, settlement agreements or government requirements enacted, promulgated, issued, entered into, agreed or imposed by any Governmental

Authority, that apply to Seller, the Purchased Assets, the Business or the use and occupancy thereof;

"Appointment Order" has the meaning set out in the recitals;

"Approval and Vesting Order" means an order of the Court, in form and substance satisfactory to Purchaser, Seller and the Receiver, and obtained on application made on notice to, such Persons as Purchaser and Seller determine, acting reasonably, including all Persons evidenced by registered interests as against Seller and the Related Parties or disclosed by the Books and Records of Sellers and the books and records of the Related Parties, to be sought by Seller approving this Agreement and the Transaction and vesting in and to Purchaser the Purchased Assets free and clear of all Encumbrances (other than Permitted Encumbrances), substantially in the form attached at Schedule 1.1(c) subject to such amendments as Seller and Purchaser may mutually agree, acting reasonably;

"Assumed Contracts" has the meaning set out in Section 2.1(i);

"Assumed Liabilities" has the meaning set out in Section 2.3;

"Authorization" means, with respect to any Person, any order, permit, approval, consent, waiver, licence or similar authorization of any Governmental Authority related to the Purchased Assets or the Business;

"Banked Overtime" means paid time off from active work or other deferred remuneration that is accrued and, at the time of determination, wholly or partially unpaid or otherwise unsatisfied with respect to past services rendered by Employees or individuals formerly employed in respect of the Business who, if employed at the time of determination, would be "Employees" hereunder, which services constitute "overtime", as that term is defined in the *Employment Standards Act* (New Brunswick);

"BIA" has the meaning set out in the recitals;

"Books and Records" has the meaning set out in Section 2.1(p);

"Business" has the meaning set out in the recitals;

"Business Day" means any day other than a Saturday, Sunday or statutory holiday in the Province of Ontario or New Brunswick on which banks and the offices of Governmental Authorities are open for business;

"Cash" has the meaning set out in Section 2.1(s);

"Cash Portion of the Purchase Price" has the meaning set out in Section 3.1;

"CIBC" means Canadian Imperial Bank of Commerce or the lenders from time to time party to the CIBC Facilities;

"CIBC Facilities" means collectively: (a) the \$2,000,000 revolving line of credit dated April 30, 2019 issued by CIBC to Hillspring Warehouse & Logistics Inc.; (b) the \$4,000,000 revolving line of credit dated April 30, 2019 issued by CIBC to HSF; (c) the \$90,000 non-

revolving demand letter of credit dated April 30, 2019 issued by CIBC to HSF; (d) the \$9,000,000 revolving line of credit dated April 30, 2019 issued by CIBC to Hillspring; (e) the \$4,235,595 non-revolving demand instalment loan dated April 30, 2019 issued by CIBC to Hillspring; (f) the \$5,000,000 non-revolving demand instalment loan dated April 30, 2019 issued by CIBC to Hillspring; (g) the \$700,000 non-revolving demand letter of credit dated April 30, 2019 issued by CIBC to Hillspring; and (h) the \$330,000 non-revolving demand instalment loan dated April 30, 2019 issued by CIBC to Burbank Industrial Supply Inc.;

"Closing" means the successful completion of the Transaction pursuant to Section 6.6 of this Agreement;

"Closing Date" means the date that is one Business Day following the date on which all of the conditions in Sections 6.4 and 6.5 have been satisfied or waived, except for those conditions that by their nature can only be satisfied on the Closing Date, or such earlier or later date as agreed to by the Parties;

"Closing Time" means 10:00 a.m. (Toronto time) on the Closing Date, or such other time on the Closing Date as Seller and Purchaser may agree;

"Computers" has the meaning set out in Section 2.1(d);

"Contracts" means all contracts, licences, leases, agreements, obligations, promises, undertakings, understandings, arrangements, documents, commitments, entitlements or engagements to which Seller is a party, by which Seller is bound or under which Seller has, or will have, any liability, whether actual or contingent (in each case, whether written or oral, express or implied) relating to the Purchased Assets and/or the Business, as same may be amended and/or restated, and including any and all related quotations, orders, proposals, tenders or bookings which remain open for acceptance, warranties, guarantees and documents ancillary thereto relating to the Purchased Assets and/or the Business;

"Court" has the meaning set out in the recitals;

"COVID Pandemic" means the outbreak of the novel coronavirus disease (COVID-19) declared as a pandemic by the World Health Organization;

"Cure Costs" means, in respect of any Assumed Contract, any monetary defaults in relation to such Assumed Contract, other than those arising by reason only of the Seller's insolvency, the commencement of the Receivership or any other proceeding under the BIA, or the Seller's failure to perform a non-monetary obligation;

"Deposit" means the sum of \$ [REDACTED] paid by or on behalf of the Purchaser to EY as the proposed Receiver plus interest earned thereon at the effective annual rate applicable to the trust account maintained by EY calculated from the date the Deposit is desposited by EY to its trust account;

"Effective Date" means the date that this Agreement was entered into as written above;

"Employee Plans" means all compensation, bonus, deferred compensation, incentive compensation, share purchase, share appreciation, share option, severance or

termination pay, vacation pay, hospitalization or other medical, health and welfare benefits, life or other insurance, dental, eye care, drug, disability, salary continuation, supplemental unemployment benefits, profit-sharing, mortgage assistance, employee loan, employee discount, employee assistance, counselling, pension, retirement or supplemental retirement benefit plans, arrangements or agreements, including defined benefit or defined contribution pension plans and group registered retirement savings plans, and all other similar employee benefit plans, arrangements or agreements, whether oral or written, formal or informal, funded or unfunded, including all policies and plans with respect to holidays, sick leave, short and long-term disability, vacations, expense reimbursements and automobile allowances and rights to company-provided automobiles, that are administered, sponsored or maintained or contributed to or required to be contributed to, by Seller for the benefit of any of the Employees or former employees or their respective beneficiaries, whether or not insured and whether or not subject to any Applicable Law, except that the term "Employee Plans" does not include any social security, employer health tax, employment insurance or workers' compensation scheme administered by a Governmental Authority and to which Seller is required to remit contributions or premiums by Applicable Laws;

"Employees" means any and all (a) employees, dependent contractors or independent contractors of Seller who are actively at work (including full-time, part-time or temporary employees), and (b) employees, dependent contractors or independent contractors of Seller who are on lay-off or other leaves of absence (including pregnancy leave, parental leave, disability leave, sickness leave, workers' compensation and other statutory leaves);

"Encumbrances" means any encumbrance, lien, charge, hypothec, pledge, mortgage, title retention agreement, security interest of any nature, adverse claim, exception, reservation, easement, encroachment, servitude, restriction on use, right of occupation, any matter capable of registration against title, option, right of first offer or refusal or similar right, restriction on voting (in the case of any voting or equity interest), right of pre-emption or privilege or any contract to create any of the foregoing;

"Equipment" has the meaning set out in Section 2.1(b);

"ETA" means Part IX of the *Excise Tax Act* (Canada), as amended from time to time;

"Excluded Assets" has the meaning set out in Section 2.2;

"Excluded Contracts" means collectively, the Excluded Personal Property Contracts and the Excluded Real Property Leases;

"Excluded Liabilities" has the meaning set out in Section 2.4;

"Excluded Personal Property Contracts" has the meaning set out in Section 2.2(d);

"Excluded Real Property Leases" has the meaning set out in Section 2.2(e);

"EY" has the meaning set out in the recitals;

"Farming Equipment" means the equipment used in the Business and subject to the security of the Secured Lenders being the equipment identified in Schedule 1.1(a) hereto;

"Farming Equipment Lease" means a lease agreement between the Purchaser and Seller, on terms and conditions acceptable to Purchaser, acting reasonably, pursuant to which Purchaser shall lease the Farming Equipment from Seller for the period from Closing up to and including November 15, 2020 on the terms and conditions set out therein;

"Farming Equipment Option" means the option exercisable by the Purchaser in respect of the purchase of the Farming Equipment referred to in the Farming Equipment Lease;

"Farmland Adjustment Amount" means an amount equal to \$ [REDACTED], which is calculated as \$ [REDACTED] multiplied by ([REDACTED] , being the total acreage of real property identified as farmland owned by Seller);

"FCC" means Farm Credit Canada;

"FCC Facilities" means collectively the cross guaranteed Amended and Restated Credit Facilities provided by FCC to each of HSF and Hillspring with outstanding obligations of \$70,691,926.52 plus interest, fees and costs thereon as of March 12, 2020;

"Flakes Operations" means the potato flake manufacturing business operated by HSF;

"Governmental Authority" means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, body, board, tribunal or dispute settlement panel or other law or regulation-making organization or entity: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory, state or other geographic or political subdivision thereof; or (b) exercising, or entitled or purporting to exercise, any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power;

"HSF" has the meaning set out in the recitals;

"HST" means all Taxes payable under the ETA (including, for greater certainty, goods and services tax and harmonized sales tax), or under any provincial legislation similar to the ETA;

"Intellectual Property" has the meaning set out in Section 2.1(j);

"Inventory" has the meaning set out in Section 2.1(a);

"Inventory Adjustment Amount" means an amount equal to \$ [REDACTED], which is calculated as the difference between \$ [REDACTED], and an aggregate amount equal to the Inventory in the possession of Seller on the Inventory Count Date calculated as follows: (a) potatoes, calculated at a price of \$ [REDACTED] per hundredweight, (b) grain-seed, calculated as follows (i) orrin seed at a price of \$ [REDACTED] per ton, (ii) common oats at \$ [REDACTED] per ton, and (iii) deer feed at \$ [REDACTED] per ton, (c) grain, calculated as a price of \$ [REDACTED] per ton, and (d) potato-seed, calculated at a price of \$ [REDACTED] per hundredweight, and (e) chemical and packaging to the extent their combined assessed value was less than \$ [REDACTED] on such date;

"Inventory Count Date" means March 17, 2020, being the date on which Purchaser, CIBC and their representatives commenced the physical count of the Inventory;

"Inventory Receivables" has the meaning set out in Section 2.1(q);

"ITA" means the *Income Tax Act* (Canada), as amended from time to time;

"Leased Real Property" has the meaning set out in Section 2.1(h);

"Management Agreement" means the management agreement between McCain Foods Limited and Seller dated as of March 21, 2020 pursuant to which McCain Foods Limited agreed to provide certain services to Seller prior to the Closing;

"Non-Competition Agreement" has the meaning set out in Section 9.2;

"Outside Date" means June 30, 2020, or such other date as Seller and Purchaser may agree, acting reasonably;

"Packing Shed Facilities" has the meaning set out in Section 2.1(g);

"Parties" means Seller and Purchaser and "Party" means any one of them;

"Permitted Encumbrances" means the Encumbrances listed in Schedule 1.1(b);

"Person" means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;

"Pre-Count Receivables" means accounts receivable of Seller relating to the Business other than the Inventory Receivables;

"Priority Payables" means HST, sales tax and any amount payable or accrued by Seller which is secured by an Encumbrance which ranks or is capable of ranking prior to or *pari passu* with the Encumbrances created in connection with the Secured Debt (other than the Permitted Encumbrances and the Administration Charge), including amounts accrued or owing for wages (but excluding Banked Overtime), vacation pay, employee deductions, and other statutory or other claims that have or may have priority over, or rank *pari passu* with, the Encumbrances created in connection with the Secured Debt;

"Purchase Price" has the meaning set out in Section 3.1;

"Purchased Assets" has the meaning set out in Section 2.1;

"Rail Siding Assets" has the meaning set out in Section 2.1(f);

"Receiver" has the meaning set out in the recitals;

"Receiver's Certificate" means the certificate filed with the Court by the Receiver certifying that the Receiver has received written confirmation from the Parties that all conditions of Closing have been satisfied or waived by the applicable Parties;

"Receivership" means the proceedings under the BIA to which Seller will be subject pursuant to the Appointment Order;

"Real Property" has the meaning set out in Section 2.1(c);

"Related Parties" has the meaning set out in the recitals;

"Secured Debt" means all indebtedness, liabilities and obligations owing by Seller and any guarantor under the CIBC Facilities and the FCC Facilities and any security or other documents or instruments granted or entered into in connection therewith to the agents and lenders thereunder, together with all accrued and accruing interest, fees, costs and expenses;

"Secured Lenders" means CIBC and FCC;

"Seller" has the meaning set out in the recitals;

"Siemens Litigation" means the litigation in the Court of Queen's Bench of New Brunswick Trial Division with HSF as plaintiff and Siemens Canada Limited, Dresser-Rand Canada, ULC, Northpoint Technical Services ULC as defendants bearing Court File No. MC-141-2020

"Storage Facilities" has the meaning set out in Section 2.1(e);

"Software" means any computer program, operating system, application, system, firmware or software of any nature, point-of-entry system, peripherals, and data whether operational, active, under development or design, nonoperational or inactive, including all object code, source code, comment code, algorithms, processes, formulae, interfaces, navigational devices, menu structures or arrangements, icons, operational instructions, scripts, commands, syntax, screen designs, reports, designs, concepts, visual expressions, technical manuals, tests scripts, user manuals and other documentation therefor, whether in machine-readable form, virtual machine-readable form, programming language, modeling language or any other language or symbols, and whether stored, encoded, recorded or written on disk, tape, film, memory device, paper or other media of any nature, and all databases necessary or appropriate in connection with the operation or use of any such computer program, operating system, application, system, firmware or software;

"Tax" and **"Taxes"** means any taxes, duties, fees, premiums, assessments, reassessments, imposts, levies and other charges of any kind whatsoever imposed by any Governmental Authority, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority in respect thereof, and including those levied on, or measured by, income, gross receipts, profits, capital, transfer, land transfer, sales, goods and services, harmonized sales, use, excise, withholding, business, franchising, property, development, occupancy, payroll, health, social services, education, employment and all social security taxes, all surtaxes, all customs, duties and

import and export taxes, countervail and anti-dumping, all licence, franchise and registration fees and all employment insurance premiums, health insurance premiums and other government pension plan premiums or contributions;

"Term Sheet" means the revised term sheet between McCain Foods Limited and Seller dated March 13, 2020;

"Third Party Consents" means the consents, approvals and/or authorizations as may be required for the assignment of the Assumed Contracts or Authorizations, as applicable, to Purchaser;

"Transaction" means the transaction of purchase and sale contemplated by this Agreement;

"Transfer Taxes" has the meaning set out in Section 5.1; and

"Transferred Employees" has the meaning set out in Section 4.1(b).

1.2 Certain Rules of Interpretation

In this Agreement:

- (a) **Currency** – All references to dollar amounts are to lawful currency of Canada unless otherwise stated;
- (b) **Headings** – Headings of Articles and Sections are inserted for convenience of reference only and shall not affect the construction or interpretation of this Agreement;
- (c) **Including** – Where the word "including" or "includes" is used in this Agreement, it means "including (or includes) without limitation";
- (d) **No Strict Construction** – The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party;
- (e) **Number and Gender** – Unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders;
- (f) **Time Periods** – Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day; and
- (g) **Legislation** – A reference to any legislation or to any provision of any legislation shall include any amendment to, and any modification or re-enactment thereof, any successor provision thereto of like or similar effect and all regulations and statutory instruments issued thereunder or pursuant thereto.

1.3 Entire Agreement

This Agreement, the Management Agreement, the Farming Equipment Lease, and the agreements and other documents required to be delivered pursuant hereto and thereto, constitute the entire agreement between the Parties and set out all the covenants, promises, warranties, representations, conditions, understandings and agreements between the Parties relating to the subject matter of this Agreement, the Management Agreement and the Farming Equipment Lease, and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, including the Term Sheet. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, oral or written, express, implied or collateral between the Parties in connection with the subject matter of this Agreement, the Management Agreement and the Farming Equipment Lease, except as specifically set forth herein or therein.

1.4 Conflict

In the event of any conflict between the provisions of the body of this Agreement and the Schedules, the provisions of the body of this Agreement shall prevail. To the extent there is any inconsistency between this Agreement, the Management Agreement, the Farming Equipment Lease, or the Term Sheet, this Agreement shall prevail.

1.5 Schedules

The Schedules to this Agreement, listed below, are an integral part of this Agreement:

<u>Schedule</u>	<u>Description</u>
Schedule 1.1(a)	- Farming Equipment
Schedule 1.1(b)	- Permitted Encumbrances
Schedule 1.1(c)	- Approval and Vesting Order
Schedule 2.1(b)	- Equipment
Schedule 2.1(c)	- Real Property
Schedule 2.1(h)	- Leased Real Property
Schedule 2.1(i)	- Assumed Contracts
Schedule 2.1(k)	- Business and Domain Names
Schedule 2.2(a)	- Excluded Assets
Schedule 2.2(d)	- Excluded Personal Property Contracts
Schedule 2.2(e)	- Excluded Real Property Leases
Schedule 2.2(g)	- Excluded Flakes Operations Assets
Schedule 3.4	- Purchase Price Allocation
Schedule 6.4(h)	- Assumed Contracts Conditional to Closing
Schedule 6.4(i)	- Authorizations Conditional to Closing

1.6 Recitals

The Recitals to this Agreement are an integral part of this Agreement.

ARTICLE 2 PURCHASE AND SALE

2.1 Purchase and Sale of Purchased Assets

Subject to the provisions of this Agreement, at the Closing Time, Seller shall transfer, sell, convey, assign and deliver unto Purchaser, and Purchaser shall purchase, acquire and accept from Seller all right, title and interest of Seller in and to the following property and assets (collectively, the "**Purchased Assets**"):

- (a) Inventory. All potato, grain-seed, grain, potato-seed, packing and chemical inventory saleable in the ordinary course, in each case located at the Storage Facilities and the Packing Shed Facilities at the Inventory Count Date (collectively, the "**Inventory**");
- (b) Equipment, Fixtures and Furniture. All equipment, fixtures and furniture used in the Business listed on Schedule 2.1(b) (collectively, the "**Equipment**");
- (c) Real Property. All the real or immovable property listed on Schedule 2.1(c) (collectively, the "**Real Property**") and all buildings and fixtures located thereon;
- (d) Computers and Software. All computer hardware, servers and Software owned by or licensed by Seller and used in connection with the Business (collectively, the "**Computers**");
- (e) Storage Facilities. All storage facilities and related buildings used in connection with the Business, including the potato and grain storages and storages related to the seeding operation, the truck shop and tractor shop and (i) all structures, erections, improvements, appurtenances of every kind or nature situate therein or thereon and (ii) all fixtures of every nature and kind incorporated therein, situate upon and used in connection therewith, including heating, ventilating, air-conditioning, plumbing, electrical, sprinkler and drainage systems, in each case other than fixtures and other property owned by any tenant (collectively, the "**Storage Facilities**");
- (f) Rail Siding Assets. All assets required to operate the rail siding facilities located in Grand Falls, New Brunswick, including the grain silos, warehouse, train siding and other related equipment, buildings and fixtures on the Real Property having the parcel identifier numbers 35159060, 35345537, 35159078, 35159151 and 35177328 (the "**Rail Siding Assets**");
- (g) Packing Shed Facilities. All assets required to operate the packing shed facilities, including all equipment and fixtures of every nature and kind incorporated therein, situate upon and used in connection therewith, including heating, ventilating, air-conditioning, plumbing, electrical, sprinkler and drainage systems, in each case other than fixtures and other property owned by any tenant (collectively, the "**Packing Shed Facilities**");

- (h) Leased Real Property. All rights of Seller as lessee of real property relating to the Business and all leasehold improvements related thereto, including the property listed on Schedule 2.1(h) (collectively, the "**Leased Real Property**");
- (i) Assumed Contracts. All Contracts, including the Contracts listed on Schedule 2.1(i) (collectively, the "**Assumed Contracts**");
- (j) Intellectual Property. All right, title and interest of Seller in and to intellectual property of any nature owned by Seller and relating to the Business, including, customer lists, supplier lists, distinguishing guises, industrial designs, copyrights, formulae, processes, research data, technical expertise, know-how, trade secrets, inventions, patent rights, patent registrations, patent continuations or patents, whether domestic or foreign and whether registered or unregistered, and all applications for registration in respect thereof (collectively, the "**Intellectual Property**");
- (k) Business and Domain Names. All rights of Seller to all trade names, business names and domain names, including the domain names and business names listed on Schedule 2.1(k) and any derivation thereof or any trademarks or trade names incorporating such business names;
- (l) Goodwill. The goodwill of the Business, including all choses in action where Seller is the plaintiff or moving party, other than the Siemens Litigation, and other intangibles relating to the Business that do not form part of the Intellectual Property;
- (m) Prepaid Expenses. All prepaid expenses;
- (n) Indebtedness. All right, title and interest of Seller in and to the indebtedness owing by 698731 NB Inc. carrying on business as "Hillspring Farms French Fry Hut" to Seller;
- (o) Authorizations. All Authorizations, owned, held or used by Seller in connection with the Business to the extent that they are transferable;
- (p) Books and Records. All books and records (other than those required by Applicable Laws to be retained by Seller, copies of which will be made available to Purchaser), including customer lists, sales records, price lists and catalogues, sales literature, advertising material, manufacturing data, production records, employee manuals, personnel records, supply records, inventory records and correspondence files (together with, in the case of any such information which is stored electronically, the media on which the same is stored) but for greater certainty, excluding corporate and Tax records in respect of Seller (collectively, the "**Books and Records**");
- (q) Inventory Receivables. All accounts receivable of Seller relating to Inventory sold between the Inventory Count Date and the Closing Time (the "**Inventory Receivables**");

- (r) Warranties; Subsidies; Refunds etc. All third party warranties, guarantees, subsidies, refunds or credits with respect to any of the foregoing Purchased Assets, wage subsidies payable under the Canadian Emergency Wage Subsidy and benefits or other amounts received under the AgriStability Program, to the extent the same are assignable or transferable by Seller;
- (s) Cash. All cash on hand, cash equivalents and bank deposits (each "**Cash**") attributable to the Purchased Assets or resulting from the activities of McCain Foods Limited under the Management Agreement, in each case, in respect of the period (or any sub-period) from and after March 21, 2020, and specifically excluding Cash representing Pre-Count Receivables;
- (t) Express Consents – Canada's Anti-Spam Law. All express consents obtained by Seller under Applicable Laws relating to privacy and anti-spam from any person to (i) send or cause to be sent an electronic message to such person, (ii) alter or cause to be altered the transmission data in an electronic message so that the message is delivered to a destination other than or in addition to that specified by such person.

2.2 Excluded Assets

Notwithstanding any provision of this Agreement the Purchased Assets shall not include any assets (other than the Purchased Assets) of Seller (collectively, the "**Excluded Assets**") including:

- (a) the property and assets described in Schedule 2.2(a);
- (b) the rights of Seller under this Agreement, the Management Agreement, the Farming Equipment Lease, and each other document and agreement contemplated hereby and thereby;
- (c) the rights of Seller to receive any refund of Taxes paid by Seller;
- (d) all rights of Seller under the Contracts listed in Schedule 2.2(d), and any Contracts that are not assignable as contemplated in Section 2.5 (collectively, the "**Excluded Personal Property Contracts**");
- (e) all rights of Seller as lessee under the real property leases under the Contracts listed in Schedule 2.2(e), including all leasehold improvements related thereto, and any Contracts that are not assignable as contemplated in Section 2.5 (collectively, the "**Excluded Real Property Leases**");
- (f) subject to subsection 2.9(b), the Farming Equipment;
- (g) all land, buildings, equipment, machinery, vehicles, computers and inventory used exclusively in the Flakes Operations, including those assets listed on Schedule 2.2(g);

- (h) all vehicles used for personal use by Employees or management of the Business, including all recreational vehicles and the antique car collection owned by the principals of Seller;
- (i) any assets identified by Purchaser to Seller pursuant to Section 2.7;
- (j) the rights of Seller as borrower under the CIBC Facilities;
- (k) the rights of Seller as borrower under the FCC Facilities;
- (l) the rights of HSF as plaintiff under the Siemens Litigation;
- (m) all Pre-Count Receivables;
- (n) all Cash representing Pre-Count Receivables; and
- (o) all Books and Records required by Applicable Laws to be retained by Seller, including personnel records, corporate minute books and Tax records.

2.3 Assumed Liabilities

On the terms and subject to the conditions of this Agreement, Purchaser agrees, effective at the Closing Time, to assume and be responsible for and thereafter honour, perform, discharge and pay as and when due the following obligations and liabilities of Seller:

- (a) all debts, liabilities and obligations with respect to the Purchased Assets from and after the Closing Time, including all debts, liabilities and obligations and services to be rendered in connection with the Business solely in relation to the Purchased Assets accrued from and after the Closing Time;
- (b) subject to subsection 2.5(a), all debts, liabilities and obligations under the Assumed Contracts and Authorizations accrued from and after the Closing Time;
- (c) subject to subsection 2.5(a), all Cure Costs in respect of the Assumed Contracts;
- (d) the Priority Payables outstanding at the Closing Time; and
- (e) any other obligations and liabilities expressly assumed under this Agreement, (collectively, the "**Assumed Liabilities**").

2.4 Excluded Liabilities

Other than the Assumed Liabilities, Purchaser shall not assume and shall not be liable for any debts, liabilities or obligations of Seller (the "**Excluded Liabilities**") which, for greater certainty, shall include:

- (a) all debts, liabilities and obligations related to any Excluded Assets, including any Excluded Contracts;

- (b) all debts, liabilities and obligations arising from the ownership or use of the Purchased Assets or conduct of the Business prior to the Closing Time;
- (c) all debts, liabilities and obligations of Seller in respect of any actions, causes of action, litigation proceedings, lawsuits, court proceedings or proceedings before any Governmental Authority against Seller or arising from Seller's ownership or use of the Purchased Assets or conduct of the Business prior to the Closing Time;
- (d) any Taxes payable or remittable by Seller, other than Priority Payables;
- (e) Encumbrances, other than Permitted Encumbrances;
- (f) all debts, liabilities and obligations of Seller associated with customer deposits received by Seller prior to the Closing Time;
- (g) all liabilities and obligations of Seller and any of their Affiliates to the Employees (including, for greater certainty, all liabilities and obligations in respect of Banked Overtime); and
- (h) the Employee Plans and any and all liabilities of Seller and any of its Affiliates thereunder.

2.5 Third Party Consents and Authorizations

(a) Notwithstanding anything contained in this Agreement or elsewhere, Purchaser will not assume and will have no obligation to discharge any debt, liability or obligation under any Assumed Contract or Authorization which is not assignable or assumable in whole or in part without a Third Party Consent, unless such Third Party Consent has been obtained.

(b) Seller shall use commercially reasonable efforts to obtain all Third Party Consents and Authorizations prior to the Closing Time. Purchaser shall provide its reasonable cooperation to assist the Seller in obtaining any such Third Party Consent or Authorization.

2.6 Orders of the Court

No later than seven days following the Effective Date (or as soon as circumstances relating to the COVID Pandemic may permit, provided that such date shall be no later than 40 days following the Effective Date), Seller shall file a motion with the Court made on notice to such persons as Purchaser and Seller determine, acting reasonably, for the Approval and Vesting Order.

2.7 Final Schedules

(a) The Parties agree that no later than two days prior to Closing the Purchaser may provide Seller with revised Schedules 2.2(a), 2.2(d) or 2.2(e) identifying any additional Excluded Assets and/or Excluded Contracts.

(b) The Parties agree that effective immediately upon delivery of any of the Schedules referred to in Section 2.7(a): (i) (A) Schedules 2.2(a), 2.2(d) or 2.2(e), as applicable, shall be deemed to be amended and replaced, and (B) there shall be no adjustment to the Purchase Price,

in each case, without any further action or formality, and (ii) Purchaser may unilaterally amend any of the Schedules to this Agreement to remove any assets or agreements that are identified as Excluded Assets and/or Excluded Contracts pursuant to Section 2.7(a).

2.8 Leased Real Property

If Purchaser is unable to enter into definitive agreements with the lessors of the Leased Real Property identified on Schedule 2.1(h) prior to the Closing Date, Seller shall, until a date that is 90 days from the Closing Date, which date may be extended by mutual written consent of Purchaser and Seller:

- (a) hold its rights as lessee of the Leased Real Property in trust for Purchaser;
- (b) comply with the terms and provisions of or relating to the Leased Real Property as agent for Purchaser at Purchaser's cost and for Purchaser's benefit; and
- (c) co-operate with Purchaser in any reasonable and lawful arrangements designed to provide the benefits of the Leased Real Property to Purchaser, including subleasing the Leased Real Property to Purchaser.

2.9 Farming Equipment

(a) Subject to the terms and conditions of the Farming Equipment Lease, the Purchaser shall lease the Farming Equipment from Seller for the period from Closing up to and including November 15, 2020 on the terms and conditions set out therein.

(b) If Purchaser exercises the Farming Equipment Option in accordance with the Farming Equipment Lease, any Farming Equipment identified in the Farming Equipment Option shall be deemed to be a Purchased Asset for the purposes of this Agreement and the Approval and Vesting Order and Purchaser shall be responsible for paying amounts under the Farming Equipment Lease on the terms set out therein.

ARTICLE 3 PURCHASE PRICE AND ALLOCATION

3.1 Purchase Price

The purchase price for the Purchased Assets at the Closing Time, exclusive of all applicable sales and Transfer Taxes shall be equal to the aggregate amount of (a) \$[REDACTED], being an amount equal to \$[REDACTED] less the Inventory Adjustment Amount and the Farmland Adjustment Amount, payable in cash (the "**Cash Portion of the Purchase Price**"), plus (b) the Assumed Liabilities (collectively, the "**Purchase Price**").

3.2 Satisfaction of Purchase Price

Purchaser shall satisfy the Purchase Price at the Closing Time as follows:

- (a) the Cash Portion of the Purchase Price shall be paid in cash and satisfied by (i) the release of the Deposit from escrow by the Receiver, and (ii) as to the remainder, by wire transfer to the Receiver for the account of Seller; and

- (b) by Purchaser's assumption of the Assumed Liabilities.

3.3 Deposit

The Parties acknowledge that Purchaser has paid the Deposit to EY (or will pay the Deposit to the Receiver forthwith upon its appointment). The aggregate Deposit shall be held by EY prior to its appointment and then as the Receiver in trust and released or returned in accordance with the terms of this Agreement.

3.4 Purchase Price Allocation

Seller and Purchaser agree to allocate the Purchase Price among the Purchased Assets in accordance with Schedule 3.4.

ARTICLE 4 EMPLOYEE MATTERS

4.1 Offers to Employees

(a) No later than three days after the Effective Date, Seller shall provide a list of all Employees associated with the Business, including details as to their title, position, status, years of service, remuneration (including wage, salary or piece work rate, vacation time and pay entitlements, perquisites and fringe benefits, and benefits (including Employee Plan participation)), leave of absence status and, if applicable, anticipated return date, and other terms and conditions of employment.

(b) Conditional upon the Closing and with effect as of the Closing Date (or such later date on which those Employees who are on leave return to active service), Purchaser shall offer employment to those Employees that Purchaser, in its sole discretion, identifies in writing to Seller prior to the Closing Date. Purchaser shall not be required to recognize such Employees' past service with Seller except for purposes of any minimum standards imposed by applicable employment standards legislation and not, for certainty, any notice of termination, pay in lieu of notice, severance pay or any other payment or damages at common law. The Employees who accept Purchaser's offer of employment are collectively referred to as herein as the "**Transferred Employees**".

(c) Following the Effective Date, Seller shall make available to Purchaser any Employee determined by Purchaser, at such reasonable times as are determined by Purchaser (in consultation with Seller as regards the impact on the operation of the Business), for purposes of allowing Purchaser to conduct one or more interviews of such Employee for a potential offer of employment, as described more fully in the foregoing Section 4.1(b).

ARTICLE 5 TAX MATTERS

5.1 Transfer Taxes

All amounts payable by Purchaser to Seller pursuant to this Agreement do not include any value-added, sales, use, consumption, multi-staged, personal property, customs, excise, stamp, land transfer, HST or similar taxes, duties, or charges, (collectively "**Transfer**

Taxes") and all Transfer Taxes are the responsibility and for the account of Purchaser. If Seller is required by Applicable Laws or by administration thereof to collect any applicable Transfer Taxes from Purchaser, then Purchaser shall pay such Transfer Taxes to Seller no later than 15 days after the Closing Date, unless Seller agrees that Purchaser qualifies for an exemption from any such applicable Transfer Taxes, in which case Purchaser shall, in lieu of payment of such applicable Transfer Taxes to Seller, deliver to Seller such certificates, elections, or other documentation required by Applicable Laws or the administration thereof to substantiate and effect the exemption claimed by Purchaser. Any amounts paid by Purchaser to Seller under this Section 5.1 shall be remitted by Seller to the appropriate Governmental Authority as soon as possible after the receipt of such amount by Seller. Where Seller is not required by Applicable Laws or by administration thereof to collect applicable Transfer Taxes, Purchaser shall pay such Transfer Taxes directly to the appropriate taxing authority and shall provide evidence of such payment to Seller upon request.

5.2 ETA Elections

Purchaser and Hillspring shall, on the Closing Date, elect jointly under subsection 167(1) of the ETA and under any similar provision of any applicable provincial legislation, in the form prescribed for the purposes of each such provision, in respect of the sale and transfer of the Purchased Assets owned by Hillspring hereunder, and Purchaser shall file such elections with Canada Revenue Agency and any other applicable Governmental Authorities within the time and in the manner required by Applicable Laws, and provide Seller with proof of receipt by Canada Revenue Agency or such other applicable Governmental Authority of such elections.

5.3 Other Tax Elections

Purchaser and Seller shall execute and deliver such other Tax elections and forms as they may mutually agree upon.

ARTICLE 6 CLOSING AND CLOSING CONDITIONS

6.1 Closing

Subject to compliance with the terms and conditions hereof, the transfer of possession of the Purchased Assets shall be deemed to take effect as at the Closing Time, or such other date and time as may be agreed upon by the Parties.

6.2 Seller's Deliveries

On or before the Closing Time, Seller shall deliver or cause to be delivered:

- (a) the Purchased Assets, which shall be delivered *in situ* wherever located as of the Closing Time;
- (b) customary deeds, assignments, bills of sale and other conveyancing documents, to be settled between counsel for Seller and counsel for Purchaser, sufficient to transfer the various categories of Purchased Assets on an "as is where is" basis consistent with the terms of this Agreement and the Approval and Vesting Order;

- (c) specific assignments of all the right, title and interest of Seller in and to the Intellectual Property as may be required for registration purposes;
- (d) a copy of the issued and entered Approval and Vesting Order;
- (e) a certificate by a senior officer of Seller certifying that the representations and warranties of Seller set out herein are true and correct in all material respects at the Closing Time (unless they are expressed to be made only as of an earlier fixed date, in which case they need be true and correct only as of such earlier date) and attaching certified copies of the articles of incorporation and by-laws of Seller and the resolution of Seller's directors or shareholders approving the subject matter of this Agreement;
- (f) an executed copy of the Farming Equipment Lease;
- (g) executed copies of the Non-Competition Agreements, if applicable;
- (h) an acknowledgement addressed to the Receiver dated the Closing Date that each of the conditions precedent in Section 6.5 have been fulfilled, performed or waived as of the Closing Time;
- (i) an executed copy of the Receiver's Certificate;
- (j) the elections referred to in Sections 5.2 and 5.3; and
- (k) any other documents required to give effect to this Agreement in form and substance satisfactory to the Parties, each acting reasonably.

6.3 Purchaser's Deliveries

On or before the Closing Time, Purchaser shall deliver or cause to be delivered:

- (a) payment of the Cash Portion of the Purchase Price, less the Deposit, which shall be paid to the Receiver in cash by wire transfer in immediately available funds to an account which shall be designated by the Receiver to Purchaser;
- (b) customary deeds, assignments, bills of sale and other conveyancing documents to be settled between counsel for Seller and counsel for Purchaser, sufficient to transfer the various categories of Purchased Assets on an "as is where is" basis consistent with the terms of this Agreement and the Approval and Vesting Order;
- (c) instruments evidencing Purchaser's assumption of the Assumed Liabilities;
- (d) a certificate by a senior officer of Purchaser certifying that the representations and warranties of Purchaser set out herein are true and correct in all material respects at the Closing Time (unless they are expressed to be made only as of an earlier fixed date, in which case they need be true and correct only as of such earlier date) and attaching certified copies of the articles of incorporation and by-laws of Purchaser and the resolution of Purchaser's directors or shareholders approving the subject matter of this Agreement;

- (e) an executed copy of the Farming Equipment Lease;
- (f) executed copies of the Non-Competition Agreements, if applicable;
- (g) an acknowledgement addressed to the Receiver dated the Closing Date that each of the conditions precedent in Section 6.4 have been fulfilled, performed or waived as of the Closing Time;
- (h) a receipt for the Purchased Assets;
- (i) the elections referred to in Sections 5.2 and 5.3; and
- (j) any other documents required pursuant to this Agreement in form and substance satisfactory to the Parties, each acting reasonably.

6.4 Conditions of Closing in Favour of Purchaser

The sale and purchase of the Purchased Assets is subject to the following terms and conditions for the exclusive benefit of Purchaser to be performed or fulfilled at or prior to the Closing Time and which may be waived in whole or in part by Purchaser at any time:

- (a) Representations and Warranties. The representations and warranties of Seller contained in this Agreement shall be true and correct at the Closing Time (unless they are expressly made only as of an earlier fixed date, in which case they need be true and correct only as of such earlier date);
- (b) Covenants. All of the terms, covenants and conditions of this Agreement to be complied with or performed by Seller at or before the Closing Time shall have been complied with or performed;
- (c) No Bankruptcy. Seller shall not have made, or be deemed to have made, an assignment in bankruptcy under the BIA other than as may be permitted by the Court in the Appointment Order for the purpose of completing the Transaction;
- (d) Approval and Vesting Order. The Approval and Vesting Order shall have been issued by the Court and the operation and effect of such order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall have expired) as at the Closing Time;
- (e) Adoption of Agreement. The Receiver shall have been authorized by the Appointment Order to adopt this Agreement and to complete the Transaction as provided in the Appointment Order and the Approval and Vesting Order and has executed a counterpart as provided herein;
- (f) Appointment Order. The Appointment Order shall have been issued by the Court, and the operation and effect of such order shall not have been stayed, amended, modified, reversed, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall have expired) as at the Closing Time;

- (g) Stays. All stays of proceedings contained in the Appointment Order shall have remained in effect as at the Closing Time except where any such stay is terminated or lifted or amended in a manner which, in Purchaser's opinion, acting reasonably, is not prejudicial to Purchaser or which does not adversely affect Purchaser's rights under this Agreement or in respect of the Purchased Assets as at the Closing Time;
- (h) Third Party Consents. Seller shall have obtained Third Party Consents or other documentation acceptable to Purchaser, as applicable, in respect of the Authorizations and the Assumed Contracts identified on Schedule 6.4(h) on or before the Closing Time;
- (i) Authorizations. Purchaser shall have obtained the Authorizations identified on Schedule 6.4(i) on or before the Closing Time;
- (j) No Action or Proceeding. No legal or regulatory action or proceeding shall be pending or threatened by any Governmental Authority to enjoin, restrict or prohibit the purchase and sale of the Purchased Assets or the assumption of the Assumed Liabilities contemplated hereby;
- (k) Injunctions. There shall be in effect no injunction against closing the Transaction entered by a court of competent jurisdiction;
- (l) No Material Damage. No damage by fire or other hazard to the whole or any material part of the Purchased Assets shall have occurred prior to the Closing Time; and
- (m) Deliveries. Seller shall have completed all deliveries referred to in Section 6.2.

