

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE)
JUSTICE MORAWETZ)
TUESDAY, THE 6TH DAY OF
JUNE, 2006



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 AFTON FOOD GROUP LTD., AFTON
FOOD GROUP INC., JOINT TECHNOLOGIES INC., KEDARD
HOLDINGS LTD., ROBIN'S FOODS INC., MRS. POWELL'S
(CANADA) INC., 241 PIZZA (1997) INC., RUFFAGE
INTERNATIONAL INC., CYBERSENSATIONS CAFÉ INC.,
MRS. POWELL'S INC. and KIDSPORTS CAPITAL
CORPORATION AND OTHER APPLICANTS LISTED ON
SCHEDULE "A"

ORDER

THIS MOTION, made by Zeifman Partners Inc., in its capacity as Interim Receiver and Receiver and Manager (collectively, the "Receiver") of all the property, assets and undertakings of Afton Food Group Ltd., Afton Food Group Inc., Joint Technologies Inc., Kedard Holdings Ltd., Robin's Foods Inc., Mrs. Powell's (Canada) Inc., 241 Pizza (1997) Inc., Ruffage International Inc., Cybersensations Café Inc., Mrs. Powell's Inc. and Kidsports Capital Corporation and other Applicant's listed on Schedule "A" (collectively, the "Debtors" and each a "Debtor"), for an Order, inter alia,

- (a) authorizing and approving the sale by the Receiver to Spin World Diner Inc. or its assignee (the "Purchaser") of the Purchased Assets as defined in the Purchase and Sale Agreement dated April 6, 2006 between the Receiver and the Purchaser,

as amended by Purchase and Sale Amending Agreements dated May 8, 2006 and May 15, 2006, respectively (the "Purchase Agreement");

- (b) vesting title in and to the Purchased Assets in the Purchaser free and clear of all Encumbrances (as defined in the Purchase Agreement);
- (c) approving the activities of the Receiver as set out in the Fourth Report of the Receiver dated May 29, 2006 (the "Fourth Report"); and
- (d) such further and other relief as counsel may request and this Honourable Court sees fit,

was heard this day at 393 University Avenue, Toronto, Ontario.

ON READING the Fourth Report and the Appendices thereto, and on hearing the submissions of counsel for the Receiver, Rabobank Nederland, Canadian Branch ("Rabobank"), in its capacity as agent for itself, Credit Union Central of Ontario Limited, and HEPCOE Credit Union Limited (collectively, the "Secured Lenders"), and such other parties as appeared on the motion;

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record herein is hereby abridged so that this Motion is properly returnable today and any further service thereof is hereby dispensed with.
2. **THIS COURT ORDERS** that the sale by the Receiver of the Purchased Assets to the Purchaser in accordance with the terms of the Purchase Agreement and all transactions contemplated by the Purchase Agreement be and the same are hereby authorized and approved.
3. **THIS COURT ORDERS** that the Receiver be and it is hereby authorized and directed:
 - (a) to proceed with the sale of the Purchased Assets;
 - (b) to complete the transactions contemplated by and to perform the covenants under the Purchase Agreement, substantially in accordance with its terms, subject to

such amendments which do not materially alter the terms thereof, as the Receiver and the Purchaser may agree; and

- (c) to take such steps and execute such documents, whether in its own name or in the name of one or more Debtors, as are reasonably necessary to consummate the transactions contemplated by the Purchase Agreement.

4. **THIS COURT ORDERS** that upon filing with this Court by the Receiver of a certificate (the "Closing Certificate") substantially in the form set out in Schedule "B" hereto, confirming that the sale of the Purchased Assets has been completed to the satisfaction of the Receiver, and that any conditions contained in the Purchase Agreement have been satisfied or waived, all of the Debtors' right, title and interest in and to the Purchased Assets shall be vested absolutely in the Purchaser, without further instrument of transfer or assignment, free and clear of and from any and all rights, interests, hypothecs, security interests (whether contractual, statutory, or otherwise), mortgages, debts, disputes, estates, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens (including, without limitation, liens under the Employment Standards Act, R.S.O. 2000, c. 41, and any legislation of similar effect in any other Province or territories of Canada, arising from the termination of employment of any employees, or otherwise, of any of the Debtors), assignments, judgments, executions, writs of seizure and sale, options, adverse claims, levies, charges, liabilities (direct, indirect, absolute or contingent) or other claims or encumbrances of every kind and nature whatsoever, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise including, without limiting the generality of the foregoing, (i) any encumbrances or charges created by the Order of the Honourable Madam Justice Hoy dated February 28, 2005 appointing the Receiver or any previous orders made in these proceedings including the Initial Order of the Honourable Mr. Justice Cameron dated July 16, 2004 (the "Initial Order"), (ii) the obligation to pay the fees and disbursements of counsel to the Directors as ordered in the Initial Order of the Honourable Mr. Justice Cameron dated July 16, 2004 and continued in the Order of the Honourable Madam Justice Hoy dated February 28, 2005 and confirmed in the Endorsement of the Honourable Madam Justice Spies dated May 2, 2006, and (iii) all charges, security interests or claims evidenced by

