

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

BETWEEN:

1199403 ONTARIO INC., 1274442 ONTARIO INC., and GULU THADANI

Applicants

-and-

SAPTASHVA SOLAR S.A.

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. 8-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43. AS AMENDED

**MOTION RECORD OF THE RECEIVER, IRA SMITH
TRUSTEE & RECEIVER INC.**

May 3, 2024

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TAB 1

Court File No.: CV-21-00655706-00CL

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

BETWEEN:

1199403 ONTARIO INC., 1274442 ONTARIO INC., and GULU THADANI

Applicants

-and-

SAPTASHVA SOLAR S.A.

Respondent

NOTICE OF MOTION

THIS MOTION made by Ira Smith Trustee & Receiver Inc. (the “**ISI**”) in its capacity as the Court-appointed receiver (the “**Receiver**”) of Saptashva Solar S.A. (the “**Debtor**”) will make a motion to a Judge presiding over the Ontario Superior Court of Justice (Commercial List) on May 14, 2024 at 10:00 am, or as soon after that time as the motion can be heard at 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard:

- in writing under subrule 37.12.1(1);
- in writing as an opposed motion under subrule 37.12.1(4);
- In person;
- By telephone conference;
- By video conference.

at the following location:

The motion is to be heard by videoconference, details of which are to be provided by the Court.

THE MOTION IS FOR:

1. An Order, substantially in the form attached hereto as Tab 3 of the Motion Record, for the following relief:

- (a) if necessary, the abridgement of the time for service of the Notice of Motion and Motion Record herein and dispensing of service thereof;
- (b) the approval of the sale transaction contemplated by an accepted offer between the Receiver, as Vendor, and 1000851861 Ontario Inc. ("**10008**"), as Purchaser, made as of April 4, 2024 (the "**Purchase Agreement**"), in respect of the sale of the assets of the Debtor (the "**Transaction**"); and
- (c) vesting in 10008, the Debtor's right, title and interest in and to the assets, properties and undertakings of the Debtor (the "**Assets**").

2. An Order, substantially in the form attached hereto as Tab 4 of the Motion Record, for the following relief:

- (a) the approval of the Receiver's activities described in paragraphs 9-51 of the Second Report of the Receiver dated January 31, 2024 (the "**Second Receiver's Report**") and paragraphs 11-48 of the Third Report of the Receiver dated May 3, 2024 (the "**Third Receiver's Report**");
- (b) the approval of the Second Receiver's Report, the Supplementary Report of the Receiver dated February 9, 2024 (the "**Receiver's Supplementary Second Report**"), and the Third Receiver's Report;
- (c) the approval of the proposed interim distributions as set out in paragraphs 49-51 of the Third Receiver's Report;
- (d) the approval of the Receiver's fees and disbursements and those of its counsel as set forth in the Second Receiver's Report and the Third Receiver's Report;
- (e) authorizing the termination of the receivership proceeding and the discharge and release of the Receiver upon the Receiver completing the final steps in the receivership as described in paragraphs 60-61 of the Third Receiver's Report and the filing a Certificate of Completion with the Court; and

- (f) Such further and other relief as required in the circumstances and this Honorable Court deems just.

THE GROUNDS FOR THE MOTION ARE:

3. Pursuant to the Order of Justice Cavanagh dated January 24, 2022 (the “**Appointment Order**”) ISI was appointed as Receiver of the Debtor pursuant to section 243 of the *Bankruptcy and Insolvency Act* (“**BIA**”) and section 101 of the *Courts of Justice Act* (“**CJA**”).
4. The Debtor’s principal assets are nine (9) rooftop solar generation sites with separate revenue producing Feed-In Tariff Contracts with the Ontario Power Authority (“**FIT Contracts**”) to supply electricity to the Toronto Hydro-Electric System Limited (“**Toronto Hydro**”).
5. The Appointment Order, *inter alia*, granted the Receiver the power to market any and all of the Debtor’s property including advertising and soliciting offers and negotiating terms of sale.
6. As part of the Receiver’s investigation into the sale of the Debtor’s property, the Receiver approached the various stakeholders and enquired if either of them, or a party known to them, wished to submit an offer to purchase the Assets of the Debtor on either a credit or cash bid basis to serve as a stalking horse offer to be used in a stalking horse sales process.
7. The Receiver’s view was that the assets, properties and undertakings should be sold *en-bloc* on a going-concern basis. Accordingly, the Receiver encouraged the Applicants to permit any bid that it made to act as a stalking-horse bid for the Assets, in order to provide an opportunity to expose the Debtor’s Assets to the market and to enhance the stability of the Debtor’s business as it transitions out receivership.
8. An agreement of purchase and sale dated January 31, 2024 (the “**Stalking Horse APA**” of the “**Stalking Horse Bid**”) was entered into between the Receiver and 1034523 Ontario Limited

(“**103co**”), solely for the purpose of acting as the Stalking Horse Bid in a sales process. 103co is a related company to the Applicant company 1199403 Ontario Inc. (“**119co**”).

9. Pursuant to the Order of Justice Wilton-Siegel dated February 15, 2024 (the “**Stalking Horse APA and Bidding Process Order**”), the Receiver was authorized and empowered to enter into the Stalking Horse APA with 103co, and to carry out a stalking horse sales process (the “**Sales Process**”) in accordance with the court-approved bidding procedures (the “**Bidding Procedures**”), on the condition that the final approval, sale, and vesting of the Debtor’s Assets be considered by the Court on a subsequent motion.

The Approval of the Transaction

10. Through this Sales Process, the Receiver received thirteen (13) requests for information, six (6) requests to be provided with a confidentiality agreement and four (4) signed Receiver’s Confidentiality Agreements (“**CA**”).

11. Ultimately, in addition to 103co’s Stalking Horse APA, the Receiver received one (1) additional Qualified Bid (as defined by the “**Bidding Process**”).

12. In accordance with the Sales Process, the receiver held an auction on April 18, 2024 at 10:00 AM (the “**Auction**”). Both Qualified Bidders participated in the Auction.

13. 10008’s cash bid of \$805,000.00 (the “**10008 Bid**”) was the highest offer at auction and was accepted by the Receiver as the Successful Bid (as defined in the terms and conditions) and 10008 was declared the Successful bidder (as defined in the terms). Subsequently, at the Receiver’s request, 10008 submitted a revised written offer.

14. The Receiver recommends the approval of the Purchase Agreement for, *inter alia*,

the following reasons:

- (a) the Assets have been fully exposed to the market;
- (b) it is the Receiver's view that the purchase price under the Purchase Agreement is commercially reasonable and represents the maximum possible price in these circumstances;
- (c) the proposed purchase price under the Purchase Agreement is substantially in excess of the amounts offered by various prospective purchasers prior to the execution of the Stalking Horse APA;
- (d) no higher offer was received for the Assets in the stalking horse Sales Process; and
- (e) the Applicant, 119co, holding the first-ranking security interest in the Assets, supports the Transaction.

15. For the additional reasons set out in the Third Receiver's Report, the Receiver recommends that the acceptance of the Purchase Agreement be approved as it represents the best recovery possible in the circumstances.

Approval of Activities, Receiver's Reports, and Fees

16. The Receiver also seeks the approval of the Second Receiver's Report, the Receiver's Second Supplementary Report, and the Third Receiver's Report, filed in the receivership proceedings.

17. In the Second Receiver's Report and the Third Receiver's Report, the Receiver has included a detailed description of its activities, its fees and disbursements, and the fees and disbursements of its lawyers, Robins Appleby LLP.

18. The Appointment Order provides that the Receiver and its legal counsel are entitled to be paid their reasonable fees and disbursements at their standard rates and charges, and are required to pass their accounts from time to time.

19. The Receiver's activities, statement of receipts and disbursements including the fees and disbursements of the Receiver and of its legal counsel, Robins Appleby LLP, as set out in the Second Receiver's Report and the Third Receiver's Report are fair and reasonable and should be approved.

Interim Distribution to 119co

20. The Receiver's independent counsel has provided to the Receiver a security opinion regarding the security held by 119co. The Receiver's counsel is of the view that 119co's security is valid, enforceable and ranks in first position.