If any of the foregoing conditions in this Section 6.4 has not been fulfilled by the Closing Time, Purchaser may terminate this Agreement on notice to Seller. However, Purchaser may waive compliance with any condition in whole or in part if it sees fit to do so, without prejudice to its rights of termination in the event of non-fulfilment of any other condition, in whole or in part, or to its rights to recover damages, if any, for the breach of any representation, warranty, covenant or condition contained in this Agreement.

6.5 Conditions of Closing in Favour of Seller

The sale and purchase of the Purchased Assets is subject to the following terms and conditions for the exclusive benefit of Seller, to be performed or fulfilled at or prior to the Closing Time and which may be waived in whole or in part by Seller at any time:

- (a) Representations and Warranties. The representations and warranties of Purchaser contained in this Agreement shall be true and correct in all material respects at the Closing Time (unless they are expressly made only as of an earlier fixed date, in which case they need be true and correct only as of such earlier date);
- (b) Covenants. All of the terms, covenants and conditions of this Agreement to be complied with or performed by Purchaser at or before the Closing Time shall have been complied with or performed in all material respects;

- (c) Approval and Vesting Order. The Approval and Vesting Order shall have been issued, and the operation and effect of such order shall not have been stayed, amended, modified, reversed, waived, dismissed or appealed (or any such appeal shall have been dismissed with no further appeal therefrom or the applicable appeal periods shall have expired) as at the Closing Time;
- (d) No Action or Proceeding. No legal or regulatory action or proceeding shall be pending or threatened by any Governmental Authority to enjoin, restrict or prohibit the purchase and sale of the Purchased Assets or the assumption of the Assumed Liabilities contemplated hereby;
- (e) Injunctions. There shall be in effect no injunction against closing the Transaction entered by a court of competent jurisdiction; and
- (f) Deliveries. Purchaser shall have completed all deliveries referred to in Section 6.3.

If any of the foregoing conditions in this Section 6.5 has not been fulfilled by the Closing Time, Seller may terminate this Agreement on notice to Purchaser. However, Seller may waive compliance with any condition in whole or in part if it sees fit to do so, without prejudice to its rights of termination in the event of non-fulfilment of any other condition, in whole or in part, or to its rights to recover damages, if any, for the breach of any representation, warranty, covenant or condition contained in this Agreement.

6.6 Receiver's Certificate

When the conditions set out in Sections 6.4 and 6.5 have been satisfied or waived, Purchaser and Seller will each deliver to the Receiver written confirmation of same. The Closing shall be deemed to have occurred upon delivery by the Receiver of an executed copy of the Receiver's Certificate to Purchaser.

6.7 Possession of Assets and Risk of Loss

(a) The Purchased Assets shall be at the risk of Seller until the Closing Time subject to any obligations of the Purchaser under the terms of the Management Agreement. If before the Closing Time, all or a material part of the Purchased Assets are lost, damaged or destroyed then Purchaser may terminate this Agreement forthwith upon written notice to Seller to such effect.

(b) At the Closing Time, Purchaser shall take possession of the Purchased Assets where ever situate. Purchaser acknowledges that Seller has no obligation to deliver physical possession of the Purchased Assets to Purchaser. Purchaser shall promptly notify Seller of any Excluded Assets which may come into the possession or control of Purchaser, whether before or after Closing, and thereupon shall promptly release such Excluded Assets to Seller, or to such other Person as Seller may direct in writing and, for greater certainty, title shall not be deemed to vest to Purchaser in respect of any Excluded Assets.

ARTICLE 7 REPRESENTATIONS AND WARRANTIES

7.1 Representations and Warranties of Seller

Seller hereby represents and warrants to Purchaser as follows and acknowledges that Purchaser is relying on such representations and warranties in connection with its purchase of the Purchased Assets.

- (a) Seller is a corporation duly formed and existing under the laws of New Brunswick and, subsequent to obtaining the Approval and Vesting Order and has the power and authority to enter into, and to perform its obligations under, this Agreement.
- (b) The execution, delivery and performance by Seller of this Agreement:
 - (i) upon the issuance of the Approval and Vesting Order, is within the powers of Seller;
 - (ii) has been duly authorized, executed and delivered by Seller;
 - (iii) upon the issuance of the Approval and Vesting Order, constitutes legal, valid and binding obligations of Seller;
 - (iv) does not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) require any consent or approval under, result in a breach or a violation of, or conflict with, any of the terms or provisions of its constating documents or by-laws or any material contracts or instruments to which it is a party or pursuant to which any of its assets or property may be affected, other than the consent of the Secured Lenders and the Third Party Consents; and
 - (v) subject to the Approval and Vesting Order, will not result in the violation of any Applicable Laws.
- (c) This Agreement has been duly executed and delivered by Seller.
- (d) Other than the Approval and Vesting Order and the Third Party Consents, there is no requirement for Seller to make any filing with, or give any notice to, any Governmental Authority or contractual counterparty or obtain any certificate, registration or Authorization as a condition to the lawful consummation of the transactions contemplated by this Agreement.
- (e) Seller is not a non-resident of Canada for the purposes of the ITA.
- (f) Seller is a registrant for purposes of the ETA. The registration number of Hillspring is 102359833 RT0001.
- (g) All of the Assumed Contracts are valid and binding against Seller and there exists no outstanding default by the counterparties to the Assumed Contracts.

- (h) Seller is the sole beneficial (and where its interests are registered, the sole registered) owner (or in the case of leases of Equipment, lessee), of all of the Purchased Assets comprising personal or movable property to be conveyed by it to Purchaser pursuant to this Agreement. Seller has good and marketable title to all such Purchased Assets.
- (i) Neither the aggregate value of the assets of the Business in Canada, nor the annual gross revenues from sales in or from Canada generated from those assets, exceeds \$96 million as determined in accordance with the *Competition Act* (Canada) and the Notifiable Transactions Regulations promulgated thereunder.
- (j) Seller does not have or contribute to any "registered pension plan" or "retirement compensation arrangement" (as each is defined in subsection 248(1) of the ITA) or similar plans and none of the Employees are subject to the terms and conditions of employment with Seller under a collective bargaining agreement (and no efforts or applications are currently underway whereby a purported bargaining agent is seeking certification to become the bargaining agent for any Employees) and Seller is in material compliance with all Applicable Laws respecting the Employees' employment with Seller.
- (k) Except as has been disclosed to Purchaser, Seller has made all deductions for payroll, employment insurance, Canada Pension Plan and payroll Tax required by Applicable Laws to be made as at the date hereof from the Employees' remuneration.
- (l) Except as has been disclosed to Purchaser, Seller has duly filed on a timely basis all Tax returns required to be filed by it and has paid or remitted all Taxes that are due and payable by it to the applicable Governmental Authority within the time required by Applicable Laws. Seller has made adequate provision for Taxes payable for the current period and previous periods for which Tax returns are not yet required to be filed. There are no actions, suits, proceedings, investigations or claims pending or, to the knowledge of Seller, threatened against Seller in respect of Taxes, nor are any material matters under discussion with any Governmental Authority relating to Taxes.

7.2 Representations and Warranties of Purchaser

Purchaser represents and warrants to Seller as follows and acknowledges and confirms that Seller is relying on such representations and warranties in connection with its sale of the Purchased Assets:

- (a) Purchaser is a corporation duly formed and existing under the laws of New Brunswick and has the power and authority to enter into, and to perform its obligations under, this Agreement.
- (b) The execution, delivery and performance by Purchaser of this Agreement:
 - (i) has been duly authorized by all necessary corporate action;
 - (ii) constitutes legal, valid and binding obligations of Purchaser;

- (iii) does not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) require any consent or approval under, result in a breach or a violation of, or conflict with, any of the terms or provisions of its constating documents or by-laws or any contracts or instruments to which it is a party or pursuant to which any of its assets or property may be affected, other than the consent of the Secured Lenders; and
 - (iv) will not result in the violation of any Applicable Laws.
- (c) This Agreement has been duly executed and delivered by Purchaser.
- (d) Other than the Approval and Vesting Order and the Third Party Consents, there is no requirement for Purchaser to make any filing with, or give any notice to, any Governmental Authority or contractual counterparty or obtain any certificate, registration or Authorization as a condition to the lawful consummation of the transactions contemplated by this Agreement.
- (e) Purchaser is a registrant for purposes of the ETA whose registration number is 103584132RT0001.
- (f) There are no actions, suits, appeals, claims, applications, orders, investigations, proceedings, grievances, arbitrations or alternative dispute resolution processes in progress, pending, or to Purchaser's knowledge, threatened against Purchaser that could prohibit, restrict or seek to enjoin the Transaction.

ARTICLE 8 COVENANTS OF THE PARTIES

8.1 Covenants of Seller

Seller covenants and agrees with Purchaser as follows:

- (a) No later than 15 days after Closing, Seller agrees that it shall (a) change its name to a name which does not include the words "Hillspring"; provided that Purchaser acknowledges that any name change cannot take effect until the Closing Time; and (b) discontinue use of the "Hillspring" name, including in all documents and websites used by Seller;
- (b) until the Closing Time, Seller shall furnish Purchaser and its representatives with such information within the possession or control of Seller regarding the Business as Purchaser and its representatives may reasonably request and including in respect of matters not explicitly contemplated in the Management Agreement;
- (c) Seller shall use commercially reasonable efforts to fulfill the conditions set out in Section 6.4 of this Agreement and shall cooperate with Purchaser in its efforts to cause the satisfaction of the conditions set out in Section 6.5 of this Agreement; and

- (d) Seller shall ensure it has made all deductions and paid its obligations for Priority Payables as required by Applicable Laws and is not in arrears in respect of these obligations prior to the Closing Time.

8.2 General Covenants of Purchaser

Purchaser covenants and agrees with Seller as follows:

- (a) for a period of six years following the Closing Date, Purchaser covenants to use reasonable care to preserve the Books and Records of Seller and to permit Seller and its representatives and successors and assigns and any trustee in bankruptcy access to any such Books and Records that contain information relating to the period prior to the Closing Time, as Seller and its representatives and successors and assigns and any trustee in bankruptcy may reasonably request; and
- (b) Purchaser shall use commercially reasonable efforts to fulfill the conditions set out in Section 6.5 of this Agreement and shall cooperate with Seller in its efforts to cause the satisfaction of the conditions set out in Section 6.4 of this Agreement.

ARTICLE 9 CONFIDENTIALITY AND NON-COMPETE

9.1 Confidentiality

Each of Purchaser and Seller covenants and agrees that neither it nor its respective Affiliates or representatives, will disclose the existence or terms of this Agreement or the fact of its execution and delivery to any third party without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed, except (a) as and to the extent required by Applicable Laws, (b) in the case of each of Purchaser and Seller to its directors, officers, employees, agents, managers and their representatives and Affiliates, (c) in the case of Seller, to the Secured Lenders and, as may be required in connection with filing and obtaining the Approval and Vesting Order, (d) in the case of Purchaser, to any of Seller's employees, customers, vendors or suppliers in connection with the operation of the Business or ownership of the Purchased Assets by Purchaser following Closing, or (e) as otherwise may be required by the Court. The Parties will cooperate and consult with one another, to the extent reasonably practical, with respect to the issuance of any press release or other public statement regarding this Agreement and the Transaction and Seller agrees that it shall not issue any such press release or make any such public announcement without the prior written consent of Purchaser.

9.2 Non-Competition and Non-Solicitation

Purchaser may, at any time that is no later than two days following the issuance of the Approval and Vesting Order, require Seller, Ben Brake and Jeremy Brake to enter into a non-competition and non-solicitation agreement (the "**Non-Competition Agreement**"), on terms and conditions acceptable to Purchaser, acting reasonably.

ARTICLE 10 TERMINATION

10.1 Termination

This Agreement may be terminated at any time prior to the Closing Time:

- (a) by mutual written agreement of Seller and Purchaser;
- (b) as provided in Sections 6.4 and 6.5, provided that the terminating Party has not breached its obligations under this Agreement in such a manner as to cause a closing condition not to be fulfilled; or
- (c) by Purchaser as provided in Section 6.7 or if Closing shall not have occurred on or prior to the Outside Date, provided that Purchaser has not breached its obligations under this Agreement in such a manner as to cause a closing condition not to be fulfilled.

10.2 Effect of Termination

(a) If this Agreement is terminated pursuant to, or due to the occurrence of any of the events set out in Section 10.1, all further obligations of the Parties under or pursuant to this Agreement shall terminate without further liability of any Party to the other except for and subject to the provisions of Section 9.1 and this Section 10.2, and (ii) the full amount of the Deposit shall be returned to Purchaser by the Receiver forthwith. Notwithstanding the foregoing, Purchaser acknowledges that the termination of this Agreement shall not affect its obligations under the Management Agreement.

(b) Under no circumstance shall any of the Parties or their respective directors, officers, employees, managers, Affiliates or agents or their respective directors, officers and employees be liable for any special, punitive, exemplary, consequential or indirect damages (including loss of profits) that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the Transaction.

ARTICLE 11 AS IS, WHERE IS

11.1 Acquisition of Assets on "As Is, Where Is" Basis

Purchaser acknowledges that Seller is selling the Purchased Assets on an "as is, where is" basis as they shall exist on the Closing Date and that, as of the Effective Date, Purchaser has had an opportunity to conduct any and all due diligence regarding the Purchased Assets and the Assumed Liabilities and that it has relied solely on its own independent review, investigation, and/or inspection of any documents regarding the Purchased Assets and the Assumed Liabilities, other than the representations contained in Section 7.1. This Section 11.1 shall not merge on the Closing Date.

ARTICLE 12 AGREEMENT OF RELATED PARTIES

12.1 No Interest

The Related Parties are Affiliates and or the ultimate shareholders of Seller and each confirms that the neither the Purchased Assets nor the Farming Equipment are owned by the Related Parties and they have no interest of any kind in or to the Purchased Assets or the Farming Equipment.

12.2 Further Assurance

In order to provide Purchaser with further assurance and to induce Purchaser to complete the Transaction, each Related Party:

- (a) releases, waives and otherwise relinquishes any right or interest of any nature or kind that could be asserted as against Seller, the Purchased Assets or the Farming Equipment absolutely and irrevocably to Seller; which rights or interest Seller shall convey as part of the Transaction;
- (b) consents to Seller completing the Transaction and all other terms of this Agreement;
- (c) irrevocably waives any right to protest the completion of the Transaction, including the vesting of the Purchased Assets, including, subject to subsection 2.9(b), the Farming Equipment, in Purchaser pursuant to the Approval and Vesting Order, or any other matter provided herein; and
- (d) covenants that any claim that a Related Party may have as against a Seller, if any, of any nature or kind shall, if asserted, shall only be asserted as an unsecured creditor as against the estate of Seller in bankruptcy and in no case shall any other form of claim be asserted in any proceedings including the Receivership.

12.3 Court Proceeding and Cooperation

The Related Parties shall file materials with the Court in support of the Transaction and confirm therein that each has no interest in and to the Purchased Assets or the Farming Equipment. Each Related Party shall further cooperate with Purchaser and the Receiver in the completion of the Transaction including (a) changing the name of "Hillspring Thaw Ltd." to a name that does not include the word "Hillspring"; provided that Purchaser acknowledges that any name change cannot take effect until the Closing Time and (b) discontinue use of the "Hillspring" name, including in all documents and websites used by each Related Party. Each Related Party covenants and agrees that it shall comply with, and ensure the compliance of, all covenants, agreements and undertakings made by Seller in this Agreement.

ARTICLE 13 GENERAL

13.1 Disputes

Any dispute arising out of or in connection with this Agreement shall be submitted to and finally resolved by a motion brought before the Court in the Receivership.

13.2 Notices

Any notice, consent or approval required or permitted to be given in connection with this Agreement shall be in writing and shall be sufficiently given if delivered (whether in person, by courier service or other personal method of delivery), or if transmitted by email:

- (a) in the case of a notice to Purchaser at:

McCain Foods Limited

439 King Street West
5th Floor
Toronto, Ontario
M5V 1K4

Attention: Nia Karabatsos
General Counsel, Americas
Email: nia.karabatsos@mccain.ca

with a copy (which shall not constitute notice) to:

Davies Ward Phillips & Vineberg LLP

155 Wellington Street West
Toronto, Ontario
M5V 3J7

Attention: Natasha MacParland
Email: nmacparland@dwpv.com

- (b) in the case of a notice to the Seller at:

Hillspring Farms Ltd.

295 Tartown Rd.
Bath, New Brunswick
E7J 2N2

Attention: Benjamin Brake and Jeremy Brake
Email: ben.brake@hsffood.ca and jeremy.brake@hillspringfarms.ca

with a copy (which shall not constitute notice) to:

McInnes Cooper

1969 Upper Water St., Suite 1300
Purdy's Wharf Tower II
Halifax, Nova Scotia
B3J 3R7

Attention: Stephen Kingston
Email: stephen.kingston@mcinnescooper.com

with a further copy (which shall not constitute notice) to the Receiver:

Ernst & Young Inc.

RBC Waterside Centre
1871 Hollis Street, Suite 500
Halifax, Nova Scotia
B3J 0C3

Attention: George Kinsman
Email: george.c.kinsman@ca.ey.com

Any notice delivered or transmitted to a Party as provided above shall be deemed to have been given and received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. local time in the place of delivery or receipt. However, if the notice is delivered or transmitted after 5:00 p.m. local time or if such day is not a Business Day then the notice shall be deemed to have been given and received on the next Business Day.

Any Party may, from time to time, change its address or email by giving notice to the other Party in accordance with the provisions of this Section.

13.3 Assignment

Neither Party shall assign this Agreement or any rights or obligations arising under this Agreement without the prior written consent of the other Party, provided that Purchaser may assign this Agreement to any of its Affiliates before the filing of the Approval and Vesting Order where (a) prior notice of such assignment is provided to Seller, (b) such assignee agrees to be bound by the terms of this Agreement to the extent of the assignment, and (c) Purchaser remains liable for the performance of the assignee's obligations hereunder.

13.4 Time of the Essence

Time shall be of the essence in respect of the obligations of the Parties arising prior to Closing under this Agreement.

13.5 Enurement

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors (including any successor by reason of amalgamation of any Party) and permitted assigns.

13.6 Amendment

No amendment, supplement, modification or waiver or termination of this Agreement and, unless otherwise specified, no consent or approval by any Party, shall be binding unless executed in writing by the Party to be bound thereby.

13.7 Further Assurances

The Parties shall, with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and each Party shall provide such further documents or instruments required by any other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, whether before or after the Closing Date provided that the reasonable costs and expenses of any actions taken after Closing Date at the request of a Party shall be the responsibility of the requesting Party.

13.8 Survival

The representations and warranties of the Parties contained in this Agreement shall merge on Closing and the covenants of the Parties contained herein to be performed after the Closing shall survive Closing and remain in full force and effect.

13.9 Personal Information

Purchaser hereby acknowledges that it is aware, and that it will advise its representatives, that privacy legislation, including the *Personal Information Protection and Electronic Documents Act* (Canada), applies to certain information that may be disclosed to Purchaser and its representatives pursuant to this Agreement and/or the Transaction. Purchaser agrees to comply, and cause its representatives to comply, with such privacy legislation in connection with any such information disclosed to it or any of them. To the extent that any personally identifiable information of any customers is transferred from Seller to Purchaser prior to the entry of the Approval and Vesting Order, Purchaser agrees to abide by Seller's privacy policy with respect to such personally identifiable information.

13.10 Benefit of Agreement

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. Except as otherwise provided in this Agreement, each Party intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the Parties and their successors and permitted assigns, and no Person other than the Parties and their successors and their permitted assigns shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum.

13.11 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

13.12 Governing Law

This Agreement shall be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the Parties shall be governed by, the laws of the Province of New Brunswick and the federal laws of Canada applicable therein, and each Party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of such province and all courts competent to hear appeals therefrom.

13.13 Execution and Delivery

This Agreement may be executed by the Parties in counterparts and may be executed and delivered by facsimile or other electronic means and all such counterparts and facsimiles (or other electronic deliveries) shall together constitute one and the same agreement.

[Remainder of page intentionally left blank]

IN WITNESS OF WHICH the Parties have executed this Agreement as of the date first written above.

Purchaser:

MCCAIN FARMS, A DIVISION OF
MCCAIN PRODUCE INC.

by 
Name: STEPHEN MCCAIN
Title: MANAGING DIRECTOR

Seller:

HILLSPRING FARMS LTD.

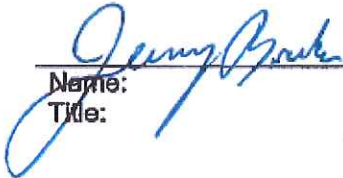
by 
Name:
Title:

HSF FOODS LTD.

by 
Name:
Title:

**HILLSPRING WAREHOUSE &
LOGISTICS INC.**

by 
Name: _____
Title: _____


Name: _____
Title: _____

Related Parties:

BURBANK WATER & WASTEWATER
INC.

by 
Name: _____
Title: _____

SUNRISE SEED FARMS LTD.

by 
Name:
Title:

HILLSPRING THAW LTD.

by 
Name: _____
Title: _____

FROM THE FARM INC.

by 
Name:
Title:

**EMPIRE CONSTRUCTION &
FABRICATION LTD.**

by 
Name: _____
Title: _____

BURBANK INDUSTRIAL SUPPLY INC.

by 
Name:
Title:

631544 N.B. LTD.

by 
Name:
Title:

A handwritten signature in black ink, appearing to read "Ben Brake", written over a horizontal line.

Benjamin Brake


Jeremy Brake

The undersigned is the Receiver of Seller by virtue of the Appointment Order (as defined in the within Agreement) of the Court of Queen's Bench of New Brunswick dated _____ 2020, and in such capacity hereby adopts the within Agreement for the estate of Seller and confirms that the Transaction contemplated therein has been approved by the Court such that the Receiver shall complete same in accordance with the Approval and Vesting Order (as defined in the within Agreement) of the Court of Queen's Bench of New Brunswick dated _____ 2020.

**ERNST & YOUNG INC., solely in its
capacity as Court-appointed Receiver**

by _____
Name:
Title:

SCHEDULE 1.1(a)
LIST OF FARMING EQUIPMENT
(OWNED)

Item No.	Item	Item Category	McCain ID	Serial Number
1.	Case 315	Tractor	1209	ZERD03119
2.	60' Tigermate 200 Harrow #1	Equipment	1128	YBD055928
3.	Case IH Combine 7088	Equipment	1109	YB000271
4.	Sprayer, SPX3320	Equipment	1084	Y7T021729
5.	10 Botton Plow # 1	Equipment	1073	103306
6.	Sprayer, SPX3320	Equipment	1269	Y7T022012
7.	Tractor	Tractor	1053	JAZ126232
8.	Tractor	Tractor	1222	JAZ127464
9.	2017 LKWD 6-Row Windrower	Equipment	1000	H00023
10.	2013 LKWD Model 656 6-Row Windrower	Equipment	1183	C00991
11.	2013 LKWD Model 656 6-Row Windrower	Equipment	1125	C03301
12.	2015 LKWD Model 656 Windrower	Equipment	1191	F01925
13.	2016 LKWD 656 6-Row Windrower	Equipment	1239	G01012
14.	2017 LKWD 656 6-Row Windrower / Hillspring	Equipment	1010	G01015

15.	2017 LKWD Model 506P Planter / Hillspring	Equipment	1092	H00004
16.	2015 LKWD Model 506 Planter	Equipment	1211	F01923
17.	GOW Bin Piler 30"	Equipment	1185	N/A
18.	Freightliner	Trucks	1051	2FUYDXYPB6NA499400
19.	Freightliner	Trucks	1100	2FUYDDYPB6TA761587
20.	Freightliner Stake Truck	Trucks	1121	2FUPYXPB6HV299162
21.	Freightliner Tractor	Trucks	1017	2FUPDPYPB5VA714938
22.	Freightliner	Trucks	1072	2FUPYDYPB0HV285014
23.	GMC Brigadeer (Dump)	Trucks	1261	1GDT8C4Y0GV535894
24.	Freightliner	Trucks	1259	2FUPDDYPB5MV393134
25.	Freightliner	Trucks	1136	1FUPDWEB6YLF58893
26.	Freightliner	Trucks	1296	2FV9Y0Y9XGV261702
27.	Freightliner	Trucks	1253	1FUYTEDB8XHA01987
28.	Freightliner	Trucks	1060	2FUYDDYPB9WA984775
29.	Freightliner	Trucks	1188	1FUYZDYPB6KH442476
30.	Freightliner Dump Truck	Trucks	1068	2FUP2DYPB3JV324606
31.	Freightliner	Trucks	1221	2FUPYCYBXJV324224
32.	Freightliner	Trucks	1225	1FUJAHCG33LK53219

33.	Freightliner FL112	Trucks	1178	1FVX1WYB9KH442529
34.	Freightliner FL112	Trucks	1137	1FVX1LYB9KH442528
35.	Freightliner T Series	Trucks	1126	2FUPDDYB6RA900296
36.	Freightliner (Blue Dump)	Trucks	1271	2FUPYXYB9GV283651
37.	White Volvo GMC	Trucks	1162	4V1YDBRG4JN602490
38.	Utility Trailer VS3RA	Trailers	1007	1UYVS35308M533301
39.	International	Trucks	1236	1HTSHAAT4SH645662
40.	International	Trucks	1013	2HSCHASR22C040770
41.	International	Trucks	1106	2HSFMAER6XC049421
42.	International 9300 Conventional	Trucks	1314	2HSFBBHR3PC072520
43.	International 9200 Conventional	Trucks	1172	2HSFMHNR1RC083469
44.	Freightliner	Trucks	1304	2FUY3MDB0WA905910
45.	International 5500	Trucks	1142	1HTXLAHTX4J022746
46.	International F2674 SBA	Trucks	1023	1HTGLAAT62H504841
47.	International 9400	Trucks	1197	2HSFHB7R7PC064985
48.	Fertilizer body (smalleys) tagged 15,000	Trailers	15005	
49.	John Deer Bat Wing Mower - Seed Farm	Equipment	1098	
50.	Potato Hopper 25 Bbl	Equipment	1111	

51.	Betterbuilt Seed Piece Treater	Equipment	1204	
52.	Betterbuilt Seed Cutter 24" wide	Equipment	1235	375-6-4290
53.	Homemade Potato Trailer	Trailers	1241	N/A
54.	Equipment trailer (Homemade) 16'	Trailers	1167	N/A
55.	Homade Grain Auger Trailer	Trailers	1179	P32301
56.	Dirt Eliminator 6' wide #1	Equipment	1224	
57.	Dirt Eliminator 6' wide #2	Equipment	1283	
58.	Dirt Eliminator 6' wide #3	Equipment	1305	
59.	Double Stinger #1	Equipment	1012	
60.	Double Stinger #2	Equipment	1057	
61.	Double Stinger #3	Equipment	1081	
62.	Double Stinger #4	Equipment	1265	
63.	Double Stinger #5	Equipment	1103	
64.	Dirt Eliminator 5' wide	Equipment	1071	
65.	Conveyor 30' x 30" #1	Equipment	1264	
66.	Conveyor 30' x 30" #2	Equipment	1300	
67.	Conveyor 30' x 30" #3	Equipment	1260	
68.	Conveyor 30' x 30" #4	Equipment	1049	

69.	Conveyor 30' x 30" #5	Equipment	1105	
70.	Conveyor 30' x 30" #6	Equipment	1210	
71.	Conveyor 30' x 30" #7	Equipment	1256	
72.	Conveyor 30' x 30" #8	Equipment	1117	
73.	Conveyor 30' x 30" #9	Equipment	1134	
74.	Conveyor 30' x 36" #1	Equipment	1284	
75.	Conveyor 30' x 36" #2	Equipment	1255	
76.	Conveyor 30' x 36" #3	Equipment	1163	
77.	Conveyor 30' x 36" #4	Equipment	1182	
78.	Conveyor 30' x 36" #5	Equipment	1242	
79.	Conveyor 30' x 36" #6	Equipment	1087	
80.	Conveyor 30' x 36" #7	Equipment	1151	
81.	Conveyor 30' x 36" #8	Equipment	1108	
82.	Conveyor 30' x 36" #9	Equipment	1056	
83.	Conveyor 30' x 36" #10	Equipment	1294	
84.	Conveyor 32' x 36" #1	Equipment	1238	
85.	Conveyor 32' x 36" #2	Equipment	1135	
86.	Conveyor 32' x 36" #3	Equipment	1107	

87.	Conveyor 32' x 36" #4	Equipment	1045	
88.	Telescopic Conveyor 60' x 36" #1	Equipment	1169	
89.	Telescopic Conveyor 60' x 36" #2	Equipment	1122	
90.	Telescopic Conveyor 60' x 36" #3	Equipment	1063	
91.	Conveyor 40' x 36"	Equipment	1316	
92.	Conveyor 20' x 30"	Equipment	1215	
93.	Conveyor 12' x 30" #1	Equipment	1145	
94.	Conveyor 12' x 30" #2	Equipment	1232	
95.	Conveyor 12' x 30" #3	Equipment	1080	
96.	Bin Piler 36" #2	Equipment	1076	
97.	Bin Piler 36" #3	Equipment	1171	
98.	Sizer 77" #1	Equipment	1030	
99.	Sizer 77" #2	Equipment	1043	
100.	Sizer 77" #3	Equipment	1054	
101.	Sizer 77" #4	Equipment	1115	
102.	RCO Bin Piler 32" #1	Equipment	1164	
103.	RCO Bin Piler 32" #2	Equipment	1061	
104.	Seed Rack 48"	Equipment	1086	

105.	Telescopic Seed Conveyor 24"	Equipment	1279	
106.	Seed Conveyor 30"	Equipment	1196	
107.	RCO Grading Table 36"	Equipment	1189	
108.	RCO Conveyor 24" x 72"	Equipment	1275	
109.	RCO Rock Dinger 36"	Equipment	1143	
110.	RCO Sizer 72"	Equipment	1201	
111.	RCO Telescopic Bin Piler	Equipment	1317	
112.	RCO Double Stinger 48"	Equipment	1243	
113.	RCO Telescopic Conveyor 38' x 24"	Equipment	1246	
114.	Telescopic Bin Piler	Equipment	1228	
115.	RCO Conveyor 3' x 24"	Equipment	1074	
116.	RCO Conveyor 12' x 30"	Equipment	1078	
117.	24" x 26" - RCO conveyors	Equipment	15001	
118.	30" x 30" - RCO conveyors	Equipment	15002	
119.	24" x 26" - RCO conveyors	Equipment	15003	
120.	24" x 26" - RCO conveyors	Equipment	15004	
121.	Seed Cutter	Equipment	1310	20142242
122.	Seed Treater Wet	Equipment	1005	2008353

123.	Seed Treater Dry	Equipment	1069	2015716
124.	Milestone Seed Piece Treater #1	Equipment	1175	
125.	Milestone Seed Piece Treater #2	Equipment	1011	
126.	Hartland Machine 3 Row Rock Picker # 1	Equipment	1066	
127.	Hartland Machine 3 Row Rock Picker # 2	Equipment	1258	
128.	6 Row Hartland Machine Front and Rear Mount Cultivators #1	Equipment	1287	
129.	6 Row Hartland Machine Front and Rear Mount Cultivators #2	Equipment	1273	
130.	6 Row Hartland Machine Front and Rear Mount Cultivators #3	Equipment	1102	
131.	6 Row Hartland Machine Front and Rear Mount Cultivators #4	Equipment	1127	
132.	6 Row Hartland Machine Front and Rear Mount Cultivators #5	Equipment	1170	
133.	6 Row Hartland Machine Front and Rear Mount Cultivators #6	Equipment	1161	
134.	6 Row Hartland Machine Front and Rear Mount Cultivators #7	Equipment	1193	
135.	6 Row Hartland Machine Front and Rear Mount Cultivators #8	Equipment	1245	
136.	6 Row Hartland Machine Front and Rear Mount Cultivators #9	Equipment	1065	
137.	Seed Conveyor 24"	Equipment	1187	
138.	Hartland Machine Telescopic BinPiler	Equipment	1240	
139.	Hartland Machine Potato Hopper (25bbl)	Equipment	1311	
140.	Hartland Machine Seed Conveyor 25' x 30"	Equipment	1153	

141.	John Deere Skid Steer	Equipment	1223	T00332B130025
142.	John Deere Skid Steer	Equipment	1029	1T0333DKJCD238560
143.	John Deer 320 Skid Steer (2640 Hr)	Equipment	1307	T00320A157236
144.	Valley Sales Rock Eliminator 60"	Equipment	1124	
145.	Valley Sales Rock Eliminator 48"	Equipment	1254	
146.	G25P Daewoo Forklift (5604 Hr)	Equipment	1064	D202210
147.	Loader Planter Filler # 1	Equipment	1194	
148.	International ProStar	Trucks	1166	3HSCUAPR7AN279930
149.	Blaisdell Stationary Planter Filler	Equipment	1096	
150.	Lieber Pay Loader	Equipment	N/A	VATZ1168LZB036436
151.	620 Quad	Tractors	1033	ZFF304588
152.	620 Quad	Tractors	1214	ZFF308291
153.	Mack CH613	Trucks	1130	1M1AA18Y82W146518
154.	Western Star	Trucks	1042	5KKXAF0048PZ89193
155.	Freightliner Classic	Trucks	1047	1FUJF6AVX7DX67401
156.	Mack CH613	Trucks	1035	1M2AA18Y11W134169
157.	Mack CH613	Trucks	1298	1M2AA18Y8VW071545
158.	Freightliner Cascadia 125	Trucks	1220	1FUJGEDR0BLAW2548

159.	Kenworth Classic	Trucks	1301	1XKAD29X2WJ950517
160.	Freightliner FLC	Trucks	1037	2FUPYSYB2HV283902
161.	Wester Star 4900	Trucks	1028	2WKPD CJH8RK935790
162.	Freightliner FL80	Trucks	1302	1FVXJJBB2XHA22469
163.	White GMC WIA Areo	Trucks	1090	4V1WDBCH2SN690823
164.	#37 Western Star	Truck	15007	2WKPD DXJ2XK959483
165.	Grain Cart	Equipment	1319	D57040160
166.	Woods Bat Wing Mower	Equipment	1244	1169173
167.	Toyota Fork Lift	Equipment	1195	
168.	Manac Trailer	Trailers	1212	2M5631347A1123174
169.	Ford LNT8000 Lime Loader	Equipment	1274	1FDZW82A0HVA59599
170.	Lockwood 2 Row Harvester	Equipment	1018	603052
171.	Lockwood 6 Row Windrower	Equipment	1034	C00974
172.	Lockwood Planter # 2	Equipment	1282	U4120
173.	Lockwood Planter # 4	Equipment	1088	C00939
174.	Lockwood Planter # 5	Equipment	1267	C00961
175.	MX120	Tractors	1116	JJA0093205
176.	Case Magnum 285	Tractors	1019	JAZ139925

177.	Case 766	Tractors	1099	2490191U01776
178.	Case 966	Tractors	1190	
179.	Case 986	Tractors	1110	
180.	Great Plains Grain Drill # 1		1281	GP-YY2953
181.	Great Plains Grain Drill # 2		1006	GP-YY3072
182.	Packer Super Flex By Big Jim #2		1004	45208740R
183.	Case 290		1233	ZBRD04665
184.	Case Magnum 260		1199	ZCRD03230
185.	STEIGER 600		1097	ZBF126568
186.	Manac 94448		1070	2M594146921081165
187.	Trailex R443A		1114	2L9R443A4H1035125
188.	Trailex R443A		1132	2L9R443A2J1035002
189.	Trailex R443A		1270	2L9R443A4J1035003
190.	Trailex R443A		1027	2L9R443A0J1035001
191.	Utility VS2RA		1113	1UYVS25364M261518
192.	BWS Easy 2 Load Float Trailer		1216	2B955HG38H1001698
193.	International 9200 Conventional		1089	2HSCEAHR67C376686
194.	Lockwood 6 Row Windrower W11		1184	B00419

195.	14 Bottom Plow # 2		1149	130052
196.	2008 Ford Ranger	Truck	15009	1FTYR44U98PA69642
197.	Dodge Ram	Truck	150015	1D7HU18D34J232621
198.	Big Jim 36ft. Superflex packer, 5 section, 19 inch notched ductile wheels, highway light kit, mud scrapers Conveyor	Equipment	1174	43193036R
199.	2000 MX220 Case 4 x 4 Tractor			2204C4JJA0114501
200.	1990 Fruehauf Semi-Trailer	Trailer	1280	1H2R04822LH012314
201.	2006 Trailer RGM TIY733	Trailer	141	N/A
202.	CAT 324D Excavator		1205	JJG01215
203.	ROAD GRADER - 1990 CHAMPION 730A		1146	730A17764220739
204.	2012 Lockwood 506P Planter #6			C00962
205.	1 Case IH Disc Harrow 18FT			CCF0006160
206.	Brillon 4 Row Roto Beater			157451
207.	2005 Snow Blower 9'			BO3108HD043
208.	2008 CASEIH MOWER DX25E			DBC013508
209.	Lockwood 2 Row Harvester 472AH		1257	U4061
210.	Lockwood 2 Row Harvester 472AR		1252	B00473
211.	Power Angle Snow Plow, Model 10-35 - CRAIG			

212.	1 44' High Capacity Bulk Trailer (Black with Black Tarp)			
213.	1 2008 Irida Pressure Washer			
214.	Fox Brady 4 Row Roto Beater Model 1680			
215.	Hesson 10' Chisel Plow Model 2310			
216.	Mayrath 8" PTO Grain Auger-48" Long on Wheels			
217.	Skid Steer Fork Bucket			
218.	Skid Steer Rock Picker Bucket			
219.	45" Fork Tine Bucket			
220.	61" Fork Tine Bucket			455-1
221.	8' Power Angle Plow/Attachment for Skid Steer			
222.	Skid Steer Fork Bucket-Side Dump Cylinder Quick Attach			
223.	1 2002 Sub Soiler 4-tooth			
224.	1 Honda Engine (Fertilizer Body)			
225.	72" CASE MOWER DECK			
226.	(4) SCRAP DRY VAN TRAILERS USED FOR STORAGE			753-7328
227.	2005 INTERNATIONAL 4200 16FT BOX TRUCK			1HTMLAFM35H683932
228.	WESTFIELD MK100-61 GRAIN AUGER			
229.	Shulte land leveller			

230.	Brillon CC400 Chisel plow			
231.	12ft one way front snow plow			
232.	Skid steer sweeper attachment			
233.	53ft Storage trailer			No VIN
234.	forks for skid steer			
235.	7' Potato Bucket/Self Dumping			
236.	Climax 1300KS mobile conveyer			N/A
237.	Utility VS3RA		1020	1UYVS35395G584001
238.	Western Star TR 4800		1015	2WLNMC PF9TK943610
239.	Case Magnum 340		1173	ZFRF02983
240.	Freightliner (Red Dump)		1249	1FUPYXYB5JP321135
241.	1 Yale electric Pallet Jack			
242.	22' x 8' Steel Flat Body with fertilizer tank			
243.	22'x 8'Steel Flat Body with fertilizer tank			
244.	48" ROOT RAKE (PIN ON) FOR EXCAVATOR			
245.	TORRENT EX18 HYDRAULIC MULCHER			
246.	flat bed with Fertilizer tank			
247.	Planter filler #2		N/A	N/A

