



East Hants Unplugged Ltd.

Sales Information Package

August 2023



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Disclaimer

- This package has been prepared solely for the information of parties expressing an interest in the assets of East Hants Unplugged Ltd. (the “Company”).
- The information in this package (the “Information Package”) has been obtained from the Company and other sources and has been prepared for the purpose of providing interested parties with general information to assist them in their evaluation of the assets, for the purposes of determining whether or not to proceed with an offer for the acquisition of these assets on an as-is basis.
- This information is subject to change and has not been audited or otherwise verified by the Trustee, or its employees or agents and they do not accept any responsibility for the accuracy, or completeness of such information or any other written or oral communication transmitted or made available to a prospective purchaser, or any loss that may arise from its use. Neither the Trustee, the Company, or any of their affiliates or associates or their directors, officers, employees, agents, shareholders or advisors undertakes to update or otherwise revise or correct any inaccuracies which become apparent in this Information Package or other information supplied.
- The assets are being sold on an “as is, where is” basis. Without limiting the generality of the foregoing, an offer will be accepted on the basis that no representation, warranty, inducement or condition has been expressed, given or made or can be implied as to title, description, fitness for purpose or intended use, condition or quality of the assets or in respect of any other matter or thing whatsoever, and the offeror shall be deemed to have relied entirely upon his own inspection and investigation of the assets.
- The Trustee reserves the right to negotiate with one or more prospective purchasers at any time and to enter into a definitive agreement related to an acquisition of the assets without prior notice to the recipient or other prospective purchasers. Also, the Trustee reserves the right to terminate, at any time, further participation in the investigation and proposal process by any party and to modify data, documentation, confidentiality and other procedures at any time and at its discretion without providing any reason to any party.
- Each potential purchaser must rely on its own investigation and due diligence to satisfy itself as to all matters related to the information presented herein, or any other information provided in connection herewith.
- No attempt should be made to contact any representative or employees of the Company. All communications, inquiries and requests for information relating to the Information Package or to a possible transaction involving the Company should be addressed to the Trustee.

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Table of Contents

I. Sales Process Overview	4
II. Assets Available for Sale	
a) Parcel 1 – SmartBrew System	7
b) Parcel 2 – Equipment	8
c) Parcel 3 – Furniture	10
d) Parcel 4 – Inventory	10
<u>Appendices</u>	
A. Terms and Conditions of Sale	12
B. Form of Offer	18

Sales Process Overview

Sales Process Overview

Background:

- East Hants Unplugged Ltd. was a craft beverage brewing company located in Elmsdale, Nova Scotia, and operated under the name of Chill Street Craft Beverage Co.
- On May 15, 2023, the Company filed an assignment in bankruptcy and MNP Ltd. was appointed as Trustee of the bankrupt estate.
- This Information Package shall be used exclusively for the offering and sale of specific assets of the Company, as described within this Information Package.

Sales Process:

- The Trustee intends to make the Information Package available to all interested parties. Prospective purchasers are invited to submit an offer for purchase of the assets as described in this document. The sales process will be managed in accordance with the Terms and Conditions of Sale as presented in **Appendix A**. The Trustee retains the right at any time to terminate or alter the sales process without compensation to any party.

Offers for Purchase:

- Following review of the Information Package, prospective purchasers are asked to submit a binding offer on the Form of Offer as presented in **Appendix B**, to the Halifax office of MNP Ltd. on or before **4:30pm AST, October 30, 2023**.
- The Trustee will review the offers to purchase and select the final acquirer. The Trustee does not have to accept the highest or any offer. The Trustee intends to select the offer considered to be most favourable in terms of meeting the Trustee's objectives.
- Prospective purchasers may obtain additional details on the opportunity by contacting Justin Noftall at 902-334-2024 or by email at Justin.Noftall@mnp.ca.