21. Paragraphs 49-51 of the Third Receiver's Report sets out how the Receiver proposes to make interim distributions. The Receiver recommends that the Court authorize the Receiver to make the proposed interim distributions in accordance with paragraphs 49-51 of the Third Receiver's Report.

The Discharge of the Receiver

22. Following approval of, *inter alia*, the Purchase Agreement, the proposed interim distributions and all other matters required to wind up the receivership (as set out in paragraphs 60-61 of the Third Receiver's Report), the Receiver recommends that the receivership proceedings should be terminated and the Receiver discharged upon the filing of a Certificate with the Court confirming that the administration of the receivership has been completed.

Other Grounds

23. Rules 1.04, 2.03, 3.02 and 37 of the *Rules of Civil Procedure*.

24. Such further and other grounds as the lawyers may advise.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

- (a) The Second Receiver's Report and the Third Receiver's Report;
- (b) The Affidavits of Irving Marks sworn January 29, 2024 and May 1, 2024 (the "**Robins Appleby LLP Fee Affidavits**");
- (c) The Affidavits of Brandon Smith sworn January 29, 2024 and May 1, 2024 (the "**ISI Fee Affidavits**"); and
- (d) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

May 3, 2024

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**1199403 ONTARIO INC. - and-
ET AL.**

SAPTASHVA SOLAR S.A.

Applicants

Respondent

Court File No.: CV-21-00655706-00CL

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

PROCEEDING COMMENCED AT TORONTO

NOTICE OF MOTION

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TAB 2

Court File No. CV-21-00655706-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

1199403 ONTARIO INC., 1274442 ONTARIO INC., and GULU THADANI
Applicants

-and-

SAPTASHVA SOLAR S.A.
Respondent

THIRD REPORT OF IRA SMITH TRUSTEE & RECEIVER INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
SAPTASHVA SOLAR S.A.

DATED MAY 3, 2024

**THIRD REPORT OF IRA SMITH TRUSTEE & RECEIVER INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
SAPTASHVA SOLAR S.A.**

DATED MAY 3, 2024

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**THIRD REPORT OF IRA SMITH TRUSTEE & RECEIVER INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
SAPTASHVA SOLAR S.A.**

DATED MAY 3, 2024

Appendices

Appendix “A”	Receivership Order dated January 24, 2022
Appendix “B1”	Receiver’s First Report dated November 10, 2022
Appendix “B2”	Receiver’s First Supplement to the First Report dated December 6, 2022
Appendix “B3”	Receiver’s Second Supplement to the First Report dated December 11, 2022
Appendix “B4”	Receiver’s Second Report dated January 31, 2024
Appendix “B5”	Receiver’s First Supplement to the Second Report dated February 9, 2024
Appendix “C1”	First Report Approval Order dated December 12, 2022
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Appendix “G”	Receiver’s transmittal to CRA remitting trust claim funds
Appendix “H”	Fully Executed Stalking Horse APA
Appendix “I”	February 20, 2024 National Post Ad
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Appendix “K”	Receiver’s February 20, 2024 email blast

**THIRD REPORT OF IRA SMITH TRUSTEE & RECEIVER INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
SAPTASHVA SOLAR S.A.**

DATED MAY 3, 2024

Appendices (continued)

Appendix “L”	Receiver’s Sales Opportunity Summary
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Appendix “O”	Independent opinion of 1199403 Ontario Inc.’s security
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Appendix “T”	Affidavit of Mr. Irving Marks in connection with RA’s fee and disbursements for the period December 1, 2023 to April 30, 2024
Appendix “U”	Receiver’s report in accordance with Subsections 246(2) of the BIA
Appendix “V”	Draft form of Certificate to be filed by Receiver

Court File No. CV-21-00655706-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**THIRD REPORT OF IRA SMITH TRUSTEE & RECEIVER INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
SAPTASHVA SOLAR S.A.**

DATED MAY 3, 2024

1.0 INTRODUCTION

1. This report (the “**Third Report**”) is filed by Ira Smith Trustee & Receiver Inc. (“**ISI**”) in its capacity as Court-appointed Receiver (the “**Receiver**”), pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the Courts of Justice Act, R.S.O 1990, c.43, as amended (the “**CJA**”), without security, of all of the assets, undertakings and properties of Saptashva Solar S.A. (“**Saptashva**” or the “**Company**” or the “**Debtor**”).

2. The Honourable Justice Cavanagh made an order dated January 24, 2022 (the “**Appointment Date**”) appointing the Receiver (the “**Receivership Order**”). A copy of the Receivership Order and His Honour’s endorsement are attached hereto as **Appendix “A”**.

3. The Receiver to date has filed a First Report to Court dated November 10, 2022 (the “**First Report**”), two supplements to the First Report, dated December 6, 2022 and December 11, 2022, (respectively the “**First Supplementary Report**” and the “**Second Supplementary Report**”) and

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a Second Report to Court, dated January 31, 2024 (the “**Second Report**”) and a supplement to the Second Report, dated February 9, 2024 (the “**Supplementary Second Report**”). These five reports, without exhibits, are attached hereto as **Appendices “B1”, “B2”, “B3”, “B4” and “B5”**.

4. After hearing the submissions of the Receiver and respective counsel with respect to the Receiver’s motion to approve the First Report and the supplements thereto, and the actions, activities and recommendations contained therein, on December 2, 7 and 12, the Honourable Madam Justice Conway granted an Order, *inter alia*, approving the Relief sought by the Receiver, including its Operations Plan as defined and detailed in the First Report. Attached hereto as **Appendices “C1”, “C2”, “C3” and “C4”** is Her Honour’s Order dated December 12, 2022 (the “**First Report Approval Order**”) and Her Honour’s endorsements dated December 2, 7 and 12, respectively.

5. On consent with counsel for the Company, the Receiver agreed to defer approval of its actions, activities and the fees of it and its Counsel, as contained and described in the Second Report and the Supplementary Second Report and to only seek approval of entering into the Stalking Horse APA and the Stalking Horse Process (as defined in the Second Report). After hearing the submissions of the Receiver and respective counsel, on February 15, 2024 the Honourable Justice Wilton-Siegel granted an Order, approving the Stalking Horse APA, the Stalking Horse Process and the payment of the break fee, as defined and detailed in the Second Report and the Supplementary Second Report. Attached hereto as **Appendix “D”** is His Honour’s Order and Endorsement, dated February 15, 2024 (the “**Sales Process Approval Order**”).

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1.1 Purpose of this Report

6. The purpose of this Third Report is to report to this Honourable Court on the administration of this Court-appointed receivership since the date of the Second Report and on the assets and operations of the Debtor, including the Stalking Horse Process, in support of a motion by the Receiver to obtain an Order of the Court:

- a) approving the actions and activities of the Receiver since the First Report Approval Order as detailed in the Second Report, the Supplementary Second Report and this Third Report;
- b) approving the 1000851861 Ontario Inc. offer (the “**Purchase Agreement**”) and completion of the Transaction, authorizing the Receiver to complete the sale of all or substantially all of the assets, property and undertakings of the Company (the “**Purchased Assets**”) to 1000851861 Ontario Inc. (“**10008**” or the “**Purchaser**”) (the “**Transaction**”), in the form of the agreement attached hereto as **Appendix “E”** (the “**APA**”);
- c) approving the Receiver’s plan as described in this Third Report to complete its mandate including collecting proceeds of sale following closing of the Transaction, paying outstanding fees of it and its counsel and any running costs of the receivership; remitting exigible HST on the sales proceeds net of any input tax credits, making interim distributions to 1199403 Ontario Inc. (“**119**”) less a holdback for its fees after April 30, 2024 and then releasing any remaining holdback

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to 119 and being discharged following the filing of a certificate with this Honourable Court;

- d) approving the accounting for the receipts and disbursements of the Receiver from January 24, 2022 to March 31, 2024; and
- e) approving the fees, disbursements and other costs incurred for the period from November 1, 2022 to April 30, 2024, by the Receiver and its legal counsel, Robins Appleby LLP (“**RA**”).

