Court File No. CV-21-00657098-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT,* R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TGF ACQUISITION PARENT LTD., SUN RICH FRESH FOODS INC. & TIFFANY GATE FOODS INC.

(Applicants)

SUPPLEMENTAL NOTICE OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES THAT MAY BE ASSUMED OR ASSUMED AND ASSIGNED IN CONNECTION WITH SALE AND THE PROPOSED CURE AMOUNTS WITH RESPECT THERETO

PLEASE TAKE NOTICE OF THE FOLLOWING:

On March 2, 2021, the U.S. Debtors filed the Notice Of Executory Contracts And Unexpired Leases That May Be Assumed Or Assumed And Assigned In Connection With Sale And The Proposed Cure Amounts With Respect Thereto [Dkt No. 193] and the Canadian Debtors sent a similar notice to counterparties of agreements with the Canadian Debtors (collectively, the ("**Original Assumption and Assignment Notice**").

You are receiving this supplemental notice (the "Supplemental Assumption and Assignment Notice") because you may be a Counterparty to an executory contract, unexpired lease, or an agreement of the Sellers that potentially could be assumed or assumed and assigned to a Successful Bidder in connection with a Sale Transaction.

This Supplemental Assumption and Assignment Notice includes the following exhibits:

Exhibit 1: The contract parties on this Exhibit 1 were on the Original Assumption and Assignment Notice. This Supplemental Notice either updates contracts or leases attributable to such contract party or revises the proposed cure amount for the contracts or leases.

Exhibit 2: The contract parties on this Exhibit 2 were not on the Original Assumption and Assignment Notice. This Supplemental Notice identifies additional counterparties and their corresponding contracts with proposed cure amounts.

On February 15, 2021, Country Fresh Holding LP and certain of its debtor affiliates[1], as debtors and debtors-in-possession (collectively, the "**U.S. Debtors**") filed voluntary petitions

[1] The U.S. Debtors in the Chapter 11 Cases, along with the last four digits of each U.S. Debtor's federal tax identification number, are: Country Fresh Holding Company Inc. (7822), Country Fresh Midco Corp. (0702), Country Fresh Acquisition Corp. (5936), Country Fresh Holdings, LLC (7551), Country Fresh LLC (1258), Country Fresh Dallas, LLC (7237), Country Fresh Carolina, LLC (8026), Country Fresh Midwest, LLC (0065), Country Fresh

commencing parallel insolvency proceedings (the "**Chapter 11 Cases**") before the United States Bankruptcy Court for the Southern District of Texas, Houston Division (the "**Bankruptcy Court**") under chapter 11 of title 11 of the United States Bankruptcy Code.

On February 17, 2021, the Canadian affiliates of the U.S. Debtors[2] (the "**Canadian Debtors**") commenced parallel insolvency proceedings (the "**CCAA Proceedings**") before the Ontario Superior Court of Justice (Commercial List) (the "**CCAA Court**") under the *Companies' Creditors Arrangement Act* ("**CCAA**"). The U.S. Debtors and the Canadian Debtors are collectively referred to as the "**Sellers**".

On February 17, 2021, the U.S. Debtors filed their *Emergency Motion For Entry of an Order: (I) (A) Authorizing and Approving Bid Procedures; (B) Authorizing and Approving the U.S. Debtors' Entry into the Stalking Horse Bid Purchase Agreement; (C) Authorizing and Approving the Expense Reimbursement and Break-Up Fee; (D) Scheduling an Auction and Sale Hearing; (E) Authorizing and Approving Assumption and Assignment Procedures; and (F) Approving Notice Procedures; (II) Approving the Sale of Substantially All of the U.S. Debtors' Assets Free and Clear Of All Liens, Claims, Encumbrances And Interests; and (III) Granting Related Relief* [Docket No. 51] in the Bankruptcy Court.

