



SUPERIOR COURT OF JUSTICE

ENDORSEMENT

COURT FILE NO.: BK-24-03026717-0031

DATE: January 16, 2024

NO. ON LIST: 6

TITLE OF PROCEEDING: **THE GOOD FAT CO LTD. et al**

BEFORE: **JUSTICE CAVANAGH**

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Steven Graff (Did not appear)	Lawyers for The Good Fat Co. Ltd.	sgraff@airdberlis.com
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For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Graham Phoenix	Lawyers 1000747000 Ontario Inc.	gphoenix@LN.Law

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Jane Dietrich (Did not appear)	Lawyers for Richter Inc., Proposal Trustee	jdietrich@cassels.com
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ENDORSEMENT

[1] The Good Fat Co. Ltd. ("GFC") moves for orders in this NOI proceeding for approval of a sale of assets outside the ordinary course of business, without approval or implementation of a sale process by the court.

[2] Richter Inc., in its capacity as Trustee under the Notice of Intention to Make a Proposal of GFC, recommends that the Court grant the requested relief for reasons given at paragraph 74 of its First Report. The Trustee recommends that the Court approve the proposed sale transaction for reasons given at paragraph 64 of the Trustee's First Report. I accept the Trustee's recommendations.

[3] I am satisfied from the motion materials that GFC lacks funding for a sale process. The investors in the 2023 Notes (as defined in the Trustee's First Report) will receive warrants in the purchaser which have an estimated value of \$240,000 (approximately 8% recovery). These investors consent to the proposed transaction. The subordinate secured creditors consent. Proceeds from a SISP would need to exceed approximately \$19 million plus costs in order for unsecured creditors to receive any distribution.

[4] Although a "quick flip" transaction is not the usual transaction, in certain circumstances, it may be the best, or only, alternative. See *Tool-Plas Systems Inc. (Re)*, 2008 CanLII 54791, at paras. 15-19. I have considered the factors *Tool-Plas* and the factors in s. 65.13(4) of the BIA. I am satisfied that the proposed transaction should be approved.

[5] Orders to issue in forms of Orders signed by me today.

 Digitally signed by
Mr. Justice
Cavanagh

Justice Cavanagh

Date: January 16, 2024