1.2 Disclaimer

7. In preparing this Third Report, the Receiver, where stated, has relied upon information obtained from and discussions with contractors and other third parties as stated herein (collectively, the “**Information**”). The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information and expresses no opinion, or other form of assurance, in respect of the Information. As indicated herein, the Receiver is of the opinion that the books and records provided by the Debtor and its principal were incomplete. Accordingly, the Receiver had to collect data from third parties and from operating the business of the Company to be able to initially determine the financial position of the Company and to accumulate the Information.

8. This report is prepared solely for the use of the Court and the stakeholders in this proceeding, for the purpose of assisting the Court in making a determination whether to approve the actions and activities of the Receiver, and other relief being sought. It is based on the Receiver’s

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analysis of information provided to it by the management, Directors, staff, and contractors of the Debtor, and other third parties as stated herein, which included unaudited financial statements and internal financial reporting. The Receiver's procedures did not constitute an audit or financial review engagement of the Debtor's financial reporting. Where stated, the Receiver has relied upon the Information in reaching the conclusions set out in this report.

9. Defined terms referenced in this Third Report are as described and defined in the First Report and Second Reports, and the supplements thereto.

2.0 BACKGROUND AND OVERVIEW

10. The background of the Company as understood by the Receiver, is disclosed in Section 2.0 of the First Report. Readers are referred to that section of the First Report.

3.0 ACTIVITIES OF THE RECEIVER

3.1 Toronto Hydro

11. Readers of this Third Report are directed to section 3.1 of the Second Report for details of the Receiver's contemplated sale of Toronto Hydro's supervisory control and data acquisition ("SCADA") located at the Tuxedo Site to Toronto Hydro (the "SCADA Sale").

12. On February 8, 2024 the Receiver received the funds from Toronto Hydro required to close the contemplated transaction and advised Toronto Hydro that it considered the SCADA Sale closed on that date. Proceeds of \$15,160.00 plus HST were received. Readers are directed to Section 6.0 of this Third Report regarding the Receiver's accounting of Receipts and Disbursements.

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3.2 Operations

13. As described in the First Report, the Receiver was introduced by legal counsel to 119, 1274442 Ontario Inc. and Gulu Thadani (collectively the “**Applicant**”). The Receiver was also introduced to Mr. Dakk Marrello of Thrive Inc. (“**Thrive**”). Mr. Marrello has a background in engineering and is very familiar with the solar generation systems and equipment used by the Company. The Receiver retained Thrive, to provide asset management, project management and advisory services in relation to the Company’s assets. These services were an essential part of the Operations Plan. The term of Thrive’s services agreement with the Receiver has been continuously mutually agreed to be extended and remains in effect at this time.

14. The following operational matters have arisen and have been dealt with as follows:
- a. The Kingston Landlord (as defined in the First Report) required a series of panels on one of the buildings to be temporarily removed to allow it to facilitate an emergency roof repair, the panels were removed, stored on site, the repair was conducted by the landlord and the panels were replaced and the site returned to full operations;
 - b. The Kingston Landlord required an additional series of panels at a second building to be temporarily removed to allow it to facilitate an emergency roof repair, the panels are scheduled for removal in May and once the repair is completed by the landlord, they will be restored by the Receiver at its expense, even if the restoration is following the closing of the Transaction;

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- c. One inverter at the Kingston Site was discovered to be inoperable during a routine site inspection. The manufacturer's authorized representative was contacted and it has been replaced under warranty;
- d. When examining January 2024 hydro statements, the Receiver noticed a decline in output at the 42 Tuxedo site. Thrive attended and inspected the site using an aerial drone. The images showed damage to two solar panels. One had a bent aluminum frame, the second had impact damage and was shattered. Located nearby on the roof was a tennis ball, the impact damage appeared consistent in size with a strike by the ball. The two damaged panels were replaced using the spare panel inventory in the Receiver's possession.
- e. During the panel replacement it was determined one inverter at the 42 Tuxedo site was not operational. The manufacturer's authorized representative was contacted, attended and determined the inverter was functioning fine but a third panel without visible damage was malfunctioning causing a fuse to blow. As the Receiver was not available to supply an additional panel from its inventory at the time of the inspection, the fuses were replaced and the panel was bypassed, restoring power and function to the inverter. This panel is scheduled to be replaced at the Receiver's expense on a subsequent date in May.
- f. The Kingston Landlord notified Thrive who in turn notified the Receiver that four of seven hydro meters at the Kingston site had irregular messages on their display. The Receiver contacted Toronto Hydro initially on March 10, 2024, who has since

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opened an investigation into the matter and if necessary, will replace their metering devices. After many attempts to follow up, on April 4, 2024 a Toronto Hydro representative replied to the Receiver. The most significant impact is that Toronto Hydro has advised that they have been unable to produce statements for two of the seven sites and accordingly has been unable to remit generation revenue to the Receiver for generation after January 31, 2024. The cause cannot be determined by Toronto Hydro until they complete their investigation which will require the attendance of one of their technicians. They have advised they have processes in place regarding payment of FIT generation revenue in the event of a meter failure.

Toronto Hydro advises that because they are able to get remote data from two irregular displaying meters, they do not deem them to be an issue from a billing perspective, but one is slated for replacement for other reasons, which may take three months. Toronto Hydro further advised that the two malfunctioning meters were manually read, and on April 17, 2024 statements were generated indicating revenue for the months of February and March for generation at 1449 and 1469 Kingston Road. The Receiver is awaiting further follow-up from Toronto Hydro regarding the status of these meters, replacement, issuance of account statements and remittance of revenue.

As result of Toronto Hydro's inability to remotely read meters at 1449 and 1469 Kingston Road, the Receiver expects that statements and revenue for these sites will be delayed past the closing of the Transaction. Any revenue and/or receivables from the generation prior to the closing date of the Transaction are property of the

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Receiver and following approval of the Transaction by this Honourable Court and the closing of the Transaction, the Receiver will notify Toronto Hydro of the closing and adjustments dates.

3.3 Cash flow and borrowings

15. As of the date of this Third Report the Receiver has issued three Receiver's Certificates, and has borrowed to date the maximum allowed under the expanded borrowing authority approved by the First Report Approval Order being the sum of \$225,000.00 from the Applicant. The Receiver holds a separate 3rd party retainer in the amount of \$12,000.00 received from the Applicant, segregated from its Receivership specific trust account, in its firm's general trust account reserved for 3rd party deposits (to be returned to the depositor prior to discharge if not required for payment of professional fees).

16. The Receiver has received total net receipts, inclusive of HST from Toronto Hydro under the FIT Contracts for the period January, 2022 to March, 2024, inclusive, in the amount of \$282,361.81. Attached hereto as **Appendix "F"** is the Receiver's schedule summarizing the Toronto Hydro revenue for the relevant period¹.

17. Readers are directed to Section 6.0 below regarding the receipts and disbursements of the Receiver and section 7.0 below regarding the fees and disbursements of the Receiver and RA.

¹ There is typically a 7 day lag from the end of the month until statements are generated and a further 15 to 30 day lag from the end of the month until funds are received, accordingly at the date of this Third Report generation and revenue for the Month of April 2024 is unknown.

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3.4 *Canada Revenue Agency*

18. As detailed in the First Report, the Receiver requested that Canada Revenue Agency (“CRA”) open an “RT0002” HST account for the Receiver to file returns for its HST exigible activities.

19. As at the date of this Third Report, the Receiver is current in its filings with CRA for the RT0002 and is expecting a refund of \$260.46 from its Q4 2023 RT0002 filing and a refund of \$5,211.89 from its Q1 2024 filing. Readers are directed to Section 6.0 of this Third Report regarding the Receiver’s statement of receipts and disbursements which *inter alia* accounts for all HST for its activities since its appointment to the end date of the statement, on a cash basis.

20. Readers of this Third Report are directed to section 3.6 of the Second Report which *inter alia* details the difficulty the Receiver has encountered in having its RT0002 returns assessed, obtaining a copy of Notices of Assessment and having refunds paid. The Receiver continues to work with CRA to attempt to resolve this, and receive copies of notices of assessment and refunds. The Receiver believes this problem will persist and there will be an extended delay in receiving a final NIL assessment and any net refund that may be due, following the closing of the Transaction and final reporting regarding HST from its commercial activities.

21. As indicated in the Second Report, CRA issued a revised demand letter for its trust claim for the Company’s unpaid HST, indicating a balance owing by the Company in the amount of \$14,061.31 and asserting a trust claim of \$10,967.89 over the assets of the Company.