On February 26, 2021, the Bankruptcy Court entered its *Order (I) (A) Authorizing and Approving Bid Procedures; (B) Authorizing the Debtors' Entry Into the Stalking Horse Purchase Agreement; (C) Authorizing and Approving Expense Reimbursement and Break-Up Fee; (D) Scheduling an Auction and Sale Hearing; (E) Authorizing and Approving Assumption and Assignment Procedures; and (F) Approving Notice Procedures* [Docket No. 164] (the "**Bid Procedures Order**")[3] in the Chapter 11 Cases, authorizing the U.S. Debtors to market their business and assets in accordance with the sale and bid procedures annexed to the Bid Procedures Order (the "**U.S. Bid Procedures**") and conduct an auction (the "**Auction**") to select a party or parties to purchase all or some of the U.S. Debtors' assets in accordance with the U.S. Bid Procedures.

On March 1, 2021, the CCAA Court issued a Bidding Procedures Order in the CCAA Proceedings (the "**Canadian Bidding Procedures Order**") which, among other things, approved the execution of the Stalking Horse Agreement and authorized the Canadian Debtors to market their business and assets in accordance with the sale and bid procedures annexed to the Canadian Bidding Procedures Order (the "**Canadian Bid Procedures**" and, together with the U.S. Bid Procedures, the "**Bid Procedures**").

In accordance with the Assumption and Assignment Procedures and the Canadian Bidding Procedures Order, the Sellers may, in connection with any Sale with a Successful Bidder (as defined in the Bid Procedures), seek to assume or assume and assign to the Successful Bidder (or

Orlando, LLC (7876), Country Fresh Transportation LLC (8244), CF Products, LLC (8404), Country Fresh Manufacturing, LLC (7839), Champlain Valley Specialty of New York, Inc. (9030), Country Fresh Pennsylvania, LLC (7969), Sun Rich Fresh Foods (NV) Inc. (5526), Sun Rich Foods (USA) Inc. (0429), Sun Rich Fresh Foods (PA) Inc. (4661). The principal place of business is 3200 Research Forest Drive, Suite A5, The Woodlands, TX, 77381.

[2] The Canadian Debtors in the CCAA Proceedings are TGF Acquisition Parent Ltd., Sunrich Fresh Foods Inc. and Tiffany Gate Foods Inc.

[3] Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Bid Procedures Order or the Bid Procedures annexed thereto, as applicable.

its designated affiliate assignee, if applicable) certain executory contracts or unexpired leases of the Sellers.

Each of the executory contracts or unexpired leases that may be assumed or assumed and assigned (the "**Proposed Assumed Contracts**") in connection with the Sale with a Successful Bidder and the Sellers' calculation of the Cure Amounts with respect thereto are set forth in **Exhibit 1** hereto (the "**Proposed Assumed Contracts List**").

The inclusion of any Proposed Assumed Contract on **Exhibit 1** does not constitute an admission that a particular Proposed Assumed Contract is an executory contract or unexpired lease within the meaning of the Bankruptcy Code or an assignable contract under the CCAA or require or guarantee that such Proposed Assumed Contract ultimately will be assumed or assumed and assigned. The assumption or assumption and assignment of a Proposed Assumed Contract is subject to Bankruptcy Court or CCAA Court approval, as applicable. All rights of the Sellers with respect thereto are reserved.

No later than two (2) days prior to the closing date, the Successful Bidder may add or remove any executory contract or unexpired lease from the Proposed Assumed Contract List and either advise the Sellers (i) that it has no objection to the Sellers rejecting or disclaiming such executory contract or unexpired lease or (ii) to put such executory contract or unexpired lease (each a "**Designated Contract**") on a list that the Successful Bidder shall not assume, reject, or disclaim on the closing date (the "**Designation List**").

Until the earlier of (i) ninety (90) days following the closing date, (ii) the effective date of a confirmed plan of reorganization or liquidation for the Sellers, (iii) such time that the Chapter 11 Cases are closed or converted to cases under chapter 7 of the Bankruptcy Code, or (iv) dismissal of the Chapter 11 Cases and the CCAA Proceedings, the Successful Bidder, in consultation with the Sellers, shall have the option to designate any Designated Contract as a Proposed Assumed Contract.