Assets Available for Sale

Assets Available for Sale

Parcel 1 – SmartBrew System

- The Company used a Natural Brew Inc. SmartBrew system to brew its product. The SmartBrew system, which was purchased in 2017, is comprised of:
 - PLC control unit with self-cleaning system;
 - Four 1,200 litre stainless steel fermenting tanks that are jacketed, insulated and clad, each tank containing a hop doser;
 - Hard piping with 19-pneumatic air-operated valves;
 - Fully-fitted fermenters complete with carbonation stones (includes butterfly valves);
 - One pump, one iron water filter, and a glycol chiller system and refrigeration compressor.



Assets Available for Sale

Parcel 2 – Equipment

Item	Quantity
True TDD-4 Keg Fridge with 8 Head T Draught Dispenser (Direct Draw)	1
True TDD-1 Single Door Keg Fridge with S-Tap Integrated Dispense System (Direct Draw)	1
Hill Phoenix VNRBS 5 Glass Door Refrigerated Supermarket Reach-In Display Case (Self Contained) (approximately 12.5 feet)	1
CMA Dishmachines 180 UC Dishwasher	1
Dixie 25D-900 Direct Drive Double Can Seamer	1
Norbec walk-in cooler (approximately 196.0 square feet)	1
Maximum Whisper Tech 1.5HP Portable Compressor	1
Granite Top Milled Wood Counter on Wheels with 2 Doors and 3 Drawers (6.0 feet x 2.5 feet)	1
Stainless Steel Work Table with Sink and Double Bottom Shelf (7.0 feet x 2.5 feet)	1
Stainless Steel Table with Double Undershelf (4.0 feet x 2.0 feet)	1
Chrome Rack Unit (28.0 inch x 18.0 inch)	1
Plastic Shelf Unit (6.0 feet x 3.0 feet x 1.5 feet)	1



Assets Available for Sale

Parcel 2 – Equipment

Item	Quantity
Aluminum 6-foot Tray Rack on Wheels	1
Computer Cable Safe (approximately 25.0 inch x 25.0 inch x 22.0 inch)	1
10-foot Fibreglass Step Ladder	1
4-foot Aluminum Step Ladder	1
Custom Rubber Pallets (21.0 inch x 56.0 inch)	10
Neon "Open" Sign	1
Danby Domestic Microwave	1
Mop and Bucket	1
Microsoft laptop	1
Lenovo desktop monitor + computer in one	1
Point-of-sale system with cashbox	1
Canon Image Class MF264DW Printer	1
Pallet Jack	1



Assets Available for Sale

Parcel 3 – Furniture

Item	Quantity
Faux Leather Adjustable Height Bar Stool	4
Faux Leather Bar Stool	4
Plastic Stacking Chair	2
Single Base Bar Height Table (4.0 feet x 2.0 feet)	1
2-foot Round Single Base Bar Height Table	2
Metal Filing Cabinet (4 Drawers)	1

Parcel 4 – Inventory

Item	Quantity
Various Chill St. canned or kegged alcoholic product lines	25,000 +/-cans, 1,600 +/- litres kegs, inventory moving, contact us for details
95% Grain Neutral Spirit (in tank)	450L
95% Proof Rum (in pails)	55L
95% Grain Neutral Spirit (in pails)	12L
Glycol (in pails)	6L
Citric Acid	10kg
Various Bell Flavours (in 18L pails)	24
Wine – Cab Franc Rose	770L
Wine – Pinot Grigio	1,070L
Wine – Riesling	1,125L
Wine – Vidal Wine	600L
Miscellaneous Lot (cleaning supplies, Christmas decorations, packaging supplies, etc.)	N/A

Appendices

Appendix A – Terms and Conditions of Sale

Terms and Conditions of Sale (1 of 5)