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22. As the SCADA Sale was the first realization by the Receiver on assets of the Company, on February 14, 2024, following closing of the SCADA Sale, the Receiver remitted \$10,967.89 to CRA from first proceeds of the realization of the Company's assets. A copy of the Receiver's transmittal letter to CRA is appended hereto as **Appendix "G"**. The Receiver notes that although no formal acknowledgement of payment has been received from CRA, the cheque has cleared the Receiver's trust account.

3.5 *Landlords*

23. As described in section 3.5 of the First Report, the Tuxedo Landlord *inter alia* made various allegations regarding the Company's rental arrears and failure to provide generation data. Ultimately, as indicated in the First Report, the only accounting ever provided by the Tuxedo Landlord indicated rent, in the normal course, at the rate of \$583.33 a month was outstanding following the Receiver's appointment. This was promptly paid by the Receiver.

24. The Receiver has continuously paid rent to the Tuxedo Landlord, quarterly, in advance, at the rate specified in Section 8.01 of the Tuxedo Lease, being the greater of 8% of the annual generation revenue or \$7,000.00 per annum.

25. As detailed in section 3.7 of the Second Report, 8% of the annual observed generation revenue at the Tuxedo Site has consistently remained less than \$7,000.00 per annum, so the Receiver has always paid at the greater rate of \$7,000.00 per annum, plus HST.

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26. As of the date of this Third Report the Receiver has pre-paid rent to the Tuxedo Landlord up to May 30, 2024. As the Receiver expects the Transaction to close by May 30, 2024, any future payment of rent will be the responsibility of the Purchaser.

27. To conserve cashflow, the Receiver has continued to defer payment of rent to the Kingston Landlord. The Receiver estimates that the total deferred rent amounts to \$31,429.42, (plus HST) up to April 19, 2024. As the Receiver expects the Transaction to close by May 30, 2024, any future payment of rent will be the responsibility of the Purchaser. As previously disclosed in section 2.0 of the First Report, the Kingston Landlord is related to the Applicant.

4.0 SALE OF ASSETS –STALKING HORSE PROCESS

28. As described in section 4.0 of the Second Report, 1034523 Ontario Limited (the “**Stalking Horse Purchaser**”) had submitted to the Receiver the Stalking Horse APA (Appendix D to the Second Report), which, by virtue of the Sales Process Approval Order, was approved by this Honourable Court. The Receiver entered into the Stalking Horse APA as Seller, following court approval. A copy of the fully executed Stalking Horse APA is attached hereto as **Appendix “H”**.

29. On February 20, 2024, the Receiver caused to be published in Financial Post section of the National Post, national edition, an advertisement of the stalking horse sales process and the opportunity. Attached as **Appendix “I”** is a copy of the advertisement.

30. Commencing on February 20, 2024 for four consecutive weeks, the stalking horse sales process was advertised in the Insolvency Insider, an email newsletter featuring various current

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events concerning Canadian insolvency matters including recent filings and assets for sale. Attached as **Appendix “J”** is a copy of the newsletter featuring the advertisement.

31. On February 16, 2024, a copy of draft advertisement appended hereto as Appendix “I” was sent by email to the subscribers of ISI’s blog.

32. On February 20, 2024, an email blast was sent to parties who have asked ISI to be informed of asset sales; all parties who previously expressed interest specifically in the assets of the Company since the Appointment Date; as well as any party that responded to the National Post ad, the Insolvency Insider ad, and the email blast to the Receiver’s blog subscribers. Also included were Hexa; the Tuxedo Landlord; Sculler; two M&A firms, including the renewable energy specialist firm the Receiver attempted to engage; and various renewable energy trade groups. A copy of the email is attached hereto as **Appendix “K”**. Included as attachments was the Sales Process Approval Order and a summary document summarizing the opportunity and terms and conditions of sale, a copy of which is attached hereto as **Appendix “L”**.

33. Any party that made an initial enquiry for information on or after February 20, 2024, was provided with an identical email inclusive of attachments as described above in Paragraph 32 of this Third Report, as appended hereto as Appendix “K”.

34. The Receiver through these proceedings has maintained a webpage dedicated to this receivership administration, which recipients of the email appended hereto as Appendix “K” were directed to. Included in the webpage are links to all public documents, including, the National Post advertisement, the fully executed Stalking Horse APA, the purchase opportunity summary

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and the terms and conditions of sale, as approved by this Honourable Court. Attached hereto as **Appendix “M”** is a copy of the webpage as at the date of this Third Report.

35. Any party who then contacted the Receiver expressing interest in performing due diligence was sent a copy of the Receiver’s Confidentiality Agreement (“CA”) to review, sign and return to the Receiver. Upon receipt, the Receiver provided that party with access to the Receiver’s password protected online data room. The online data room contained a copy of documents and other information concerning the operation of the Company’s Assets, identical to what were made available to Sculler and the Stalking Horse Purchaser, updated for currency of generation data.

36. Understanding this information allowed interested parties to form their own opinion as to the amount they believed they would be prepared to pay for the assets, properties and undertaking of the Company and compare that amount to the Stalking Horse Bid amount (as defined in section 4 of the Second Report). That would allow each such party to determine whether they wished to make an offer to purchase higher than the Stalking Horse Bid. A copy of the Asset Purchase Agreement to be used by any party wishing to submit an offer was provided to all parties who had executed a confidentiality agreement on March 22, 2024.

37. The Receiver received thirteen (13) requests for information, six (6) requests to be provided with a CA and four (4) signed CAs. The Receiver provided each respective party who executed a CA access to the online password protected data room to perform due diligence.

38. On March 14, 2024 the Receiver advised all parties, who at that time had executed a CA that the Receiver would provide access to inspect the assets in situ. No party requested a tour. The Receiver also in that same email advised of a typographical error in the terms and conditions as

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approved by the Sales Process Approval Order and clarified the deadline for bid submissions, to be April 5, 2024 at 3PM Toronto time as stated in the chart on the first page of the terms and conditions, which is identified to take precedence in the event of a conflict. A copy of the Receiver's email is attached hereto as **Appendix "N"**. Any party that submitted a CA following that date was reminded of the April 5th submission deadline.

39. In the Receiver's email to all parties who executed a CA as of that date, transmitting the form of Asset Purchase Agreement to be used by any party wishing to submit an offer, the Receiver advised all parties of the then known condition of two out of service inverters and the efforts being taken by the Receiver. Once the status of the investigations into the out of service inverters was known and they were returned to service, this was communicated to all parties.

40. In accordance with the Sales Process Approval Order, the deadline to submit offers to purchase was Friday, April 5, 2024 at 3:00 PM Toronto time. The Receiver advises this Honourable Court that one offer to purchase was received from 10008 accompanied by the requisite 15% deposit, which was deposited into the Receiver's trust account for 3rd party deposits, and segregated from the Receiver's operating trust account for this receivership.

41. 10008 was incorporated on April 3, 2024, its president and sole officer is a Mr. M. Mehra. Documents accompanying 10008's offer signed by Mr. Mehra as Director of 10008, identify it as a subsidiary of Hexa, and that Hexa has agreed to provide closing funds. 10008's offer did not disclose who its legal counsel is. 10008's offer also contained several typographical errors, where a "0" was omitted from the legal name of the purchaser.

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42. The Receiver contacted 10008 to seek clarification as to the true legal name of the purchaser, who its legal counsel was and independent confirmation from Hexa that 10008 is in fact their subsidiary and that they are prepared to provide closing funds. 10008 clarified its legal name to be 10008 and provided a certificate evidencing its incorporation along with a forwarded email from Mr. Sandhu of Hexa confirming that 10008 is their subsidiary and that they are prepared to fund it in closing the contemplated transaction.

43. As Hexa also advised that they may use Mr. A. Morrison as legal counsel, the Receiver advised 10008 that this Honourable Court already noted that Hexa would need independent counsel, as Mr. Morrison acts for the Company in these proceedings, and accordingly should 10008 be the successful purchaser, the expectation is that they have independent counsel.