Objections

Any objection to the proposed assumption or assumption and assignment of a contract or lease identified on **Exhibit 1**, or the proposed Cure Amounts therefor (a "**Contract Objection**"), must: (i) be in writing, (ii) comply with the applicable provisions of the Bankruptcy Rules and Bankruptcy Local Rules, (iii) state with particularity the legal and factual basis for the objection and the specific grounds therefor, and (iv) be filed with the Bankruptcy Court, via ECF, and/or received by the Monitor (as defined below) at freshfoodcanada.monitor@ca.ey.com no later than the earlier of (i) **<u>March 23, 2021 at 4:00 p.m., prevailing Central Time</u>**, or (ii) fourteen (14) calendar days following service of the Assumption and Assignment Notice (the "**Contract Objection Deadline**"). For the avoidance of doubt, any objections to a Successful Bidder's proposed form of adequate assurance of future performance will be resolved at the U.S. Sale Hearing.

IF NO CONTRACT OBJECTION IS TIMELY RECEIVED WITH RESPECT TO ASSUMPTION OR ASSUMPTION AND ASSIGNMENT OF A PROPOSED ASSUMED CONTRACT: (I) THE COUNTERPARTY TO SUCH PROPOSED ASSUMED CONTRACT SHALL BE DEEMED TO HAVE CONSENTED TO THE ASSUMPTION BY THE SELLERS AND ASSIGNMENT TO SUCCESSFUL BIDDER OF THE PROPOSED ASSUMED CONTRACT, AND BE FOREVER BARRED FROM ASSERTING ANY OBJECTION WITH REGARD TO SUCH ASSUMPTION AND ASSIGNMENT (INCLUDING, WITHOUT LIMITATION, WITH RESPECT TO THE CURE AMOUNT, ADEQUATE ASSURANCE OF FUTURE PERFORMANCE BY THE SUCCESSFUL BIDDER, WHETHER THE SUCCESSFUL BIDDER WOULD BE ABLE TO PERFORM

THE OBLIGATIONS AND WHETHER THE ASSIGNEE IS APPROPRIATE); (II) ANY AND ALL DEFAULTS UNDER THE PROPOSED ASSUMED CONTRACT AND ANY AND ALL PECUNIARY LOSSES/MONETARY DEFAULTS RELATED THERETO SHALL BE DEEMED CURED AND COMPENSATED PURSUANT TO BANKRUPTCY CODE SECTION 365(B)(1)(A) AND (B) OR SECTION 11.3 OF THE CCAA UPON PAYMENT OF THE CURE AMOUNT SET FORTH IN THE ASSUMPTION AND ASSIGNMENT NOTICE FOR SUCH PROPOSED ASSUMED CONTRACT; AND (III) THE CURE AMOUNT SET FORTH IN THE ASSUMPTION AND ASSIGNMENT NOTICE FOR SUCH PROPOSED ASSUMED CONTRACT SHALL BE CONTROLLING, NOTWITHSTANDING ANYTHING TO THE CONTRARY IN SUCH PROPOSED ASSUMED CONTRACT, OR ANY OTHER RELATED DOCUMENT, AND THE COUNTERPARTY SHALL BE DEEMED TO HAVE CONSENTED TO THE CURE AMOUNT AND SHALL BE FOREVER BARRED FROM ASSERTING ANY OTHER CLAIMS RELATED TO SUCH PROPOSED ASSUMED CONTRACT AGAINST THE SELLERS AND THEIR ESTATES OR THE SUCCESSFUL BIDDER, OR THE PROPERTY OF ANY OF THEM, THAT EXISTED PRIOR TO THE ENTRY OF THE ORDER RESOLVING THE CONTRACT OBJECTIONS AND THE ORDER APPROVING THE SALE TO THE SUCCESSFUL BIDDER.