1. The Vendor is MNP Ltd., in its capacity as Trustee (the “Vendor”) of East Hants Unplugged Ltd. (the “Company”).
2. The asset being offered for sale pursuant to these Terms and Conditions of Sale is the Vendor’s interest in specific assets of the company as described in this Information Package.
3. Offers marked “Offer – East Hants Unplugged Ltd.” addressed to MNP Ltd., 1801 Hollis Street, Suite 1400, Halifax, NS, B3J 3N4, must be received by MNP Ltd. no later than **4:30pm AST, October 30, 2023**.
4. Each offer must be accompanied by a certified cheque or bank draft, payable to “MNP Ltd. – In Trust”, for an amount equal to 5% of the offered price (the “Deposit”). If an offer is accepted and approved, the certified cheque or bank draft shall be deemed a cash deposit and the balance of the purchase price shall be paid to the Vendor at the times and on the terms and conditions herein set out.
5. All offers shall be submitted on the required Form of Offer which is attached to these Terms and Conditions of Sale as Appendix B of this Information Package. Offers that are not on the required Form of Offer, or offers that seek to amend the Terms and Conditions of Sale, may be rejected by the Vendor.
6. In consideration of the Vendor making available these Terms and Conditions of Sale, other information and the opportunity of inspection, each prospective purchaser agrees that its offer is irrevocable and cannot be retracted, withdrawn, varied or countermanded prior to acceptance or rejection thereof, in accordance with the terms below.
7. The highest or any offer shall not necessarily be accepted.
8. The Vendor, at its sole discretion, reserves the right at any time to withdraw the Information Package, terminate the Information Package, or alter, add or waive any of the terms and conditions as it deems necessary and/or appropriate.

Terms and Conditions of Sale (2 of 5)

9. If any offer is accepted by the Vendor, then such acceptance shall be communicated to the successful purchaser (the "Purchaser") within ten (10) business days of the date fixed for the closing of offers. Such notice may be by e-mail, facsimile or other means of recorded telecommunications or by registered mail or delivery. Notice of acceptance shall be deemed effectively given when so sent by facsimile, e-mail or other means of recorded telecommunication, or on date of deposit in a post office if mailed by registered mail, as the case may be. Upon such acceptance, there shall be a valid and binding Agreement of Purchase and Sale (the "Agreement") between the Vendor and the Purchaser on the terms contained herein and the Form of Offer, and the acceptance thereof shall be sufficient evidence of such Agreement.
10. Certified cheques or bank drafts accompanying offers that are not accepted by the Vendor will be returned, without interest, to the address provided in the offer within ten (10) business days of the date fixed for the closing of offers, unless otherwise arranged with the bidder.
11. The balance of the purchase price shall be due and payable on closing, which closing shall occur within thirty (30) calendar days after acceptance of an offer by the Vendor (the "Closing Date"). The Closing Date may be extended for a further thirty (30) calendar days by the Vendor acting alone, or to such other date as may be mutually agreed between the Vendor and the Purchaser.
12. Upon closing of the sale contemplated by the Agreement, the Purchaser shall be entitled, upon receipt by the Vendor of the purchase price, only to such forms of conveyance as may be considered necessary by the Vendor to convey the assets to the Purchaser. Any such forms of conveyance shall contain only a conveyance of the Vendor's interest in the assets and shall not contain any warranty or covenant other than a covenant that the Vendor has done no act to encumber the assets. All such forms shall be in form and substance acceptable to the Vendor and its counsel.
13. In addition to the purchase price for the Property being purchased, the Purchaser shall pay to the Vendor on the Closing Date all applicable federal, provincial and other taxes unless all necessary Certificates (in form and substance acceptable to the Vendor) to exempt the Purchaser therefrom are provided to the Vendor on or before the Closing Date.
14. The Vendor reserves the right to cancel the sale of the assets on or before the Closing Date for any reason including, without limitation, that to proceed would not be commercially reasonable, as determined by the Vendor in its sole discretion. If the Vendor exercises the right to cancel the sale of the assets, the Agreement shall be automatically terminated and deemed null and void and the Deposit shall be refunded to the Purchaser without interest, costs, compensation or deduction and neither party shall be liable to the other for any costs or damages whatsoever.