248.	53' GOW Live Bottom Floors Insets, 30" self unloading conveyor continuous belt on floor chain system	Equipment	N/A	GOW-I14053A
249.	07 Ford F550 XL Superduty, diesel, crew cab, dual rear wheels c/w service body with inverter, air compressor & hose reels, ranger 225 welder and complete with assorted tools	Trucks	N/A	1FDAW56P57EA78335

SCHEDULE 1.1(b)
Permitted Encumbrances

A. Real Property Easements and Other Encumbrances (as of March 12-13, 2020)

Item	Encumbrance Registration No.	Parcel Identifier Number(s)
1.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Discontinuance of Highway/Road Desaffectation de route Carleton 2018-09-10 38369212	10285393
2.	New Brunswick Power Corporation 515 King ST Fredericton NB E3B 1E7 Easement Holder Titulaire de la servitude Discontinuance of Highway/Road Desaffectation de route Carleton 2018-09-10 38369212	10285393
3.	New Brunswick Electric Power Commission 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1956-05-14 183 - 293 97819	10205094
4.	New Brunswick Telephone Company, Limited / Ltee 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Agreement Holder Detenteur de la convention Agreement Convention Carleton 1965-06-15 205 - 7 108094	10205094

5.	PID 10176766 Beechwood NB Easement Holder Titulaire de la servitude Agreement Convention Carleton 1989-11-29 478 - 592 169132	10094100
6.	New Brunswick Electric Power Commission 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1957-01-10 185 - 41 98629	10087500
7.	New Brunswick Telephone Company, Limited / Ltee 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Agreement Holder Detenteur de la convention Agreement Convention Carleton 1965-06-15 205 - 6 108090	10087500
8.	PID/NID 10185510 Corcoran Road NB Easement Holder Titulaire de la servitude Deed Acte de transfert Carleton 1988-01-01 444 - 148 164533	10087492
9.	10214625 Corcoran Road NB Easement Holder Titulaire de la servitude Easement Servitude Carleton 2018-04-17 37926152	10087492
10.	10185510 Corcoran Road NB Easement Holder Titulaire de la servitude Easement Servitude Carleton 2018-04-19 37933323	10087492

11.	New Brunswick Electric Power Commission 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1956-06-05 183 - 417 97915	10090611
12.	New Brunswick Telephone Company, Limited / Ltee 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Agreement Holder Detenteur de la convention Agreement Convention Carleton 1965-06-15 205 - 8 108095	10090611
13.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1956-06-18 183 - 475 97958	10158251
14.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Agreement Holder Titulaire de la servitude Agreement Convention Carleton 1988-08-30 447-492 164990	10158251
15.	10161263 Beechwood NB Easement Holder Titulaire de la servitude Agreement Re: Use of Land Convention visant l'usage des terrains Carleton 2001-04-20 769-574 11973113	10220846

16.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Agreement Holder Titulaire de la servitude Agreement Convention Carleton 1965-06-15 205-8 108095	10162048
17.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Agreement Holder Titulaire de la servitude Agreement Convention Carleton 1978-03-06 281-509 132884	10162048
18.	New Brunswick Power Corporation 515 King ST Fredericton NB E3B 1E7 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1978-03-06 281-509 132884	10162048
19.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Agreement Holder Titulaire de la servitude Agreement Convention Carleton 1989-03-01 460-120 166681	10282358 10282333 10282325
20.	New Brunswick Power Corporation 515 King ST Fredericton NB E3B 1E7 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1989-01-16 457-286 166316	10282325

21.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Agreement Holder Titulaire de la servitude Agreement Convention Carleton 1989-03-01 460-126 166682	10282325
22.	New Brunswick Power Corporation 515 King ST Fredericton NB E3B 1E7 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1955-11-10 182-158 97237	10187029
23.	Oakes, Ellis R. 505 California Settlement Road California Settlement NB E3Z 1V8 Easement Holder Titulaire de la servitude Deed Acte de transfert Victoria 1995-06-19 445-519 113133	65172827
24.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Victoria 1992-05-07 385-321 105847	65085060
25.	New Brunswick Telephone Company, Limited / Ltee 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Agreement Holder Detenteur de la convention Agreement Convention Victoria 1992-05-07 385-321 105847	65085060

26.	PID 10004406 Center Glassville NB Easement Holder Titulaire de la servitude Deed Acte de transfert Carleton 1989-12-15 480-50 169293	10281723
27.	PID 10194090 Divide NB Easement Holder Titulaire de la servitude Deed Acte de transfert Carleton 1996-02-06 628-446 187754	10218659
28.	PID 10002319 Divide NB Easement Holder Titulaire de la servitude Deed Acte de transfert Carleton 1996-02-06 628-446 187754	10218659
29.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1988-02-09 433-376 163081	10275584
30.	New Brunswick Power Corporation 515 King ST Fredericton NB E3B 1E7 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1988-02-09 433-376 163081	10275584
31.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1981-10-13 322-74 143252	10232791

32.	New Brunswick Power Corporation 515 King ST Fredericton NB E3B 1E7 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1981-10-13 322-74 143252	10232791
33.	Maine and New Brunswick Electrical Power Company Limited 209 State ST Presque Isle ME United States 04769-0789 Easement Holder Titulaire de la servitude Agreement Convention Victoria 1972-12-20 157 – 876 63348	65217515 65088619
34.	New Brunswick Telephone Company, Limited / Ltee 1 Brunswick SQ Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Victoria 1966-12-09 136-128 56177	65215741 65087314
35.	Minister of Natural Resources and Energy PO BOX/CP 6000 Fredericton NB E3B 5H1 Agreement Holder Detenteur de la convention Other Autres Victoria 1996-09-25 470-75 116208	65084899
36.	Minister of Natural Resources and Energy PO BOX/CP 6000 Fredericton NB E3B 5H1 Agreement Holder Detenteur de la convention Other Autres Victoria 1997-09-08 488-108 118432	65084899

37.	The New Brunswick Telephone Co. Ltd. 1 Brunswick SQ Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Victoria 1966-12-09 136-128 56177	65084915
38.	Her Majesty the Queen in Right of the Prov of NB as rep by Minister of Natural Resources and Energy 440 King ST Fredericton NB E3B 5H8 Agreement Holder Detenteur de la convention Other Autres Victoria 1996-09-25 470-75 116208	65084915
39.	PID 65084931 Four Falls NB Easement Holder Titulaire de la servitude Deed Acte de transfert Victoria 1964-04-20 127-623 52857	65084949
40.	New Brunswick Telephone Company, Limited / Ltee 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Victoria 1966-12-09 136-140 56186	65084949
41.	Maine and New Brunswick Electrical Power Company, Limited 282 Tinker RD Tinker NB E7H 5A8 Easement Holder Titulaire de la servitude Agreement Convention Victoria 1972-12-20 157 – 881 63349	65084949

42.	New Brunswick Power Distribution and Customer Service Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Administration Administration Victoria 1968-09-26 1590	65116725
43.	New Brunswick Electric Power Commission 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Deed Acte de transfert Victoria 1967-07-26 137-541 56779	65116790
44.	The Director, The Veteran's Land Act SAT-3 284 Wellington ST Ottawa ON K1A 0H8 Easement Holder Titulaire de la servitude Deed Acte de transfert Victoria 1967-07-26 137-541 56779	65116790
45.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Victoria 1966-12-09 136-138 56185	65084931
46.	Restrictive Covenants Glassville NB Covenant Holder Titulaire de l'engagement Deed Acte de transfert Carleton 1997-07-14 667-119 192337	10136067

47.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1967-05-03 211-598 111316	10004265
48.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1983-08-03 343-770 148305	10004265
49.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1983-08-03 343-770 148305	10004265
50.	Aliant 1 Brunswick SQ PO BOX 5555 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Subdivision & Amalgamations Lotissement et fusions Carleton 1996-11-05 200670	10221976
51.	New Brunswick Electric Power Commission 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Subdivision & Amalgamations Lotissement et fusions Carleton 1996-11-05 200670	10221976

52.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1988-12-01 454-476 165939	10282580
53.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1988-12-01 454-476 165939	10282580
54.	10282572 Glassville NB Easement Holder Titulaire de la servitude Deed Acte de transfert Carleton 2017-05-24 37007656	10252580
55.	10008365 Glassville NB Easement Holder Titulaire de la servitude Deed Acte de transfert Carleton 2017-05-24 37007656	10252580
56.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1988-02-09 433-388 163084	10281731

57.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1988-02-09 433-388 163084	10281731
58.	Aliant Inc. 1 Brunswick SQ PO BOX 1324 Saint John NB E2L 4H8 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1983-08-03 343-749 148298	10002913
59.	New Brunswick Electric Power Commission 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1983-08-03 343-749 148298	10002913
60.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1994-10-14 200175	10211076
61.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1994-10-14 200175	10211076

62.	New Brunswick Power Commission 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1967-03-05 211-583 111307	10003093
63.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Easement, Right-of-Way Servitude, droit de passage Carleton 1983-08-03 343-767 148304	10003093
64.	New Brunswick Power Commission 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Easement, Right-of-Way Servitude, droit de passage Carleton 1983-08-03 343-767 148304	10003093
65.	10282572 Glassville NB Easement Holder Titulaire de la servitude Deed Acte de transfert Carleton 2017-05-24 37007680	10137792
66.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Easement, Right-of-Way Servitude, droit de passage Carleton 1983-08-03 343-764 148303	10127900

67.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Easement, Right-of-Way Servitude, droit de passage Carleton 1983-08-03 343-764 148303	10127900
68.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1965-08-20 205-513 108445	10183937
69.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1996-02-22 629-509 187896	10281749
70.	New Brunswick Power Corporation 515 King ST Fredericton NB E3B 1E7 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1996-02-22 629-509 187896	10281749
71.	15' wide Easement Paroisse de Saint-Andre NB Easement Holder Titulaire de la servitude Subdivision & Amalgamations Lotissement et fusions Madawaska 1977-05-31 3512	35159060 35159151

72.	New Brunswick Power Transmission Corporation 515 King ST Fredericton NB E3B 5G4 Easement Holder Titulaire de la servitude Easement Servitude Madawaska 2011-08-10 30450044	35159060
73.	Bell Aliant Communications Regionales Inc. 1 Brunswick SQ Saint John NB E2L 4H8 Easement Holder Titulaire de la servitude Agreement Convention Madawaska 1981-08-31 E14-62 124895	35159151
74.	Corporation de portefeuille Energie Nouveau-Brunswick 515 RUE King Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Madawaska 1981-08-31 E14-62 124895	35159151
75.	New Brunswick Power Transmission Corporation 515 King ST Fredericton NB E3B 5G4 Easement Holder Titulaire de la servitude Easement Servitude Madawaska 2011-08-10 30450085	35159151
76.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1980-07-15 307-406 139670	10091742

77.	New Brunswick Power Corporation 515 King ST Fredericton NB E3B 1E7 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1980-07-15 307-406 139670	10091742
78.	New Brunswick Telephone Company, Limited / Ltee 1 Brunswick SQ PO BOX 5555 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1980-07-15 307-400 139668	10095628
79.	Pid 10177699 North Johnville NB Easement Holder Titulaire de la servitude Deed Acte de transfert Carleton 1984-10-24 360-92 152136	10095628
80.	Pid 10168375 North Johnville NB Easement Holder Titulaire de la servitude Deed Acte de transfert Carleton 1984-10-24 360-95 152137	10095628
81.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1983-07-06 342-875 148103	10260560 10090652

82.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1983-07-06 342-875 148103	10260560 10090652
83.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Victoria 1983-09-09 244-446 86113	65034662 65114555 65224990
84.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Victoria 1983-09-09 244-446 86113	65034662 65114555 65224990
85.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Victoria 1988-11-03 318-470 97411	65034662 65114555 65224990 65112096
86.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Easement, Right-of-Way Servitude, droit de passage Victoria 1960-04-22 117-695 48824	65224990

87.	NB Power 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Easement, Right-of-Way Servitude, droit de passage Victoria 1966-02-03 133-263 55029	65224990
88.	NBTel Inc. 1 Brunswick SQ PO BOX 5555 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Victoria 1988-11-03 318-476 97412	65224990
89.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 5555 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Easement, Right-of-Way Servitude, droit de passage Victoria 1978-01-13 194-607 73477	65220535
90.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Easement, Right-of-Way Servitude, droit de passage Victoria 1978-01-13 194-607 73477	65220535
91.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1986-04-24 391-168 156942	10280113 10280097

92.	The New Brunswick Telephone Company, Limited 1 Brunswick SQ PO BOX 5555 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1986-04-24 391-168 156942	10280113 10280097
93.	New Brunswick Telephone Company, Limited/Ltee 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1989-03-01 460-114 166680	10280113 10280097 10281095
94.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 5555 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Easement Servitude Carleton 2002-10-16 15195705	10280113
95.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Easement Servitude Carleton 2002-10-16 15195705	10280113
96.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Land Titles First Application Premiere demande de titre foncier Carleton 2013-07-30 32942766	10280113

97.	Aliant Inc. 1 Brunswick SQ PO BOX 1324 Saint John NB E2L 4H8 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1983-05-05 304-404 147545	10280105
98.	New Brunswick Power Corporation 515 King ST Fredericton NB E3B 1E7 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1983-05-05 304-404 147545	10280105
99.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Land Titles First Application Premiere demande de titre foncier Carleton 2013-07-30 32942501	10280097
100.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 5555 Saint John NB E2L 4K2 Agreement Holder Titulaire de la servitude Agreement Convention Carleton 1989-03-01 460-156 166687	10167005 10167013 10167021
101.	PID 10211597 Maplehurst NB Easement Holder Titulaire de la servitude Deed Acte de transfert Carleton 1995-02-27 604-392 184857	10161677 10094407

102.	New Brunswick Power Corporation 515 King ST Fredericton NB E3B 1E7 Easement Holder Titulaire de la servitude Deed Acte de transfert Carleton 1992-12-07 554-80 178526	10090850
103.	New Brunswick Power Corporation 515 King ST Fredericton NB E3B 1E7 Easement Holder Titulaire de la servitude Deed Acte de transfert Carleton 1968-10-17 216-231 113300	10094472
104.	New Brunswick Power Corporation 515 King ST Fredericton NB E3B 1E7 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1960-04-21 192-255 102306	10092187
105.	New Brunswick Power Corporation 515 King ST Fredericton NB E3B 1E7 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1966-02-02 206-656 109024	10092187
106.	New Brunswick Power Corporation 515 King ST Fredericton NB E3B 1E7 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1989-12-05 479-243 169197	10092187

107.	New Brunswick Power Corporation 515 King ST Fredericton NB E3B 1E7 Easement Holder Titulaire de la servitude Agreement Convention Carleton 1960-04-21 192-248 102302	10285179
108.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Agreement Holder Titulaire de la servitude Agreement Convention Carleton 1988-08-30 447-440 164982	10285197
109.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 5555 Saint John NB E2L 4K2 Agreement Holder Detenteur de la convention Agreement Convention Carleton 1983-05-05 340-371 147534	10096105
110.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Agreement Holder Detenteur de la convention Agreement Convention Carleton 1983-05-05 340-371 147534	10096105
111.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 5555 Saint John NB E2L 4K2 Agreement Holder Detenteur de la convention Agreement Convention Carleton 1985-04-10 367-235 153386	10096105

112.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Agreement Holder Detenteur de la convention Agreement Convention Carleton 1985-04-10 367-235 153386	10096105
113.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 1430 Saint John NB E2L 4K2 Easement Holder Titulaire de la servitude Subdivision & Amalgamations Lotissement et fusions Carleton 1993-07-15 1181	10207280
114.	New Brunswick Power Corporation 515 King ST Fredericton NB E3B 1E7 Easement Holder Titulaire de la servitude Subdivision & Amalgamations Lotissement et fusions Carleton 1993-07-15 1181	10207280
115.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Easement, Right-of-Way Servitude, droit de passage Victoria 1960-07-07 118-677 49214	65114944
116.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 5555 Saint John NB E2L 4K2 Agreement Holder Detenteur de la convention Agreement Convention Carleton 1989-03-02 323-627 98175	65114944

117.	PID 65151797 Muniac NB Easement Holder Titulaire de la servitude Deed Acte de transfert Victoria 1990-02-01 339-307 100322	65034977
118.	Aliant Telecom Inc. 1 Brunswick SQ PO BOX 5555 Saint John NB E2L 4K2 Agreement Holder Titulaire de la servitude Agreement Convention Victoria 1990-06-06 346-211 101168	65034977
119.	New Brunswick Power Corporation 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Agreement Holder Titulaire de la servitude Agreement Convention Victoria 1990-06-06 346-211 101168	65034977
120.	PID 10278687 Bath NB Easement Holder Titulaire de la servitude Deed Acte de transfert Carleton 2015-07-20 35051565	10093912
121.	New Brunswick Electric Power Commission 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Agreement Holder Titulaire de la servitude Agreement Convention Carleton 1960-04-21 192-273 102317	10279982

122.	New Brunswick Electric Power Commission 515 King ST PO BOX 2000 Fredericton NB E3B 4X1 Agreement Holder Titulaire de la servitude Agreement Convention Carleton 1966-02-02 206-680 109039	10279982
123.	PID 10094712 Maplehurst NB Easement Holder Titulaire de la servitude Easement Servitude Carleton 2007-11-19 24833130	10279982
124.	PID 10090652 Upper Kent NB Easement Holder Titulaire de la servitude Deed Acte de transfert Carleton 1981-03-27 315-129 141569	10281772
125.	PID 10177665 Upper Kent NB Easement Holder Titulaire de la servitude Deed Acte de transfert Carleton 2017-01-13 36685478	10281772
126.	10280014 Maplehurst NB Easement Holder Titulaire de la servitude Easement Servitude Carleton 2016-04-27 35877753	10087724 10158970 10158988
127.	PID 10090140 Upper Kent NB Easement Holder Titulaire de la servitude Deed Acte de transfert Carleton 1990-07-26 494-69 171206	10089258
128.	PID 10088623 Upper Kent NB Easement Holder Titulaire de la servitude Deed Acte de transfert Carleton 1940-09-03 152-163 80979	10259836

129.	15' wide Easement Paroisse de Saint-André NB Easement Holder Titulaire de la servitude Subdivision & Amalgamations Lotissement et fusions Madawaska 1977-05-31 3512	35345537 35159078
130.	Bell Aliant Communications Régionales Inc. Bell Aliant Regional Communications, LP 1 Brunswick SQ Saint John NB E2L 4H8 Easement Holder Titulaire de la servitude Agreement Convention Madawaska 1981-08-31 E14-77 124899	35345537 35159078
131.	Corporation de portefeuille Énergie Nouveau-Brunswick 515 RUE King Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Madawaska 1981-08-31 E14-77 124899	35345537 35159078
132.	Corporation de portefeuille Énergie Nouveau-Brunswick 515 RUE King Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Madawaska 1987-09-02 Q19-765 154569	35159078 35177328
133.	Bell Aliant Communications Régionales Inc. Bell Aliant Regional Communications, LP 1 Brunswick SQ Saint John NB E2L 4H8 Easement Holder Titulaire de la servitude Agreement Convention Madawaska 1989-12-06 594-293 165711	35159078
134.	Corporation de portefeuille Énergie Nouveau-Brunswick 515 RUE King Fredericton NB E3B 4X1 Easement Holder Titulaire de la servitude Agreement Convention Madawaska 1993-06-15 733-496 184099	35159078

135.	New Brunswick Power Transmission Corporation 515 King ST Fredericton NB E3B 5G4 Easement Holder Titulaire de la servitude Partial Discharge of Release Mainlevée partielle or renunciation Madawaska 2012-03-14 31248728	35159078 35177328
136.	New Brunswick Power Transmission Corporation 515 King ST Fredericton NB E3B 5G4 Easement Holder Titulaire de la servitude Easement Servitude Madawaska 2011-06-09 30193263	35177328

B. Personal Property Permitted Encumbrances

REGISTRATION	Secured Party	Debtor	Description of Collateral
31415128	CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	2018 Case IH Tractor Model 380 having serial number ZJRF01138
25429275, as amended by 33200791	CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	2014 Case IH Magnum Tractor Model 290 HP having serial number ZERD02792
28415446, as amended by 33126145	CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	2014 Tiger 2 Case IH Soil Preparation Tractor having serial number YED074213
29244050	CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	2007 Case IH S.P. Sprayer Model 3320 having serial number YDT037612
29337516	CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	Case IH Magnum Tractor Model 200 having serial number JJAM0200EHRH02289, together with Case IH Loader Model L785 having serial number 82171751
28722965	CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	Two 2017 Tiger 2 Case IH 17 Soil Preparation Harrows having serial numbers YHD083786 and YHD083665
28415438	CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	2017 SV300 Case 17 Skid Steer having serial number JAFSV300AGM425897
28411270, as amended by 28415651	CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	2017 Case IH Magnum Tractor Model 310 having serial number ZGRF03005

28518538	CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	2014 Case IH SP Sprayer Model 3340 having serial number YET038558
27322718	CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	2016 Case IH SP Sprayer Model 3340 having serial number YFT042512
27731249	CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	2016 Case IH Magnum Tractor Model 280 having serial number ZGRF01526
28722973	CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	2017 Magnum Tractor Model 280 having serial number ZHRF01377, together with Magnum Tractor Model 250 having serial number ZHRF01590
28722981	CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	Case IH Combine Model 8240 having serial number YHG233588, together with Case IH Combine Head model Draper 3152 having serial number YHH051326
29653391	CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	2017 Case IH Combine Head Model Draper 3152 having serial number YHH051506
29110590	CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	Case Skid Steer having serial number JAFSV300JHM430255
27617653	CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	Case IH Magnum Tractor Model 310 having serial number ZGRF01679, together with Case IH Magnum Tractor Model 340 having serial number ZGRF01089

30383996	CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	Soil Preparation Model Tiger having serial number YJD085177
31599707	CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	Magnum Tractor having serial number JJAM0380PHRF04682
27216118	Caterpillar Financial Services Limited	Hillspring Farms Ltd.	2016 Caterpillar D5K2 having serial number CAT00D5KPKW200604

SCHEDULE 1.1(c)

Approval and Vesting Order

[DRAFT ONLY SEE NOTICE OF APPLICATION]

SCHEDULE 2.1(b)

Equipment

A. All Equipment, furniture and fixtures located on the Real Property, as such term is defined in the Asset Purchase Agreement, at the following sites:

1. The main farm site, including but not limited to the municipal address located at 291 Tarrtown Rd, Monquart, NB, E7J 2M2, consisting of, but not limited to an office, 22 potato storages, a packing shed building and 14 grain tanks.
2. The potato seed storage site, including but not limited to the municipal address located at 1350 route 580, Glassville, NB, E7L 1R3, consisting of, but not limited to three storage buildings.
3. The rail siding operation and grain / grain seed storage site, including but not limited to the municipal address located at 85 CN Rd, Grand Falls, NB E3Z 2L1, consisting of, but not limited to an office, two warehouses for storage, 23 grain tanks for storage, 1 chemical warehouse and a small electrical building.
4. The truck repair site, including but not limited to the municipal address located at 320 Tarrtown Rd, Monquart NB, E7J 2M2, consisting of, but not limited to a building for truck repair, the 40 Metric Tonne 3 section truck scale c/w weightronics, the 50x100 2 Ton Overhead crane with chainfalls, and the chip and fabrication buildings.
5. The tractor repair and storage site, including but not limited to the municipal address located at 235 Beechwood Rd, Piercemont, NB, E7J 2M3, consisting of, but not limited to a building for tractor repair and two storage buildings.

B. The following petroleum storage tanks:

- a. Petroleum Storage Tank located on PID 65217515
- b. Petroleum Storage Tank located on PID 10091593
- c. Petroleum Storage Tank located on PID 10281731

C. The following Equipment associated with the packing shed:

No.	Item	Item Category	McCain ID	Serial Number
1.	"New 2013 Robotic Handling and Packaging and Automated Sorting Equipment together with all present and after-acquired attachments, accessories and accessions thereto, including but not limited to the following: Felt Dryer 60"" Compact Rock Separator R/H	Equipment	N/A	N/A

	Grimme P.U. Roller Dirt Eliminator Even Flow Celox Grader 5+1 Newtec 4014XB1 Weigher Newtec 4014XB1 Weigher + PCS2 EMVE BE6025 Paper Bagger 10-50 LBS Volm Robotic Palletizing System"			
2.	2015 Hyundai Forklift	Equipment	N/A	HHKHFY08TE0000151
3.	DAEWOO Fork Lift	Equipment	1207	CJ-00166

D. The following Equipment subject to financing arrangements:

No.	Item	Item Category	McCain ID	Serial Number
1.	2017 Magnum Tractor Model 280	Tractor	1159	ZHRF01377
2.	Magnum Tractor Model 250	Tractor	1303	ZHRF01590
3.	Case IH Combine Model 8240	Equipment	1176	YHG233588
4.	Case IH Combine Head Model Draper 3152	Equipment	N/A	YHH051326
5.	Case Skid Steer	Equipment	1079	JAFSV300JHM430255
6.	2018 New Case IH Magnum Tractor Model 380	Tractor	1044	ZJRF01138
7.	Soil Preparation Model Tiger	Equipment	1150	YJD085177
8.	2014 New Case IH Magnum Tractor Model 290 HP	Tractor	1177	ZERD02792
9.	2014 Tiger 2 Case IH Soil Preparation Tractor	Tractor	1144	YED074213

10.	2007 CaseIH S.P. Sprayer Model 3320	Equipment	1077	YDT037612
11.	Case IH Magnum Tractor Model 200	Tractor	1104	JJAM0200EHRH02289
12.	Case IH Loader Model L785	Equipment	1147	8217175
13.	2017 Tiger 2 Case IH 17 Soil Preparation Tractor	Tractor	1186	YHD083786
14.	2017 Tiger 2 Case IH 17 Soil Preparation Tractor	Tractor	1156	YHD083665
15.	SV300 Case 17 Skid Steer	Equipment	1058	JAFSV300AGM425897
16.	2017 Case IH Magnum Tractor Model 310	Tractor	1227	ZGRF03005
17.	2014 Case IH SP Sprayer Model 3340	Equipment	1272	YET038558
18.	2016 Case IH SP Sprayer Model 3340	Equipment	1140	YFT042512
19.	2016 Case IH Magnum Tractor Model 280	Tractor	1299	ZGRF01526
20.	2017 Case IH Combine Head Model Draper 3152	Equipment	N/A	YHH051506
21.	Case Magnum 380 CVT	Tractor	1001	JJAM0380PHRF04682
22.	2015 Ram 1500	Truck	N/A	1C6RR7LM1FS737197
23.	2018 Caterpillar D5K2 Track Type Tractor	Tractor	N/A	CAT00D5KPKW200604

SCHEDULE 2.1(c)

Real Property

#	Parcel Identifier Number	Owner	Municipal Address	Description	Approximate Hectares
1.	10226611	Hillspring Farms Ltd.	Divide Road	Farmland & Woodland	0.043
2.	65087900	Hillspring Farms Ltd.	2 Highway	Timberland	24
3.	10285419	Hillspring Farms Ltd.	Tarrtown Road	Residential Lot	0.05
4.	10161412	Hillspring Farms Ltd.	320 Tarrtown Road	Farm	20.51
5.	10093995	Hillspring Farms Ltd.	Tarrtown Road	Buildings, Farmland, Wood	46.06
6.	10089472	Hillspring Farms Ltd.	Tarrtown Road	Residential Lot	0.2
7.	10285377	Hillspring Farms Ltd.	Tarrtown Road	Office & Lot	0.062
8.	10285393	Hillspring Farms Ltd.	Tarrtown Road	Building & Lot	0.06
9.	10214625	Hillspring Farms Ltd.	Tarrtown Road	Building & Lot	0.4
10.	10161438	Hillspring Farms Ltd.	Mcelroy Road	Potato Storage, Land	6.3
11.	10205094	Hillspring Farms Ltd.	105 Highway	Farmland	9.3
12.	10089159	Hillspring Farms Ltd.	Beechwood Road	Farmland	2.6
13.	10094100	Hillspring Farms Ltd.	Beechwood Road	Farmland	25.01
14.	10087500	Hillspring Farms Ltd.	105 Highway	Farm	43.63
15.	10087492	Hillspring Farms Ltd.	Mcelroy Road	Potato Storage, Land	8.53
16.	10088847	Hillspring Farms Ltd.	105 Highway	Residential Lot	0.14
17.	10090611	Hillspring Farms Ltd.	105 Highway	Farmland	30.6
18.	10158251	Hillspring Farms Ltd.	Dugan Road	Farmland & Woodland	32.07
19.	10161420	Hillspring Farms Ltd.	Mcelroy Road	Farm	22.82
20.	10220846	Hillspring Farms Ltd.	Mcelroy Road	Farmland	20
21.	10231371	Hillspring Farms Ltd.	Mcelroy Road	Farm	2.7
22.	10162048	Hillspring Farms Ltd.	Mcelroy Road	Access	0.21
23.	10282358	Hillspring Farms Ltd.	Cahill Road	Farmland & Pasture	3.58

#	Parcel Identifier Number	Owner	Municipal Address	Description	Approximate Hectares
24.	10282333	Hillspring Farms Ltd.	Cahill Road	Residential Lot	3.77
25.	10282325	Hillspring Farms Ltd.	Cahill Road	Farmland	36.09
26.	10090413	Hillspring Farms Ltd.	Cahill Road	Farmland & Pasture	0.4047
27.	10187029	Hillspring Farms Ltd.	Cahill Road	Farmland & Wooded	19.56
28.	65087835	Hillspring Farms Ltd.	California Settlement Road	Farmland	40
29.	65085342	Hillspring Farms Ltd.	California Settlement Road	Farmland & Wooded	18.31
30.	65138679	Hillspring Farms Ltd.	California Settlement Road	Farmland & Wooded	4.1
31.	65138661	Hillspring Farms Ltd.	Kinney Road	Farmland & Wooded	6.1
32.	65114027	Hillspring Farms Ltd.	California Settlement Road	Farmland & Wooded	19.17
33.	65172827	Hillspring Farms Ltd.	California Settlement Road	Residential Lot	9.51
34.	65158438	Hillspring Farms Ltd.	206 Lane Road	Lot & House	0.407
35.	65088627	Hillspring Farms Ltd.	California Settlement Road	Farmland & Timberland	40
36.	65085060	Hillspring Farms Ltd.	California Settlement Road	Farmland & Wooded	11.7
37.	65085094	Hillspring Farms Ltd.	California Settlement Road	Farmland	19.34
38.	65111486	Hillspring Farms Ltd.	California Settlement Road	Farmland & Timberland	37.13
39.	10281723	Hillspring Farms Ltd.	Centre Glassville Road	Farmland	61.2
40.	10007235	Hillspring Farms Ltd.	Centre Glassville Road	Vacant Lot	1.39
41.	10003762	Hillspring Farms Ltd.	Centre Glassville Road	Farmland & Woodlot	39.6
42.	65085268	Hillspring Farms Ltd.	California Settlement Road	Farmland & Timberland	34.74
43.	65160202	Hillspring Farms Ltd.	California Settlement Road	Potato Land & Wooded	34.48
44.	10008993	Hillspring Farms Ltd.	544 Divide Road	Farmland & Woodland	79
45.	10218659	Hillspring Farms Ltd.	217 Divide Road	Farmland & Woodland	18
46.	65089229	Hillspring Farms Ltd.	375 Highway	Farmland & Timberland	33.8
47.	65089351	Hillspring Farms Ltd.	375 Highway	Farmland & Timberland	40
48.	10260792	Hillspring Farms Ltd.	107 Highway	Farmland	14.46

#	Parcel Identifier Number	Owner	Municipal Address	Description	Approximate Hectares
49.	10260800	Hillspring Farms Ltd.	107 Highway	Farmland	4.23
50.	10275584	Hillspring Farms Ltd.	107 Highway	Farmland	7.08
51.	10232791	Hillspring Farms Ltd.	Gilmore Road	Farmland	3.75
52.	65150757	Hillspring Farms Ltd.	Brown Road	Land & Barn	2.1
53.	65217515	Hillspring Farms Ltd.	Brown Road	House, Farm, Buildings	40.42
54.	65152761	Hillspring Farms Ltd.	Brown Road	Farmland & Timberland	15
55.	65215741	Hillspring Farms Ltd.	Brown Road	Mixed Farm	0.57
56.	65084857	Hillspring Farms Ltd.	Brown Road	Residential Lot	0.17
57.	65084865	Hillspring Farms Ltd.	Brown Road	Farmland & Timberland	38.54
58.	65084881	Hillspring Farms Ltd.	Brown Road	Farmland	40.45
59.	65084899	Hillspring Farms Ltd.	Brown Road	Farm & Timberland	38.98
60.	65084915	Hillspring Farms Ltd.	300 Brown Road	Land	39.15
61.	65084923	Hillspring Farms Ltd.	Brown Road	Farmland	39.99
62.	65084949	Hillspring Farms Ltd.	Brown Road	Land & Buildings	40
63.	65087314	Hillspring Farms Ltd.	Brown Road	Farmland & Timberland	40.17
64.	65087413	Hillspring Farms Ltd.	Brown Road	Farm & Timberland	15
65.	65088619	Hillspring Farms Ltd.	Brown Road	Farmland & Timberland	40.5
66.	65116725	Hillspring Farms Ltd.	Brown Road	P LOT B	40.5
67.	65116790	Hillspring Farms Ltd.	Brown Road	Farmland & Wooded	25.8
68.	65084931	Hillspring Farms Ltd.	373 Brown Road	Lot & House	0.1751
69.	65150807	Hillspring Farms Ltd.	Brown Road	Lot Résidentiel	2.3
70.	10002830	Hillspring Farms Ltd.	580 Highway	Farmland & Woodland	39
71.	10002939	Hillspring Farms Ltd.	580 Highway	Farmland & Woodland	36.38
72.	10136067	Hillspring Farms Ltd.	107 Highway	Farmland	1
73.	10004265	Hillspring Farms Ltd.	580 Highway	Farm	38

#	Parcel Identifier Number	Owner	Municipal Address	Description	Approximate Hectares
74.	10221976	Hillspring Farms Ltd.	1317 Route 580	Vacant Lot	0.5022
75.	10248300	Hillspring Farms Ltd.	580 Highway	Farmland	2.25
76.	10003226	Hillspring Farms Ltd.	524 Centre Glassville Road	Farm	80.57
77.	10282580	Hillspring Farms Ltd.	580 Highway	Farm Buildings & Lot	0.044
78.	10281731	Hillspring Farms Ltd.	580 Highway	Farmland & Potato House	133.11
79.	10002186	Hillspring Farms Ltd.	580 Highway	Vacant Lot	0.24
80.	10002848	Hillspring Farms Ltd.	580 Highway	Farmland	40
81.	10002913	Hillspring Farms Ltd.	1209 580 Highway	Farm	41
82.	10211076	Hillspring Farms Ltd.	580 Highway	Vacant Lot	0.4046
83.	10008506	Hillspring Farms Ltd.	1350 580 Highway	Office & Lot	0.4047
84.	10003093	Hillspring Farms Ltd.	580 Highway	Farm & Woodlot	46.77
85.	10137792	Hillspring Farms Ltd.	580 Highway	Farm Buildings & Lot	1.37
86.	10127900	Hillspring Farms Ltd.	580 Highway	Farmland, Vacant Land	36
87.	10183937	Hillspring Farms Ltd.	1392 Route 580	Shed & Lot	0.0651
88.	10272482	Hillspring Farms Ltd.	107 Highway	Land	0.61
89.	10217974	Hillspring Farms Ltd.	Golden Ridge Road	Farm Land	22.7
90.	10217982	Hillspring Farms Ltd.	Golden Ridge Road	Farmland	3.11
91.	10281749	Hillspring Farms Ltd.	107 Highway	Farmland & Woodland	57.26
92.	35159060	Hillspring Farms Ltd.	45 Chemin CN Nord	Lot, Grain H&M Facility	0.8784
93.	65205981	Hillspring Farms Ltd.	375 Highway	Farmland	41.87
94.	35159151	Hillspring Farms Ltd.	45 Chemin CN Nord	Lot, Grain H&M Facility	2.27
95.	10095875	Hillspring Farms Ltd.	Doherty Road	Vacant Lot	0.2323
96.	10278240	Hillspring Farms Ltd.	565 Highway	Farmland	119.61
97.	10095883	Hillspring Farms Ltd.	Doherty Road	Potato House & Lot	0.223
98.	10091742	Hillspring Farms Ltd.	North Johnville Road	Farmland	20.23

#	Parcel Identifier Number	Owner	Municipal Address	Description	Approximate Hectares
99.	10095628	Hillspring Farms Ltd.	North Johnville Road	Farmland	18.3
100.	10280253	Hillspring Farms Ltd.	50 North Johnville Road	House & Farm	66.81
101.	10260560	Hillspring Farms Ltd.	NB Trail Trail	Vacant Land	0.6125
102.	65034662	Hillspring Farms Ltd.	105 Highway	Farmland & Woodland	21.37
103.	65114555	Hillspring Farms Ltd.	105 Highway	Farmland & Woodland	14.49
104.	65041188	Hillspring Farms Ltd.	11554 Highway 105	House & Lot	0.4047
105.	65224990	Hillspring Farms Ltd.	105 Highway	Farmland	52.26
106.	10234128	Hillspring Farms Ltd.	389 Killoween Road	Potato House & Lot	0.7323
107.	65220535	Hillspring Farms Ltd.	Manse Hill Road	Timberland	81.28
108.	10218063	Hillspring Farms Ltd.	Golden Ridge Road	Farmland	5.03
109.	65112096	Hillspring Farms Ltd.	Muniac Road	Farmland & Woodland	28.04
110.	65085284	Hillspring Farms Ltd.	California Settlement Road	Farmland & Timberland	36.58
111.	10087757	Hillspring Farms Ltd.	Hawthorne Road	Farm	36.42
112.	10280113	Hillspring Farms Ltd.	Maplehurst Road	Farmland	3.54
113.	10280105	Hillspring Farms Ltd.	565 Highway	Farmland	37.57
114.	10280097	Hillspring Farms Ltd.	Maplehurst Road	Farmland	22.02
115.	10167005	Hillspring Farms Ltd.	Hawthorne Road	Farmland and Woodland	15.78
116.	10091163	Hillspring Farms Ltd.	Maplehurst Road	Farmland & Woodlot	44.6
117.	10167468	Hillspring Farms Ltd.	R Demerchant Road	Farmland & Woodlot	28.48
118.	10161677	Hillspring Farms Ltd.	565 Highway	Farmland & Woodland	13.48
119.	10091155	Hillspring Farms Ltd.	R Demerchant Road	Farmland	56.14
120.	10091916	Hillspring Farms Ltd.	565 Highway	Farmland	17.38
121.	10094407	Hillspring Farms Ltd.	565 Highway	Farmland & Woodland	12.44
122.	10095206	Hillspring Farms Ltd.	565 Highway	Farmland	14.8
123.	10161669	Hillspring Farms Ltd.	565 Highway	Farmland	19.61