Sale Hearing

PLEASE TAKE FURTHER NOTICE that the hearing (the "**U.S. Sale Hearing**") to approve and authorized the sale of the U.S. Debtors' Assets will be held on **March 25, 2021 at 9:30 a.m., prevailing Central Time** electronically via video/telephone before the Bankruptcy Court before the Honorable Marvin Isgur, United States Bankruptcy Judge (prevailing Central Time). If you wish to participate telephonically, you must use the Bankruptcy Court's teleconference system at 1-832-917-1510 and entering conference code 954554. You may also join by videoconference by use of an internet connection, using the website www.join.me, selecting "join a meeting," and entering meeting code "JudgeIsgur." At such hearing, the U.S. Debtors will seek the entry of an order of the Bankruptcy Court approving and authorizing the Sale of the U.S. Debtors' Assets to the Successful Bidder on the terms and conditions of the Successful Bid. The Successful Bidder shall appear at the U.S. Sale Hearing and be prepared to testify in support of the Successful Bid and the Successful Bidder's ability to close in a timely manner, including with respect to demonstrating adequate assurance of future performance that may be required in connection with the assumption and assignment of executory contracts and unexpired leases.

PLEASE TAKE FURTHER NOTICE that the hearing to approve and authorize the sale of the Canadian Debtors' Assets will be held on **March 26, 2021 at 12:00 p.m. prevailing Eastern Time** (the "**Canadian Sale Hearing**"). Further details may be found on the Monitor's Website (defined below).

PLEASE TAKE FURTHER NOTICE that the Canadian Sale Hearing and the U.S. Sale Hearing (collectively, the "**Sale Hearings**") may be heard concurrently or jointly by the Bankruptcy Court and CCAA Court if determined efficient and desirable.

The Sale Hearings may be adjourned or rescheduled as ordered by the Bankruptcy Court and/or the CCAA Court, or by the Sellers in consultation with the Consultation Parties, but without further notice to creditors and parties in interest other than by announcement by Debtors of the adjourned date at the Sale Hearings.

The Sellers' presentation to the Bankruptcy Court and CCAA Court for approval of a Successful Bid does not constitute the Sellers' acceptance of the Successful Bid. The Sellers shall be deemed to have accepted a Successful Bid only when the Successful Bid has been approved by order of the Bankruptcy Court and CCAA Court.

PLEASE TAKE FURTHER NOTICE that the deadline for filing an objection to the Sale(s) is **March 23, 2021 at 4:00 P.M. prevailing Central Time.** Any such objection must (a) be in writing, (b) state with specificity the nature of such objection, (c) comply with the Federal Rules of Bankruptcy Procedure or the CCAA, as applicable, and (d) be filed with both the Bankruptcy Court and the CCAA Court and served on undersigned counsel for the Debtors.

PLEASE TAKE FURTHER NOTICE that copies of pleadings related to the proposed Sale as related to the U.S. Debtors, including the Bid Procedures Order (and attached bid procedures) approved by the Bankruptcy Court, are available on the U.S. Debtors' website at https://dm.epiq11.com/freshfoodgroup or on the Bankruptcy Court's website at https://ecf.txsb.uscourts.gov/. You can request any pleading you need from (i) the noticing agent, Epiq Corporate Restructuring, LLC (CountryFreshInfo@epiqglobal.com), or (ii) counsel for the U.S. Debtors at: Foley & Lardner LLP, c/o Melina T. Bales (mbales@foley.com).

PLEASE TAKE FURTHER NOTICE that copies of motions and materials related to the proposed Sale as related to the Canadian Debtors and the CCAA Proceedings, including the Canadian Bidding Procedures Order, are available on the website of Ernst & Young Inc., in its capacity as Court-appointed Monitor of the Canadian Debtors (the "**Monitor**") at https://www.ey.com/ca/freshfoodcanada (the "**Monitor's Website**"). Should you require further information regarding the Canadian Debtors and the CCAA Proceedings, you may contact: (i) the Monitor at: freshfoodcanada.monitor@ca.ey.com; or (ii) counsel for the Canadian Debtors at: Stikeman Elliott LLP, c/o Lee Nicholson (leenicholson@stikeman.com).