Terms and Conditions of Sale (3 of 5)

15. The Vendor shall remain in possession of the assets until the Closing Date and completion of the Agreement. Title to the Property shall not pass to the Purchaser, nor shall the Purchaser be entitled to the possession of the same, until the purchase price and all other payments to be made to the Vendor by the Purchaser pursuant to the Agreement have been paid in full.
16. In the event that the Vendor, in its sole and absolute discretion, determines that approval of the Court is required or should be sought in respect of the sale of the assets, then the Vendor may postpone the closing of the sale of the assets or any part thereof, upon written notice to the Purchaser that Court approval will be required. The closing will be completed within 10 business days of Court approval being granted or as otherwise approved by the Court. In the event that the Court declines to approve the sale of the assets, such sale shall be deemed to be terminated and the Deposit and any additional funds paid to the Vendor by the Purchaser regarding such sale shall be returned to the Purchaser without interest, costs, compensation or deduction and neither party shall be liable to the other for any costs or damages whatsoever.
17. If the Purchaser fails to comply with these Terms and Conditions of Sale, the Deposit shall be forfeited to the Vendor on account of damages and the assets may be resold by the Vendor in such manner and on such terms as the Vendor in its sole discretion determines, and the Purchaser shall pay to the Vendor (i) an amount equal to the amount, if any, by which the purchase price under the Agreement exceeds the net purchase price received by the Vendor pursuant to such resale, and (ii) an amount equal to all costs and expenses incurred by the Vendor in respect of, or occasioned by, the Purchaser's failure to comply with the Agreement.
18. By submitting an offer, the Purchaser acknowledges that it has inspected the assets and that the assets are sold on an "as is, where is" basis at the time of closing and that no representation, warranty or condition is expressed or implied as to title, description, fitness for purpose, merchantability, condition, cost, or quality thereof or in respect of any other matter or thing whatsoever. Without limitation, the assets are specifically offered as they exist on closing and with no adjustments to be allowed by the Purchaser for changes in conditions or qualities of the assets from the date hereof to the Closing Date. The Purchaser shall be deemed to have relied entirely on its own inspection, knowledge and investigation with respect to the assets.
19. The deed/transfer in favour of the Purchaser and any other information made available for review is done on a confidential basis. All information made available for review as part of the Information Package is done so without any representations or warranties, expressed or implied, by the Vendor as to the accuracy or completeness of such information. Any reliance or decisions made based upon information made available by the Vendor is the responsibility of the Purchaser and no claim may be made against the Vendor, the secured creditors, or any other parties as a result thereof.

Terms and Conditions of Sale (4 of 5)

20. MNP Ltd. acts in its capacity as Trustee as aforesaid and shall have no personal or corporate liability hereunder or from any Agreement contemplated hereby, or as a result of any sale contemplated hereby.
21. In the event that some of the offers submitted are substantially on the same terms and/or amounts, the Vendor may in its sole discretion call upon those prospective purchasers to submit further offers.
22. The terms and conditions contained herein shall not merge on closing, but shall survive such closing and remain in full force and effect and be binding on the Purchaser thereafter.
23. All notices contemplated by these Terms and Conditions of Sale may be forwarded by electronic communication.
24. The validity and interpretation of these Terms and Conditions of Sale, and of each provision and part of any Agreement defined herein, shall be governed by the laws of Nova Scotia and Canada as applicable thereto, and the Courts of the Province of Nova Scotia shall have exclusive jurisdiction with respect to any disputes arising out of these Terms and Conditions of Sale or any Agreement entered into pursuant to these Terms and Conditions of Sale.
25. The Vendor, at its own discretion, may waive any of the Terms and Conditions of Sale herein.
26. If there is any conflict between these Terms and Conditions of Sale and the advertised Information Package, the terms contained in these Terms and Conditions of Sale shall prevail.
27. The Agreement entered into pursuant to these Terms and Conditions of Sale shall enure to the benefit of, and be binding upon, the parties thereto, and their respective successors and permitted assigns. For clarity, the Purchaser may assign or nominate its rights under the Agreement upon the express permission of the Vendor provided that the Purchaser shall remain liable under the Agreement, notwithstanding any assignment thereof by the Purchaser.
28. The Vendor disclaims any obligation or liability in relation to the completeness or accuracy of any documentation or information provided to any prospective offeror or any Purchaser, whether in writing or otherwise, and whether by the Vendor, counsel to the Vendor or any other person for or on behalf of the Vendor (collectively the "Vendor Group"). Each offeror, prospective offeror and any Purchaser shall be deemed to have relied upon its or their own investigations or enquiries of persons other than the Vendor Group in relation to any offer, potential offer or the completion of the purchase of the Property and shall not have any claim against the Vendor Group either based on any contract or principle of liability.