#	Parcel Identifier Number	Owner	Municipal Address	Description	Approximate Hectares
124.	10281095	Hillspring Farms Ltd.	565 Highway	Farmland & Woodland	11.85
125.	10090850	Hillspring Farms Ltd.	Hawthorne Road	Farmland	13.67
126.	10258127	Hillspring Farms Ltd.	Maplehurst Road	Farmland	38.56
127.	10166981	Hillspring Farms Ltd.	Maplehurst Road	Farmland	28.06
128.	10166957	Hillspring Farms Ltd.	330 Maplehurst Road	Farmland & Woodland	31.86
129.	10094514	Hillspring Farms Ltd.	Acton Road	Farmland	40
130.	10094472	Hillspring Farms Ltd.	330 Maplehurst Road	Farmland & Woodland	30.59
131.	10167013	Hillspring Farms Ltd.	Hawthorne Road	Farmland & Woodland	21.17
132.	10167021	Hillspring Farms Ltd.	Hawthorne Road	Farmland & Woodland	26.71
133.	10167039	Hillspring Farms Ltd.	Acton Road	Farmland & Woodland	7.69
134.	10167047	Hillspring Farms Ltd.	Acton Road	Farmland & Woodland	9.71
135.	10092187	Hillspring Farms Ltd.	Hawthorne Road	Farmland	33.18
136.	10285179	Hillspring Farms Ltd.	565 Highway	Mixed Farm	18.95
137.	10167906	Hillspring Farms Ltd.	Hawthorne Road	Farmland	6.88
138.	10216125	Hillspring Farms Ltd.	285 Tarrtown Road	House & Lot	0.2
139.	10093987	Hillspring Farms Ltd.	285 Tarrtown Road	House & Lot	0.4
140.	10252666	Hillspring Farms Ltd.	291 Tarrtown Road	Office & Lot	0.4
141.	10092682	Hillspring Farms Ltd.	Killoween Road	Farmland	20
142.	10091676	Hillspring Farms Ltd.	Killoween Road	Farm	41.8
143.	10273993	Hillspring Farms Ltd.	Doherty Road	Farmland	19.1
144.	10095065	Hillspring Farms Ltd.	Killoween Road	Farmland	42.09
145.	10096105	Hillspring Farms Ltd.	565 Highway	Farmland & Woodland	32.88
146.	10166783	Hillspring Farms Ltd.	Killoween Road	Farm	42.09
147.	10278232	Hillspring Farms Ltd.	565 Highway	Farmland & Buildings	143.45
148.	10096790	Hillspring Farms Ltd.	565 Highway	Vacant Lot	0.76

#	Parcel Identifier Number	Owner	Municipal Address	Description	Approximate Hectares
149.	10207280	Hillspring Farms Ltd.	565 Highway	Potato House & Lot	0.47
150.	65114944	Hillspring Farms Ltd.	Hawthorne Road	Farmland & Woodland	33.2
151.	65034977	Hillspring Farms Ltd.	Acton Road	Farmland & Woodland	36.76
152.	10091593	Hillspring Farms Ltd.	235 Beechwood Road	House & Farm	40.06
153.	10094175	Hillspring Farms Ltd.	231 Piercemont Road	Farmland	38.46
154.	10159069	Hillspring Farms Ltd.	Beechwood Road	Cropland	6.94
155.	10278273	Hillspring Farms Ltd.	Cox Road	Farmland	37.33
156.	10094092	Hillspring Farms Ltd.	Piercemont Road	Farmland	19.11
157.	10093912	Hillspring Farms Ltd.	Tarrtown Road	Farmland	8.78
158.	10091536	Hillspring Farms Ltd.	Mcelroy Road	Farmland	16
159.	10273480	Hillspring Farms Ltd.	Mcelroy Road	Timberland	16.06
160.	10088631	Hillspring Farms Ltd.	Stewart Road	Farmland	10
161.	10279982	Hillspring Farms Ltd.	105 Highway	Woodland	16.4
162.	10090652	Hillspring Farms Ltd.	59 Palmer Road	House, Building & Lot	0.43
163.	10088706	Hillspring Farms Ltd.	565 Highway	Farmland	22.87
164.	10281772	Hillspring Farms Ltd.	105 Highway	Grain Tanks & Lot	41.38
165.	10277788	Hillspring Farms Ltd.	105 Highway	Residential Lot	2.35
166.	10278257	Hillspring Farms Ltd.	105 Highway	Farmland	41.37
167.	10087740	Hillspring Farms Ltd.	105 Highway	Farmland & Woodland	41.98
168.	10161248	Hillspring Farms Ltd.	105 Highway	Farmland & Woodland	10.33
169.	10087724	Hillspring Farms Ltd.	565 Highway	Farmland & Woodland	79.66
170.	10089258	Hillspring Farms Ltd.	105 Highway	Farmland	38
171.	10158970	Hillspring Farms Ltd.	105 Highway	Farmland & Woodland	17.99
172.	10158988	Hillspring Farms Ltd.	565 Highway	Farmland & Woodland	15.63
173.	10087732	Hillspring Farms Ltd.	10780 Highway 105	Farmland	29

#	Parcel Identifier Number	Owner	Municipal Address	Description	Approximate Hectares
174.	10259836	Hillspring Farms Ltd.	105 Highway	Farmland & Woodland	77.05
175.	10002442	Hillspring Farms Ltd.	West Glassville Road	Farmland & Woodland	42.08
176.	35345537	HSF Foods Ltd.	Rue Powers	Grain Storage	0.3
177.	35159078	HSF Foods Ltd.	Rue Powers	Grain Terminal	1.8
178.	35177328	HSF Foods Ltd.	Rue Powers	Spur Line Track	0.36
179.	65201444	HSF Food Ltd.	Highway 2	Timberland, Farmland	63.54

SCHEDULE 2.1(h)

Leased Real Property

A. The following Real Property leases not evidenced by a written lease agreement:

1. Lease between Hillspring Farms Ltd. and David Jones in respect of approximately 13 acres on parcel identifier number 10088011;
2. Lease between Hillspring Farms Ltd., Allison Davidson and Sandra Davidson respect of approximately 15 acres on parcel identifier number 110087831;
3. Lease between Hillspring Farms Ltd. and Samuel Darkis, Ella Darkis and George Darkis in respect of approximately 83 acres on parcel identifier numbers 10001162 and 10001147;
4. Lease between Hillspring and Hilton McBrine in respect of approximately 29 acres on parcel identifier number 10002921;
5. Lease between Hillspring Farms Ltd., Blake Wiley, Fred Wiley, Troy Wiley , Tracy Wiley , Collen Wiley, Wallace Wiley and Marina Wiley in respect of approximately 155 acres on parcel identifier numbers 10004828, 10004836, 10181139, 10004810, 10270791, 10004844, 10229383 and 10229391;
6. Lease between Hillspring Farms Ltd., Jim Roger, Josephine Wandless and Ronald Rogers in respect of approximately 55 acres on parcel identifier numbers 10007805, 10008886, 10007789, 10008985 and 10004059;
7. Lease between Hillspring Farms Ltd., Dale Pye and Sheila Pye in respect of approximately 61 acres on parcel identifier numbers 10197994, 10197986 and 10197994;
8. Lease between Hillspring and AV Group NB Inc. in respect of approximately 22 acres on parcel identifier number 10004273;
9. Lease between Hillspring Farms Ltd., Dykstra Farms and Eldon Manuel in respect of approximately 30 acres on parcel identifier numbers 10255693 and 10015956;
10. Lease between Hillspring Farms Ltd. and Harry Spence Jr. in respect of approximately 22 acres on parcel identifier number 10091627;
11. Lease between Hillspring Farms Ltd. and H.J. Crabbe & Sons Ltd. in respect of approximately 46 acres on parcel identifier numbers 10167211, 10091205, 10167229 and 10271716;
12. Lease between Hillspring Farms Ltd. and Peter Pickard in respect of approximately 54 acres on parcel identifier number 10094142;
13. Lease between Hillspring Farms Ltd., Allison DeMerchant and Lorelei Ruff in respect of approximately 53.5 acres on parcel identifier numbers 10091932, 10166908 and 10166916;

14. Lease between Hillspring and Lawrence McIntosh, Dale McIntosh and Brian McIntosh in respect of approximately 83.5 acres on parcel identifier numbers 10001998, 10003796 and 10003218;
15. Lease between Hillspring and Marc Kilfoil in respect of approximately 33 acres on parcel identifier number 10093136;
16. Lease between Hillspring Farms Ltd., John Everett, Margaret Everett, Alan McLaughlin, Claude McLaughlin, Elva McLaughlin, Wayne McLaughlin and Sheila McLaughlin in respect of approximately 280.4 acres on parcel identifier numbers 65054488, 65116329, 65116337, 65116147, 65113177, 65113151, 65113169, 65113185, 65055667, 65055774, 65054520, 65139446, 65054579, 65116220 and 65057291;
17. Lease between Hillspring Farms Ltd., and Margaret Grant in respect of approximately 20 acres on parcel identifier number 65084790; and
18. Lease between Hillspring Farms Ltd. and James Grant in respect of approximately 107.4 acres on parcel identifier numbers 65084477, 65088270, 65089641 and 65084485.

SCHEDULE 2.1(i)

Assumed Contracts

A. The following agreements related to Equipment:

1. Equipment lease dated June 30, 2016 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd., as assignee of Country Tractors & Machinery Ltd. in respect of New Case IH Magnum Tractor Model 310 having serial number ZGRF01679 and New Case IH Magnum Tractor Model 340 having serial number ZFRF01089;
2. Financing arrangement dated March 29, 2017 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2017 Magnum Tractor Model 280 having serial number ZHRF01377 and a Magnum Tractor Model 250 having serial number ZHRF01590;
3. Financing arrangement between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a Case IH Combine Model 8240 having serial number YHG233588 and a Case IH Combine Head Model Draper 3152 having serial number YHH051326;
4. Financing arrangement dated June 14, 2017 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a Case Skid Steer having serial number JAFSV300JHM430255;
5. Financing arrangement dated November 2, 2018 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2018 New Case IH Magnum Tractor Model 380 having serial number ZJRF01138;
6. Financing arrangement dated March 26, 2018 between CNH Industrial Capital Canada Ltd. (successor by assignment of Country Tractors & Machinery Ltd.'s interest) and Hillspring Farms Ltd. in respect of the sale of a Soil Preparation Model Tiger having serial number YJD085177;
7. Financing arrangement dated January 28, 2015 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2014 New Case IH Magnum Tractor Model 290 HP having serial number ZERD02792;
8. Financing arrangement dated December 29, 2016 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2014 Tiger 2 Case IH Soil Preparation Tractor having serial number YED074213;
9. Financing arrangement dated July 12, 2017 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2007 Case IH S.P. Sprayer Model 3320 having serial number YDT037612;
10. Financing arrangement dated July 28, 2017 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a Case IH Magnum Tractor Model 200 having serial number JJAM0200EHRH02289 and a Case IH Loader Model L785 having serial number 8217175;

11. Financing arrangement dated March 22, 2017 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of two 2017 Tiger 2 Case IH 17 Soil Preparation Harrows having serial numbers YHD083786 and YHD083665;
12. Financing arrangement dated December 30, 2016 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a SV300 Case 17 Skid Steer having serial number JAFSV300AGM425897;
13. Financing arrangement dated December 23, 2016 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2017 Case IH Magnum Tractor Model 310 having serial number ZGRF03005;
14. Financing arrangement dated February 3, 2017 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2014 Case IH SP Sprayer Model 3340 having serial number YET038558;
15. Financing arrangement dated April 27, 2016 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2016 Case IH SP Sprayer Model 3340 having serial number YFT042512;
16. Financing arrangement dated July 18, 2016 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2016 Case IH Magnum Tractor Model 280 having serial number ZGRF01526;
17. Financing arrangement dated September 29, 2017 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2017 Case IH Combine Head Model Draper 3152 having serial number YHH051506;
18. Financing arrangement dated December 19, 2018 between CNH Industrial Capital Canada Ltd. (successor by assignment of County Tractors & Machinery Ltd.'s interest) and Hillspring Farms Ltd. in respect of a Magnum Tractor having serial number JJAM0380PHRF04682;
19. Financing arrangement dated July 31, 2015 between HSF Foods Ltd. and the Bank of Nova Scotia with respect to a 2015 Ram 1500 having serial number 1C6RR7LM1FS737197; and
20. Financing Arrangement dated April 22, 2016 between Hillspring Farms Ltd. and Caterpillar Financial Services Limited in respect of a 2018 Caterpillar D5K2 Track Type Tractor having serial number CAT00D5KPKW200604.

B. The following agreements related to fuel supply arrangements:

1. Loan agreement dated February 17, 2017 between Hillspring Farms Ltd. and Irving Energy in respect of an above ground petroleum storage system located at Tarrrtown Rd, Beechwood, New Brunswick.
2. Commercial fuel supply agreement dated February 17, 2017 between Hillspring Farms Ltd. and Irving Energy;

3. Rental agreement dated September 25, 2017 between Hillspring Farms Ltd. and Irving Energy in respect of an 18,000 gallon propane tank located at 45 CN Road, Grand Falls, New Brunswick; and
4. Commercial fuel supply agreement dated August 2, 2017 between Hillspring Farms Ltd. and Irving Energy.

C. The following material contracts:

1. New Brunswick Russet Burbank Winter Contract 2019 between Cavendish Farms Corporation and Hillspring Farms Ltd., dated April 26, 2019, with respect to the supply of 300,000 hundredweight Russet Burbank potatoes, as may be amended from time to time; and
2. Supply agreement between Hillspring Farms Ltd. and Earth Fresh Foods Inc. as described in email correspondence dated December 20, 2019 between Renee Nadeau and Dave Carrick, as may be amended from time to time.

SCHEDULE 2.1(k)

Business and Domain Names

A. The following business names used by the Seller:

1. HILLSPRING FARMS
2. HILLSPRING

B. The following domain names used by the Seller:

NIL

SCHEDULE 2.2(a)**Excluded Assets****A. The following assets owned by Hillspring:**

#	Type	Description	Serial No.	Year	McCain ID
1.	Equipment	1981 Fiat Allis Dozer	22023		
2.	Equipment				
3.	Equipment	2004 Utility 3000R	HC44-15-17		
4.	Equipment	John Deere 416 Planter			
5.	Equipment	1 1998 Fertilizer Body			
6.	Equipment	CLARK 5000LB FORKLIFT	Y1015-338-4805		
7.	Equipment	LIEBHERR PR 724L DOZER			
8.	Equipment	60" ROOT RAKE (PIN ON) FOR EXCAVATOR			
9.	Equipment	John Deere 872 manure spreader			
10.	Trailer	HTC bulk body trailer			
11.	Equipment	MS pressure washer			
12.	Equipment	Cat F30 electric forklift	5DB3066		
13.	Truck	Freightliner Platform	2FUPDXYB4SA736196	1995	3
14.	Truck	Western Star Road Tractor	2WKEDD3J61K970748	2001	7
15.	Truck	Freightliner	1FUYPDWEB1YLG61045	2000	9
16.	Truck	Freightliner Classic	1FUJAPAV23LK51604	2003	15
17.	Truck	Freightliner	1FUJF6CK66DV51031	2006	17
18.	Truck	International Eagle 9900	2HSCHAPR05C155719	2005	21
19.	Truck	Freightliner	1FUYTEDBXXHA20699	1999	22
20.	Truck	International	3HSCHAPR6BN266737	2011	29
21.	Truck	International 8100 Conventional	1HSHBADN6TH377387	1996	30
22.	Truck	Kenworth Dump Truck	1XKAD29X5WJ949684	1998	35
23.	Trailer	Utility Dry Van	1UYVS353X8M529501	2008	125
24.	Trailer	Utility Trailer	1UYVS25343G005617	2003	128
25.	Trailer	Heil Trailer (Water)	926712	1974	131
26.	Trailer	Manac Chip Trailer	2M5341613C1130241	2012	132
27.	Trailer	Manac Chip Trailer	2M5341613D1135862	2013	133
28.	Trailer	Manac Chip Trailer	2M5341615D1135863	2013	134
29.	Trailer	BWS Dump Trailer	2B927DT23C1001460	2012	135
30.	Trailer	Doepker Train Trailer	2DEGBSA34D1029569	2013	136
31.	Trailer	Doepker Train Trailer	2DEGBSA21D1029570	2013	137
32.	Trailer	Utility	1UYVS2532WP426305	1998	139
33.	Trailer	Artis Utility (Open Top)	2SAAQM19509070568	1995	140
34.	Trailer	Manac 942 Freight Van	2M592161647094057	2004	143
35.	Trailer	Manac Trailer 942	2M592161547094051	2004	144
36.	Trailer	Wilson Train Trailer 3-Axle	1W14283A9G2267012	2016	145
37.	Trailer	Wilson Train Trailer 2-Axle	1W14282A9G2267013	2016	146

#	Type	Description	Serial No.	Year	McCain ID
38.	Trailer	Fruehauf Trailer	2H8B04635CR130901	1982	7534
39.	Trailer	Fruehauf Trailer	2H8B04831HR031805	1987	K259
40.	Trailer	Stoughton Dry Van	1DWLA5320XS281074	1999	
41.	Trailer	Big Tex Trailer	16VGX2029G6039916	2016	
42.	Trailer	Stoughton Dry Van	1DW1A5324YS337728	2000	
43.	Trailer	Easy Hauler (Utility)	2SPUFSB10FN052669	2015	
44.	Equipment	International Scout (Utility Vehicle)		2012	
45.	Equipment	Cat Fork Lift			1192
46.	Equipment	Hartland Machine Dirt Eliminator 30"			1198
47.	Equipment	Hartland Machine Hydraulic Drive (25bbl)			1234
48.	Equipment	Smalleys Repair Dirt Eliminator 28"			1036
49.	Equipment	Lockwood Planter # 6			5
50.	Equipment	Craig High Tip Chip Bucket	T12080048		1291
51.	Trailer	Value 2020 Trailer	5NHUVH4287N053746	2007	1040
52.	Trailer	Homemade Cattle Trailer	N/A	2012	1295
53.	Equipment	LKWD Harvester 673AH	H00034	2017	
54.	Equipment	LKWD Harvester 673AH	H00035	2017	
55.	Equipment	LKWD Harvester 673AH	H00037	2017	
56.	Equipment	LKWD Model 656 6-Row Windrower	U4096	2012	
57.	Equipment	LKWD 506P 6-Row Planter	U4097	2012	
58.	Equipment	LKWD Model 472-AH Harvester	U4100	2011	
59.	Equipment	Lawnmower Tractor	Z8DD04617		1181
60.	Equipment	Farmall H			1009
61.	Equipment	D6 Bulldozer			1048
62.	Equipment	Alis Chalmers Bulldozer H20			1129
63.	Equipment	BT Hillers Rear Mount #1			1218
64.	Equipment	BT Hillers Rear Mount #2			1123
65.	Equipment	Navigator (SUK-UP) #1			1263
66.	Equipment	Navigator (SUK-UP) #2			1213
67.	Tractors	Case 706	33993		1008
68.	Equipment	2017 RBR 55HDG3X – Vector Spreader	M1700610		1230
69.	Equipment	Caterpillar D6C Dozer	10K7635		
70.	Equipment	72" Skid Steer Manure			
71.	Equipment	CAT D7K DOZER, INOPERABLE, 4WAY BLADE			
72.	Equipment	BOMAG BW213D ROLLER 84"DRUM			
73.	Equipment	BT5300 Row builder			

#	Type	Description	Serial No.	Year	McCain ID
74.	Equipment	bale spear for skid steer			
75.	Equipment	bale spear for skid steer			
76.	Tractors	Case 856	14450SY		1308
77.	Trucks	International	1HTAA1951EHA17135		1025
78.	Trucks	Freightliner	2FUPYDYB3GV283983		1101
79.	Trailers	Utility Dry Van	1UYVS35318M529502		1278
80.	Equipment	2019 Spudnik 4835 Crop Cart	4870-55-34		

B. The following assets owned by Seller, which were (i) leased by HSF Foods Ltd.; (ii) destroyed; (iii) cancelled/scrapped; or (iv) does not exist:

#	Type	Description	Serial No.	McCain ID
1.	Truck	Frieghtliner	1FUPDXYBXYLF59353	
2.	Truck	Frieghtliner	2FUYDDYB1SA675358	
3.	Truck	International Lonestar	3HSCXSJR4DN149291	
4.	Trailer	Karavan Boat Trailer	5KTPS30285F182962	
5.	-	John Deere Skid Steer	-	
6.	Tractor	Lawnmower Tractor Farmall 31	-	
7.	Loader	Volvo Hydraulic Loader	-	
8.	Forklift	Nissan Forklift Model CWP02L25S	CWP02-9C0815	
9.	Forklift	CAT Lift Truck Model EP20KT	ETB5B51605	
10.	Equipment	CAT 3412 - Mobark Chipper	BDT04558	
11.	Forklift	DAEWOO Fork Lift	CX-07302	
12.	Forklift	CAT Forklift T80D-STR	5KN05337	
13.	Loader	Pulp Loader	A904	
14.	Equipment	Komatsu Excavator	N/A	
15.	Trailer	Homemade Trailer 12'	N/A	
16.	Trailer	Non-Owned Tank Trailer	N/A	
17.	Trailer	Utility Trailer	1UYVS25351C546115	
18.	Trailer	FV Semi Trailer	254802	
19.	-	FV Utility	1UYVS2538WM392405	
20.	Trailer	Fruehauf Trailer Non-Semi	2H8R04531E5021606	
21.	Trailer	Trailmobile Trailer	1PT01ANW1N9010121	
22.	-	FV Utility	1UYVS25332M588701	

C. The following assets subject to a lease/financing arrangement with Hillspring:

#	Type	Description	Serial No.	Year	McCain ID
1.	Truck	Western Star	5KJJABDR5LPKY5086		1022
2.	Truck	Western Star	5KJJABDR9LPKY9190		1231
3.	Truck	Western Star	5KJJABDR2LPKY9189		1237

#	Type	Description	Serial No.	Year	McCain ID
4.	Truck	Western Star	5KJJABDR8LPKY9195		1226
5.	Truck	Western Star	5KJJABDRXLPLX4605		1112
6.	Trailer	Trailex R443A	2L9R443A8L1035167	2020	1152
7.	Trailer	Trailex R443A	2L9R443AXL1035168	2020	1206
8.	Trailer	Utility VS3RA	1UYVS3536BM068501	2011	1297
9.	Trailer	Utility VS3RA	1UYVS3532CM306703	2012	1313
10.	Trailer	Utility VS2RA	1UYVS253X7M254401	2007	1083
11.	Trailer	Utility VS3RA	1UYVS35309U599106	2009	1262
12.	Equipment	70 Motorola XPR-5250E VHF Mobile Radios and 30 VHF Hi-gain Antenna Systems	N/A	N/A	N/A
13.	Truck	Ram 2500 Longhorn	3C6UR5GL3JG114826	2018	N/A
14.	Truck	Ram 1500	1C6SRFLT4KN579336	2019	N/A
15.	Truck	White Ford 2500	1FT7W2BT2KEC71826		1286
16.	Motor Vehicle	2014 Hyundai	HHKHHT06CE0000225	2014	N/A
17.	Motor Vehicle	2018 Dodge Demon	2C3CDZH99JH103136	2018	N/A
18.	Equipment	2016 Liebherr L580 IND	0409431170	2016	N/A
19.	Equipment	2016 Liebherr L566	0410001168	2016	N/A
20.	Equipment	2013 Liebherr L566 IND	0333011168	2013	N/A

D. The following assets related to the Flake Business, Wood Chip and Fabrication Shop Operations:

#	Description	Serial No.	Additional Information
1.	Idaho Steel Peeler	24628	
2.	Kiremco Brusher		
3.	Large Even Flow		
4.	Slicer		
5.	Cornell Pump Tank		
6.	Dewatering Screen		
7.	Small Even Flow		
8.	Blancher Idaho Steel		
9.	Cooler		
10.	Vertical Auger		
11.	Dewatering Screen		
12.	Small Even Flow		
13.	Cooker		
14.	Ricer Auger		
15.	Mash Inline Auger		
16.	Mash Box		
17.	5x16 Idaho Steel Drum		

#	Description	Serial No.	Additional Information
18.	5x16 Overton Drum		
19.	5x16 Overton Drum		
20.	Ewing Control Panel		Turbine Hall
21.	Ewing Control Panel		Turbine Hall
22.	Turbine (Back Pressure)	T-5601	Turbine Hall
23.	Condensing Turbine	T-5328	Turbine Hall
24.	Large Condenser	93Y10679-01A	Turbine Hall
25.	Large Worthington Cooling Pump	B0941002-1	Turbine Hall
26.	Large Worthington Cooling Pump	B0941002-2	Turbine Hall
27.	Water Softener System		Turbine Hall
28.	Water Softener System		Turbine Hall
29.	Cooling Tower	NC9232GM (149609-002-99)	Turbine Hall
30.	Cooling Tower	NC9232GM (14960609-001-99)	Turbine Hall
31.	Cat Forklift	E285851605	Dryroom
32.	Nissan Forklift	CT1B2-980997	Dryroom
33.	Nissan Forklift	CWP02-960815	Dryroom
34.	Zoom Boom	0300116975	Dryroom
35.	Cleaver Brooks SDB3BCS Scotch Dry Back – Steam B23M19B2 : B20	87620	
36.	O'Connor Tank Ltd. Dearator	DG7854	
37.	O'Connor Tank Ltd. Dearator	DG7854	
38.	Cleaver Brooks DEA8AC Dearator	DG7854	
39.	Cleaver Brooks DEA8AC Dearator	DG7854	
40.	O'Connor Tank Ltd. BDT8AC Blow Down Tank over 42	7-1095	
41.	Harris Thermal PVS8AI Pressure Vessel over 42	26127	
42.	SA Armstrong EXC7AI Exchanger up to 42	449456	
43.	Keeler Dorr-Oliver AWT2BIS A Type Water Tube-Steam (Woodwchip Boiler)	17210	
44.	E Keeler Co. Ltd. AWT2BIS A Type Water Tube-Steam	124271	
45.	Steel Fab ATK6AI Air Tank Mounted	510689	
46.	Silvan Industries ARC7AI Air Receiver in System	142337	
47.	Silvan Ind. ARC7AI Air Receiver in System	10222	
48.	Brunner Eng. ATK6AC Air Tank Mounted	3244	
49.	Manchester Air Tank Mounted	18903	
50.	Flo Lab Inc. PVS7AI Pressure Vessel up to 42	APF-3357	
51.	Lagrange Products ARC7AI Air Receiver In System	42050	
52.	Steel Fab ARC7AI Air Receiver In System	SO-17724	
53.	Manchester ARC7AI Air Receiver In System	302432.CRN	
54.	Watson McDaniel Pressure Vessel up to 42	90805	

#	Description	Serial No.	Additional Information
55.	Beloit Corporation PVS8AI Pressure Vessel Over 42	F3178-1	
56.	Beloit Corporation PVS8AI Pressure Vessel Over 42	B7415-1	
57.	Samyard Co. Ltd. Pressure Vessel Over 42	SYU-96	
58.	Samyard Co. Ltd. Pressure Vessel Over 42	SYU-96	
59.	GL&V PVS8AI Pressure Vessel Over 42	Nil	
60.	Idaho Steel Pressure Vessel Over 42	67	
61.	Idaho Steel Products PVS8EI Pressure Vessel Over 42	24628	
62.	Odenberg Inc. PVS8EI Pressure Vessel Over 42	96071	
63.	CH Murphy/ Clark-Ullman PVS8EI Pressure Vessel Over 42	1926	
64.	Tampella Keeler AWT2BIS A Type Water Tube-Steam	17389	
65.	Tampella Keeler AWT2BIS A Type Water Tube-Steam	17389	
66.	Allied Steel Prod. CFH8AI Closed Feed Heater	W6280	
67.	Steel Fabrication ATK7AP Pressure Vessel Over 42	5492880	
68.	Cemline Co. BDT7AP Blowdown Tank Up To 42	69703	
69.	Cemline Co. BDT7AP Blowdown Tank Up To 42	69703	
70.	Cleaver Brooks of Canada SDB3BIH Scotch Dry Back Hot-Water	S088095	
71.	Cleaver Brooks of Canada SDB3BIH Scotch Dry Back Hot-Water	S088095	
72.	ITT EXC7AI Exchanger Up to 42	987254-01	
73.	ITT EXC7AI Exchanger Up to 42	987254-01	
74.	ITT EXC8AI Exchanger Over 42	93Y10679-01A	
75.	Colton Industries PVS8AP Pressure Vessel Over 42	979774	
76.	Colton Industries PVS8AP Pressure Vessel Over 42	979777	
77.	StoysTown Tank & Steel Co19 PVS7AI Pressure Vessel Up to 42	58344	
78.	Buckeye Boiler Company ATK6AP Air Tank Mounted	2848A	
79.	Steel Fab ATK6AI Air Tank Mounted	569407	
80.	Steel Fab ATK6AI Air Tank Mounted	569407	
81.	2007 Chiller, Carrier	340OF2680	
82.	2007 Chiller, Carrier	340OF26809	
83.	1998 Steam Peeler, Kiremco	9555-97-2 PESL-1000	
84.	1998 Brusher, Kiremco	97-1076-AA	

#	Description	Serial No.	Additional Information
85.	1998 Polisher/Washer, Kiremco	9590-97 WAD-1030	
86.	2008 Vertical Elevator, Idaho Steel		
87.	1998 Large Evenflow, Idaho Steel		
88.	2008 Slicer with Wash tank, Idaho Steel		
89.	1998 Pump Tank, Cornell		
90.	1998 Blancher, Idaho Steel		
91.	1998 Cooler, Idaho Steel		
92.	2008 Pump to Cooler, Cornell		
93.	1998 Cooker with additives mixing drums Idaho Steel		
94.	2008 Transfer Auger, Idaho Steel		
95.	1998 2 large Drums, Idaho Steel		
96.	1998 3 small American Drum Company, Overton Machine Company 60SP	1998.90308106491	
97.	Transfer Augers, Idaho Steel		
98.	2006 Product Blower, Delta		
99.	1998 Bag Hoses, Idaho Steel		
100.	2005 Wind Sifter, Idaho Steel		
101.	2005 Hammer Mill, Pulva, Size C Type FS 121		
102.	2005 Product Blower, DMN, PTD 80	50897	
103.	2005 Hopper Tanks, Idaho Steel		
104.	2007 Grinder, Idaho Steel		
105.	2008 Weigh System Prior to Silos, Omnitech		
106.	2005 50No. Bagging System, Schlosser	K0401002	
107.	2005 Weigher/Bagger, Greif-Velox	830-SDD-4M- EM 10- 040364-001	
108.	2005 Bag Sealer, Farbo Seigling Ltd.	M685770011- C01080213	
109.	2005 Crimper, Schlosser		
110.	2007 Electronic Scale on stand, Champ Scale		
111.	2002/2003 Sewing Machine on stand, Newlong	LR113608 NP- 7ALR113608	
112.	1990 Bag Line Conveyor, Doboy,	KGL 856748	
113.	1990 Bagging Machine, Doboy,	PT24SPE2.854982	
114.	2006 Manual Pallet Stacker/Wrapper, Highlight, Synergy III	C390-010-0161	
115.	2007/04 Dust Removal System UAS, SFC24-3	60060914	
116.	2007 2 X 2 Pressure Blowers NYB	P0925120 1708 Steel	
117.	2007 Dry Room Racking 5 lengths X 3 high		
118.	2007 Security System 4 cameras w/CD		
119.	2007 Pressure Washer, Landu	VLP8-3000F 155525	
120.	1997 Bunker "C" Boiler, Cleaver-Brooks, CB600-800	S-87629	
121.	1997 Standby Gen Set 350 KW/435 KVA, Onan, 350.ODFN-9XF/2963AC	G86013-30496	
122.	1998 80 HP Air Compressor, Curtis, R/S50T	6574	

#	Description	Serial No.	Additional Information
123.	1998 Air Dryer, Airtek, SC220	977592H	
124.	1969 Separator, Wesffalia	SDA360L1635211	
125.	2008 Chemical Pump, Ecolab, P2		
126.	2008 Telescopic Conveyors, RcO 28' X 24" & 60'X 36"		1 of 2
127.	2008 Telescopic Conveyors, RcO 28' X 24" & 60'X 36"		2 of 2
128.	2007 Telescopic/Hydraulic Bin Piler, RcO		
129.	2007 Hopper Happy Roller		
130.	2008 Elevator Conveyor, RcO		
131.	2000 5,000 bbls Hopper, Smalleys		
132.	2008 Barrel Washer, RcO		
133.	2008 Rocks/Destoner, Idaho Steel		
134.	2010 Duske TPD-3500 Woodchip Dryer	SD75-22	
135.	Lieber Pay Loader	VATZ1268FZB038941	1002
136.	Radar hydraulic Bin Dumper		
137.	One (1) Used 2002 Liebherr A904 Hydraulic Rubber Tired Log Loader complete with all attachments and accessories	710-13531	
138.	Wood chip processor including feed hopper, 6ft x 40ft feed conveyor, Shaker table with fine partical screener, Hog Hammer, drop feed rechipper, 30" x 50ft conveyor		
Fabrication Shop			
139.	15K Free standing Crane with 2k electric motor chainfalls		
140.	Hangchett metal lathe / Sharpener		
141.	IPC High Temp baking oven		
142.	Industrial drill press		
143.	Industrial drill press (inoperable)		
144.	Industrial Plasma cutting table		
145.	Industrial upright grinder (dual)		
146.	Industrial drill press		
147.	Industrial drill press (inoperable)		
148.	Industrial milling machine		
149.	Industrial metal lathe - 12ft bed		
150.	Industrial metal lathe - 10ft bed		
151.	ALLSTEEL 300 Ton metal press / brake with dies		
152.	Metal bender		
153.	Portable sandblaster		
154.	Pearson metal sheer		
155.	Metal roller		
156.	Metal roller		
157.	Portable plasma cutter		
158.	Lincoln Mig / Tig wire feed welder		

#	Description	Serial No.	Additional Information
159.	12ft Roller table		
160.	Vertical metal bandsaw		
161.	Horizontal metal bandsaw		
162.	Easy Kleen high pressure washer		
163.	Clark rough terrain forklift, 2 stage mast, 48" tines, 10k hours		
164.	2002 Ford F550 diesel 20ft box truck, with rear outfitted with shelves and power supply	1FDAF56F32EB35311	
165.	Air compressor 500 gal		
166.	Parts room - Assorted nuts, bolts, threaded rods, washers		
167.	wooden cabinets - complete with various tools		
168.	15 drawer tool cabinet full of tools		
169.	3 section, 9 drawer parts cabinet completely full of tools, etc		
170.	Metal table complete with Taps, dies', broaches, etc		
171.	3 work tables c/w grinders, hose reels, drill bits, drill press, grinder wheel, and related tools		
172.	small roller table		
173.	Raw Material / Various racks full of steel		
174.	Table complete with various metal bits, drills, assorted tools to operate metal lathe		
175.	Qty of large electric motors (approx 6)		
176.	Transmission jack		
177.	large qty of chains, straps, clevises, binders, ratchets, etc		
178.	moble parts cart		
179.	moble parts cart		
180.	moble parts cart		
181.	Parts washer		
182.	metal work table c/w vice		

E. The following assets subject to lease/financing arrangements with HSF Foods Ltd.:

#	Description	Serial No.	Additional Information
1.	TEK Office Furniture located at 741 Central St, Centreville, NB E7K 2M4	N/A	
2.	30RXL 2006 Used Morbark Chiparvestor, Chipper 83"	2039	Wood Chip Operation
3.	John Deere 333EXT	1T0333EMVGE294274	
4.	2015 Ram 1500	1C6RR7LM0FS737580	
5.	2019 Ford F250 S/D	1FT7W2BT0KED32865	

F. The interest of any of the Sellers in the following assets:

#	Description	Serial No.
1.	1981 CHEVROLET CAMARO	1G1AP87L6BN111939
2.	1981 CHEVROLET CAMARO	1G1AP87L6BN132225
3.	1949 International Truck	5695
4.	1968 Plymouth Road Runner	RM21H8G209250
5.	1966 Dodge Coronet	WH23F65115836
6.	1970 Barracuda Cuda	BS23JOB298899
7.	1971 Dodge Charger	WS23VIA143655
8.	1970 Dodge Dart Swinger	LM23H2R281863
9.	1970 Dodge Super Bee	WM23H9A28522
10.	1969 Chev Camaro	124379N536678
11.	1965 Plymouth Sport Fury	P452242328
12.	2017 Dodge Viper	1C3BDEDZHV500396
13.	1952 Ford R2A	R2AT14481
14.	1970 Plymouth roadrunner super bird	RM23V0A179738
15.	2009 Dodge Challenger SRT8 Coupe	2b3LJ74W29H619422
16.	2018 Dodge Challenger SRT Hellcat Widebo	2C3CD2H99JH103136
17.	1970 Barracuda Cuda	BS23JOB298899
18.	1970 Dodge Dart Swinger	LM23H0R281863
19.	1969 Dodge Coronet Super Bee	WM23H9A288522
20.	2015 Dodge Challenger SRT Hellcat Coupe	2C3CDZC93FH838578

G. All of HSF Foods Ltd.'s rights and interests to the action brought by HSF Foods Ltd. against Siemens Canada Limited, Dresser-Rand Canada, ULC and Northpoint Technical Services, ULC in the Court of Queen's Bench of New Brunswick having Court File No.: MC-141-2020.