44. 10008 was advised on April 12, 2024 that they were a Qualified Bidder (as defined in the terms and conditions of sale) and were invited to participate in an auction to take place on April 18, 2024. They immediately confirmed their intention to participate and were provided with a weblink for the auction. They were also informed that the only other Qualified Bidder was the Stalking Horse Purchaser, were directed to a copy of the fully executed Stalking Horse APA and were provided with new login credentials to the Receiver's data room, as all prior login credentials were deactivated coinciding with the bid deadline.

45. The Stalking Horse Purchaser via their counsel was also informed they were a Qualified Bidder, provided with a copy of 10008's offer, and access to the data room and invited to attend the auction. Following their confirmation that they wish to participate in the auction, they were also provided with the weblink for the auction.

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46. The auction was held via video conference on April 18, 2024 at 10:00 AM. Both Qualified Bidders attended. The Stalking Horse Purchaser was represented by their counsel, Mr. M. McLeod of Dickinson Wright, 10008 was represented by their Mr. Mehra. The auction was conducted by the Receiver, in accordance with the approved terms and conditions. 10008's cash bid of \$805,000.00 (the "**10008 Bid**") was the highest offer at auction and was accepted by the Receiver as the Successful Bid (as defined in the terms and conditions) and 10008 was declared the Successful bidder (as defined in the terms). 10008 was requested to submit a revised written offer that corrected the errors in its legal name, reflected the \$805,000.00 purchase price and named its legal counsel. The amended APA is the one appended hereto as Appendix "E". 10008's deposit was transferred by the Receiver to its receivership specific trust account.

47. The Receiver advises this Honourable Court that: (i) the stalking horse sales process was carried out in accordance with the terms of the Sales Process Order; (ii) this sales opportunity was properly advertised; (iii) the 10008 Bid represents highest and best value for the assets, properties and undertaking of the Company; and (iv) no higher offer was received in this stalking horse sales process.

48. Accordingly, the Receiver respectfully recommends to this Honourable Court that the 10008 APA be approved and the Transaction be completed by the Receiver.

5.0 SECURED PARTIES, OTHER LIABILITIES AND DISTRIBUTION

49. Section 5.0 of the Second Report details the security held by 119 and RA's independent opinion confirming to the Receiver that 119's security is valid, enforceable and ranks in first position. A copy of RA's security opinion is re-appended to this Third Report as **Appendix "O"**.

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50. CRA's trust claim for the Company's unremitted HST ranked ahead of security held by 119 by virtue of the statutory priority created by Section 222 of the *Excise Tax Act* (Canada). As the first proceeds of sale of the Company's assets from the closure of the SCADA Sale, have been remitted to CRA as against their trust claim, it is the Receiver's opinion that CRA's only remaining claim against the Company is as an ordinary unsecured creditor, and therefore subordinate to the secured claim of 119.

51. Following the closing of the Transaction and receipt of proceeds of sale the Receiver recommends to this Honourable Court that it be approved to take the following actions:

- a. Pay its fees and the fees of its counsel RA;
- b. Pay the Stalking Horse its break fee of \$12,500 as approved by the Sales Process Approval Order;
- c. File with CRA the requisite RT0002 returns to account for HST collected from 10008 on the Transaction, and remit to CRA the amount collected net of any input tax credits for the respective period;
- d. Do all such things as may be necessary to receive from CRA all outstanding refunds and notices of assessment;
- e. Remit interim distributions to 119 being an amount at the Receiver's discretion from all funds on hand after remittance of HST on the sales proceeds and payment of all professional fees less a holdback of \$100,000 (the "**Holdback**"), to be applied

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by 119 and the other Applicants at their discretion and allocation against the following such that all liability owed by the Receiver is extinguished:

- i. Rent owed by the Receiver to the Kingston Landlord;
 - ii. Repayment of the Receiver's borrowing under Receiver's Certificates 1, 2 & 3 plus interest accrued thereupon;
 - iii. Principal indebtedness owed by the Company to 119 plus interest and costs.
 - iv. For greater clarity, the Receiver may make an initial interim distribution of an amount in its sole discretion, as soon as it is practical, following the closing of the Transaction and need not wait for items a through d above to be completed before making what may be the first of several interim distributions to 119.
- f. Following completion of all tasks associated with closing of the Transaction including the above, carrying out its mandate and receiving an assessment from CRA indicating a Nil balance, the Receiver and RA shall look to the Holdback to pay its final fees and remit any remaining balance from the Holdback to 119. Readers are directed to Section 5 of the Second Report regarding the indebtedness owed to 119 by the Company. The Receiver estimates that 119 will suffer a shortfall.

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6.0 RECEIVER'S STATEMENT OF RECEIPTS AND DISBURSEMENTS

52. As described in the First Report, Second Report and this Third Report, the Receiver has been collecting and utilizing the hydro generation revenue receipts to fund its mandate, along with advances from the Applicant. Attached as **Appendix "P"** is the Receiver's Statement of Receipts and Disbursements for the period January 24, 2022 to April 30, 2024, reconciled as at March 31, 2024.

7.0 PROFESSIONAL FEES AND DISBURSEMENTS

53. The First Report Approval Order approved, *inter alia*, the Receiver's fees and disbursements for all work done since being consulted to act as Receiver to October 31, 2022 inclusive. As previously described in this Third Report, the Receiver deferred approval of its fees actions activities and fees as described in the Second Report. Attached as **Appendix "Q"** is a copy of the Affidavit of Mr. Brandon Smith, sworn January 29, 2024, in connection with the Receiver's fee and disbursements including the detailed statement of account for all work done since November 1, 2022 to November 30, 2023 inclusive, in the amount of \$35,430.73 (inclusive of disbursements and excluding HST).

54. Attached as **Appendix "R"** is a copy of the Affidavit of Mr. Brandon Smith, sworn May 1, 2024, in connection with the Receiver's fee and disbursements including the detailed statement of account for all work done from December 1, 2023 to April 30, 2024 inclusive, in the amount of \$23,792.52 (inclusive of disbursements and excluding HST).

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55. The Receiver seeks approval of this Honourable Court for approval of its fees for the period November 1, 2022 to April 30, 2024 (the “**Time Period**”), inclusive, in the total amount of \$59,223.25 (inclusive of disbursements and excluding HST). To date, the amount of \$48,309.01 (plus HST) has been advanced on account of the Receiver’s fee and disbursements for the Time Period.

56. The First Report Approval Order approved, *inter alia*, RA’s fee and disbursements account for the period since being retained by the Receiver to October 31, 2022. Attached as **Appendix “S”** is a copy of the Affidavit of Irving Marks sworn January 29, 2024, in connection with RA’s fee and disbursements including the detailed statement of account for the period November 1, 2022 to November 30, 2023 in the amount of \$34,328.39 (inclusive of HST).

57. Attached as **Appendix “T”** is a copy of the Affidavit of Irving Marks sworn May 1, 2024, in connection with RA’s fee and disbursements including the detailed statement of account for the period December 1, 2023 to April 30, 2024 in the amount of \$79,179.77 (inclusive of HST).

58. The Receiver seeks approval of this Honourable Court for RA’s fees for the Time Period inclusive, in the total amount of \$113,508.16 (inclusive of disbursements and HST). To date, the amount of \$96,645.31 (excluding HST) has been advanced on account of the RA’s fee and disbursements for the Time Period. Included in this advance is the cost award paid by Mr. Gunde to RA in trust, described in the Second Report.

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8.0 OTHER MATTERS

59. In accordance with Subsection 246(2) of the BIA, on February 22, 2024, ISI's statutory Fourth Interim Report (the "**Interim Report**") was sent by ordinary mail to the Debtor and the Office of the Superintendent of Bankruptcy (and all known creditors of the Debtor who requested a copy²). Attached as **Appendix "U"** to this Third Report is a copy of the Interim Report.

60. The Receiver advises that after the completion of the sale to the Purchaser, the Receiver's remaining duties will be to:

- a. Do all things as may be required by the APA to convey all assets to the Purchaser including assigning all assumed contracts and leases;
- b. Final collection of all receivables due to it by Toronto Hydro for the period up to the close of the Transaction;
- c. Complete any outstanding maintenance items identified in Section 3.2 of this Third Report;
- d. Cancel the insurance coverage and receive any refund of unearned premium;
- e. Collect HST on the Transaction;

² No creditor requested a copy, one was provided as a courtesy to the Applicant's counsel.