Terms and Conditions of Sale (5 of 5)

29. The Vendor, notwithstanding anything to the contrary herein, shall be entitled to use its discretion with respect to exercising or refraining from exercising any rights which may be vested in it under these Terms and Conditions of Sale or by any Agreement with a Purchaser or any other agreement with any party and shall incur no liability or in respect of anything which it may do or refrain from doing in the exercise of its judgement or which may seem to it to be necessary or desirable in the circumstances. Any reference herein to the exercise of discretion by the Vendor (including phrases such as "in the discretion of", "in the opinion of", "to the satisfaction of" and similar phrases) shall mean that such discretion is absolute and unfettered. Unless the Vendor has actual knowledge or actual notice to the contrary, it may rely upon any communication or document believed by it to be genuine and accurate.
30. All stipulations as to time are strictly of the essence.

Appendix B – Form of Offer

Form of Offer (1 of 3)

All offers to purchase must be submitted in writing in the following format no later than 4:30pm AST, Friday, September 1, 2023:

TO: MNP Ltd.
Trustee of East Hants Unplugged Ltd.
1801 Hollis Street, Suite 1400
Halifax, NS B3J 3N4
Attention: Eric Findlay

NAME OF OFFEROR: _____

ADDRESS OF OFFEROR: _____

REPRESENTATIVE NAME: _____

TELEPHONE NUMBER: _____

EMAIL: _____

FAX NUMBER: _____

Please refer to the next page for additional information to accompany offers.

Form of Offer (2 of 3)

Offer: On the basis of the Terms and Conditions of Sale set out in the Information Package, the Offeror hereby offers to purchase the assets of East Hants Unplugged Ltd. as described below:

Individual Offer:

Parcel 1 – SmartBrew System \$ _____

Parcel 2 – Equipment \$ _____

Parcel 3 – Furniture \$ _____

Parcel 4 – Inventory \$ _____

Total Individual Offer \$ _____

- or -

En Bloc Offer on Parcels 1, 2, 3 and 4:

Total en Bloc Offer \$ _____

Offers may be submitted (a) individual parcels or (b) en bloc. Please provide additional commentary on the offer, if necessary, in the space provided on the next page.

The amount of the offer is exclusive of and subject to all Federal and Provincial Taxes which shall be payable by the Purchaser, where applicable, on the assets purchased.

Form of Offer (3 of 3)

Additional Commentary:

Terms or Conditions (if any):

DEPOSIT: Enclosed is the Offeror's certified cheque payable to MNP Ltd. in the amount of \$_____ representing five percent (5%) of the offer.

ACCEPTANCE OF TERMS: The Offeror agrees that this offer is made subject to the Terms and Conditions of Sale which are included in this Information Package, and the Offeror has read and accepts such terms.

DATED AT _____, _____, THIS _____ DAY OF _____, 2023.
(City or Town) (Province) (Day) (Month)

(Print name of Offeror)

(Signature)