H. Excluded Real Property

Property Identifier Number	Owner	Location	Description	Approximate Hectares
10284099	Hillspring Thaw Ltd.	Central Street	Warehouse	1.04
10284115	HSF Foods Ltd.	Central Street	Industrial Land	0.86

10284172	HSF Foods Ltd.	Central Street	Office Complex	0.46
10284206	HSF Foods Ltd	Central Street	Plant, Warehouse	6.1
10153278	HSF Foods Ltd.	110 Highway	Farmland, Timberland	9.85
10277069	HSF Foods Ltd.	Andow Court	Residential Lot	0.49
10264810	HSF Foods Ltd.	Graham Street	Manufacturing Plant	0.96
10121499	HSF Foods Ltd.	103 Graham Street	Warehouse	0.79
10284198	Burbank Water & Wastewater Inc	Central Street	Warehouse	1.48

SCHEDULE 2.2(d)

Excluded Personal Property Contracts

A. The following excluded equipment lease or financing agreements:

1. Lease Agreement dated September 30, 2019 between VEL National Lease and Hillspring Farms in respect of the lease of (i) two Trailers having serial numbers: 2L9R443A8L1035167 and 2L9R443AXL1035168 and (ii) four Utility Vans having serial numbers 1UYVS3536BM068501, 1UYVS3532CM306703, 1UYVS253X7M254401 and 1UYVS35309U599106;
2. Lease Agreement dated August 30, 2019 between Daimler Truck Financial (a business unit of Mercedes-Benz Financial Services Canada Corporation) and Hillspring Farms Ltd. in respect of the lease of five trucks having serial numbers 5KJJABDR5LPKY5086, 5KJJABDR9LPKY9190, 5KJJABDR2LPKY9189, 5KJJABDR8LPKY9195 and 5KJJABDRXLPLX4605;
3. Equipment lease dated October 17, 2019 between Hillspring Farms Ltd. and CWB National Leasing Inc. in respect of 70 Motorola XPR-5350E VHF Mobile Radios and 30 VHF Hi-gain Antenna Systems;
4. Lease agreement dated June 11, 2019 between Hillspring Farms Ltd. and Valley Equipment Limited in respect of a 2018 Ram 2500 Longhorn Pickup Truck having serial number 3C6UR5GL3JG114826;
5. Contract dated August 30, 2018 between the Bank of Nova Scotia, Hillspring Farms Ltd. and Jeremy in respect of a 2019 Ram 1500 Truck with serial number 1C6SRFLT4KN579336 with Scotiabank.
6. Agreement between HSF Foods Ltd. and De Lage Landen Financial Services Canada Inc. in respect of certain TEK Office furniture as evidenced by *Personal Property Act Security* registration number 31214133;
7. Agreement between Hillspring Farms Ltd. and De Lage Landen Financial Services Canada Inc. in respect of a 2014 Hyundai having serial number HHKHHT06CE0000225 evidenced *Personal Property Act Security* registration number 25264698;
8. Lease dated May 2, 2019 between Hillspring Farms Ltd. and VEL National Lease in respect of a 2019 Ford F250 having serial number 1FT7W2BT2KEC71826;
9. Contract between the Bank of Nova Scotia, Hillspring Farms Ltd. and Jeremy in respect of a 2018 Dodge Demon having serial number 2C3CDZH99JH103136;
10. Contract between Hillspring Farms Ltd. and Liebherr Canada Ltd. in respect of a 2016 Liebherr L580 IND One Wheel Loader having serial number 0409431170;
11. Contract between Hillspring Farms Ltd. and Liebherr Canada Ltd. in respect of a 2016 Liebherr L566 Wheeled Loader having serial number 0410001168;
12. Contract between Hillspring Farms Ltd. and Liebherr Canada Ltd. in respect of a 2013 Liebherr L566 IND Wheeled Loader having serial number 0333011168;

13. Contract between HSF Foods Ltd. and GE Canada Equipment Financing G.P. in respect of a 2006 30RXL Morbank Chiparvestor having serial number 2039;
14. Contract between HSF Foods Ltd. and in respect of a John Deere 333EXT Compact Track Loader having serial number 1T0333EMVGE294274;
15. Financing arrangement dated September 16, 2018 between HSF Foods Ltd. and the Bank of Nova Scotia in respect of a 2015 Dodge Ram Model 1500 having serial number 1C6RR7LM0FS737580; and
16. Financing arrangement between HSF Foods Ltd. and the Bank of Nova Scotia in respect of a 2019 Ford F250 S/D having serial number 1FT7W2BT0KED32865 as evidenced by PPSA Registration number 31803596.

B. The following Loan Agreements

1. Revolving line of credit dated April 30, 2019 issued by the Canadian Imperial Bank of Commerce to Hillspring Warehouse & Logistics Inc. in the amount of \$2,000,000;
2. Revolving line of credit dated April 30, 2019 issued by the Canadian Imperial Bank of Commerce to HSF Foods Ltd. in the amount of \$4,000,000;
3. Non-revolving demand letter of credit dated April 30, 2019 issued by the Canadian Imperial Bank of Commerce to HSF Foods Ltd. in the amount of \$90,000;
4. Revolving line of credit dated April 30, 2019 issued by the Canadian Imperial Bank of Commerce to Hillspring Farms Ltd. in the amount of \$9,000,000;
5. Non-revolving demand instalment loan dated April 30, 2019 issued by the Canadian Imperial Bank of Commerce to Hillspring Farms Ltd. in the amount of \$4,235,595;
6. Non-revolving demand instalment loan dated April 30, 2019 issued by the Canadian Imperial Bank of Commerce to Hillspring Farms Ltd. in the amount of \$5,000,000;
7. Non-revolving demand letter of credit dated April 30, 2019 issued by the Canadian Imperial Bank of Commerce to Hillspring Farms Ltd. in the amount of \$700,000;
8. Non-revolving demand instalment loan dated April 30, 2019 issued by the Canadian Imperial Bank of Commerce to Burbank Industrial Supply Inc. in the amount of \$330,000; and
9. Cross guaranteed amended and restated credit facilities provided by Farm Credit Canada to each of HSF Foods Ltd. and Hillspring Farms Ltd. with outstanding obligations of \$70,691,926.52 plus interest, fees and costs thereon as of March 12, 2020.

SCHEDULE 2.2(e)

Excluded Real Property Leases

A. The following Real Property leases evidenced by the following written lease agreements:

1. Lease dated January 4, 2018 between Hillspring Farms Ltd. and Bonnefield Canadian Farmland Evergreen LP in respect of approximately 522 acres on parcel identifier numbers 35097997, 35098995, 35100858, 35103795, 35104314, 35110451, 35217116, 35305127, 35305135 and 35305523;
2. Lease dated May 13, 2016 between MWC Farms Ltd. and Bonnefield Canadian Farmland LP III, as renewed by a lease renewal and amending agreement dated March 3, 2017, as amended by a farmland lease amending agreement dated March 2019, and as assigned to Hillspring Farms Ltd. by an assignment and consent to assignment agreement dated August 2019 in respect of approximately 1,656.25 acres on parcel identifier numbers 65068728, 65069031, 65151003, 65068496, 65144701, 65036832, 65099046, 65036857, 65068876, 65135774, 65068900, 65223802, 65076663, 65135790, 65036576, 65098519, 65098527, 65036709, 65098717, 65149783 and 65099053;
3. Lease dated August 2019 between Hillspring Farms Ltd. and Bonnefield Canadian Farmland LP III in respect of approximately 1,142 acres on parcel identifier numbers 35101047, 35102169, 35103381, 35103944, 35317023, 35353085, 35217231, 35353093, 35357730, 35357847, 35357920, 35357920, 35214014;
4. Lease dated August 2019 between Hillspring Farms Ltd. and Bonnefield Canadian Farmland LP IV in respect of approximately 857 acres on PIDs 35302496, 35217272, 35296110, 35301167, 35360205, 35359835, 35360304, 35360247, 35187616, 35107119, 35107135, 35310994;
5. Farmland lease dated July 25, 2017, between Bonnefield Canadian Farmland Evergreen LP and MWC Farms Ltd.; Farmland Lease Amending Agreement dated March 2019 between Bonnefield Canadian Farmland Evergreen LP and MWC Farms Ltd.; and Assignment and Consent to Assignment Agreement dated August 2019 among Bonnefield Canadian Farmland Evergreen LP, MWC Farms Ltd., and Hillspring Farms Ltd. with respect to PIDs 65132912, 65068827, 65069049, 65176968, 65068736, 65074452, 65135766, 65068835, 65147100, 65074437; and
6. Lease and sublease agreement dated May 17, 2017 between Hillspring Farms Ltd., Andre Daigle Farms Inc. and River Valley Potatoes Inc. in respect of approximately 125 acres on parcel identifier numbers 35099076, 35311679, 35099274, 35099258, 35212901, 35212919, 35229392, 35229400.

B. The following Real property leases not evidenced by a written lease agreement:

1. Lease between Hillspring Farms Ltd. and H.J. Crabbe & Sons Ltd. in respect of parcel identifier numbers 10094241, 10162121 and 65039059;
2. Lease between Hillspring Farms Ltd., Kevin Ealey and Michael Campbell in respect of approximately 38 acres on parcel identifier numbers 10130920 and 10010643;

3. Lease between Hillspring Farms Ltd., David Crain and Wavel Crain on parcel identifier numbers 10092732, 10095198, 10091551 and 10091619;
4. Lease between Hillspring Farms Ltd. and Sullivan Farms (1992) Ltd. in respect of approximately 38 acres on parcel identifier number 10263507;
5. Lease between Hillspring Farms Ltd., Judith McIssac, Murray McIssac, Brent Pearson and Kim Pearson in respect of approximately 109.5 acres on parcel identifier numbers 10223535, 10030567 and 10007524;
6. Lease between Hillspring Farms Ltd. and East Glassville Holdings Ltd. in respect of approximately 181.87 acres on parcel identifier numbers 10265312, 10000107, 10232213, 10002863 and 10000115;
7. Lease between Hillspring Farms Ltd., 691221 NB Inc., Anthony Albert and Virginia Albert in respect of approximately 28 acres on parcel identifier numbers 65058034 and 65056145;
8. Lease between Hillspring Farms Ltd., 691221 NB Inc., Andy Miller, Sarah Miller, Harold Turner, John Turner, Donna Lee Turner, Carlene Flowers and Robert Flowers in respect of approximately 201 acres on parcel identifier numbers 65054611, 65054637, 65057697, 65117848, 65052995, 65056624, 65054645, 65117814, 65117806, 65117822 and 65055147;
9. Lease between Hillspring Farms Ltd., Roy Swazey, Edna Scott and Robert Scott in respect of approximately 59.6 acres on parcel identifier numbers 65084543, 65116907 and 65084527;
10. Lease between Hillspring Farms Ltd. and Four Falls Holdings Inc. in respect of approximately 17.5 acres on parcel identifier numbers 65084386 and 65201311;
11. Lease between Hillspring Farms Ltd. and Frank Browne Farms Inc. in respect of approximately 52.1 acres on parcel identifier numbers 65084428 and 65084824;
12. Lease between Hillspring Farms Ltd., Carolyn Van Gaal and Joseph Van Gaal in respect of approximately 21 acres on parcel identifier number 65089880;
13. Lease between Hillspring Farms Ltd. and Hanscome Farms Ltd. in respect of approximately 396.4 acres on parcel identifier numbers 65179699, 65085045, 65084998, 65085003, 65087397, 65089187, 65115438, 65085078, 65089161, 65089401, 65087561 and 65115313;
14. Lease between Hillspring Farms Ltd. and 691221 NB Inc. in respect of approximately 29 acres on parcel identifier numbers 65057887 and 65052904;
15. Lease between Hillspring Farms Ltd., Greta Butler, Cindy Clark, Donald Giberson, Rodney Brayall and Jonathan Walker in respect of approximately 32 acres on parcel identifier numbers 65084808, 65173114 and 65217176;
16. Lease between Hillspring Farms Ltd. and Island Holdings Ltd. in respect of approximately 53.44 acres on parcel identifier numbers 35273390 and 35273416;

17. Lease between Hillspring Farms Ltd. and Grand Falls Milling Co., Limited in respect of parcel identifier number 35357946;
18. Lease between Hillspring Farms Ltd. and KG Properties Ltd. in respect of approximately 20 acres on parcel identifier numbers 65132938 and 65132904;
19. Lease between Hillspring Farms Ltd. and H E Forestry Ltd. in respect of approximately 8.5 acres on parcel identifier number 65076762;
20. Lease between Hillspring Farms Ltd. and Donald Adams in respect of approximately 32.5 acres on parcel identifier number 65069072;
21. Lease between Hillspring Farms Ltd. and Sharon Dixon in respect of approximately 104 acres on parcel identifier numbers 65069015 and 65132854;
22. Lease between Hillspring Farms Ltd. and Andrew Parker in respect of approximately 46 acres on parcel identifier number 65036782;
23. Lease between Hillspring Farms Ltd. and Gestion Paul Levesque Ltee in respect of parcel identifier numbers 35099407 and 35102326;
24. Lease between Hillspring Farms Ltd. and Lucien Marquis in respect of parcel identifier number 35100197;
25. Lease between Hillspring Farms Ltd. and Marcel Lebonte in respect of approximately 7.6 acres on parcel identifier number 35317080;
26. Lease between Hillspring Farms Ltd., Richard Labonte and Yvette Labonte in respect of approximately 67.9 acres on parcel identifier numbers 35100445, 35100007, 35213131, 35212885 and 35100015;
27. Lease between Hillspring and McLaughlin Soil Management Facility Ltd. in respect of approximately 35.7 acres on parcel identifier number 65088502;
28. Lease between Hillspring Farms Ltd., Donna McNeill and Eldon McNeill in respect of approximately 12 acres on parcel identifier number 65088601;
29. Lease between Hillspring Farms Ltd. and Urban O'Connor in respect of approximately 23 acres on parcel identifier number 65054793; and
30. The real property leases shall also include, but are not limited to, all rolling one-year leases for land.

SCHEDULE 2.2(g)

Excluded Flakes Operations Assets

A. The following assets related to the Flake Business, Wood Chip and Fabrication Shop Operations:

#	Description	Serial No.	Additional Information
1.	Idaho Steel Peeler	24628	
2.	Kiremco Brusher		
3.	Large Even Flow		
4.	Slicer		
5.	Cornell Pump Tank		
6.	Dewatering Screen		
7.	Small Even Flow		
8.	Blancher Idaho Steel		
9.	Cooler		
10.	Vertical Auger		
11.	Dewatering Screen		
12.	Small Even Flow		
13.	Cooker		
14.	Ricer Auger		
15.	Mash Inline Auger		
16.	Mash Box		
17.	5x16 Idaho Steel Drum		
18.	5x16 Overton Drum		
19.	5x16 Overton Drum		
20.	Ewing Control Panel		Turbine Hall
21.	Ewing Control Panel		Turbine Hall
22.	Turbine (Back Pressure)	T-5601	Turbine Hall
23.	Condensing Turbine	T-5328	Turbine Hall
24.	Large Condenser	93Y10679-01A	Turbine Hall
25.	Large Worthington Cooling Pump	B0941002-1	Turbine Hall
26.	Large Worthington Cooling Pump	B0941002-2	Turbine Hall
27.	Water Softener System		Turbine Hall
28.	Water Softener System		Turbine Hall
29.	Cooling Tower	NC9232GM (149609-002-99)	Turbine Hall
30.	Cooling Tower	NC9232GM (14960609-001-99)	Turbine Hall
31.	Cat Forklift	E285851605	Dryroom
32.	Nissan Forklift	CT1B2-980997	Dryroom
33.	Nissan Forklift	CWP02-960815	Dryroom
34.	Zoom Boom	0300116975	Dryroom
35.	Cleaver Brooks SDB3BCS Scotch Dry Back – Steam B23M19B2 : B20	87620	
36.	O'Connor Tank Ltd. Dearator	DG7854	
37.	O'Connor Tank Ltd. Dearator	DG7854	

#	Description	Serial No.	Additional Information
38.	Cleaver Brooks DEA8AC Dearator	DG7854	
39.	Cleaver Brooks DEA8AC Dearator	DG7854	
40.	O'Connor Tank Ltd. BDT8AC Blow Down Tank over 42	7-1095	
41.	Harris Thermal PVS8AI Pressure Vessel over 42	26127	
42.	SA Armstrong EXC7AI Exchanger up to 42	449456	
43.	Keeler Dorr-Oliver AWT2BIS A Type Water Tube-Steam (Woodwchip Boiler)	17210	
44.	E Keeler Co. Ltd. AWT2BIS A Type Water Tube-Steam	124271	
45.	Steel Fab ATK6AI Air Tank Mounted	510689	
46.	Silvan Industries ARC7AI Air Receiver in System	142337	
47.	Silvan Ind. ARC7AI Air Receiver in System	10222	
48.	Brunner Eng. ATK6AC Air Tank Mounted	3244	
49.	Manchester Air Tank Mounted	18903	
50.	Flo Lab Inc. PVS7AI Pressure Vessel up to 42	APF-3357	
51.	Lagrange Products ARC7AI Air Receiver In System	42050	
52.	Steel Fab ARC7AI Air Receiver In System	SO-17724	
53.	Manchester ARC7AI Air Receiver In System	302432.CRN	
54.	Watson McDaniel Pressure Vessel up to 42	90805	
55.	Beloit Corporation PVS8AI Pressure Vessel Over 42	F3178-1	
56.	Beloit Corporation PVS8AI Pressure Vessel Over 42	B7415-1	
57.	Samyard Co. Ltd. Pressure Vessel Over 42	SYU-96	
58.	Samyard Co. Ltd. Pressure Vessel Over 42	SYU-96	
59.	GL&V PVS8AI Pressure Vessel Over 42	Nil	
60.	Idaho Steel Pressure Vessel Over 42	67	
61.	Idaho Steel Products PVS8EI Pressure Vessel Over 42	24628	
62.	Odenberg Inc. PVS8EI Pressure Vessel Over 42	96071	
63.	CH Murphy/ Clark-Ullman PVS8EI Pressure Vessel Over 42	1926	
64.	Tampella Keeler AWT2BIS A Type Water Tube-Steam	17389	
65.	Tampella Keeler AWT2BIS A Type Water Tube-Steam	17389	
66.	Allied Steel Prod. CFH8AI Closed Feed Heater	W6280	
67.	Steel Fabrication ATK7AP Pressure Vessel Over 42	5492880	
68.	Cemline Co. BDT7AP Blowdown Tank Up To 42	69703	

#	Description	Serial No.	Additional Information
69.	Cemline Co. BDT7AP Blowdown Tank Up To 42	69703	
70.	Cleaver Brooks of Canada SDB3BIH Scotch Dry Back Hot-Water	S088095	
71.	Cleaver Brooks of Canada SDB3BIH Scotch Dry Back Hot-Water	S088095	
72.	ITT EXC7AI Exchanger Up to 42	987254-01	
73.	ITT EXC7AI Exchanger Up to 42	987254-01	
74.	ITT EXC8AI Exchanger Over 42	93Y10679-01A	
75.	Colton Industries PVS8AP Pressure Vessel Over 42	979774	
76.	Colton Industries PVS8AP Pressure Vessel Over 42	979777	
77.	StoysTown Tank & Steel Co19 PVS7AI Pressure Vessel Up to 42	58344	
78.	Buckeye Boiler Company ATK6AP Air Tank Mounted	2848A	
79.	Steel Fab ATK6AI Air Tank Mounted	569407	
80.	Steel Fab ATK6AI Air Tank Mounted	569407	
81.	2007 Chiller, Carrier	340OF2680	
82.	2007 Chiller, Carrier	340OF26809	
83.	1998 Steam Peeler, Kiremco	9555-97-2 PESL-1000	
84.	1998 Brusher, Kiremco	97-1076-AA	
85.	1998 Polisher/Washer, Kiremco	9590-97 WAD-1030	
86.	2008 Vertical Elevator, Idaho Steel		
87.	1998 Large Evenflow, Idaho Steel		
88.	2008 Slicer with Wash tank, Idaho Steel		
89.	1998 Pump Tank, Cornell		
90.	1998 Blancher, Idaho Steel		
91.	1998 Cooler, Idaho Steel		
92.	2008 Pump to Cooler, Cornell		
93.	1998 Cooker with additives mixing drums Idaho Steel		
94.	2008 Transfer Auger, Idaho Steel		
95.	1998 2 large Drums, Idaho Steel		
96.	1998 3 small American Drum Company, Overton Machine Company 60SP	1998.90308106491	
97.	Transfer Augers, Idaho Steel		
98.	2006 Product Blower, Delta		
99.	1998 Bag Hoses, Idaho Steel		
100.	2005 Wind Sifter, Idaho Steel		
101.	2005 Hammer Mill, Pulva, Size C Type FS 121		
102.	2005 Product Blower, DMN, PTD 80	50897	
103.	2005 Hopper Tanks, Idaho Steel		
104.	2007 Grinder, Idaho Steel		
105.	2008 Weigh System Prior to Silos, Omnitech		

#	Description	Serial No.	Additional Information
106.	2005 50No. Bagging System, Schlosser	K0401002	
107.	2005 Weigher/Bagger, Greif-Velox	830-SDD-4M- EM 10-040364-001	
108.	2005 Bag Sealer, Farbo Seigling Ltd.	M685770011-C01080213	
109.	2005 Crimper, Schlosser		
110.	2007 Electronic Scale on stand, Champ Scale		
111.	2002/2003 Sewing Machine on stand, Newlong	LR113608 NP-7ALR113608	
112.	1990 Bag Line Conveyor, Doboy,	KGL 856748	
113.	1990 Bagging Machine, Doboy,	PT24SPE2.854982	
114.	2006 Manual Pallet Stacker/Wrapper, Highlight, Synergy III	C390-010-0161	
115.	2007/04 Dust Removal System UAS, SFC24-3	60060914	
116.	2007 2 X 2 Pressure Blowers NYB	P0925120 1708 Steel	
117.	2007 Dry Room Racking 5 lengths X 3 high		
118.	2007 Security System 4 cameras w/CD		
119.	2007 Pressure Washer, Landu	VLP8-3000F 155525	
120.	1997 Bunker "C" Boiler, Cleaver-Brooks, CB600-800	S-87629	
121.	1997 Standby Gen Set 350 KW/435 KVA, Onan, 350.ODFN-9XF/2963AC	G86013-30496	
122.	1998 80 HP Air Compressor, Curtis, R/S50T	6574	
123.	1998 Air Dryer, Airtek, SC220	977592H	
124.	1969 Separator, Wesffalia	SDA360L1635211	
125.	2008 Chemical Pump, Ecolab, P2		
126.	2008 Telescopic Conveyors, RcO 28' X 24" & 60'X 36"		1 of 2
127.	2008 Telescopic Conveyors, RcO 28' X 24" & 60'X 36"		2 of 2
128.	2007 Telescopic/Hydraulic Bin Piler, RcO		
129.	2007 Hopper Happy Roller		
130.	2008 Elevator Conveyor, RcO		
131.	2000 5,000 bbls Hopper, Smalleys		
132.	2008 Barrel Washer, RcO		
133.	2008 Rocks/Destoner, Idaho Steel		
134.	2010 Duske TPD-3500 Woodchip Dryer	SD75-22	
135.	Lieber Pay Loader	VATZ1268FZB038941	1002
136.	Radar hydraulic Bin Dumper		
137.	One (1) Used 2002 Liebherr A904 Hydraulic Rubber Tired Log Loader complete with all attachments and accessories	710-13531	
138.	Wood chip processor including feed hopper, 6ft x 40ft feed conveyor, Shaker table with fine partical screener, Hog Hammer, drop feed rechipper, 30" x 50ft conveyor		

#	Description	Serial No.	Additional Information
Fabrication Shop			
139.	15K Free standing Crane with 2k electric motor chainfalls		
140.	Hangchett metal lathe / Sharpener		
141.	IPC High Temp baking oven		
142.	Industrial drill press		
143.	Industrial drill press (inoperable)		
144.	Industrial Plasma cutting table		
145.	Industrial upright grinder (dual)		
146.	Industrial drill press		
147.	Industrial drill press (inoperable)		
148.	Industrial milling machine		
149.	Industrial metal lathe - 12ft bed		
150.	Industrial metal lathe - 10ft bed		
151.	ALLSTEEL 300 Ton metal press / brake with dies		
152.	Metal bender		
153.	Portable sandblaster		
154.	Pearson metal sheer		
155.	Metal roller		
156.	Metal roller		
157.	Portable plasma cutter		
158.	Lincoln Mig / Tig wire feed welder		
159.	12ft Roller table		
160.	Vertical metal bandsaw		
161.	Horizontal metal bandsaw		
162.	Easy Kleen high pressure washer		
163.	Clark rough terrain forklift, 2 stage mast, 48" tines, 10k hours		
164.	2002 Ford F550 diesel 20ft box truck, with rear outfitted with shelves and power supply	1FDAF56F32EB35311	
165.	Air compressor 500 gal		
166.	Parts room - Assorted nuts, bolts, threaded rods, washers		
167.	wooden cabinets - complete with various tools		
168.	15 drawer tool cabinet full of tools		
169.	3 section, 9 drawer parts cabinet completely full of tools, etc		
170.	Metal table complete with Taps, dies', broaches, etc		
171.	3 work tables c/w grinders, hose reels, drill bits, drill press, grinder wheel, and related tools		
172.	small roller table		
173.	Raw Material / Various racks full of steel		

#	Description	Serial No.	Additional Information
174.	Table complete with various metal bits, drills, assorted tools to operate metal lathe		
175.	Qty of large electric motors (approx 6)		
176.	Transmission jack		
177.	large qty of chains, straps, clevises, binders, ratchets, etc		
178.	moble parts cart		
179.	moble parts cart		
180.	moble parts cart		
181.	Parts washer		
182.	metal work table c/w vice		

B. The following assets subject to lease/financing arrangements with HSF Foods Ltd.:

#	Description	Serial No.	Additional Information
1.	TEK Office Furniture located at 741 Central St, Centreville, NB E7K 2M4	N/A	
2.	30RXL 2006 Used Morbark Chiparvestor, Chipper 83"	2039	Wood Chip Operation
3.	John Deere 333EXT	1T0333EMVGE294274	
4.	2015 Ram 1500	1C6RR7LM0FS737580	
5.	2019 Ford F250 S/D	1FT7W2BT0KED32865	

SCHEDULE 3.4

Purchase Price Allocation

[DRAFT ONLY AND UNDER REVIEW]

DRAFT REDACTED IN ENTIRETY]

SCHEDULE 6.4(g)

Assumed Contracts Conditional To Closing

A. The following agreements related to Equipment:

1. Equipment lease dated June 30, 2016 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd., as assignee of Country Tractors & Machinery Ltd. in respect of New Case IH Magnum Tractor Model 310 having serial number ZGRF01679 and New Case IH Magnum Tractor Model 340 having serial number ZFRF01089;
2. Financing arrangement dated March 29, 2017 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2017 Magnum Tractor Model 280 having serial number ZHRF01377 and a Magnum Tractor Model 250 having serial number ZHRF01590;
3. Financing arrangement between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a Case IH Combine Model 8240 having serial number YHG233588 and a Case IH Combine Head Model Draper 3152 having serial number YHH051326;
4. Financing arrangement dated June 14, 2017 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of County Tractors & Machinery Ltd. in respect of a Case Skid Steer having serial number JAFSV300JHM430255;
5. Financing arrangement dated November 2, 2018 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2018 New Case IH Magnum Tractor Model 380 having serial number ZJRF01138;
6. Financing Arrangement dated March 26, 2018 between CNH Industrial Capital Canada Ltd. (successor by assignment of County Tractors & Machinery Ltd.'s interest) and Hillspring Farms Ltd. in respect of the sale of a Soil Preparation Model Tiger having serial number YJD085177;
7. Financing arrangement dated January 28, 2015 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2014 New Case IH Magnum Tractor Model 290 HP having serial number ZERD02792;
8. Financing arrangement dated December 29, 2016 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2014 Tiger 2 Case IH Soil Preparation Tractor having serial number YED074213;
9. Financing arrangement dated July 12, 2017 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2007 Case IH S.P. Sprayer Model 3320 having serial number YDT037612;
10. Financing arrangement dated July 28, 2017 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect

of a Case IH Magnum Tractor Model 200 having serial number JJAM0200EHRH02289 and a Case IH Loader Model L785 having serial number 8217175;

11. Financing arrangement dated March 22, 2017 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of two 2017 Tiger 2 Case IH 17 Soil Preparation Harrows having serial numbers YHD083786 and YHD083665;
12. Financing arrangement dated December 30, 2016 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a SV300 Case 17 Skid Steer having serial number JAFSV300AGM425897;
13. Financing arrangement dated December 23, 2016 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2017 Case IH Magnum Tractor Model 310 having serial number ZGRF03005;
14. Financing arrangement dated February 3, 2017 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2014 Case IH SP Sprayer Model 3340 having serial number YET038558;
15. Financing arrangement dated April 27, 2016 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2016 Case IH SP Sprayer Model 3340 having serial number YFT042512;
16. Financing arrangement dated July 18, 2016 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2016 Case IH Magnum Tractor Model 280 having serial number ZGRF01526;
17. Financing arrangement dated September 29, 2017 between Hillspring Farms Ltd. and CNH Industrial Capital Canada Ltd. as assignee of Country Tractors & Machinery Ltd. in respect of a 2017 Case IH Combine Head Model Draper 3152 having serial number YHH051506;
18. Financing arrangement dated December 19, 2018 between CNH Industrial Capital Canada Ltd. (successor by assignment of County Tractors & Machinery Ltd.'s interest) and Hillspring Farms Ltd. in respect of a Magnum Tractor having serial number JJAM0380PHRF04682;
19. Financing arrangement dated July 31, 2015 between HSF Foods Ltd. and the Bank of Nova Scotia with respect to a 2015 Ram 1500 having serial number 1C6RR7LM1FS737197; and
20. Financing Arrangement dated April 22, 2016 between Hillspring Farms Ltd. and Caterpillar Financial Services Limited in respect of a 2018 Caterpillar D5K2 Track Type Tractor having serial number CAT00D5KPKW200604.

B. The following agreements related to fuel supply arrangements:

1. Loan agreement dated February 17, 2017 between Hillspring Farms Ltd. and Irving Energy in respect of an above ground petroleum storage system located at Tarrtown Rd, Beechwood, New Brunswick.
2. Commercial fuel supply agreement dated February 17, 2017 between Hillspring Farms Ltd. and Irving Energy;

3. Rental agreement dated September 25, 2017 between Hillspring Farms Ltd. and Irving Energy in respect of an 18,000 gallon propane tank located at 45 CN Road, Grand Falls, New Brunswick; and
4. Commercial fuel supply agreement dated August 2, 2017 between Hillspring Farms Ltd. and Irving Energy.

C. The following material contracts:

1. New Brunswick Russet Burbank Winter Contract 2019 between Cavendish Farms Corporation and Hillspring Farms Ltd., dated April 26, 2019, with respect to the supply of 300,000 hundredweight Russet Burbank potatoes, as may be amended from time to time; and
2. Supply agreement between Hillspring Farms Ltd. and Earth Fresh Foods Inc. as described in email correspondence dated December 20, 2019 between Renee Nadeau and Dave Carrick, as may be amended from time to time.

SCHEDULE 6.4(h)

Authorizations Conditional To Closing

1. Canadian Seed Institute Approved Conditioner Registration
2. Accredited Seed Treatment Operations Standards Certificate of Compliance
3. Agrichemical Warehousing Standards Certificate
4. NB Petroleum Storage Site Licence for PID 10091593
5. NB Petroleum Storage Site Licence for PID 65217515
6. NB Petroleum Storage Site Licence for PID 10281731
7. CanadaGAP Food Safety Certification (Option A2)
8. International Fuel Tax Agreement Fuel Tax Licence
9. Motor Vehicle Services Licence
10. Membership in the Fruit and Vegetable Dispute Resolution Corporation
11. Potatoes N.B. Shipper's Licence for Level 1 – Canada/U.S./Global
12. Registered Professional Agricultural Producer Number
13. Environmental Farm Plan Certificate of Completion
14. NSF Certificate of Registration for SQF Food Safety Code for Manufacturing Edition 8.0

Appendix D

To report of Ernst & Young Inc. as proposed receiver and receiver manager of HSF Foods Ltd., Hillspring Farms Ltd. and Hillspring Warehouse & Logistics Inc.

(SEE ATTACHED)

EQUIPMENT LEASE

THIS EQUIPMENT LEASE made as of the ■ day of June, 2020.

BETWEEN:

HILLSPRING FARMS LTD.,
a corporation existing under the laws of the
Province of New Brunswick,

(hereinafter referred to as "**Hillspring**")

- and -

HSF FOODS LTD.,
a corporation existing under the laws of the
Province of New Brunswick,

(hereinafter referred to as "**HSF**")

- and -

HILLSPRING WAREHOUSE & LOGISTICS INC.,
a corporation existing under the laws of the
Province of New Brunswick,

(together with Hillspring and HSF, hereinafter
collectively referred to as the "**Lessors**")

- and -

ERNST & YOUNG INC., in its capacity as court-
appointed receiver over certain property and assets
of the Lessors and not in its personal capacity,

(hereinafter referred to as the "**Receiver**")

- and -

**MCCAIN FARMS, a division of MCCAIN
PRODUCE INC.**,
a corporation existing under the laws of the
Province of New Brunswick,

(hereinafter referred to as the "**Lessee**").

WHEREAS the Lessors and the Lessee have entered into an asset purchase
agreement dated June 11, 2020 (the "**APA**");

AND WHEREAS the Receiver has been appointed as the court-appointed
receiver over certain property and assets of the Lessors under the *Bankruptcy and Insolvency*

Act (Canada) and the Approval and Vesting Order (as defined below) has or will be issued in respect of the Lessors;

AND WHEREAS in connection with the APA, the parties wish to enter into this equipment lease (this "**Agreement**") to provide for the lease by the Lessee from the Lessors of the Leased Equipment on the terms and conditions described herein;

THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants, representations and warranties of the parties hereinafter contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each party), the parties covenant and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

Where used in this Agreement, unless the context expressly or by necessary implication otherwise requires, the following terms shall have the respective meanings set forth below and grammatical variations of such terms shall have corresponding meanings:

"**Affiliate**" has the meaning ascribed thereto in the APA;

"**Agreement**" has the meaning ascribed thereto in the recitals to this Agreement;

"**APA**" has the meaning ascribed thereto in the recitals to this Agreement;

"**Appraised Value**" means the appraised value of the Leased Equipment as of May 14, 2020 as specified in the appraisal conducted by the Appraiser dated June 10, 2020;

"**Appraiser**" means Ritchie Bros. Auctioneers;

"**Approval and Vesting Order**" has the meaning ascribed thereto in the APA and which shall, among other things, vest any Purchased Equipment in the Lessee free and clear of and from any and all Encumbrances other than Permitted Encumbrances (as such terms are defined in the Approval and Vesting Order) on the Lessee exercising the Option and paying all amounts due as a result thereof;

"**Business Day**" means any day other than a Saturday, Sunday or statutory holiday in the Province of Ontario or New Brunswick on which banks and the offices of Governmental Authorities (as defined in the APA) are open for business;

"**Commencement Date**" has the meaning ascribed thereto in Section 2.3;

"**HST**" means all goods and services taxes, harmonized sales taxes, value added taxes, sales taxes, transfer taxes, use taxes, consumption taxes and other similar taxes of whatever name or description imposed, levied, rated, charged or assessed by the Government of Canada or by any provincial, municipal or local government;

"**Leased Equipment**" means the equipment listed on Schedule A hereto;

"Monthly Rent" has the meaning ascribed thereto in Section 2.4;

"Monthly Rent Amount" means [REDACTED];

"Option" has the meaning ascribed thereto in Section 5.1;

"Payment Date" means each of the Commencement Date, August 1, 2020, September 1, 2020, October 1, 2020 and November 1, 2020;

"Pre-Term Repair Expenses" has the meaning ascribed thereto in Section 4.2(d);

"Purchase Date" has the meaning ascribed thereto in Section 5.1;

"Purchased Equipment" has the meaning ascribed thereto in Section 5.1;

"Receiver" has the meaning ascribed thereto in the recitals to this Agreement;

"Remaining Expenses" has the meaning ascribed thereto in Section 4.2(e); and

"Term" has the meaning ascribed thereto in Section 2.3.

1.2 Rules of Construction

Unless the context otherwise requires, in this Agreement:

- (a) "Agreement", "this Agreement", "hereto", "hereof", "herein", "hereby", "hereunder" and similar expressions mean or refer to this Agreement as amended, restated, modified, replaced or supplemented from time to time, including any amendment to this Agreement, and any agreement or instrument supplemental hereto and the expressions "Article" and "Section" followed by a number or letter mean and refer to the specified Article or Section herein;
- (b) "include", "includes" and "including" means including without limitation and including without limiting the generality of the foregoing;
- (c) the terms "party" and "the parties" refer to a party or the parties to this Agreement;
- (d) the division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation thereof;
- (e) words importing the singular number only shall include the plural and *vice versa* and words importing the use of any gender shall include all genders;
- (f) reference to any agreement, indenture or other instrument in writing means such agreement, indenture or other instrument in writing, as amended, restated, modified, replaced or supplemented from time to time;
- (g) all dollar amounts refer to Canadian dollars;

- (h) any time period within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends; and
- (i) whenever any payment is required to be made, action is required to be taken or period of time is to expire on a day other than a Business Day, such payment shall be made, action shall be taken or period shall expire on the next following Business Day.

1.3 Entire Agreement

This Agreement and the APA constitute the entire agreement between the parties with respect to the subject matter hereof and thereof and supersede all prior agreements, understandings, negotiations and discussions, whether written or oral. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as herein and therein provided.

1.4 Governing Law

This Agreement shall be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the Province of New Brunswick and the federal laws of Canada applicable therein, and each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of such province and all courts competent to hear appeals therefrom.

ARTICLE 2 LEASE OF LEASED EQUIPMENT

2.1 Approval and Vesting Order

The parties agree that this Agreement shall not be effective until the issuance of the Approval and Vesting Order.

2.2 Lease

Each Lessor hereby leases the Leased Equipment owned by it to the Lessee in accordance with and subject to the provisions of this Agreement.

2.3 Term

The term of this Agreement commences on the date hereof (the "**Commencement Date**") and will continue until and including November 15, 2020 (the "**Term**").

2.4 Monthly Payments

The Lessee hereby covenants to pay to the Receiver:

- (a) on the Commencement Date, an amount equal to the Monthly Rent Amount multiplied by a fraction, the numerator of which is the number of days from and

including the Commencement Date to and including July 31, 2020 and the denominator of which is 31;

- (b) on November 1, 2020, [REDACTED]; and
- (c) on each other Payment Date, an amount equal to the Monthly Rent Amount

(collectively, "**Monthly Rent**"), in each case subject to set-off in accordance with Section 4.2(e).

2.5 Taxes

The Lessee hereby covenants to pay to the Receiver on each Payment Date:

- (a) HST payable by it in respect of the Monthly Rent paid on such Payment Date (which Monthly Rent shall, for certainty, be calculated for purposes of this Section 2.5(a) prior to any set-off in accordance with Section 4.2(e)); and
- (b) HST payable by it in respect of any other amount paid or payable by the Lessee pursuant to this Agreement (which other amount shall, for certainty, be calculated for purposes of this Section 2.5(b) prior to any set-off in accordance with Section 4.2(e)).

ARTICLE 3 LESSOR REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of Lessors

Each Lessor jointly and severally represents and warrants to the Lessee as of the date hereof that such Lessor is the legal and beneficial owner of the Leased Equipment being leased by it to the Lessee, with good and marketable title thereto and acknowledges that the Lessee is relying upon such representations and warranties in connection with its entering into of this Agreement.

3.2 No Other Lessor Representations and Warranties

The Lessee acknowledges and agrees that the Leased Equipment is being leased "as-is, where-is" and that, except as set forth in Section 3.1, the Lessors have made no representation, warranty or covenant, express or implied, with respect to the Leased Equipment. Other than the representations set forth in Section 3.1, the Lessee shall rely solely upon its own findings resulting from its own inspection of the Leased Equipment and not upon any information, documentation, statement or opinion, written or oral provided by any Lessor with respect to the Leased Equipment.

3.3 Manufacturer Warranties

The Lessee acknowledges that the Lessors have no responsibility to the Lessee for any warranties, guarantees or other undertakings made by the manufacturer or supplier of the Leased Equipment. Each Lessor assigns to the Lessee any interest such Lessor has in any of such warranties, guarantees or any other undertakings and, to the extent any such warranty, guarantee or other undertaking cannot be assigned to the Lessee, each Lessor agrees to hold

its interest in any such warranty, guarantee or other undertaking in trust for the benefit of the Lessee.

ARTICLE 4 ADDITIONAL COVENANTS AND LEASE PROVISIONS

4.1 Title

Subject to Article 5, each Lessor retains title to the Leased Equipment owned by it and no right, title, or interest in the Leased Equipment shall pass to Lessee except as expressly set forth in this Agreement. The Leased Equipment shall at all times be and remain personal or movable property, regardless of the manner in which it may be attached to any real or immovable property.

