

IN THE CIRCUIT COURT OF THE STATE OF OREGON  
FOR THE COUNTY OF MULTNOMAH

CHALICE BRANDS, LTD., a Canadian  
corporation,

Plaintiff,

v.

GREENPOINT OREGON, INC., an Oregon  
corporation; GREENPOINT EQUIPMENT  
LEASING, LLC, an Oregon limited liability  
company; CFA RETAIL LLC, an Oregon  
limited liability company; SMS VENTURES  
LLC, an Oregon limited liability company; and  
CF BLISS LLC, an Oregon limited liability  
company,

Defendants.

Case No. 23CV20696

**ORDER AUTHORIZING SALE FREE  
AND CLEAR**

**(Judge David F. Rees)**

This matter came before the Court on Receiver's Motion for Authority to Sell Property Free and Clear of Liens and Interests (the "**Motion**").<sup>1</sup> Based on the record herein and the Court having considered the record, the Motion, the Declaration of Kenneth S. Eiler in Support of the Motion, the evidence and argument at the hearings on the Motion held on August 28, 2023 and August 31, 2023, and having been fully advised in the premises, IT IS HEREBY ORDERED as follows:

1. The Motion is granted.

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<sup>1</sup> Capitalized terms used but not otherwise defined herein shall have the meanings given to such terms in (i) the Motion or (ii) the Motion to Determine Validity of Liens on Purchased Assets, which was filed and served on August 11, 2023, as applicable.

2. The Receiver shall have the authority to transfer property of the Purchased Assets, outside of the ordinary course of business pursuant to ORS 37.110(1)(L) and ORS 37.250.

3. Notice of the Motion was appropriate under the circumstances of this case and was proper to apprise the owners, secured creditors, and parties claiming an interest in the Purchased Assets of the Motion and the relief sought therein.

4. Sale of the Purchased Assets on the terms set forth in the Motion and Purchase Agreement is fair and reasonable, an arms' length transaction, made in good faith, and is in the best interests of the receivership estate and creditors.

5. The Receiver is authorized to sell and the Purchaser is purchasing and acquiring the Purchased Assets free and clear of all liens and interests in accordance with the Purchase Agreement to the Purchaser, APCO, LLC, for the purchase price of \$3,000,000.00, payable in cash.

6. The Purchaser is purchasing and acquiring the Purchased Assets in good faith as defined in ORS 37.250(9) and as such is entitled to the protections of a good faith purchaser set forth in ORS 37.250(5).

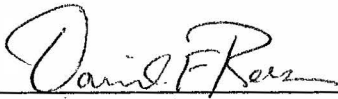
7. The Receiver is authorized to execute and deliver such additional documents as may be reasonably necessary to close the sale contemplated in the Purchase Agreement.

8. Upon closing of the Sale, the Receiver is authorized to pay (i) all administrative tax liabilities, whether arising from the Sale or otherwise, (ii) Oregon state taxes required to be paid as a condition of transfer of the OLCC licenses to Purchaser, and (iii) all allowed administrative claims against the receivership estate other than to holders of administrative claims who have agreed to other treatment.

9. Subject to the Court's approval of the settlements between (i) the Receiver and Homegrown and (ii) the Receiver and High Street, notice of which were filed and served on August 25, 2023, the Receiver is authorized to pay the Settlement Amount described therein upon closing of the Sale to Purchaser.

10. Subject to the Court's approval of the settlement between the Receiver and Bobsled, notice of which will be filed as soon as practicable, the Receiver is authorized to pay the Settlement Amount described therein upon closing of the Sale to Purchaser.

11. For the avoidance of doubt, inventory held by Innovative Packaging Company for purchase by Greenpoint Oregon, Inc. under an "inventory agreement" is not property of the receivership estate and is not included in the Purchased Assets and is not being sold to Purchaser pursuant to the Purchase Agreement.

  
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David F. Rees, Circuit Court Judge

Presented by:

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