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- f. File all RT0002 HST returns with CRA, remit any HST owing and/or collect any refunds due and receive a NIL assessment.
- g. Make distributions to 119 as described at paragraphs 51 (e) and (f)
- h. Pay all final professional fees and outstanding accounts for services rendered to the Receiver.

61. The Receiver respectfully recommends to this Honourable Court that, after the completion of all matters required to wind up the receivership, the Receiver file a Certificate with this Honourable Court, substantially in the form attached hereto as **Appendix “V”** and that upon such filing, the Receiver shall be discharged and the receivership administration will terminate.

9.0 CONCLUSION AND RECOMMENDATIONS

62. For the reasons set out in this First Report, the Receiver respectfully requests that this Honourable Court approve:

- a) this Third Report, the Second Report, the Supplementary Second Report and the actions and activities of the Receiver described therein since the date of the First Report and the supplements thereto;
- b) authorize the Receiver to complete the sale to 10008 or its assignee as described herein, and appended hereto as Appendix “E”;
- c) Authorize the Receiver to make distributions to 119 as described herein this Third Report;

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- d) authorize the Receiver to complete its mandate substantially as described herein in this Third Report;
- e) the Receiver filing the Certificate with this Honourable Court substantially in the form attached hereto as Appendix “U”;
- f) the accounting for the receipts and disbursements of the Receiver from January 24, 2022 to April 31, 2024;
- f) the fees, disbursements and other costs incurred for the period November 1, 2022 to April 30, 2024, by the Receiver and its legal counsel, RA as disclosed herein; and
- g) to look to the Holdback to pay the future fees, disbursements and other costs incurred, by the Receiver, its legal counsel, RA, and any other service providers following April 30, 2024.

All of which is respectfully submitted at Toronto, Ontario this 3 day of May, 2024.

IRA SMITH TRUSTEE & RECEIVER INC.
solely in its capacity as Court-Appointed Receiver
of Saptashva Solar S.A., and not in its personal Capacity

Per:



Brandon Smith – Senior Vice-President

APPENDIX A

COURT FILE NO.:CV-21-00655706-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE JUSTICE CAVANAGH)
)
) MONDAY, THIS 24th DAY OF
)
) JANUARY, 2022

BETWEEN:

Applicants

1199403 ONTARIO INC., 1274442 ONTARIO INC.,
and GULU THADANI

-and-

SAPTASHVA SOLAR S.A.

Respondent



APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. 8-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43. AS AMENDED

**ORDER
(APPOINTING RECEIVER)**

THIS APPLICATION, made by Applicants, for an Order, *inter alia*, pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c.43, as amended (the “**CJA**”), appointing Ira Smith Trustee & Receiver Inc. as receiver (in such capacity, the “**Receiver**”), without security, to exercise the powers and duties as specifically set out in this Order with respect to the assets, undertakings and properties of Saptashva Solar S.A. (the “**Debtor**”) acquired for, or used in relation to a business carried on by the Debtor was heard on September 23, 2021 by way of video-conference as a result of the Covid-19 Pandemic.

ON READING the affidavit of Gulu Thadani sworn December 28, 2020 (the “**Thadani Affidavit**”), and the supplementary affidavit of Gulu Thadani sworn September 7, 2021, and the second supplementary affidavit of

Gulu Thadani sworn September 8, 2021, and the affidavit of Harshal Gunde sworn September 7, 2021, and the affidavit of Amanda Bolton sworn September 17, 2021, and upon reading the factums filed by the parties and the Exhibits thereto and on hearing the submissions of counsel for the Applicants and the Respondent and all other parties listed on the counsel slip and on reading consent of Ira Smith Trustee & Receiver Inc. to act as the Receiver;

APPOINTMENT

1. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the *CJA* that Ira Smith Trustee & Receiver Inc is hereby appointed Receiver, without security, to exercise the powers and duties as specifically set out in this Order with respect to the assets, undertakings and properties of the Debtor acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof (collectively, the “Property”).

RECEIVER’S POWERS

2. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and

such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor, or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor, and to exercise all remedies of the Debtor, in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$100,000; and,

- (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause; and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, shall not be required.
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property or on any registries with respect to the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor, may have; and,
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without

interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

3. **THIS COURT ORDERS** that: (i) the Debtor; (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person’s possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall, deliver all such Property to the Receiver upon the Receiver’s request each as required in the discharge of the duties of the Receiver.

4. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person’s possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, each as required in the discharge of the duties of the Receiver, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

5. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

6. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

7. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR, OR THE PROPERTY

8. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor, or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor, or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. **THIS COURT ORDERS** that all rights and remedies against the Debtor, the Receiver, or affecting the Property are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any “eligible financial contract” as defined in the BIA, and further provided that nothing in this paragraph shall: (i) empower the Receiver or the Debtor, to carry on any business which the Debtor, is not lawfully entitled to carry on; (ii) exempt the Receiver or the Debtor, from compliance with statutory or regulatory provisions relating to health, safety or the environment; (iii) prevent the filing of any registration to preserve or perfect a security interest; or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

10. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor, or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver, shall be entitled to the continued use of the Debtor’s current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver, in accordance with normal payment practices of the Debtor, or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including, without limitation, the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the “**Post Receivership Accounts**”) and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

13. **THIS COURT ORDERS** that all employees of the Debtor, shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

14. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act* and any other applicable privacy legislation, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER’S LIABILITY

16. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the Wage Earner Protection Program Act. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER’S ACCOUNTS

17. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the “**Receiver’s Charge**”) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver’s Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

18. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

19. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

20. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$100,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

21. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

22. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

23. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

24. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: '<@>'.

25. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor, creditors or other interested parties at their respective addresses as shown on the records of the Debtor, and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

26. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

27. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

28. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

29. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

30. **THIS COURT ORDERS** that a) the Applicants may make written submissions (not longer than three pages, excluding costs outline) within 10 days, b) the Respondent may make responding submissions (not longer than three pages excluding costs outline) within 10 days thereafter, and c) the Applicants may make brief reply submissions (one page) within 5 days thereafter.

31. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

 Digitally signed by
Mr. Justice Peter
Cavanagh

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that Ira Smith Trustee & Receiver Inc., the receiver (the "**Receiver**") of the assets, undertakings and properties Saptashva Solar S.A. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 24th day of January, 2022 (the "**Order**") made in an application having Court file number CV-21-00655706-00CL, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

Ira Smith Trustee & Receiver Inc., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name: Ira Smith

Title:

1199403 ONTARIO INC., 1274442 ONTARIO INC.,
and GULU THADANI
Applicants

-and- SAPTASHVA SOLAR S.A.

Respondent

Court File No. CV-21-00655706-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
PROCEEDING COMMENCED AT
TORONTO

ORDER

STEPHEN TURK
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Toronto, Ontario M3B 3P6

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LSO No.: 31329A

Lawyers for the Applicants
1199403 Ontario Inc.,
1274442 Ontario Inc.,
and Gulu Thadani

Court File Number: CV-21-00655706-00CL

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

1199403 ONTARIO INC., 1274442 ONTARIO INC., and GULU THADANI

Applicants

AND

SAPTASHVA SOLAR S.A.

Respondent

Case Management Yes No by Judge: _____

Counsel	Telephone No:	Email/Facsimile No:
Stephen M. Turk for Applicants		
Allan Morrison and Vibhu Sharma for Respondent		

- Order Direction for Registrar **(No formal order need be taken out)**
 Above action transferred to the Commercial List at Toronto **(No formal order need be taken out)**

- Adjourned to: _____
 Time Table approved (as follows): _____
-

Date of Hearing: September 23, 2021

ENDORSEMENT

Introduction

[1] The Applicants 1199403 Ontario Inc. (“119”), 1274442 Ontario Inc. (“127”), and Gulu Thadani (together, the “Lenders”) bring this application for an order appointing Ira Smith & Receiver Inc. as the receiver and manager of the assets and undertakings of the Respondent Saptashva Solar S.A. (“Saptashva”) pursuant to section 243 (1) of the *Bankruptcy and Insolvency Act* and section 101 of the *Courts of Justice Act*.