4.2 Maintenance

(a) The Lessee shall, at its sole cost and expense:

- (i) maintain the Leased Equipment in the ordinary course throughout the Term; and
- (ii) furnish any parts or anything else required to maintain the Leased Equipment in the ordinary course. Any such parts or other things shall form part of the Leased Equipment, shall continue to be subject to this Agreement and shall, subject to Article 5, not become the property of the Lessee, and shall be free of any security interests or other interests of any third parties;

(collectively, the “**Standard Maintenance**”).

(b) Notwithstanding Section 4.2(a), if, at any time during the Term, the Lessee determines that, in order to keep any of the Leased Equipment substantially in the condition, working order and state of repair that it was on the Commencement Date, it must incur costs or expenses for any maintenance, repair or replacement of such Leased Equipment which are extraordinary in nature or not in the ordinary course for such Leased Equipment (“**Extraordinary Repair Expenses**”), the Lessee shall consult with and seek the approval of the Receiver prior to incurring any such Extraordinary Repair Expenses. If the Receiver fails to respond to such request for approval within five days thereof, the Receiver shall be deemed to have approved such request to incur such Extraordinary Repair Expenses.

(c) Following any approval by the Receiver for Extraordinary Repair Expenses in accordance with Section 4.2(b), the Lessee shall be entitled to subsequently elect whether to complete or perform the associated repairs. Nothing in this Agreement shall obligate the Lessee to complete or perform any repairs on the Leased Equipment other than the Standard Maintenance.

(d) The Receiver acknowledges and confirms that the repair expenses set out in Schedule B hereto (collectively, “**Pre-Term Repair Expenses**”) were incurred or identified by the Lessee prior to the date of this Agreement as repairs to be completed during the Term.

(e) Any Extraordinary Repair Expenses approved by the Receiver incurred by the Lessee in accordance with Section 4.2(b) and the Pre-Term Repair Expenses may be set off by the Lessee against any Monthly Rent for the Leased Equipment on which such repair was conducted. Any Extraordinary Repair Expenses and Pre-Term Repair Expenses not set off by the Lessee against Monthly Rent or set off but not fully satisfied by such set off ("**Remaining Expenses**") may, in accordance with Section 5.1, be applied by the Lessee in partial satisfaction of the Purchase Price of any Purchased Equipment. Any portion of the Extraordinary Repair Expenses and Pre-Term Repair Expenses that exceeds the value of the Leased Equipment on which such repair was conducted shall only be set-off to a maximum of the Appraised Value of such Leased Equipment.

(f) The Lessee shall provide the Receiver with receipts evidencing the cost of the Extraordinary Repair Expenses and Pre-Term Repair Expenses prior to the exercise of any set off rights hereunder. In no case shall any receipts be submitted for expenses related to repairs done by the Lessee's own employees or parts on hand or for an amount greater than the Appraised Value of a piece of Leased Equipment on which the repair was conducted.

4.3 Loss or Destruction of Leased Equipment

(a) The Lessee shall bear the risk of any theft, loss or destruction of the Leased Equipment. The Lessee acknowledges that none of these events will in any way affect its obligations under this Agreement, which will continue in full force and effect, except to the extent of any proceeds of any insurance maintained by the Lessee under this Agreement that are actually received by any Lessor or the Receiver. For greater certainty, if any Leased Equipment is stolen, lost or destroyed, the Lessee shall compensate the Receiver in an amount equal to the lesser of (i) the Appraised Value of such Leased Equipment less any Monthly Rent paid in respect of such Leased Equipment or (ii) the insurance proceeds, if any, received by the Lessee in respect of such theft, loss or destruction.

(b) The Lessee agrees to indemnify and save harmless the Lessors and the Receiver against and from all loss, costs and damages which the Lessors or the Receiver may suffer, incur or become liable for by reason of, or arising out of (i) damage to the Leased Equipment during the period of use (normal wear and tear excepted) and (ii) personal injury or death of any person making use of or on any Leased Equipment or as a result of Lessee's use of same during the period of possession.

4.4 Insurance

(a) The Lessee shall, during the Term, at its sole expense, place and maintain insurance, of a nature and type, with reputable carriers and with coverage limits as are generally maintained for comparable businesses and equipment, and such insurance shall at minimum provide for insurance coverage equal to or greater than the Appraised Value of the Leased Equipment.

(b) All policies shall name the applicable Lessors and the Receiver as an additional named insured, and shall contain provisions prohibiting alteration of the terms or termination of the policy except upon 30 days' notice by the insured to the Receiver. If requested by the Receiver, the Lessee shall provide the Receiver with certificates of all policies of insurance required hereunder, and evidence of their renewal or replacement from time to time. The purchase and maintenance of this insurance by the Lessee shall not excuse or relieve it from any of its obligations under this Agreement.

ARTICLE 5 OPTION TO PURCHASE

5.1 Option to Purchase

The Lessee shall have the option (the “**Option**”), by delivery of a written notice to the Receiver at any time prior to the end of the Term, to purchase all or any portion of the Leased Equipment (such notice to identify the Leased Equipment to be purchased, being the “**Purchased Equipment**”) on the day immediately following the last day of the Term or such earlier date as the Lessee may elect (the “**Purchase Date**”) at a purchase price (the “**Purchase Price**”) equal to:

- (a) the Appraised Value of the Purchased Equipment; less
- (b) the Monthly Rent (for certainty, prior to any set-off in accordance with Section 4.2(e)) attributable to the Purchased Equipment and paid by the Lessee during the Term.

5.2 Payment of Purchase Price

On the Purchase Date, the Lessee shall pay the Purchase Price (plus any HST payable thereon) to the Receiver, which Purchase Price may be satisfied in part by applying any Remaining Expenses against the amount of the Purchase Price.

5.3 Title to Purchased Equipment

(a) If the Lessee exercises the Option, upon delivery of (x) the Receiver’s Equipment Certificate to the Court (as such terms are defined in the Approval and Vesting Order) and (y) the Purchase Price for the Purchased Equipment to the Receiver, all right, title and interest in the Purchased Equipment shall transfer to the Lessee and the Purchased Equipment shall be deemed to be Purchased Assets for the purposes of the APA and the Approval and Vesting Order. Each of the parties shall, upon any reasonable request of the other, promptly do, execute, deliver or cause to be done, executed and delivered, at the expense of the requesting party, all further acts documents and things as may be required or necessary for the purposes of transferring all right, title and interest in the Purchased Equipment and delivering the Receiver’s Equipment Certificate to the Court, including such other instruments of sale, transfer, conveyance, assignment, confirmation, certificates and other instruments as may be reasonably requested in order to more effectively transfer, convey and assign the Purchased Equipment.

(b) Upon the completion of the Term, the Lessee shall grant access to the Receiver and its representatives to remove, at the Receiver’s expense, any Leased Equipment in respect of which the Lessee did not exercise the Option. Any such Leased Equipment shall be substantially in the condition, working order and state of repair that it was on the Commencement Date, subject to normal wear and tear. It is understood and agreed by the Receiver that the Lessee shall only be conducting Standard Maintenance during the Term and in no case shall the Receiver expect repairs or improvements to the Leased Equipment during the Term other than any repairs related to Extraordinary Repair Expenses and Pre-Term Repair Expenses.

ARTICLE 6 MISCELLANEOUS

6.1 Survival

All obligations of the parties shall survive the expiration or termination of this Agreement to the extent required for their full observance and performance.

6.2 Payments to Receiver

Each Lessor agrees that any payment made by the Lessee to the Receiver on account of the Leased Equipment or the Purchased Equipment, as applicable, owned by such Lessor is accepted by the Receiver on behalf of such Lessor, and such Lessor shall have no recourse against the Lessee for any such payment.

6.3 Amendment; Waiver

No amendment, supplement, modification or waiver or termination of this Agreement and, unless otherwise specified, no consent or approval by any party, shall be binding unless executed in writing by the party to be bound thereby. Except as otherwise set out herein, if the Receiver fails to exercise or delays exercising any of its rights under this Agreement, that failure or delay shall not operate as a waiver of the right.

6.4 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

6.5 Time of Essence

Time shall be of the essence of this Agreement.

6.6 Assignment

No party shall assign this Agreement or any rights or obligations arising under this Agreement without the prior written consent of the Receiver, in the case of the assignment by the Lessee, or the Lessee, in the case of assignment by a Lessor, provided that the Lessee may assign this Agreement to any of its Affiliates with notice of such assignment to the Receiver.

6.7 Successors and Assigns

This Agreement shall enure to the benefit of and shall be binding on and enforceable by the parties and their respective successors and permitted assigns.

6.8 Notice

Unless otherwise provided herein, any notice or communication given in connection with this Agreement shall be in writing and shall be sufficiently given if delivered (whether in person, by courier service or other personal method of delivery) or if transmitted by email:

- (a) if to any Lessor at:

Hillspring Farms Ltd.
295 Tartown Rd.
Bath, NB E7J 2N2

Attention: Benjamin Brake and Jeremy Brake
Email: ben.brake@hsffood.ca and jeremy.brake@hillspringfarms.ca

with a copy (which shall not constitute notice) to:

McInnes Cooper
1969 Upper Water St., Suite 1300
Purdy's Wharf Tower II
Halifax, NS B3J 3R7

Attention: Stephen Kingston
Email: stephen.kingston@mcinnescooper.com

- (b) if to the Receiver, at:

Ernst & Young Inc.
RBC Waterside Centre
1871 Hollis Street, Suite 500
Halifax, NS B3J 0C3

Attention: George Kinsman
Email: george.c.kinsman@ca.ey.com

- (c) if to the Lessee, at:

McCain Farms, a Division of McCain Produce Inc.
8800 Main St.
Florenceville-Bristol, NB E7L 1B2

Attention: Nia Karabatsos
Email: nia.karabatsos@mccain.ca

with a copy (which shall not constitute notice) to:

Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7

Attention: Natasha MacParland
Email: nmacparland@dwpv.com

Any notice delivered or transmitted to a party as provided above shall be deemed to have been given and received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. local time in the place of delivery or receipt. However, if the notice is delivered or transmitted after 5:00 p.m. local time or if such day is not a Business Day then the notice shall be deemed to have been given and received on the next Business Day.

6.9 Execution and Delivery

This Agreement may be executed by the parties in counterparts and may be executed and delivered by electronic means and all such counterparts and electronic deliveries shall together constitute one and the same agreement.

[Remainder of the page intentionally left blank.]

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

HILLSPRING FARMS LTD.

by _____
Name:
Title:

HSF FOODS LTD.

by _____
Name:
Title:

**HILLSPRING WAREHOUSE &
LOGISTICS INC.**

by _____
Name:
Title:

**MCCAIN FARMS, a division of MCCAIN
PRODUCE INC.**

by _____
Name:
Title:

The undersigned is the Receiver of certain property and assets of the Lessors by virtue of the Appointment Order (as defined in the APA) of the Court of Queen's Bench of New Brunswick dated _____ 2020, and in such capacity hereby adopts the within Agreement for the estate of the Lessors and confirms that the transactions contemplated therein have been approved by the Court such that the Receiver shall complete same in accordance with the Approval and Vesting Order of the Court of Queen's Bench of New Brunswick dated _____ 2020.

**ERNST & YOUNG INC., solely in its
capacity as Court-appointed Receiver
and not in its personal capacity**

by _____

Name:

Title:

SCHEDULE A
LEASED EQUIPMENT

See attached.

SCHEDULE B
PRE-TERM REPAIR EXPENSES

See attached.

Appendix E

To report of Ernst & Young Inc. as proposed receiver and receiver manager of HSF Foods Ltd., Hillspring Farms Ltd. and Hillspring Warehouse & Logistics Inc.

NOTE: Appendix E contains various redacted appraisals which are referred to in the above noted report. For a copy of the redacted appraisals an interested party to the above noted proceedings can request a copy by sending an email to Caleb Hunter of Cox & Palmer at:

chunter@coxandpalmer.com

Appendix F

To report of Ernst & Young Inc. as proposed receiver and receiver manager of HSF Foods Ltd., Hillspring Farms Ltd. and Hillspring Warehouse & Logistics Inc.

NOTE: Appendix F contains various redacted appraisals which are referred to in the above noted report. For a copy of the redacted appraisals an interested party to the above noted proceedings can request a copy by sending an email to Caleb Hunter of Cox & Palmer at:

chunter@coxandpalmer.com

Appendix G

To report of Ernst & Young Inc. as proposed receiver and receiver manager of HSF Foods Ltd., Hillspring Farms Ltd. and Hillspring Warehouse & Logistics Inc.

(SEE ATTACHED)

BY E-MAIL

June 22, 2020

Ernst & Young Inc.
in its capacity as proposed court-appointed
receiver and as proposed trustee in bankruptcy of
Hillspring Farms Ltd. (“**Hillspring**”),
HSF Foods Ltd. (“**HSF**”), and
Hillspring Warehouse & Logistics Inc. (“**Logistics**”)
RBC Waterside Centre
1871 Hollis Street, Suite 500
Halifax, NS
B3J 0C3

To Ernst & Young Inc.:

Re: Hillspring, HSF, and Logistics Security Review

As the proposed court-appointed receiver and trustee in bankruptcy of Hillspring, HSF, and Logistics (collectively, the “**Companies**”) you have asked us for our opinion in connection with real and personal property security granted to Canadian Imperial Bank of Commerce (“**CIBC**”) by the Companies in connection with certain of its respective loan, guarantee, and other obligations to CIBC as set out in the documents described in **Schedule “A”** hereto (the “**Documents**”).

I. Scope of Review, Assumptions and Reliances

For the purposes of our opinions expressed below, we have only reviewed copies of the Documents. We have therefore assumed the authenticity of all the Documents submitted to us as originals and the conformity to originals of all copies of the Documents reviewed by us.

In relation to the real property owned by the Companies (the “**Properties**”), we have reviewed copies of the Certificates of Registered Ownership (“**CROs**”) for the Properties set out in **Schedule “B”**.

In addition, you have asked us to complete our review in the context of the Asset Purchase Agreement between McCain Produce Inc. (“**McCain**”) and the Companies dated as of June 11, 2020 (the “**APA**”). You will note that our listing of Properties in Schedule B corresponds, with the exception of apparent PIDs 10285419 and 10285377, to the schedules to the APA related to the Properties and we have identified which Properties CIBC has priority in pursuant to the *Land Titles Act* (New Brunswick) (“**NBLTA**”) and which Properties are subject to the prior interest of another creditor.

We have assumed, without any independent verification or inquiry:

- a. that each of the Documents constitutes a legal, valid and binding obligation of each party thereto, enforceable against such party in accordance with its terms;
- b. that the Documents have not been amended, modified, supplemented, terminated or waived in any respect or in any manner, whether in writing, orally or by conduct, by any of the parties thereto since the date thereof;
- c. that none of the security granted under the personal property security agreements identified in **Schedule "A"** in favour of CIBC (collectively, the "**Security Agreement**") have been assigned, released, discharged or otherwise impaired, either in whole or in part;
- d. that the description of the collateral in the Security Agreement (the "**Collateral**") is sufficient to enable it to be identified for the purposes of subsection 10(1) of the Province of New Brunswick ("**NB**") *Personal Property Security Act* (the "**NBPPSA**");
- e. that each item of the Collateral exists, or in the case of after-acquired Collateral, will exist and that the Companies have or, in the case of after-acquired Collateral, will have, sufficient rights in each item for the security interests granted pursuant to the Security Agreement to attach;
- f. that none of the Collateral constitutes consumer goods within the meaning of the NBPPSA or is located in a jurisdiction outside of NB and not subject to the NBPPSA;
- g. that the chief executive office of each of the Companies is located in NB;
- h. that neither the Companies, nor CIBC, have postponed or agreed to postpone the time for attachment with respect to any security interest granted under the Security Agreement;
- i. that there are no other documents, agreements or instruments which are relevant to, or would have a material impact on, the transactions described in or contemplated by the Documents;
- j. that the public records, filing systems and registries searched that generated the reports delivered to us by Cox & Palmer and examined by us in connection with this report were current (as of the dates noted therein), complete and accurate when examined;
- k. that the Companies are indebted to CIBC and that such indebtedness has not been repaid in full; and
- l. that value has been given to the Companies by CIBC.

The opinions expressed below are limited to the laws of NB and the federal laws of Canada applicable in that province ("**New Brunswick Law**"), and we express no opinion as to any laws, or any matters governed by any laws, other than New Brunswick Law. In particular, without limiting the generality of the immediately preceding sentence, no opinion is expressed with respect to the federal laws of Canada, including those applicable in the province of NB, the laws of any other jurisdiction to the extent such laws may govern the validity, perfection, effect of perfection or non-perfection or enforcement of the security interests created by the Documents as a result of the application of NB conflict of laws rules, including, without limitation, the provisions of the NBPPSA. In addition, we express no opinion as to whether the New Brunswick Law governs the validity, perfection, effect of perfection or non-perfection or enforcement of such security interests.

We have limited our opinion to documents entered into by the Companies.

Also, we have limited our opinion to those Documents which are relevant to determining priority under the NBLTA and whether a valid and perfected security interest has been created under the NBPPSA in favour of CIBC, namely the Security Agreement.

II. Opinion

Subject to the assumptions, reliances and qualifications contained herein and our comments below, we are of the opinion that:

1. NBPPSA - The security interests created under the Security Agreement in the right, title and interest of Hillspring, HSF and Logistics (collectively, the "**Borrowers**"), in and to the Collateral described in the applicable Security Agreement, subject to the qualification with respect to serial numbered goods below, to which the NBPPSA applies has, to the extent capable of perfection by registration under the NBPPSA, been perfected. CIBC has valid registrations with respect to:
 - i. a general charge against all present and after acquired personal property of the Borrowers;
 - ii. various specific charges against serial numbered goods of Hillspring under the NBPPSA, to the extent such registrations are entered into the field for serial numbered goods and are accurate in their description of the serial number; all of which we have not verified or reviewed.
2. Other than the permitted encumbrances, as set out in Schedule 1.1(b) of the APA, CIBC's collateral mortgages forming part of the Documents constitute a prior charge on all of the Properties set out in Schedule "B" hereto other than the PIDs identified therein as being subject to a prior charge in favour of another creditor.

III. Scope of Examination

We have not reviewed any of the corporate resolutions, by-laws or minute books of the Companies. For the purposes of our report herein, we have relied on the searches against the Companies under the statutes and at the offices of public record set out in the reports attached hereto as **Schedule “C”** that were conducted by Cox & Palmer and provided to us.

IV. Discussion

1. Registration

Section 3 of the NBPPSA provides that the NBPPSA applies to every transaction that in substance creates a security interest. Consequently, to the extent that the NBPPSA applies, registration under the NBPPSA, is sufficient to perfect the security interest of CIBC in the collateral of the Companies.

As set out above, we have assumed that the goods forming the Collateral are not consumer goods. To the extent any Collateral contains serial numbered goods that are equipment, s. 23(1)(c) of the NBPPSA *Regulations* gives the registering party a choice in describing equipment as general collateral in accordance with s.24 of the NBPPSA *Regulations* or by serial number in accordance with s. 25 of the NBPPSA *Regulations*. However, the priority resulting from a registration as against serial numbered goods by way of a general charge will be defeated by a subsequent secured creditor that registers their interest by serial number. If a secured creditor registers by serial number the entry on the Personal Property Registry (the “PPR”) under the NBPPSA must be accurate as an error in the serial number will be a seriously misleading error and invalid.

We have effected searches of the PPR and examined the results of those searches (the “PPR Search Results”), a summary of which is attached hereto as **Schedule “D”** with respect to each of the following names:

- i. HILLSPRING FARMS LTD.;
- ii. HSF Foods Ltd.; and
- iii. Hillspring Warehouse & Logistics Inc.

In examining the PPR Search Results, we have assumed that all registrations have been validly made, duly authorized, executed and filed by the secured parties noted therein. For the purposes of our opinion expressed above, we have relied on the PPR Search Results. We have not verified the accuracy of the serial numbers used in any registrations as we have not inspected the equipment but for the purpose of this opinion have assumed that they are complete and accurate.

The PPR Search results disclose the following:

- i. Hillspring:

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There are 3 creditors with a registered financing statement for general collateral and all present and after acquired personal property as against Hillspring in the following order:

- a. Farm Credit Canada (“FCC”): registration number 18038984, dated October 7, 2009, and expiring on October 7, 2038;
- b. CIBC: registration number 18422535, dated February 15, 2010, and expiring on February 15, 2025; and
- c. Business Development Bank of Canada (“BDC”): registration number 30180814, dated February 14, 2018, and expiring February 14, 2038.

In addition, the following creditors have registered financing statements in relation to specific items of personal property either by way of general description or against serial numbered goods (together with all present and after acquired attachments, accessories, and accessions thereto or similar description in certain cases):

- a. FCC;
 - b. DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.;
 - c. Caterpillar Financial Services Limited;
 - d. CIBC;
 - e. CNH Industrial Capital Canada Ltd.;
 - f. The Bank of Nova Scotia;
 - g. VALLEY EQUIPMENT LTD.;
 - h. Mercedes-Benz Financial Services Canada Corporation & Daimler Truck Financial;
 - i. McCain;
 - j. Liebherr-Canada Ltd.; and
 - k. CWB National Leasing Inc.
- ii. HSF

There are 4 creditors with a registered financing statement for general collateral and all present and after acquired personal property as against HSF in the following order:

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- a. FCC: registration number 18039024, dated October 7, 2009, and expiring on October 7, 2024;
- b. CIBC: registration number 18422543, dated February 15, 2010, and expiring on February 15, 2035; and
- c. BDC: registration number 30507685, dated May 1, 2018, and expiring on May 1, 2038.
- d. Oregon Potato Company: added by Amendment 33739590, dated June 11, 2020 and expiring October 7, 2024 to registration number 18039024;

In addition, the following creditors have registered financing statements in relation to specific items of personal property either by way of general description or against serial numbered goods (together with all present and after acquired attachments, accessories, and accessions thereto or similar description in certain cases):

- a. FCC;
- b. CIBC;
- c. GE Canada Equipment Financing GP;
- d. The Bank of Nova Scotia - Atlantic CAU;
- e. JOHN DEERE FINANCIAL INC.;
- f. Bank of Montreal;
- g. DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.; and
- h. Oregon Potato Company

iii. **Logistics:**

CIBC is the only creditor holding a registered financing statements for all present and after acquired personal property as against Logistics. In addition, there are no registrations as against specific equipment of Logistics.

V. Qualifications

The foregoing report and opinions are subject to the qualifications, limitations and restrictions set out in **Schedule "E"** hereto.

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Ernst & Young Inc.
June 22, 2020
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Yours very truly,

BINGHAM LAW

Per: Karine Le Breton
KLB/

BINGHAM.CA

Place Heritage Court
300-95, rue Foundry Street
Moncton, NB E1C 5H7

t 506.857.8856
f 506.857.2017

SCHEDULE "A"

CIBC Loan Documentation

Hillspring Security Agreements:

1. Security Agreement (specific personal property) from Hillspring in favour of CIBC (undated).
2. Security Agreement (specific personal property) from Hillspring in favour of CIBC dated January 8, 2018.
3. Security Agreement (specific personal property) from Hillspring in favour of CIBC dated June 2, 2017.
4. Security Agreement (specific personal property) from Hillspring in favour of CIBC dated April 28, 2017.
5. Security Agreement (specific personal property) from Hillspring in favour of CIBC dated January 11, 2017.
6. Security Agreement (AllPAP) from Hillspring in favour of CIBC dated November 7, 2012.

Hillspring Collateral Mortgages:

1. Collateral Mortgage from Hillspring in favour of CIBC dated May 24, 2019 and registered as Number 39055562 on May 28, 2019 against PIDs 10226611, 10281723, 10008506, 10003762, 10008993, 10218659, 10281731, 10003093, 10003226, 10281749, 10183937, 10002848, 10002186, 10002442, 10127900 and 1013606.

Hillspring Other Loan Documents:

1. Special Security in respect of specified property or classes of property described in section 427 of the Bank Act dated and signed by Hillspring on November 8, 2019.
2. Contract Relative to Special Security Under the Bank Act dated and signed by Hillspring on November 8, 2019.
3. Application for Credit and Promise to give Special Security under the Bank Act dated and signed by Hillspring on November 8, 2019.
4. Notice of Intention re: Bank Act Security dated and signed by Hillspring on October 16, 2019.
5. Letter of Authorization for Section 427 under the Bank Act dated and signed by Hillspring on October 16, 2019.

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6. Postponement from FCC in favour of CIBC dated June 4, 2019 as Number 39090858 on June 6, 2019 against PIDs 10226611, 10281723, 10008506, 10003762, 10008993, 10218659, 10281731, 10003093, 10003226, 10281749, 10183937, 10002848, 10002186, 10002442 and 10127900.
7. Credit Agreement between Hillspring and CIBC dated April 30, 2019 and accepted on June 18, 2019.

HSF Security Agreements:

1. Security Agreement (AllPAP) from HSF in favour of CIBC dated February 9, 2019.

HSF Collateral Mortgages:

N/A

HFS Other Loan Documents:

1. Credit Agreement between HSF and CIBC dated April 30, 2019 and accepted on June 18, 2019.

Logistics Security Agreements:

1. Security Agreement (AllPAP) from Logistics in favour of CIBC dated December 11, 2017.

Logistics Collateral Mortgages:

N/A

Logistics Other Loan Documents:

1. Credit Agreement between Logistics and CIBC dated April 30, 2019 and accepted on June 18, 2019.
2. Special Security in respect of specified property or classes of property described in section 427 of the Bank Act dated and signed by Logistics on November 23, 2018.
3. Contract Relative to Special Security Under the Bank Act dated and signed by Logistics on November 23, 2018.
4. Application for Credit and Promise to give Special Security under the Bank Act dated and signed by Logistics on November 23, 2018.
5. Notice of Intention re: Bank Act Security dated and signed by Logistics on November 15, 2018.
6. Letter of Authorization for Section 427 under the Bank Act dated and signed by Logistics on November 15, 2018.

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SCHEDULE "B"

Properties with Certificates of Registered Ownership

	Parcel Identifier Number	Owner	Priority Creditor
1.	10226611	Hillspring Farms Ltd.	CIBC
2.	65087900	Hillspring Farms Ltd.	FCC
3.	10161412	Hillspring Farms Ltd.	FCC
4.	10093995	Hillspring Farms Ltd.	FCC
5.	10089472	Hillspring Farms Ltd.	FCC
6.	10285393	Hillspring Farms Ltd.	FCC
7.	10214625	Hillspring Farms Ltd.	FCC
8.	10161438	Hillspring Farms Ltd.	FCC
9.	10205094	Hillspring Farms Ltd.	FCC
10.	10089159	Hillspring Farms Ltd.	FCC
11.	10094100	Hillspring Farms Ltd.	FCC
12.	10087500	Hillspring Farms Ltd.	FCC
13.	10087492	Hillspring Farms Ltd.	FCC
14.	10088847	Hillspring Farms Ltd.	FCC
15.	10090611	Hillspring Farms Ltd.	FCC
16.	10158251	Hillspring Farms Ltd.	FCC
17.	10161420	Hillspring Farms Ltd.	FCC
18.	10220846	Hillspring Farms Ltd.	FCC
19.	10231371	Hillspring Farms Ltd.	FCC

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	Parcel Identifier Number	Owner	Priority Creditor
20.	10162048	Hillspring Farms Ltd.	FCC
21.	10282358	Hillspring Farms Ltd.	FCC
22.	10282333	Hillspring Farms Ltd.	FCC
23.	10282325	Hillspring Farms Ltd.	FCC
24.	10090413	Hillspring Farms Ltd.	FCC
25.	10187029	Hillspring Farms Ltd.	FCC
26.	65087835	Hillspring Farms Ltd.	FCC
27.	65085342	Hillspring Farms Ltd.	FCC
28.	65138679	Hillspring Farms Ltd.	FCC
29.	65138661	Hillspring Farms Ltd.	FCC
30.	65114027	Hillspring Farms Ltd.	FCC
31.	65172827	Hillspring Farms Ltd.	FCC
32.	65158438	Hillspring Farms Ltd.	FCC
33.	65088627	Hillspring Farms Ltd.	FCC
34.	65085060	Hillspring Farms Ltd.	FCC
35.	65085094	Hillspring Farms Ltd.	FCC
36.	65111486	Hillspring Farms Ltd.	FCC
37.	10281723	Hillspring Farms Ltd.	CIBC
38.	10007235	Hillspring Farms Ltd.	FCC
39.	10003762	Hillspring Farms Ltd.	CIBC
40.	65085268	Hillspring Farms Ltd.	FCC

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	Parcel Identifier Number	Owner	Priority Creditor
41.	65160202	Hillspring Farms Ltd.	FCC
42.	10008993	Hillspring Farms Ltd.	CIBC
43.	10218659	Hillspring Farms Ltd.	CIBC
44.	65089229	Hillspring Farms Ltd.	FCC
45.	65089351	Hillspring Farms Ltd.	FCC
46.	10260792	Hillspring Farms Ltd.	FCC
47.	10260800	Hillspring Farms Ltd.	FCC
48.	10275584	Hillspring Farms Ltd.	FCC
49.	10232791	Hillspring Farms Ltd.	FCC
50.	65150757	Hillspring Farms Ltd.	FCC
51.	65217515	Hillspring Farms Ltd.	FCC
52.	65152761	Hillspring Farms Ltd.	FCC
53.	65215741	Hillspring Farms Ltd.	FCC
54.	65084857	Hillspring Farms Ltd.	FCC
55.	65084865	Hillspring Farms Ltd.	FCC
56.	65084881	Hillspring Farms Ltd.	FCC
57.	65084899	Hillspring Farms Ltd.	FCC
58.	65084915	Hillspring Farms Ltd.	FCC
59.	65084923	Hillspring Farms Ltd.	FCC
60.	65084949	Hillspring Farms Ltd.	FCC
61.	65087314	Hillspring Farms Ltd.	FCC

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	Parcel Identifier Number	Owner	Priority Creditor
62.	65087413	Hillspring Farms Ltd.	FCC
63.	65088619	Hillspring Farms Ltd.	FCC
64.	65116725	Hillspring Farms Ltd.	FCC
65.	65116790	Hillspring Farms Ltd.	FCC
66.	65084931	Hillspring Farms Ltd.	FCC
67.	65150807	Hillspring Farms Ltd.	FCC
68.	10002830	Hillspring Farms Ltd.	FCC
69.	10002939	Hillspring Farms Ltd.	FCC
70.	10136067	Hillspring Farms Ltd.	CIBC
71.	10004265	Hillspring Farms Ltd.	FCC
72.	10221976	Hillspring Farms Ltd.	FCC
73.	10248300	Hillspring Farms Ltd.	FCC
74.	10003226	Hillspring Farms Ltd.	CIBC
75.	10282580	Hillspring Farms Ltd.	FCC
76.	10281731	Hillspring Farms Ltd.	CIBC
77.	10002186	Hillspring Farms Ltd.	CIBC
78.	10002848	Hillspring Farms Ltd.	CIBC
79.	10002913	Hillspring Farms Ltd.	FCC
80.	10211076	Hillspring Farms Ltd.	FCC
81.	10008506	Hillspring Farms Ltd.	CIBC
82.	10003093	Hillspring Farms Ltd.	CIBC

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	Parcel Identifier Number	Owner	Priority Creditor
83.	10137792	Hillspring Farms Ltd.	FCC
84.	10127900	Hillspring Farms Ltd.	CIBC
85.	10183937	Hillspring Farms Ltd.	CIBC
86.	10272482	Hillspring Farms Ltd.	FCC
87.	10217974	Hillspring Farms Ltd.	FCC
88.	10217982	Hillspring Farms Ltd.	FCC
89.	10281749	Hillspring Farms Ltd.	CIBC
90.	35159060	Hillspring Farms Ltd.	FCC
91.	65205981	Hillspring Farms Ltd.	FCC
92.	35159151	Hillspring Farms Ltd.	FCC
93.	10095875	Hillspring Farms Ltd.	FCC
94.	10278240	Hillspring Farms Ltd.	FCC
95.	10095883	Hillspring Farms Ltd.	FCC
96.	10091742	Hillspring Farms Ltd.	FCC
97.	10095628	Hillspring Farms Ltd.	FCC
98.	10280253	Hillspring Farms Ltd.	FCC
99.	10260560	Hillspring Farms Ltd.	FCC
100.	65034662	Hillspring Farms Ltd.	FCC
101.	65114555	Hillspring Farms Ltd.	FCC
102.	65041188	Hillspring Farms Ltd.	FCC
103.	65224990	Hillspring Farms Ltd.	FCC

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	Parcel Identifier Number	Owner	Priority Creditor
104.	10234128	Hillspring Farms Ltd.	FCC
105.	65220535	Hillspring Farms Ltd.	FCC
106.	10218063	Hillspring Farms Ltd.	FCC
107.	65112096	Hillspring Farms Ltd.	FCC
108.	65085284	Hillspring Farms Ltd.	FCC
109.	10087757	Hillspring Farms Ltd.	FCC
110.	10280113	Hillspring Farms Ltd.	FCC
111.	10280105	Hillspring Farms Ltd.	FCC
112.	10280097	Hillspring Farms Ltd.	FCC
113.	10167005	Hillspring Farms Ltd.	FCC
114.	10091163	Hillspring Farms Ltd.	FCC
115.	10167468	Hillspring Farms Ltd.	FCC
116.	10161677	Hillspring Farms Ltd.	FCC
117.	10091155	Hillspring Farms Ltd.	FCC
118.	10091916	Hillspring Farms Ltd.	FCC
119.	10094407	Hillspring Farms Ltd.	FCC
120.	10095206	Hillspring Farms Ltd.	FCC
121.	10161669	Hillspring Farms Ltd.	FCC
122.	10281095	Hillspring Farms Ltd.	FCC
123.	10090850	Hillspring Farms Ltd.	FCC
124.	10258127	Hillspring Farms Ltd.	FCC

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	Parcel Identifier Number	Owner	Priority Creditor
125.	10166981	Hillspring Farms Ltd.	FCC
126.	10166957	Hillspring Farms Ltd.	FCC
127.	10094514	Hillspring Farms Ltd.	FCC
128.	10094472	Hillspring Farms Ltd.	FCC
129.	10167013	Hillspring Farms Ltd.	FCC
130.	10167021	Hillspring Farms Ltd.	FCC
131.	10167039	Hillspring Farms Ltd.	FCC
132.	10167047	Hillspring Farms Ltd.	FCC
133.	10092187	Hillspring Farms Ltd.	FCC
134.	10285179	Hillspring Farms Ltd.	FCC
135.	10167906	Hillspring Farms Ltd.	FCC
136.	10216125	Hillspring Farms Ltd.	FCC
137.	10093987	Hillspring Farms Ltd.	FCC
138.	10252666	Hillspring Farms Ltd.	FCC
139.	10092682	Hillspring Farms Ltd.	FCC
140.	10091676	Hillspring Farms Ltd.	FCC
141.	10273993	Hillspring Farms Ltd.	FCC
142.	10095065	Hillspring Farms Ltd.	FCC
143.	10096105	Hillspring Farms Ltd.	FCC
144.	10166783	Hillspring Farms Ltd.	FCC
145.	10278232	Hillspring Farms Ltd.	FCC

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	Parcel Identifier Number	Owner	Priority Creditor
146.	10096790	Hillspring Farms Ltd.	FCC
147.	10207280	Hillspring Farms Ltd.	FCC
148.	65114944	Hillspring Farms Ltd.	FCC
149.	65034977	Hillspring Farms Ltd.	FCC
150.	10091593	Hillspring Farms Ltd.	FCC
151.	10094175	Hillspring Farms Ltd.	FCC
152.	10159069	Hillspring Farms Ltd.	FCC
153.	10278273	Hillspring Farms Ltd.	FCC
154.	10094092	Hillspring Farms Ltd.	FCC
155.	10093912	Hillspring Farms Ltd.	FCC
156.	10091536	Hillspring Farms Ltd.	FCC
157.	10273480	Hillspring Farms Ltd.	N/A
158.	10088631	Hillspring Farms Ltd.	FCC
159.	10279982	Hillspring Farms Ltd.	FCC
160.	10090652	Hillspring Farms Ltd.	FCC
161.	10088706	Hillspring Farms Ltd.	FCC
162.	10281772	Hillspring Farms Ltd.	FCC
163.	10277788	Hillspring Farms Ltd.	FCC
164.	10278257	Hillspring Farms Ltd.	FCC
165.	10087740	Hillspring Farms Ltd.	FCC
166.	10161248	Hillspring Farms Ltd.	FCC

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	Parcel Identifier Number	Owner	Priority Creditor
167.	10087724	Hillspring Farms Ltd.	FCC
168.	10089258	Hillspring Farms Ltd.	FCC
169.	10158970	Hillspring Farms Ltd.	FCC
170.	10158988	Hillspring Farms Ltd.	FCC
171.	10087732	Hillspring Farms Ltd.	FCC
172.	10259836	Hillspring Farms Ltd.	FCC
173.	10002442	Hillspring Farms Ltd.	CIBC
174.	35345537	HSF Foods Ltd.	FCC
175.	35159078	HSF Foods Ltd.	FCC
176.	35177328	HSF Foods Ltd.	FCC
177.	65201444	HSF Foods Ltd.	FCC
178.	10218300	Hillspring Farms Ltd.	FCC

➤ Certificates of Registered Ownership attached as Schedule “B-1”

Excluded Real Property as Contained within Schedule 2.2(a) of the APA

	Parcel Identifier Number	Owner	Priority Creditor
1.	10284115	HSF Foods Ltd.	FCC
2.	10284172	HSF Foods Ltd.	Oregon Potato Company
3.	10284206	HFS Foods Ltd.	Oregon Potato Company
4.	10153278	HSF Foods Ltd.	FCC

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	Parcel Identifier Number	Owner	Priority Creditor
5.	10277069	HSF Foods Ltd.	FCC
6.	10264810	HSF Foods Ltd.	FCC
7.	10121499	HSF Foods Ltd.	FCC

➤ **Certificates of Registered Ownership attached as Schedule “B-2”**

SCHEDULE "C"

Search Reports Reviewed

Name searched: Hillspring Farms Ltd.

1. New Brunswick Corporate Affairs Registry Database search with a currency date of June 15, 2020.
 - Results: **Results attached in Schedule C-1**
2. Security interests in the personal property of Hillspring registered under the PPSA (New Brunswick) with a currency date of June 12, 2020.
 - Results: **Results attached in Schedule C-2**
3. Bankruptcy and Insolvency Records Search, Government of Canada, with a currency date of June 12, 2020.
 - Results: **Results attached in Schedule C-3**
4. Bank Act Security - Section 427 Search, with a currency date of June 12, 2020.
 - Results: **Results attached in Schedule C-4**
5. Justice and Public Safety, Government of New Brunswick, New Brunswick Court Index Search, with a currency date of June 12, 2020.
 - Results: **Results attached in Schedule C-5**

Name searched: HSF Foods Ltd.

1. New Brunswick Corporate Affairs Registry Database search with a currency date of June 12, 2020.
 - Results: **Results attached in Schedule C-6**
2. Security interests in the personal property of HSF registered under the PPSA (New Brunswick) with a currency date of June 12, 2020.
 - Results: **Results attached in Schedule C-7**
3. Bankruptcy and Insolvency Records Search, Government of Canada, with a currency date of June 12, 2020.
 - Results: **Results attached in Schedule C-8**
4. Bank Act Security - Section 427 Search, with a currency date of June 12, 2020.
 - Results: **Results attached in Schedule C-9**

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5. Justice and Public Safety, Government of New Brunswick, New Brunswick Court Index Search, with a currency date of June 12, 2020.