Exhibit 1

Canadian Debtors - Supplemental Notice* of Contracts and Leases - March 11, 2021

Counterparty	Debtor Entity	US/CAN (Debtor)	Contract Type	Description	Contract Date	REVISED Proposed Cure Amount (as of 2/15/2021)
KEY IMPACT SALES & SYSTEMS INC	SUN RICH FRESH FOODS, INC.	CAN	LETTER AGREEMENT	Rutgers University - May 5, 2020 -Sun Rich Customer Program Letter	7/1/2020	$ 69,043.20
Packers Sanitation Services, Inc., Ltd. (PSSI)	SUN RICH FRESH FOODS, INC.	CAN	Service Agreement	Sanitation Services Agreeement (Richmond, BC SOW)	1/11/2018	$ -
WINPAK LTD	TIFFANY GATE FOODS, INC.	CAN	EQUIPMENT LEASE	Winpak VC999 Rollstock Lease	3/5/2019	$ 273,154.65

*Contract parties were on original Notice dated March 2, 2021.
This Supplemental Notice either updates contracts or leases attributable to contract party or revises the proposed cure amount.
Debtors reserve all rights.

Exhibit 2

Counterparty	Debtor Entity	US/CAN (Debtor)	Contract Type	Description	Contract Date	Proposed Cure Amount (as of 2/15/2021)
Atlas Pacific Engineering Co.	SUN RICH FRESH FOODS INC.	CAN	Equipment Lease	Lease no. 2018-SRM	9/1/2018	$ 4,904.43
Axxess International Inc	SUN RICH FRESH FOODS INC.	CAN	Power of Attorney	Customs Power of Attorney	10/13/2016	$ -
Bunzl	SUN RICH FRESH FOODS INC.	CAN	Supply Agreement	JIT Supply Agreement	12/1/2014	$ 711,572.93
Cleo Communications LLC	SUN RICH FRESH FOODS INC.	CAN	Purchase Agreement	Cleo LexiCom connections, support, and maintenance	5/23/2017	$ -
GS1 Canada	SUN RICH FRESH FOODS INC.	CAN	Service Agreement	Sun Rich Global Data Synchronization Network	5/25/2015	$ -
HARBOR WHOLESALE FOODS	SUN RICH FRESH FOODS INC.	CAN	Service Agreement	Continuing Guarantee and Indemnity	6/10/2015	$ -
IBM Canada Limited	SUN RICH FRESH FOODS INC.	CAN	Order Letter	Quote number 18772954	8/28/2020	$ 236.52
ITradeNetwork, Inc.	INC.	US/CAN	Service Agreement	adendums	2/14/2014	$ -
Konica Minolta	SUN RICH FRESH FOODS INC.	CAN	Equipment Lease	Order package S005790030	11/9/2020	$ -
Pitney Bowes	SUN RICH FRESH FOODS INC.	CAN	Lease Agreement	Lease number 0030140205	4/13/2017	$ -
Suneys, LLC	SUN RICH FRESH FOODS INC.	CAN	Service Agreement	Master license agreement together with licenses	4/13/2017	$ -
TELUS	SUN RICH FRESH FOODS INC.	CAN	Service Agreement	Service agreement together with amendments	2/27/2020	$ 23,101.57
UPS	SUN RICH FRESH FOODS INC.	CAN	Power of Attorney	Customs Power of Attorney	9/29/2015	$ 4,519.57
Willson International	SUN RICH FRESH FOODS INC.	CAN	Power of Attorney	Customs Power of Attorney	7/27/2016	$ -

*Contract parties were not on original Notice dated March 2, 2021.
This Supplemental Notice identifies additional counterparties and their corresponding contracts with proposed cure amounts.
Debtors reserve all rights.