Factual Background

[2] 119 and 127 are Ontario corporations. Mr. Thadani is the President, a director and the principal shareholder of each corporation.

[3] Saptashva is a Spanish corporation that is extra provincially registered in the Province of Ontario with offices in Madrid, Spain and Concorde, Ontario.

[4] Saptashva owns and operates nine solar projects comprised of physical structures along with corresponding revenue generating Feed-in-Tariff Contracts (the “FIT Contracts”). The FIT Contracts were granted by the Ontario Power Authority, now known as the Independent Electricity System Operator (“IESO”).

[5] Mr. Thadani’s evidence is that the Lenders made two loans which are the subject matter of this application:

- a. A loan pursuant to a loan agreement dated September 23, 2014 in the aggregate principal amount of \$450,000 (the “First Loan”); and
- b. A loan pursuant to a loan agreement dated June 15, 2015 in the principal amount of \$67,037.04 (the “Supplementary Loan”).

[6] The purpose of these loans was for the construction, reconstruction, and repair of solar projects that were damaged by a windstorm in respect of which Saptashva required an advance on an insurance claim in order to ensure that the solar projects were made operational.

[7] The FIT Contracts were created by the Government of Ontario as part of its Feed-in-Tariff program to encourage and promote greater use of renewable energy sources for electricity generating projects in Ontario. The goal of the program was to connect renewable energy sources to Ontario’s power grid. In exchange, Ontario would buy power at generous rates.

[8] The loan agreement in respect of the First Loan dated September 23, 2014 (the First Loan Agreement”) provides that the Lender (defined as 127, 109 and Mr. Thadani) has agreed to advance the sum of \$450,000 by way of loan to Saptashva through three advances of \$200,000, \$200,000 and \$50,000 to be made according to article 2.1 of the Loan Agreement. Under the First Loan Agreement, the principal amount of the First Loan together with accrued interest shall be due on the second anniversary of the First Loan Agreement, being September 23, 2016.

- [9] The First Loan Agreement provides for interest at the Prime Rate of interest of the Royal Bank of Canada plus 9% calculated on a daily compounded basis from the date of the advancement of funds on the Loan. The Loan Agreement provides that upon the occurrence of an Event of Default, as defined, the interest rate shall be increased to the rate of the Prime Rate of interest of the Royal Bank of Canada plus 15%, calculated on a daily compounded basis from the date of the occurrence of the Event of Default.
- [10] The principal of Saptashva, Harshal Gunde, has given affidavit evidence in response to this application that the Lenders advanced only \$400,000, and not \$450,000, to complete repairs for one of the solar projects. The amount advanced under the First Loan Agreement is contentious.
- [11] The Lenders submit that there is at least a principal amount of \$400,000 owing under the First Loan Agreement which, they submit, with interest calculated under the First Loan Agreement to December 31, 2020, results in indebtedness of \$1,106,282.70, excluding additional interest or other amounts such as legal expenses. The calculations of this indebtedness, including the rates of interest applicable during relevant periods of time, are shown in a statement provided in response to undertakings given on Mr. Thadani's cross-examination.
- [12] The loan agreement in respect of the Supplementary Loan dated June 15, 2015 (the "Supplementary Loan Agreement") provides that 119 has agreed that the money that was collected by Saptashva from the OPA and/or its successor in furtherance of the Solar Projects being approximately \$67,037.04, although subject to verification by 119 (the Supplementary Loan"), which has not been remitted to the Payment Recipients (as defined), and which payment the parties have agreed is properly due to the Payment Recipients. The Payment Recipients are defined to be 119 or 127. The Supplementary Loan Agreement provides that the principal amount of the Supplementary Loan together with accrued interest and costs as set forth in sections 2.3 and 2.4, respectively, shall be due in full on the 30th day of September 2016 which is the repayment date for the Original Loan (as defined).
- [13] The Supplementary Loan Agreement provides that the Supplementary Loan shall bear interest at the rate of the Prime Rate of interest of the Royal Bank of Canada plus 9% calculated on a daily compounded basis from the date of the advancement of funds on the Supplementary Loan. Upon the occurrence of an Event of Default, as such term is defined, the interest rate shall be increased to the rate of the Prime Rate of interest of the Royal Bank of Canada plus 15%, calculated on a daily compounded basis from the date of the occurrence of the Event of Default.
- [14] Mr. Thadani's evidence is that the First Loan was secured by a General Security Agreement dated September 23, 2014 and the Supplementary Loan was secured by a General Security Agreement dated June 15, 2015. Copies of these two agreements are appended as exhibits to Mr. Thadani's affidavit. These General Security Agreements appear to have been duly executed as shown in the copies marked as exhibits to Mr. Thadani's affidavit.
- [15] Mr. Gunde's evidence is that no amount was advanced under the Supplementary Loan Agreement. This is contentious, and I do not need to make any findings in this respect.
- [16] Mr. Thadani provided evidence that 119 registered notice of its security interest granted pursuant to the First General Security Agreement pursuant to the Personal Property Security Act on March 14, 2014 for a period of five years against the collateral descriptions "Inventory", "Equipment",

“Accounts”, and “Other”. A report from the Ministry of Government Services for the Personal Property Registration System shows this registration. I accept this evidence.

- [17] It appears on the evidence that Saptashva defaulted on its obligations pursuant to the First Loan Agreement to pay the outstanding principal amount of the loan together with interest as set forth in section 2.3 of the First Loan Agreement by September 23, 2016, as provided for by section 2.3 of the First Loan Agreement.
- [18] On May 2, 2017, the Lenders, through their lawyers, made demand for payment and provided Notices of Intention to Enforce Security pursuant to the *Bankruptcy and Insolvency Act*.
- [19] On June 17, 2017, the Lenders took possession of the Solar Projects and FIT Contracts. However, the Lenders have been unable to direct the revenue from the FIT Contracts. Counsel for the IESO appeared on this motion. The IESO takes no position on the application for a receiver.
- [20] Mr. Thadani estimates that the Solar Projects generate approximately \$100,000 per year, declining each year, and have a remaining life span of 15 years. He states that his understanding is that the Solar Projects and FIT Contracts had an initial life span of 20 years.
- [21] The Lenders provided evidence that another secured creditor of Saptashva, 2040517 Ontario Inc. (“204”), made a PPSA registration on October 4, 2014. On his cross-examination, Mr. Gunde was asked how much of the monthly payment under the FIT Contracts was received by Saptashva and whether any portion was paid to 204. Mr. Gunde refused to answer. On this application, I do not need to make any finding on whether Saptashva is indebted to 204. 204 was given notice of the hearing of this application but no one appeared on its behalf.
- [22] Saptashva failed to repay the amount claimed, although it maintains that at various times since January 2016 it has offered to pay the principal amount of \$400,000 that it says was advanced, but the Lenders have not agreed to accept the amount offered.
- [23] In his affidavit, Mr. Gunde states that in January 2016, Saptashva offered to repay amounts owing to the Lenders in respect of the loan that was due for repayment on September 23, 2016. He states that Mr. Thadani was unwilling to receive an early loan payment and, instead, asked for “additional unsubstantiated amounts” to be paid. Mr. Gunde states that Saptashva made several other offers to repay the \$400,000 until very recently, but that the Lenders would not accept his offers and, instead, demanded repayment of “unsubstantiated, exaggerated and baseless amounts (in addition to the repair monies advanced) throat 2016 and 2017”.
- [24] At the hearing of this application, the position taken by Saptashva was that the principal amount that is unpaid is \$400,000, and that the only real issue on this application is the overall amount owing by Saptashva to the Lenders for interest and costs. Saptashva submits that adjudication of the overall amount of indebtedness should happen in the civil proceedings that are pending on the civil list.

Analysis

- [25] At the opening of the hearing, counsel for Saptashva advised that he was holding \$400,000 and asked for the Court’s direction to pay this amount into Court until the amount owing to the Lenders for principal, interest and other charges, if any, was adjudicated in civil proceedings pending on the civil list.

Counsel asked for a stay of the application, or an adjournment of the application, pending adjudication of the civil proceedings which would include determination of the amount of the overall indebtedness owing by Saptashva to the Lenders. Saptashva is not offering to pay this amount unconditionally to the Lenders.