➤ Results: **Results attached in Schedule C-10**

Name searched: Hillspring Warehouse & Logistics Inc.

1. New Brunswick Corporate Affairs Registry Database search with a currency date of June 12, 2020.

➤ Results: **Results attached in Schedule C-11**

2. Security interest in the personal property of Logistic registered under the PPSA (New Brunswick) with a currency date of June 12, 2020.

➤ Results: **Results attached in Schedule C-12**

3. Bankruptcy and Insolvency Records Search, Government of Canada, with a currency date of June 12, 2020.

➤ Results: **Results attached in Schedule C-13**

4. Bank Act Security - Section 427 Search, with a currency date of June 12, 2020.

➤ Results: **Results attached in Schedule C-14**

5. Justice and Public Safety, Government of New Brunswick, New Brunswick Court Index Search, with a currency date of June 12, 2020.

➤ Results: **Results attached in Schedule C-15**

SCHEDULE "D"

PPR Search Results Summary

Hillspring PPSA Results Summary:

Secured Party	Debtor(s)	Collateral/Document Description (insert yes/no)		Registration Number and Date/Expiry Date
Farm Credit Canada	Hillspring Farms Ltd.	AllPAP	Yes	Original: 18038984 Date: 2009-10-07 Expiry Date: 2024-10-07 Renewal: 28484905 Date: 2017-01-30 Expiry Date: 2038-10-07
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd.	AllPAP	Yes	Original: 18459990 Date: 2010-02-25 Expiry Date: 2025-02-25 Renewal: 28484939 Date: 2017-01-30 Expiry Date: 2038-02-25
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd. and HSF Foods Ltd.	AllPAP	Yes	Original: 19726181 Date: 2011-02-02 Expiry Date: 2017-02-02 Amendment: 19851906 Date: 2011-03-16 Expiry Date: 2017-02-02 Renewal: 28230803 Date: 2016-11-17 Expiry Date: 2027-02-02 Renewal: 28484988 Date: 2017-01-30 Expiry Date: 2038-02-02
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd.	AllPAP	No	Original: 21072632 Date: 2012-01-30 Expiry Date: 2018-01-30 Renewal: 29856002 Date: 2017-11-10
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	

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				Expiry Date: 2028-01-30
Farm Credit Canada	Hillspring Farms Ltd.	AllPAP	Yes	Original: 21415591 Date: 2012-05-01 Expiry Date: 2018-05-01 Renewal: 28485027 Date: 2017-01-30 Expiry Date: 2038-05-01
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd.	AllPAP	Yes	Original: 21486550 Date: 2012-05-16 Expiry Date: 2017-05-16 Renewal: 28485084 Date: 2017-01-30 Expiry Date: 2038-05-16
		Specific Property	No	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd. and HSF Foods Ltd.	AllPAP	Yes	Original: 22028799 Date: 2012-09-26 Expiry Date: 2018-09-26 Renewal: 28485126 Date: 2017-01-30 Expiry Date: 2038-09-26
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Canadian Imperial Bank of Commerce	Hillspring Farms Ltd.	AllPAP	Yes	Original: 18422535 Date: 2010-02-15 Expiry Date: 2015-02-15 Amendment: 22186175 Date: 2012-11-07 Expiry Date: 2015-02-15 Renewal: 25290099 Date: 2014-12-18 Expiry Date: 2020-02-15 Renewal: 33116922 Date: 2019-12-17 Expiry Date: 2025-02-15
		Specific Property	No	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd.	AllPAP	No	Original: 23764160 Date: 2013-11-19 Expiry Date: 2019-11-19 Renewal: 32654303 Date: 2019-08-29
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	

				Expiry Date: 2029-11-19
Farm Credit Canada	Hillspring Farms Ltd. and HSF Foods Ltd.	AllPAP	No	Original: 23823685 Date: 2013-12-05 Expiry Date: 2019-12-05 Renewal: 32712119 Date: 2019-09-12 Expiry Date: 2029-12-05
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd. and HSF Foods Ltd.	AllPAP	Yes	Original: 24950651 Date: 2014-09-23 Expiry Date: 2020-09-23 Renewal: 28485175 Date: 2017-01-30 Expiry Date: 2038-09-23
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
De Lage Landen Financial Services Canada Inc.	Hillspring Farms Ltd.	AllPAP	No	Original: 25264698 Date: 2014-12-11 Expiry Date: 2020-12-11
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd.	AllPAP	Yes	Original: 25772195 Date: 2015-05-04 Expiry Date: 2022-05-04 Renewal: 28485191 Date: 2017-01-30 Expiry Date: 2038-05-04
		Specific Property	No	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd.	AllPAP	No	Original: 25823063 Date: 2015-05-13 Expiry Date: 2022-05-13
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Caterpillar Financial Services Limited	Hillspring Farms Ltd.	AllPAP	No	Original: 27216118 Date: 2016-04-07 Expiry Date: 2022-04-07
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Canadian Imperial Bank of Commerce	Hillspring Farms Ltd.	AllPAP	No	Original: 28369296 Date: 2016-12-22 Expiry Date: 2021-12-22 Amendment: 33479304
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	

				Date: 2020-03-30 Expiry Date: 2021-12-22 Amendment: 33483934 Date: 2020-04-01 Expiry Date: 2021-12-22
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 28411270 Date: 2017-01-06 Expiry Date: 2022-01-06 Amendment: 28415651 Date: 2017-01-09 Expiry Date: 2022-01-06
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
Canadian Imperial Bank of Commerce	Hillspring Farms Ltd.	AllPAP	No	Original: 28427102 Date: 2017-01-12 Expiry Date: 2022-01-12 Amendment: 33483959 Date: 2020-04-01 Expiry Date: 2022-01-12
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Canadian Imperial Bank of Commerce	Hillspring Farms Ltd.	AllPAP	No	Original: 28853836 Date: 2017-05-01 Expiry Date: 2022-05-01 Amendment: 33479320 Date: 2020-03-30 Expiry Date: 2022-05-01
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Canadian Imperial Bank of Commerce	Hillspring Farms Ltd.	AllPAP	No	Original: 28854032 Date: 2017-05-01 Expiry Date: 2022-05-01
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
Canadian Imperial Bank of Commerce	Hillspring Farms Ltd.	AllPAP	No	Original: 29026663 Date: 2017-06-05 Expiry Date: 2022-06-05 Amendment: 33484007 Date: 2020-04-01 Expiry Date: 2022-06-05
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Canadian Imperial Bank of Commerce	Hillspring Farms Ltd.	AllPAP	No	Original: 29376399 Date: 2017-08-16 Expiry Date: 2022-08-16
		Specific Property	Yes	
		Serial Numbered Goods	Yes	

		Other	No	Amendment: 33484031 Date: 2020-04-01 Expiry Date: 2022-08-16
Canadian Imperial Bank of Commerce	Hillspring Farms Ltd.	AllPAP	No	Original: 30053326 Date: 2018-01-08 Expiry Date: 2023-01-08
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	Amendment: 33484106 Date: 2020-04-01 Expiry Date: 2023-01-08
Business Development Bank of Canada	Hillspring Farms Ltd.	AllPAP	Yes	Original: 30180814 Date: 2018-02-14 Expiry Date: 2033-02-14
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	Renewal: 31158975 Date: 2018-09-11 Expiry Date: 2038-02-14 Amendment: 31438054 Date: 2018-11-14 Expiry Date: 2038-02-14
Business Development Bank of Canada	Hillspring Farms Ltd.	AllPAP	Yes	Original: 30507743 Date: 2018-05-01 Expiry Date: 2038-05-01
		Specific Property	No	
		Serial Numbered Goods	No	
		Other	No	
The Bank of Nova Scotia	Hillspring Farms Ltd. and Jeremy Benjamin Brake	AllPAP	No	Original: 31000425 Date: 2018-08-03 Expiry Date: 2026-08-03
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
The Bank of Nova Scotia	Hillspring Farms Ltd. and Jeremy Benjamin Brake	AllPAP	No	Original: 31168016 Date: 2018-09-12 Expiry Date: 2024-09-12
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
Valley Equipment Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 32172751 Date: 2019-05-22 Expiry Date: 2023-05-22
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
		AllPAP	No	Original: 32521858

Valley Equipment Ltd.	Hillspring Farms Ltd.	Specific Property	No	Date: 2019-08-01 Expiry Date: 2024-08-01
		Serial Numbered Goods	Yes	
		Other	No	
Mercedes-Benz Financial Services Canada Corporation Daimler Truck Financial	Hillspring Farms Ltd.	AllPAP	No	Original: 32668774 Date: 2019-09-03 Expiry Date: 2024-09-03
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	Discharge: 33737024 Date: 2020-06-11 Expiry Date: 2024-09-03
Valley Equipment Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 32862666 Date: 2019-10-16 Expiry Date: 2024-10-16
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
McCain Produce Inc.	Hillspring Farms Ltd.	AllPAP	No	Original: 33022658 Date: 2019-11-22 Expiry Date: 2021-11-22
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd.	AllPAP	No	Original: 33365701 Date: 2020-02-27 Expiry Date: 2022-02-27
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd. and HSF Foods Ltd.	AllPAP	No	Original: 33416348 Date: 2020-03-11 Expiry Date: 2025-03-11 Amendment: 33578709 Date: 2020-05-06 Expiry Date: 2025-03-11 Amendment: 33739129 Date: 2020-06-11 Expiry Date: 2025-03-11
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 25429275 Date: 2015-02-04 Expiry Date: 2020-02-04
		Specific Property	No	
		Serial Numbered Goods	Yes	

		Other	No	Renewal: 33200791 Date: 2020-01-13 Expiry Date: 2021-02-04
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 27322718 Date: 2016-05-02 Expiry Date: 2021-05-02
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 27617653 Date: 2016-07-04 Expiry Date: 2021-07-04
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 27731249 Date: 2016-07-21 Expiry Date: 2021-07-21
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 28415438 Date: 2017-01-09 Expiry Date: 2022-01-09
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 28415446 Date: 2017-01-09 Expiry Date: 2020-01-09 Renewal: 33126145 Date: 2019-12-18 Expiry Date: 2021-01-09
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 28518538 Date: 2017-02-08 Expiry Date: 2022-02-08
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 28722965 Date: 2017-04-03 Expiry Date: 2022-04-03
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 28722973 Date: 2017-04-03
		Specific Property	No	

		Serial Numbered Goods	Yes	Expiry Date: 2022-04-03
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 28722981 Date: 2017-04-03 Expiry Date: 2022-04-03
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 29110590 Date: 2017-06-21 Expiry Date: 2021-06-21
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 29244050 Date: 2017-07-19 Expiry Date: 2022-07-19
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 29337516 Date: 2017-08-08 Expiry Date: 2022-08-08
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 29653391 Date: 2017-10-06 Expiry Date: 2021-10-06
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
Liebherr-Canada Inc.	Hillspring Farms Ltd.	AllPAP	No	Original: 30249130 Date: 2018-03-02 Expiry Date: 2021-03-02
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	Yes	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 30383996 Date: 2018-04-05 Expiry Date: 2022-04-05
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
Liebherr-Canada Inc.	Hillspring Farms Ltd.	AllPAP	No	Original: 30574123 Date: 2018-05-14 Expiry Date: 2021-05-14
		Specific Property	Yes	
		Serial Numbered Goods	Yes	

		Other	Yes	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 31415128 Date: 2018-11-07 Expiry Date: 2023-11-07
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 31599707 Date: 2018-12-31 Expiry Date: 2023-12-31
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
Liebherr-Canada Inc.	Hillspring Farms Ltd.	AllPAP	No	Original: 32064289 Date: 2019-04-29 Expiry Date: 2022-04-29
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	Yes	
CWB National Leasing Inc.	Hillspring Farms Ltd.	AllPAP	No	Original: 32881047 Date: 2019-10-21 Expiry Date: 2026-10-21
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	

HSF PPSA Results Summary:

Secured Party	Debtor(s)	Collateral/Document Description (insert yes/no)		Registration Number and Date/Expiry Date
Farm Credit Canada Oregon Potato Company	HSF Foods Ltd.	AllPAP	Yes	Original: 18039024 Date: 2009-10-07 Expiry Date: 2024-10-07 Amendment: 33739590 Date: 2020-06-11 Expiry Date: 2014-10-07
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Canadian Imperial Bank of Commerce	HSF Foods Ltd.	AllPAP	Yes	Original: 18422543 Date: 2010-02-15 Expiry Date: 2015-02-15 Renewal: 25297300 Date: 2014-12-19 Expiry Date: 2020-02-15 Renewal: 33116914
		Specific Property	No	
		Serial Numbered Goods	No	
		Other	No	

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				Date: 2019-12-17 Expiry Date: 2025-02-15 Renewal: 33142746 Date: 2019-12-23 Expiry Date: 2035-02-15
Farm Credit Canada	HSF Foods Ltd.	AllPAP	Yes	Original: 18460253 Date: 2010-02-25 Expiry Date: 2025-02-25
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Farm Credit Canada	HSF Foods Ltd. and Hillspring Farms Ltd.	AllPAP	Yes	Original: 19726181 Date: 2011-02-02 Expiry Date: 2017-02-02 Amendment: 19851906 Date: 2011-03-16 Expiry Date: 2017-02-02 Renewal: 28230803 Date: 2016-11-17 Expiry Date: 2027-02-02 Renewal: 28484988 Date: 2017-01-30 Expiry Date: 2038-02-02
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	HSF Foods Ltd. and Hillspring Farms Ltd.	AllPAP	Yes	Original: 22028799 Date: 2012-09-26 Expiry Date: 2018-09-26 Renewal: 28485126 Date: 2017-01-30 Expiry Date: 2038-09-26
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Farm Credit Canada	HSF Foods Ltd. and Hillspring Farms Ltd.	AllPAP	No	Original: 23823685 Date: 2013-12-05 Expiry Date: 2019-12-05 Renewal: 32712119 Date: 2019-09-12 Expiry Date: 2029-12-05
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
Canadian Imperial Bank of Commerce	HSF Foods Ltd.	AllPAP	No	Original: 23842842 Date: 2013-12-11
		Specific Property	Yes	

		Serial Numbered Goods	No	Expiry Date: 2018-12-11
		Other	No	Renewal: 31304926 Date: 2018-10-12 Expiry Date: 2023-12-11
GE Canada Equipment Financing G.P.	HSF Foods Ltd.	AllPAP	No	Original: 24752230 Date: 2014-08-06 Expiry Date: 2020-08-06
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	Yes	
Farm Credit Canada	HSF Foods Ltd. and Hillspring Farms Ltd.	AllPAP	Yes	Original: 24950651 Date: 2014-09-23 Expiry Date: 2020-09-23 Renewal: 28485175 Date: 2017-01-30 Expiry Date: 2038-09-23
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	HSF Foods Ltd.	AllPAP	Yes	Original: 25772203 Date: 2015-05-04 Expiry Date: 2022-05-04
		Specific Property	No	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	HSF Foods Ltd.	AllPAP	No	Original: 25835406 Date: 2015-05-15 Expiry Date: 2022-05-15
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Bank of Nova Scotia - Atlantic CAU	HSF Foods Ltd.	AllPAP	No	Original: 26278564 Date: 2015-08-15 Expiry Date: 2020-08-15
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
John Deere Financial Inc.	HSF Foods Ltd.	AllPAP	No	Original: 28504777 Date: 2017-02-03 Expiry Date: 2022-02-03
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Business Development Bank of Canada	HSF Foods Ltd.	AllPAP	Yes	Original: 30507685 Date: 2018-05-01 Expiry Date: 2038-05-01
		Specific Property	No	
		Serial Numbered Goods	No	
		Other	No	

Bank of Montreal	HSF Foods Ltd.	AllPAP	No	Original: 30854186 Date: 2018-07-05 Expiry Date: 2023-07-05 *Security interest in accounts receivable and transferred payment obligations
		Specific Property	No	
		Serial Numbered Goods	No	
		Other	Yes*	
The Bank of Nova Scotia	HSF Foods Ltd.	AllPAP	No	Original: 31098403 Date: 2018-08-27 Expiry Date: 2023-08-27
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
De Lage Landen Financial Services Canada Inc.	HSF Foods Ltd.	AllPAP	No	Original: 31214133 Date: 2018-09-21 Expiry: 2023-09-21
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
The Bank of Nova Scotia	HSF Foods Ltd.	AllPAP	No	Original: 31803596 Date: 2019-02-28 Expiry Date: 2024-02-28
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Farm Credit Canada	HSF Foods Ltd.	AllPAP	No	Original: 33365651 Date: 2020-02-27 Expiry Date: 2022-02-27
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd. and HSF Foods Ltd.	AllPAP	No	Original: 33416348 Date: 2020-03-11 Expiry Date: 2025-03-11 Amendment: 33578709 Date: 2020-05-06 Expiry Date: 2025-03-11 Amendment: 33739129 Date: 2020-06-11 Expiry Date: 2025-03-11
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	

Logistics PPSA Results Summary:

Secured Party	Debtor(s)	Collateral/Document Description (insert yes/no)		Registration Number and Date/Expiry Date
Canadian Imperial Bank of Commerce	Hillspring Warehouse & Logistics Inc.	AllPAP	Yes	Original: 30030902 Date: 2017-12-29 Expiry Date: 2022-12-29
		Specific Property	No	
		Serial Numbered Goods	No	
		Other	No	

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SCHEDULE "E"

Qualifications

1. our opinion is subject to the effect of bankruptcy, insolvency and other laws affecting the rights of creditors generally;
2. our opinion is subject to the power of a court to grant relief against penalties and forfeitures;
3. no opinion is expressed as to whether it may be necessary, in connection with the enforcement of the remedies provided in the Security Agreements, for CIBC, or any agent on behalf of CIBC, or any person proposing to acquire, own or operate all or any part of the Collateral, to obtain any licence, franchise, permit, consent, approval, registration or other authorization or exemption;
4. we express no opinion as to the Companies' leases of real property or in property which is a fixture or a right to payment under a lease, or charge of real property or insurance proceeds in respect of rents;
5. no opinion is expressed as to whether any of the Security Agreements complies with Part VII of the *Financial Administration Act* (Canada) in respect of any assignment of Crown debts (as defined in such Act) and no steps have been taken to provide the notices or obtain the acknowledgements provided for in Part VII of that Act. An assignment of Crown debts not complying with that Act is ineffective as between assignor and assignee and as against the Crown and therefore CIBC would not have a valid security interest in Crown debts unless that Act is complied with;
6. we express no opinion as to the creation, validity, enforceability or perfection of any security interest:
 - i. insofar as any Collateral consists of a receivable, licence, approval, right, privilege, franchise, permit, quota, lease or agreement which by its terms or under applicable laws, or any other property which by its nature, cannot be the subject of the security granted under any of the Security Agreements or cannot be assigned without a consent, approval or other notice, authorization or registration which has not been obtained, made or given, except to the extent that subsection 41(10) of the NBPPSA renders unenforceable against third parties any such requirement for consent, and
 - ii. permits, quotas or licences which are held by or issued to the Companies;
7. in respect of certain Collateral, third parties may obtain priority over the security granted under any of the Security Agreements, if CIBC's security in such Collateral has not been perfected by control or possession;

8. the opinion expressed above is limited to the NBPPSA and therefore our opinion does not address the laws of NB except for the NBPPSA and NBLTA and collateral of a type subject to either the NBPPSA or the NBLTA;
9. we express no opinion as to the security interest granted under the Security Agreements with respect to any property of the Companies that is transformed in such a way that it is not identifiable or traceable or any proceeds of property of the Companies that are not identifiable or traceable;
10. to the extent that the Collateral consists of building materials that have become affixed to real property or rights to payment under a lease, mortgage or charge of real property to which the NBPPSA applies, the security interests of CIBC created by the Security Agreements will no longer exist unless they created a security interest in the Companies' real property and notice thereof in the prescribed form is registered in the land registry office or under the land registry statute;
11. any assignment of debts, accounts, agreements or rights contained in the Security Agreements may be subject to the equities between the parties to such debts, accounts, agreements or rights, including set off, or any requirement to give notice to or obtain consents from the other parties thereto;
12. no opinion is given as to whether the Companies have title to, or any rights in, the Collateral or the rank or priority of any pledge, hypothec, security interest or charge created by, or purported to be created by, any of the Security Agreements including without limitation, the effect of any floating charge created therein;
13. to the extent that the Collateral includes patents, trademarks, copyrights, industrial designs or other intellectual property, or certain other property governed by special statutes, registration under the NBPPSA may not be effective to fully preserve, perfect or protect the security interests constituted thereby. The security interest in such property may be subject to the interest of a third party who registers a transfer or assignment of a trade mark, patent, copyright or industrial design of the Companies or of an interest therein, pursuant to the applicable federal statute governing such property, unless the interest of CIBC has been registered, filed or recorded pursuant to such statute prior to the registration made by such third party. To fully protect a security interest in such Collateral, further steps may be required or advisable under the appropriate statutes. We have not conducted searches under federal statutes. In particular, we have not conducted searches:
 - i. under the *Patent Act* (Canada), the *Trade-Marks Act* (Canada), the *Industrial Designs Act* (Canada), the *Integrated Circuit Topography Act* (Canada), the *Copyright Act* (Canada) or the *Plant Breeders' Rights Act* (Canada),
 - ii. under the *Canada Shipping Act* in respect of any vessel which is registered or recorded under that Act, or

- iii. under the *Canada Transportation Act* in respect of any rolling stock to which the provisions of either of those Acts may apply.

BY E-MAIL

June 22, 2020

Ernst & Young Inc.
in its capacity as proposed court-appointed
receiver and as proposed trustee in bankruptcy of
Hillspring Farms Ltd. (“**Hillspring**”),
HSF Foods Ltd. (“**HSF**”), and
Hillspring Warehouse & Logistics Inc. (“**Logistics**”)
RBC Waterside Centre
1871 Hollis Street, Suite 500
Halifax, NS
B3J 0C3

To Ernst & Young Inc.:

Re: Hillspring, HSF, and Logistics Security Review

As the proposed court-appointed receiver and trustee in bankruptcy of Hillspring, HSF, and Logistics (collectively, the “**Companies**”) you have asked us for our opinion in connection with real and personal property security granted to Farm Credit Canada (“**FCC**”) by the Companies in connection with certain of its respective loan, guarantee, and other obligations to FCC as set out in the documents described in **Schedule “A”** hereto (the “**Documents**”).

I. Scope of Review, Assumptions and Reliances

For the purposes of our opinions expressed below, we have only reviewed copies of the Documents. We have therefore assumed the authenticity of all the Documents submitted to us as originals and the conformity to originals of all copies of the Documents reviewed by us.

In relation to the real property owned by the Companies (the “**Properties**”), we have reviewed copies of the Certificates of Registered Ownership (“**CROs**”) for the Properties set out in **Schedule “B”**.

In addition, you have asked us to complete our review in the context of the Asset Purchase Agreement between McCain Produce Inc. (“**McCain**”) and the Companies dated as of June 11, 2020 (the “**APA**”). You will note that our listing of Properties in Schedule B corresponds, with the exception of apparent PIDs 10285419 and 10285377, to the schedules to the APA related to the Properties and we have identified which Properties FCC has priority in pursuant to the *Land Titles Act* (New Brunswick) (“**NBLTA**”) and which Properties are subject to the prior interest of another creditor.

We have assumed, without any independent verification or inquiry:

- a. that each of the Documents constitutes a legal, valid and binding obligation of each party thereto, enforceable against such party in accordance with its terms;
- b. that the Documents have not been amended, modified, supplemented, terminated or waived in any respect or in any manner, whether in writing, orally or by conduct, by any of the parties thereto since the date thereof;
- c. that none of the security granted under the personal property security agreements identified in **Schedule "A"** in favour of FCC (collectively, the "**Security Agreement**") have been assigned, released, discharged or otherwise impaired, either in whole or in part;
- d. that the description of the collateral in the Security Agreement (the "**Collateral**") is sufficient to enable it to be identified for the purposes of subsection 10(1) of the Province of New Brunswick ("**NB**") *Personal Property Security Act* (the "**NBPPSA**");
- e. that each item of the Collateral exists, or in the case of after-acquired Collateral, will exist and that the Companies have or, in the case of after-acquired Collateral, will have, sufficient rights in each item for the security interests granted pursuant to the Security Agreement to attach;
- f. that none of the Collateral constitutes consumer goods within the meaning of the NBPPSA or is located in a jurisdiction outside of NB and not subject to the NBPPSA;
- g. that the chief executive office of each of the Companies is located in NB;
- h. that neither the Companies, nor FCC, have postponed or agreed to postpone the time for attachment with respect to any security interest granted under the Security Agreement;
- i. that there are no other documents, agreements or instruments which are relevant to, or would have a material impact on, the transactions described in or contemplated by the Documents;
- j. that the public records, filing systems and registries searched that generated the reports delivered to us by Cox & Palmer and examined by us in connection with this report were current (as of the dates noted therein), complete and accurate when examined;
- k. that the Companies are indebted to FCC and that such indebtedness has not been repaid in full; and
- l. that value has been given to the Companies by FCC.

The opinions expressed below are limited to the laws of NB and the federal laws of Canada applicable in that province ("**New Brunswick Law**"), and we express no opinion as to any laws, or any matters governed by any laws, other than New Brunswick Law. In particular, without limiting the generality of the immediately preceding sentence, no opinion is expressed with respect to the federal laws of Canada, including those applicable in the province of NB, the laws of any other jurisdiction to the extent such laws may govern the validity, perfection, effect of perfection or non-perfection or enforcement of the security interests created by the Documents as a result of the application of NB conflict of laws rules, including, without limitation, the provisions of the NBPPSA. In addition, we express no opinion as to whether the New Brunswick Law governs the validity, perfection, effect of perfection or non-perfection or enforcement of such security interests.

We have limited our opinion to documents entered into by the Companies.

Also, we have limited our opinion to those Documents which are relevant to determining priority under the NBLTA and whether a valid and perfected security interest has been created under the NBPPSA in favour of FCC, namely the Security Agreement.

II. Opinion

Subject to the assumptions, reliances and qualifications contained herein and our comments below, we are of the opinion that:

1. NBPPSA - The security interests created under the Security Agreement in the right, title and interest of Hillspring and HSF (collectively, the "**Borrowers**"), in and to the Collateral described in the applicable Security Agreement, subject to the qualification with respect to serial numbered goods below, to which the NBPPSA applies has, to the extent capable of perfection by registration under the NBPPSA, been perfected. FCC has valid registrations with respect to:
 - i. a general charge against all present and after acquired personal property of the Borrowers;
 - ii. various specific charges against serial numbered goods under the NBPPSA, to the extent such registrations are entered into the field for serial numbered goods and are accurate in their description of the serial number; all of which we have not verified or reviewed.
2. Other than prior charges also held by FCC or the permitted encumbrances, as set out in Schedule 1.1(b) of the APA, FCC's collateral mortgages forming part of the Documents constitute a prior charge on all of the Properties set out in Schedule "B" hereto other than the PIDs identified therein as being subject to a prior charge in favour of another creditor.

III. Scope of Examination

We have not reviewed any of the corporate resolutions, by-laws or minute books of the Companies. For the purposes of our report herein, we have relied on the searches against the Companies under the

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statutes and at the offices of public record set out in the reports attached hereto as **Schedule “C”** that were conducted by Cox & Palmer and provided to us.

IV. Discussion

1. Registration

Section 3 of the NBPPSA provides that the NBPPSA applies to every transaction that in substance creates a security interest. Consequently, to the extent that the NBPPSA applies, registration under the NBPPSA, is sufficient to perfect the security interest of FCC in the collateral of the Companies.

As set out above, we have assumed that the goods forming the Collateral are not consumer goods. To the extent any Collateral contains serial numbered goods that are equipment, s. 23(1)(c) of the NBPPSA *Regulations* gives the registering party a choice in describing equipment as general collateral in accordance with s.24 of the NBPPSA *Regulations* or by serial number in accordance with s. 25 of the NBPPSA *Regulations*. However, the priority resulting from a registration as against serial numbered goods by way of a general charge will be defeated by a subsequent secured creditor that registers their interest by serial number. If a secured creditor registers by serial number the entry on the Personal Property Registry (the “PPR”) under the NBPPSA must be accurate as an error in the serial number will be a seriously misleading error and invalid.

We have effected searches of the PPR and examined the results of those searches (the “PPR Search Results”), a summary of which is attached hereto as **Schedule “D”** with respect to each of the following names:

- i. HILLSPRING FARMS LTD.;
- ii. HSF Foods Ltd.; and
- iii. Hillspring Warehouse & Logistics Inc.

In examining the PPR Search Results, we have assumed that all registrations have been validly made, duly authorized, executed and filed by the secured parties noted therein. For the purposes of our opinion expressed above, we have relied on the PPR Search Results. We have not verified the accuracy of the serial numbers used in any registrations as we have not inspected the equipment but for the purpose of this opinion have assumed that they are complete and accurate.

The PPR Search results disclose the following:

- i. **Hillspring:**

There are 3 creditors with a registered financing statement for general collateral and all present and after acquired personal property as against Hillspring in the following order:

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- a. FCC: registration number 18038984, dated October 7, 2009, and expiring on October 7, 2038;
- b. Canadian Imperial Bank of Commerce (“CIBC”): registration number 18422535, dated February 15, 2010, and expiring on February 15, 2025; and
- c. Business Development Bank of Canada (“BDC”): registration number 30180814, dated February 14, 2018, and expiring February 14, 2038.

In addition, the following creditors have registered financing statements in relation to specific items of personal property either by way of general description or against serial numbered goods (together with all present and after acquired attachments, accessories, and accessions thereto or similar description in certain cases):

- a. FCC;
 - b. DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.;
 - c. Caterpillar Financial Services Limited;
 - d. CIBC;
 - e. CNH Industrial Capital Canada Ltd.;
 - f. The Bank of Nova Scotia;
 - g. VALLEY EQUIPMENT LTD.;
 - h. Mercedes-Benz Financial Services Canada Corporation & Daimler Truck Financial;
 - i. McCain;
 - j. Liebherr-Canada Ltd.; and
 - k. CWB National Leasing Inc.
- ii. **HSF**

There are 4 creditors with a registered financing statement for general collateral and all present and after acquired personal property as against HSF in the following order:

- a. FCC: registration number 18039024, dated October 7, 2009, and expiring on October 7, 2024;

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- b. CIBC: registration number 18422543, dated February 15, 2010, and expiring on February 15, 2035; and
- c. BDC: registration number 30507685, dated May 1, 2018, and expiring on May 1, 2038.
- d. Oregon Potato Company: added by Amendment 33739590, dated June 11, 2020 and expiring October 7, 2024 to registration number 18039024;

In addition, the following creditors have registered financing statements in relation to specific items of personal property either by way of general description or against serial numbered goods (together with all present and after acquired attachments, accessories, and accessions thereto or similar description in certain cases):

- a. FCC;
- b. CIBC;
- c. GE Canada Equipment Financing GP;
- d. The Bank of Nova Scotia - Atlantic CAU;
- e. JOHN DEERE FINANCIAL INC.;
- f. Bank of Montreal;
- g. DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.; and
- h. Oregon Potato Company

iii. **Logistics:**

CIBC is the only creditor holding a registered financing statements for all present and after acquired personal property as against Logistics. In addition, there are no registrations as against specific equipment of Logistics.

V. Qualifications

The foregoing report and opinions are subject to the qualifications, limitations and restrictions set out in **Schedule "E"** hereto.

Ernst & Young Inc.
June 22, 2020
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Yours very truly,

BINGHAM LAW

Per: Karine Le Breton
KLB/

BINGHAM.CA

Place Heritage Court
300-95, rue Foundry Street
Moncton, NB E1C 5H7

t 506.857.8856
f 506.857.2017

SCHEDULE "A"

FCC Loan Documentation

Hillspring Security Agreements:

1. Security Agreement (AllPAP) from Hillspring in favour of FCC dated May 1, 2015.
2. Security Agreement (specific personal property) from Hillspring in favour of FCC dated May 1, 2015.
3. Security Agreement (AllPAP and specific personal property) from Hillspring and HSF, guaranteed by Benjamin Austin Brake, in favour of FCC dated September 5, 2014.
4. Security Agreement (specific personal property) from Hillspring and HSF in favour of FCC dated December 2, 2013.
5. Security Agreement (specific personal property) from Hillspring in favour of FCC dated October 28, 2013.
6. Security Agreement (specific personal property) from Hillspring and HSF in favour of FCC dated September 24, 2012.
7. Security Agreement (AllPAP and specific personal property) from Hillspring in favour of FCC dated April 27, 2012.
8. Security Agreement (specific personal property) from Hillspring in favour of FCC dated January 12, 2012.
9. Security Agreement (AllPAP and specific personal property) from Hillspring and HSF, guaranteed by Benjamin Austin Brake and Beatrice Ann Brake, in favour of FCC dated January 28, 2011.

Hillspring Collateral Mortgages:

1. Collateral Mortgage from Hillspring in favour of FCC dated November 5, 2018 and registered as Number 38562154 on November 7, 2018 against PID 65224990.
2. Collateral Mortgage from Hillspring in favour of FCC dated October 26, 2018 and registered as Number 38544780 on November 1, 2018 against PIDs 10285179, 65089351, 10214625, 10093912 and 10285393.
3. Collateral Mortgage from Hillspring in favour of FCC dated January 11, 2018 and registered as Number 37715365 on January 11, 2018 against PIDs 10002913, 10087732, 10088631, 10090413, 10093987, 10158251, 10162048, 10187029, 10216125, 10273993, 10282325, 10282333, 10282358, 6504188, 65084931 and 65220535.

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4. Collateral Mortgage from Hillspring in favour of FCC dated August 31, 2017 and registered as Number 37338739 on September 1, 2017 against PIDs 10272482, 10137792, 10217974, 10217982, 10218063, 10232791, 10260792, 10260800, 10275584 and 10282580.
5. Collateral Mortgage from Hillspring in favour of FCC dated January 30, 2017 and registered as Number 36729433 on February 2, 2017 against PIDs 65205981 and 65089229.
6. Collateral Mortgage from Hillspring in favour of FCC dated January 27, 2017 and registered as Number 36727890 on February 1, 2017 against PIDs 10281772 and 10090652.
7. Collateral Mortgage from Hillspring in favour of FCC dated January 27, 2017 and registered as Number 36722636 on January 31, 2017 against PIDs 35159151 and 35159060.
8. Collateral Mortgage from Hillspring in favour of FCC dated January 27, 2017 and registered as Number 36719731 on January 31, 2017 against PIDs 651160202 and 65085268.
9. Collateral Mortgage from Hillspring in favour of FCC dated January 16, 2017 and registered as Number 36687813 on January 16, 2017 against PIDs 65114027, 65085342, 65138661, 65138679, 65111486 and 65085284.
10. Collateral Mortgage from Hillspring in favour of FCC dated January 12, 2017 and registered as Number 36687284 on January 16, 2017 against PIDs 10226611, 10281723, 10003762, 10008993, 10218659, 10003093, 10281731, 10008506, 10003226, 10007235, 10127900, 10183937, 10002848, 10002186, 10281749 and 10002442.
11. Collateral Mortgage from Hillspring in favour of FCC dated December 20, 2016 and registered as Number 36648500 on December 23, 2016 against PIDs 65150781, 65052623, 65140253, 65150799, 65085060, 6085094, 65087835, 65087900, 65088627, 65158438, 65172827, 65084857, 65084865, 65084881, 65084899, 65084915, 65084923, 65087314, 65150757, 65215741, 65084949, 65087413, 65088619, 65217515, 65116725, 65116790, 65150807 and 65152761.10091915
12. Collateral Mortgage from Hillspring in favour of FCC dated May 13, 2016 and registered as Number 35971267 on May 30, 2016 against PIDs 10095065, 10091676, 10091742, 10092682, 10095628, 10166783, 10234128 and 10280253
13. Collateral Mortgage from Hillspring in favour of FCC dated April 19, 2016 and registered as Number 35871228 on April 25, 2016 against PIDs 10091916, 10089472, 10091155, 10211076, 10094407, 10095206, 10161669, 10167468, 10248300, 10277788, 10279982, 10161685, 10280022 and 10161677.
14. Collateral Mortgage from Hillspring in favour of FCC dated May 1, 2015 and registered as Number 34807256 on May 5, 2015 against PIDs 10091163, 10089159, 10091593, 10094100, 1005875, 10096790, 10159069, 10207280, 10278232, 10278240, 10278257, 10278273, 65034662, 65034688, 65112096, 65114555 and 10095883.

15. Collateral Mortgage from Hillspring in favour of FCC dated April 26, 2015 and registered as Number 35873406 on April 26, 2016 against PIDs 10280097, 10280105 and 10280113.
16. Collateral Mortgage from Hillspring in favour of FCC dated September 5, 2014 and registered as Number 34212507 on September 25, 2014 against PIDs 10167906, 10092187 and 10087757.
17. Collateral Mortgage from Hillspring in favour of FCC dated October 28, 2013 and registered as Number 33269102 on October 31, 2013 against PIDs 10258127, 10166981, 10094514, 10090850, 10094472 and 10166957.
18. Collateral Mortgage from Hillspring in favour of FCC dated April 27, 2012 and registered as Number 31409791 on May 1, 2012 against PID 10259836.
19. Collateral Mortgage from Hillspring in favour of FCC dated March 27, 2012 and registered as Number 31319560 on April 3, 2012 against PID 10094175.
20. Collateral Mortgage from Hillspring in favour of FCC dated August 24, 2011 and registered as Number 30516745 on August 26, 2011 against PIDs 10004265, 10002830, 10002939 and 10221976.
21. Collateral Mortgage from Hillspring in favour of FCC dated April 27, 2010 and registered as Number 28652049 on April 30, 2010 against PIDs 10167013, 10167021, 10167005, 10167039 and 10167047.
22. Collateral Mortgage from Hillspring in favour of FCC dated October 5, 2009 and registered as Number 27860528 on October 6, 2009 against PIDs 10088706, 10087492, 10087500, 10087724, 10087740, 10088847, 10089258, 10090611, 10091536, 10093995, 10094092, 10096105, 10158970, 10158988, 10161248, 10161412, 10161420, 10161438, 10205094, 10220846, 10231371, 10252666, 10260560, 65034977 and 65114944.
23. Collateral Mortgage from Hillspring in favour of FCC dated May 22, 2009 and registered as Number 27181420 on May 22, 2009 against PID 10088706.
24. Collateral Mortgage from Hillspring in favour of FCC dated May 20, 2009 and registered as Number 27178467 on May 21, 2009 against PID 10096105.
25. Collateral Mortgage from Hillspring in favour of FCC dated January 22, 2009 and registered as Number 26757782 on January 26, 2009 against PID 10094092.

Hillspring Other Loan Documents:

1. Credit Agreement between Hillspring and FCC dated October 29, 2018 and accepted on October 26, 2018.
2. Guarantee provided by Jeremy Benjamin Brake to FCC dated October 26, 2018 to secure obligations of Hillspring.