registrations pursuant to the *Personal Property Security Act* (Ontario) or similar legislation of any other Province and territories of Canada (all of which are collectively referred to as the "Encumbrances"), whether such Encumbrances came into existence prior to or subsequent to the date of the Initial Order and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

5. **THIS COURT ORDERS** that no holder of any Encumbrance that has been vested or discharged pursuant to this Order shall take any steps, proceedings, or make any filings or claims in connection therewith against any of the Purchased Assets or as against the Purchaser in connection with any such Encumbrance.
6. **THIS COURT ORDERS** that all of the Encumbrances affecting the Purchased Assets that are expunged and discharged under the terms of this Order shall continue to attach to and shall retain the same priorities with respect to the proceeds of the sale of the Purchased Assets, which shall be paid to the Receiver and held by the Receiver pending further Order of this Court, as such Encumbrances had against the Purchased Assets prior to the vesting of the Purchased Assets in the Purchaser.
7. **THIS COURT ORDERS** that following the filing of the Closing Certificate, the Receiver and the Purchaser and their respective authorized agents are authorized and directed to execute and file any statements, instruments, discharges, releases and other documents necessary or appropriate to release or discharge any Encumbrance in or to the Purchased Assets.
8. **THIS COURT ORDERS** that notwithstanding:
 - (a) the pendency of these proceedings and the declaration of insolvency made herein;
 - (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (the "BIA") in respect of all or any of the Debtors and any bankruptcy order issued pursuant to any such applications; and

(c) the provisions of any federal or provincial statute,

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that has been or may be appointed in respect of all or any of the Debtors and shall not be void or voidable nor shall it be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable or challengeable transaction under the BIA or any other applicable federal or provincial legislation nor shall it constitute conduct meriting an oppression remedy.

9. **THIS COURT ORDERS AND DECLARES** that the *Bulk Sales Act*, R.S.O. 1990, c. B-14, and any legislation of similar effect in any other Province or territories of Canada, does not apply to the transactions contemplated by the Purchase Agreement.
10. **THIS COURT ORDERS** that this Order shall have full force and effect in all Provinces and territories in Canada. All Courts or administrative bodies of other jurisdictions are hereby respectfully requested to make such orders and provide such other aid recognition and assistance to the Receiver or any trustee in bankruptcy that may be appointed in respect of a Debtor, as an officer of this Court, as they may deem necessary or appropriate in furtherance with the implementation and carrying out of the terms of this Order and in connection with the authority granted hereunder to the Receiver.
11. **THIS COURT ORDERS** that the activities of the Receiver as set out in the Fourth Report are hereby approved.
12. **THIS COURT ORDERS** that the Receiver and the Purchaser may apply for such further and other directions as may be necessary to carry out the full purport and effect of this Order.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

JUN 20 2006

JOSEPH P VAN TASSEL
REGISTRAR

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 Afton Food Group Ltd., Afton Food Group Inc., Joint Technologies Inc., Kedard Holdings Ltd., Robin's Foods Inc., Mrs. Powell's (Canada) Inc., 241 Pizza (1997) Inc., Ruffage International Inc., Cybersensations Café Inc., Mrs. Powell's Inc. and Kidsports Capital Corporation and other Applicants listed on Schedule "A"

Court File No. 04-CL-5491

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at TORONTO

ORDER

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Solicitors for Zeifman Partners Inc., in its
capacity as court-appointed interim receiver and
receiver and manager of the Applicants