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3. Guarantee provided by Hillspring Thaw Ltd. to FCC dated October 26, 2018 to secure obligations of Hillspring.
4. Guarantee provided by Hillspring Warehouse & Logistics Inc. to FCC dated October 26, 2018 to secure obligations of Hillspring.
5. Guarantee provided by Sunrise Seed Farms Ltd. to FCC dated October 26, 2018 to obligations of Hillspring.
6. Guarantee provided by Burbank Industrial Supply Inc. to FCC dated October 26, 2018 to secure obligations of Hillspring.
7. Guarantee provided by Burbank Water & Wastewater Inc. to FCC dated April 20, 2018 to secure obligations of Hillspring.
8. Guarantee provided by HSF to FCC dated May 1, 2015 to secure obligations of Hillspring.
9. Guarantee provided by Benjamin Austin Brake to FCC dated May 1, 2015 to secure obligations of Hillspring.
10. Inter-creditor Priority Agreement between FCC, CIBC, Hillspring and HSF dated February 23, 2010.
11. Assignment, Postponement and Subordination Agreement from the shareholders of Hillspring in favour of FCC dated October 5, 2009.

HSF Security Agreements:

1. Security Agreement (AllPAP) from HSF in favour of FCC dated May 1, 2015.
2. Security Agreement (specific personal property) from HSF in favour of FCC dated May 1, 2015.
3. Security Agreement (AllPAP and specific personal property) from HSF and Hillspring, guaranteed by Benjamin Austin Brake, in favour of FCC dated September 5, 2014.
4. Security Agreement (specific personal property) from HSF in favour of FCC dated September 2, 2014.
5. Security Agreement (specific personal property) from HSF and Hillspring in favour of FCC dated December 2, 2013.
6. Security Agreement (specific personal property) from HSF and Hillspring in favour of FCC dated September 24, 2012.

7. Security Agreement (AllPAP and specific personal property) from HSF and Hillspring, guaranteed by Benjamin Austin Brake and Beatrice Ann Brake, in favour of FCC dated January 28, 2011.
8. Security Agreement (AllPAP and specific personal property) from HSF in favour of FCC dated October 5, 2009.

HSF Collateral Mortgages:

1. Collateral Mortgage from HSF in favour of FCC dated January 11, 2018 and registered as Number 37715373 on January 11, 2018 against PIDs 10121499, 10277069 and 6520144.
2. Collateral Mortgage from HSF in favour of FCC dated May 1, 2015 and registered as Number 34811720 on May 6, 2015 against PID 10264810.
3. Collateral Mortgage from HSF in favour of FCC dated April 26, 2013 and registered as Number 32621907 on May 1, 2013 against PIDs 35177328, 35159078 and 35345537.
4. Collateral Mortgage from HSF in favour of FCC dated October 5, 2009 and registered as Number 27860494 on October 6, 2009 against PIDs 10080562, 10121937 and 10153278.

HSF Other Loan Documents:

1. Credit Agreement between HSF and FCC dated October 29, 2018 and accepted on October 26, 2018.
2. Guarantee provided by Burbank Water & Wastewater Inc. to FCC dated October 26, 2018 to secure obligations of HSF.
3. Guarantee provided by Hillspring Thaw Ltd. to FCC dated October 26, 2018 to secure obligations of HSF.
4. Guarantee provided by Hillspring Warehouse & Logistics Inc. to FCC dated October 26, 2018 to secure obligations of HSF.
5. Guarantee provided by Sunrise Seed Farms Ltd. to FCC dated October 26, 2018 to secure obligations of HSF.
6. Guarantee provided by Burbank Industrial Supply Inc. to FCC dated October 26, 2018 to secure obligations of HSF.
7. Guarantee provided by Jeremy Benjamin Brake to FCC dated October 26, 2018 to secure obligations of HSF.

8. Guarantee (limited) provided by Jeremy Brake to FCC dated April 20, 2018 to secure obligations of HSF.
9. Guarantee provided by Hillspring to FCC dated June 3, 2015 to secure obligations of HSF.
10. Guarantee provided by Benjamin Austin Brake to FCC dated June 3, 2015 to secure obligations of HSF.
11. Assignment of Power Distribution Contract dated October 26, 2018 between HSF and FCC.
12. Notice of Assignment of Contract to New Brunswick Power Corporation dated October 26, 2018.
13. Inter-creditor Priority Agreement between FCC, CIBC, Hillspring and HSF dated February 23, 2010.

SCHEDULE "B"

Properties with Certificates of Registered Ownership

	Parcel Identifier Number	Owner	Priority Creditor
1.	10226611	Hillspring Farms Ltd.	CIBC
2.	65087900	Hillspring Farms Ltd.	FCC
3.	10161412	Hillspring Farms Ltd.	FCC
4.	10093995	Hillspring Farms Ltd.	FCC
5.	10089472	Hillspring Farms Ltd.	FCC
6.	10285393	Hillspring Farms Ltd.	FCC
7.	10214625	Hillspring Farms Ltd.	FCC
8.	10161438	Hillspring Farms Ltd.	FCC
9.	10205094	Hillspring Farms Ltd.	FCC
10.	10089159	Hillspring Farms Ltd.	FCC
11.	10094100	Hillspring Farms Ltd.	FCC
12.	10087500	Hillspring Farms Ltd.	FCC
13.	10087492	Hillspring Farms Ltd.	FCC
14.	10088847	Hillspring Farms Ltd.	FCC
15.	10090611	Hillspring Farms Ltd.	FCC
16.	10158251	Hillspring Farms Ltd.	FCC
17.	10161420	Hillspring Farms Ltd.	FCC
18.	10220846	Hillspring Farms Ltd.	FCC
19.	10231371	Hillspring Farms Ltd.	FCC

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	Parcel Identifier Number	Owner	Priority Creditor
20.	10162048	Hillspring Farms Ltd.	FCC
21.	10282358	Hillspring Farms Ltd.	FCC
22.	10282333	Hillspring Farms Ltd.	FCC
23.	10282325	Hillspring Farms Ltd.	FCC
24.	10090413	Hillspring Farms Ltd.	FCC
25.	10187029	Hillspring Farms Ltd.	FCC
26.	65087835	Hillspring Farms Ltd.	FCC
27.	65085342	Hillspring Farms Ltd.	FCC
28.	65138679	Hillspring Farms Ltd.	FCC
29.	65138661	Hillspring Farms Ltd.	FCC
30.	65114027	Hillspring Farms Ltd.	FCC
31.	65172827	Hillspring Farms Ltd.	FCC
32.	65158438	Hillspring Farms Ltd.	FCC
33.	65088627	Hillspring Farms Ltd.	FCC
34.	65085060	Hillspring Farms Ltd.	FCC
35.	65085094	Hillspring Farms Ltd.	FCC
36.	65111486	Hillspring Farms Ltd.	FCC
37.	10281723	Hillspring Farms Ltd.	CIBC
38.	10007235	Hillspring Farms Ltd.	FCC
39.	10003762	Hillspring Farms Ltd.	CIBC
40.	65085268	Hillspring Farms Ltd.	FCC

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	Parcel Identifier Number	Owner	Priority Creditor
41.	65160202	Hillspring Farms Ltd.	FCC
42.	10008993	Hillspring Farms Ltd.	CIBC
43.	10218659	Hillspring Farms Ltd.	CIBC
44.	65089229	Hillspring Farms Ltd.	FCC
45.	65089351	Hillspring Farms Ltd.	FCC
46.	10260792	Hillspring Farms Ltd.	FCC
47.	10260800	Hillspring Farms Ltd.	FCC
48.	10275584	Hillspring Farms Ltd.	FCC
49.	10232791	Hillspring Farms Ltd.	FCC
50.	65150757	Hillspring Farms Ltd.	FCC
51.	65217515	Hillspring Farms Ltd.	FCC
52.	65152761	Hillspring Farms Ltd.	FCC
53.	65215741	Hillspring Farms Ltd.	FCC
54.	65084857	Hillspring Farms Ltd.	FCC
55.	65084865	Hillspring Farms Ltd.	FCC
56.	65084881	Hillspring Farms Ltd.	FCC
57.	65084899	Hillspring Farms Ltd.	FCC
58.	65084915	Hillspring Farms Ltd.	FCC
59.	65084923	Hillspring Farms Ltd.	FCC
60.	65084949	Hillspring Farms Ltd.	FCC
61.	65087314	Hillspring Farms Ltd.	FCC

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	Parcel Identifier Number	Owner	Priority Creditor
62.	65087413	Hillspring Farms Ltd.	FCC
63.	65088619	Hillspring Farms Ltd.	FCC
64.	65116725	Hillspring Farms Ltd.	FCC
65.	65116790	Hillspring Farms Ltd.	FCC
66.	65084931	Hillspring Farms Ltd.	FCC
67.	65150807	Hillspring Farms Ltd.	FCC
68.	10002830	Hillspring Farms Ltd.	FCC
69.	10002939	Hillspring Farms Ltd.	FCC
70.	10136067	Hillspring Farms Ltd.	CIBC
71.	10004265	Hillspring Farms Ltd.	FCC
72.	10221976	Hillspring Farms Ltd.	FCC
73.	10248300	Hillspring Farms Ltd.	FCC
74.	10003226	Hillspring Farms Ltd.	CIBC
75.	10282580	Hillspring Farms Ltd.	FCC
76.	10281731	Hillspring Farms Ltd.	CIBC
77.	10002186	Hillspring Farms Ltd.	CIBC
78.	10002848	Hillspring Farms Ltd.	CIBC
79.	10002913	Hillspring Farms Ltd.	FCC
80.	10211076	Hillspring Farms Ltd.	FCC
81.	10008506	Hillspring Farms Ltd.	CIBC
82.	10003093	Hillspring Farms Ltd.	CIBC

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	Parcel Identifier Number	Owner	Priority Creditor
83.	10137792	Hillspring Farms Ltd.	FCC
84.	10127900	Hillspring Farms Ltd.	CIBC
85.	10183937	Hillspring Farms Ltd.	CIBC
86.	10272482	Hillspring Farms Ltd.	FCC
87.	10217974	Hillspring Farms Ltd.	FCC
88.	10217982	Hillspring Farms Ltd.	FCC
89.	10281749	Hillspring Farms Ltd.	CIBC
90.	35159060	Hillspring Farms Ltd.	FCC
91.	65205981	Hillspring Farms Ltd.	FCC
92.	35159151	Hillspring Farms Ltd.	FCC
93.	10095875	Hillspring Farms Ltd.	FCC
94.	10278240	Hillspring Farms Ltd.	FCC
95.	10095883	Hillspring Farms Ltd.	FCC
96.	10091742	Hillspring Farms Ltd.	FCC
97.	10095628	Hillspring Farms Ltd.	FCC
98.	10280253	Hillspring Farms Ltd.	FCC
99.	10260560	Hillspring Farms Ltd.	FCC
100.	65034662	Hillspring Farms Ltd.	FCC
101.	65114555	Hillspring Farms Ltd.	FCC
102.	65041188	Hillspring Farms Ltd.	FCC
103.	65224990	Hillspring Farms Ltd.	FCC

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	Parcel Identifier Number	Owner	Priority Creditor
104.	10234128	Hillspring Farms Ltd.	FCC
105.	65220535	Hillspring Farms Ltd.	FCC
106.	10218063	Hillspring Farms Ltd.	FCC
107.	65112096	Hillspring Farms Ltd.	FCC
108.	65085284	Hillspring Farms Ltd.	FCC
109.	10087757	Hillspring Farms Ltd.	FCC
110.	10280113	Hillspring Farms Ltd.	FCC
111.	10280105	Hillspring Farms Ltd.	FCC
112.	10280097	Hillspring Farms Ltd.	FCC
113.	10167005	Hillspring Farms Ltd.	FCC
114.	10091163	Hillspring Farms Ltd.	FCC
115.	10167468	Hillspring Farms Ltd.	FCC
116.	10161677	Hillspring Farms Ltd.	FCC
117.	10091155	Hillspring Farms Ltd.	FCC
118.	10091916	Hillspring Farms Ltd.	FCC
119.	10094407	Hillspring Farms Ltd.	FCC
120.	10095206	Hillspring Farms Ltd.	FCC
121.	10161669	Hillspring Farms Ltd.	FCC
122.	10281095	Hillspring Farms Ltd.	FCC
123.	10090850	Hillspring Farms Ltd.	FCC
124.	10258127	Hillspring Farms Ltd.	FCC

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	Parcel Identifier Number	Owner	Priority Creditor
125.	10166981	Hillspring Farms Ltd.	FCC
126.	10166957	Hillspring Farms Ltd.	FCC
127.	10094514	Hillspring Farms Ltd.	FCC
128.	10094472	Hillspring Farms Ltd.	FCC
129.	10167013	Hillspring Farms Ltd.	FCC
130.	10167021	Hillspring Farms Ltd.	FCC
131.	10167039	Hillspring Farms Ltd.	FCC
132.	10167047	Hillspring Farms Ltd.	FCC
133.	10092187	Hillspring Farms Ltd.	FCC
134.	10285179	Hillspring Farms Ltd.	FCC
135.	10167906	Hillspring Farms Ltd.	FCC
136.	10216125	Hillspring Farms Ltd.	FCC
137.	10093987	Hillspring Farms Ltd.	FCC
138.	10252666	Hillspring Farms Ltd.	FCC
139.	10092682	Hillspring Farms Ltd.	FCC
140.	10091676	Hillspring Farms Ltd.	FCC
141.	10273993	Hillspring Farms Ltd.	FCC
142.	10095065	Hillspring Farms Ltd.	FCC
143.	10096105	Hillspring Farms Ltd.	FCC
144.	10166783	Hillspring Farms Ltd.	FCC
145.	10278232	Hillspring Farms Ltd.	FCC

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	Parcel Identifier Number	Owner	Priority Creditor
146.	10096790	Hillspring Farms Ltd.	FCC
147.	10207280	Hillspring Farms Ltd.	FCC
148.	65114944	Hillspring Farms Ltd.	FCC
149.	65034977	Hillspring Farms Ltd.	FCC
150.	10091593	Hillspring Farms Ltd.	FCC
151.	10094175	Hillspring Farms Ltd.	FCC
152.	10159069	Hillspring Farms Ltd.	FCC
153.	10278273	Hillspring Farms Ltd.	FCC
154.	10094092	Hillspring Farms Ltd.	FCC
155.	10093912	Hillspring Farms Ltd.	FCC
156.	10091536	Hillspring Farms Ltd.	FCC
157.	10273480	Hillspring Farms Ltd.	N/A
158.	10088631	Hillspring Farms Ltd.	FCC
159.	10279982	Hillspring Farms Ltd.	FCC
160.	10090652	Hillspring Farms Ltd.	FCC
161.	10088706	Hillspring Farms Ltd.	FCC
162.	10281772	Hillspring Farms Ltd.	FCC
163.	10277788	Hillspring Farms Ltd.	FCC
164.	10278257	Hillspring Farms Ltd.	FCC
165.	10087740	Hillspring Farms Ltd.	FCC
166.	10161248	Hillspring Farms Ltd.	FCC

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	Parcel Identifier Number	Owner	Priority Creditor
167.	10087724	Hillspring Farms Ltd.	FCC
168.	10089258	Hillspring Farms Ltd.	FCC
169.	10158970	Hillspring Farms Ltd.	FCC
170.	10158988	Hillspring Farms Ltd.	FCC
171.	10087732	Hillspring Farms Ltd.	FCC
172.	10259836	Hillspring Farms Ltd.	FCC
173.	10002442	Hillspring Farms Ltd.	CIBC
174.	35345537	HSF Foods Ltd.	FCC
175.	35159078	HSF Foods Ltd.	FCC
176.	35177328	HSF Foods Ltd.	FCC
177.	65201444	HSF Foods Ltd.	FCC
178.	10218300	Hillspring Farms Ltd.	FCC

➤ Certificates of Registered Ownership attached as Schedule “B-1”

Excluded Real Property as Contained within Schedule 2.2(a) of the APA

	Parcel Identifier Number	Owner	Priority Creditor
1.	10284115	HSF Foods Ltd.	FCC
2.	10284172	HSF Foods Ltd.	Oregon Potato Company
3.	10284206	HFS Foods Ltd.	Oregon Potato Company
4.	10153278	HSF Foods Ltd.	FCC

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	Parcel Identifier Number	Owner	Priority Creditor
5.	10277069	HSF Foods Ltd.	FCC
6.	10264810	HSF Foods Ltd.	FCC
7.	10121499	HSF Foods Ltd.	FCC

➤ **Certificates of Registered Ownership attached as Schedule “B-2”**

SCHEDULE "C"

Search Reports Reviewed

Name searched: Hillspring Farms Ltd.

1. New Brunswick Corporate Affairs Registry Database search with a currency date of June 15, 2020.
 - Results: **Results attached in Schedule C-1**
2. Security interests in the personal property of Hillspring registered under the PPSA (New Brunswick) with a currency date of June 12, 2020.
 - Results: **Results attached in Schedule C-2**
3. Bankruptcy and Insolvency Records Search, Government of Canada, with a currency date of June 12, 2020.
 - Results: **Results attached in Schedule C-3**
4. Bank Act Security - Section 427 Search, with a currency date of June 12, 2020.
 - Results: **Results attached in Schedule C-4**
5. Justice and Public Safety, Government of New Brunswick, New Brunswick Court Index Search, with a currency date of June 12, 2020.
 - Results: **Results attached in Schedule C-5**

Name searched: HSF Foods Ltd.

1. New Brunswick Corporate Affairs Registry Database search with a currency date of June 12, 2020.
 - Results: **Results attached in Schedule C-6**
2. Security interests in the personal property of HSF registered under the PPSA (New Brunswick) with a currency date of June 12, 2020.
 - Results: **Results attached in Schedule C-7**
3. Bankruptcy and Insolvency Records Search, Government of Canada, with a currency date of June 12, 2020.
 - Results: **Results attached in Schedule C-8**
4. Bank Act Security - Section 427 Search, with a currency date of June 12, 2020.
 - Results: **Results attached in Schedule C-9**

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5. Justice and Public Safety, Government of New Brunswick, New Brunswick Court Index Search, with a currency date of June 12, 2020.

➤ Results: **Results attached in Schedule C-10**

Name searched: Hillspring Warehouse & Logistics Inc.

1. New Brunswick Corporate Affairs Registry Database search with a currency date of June 12, 2020.

➤ Results: **Results attached in Schedule C-11**

2. Security interest in the personal property of Logistic registered under the PPSA (New Brunswick) with a currency date of June 12, 2020.

➤ Results: **Results attached in Schedule C-12**

3. Bankruptcy and Insolvency Records Search, Government of Canada, with a currency date of June 12, 2020.

➤ Results: **Results attached in Schedule C-13**

4. Bank Act Security - Section 427 Search, with a currency date of June 12, 2020.

➤ Results: **Results attached in Schedule C-14**

5. Justice and Public Safety, Government of New Brunswick, New Brunswick Court Index Search, with a currency date of June 12, 2020.

➤ Results: **Results attached in Schedule C-15**

SCHEDULE "D"

PPR Search Results Summary

Hillspring PPSA Results Summary:

Secured Party	Debtor(s)	Collateral/Document Description (insert yes/no)		Registration Number and Date/Expiry Date
Farm Credit Canada	Hillspring Farms Ltd.	AllPAP	Yes	Original: 18038984 Date: 2009-10-07 Expiry Date: 2024-10-07 Renewal: 28484905 Date: 2017-01-30 Expiry Date: 2038-10-07
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd.	AllPAP	Yes	Original: 18459990 Date: 2010-02-25 Expiry Date: 2025-02-25 Renewal: 28484939 Date: 2017-01-30 Expiry Date: 2038-02-25
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd. and HSF Foods Ltd.	AllPAP	Yes	Original: 19726181 Date: 2011-02-02 Expiry Date: 2017-02-02 Amendment: 19851906 Date: 2011-03-16 Expiry Date: 2017-02-02 Renewal: 28230803 Date: 2016-11-17 Expiry Date: 2027-02-02 Renewal: 28484988 Date: 2017-01-30 Expiry Date: 2038-02-02
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd.	AllPAP	No	Original: 21072632 Date: 2012-01-30 Expiry Date: 2018-01-30 Renewal: 29856002 Date: 2017-11-10
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	

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				Expiry Date: 2028-01-30
Farm Credit Canada	Hillspring Farms Ltd.	AllPAP	Yes	Original: 21415591 Date: 2012-05-01 Expiry Date: 2018-05-01 Renewal: 28485027 Date: 2017-01-30 Expiry Date: 2038-05-01
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd.	AllPAP	Yes	Original: 21486550 Date: 2012-05-16 Expiry Date: 2017-05-16 Renewal: 28485084 Date: 2017-01-30 Expiry Date: 2038-05-16
		Specific Property	No	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd. and HSF Foods Ltd.	AllPAP	Yes	Original: 22028799 Date: 2012-09-26 Expiry Date: 2018-09-26 Renewal: 28485126 Date: 2017-01-30 Expiry Date: 2038-09-26
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Canadian Imperial Bank of Commerce	Hillspring Farms Ltd.	AllPAP	Yes	Original: 18422535 Date: 2010-02-15 Expiry Date: 2015-02-15 Amendment: 22186175 Date: 2012-11-07 Expiry Date: 2015-02-15 Renewal: 25290099 Date: 2014-12-18 Expiry Date: 2020-02-15 Renewal: 33116922 Date: 2019-12-17 Expiry Date: 2025-02-15
		Specific Property	No	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd.	AllPAP	No	Original: 23764160 Date: 2013-11-19 Expiry Date: 2019-11-19 Renewal: 32654303 Date: 2019-08-29
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	

				Expiry Date: 2029-11-19
Farm Credit Canada	Hillspring Farms Ltd. and HSF Foods Ltd.	AllPAP	No	Original: 23823685 Date: 2013-12-05 Expiry Date: 2019-12-05 Renewal: 32712119 Date: 2019-09-12 Expiry Date: 2029-12-05
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd. and HSF Foods Ltd.	AllPAP	Yes	Original: 24950651 Date: 2014-09-23 Expiry Date: 2020-09-23 Renewal: 28485175 Date: 2017-01-30 Expiry Date: 2038-09-23
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
De Lage Landen Financial Services Canada Inc.	Hillspring Farms Ltd.	AllPAP	No	Original: 25264698 Date: 2014-12-11 Expiry Date: 2020-12-11
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd.	AllPAP	Yes	Original: 25772195 Date: 2015-05-04 Expiry Date: 2022-05-04 Renewal: 28485191 Date: 2017-01-30 Expiry Date: 2038-05-04
		Specific Property	No	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd.	AllPAP	No	Original: 25823063 Date: 2015-05-13 Expiry Date: 2022-05-13
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Caterpillar Financial Services Limited	Hillspring Farms Ltd.	AllPAP	No	Original: 27216118 Date: 2016-04-07 Expiry Date: 2022-04-07
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Canadian Imperial Bank of Commerce	Hillspring Farms Ltd.	AllPAP	No	Original: 28369296 Date: 2016-12-22 Expiry Date: 2021-12-22 Amendment: 33479304
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	

				Date: 2020-03-30 Expiry Date: 2021-12-22 Amendment: 33483934 Date: 2020-04-01 Expiry Date: 2021-12-22
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 28411270 Date: 2017-01-06 Expiry Date: 2022-01-06 Amendment: 28415651 Date: 2017-01-09 Expiry Date: 2022-01-06
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
Canadian Imperial Bank of Commerce	Hillspring Farms Ltd.	AllPAP	No	Original: 28427102 Date: 2017-01-12 Expiry Date: 2022-01-12 Amendment: 33483959 Date: 2020-04-01 Expiry Date: 2022-01-12
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Canadian Imperial Bank of Commerce	Hillspring Farms Ltd.	AllPAP	No	Original: 28853836 Date: 2017-05-01 Expiry Date: 2022-05-01 Amendment: 33479320 Date: 2020-03-30 Expiry Date: 2022-05-01
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Canadian Imperial Bank of Commerce	Hillspring Farms Ltd.	AllPAP	No	Original: 28854032 Date: 2017-05-01 Expiry Date: 2022-05-01
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
Canadian Imperial Bank of Commerce	Hillspring Farms Ltd.	AllPAP	No	Original: 29026663 Date: 2017-06-05 Expiry Date: 2022-06-05 Amendment: 33484007 Date: 2020-04-01 Expiry Date: 2022-06-05
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Canadian Imperial Bank of Commerce	Hillspring Farms Ltd.	AllPAP	No	Original: 29376399 Date: 2017-08-16 Expiry Date: 2022-08-16
		Specific Property	Yes	
		Serial Numbered Goods	Yes	

		Other	No	Amendment: 33484031 Date: 2020-04-01 Expiry Date: 2022-08-16
Canadian Imperial Bank of Commerce	Hillspring Farms Ltd.	AllPAP	No	Original: 30053326 Date: 2018-01-08 Expiry Date: 2023-01-08
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	Amendment: 33484106 Date: 2020-04-01 Expiry Date: 2023-01-08
Business Development Bank of Canada	Hillspring Farms Ltd.	AllPAP	Yes	Original: 30180814 Date: 2018-02-14 Expiry Date: 2033-02-14
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	Renewal: 31158975 Date: 2018-09-11 Expiry Date: 2038-02-14 Amendment: 31438054 Date: 2018-11-14 Expiry Date: 2038-02-14
Business Development Bank of Canada	Hillspring Farms Ltd.	AllPAP	Yes	Original: 30507743 Date: 2018-05-01 Expiry Date: 2038-05-01
		Specific Property	No	
		Serial Numbered Goods	No	
		Other	No	
The Bank of Nova Scotia	Hillspring Farms Ltd. and Jeremy Benjamin Brake	AllPAP	No	Original: 31000425 Date: 2018-08-03 Expiry Date: 2026-08-03
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
The Bank of Nova Scotia	Hillspring Farms Ltd. and Jeremy Benjamin Brake	AllPAP	No	Original: 31168016 Date: 2018-09-12 Expiry Date: 2024-09-12
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
Valley Equipment Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 32172751 Date: 2019-05-22 Expiry Date: 2023-05-22
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
		AllPAP	No	Original: 32521858

Valley Equipment Ltd.	Hillspring Farms Ltd.	Specific Property	No	Date: 2019-08-01 Expiry Date: 2024-08-01
		Serial Numbered Goods	Yes	
		Other	No	
Mercedes-Benz Financial Services Canada Corporation Daimler Truck Financial	Hillspring Farms Ltd.	AllPAP	No	Original: 32668774 Date: 2019-09-03 Expiry Date: 2024-09-03
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	Discharge: 33737024 Date: 2020-06-11 Expiry Date: 2024-09-03
Valley Equipment Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 32862666 Date: 2019-10-16 Expiry Date: 2024-10-16
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
McCain Produce Inc.	Hillspring Farms Ltd.	AllPAP	No	Original: 33022658 Date: 2019-11-22 Expiry Date: 2021-11-22
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd.	AllPAP	No	Original: 33365701 Date: 2020-02-27 Expiry Date: 2022-02-27
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd. and HSF Foods Ltd.	AllPAP	No	Original: 33416348 Date: 2020-03-11 Expiry Date: 2025-03-11 Amendment: 33578709 Date: 2020-05-06 Expiry Date: 2025-03-11 Amendment: 33739129 Date: 2020-06-11 Expiry Date: 2025-03-11
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 25429275 Date: 2015-02-04 Expiry Date: 2020-02-04
		Specific Property	No	
		Serial Numbered Goods	Yes	

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		Other	No	Renewal: 33200791 Date: 2020-01-13 Expiry Date: 2021-02-04
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 27322718 Date: 2016-05-02 Expiry Date: 2021-05-02
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 27617653 Date: 2016-07-04 Expiry Date: 2021-07-04
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 27731249 Date: 2016-07-21 Expiry Date: 2021-07-21
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 28415438 Date: 2017-01-09 Expiry Date: 2022-01-09
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 28415446 Date: 2017-01-09 Expiry Date: 2020-01-09 Renewal: 33126145 Date: 2019-12-18 Expiry Date: 2021-01-09
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 28518538 Date: 2017-02-08 Expiry Date: 2022-02-08
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 28722965 Date: 2017-04-03 Expiry Date: 2022-04-03
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 28722973 Date: 2017-04-03
		Specific Property	No	

		Serial Numbered Goods	Yes	Expiry Date: 2022-04-03
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 28722981 Date: 2017-04-03 Expiry Date: 2022-04-03
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 29110590 Date: 2017-06-21 Expiry Date: 2021-06-21
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 29244050 Date: 2017-07-19 Expiry Date: 2022-07-19
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 29337516 Date: 2017-08-08 Expiry Date: 2022-08-08
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 29653391 Date: 2017-10-06 Expiry Date: 2021-10-06
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
Liebherr-Canada Inc.	Hillspring Farms Ltd.	AllPAP	No	Original: 30249130 Date: 2018-03-02 Expiry Date: 2021-03-02
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	Yes	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 30383996 Date: 2018-04-05 Expiry Date: 2022-04-05
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
Liebherr-Canada Inc.	Hillspring Farms Ltd.	AllPAP	No	Original: 30574123 Date: 2018-05-14 Expiry Date: 2021-05-14
		Specific Property	Yes	
		Serial Numbered Goods	Yes	

		Other	Yes	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 31415128 Date: 2018-11-07 Expiry Date: 2023-11-07
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
CNH Industrial Capital Canada Ltd.	Hillspring Farms Ltd.	AllPAP	No	Original: 31599707 Date: 2018-12-31 Expiry Date: 2023-12-31
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
Liebherr-Canada Inc.	Hillspring Farms Ltd.	AllPAP	No	Original: 32064289 Date: 2019-04-29 Expiry Date: 2022-04-29
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	Yes	
CWB National Leasing Inc.	Hillspring Farms Ltd.	AllPAP	No	Original: 32881047 Date: 2019-10-21 Expiry Date: 2026-10-21
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	

HSF PPSA Results Summary:

Secured Party	Debtor(s)	Collateral/Document Description (insert yes/no)		Registration Number and Date/Expiry Date
Farm Credit Canada Oregon Potato Company	HSF Foods Ltd.	AllPAP	Yes	Original: 18039024 Date: 2009-10-07 Expiry Date: 2024-10-07 Amendment: 33739590 Date: 2020-06-11 Expiry Date: 2014-10-07
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Canadian Imperial Bank of Commerce	HSF Foods Ltd.	AllPAP	Yes	Original: 18422543 Date: 2010-02-15 Expiry Date: 2015-02-15 Renewal: 25297300 Date: 2014-12-19 Expiry Date: 2020-02-15 Renewal: 33116914
		Specific Property	No	
		Serial Numbered Goods	No	
		Other	No	

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				Date: 2019-12-17 Expiry Date: 2025-02-15 Renewal: 33142746 Date: 2019-12-23 Expiry Date: 2035-02-15
Farm Credit Canada	HSF Foods Ltd.	AllPAP	Yes	Original: 18460253 Date: 2010-02-25 Expiry Date: 2025-02-25
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Farm Credit Canada	HSF Foods Ltd. and Hillspring Farms Ltd.	AllPAP	Yes	Original: 19726181 Date: 2011-02-02 Expiry Date: 2017-02-02 Amendment: 19851906 Date: 2011-03-16 Expiry Date: 2017-02-02 Renewal: 28230803 Date: 2016-11-17 Expiry Date: 2027-02-02 Renewal: 28484988 Date: 2017-01-30 Expiry Date: 2038-02-02
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	HSF Foods Ltd. and Hillspring Farms Ltd.	AllPAP	Yes	Original: 22028799 Date: 2012-09-26 Expiry Date: 2018-09-26 Renewal: 28485126 Date: 2017-01-30 Expiry Date: 2038-09-26
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Farm Credit Canada	HSF Foods Ltd. and Hillspring Farms Ltd.	AllPAP	No	Original: 23823685 Date: 2013-12-05 Expiry Date: 2019-12-05 Renewal: 32712119 Date: 2019-09-12 Expiry Date: 2029-12-05
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
Canadian Imperial Bank of Commerce	HSF Foods Ltd.	AllPAP	No	Original: 23842842 Date: 2013-12-11
		Specific Property	Yes	

		Serial Numbered Goods	No	Expiry Date: 2018-12-11
		Other	No	Renewal: 31304926 Date: 2018-10-12 Expiry Date: 2023-12-11
GE Canada Equipment Financing G.P.	HSF Foods Ltd.	AllPAP	No	Original: 24752230 Date: 2014-08-06 Expiry Date: 2020-08-06
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	Yes	
Farm Credit Canada	HSF Foods Ltd. and Hillspring Farms Ltd.	AllPAP	Yes	Original: 24950651 Date: 2014-09-23 Expiry Date: 2020-09-23 Renewal: 28485175 Date: 2017-01-30 Expiry Date: 2038-09-23
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	HSF Foods Ltd.	AllPAP	Yes	Original: 25772203 Date: 2015-05-04 Expiry Date: 2022-05-04
		Specific Property	No	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	HSF Foods Ltd.	AllPAP	No	Original: 25835406 Date: 2015-05-15 Expiry Date: 2022-05-15
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Bank of Nova Scotia - Atlantic CAU	HSF Foods Ltd.	AllPAP	No	Original: 26278564 Date: 2015-08-15 Expiry Date: 2020-08-15
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	
John Deere Financial Inc.	HSF Foods Ltd.	AllPAP	No	Original: 28504777 Date: 2017-02-03 Expiry Date: 2022-02-03
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Business Development Bank of Canada	HSF Foods Ltd.	AllPAP	Yes	Original: 30507685 Date: 2018-05-01 Expiry Date: 2038-05-01
		Specific Property	No	
		Serial Numbered Goods	No	
		Other	No	

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Bank of Montreal	HSF Foods Ltd.	AllPAP	No	Original: 30854186 Date: 2018-07-05 Expiry Date: 2023-07-05 *Security interest in accounts receivable and transferred payment obligations
		Specific Property	No	
		Serial Numbered Goods	No	
		Other	Yes*	
The Bank of Nova Scotia	HSF Foods Ltd.	AllPAP	No	Original: 31098403 Date: 2018-08-27 Expiry Date: 2023-08-27
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
De Lage Landen Financial Services Canada Inc.	HSF Foods Ltd.	AllPAP	No	Original: 31214133 Date: 2018-09-21 Expiry: 2023-09-21
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
The Bank of Nova Scotia	HSF Foods Ltd.	AllPAP	No	Original: 31803596 Date: 2019-02-28 Expiry Date: 2024-02-28
		Specific Property	Yes	
		Serial Numbered Goods	Yes	
		Other	No	
Farm Credit Canada	HSF Foods Ltd.	AllPAP	No	Original: 33365651 Date: 2020-02-27 Expiry Date: 2022-02-27
		Specific Property	Yes	
		Serial Numbered Goods	No	
		Other	No	
Farm Credit Canada	Hillspring Farms Ltd. and HSF Foods Ltd.	AllPAP	No	Original: 33416348 Date: 2020-03-11 Expiry Date: 2025-03-11 Amendment: 33578709 Date: 2020-05-06 Expiry Date: 2025-03-11 Amendment: 33739129 Date: 2020-06-11 Expiry Date: 2025-03-11
		Specific Property	No	
		Serial Numbered Goods	Yes	
		Other	No	

Logistics PPSA Results Summary:

Secured Party	Debtor(s)	Collateral/Document Description (insert yes/no)		Registration Number and Date/Expiry Date
Canadian Imperial Bank of Commerce	Hillspring Warehouse & Logistics Inc.	AllPAP	Yes	Original: 30030902 Date: 2017-12-29 Expiry Date: 2022-12-29
		Specific Property	No	
		Serial Numbered Goods	No	
		Other	No	

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SCHEDULE "E"

Qualifications

1. our opinion is subject to the effect of bankruptcy, insolvency and other laws affecting the rights of creditors generally;
2. our opinion is subject to the power of a court to grant relief against penalties and forfeitures;
3. no opinion is expressed as to whether it may be necessary, in connection with the enforcement of the remedies provided in the Security Agreements, for FCC, or any agent on behalf of FCC, or any person proposing to acquire, own or operate all or any part of the Collateral, to obtain any licence, franchise, permit, consent, approval, registration or other authorization or exemption;
4. we express no opinion as to the Companies' leases of real property or in property which is a fixture or a right to payment under a lease, or charge of real property or insurance proceeds in respect of rents;
5. no opinion is expressed as to whether any of the Security Agreements complies with Part VII of the *Financial Administration Act* (Canada) in respect of any assignment of Crown debts (as defined in such Act) and no steps have been taken to provide the notices or obtain the acknowledgements provided for in Part VII of that Act. An assignment of Crown debts not complying with that Act is ineffective as between assignor and assignee and as against the Crown and therefore FCC would not have a valid security interest in Crown debts unless that Act is complied with;
6. we express no opinion as to the creation, validity, enforceability or perfection of any security interest:
 - i. insofar as any Collateral consists of a receivable, licence, approval, right, privilege, franchise, permit, quota, lease or agreement which by its terms or under applicable laws, or any other property which by its nature, cannot be the subject of the security granted under any of the Security Agreements or cannot be assigned without a consent, approval or other notice, authorization or registration which has not been obtained, made or given, except to the extent that subsection 41(10) of the NBPPSA renders unenforceable against third parties any such requirement for consent, and
 - ii. permits, quotas or licences which are held by or issued to the Companies;
7. in respect of certain Collateral, third parties may obtain priority over the security granted under any of the Security Agreements, if FCC's security in such Collateral has not been perfected by control or possession;

8. the opinion expressed above is limited to the NBPPSA and therefore our opinion does not address the laws of NB except for the NBPPSA and NBLTA and collateral of a type subject to either the NBPPSA or the NBLTA;
9. we express no opinion as to the security interest granted under the Security Agreements with respect to any property of the Companies that is transformed in such a way that it is not identifiable or traceable or any proceeds of property of the Companies that are not identifiable or traceable;
10. to the extent that the Collateral consists of building materials that have become affixed to real property or rights to payment under a lease, mortgage or charge of real property to which the NBPPSA applies, the security interests of FCC created by the Security Agreements will no longer exist unless they created a security interest in the Companies' real property and notice thereof in the prescribed form is registered in the land registry office or under the land registry statute;
11. any assignment of debts, accounts, agreements or rights contained in the Security Agreements may be subject to the equities between the parties to such debts, accounts, agreements or rights, including set off, or any requirement to give notice to or obtain consents from the other parties thereto;
12. no opinion is given as to whether the Companies have title to, or any rights in, the Collateral or the rank or priority of any pledge, hypothec, security interest or charge created by, or purported to be created by, any of the Security Agreements including without limitation, the effect of any floating charge created therein;
13. to the extent that the Collateral includes patents, trademarks, copyrights, industrial designs or other intellectual property, or certain other property governed by special statutes, registration under the NBPPSA may not be effective to fully preserve, perfect or protect the security interests constituted thereby. The security interest in such property may be subject to the interest of a third party who registers a transfer or assignment of a trade mark, patent, copyright or industrial design of the Companies or of an interest therein, pursuant to the applicable federal statute governing such property, unless the interest of FCC has been registered, filed or recorded pursuant to such statute prior to the registration made by such third party. To fully protect a security interest in such Collateral, further steps may be required or advisable under the appropriate statutes. We have not conducted searches under federal statutes. In particular, we have not conducted searches:
 - i. under the *Patent Act* (Canada), the *Trade-Marks Act* (Canada), the *Industrial Designs Act* (Canada), the *Integrated Circuit Topography Act* (Canada), the *Copyright Act* (Canada) or the *Plant Breeders' Rights Act* (Canada),
 - ii. under the *Canada Shipping Act* in respect of any vessel which is registered or recorded under that Act, or

- iii. under the *Canada Transportation Act* in respect of any rolling stock to which the provisions of either of those Acts may apply.