[26] I declined to stay or adjourn this application. The civil proceedings are two actions commenced in 2017 and 2019 which involve claims for amounts owing under the First Loan Agreement and the Supplementary Loan Agreement. The defendants were noted in default in the 2019 action and a default judgment was obtained against Mr. Gunde on his personal guarantee. Counsel for Saptashva advises that a motion was brought to set aside the noting in default of the defendants, and the default judgment against Mr. Gunde, but the motion has not been scheduled or heard.

[27] Given the acceptance by Saptashva that a principal amount of at least \$400,000 was advanced and is owing, which, with interest, is the amount of indebtedness upon which the Lenders rely for their application to appoint a receiver, in my view, nothing would be gained by delaying the hearing of this application. Saptashva has had since 2019 to have its motion to set aside the noting in default scheduled and heard. I also note that Saptashva requested an adjournment of the hearing of this application at a case conference before Conway J. on August 17, 2021 who declined to grant an adjournment.

[28] The question on this application is whether the Lenders have shown that it is just and convenient for the Court to appoint a receiver of the assets and undertakings of Saptashva pursuant to section 101 of the CJA and section 243 (1) of the BIA.

[29] In assessing whether it is just and convenient to appoint a receiver, the question is whether it is more in the interests of all concerned to have the receiver appointed or not. When there is a contractual power of appointment, the Court assesses the potential costs, the relationship between the debtor and the creditors, the likelihood of maximizing the return on and preserving the subject property, and the best way of facilitating the work and duties of the receiver. See *Royal Bank of Canada v. CFNDRS Inc.*, 2017 ON SC 7661, citing *Bank of Nova Scotia v. Freure Village on Clair Creek*, 1996 CanLII 8258.

[30] The factors to be considered by the Court when determining whether to appoint a receiver include, among other things:

- a. whether irreparable harm might be caused if no order were made, although it is not essential for a creditor to establish irreparable harm if a receiver is not appointed;
- b. the risk to the security holder taking into consideration the size of the debtor's equity in the assets and the need for protection or safeguarding of assets while litigation takes place;
- c. the nature of the property;
- d. rights of the parties thereto and the balance of convenience of the parties;
- e. the preservation and protection of the property pending judicial resolution;
- f. the fact that the creditor has the right to appoint a receiver under its security;
- g. the enforcement of rights under a security instrument where the security holder encounters or expects to encounter difficulty with the debtor and others;

- h. that the appointment of receiver is extraordinary relief which should be granted cautious and sparingly, however, this proposition does not apply or is less essential to a secured creditor with the right to enforce its security;
- i. whether a court appointment is necessary to enable the receiver to carry out its duties more efficiently;
- j. the effect of the order and the parties;
- k. the conduct of the parties;
- l. the length of time that a receiver may be in place;
- m. cost of the parties;
- n. the likelihood of maximizing return to the parties;
- o. facilitating the duties of the receiver and
- p. a secured creditor's good faith, commercial reasonableness of the proposed appointment and any questions of equity. [insert authority].

[31] On the evidence before me, Saptashva accepts that there is \$400,000 of principal that the Lenders advanced that, with interest, is unpaid. Although Saptashva maintains that it had offered to pay this amount in the past, including some amount for interest, there is no evidence that Saptashva ever tendered payment unconditionally. It has always been open to Saptashva to pay the full amount of principal and interest that it accepts is owing, without conditions, but it has not done so. Based on the interest rates in the First Loan Agreement and the evidence of applicable rates based on the Royal Bank of Canada rates, the amount owing as of December 31, 2020 appears to have been \$1,106,282.70. Further interest would have accrued since this date.

[32] The security for the indebtedness, the FIT Contracts, have a declining value because each month payments are made on fixed term contracts. With the passage of time, the value of the security for the indebtedness owing to the Lenders becomes lower.

[33] The General Security Agreement dated September 23, 2014 provides that if, following default, the Lenders declare that the loans shall become immediately due and payable, the Lenders may take proceedings in any court of competent jurisdiction for the appointment of a receiver. The Lenders have made demand for payment of amounts owing under the First Loan Agreement and they are contractually entitled to apply to court for the appointment of a receiver.

[34] The Lenders, in support of the application, and Saptashva, in opposition to this application, rely on the decision of Myers J. in *L Bank of Canada v. CFNDRS Inc.* In this case, Myers J. observed, at para. 9, that while the appointment of a receiver may be seen to be extraordinary, it is much less extraordinary when the plaintiff has a contractual right to appoint a receiver on its own. Myers J. held, citing *Freure Village*, at para. 12, that "[t]he question of whether a court appointment then is just and convenient when there is a contractual power of appointment will turn on an assessment of, 'the potential costs, the relationship between the debtor and the creditors, the likelihood of maximizing the return on and

preserving the subject property and the best way of facilitating the work and duties of the receiver-manager". In *CFNDRS*, at para 12, Myers J. held:

In my view, the issue that usually tips the balance is whether there is a reason to incur the expense and procedural formality of appointing a third party to exercise neutral, transparent, accountable stewardship of the assets of the debtor while interested parties jostle on the merits of whatever their dispute may be. If the parties' dispute put the business assets at risk or where realization options may be impaired by leaving the business in the debtor's hands or requiring the secure creditor to bear the risk of indemnifying a privately appointed receiver, the court will usually intervene. Often, simple default on secured debt will be sufficient to attract a receivership where the risk to the business is implicit in the nature of the business or the dispute between the creditor(s) and the debtor(s). However, as with all equitable remedies, context is everything and each case turns on its own facts.

[35] I accept the statements made by Myers J. in *CFNDRS*.

[36] On the evidence before me, I am satisfied that it is just and convenient to appoint a receiver for the following reasons:

- a. Saptashva has failed to pay the principal and interest on the advances made under the First Loan Agreement. The outstanding amount was due on September 23, 2016 and demand was made on May 2, 2017. Saptashva accepts that the principal amount advanced of \$400,000, with interest, remains unpaid.
- b. The Lenders are entitled to apply for the appointment of a receiver under their security.
- c. The FIT Contracts are assets whose values are declining each month. Saptashva has been noted in default in the 2019 civil action, and, since that time, the action has not advanced and no motion to set aside the noting in default has been scheduled. It would not be just to delay the appointment of a receiver in the circumstances.
- d. A Court supervised receiver will ensure that the interests of all creditors and other stakeholders are considered with a view to maximizing realization on the solar projects, including the FIT Contracts.
- e. The appointment of a receiver will avoid the risk that, with the passage of time, the value of the Lenders' security becomes insufficient to satisfy the amount that is properly owing to them. Any distribution will be made only with court approval.

[37] The Applicants have shown that there is a reason to incur the expense and procedural formality of appointing a receiver.

Disposition

[38] For these reasons, I grant the application. I ask counsel for the Applicants to provide me with a clean form of the Order that is sought that is substantially in the form of the Commercial List Model Order.

[39] I encourage the parties to settle costs. If the parties are unable to resolve costs, the Applicants may make written submissions (not longer than three pages, excluding costs outline) within 10 days. Saptashva may make responding submissions (also not longer than three pages excluding costs outline) within 10 days thereafter. If so advised, the Applicants may make brief reply submissions (one page) within 5 days thereafter.


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Cavanagh J.

January 24, 2022

APPENDIX B1

Court File No. CV-21-00655706-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**FIRST REPORT OF IRA SMITH TRUSTEE & RECEIVER INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
SAPTASHVA SOLAR S.A.**

DATED NOVEMBER 10, 2022

1.0 INTRODUCTION

1. This report (the “**First Report**”) is filed by Ira Smith Trustee & Receiver Inc. (“**ISI**”) in its capacity as Court-appointed Receiver (the “**Receiver**”), pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the Courts of Justice Act, R.S.O 1990, c.43, as amended (the “**CJA**”), without security, of all of the assets, undertakings and properties of Saptashva Solar S.A. (the “**Company**” or the “**Debtor**”).
2. The Honourable Justice Cavanagh made an order dated January 24, 2022 (the “**Appointment Date**”) appointing the Receiver (the “**Receivership Order**”). A copy of the Receivership Order and His Honour’s endorsement are attached hereto as **Appendix “A”**.

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1.1 Purpose of this Report

3. The purpose of this First Report is to report to this Honourable Court on the administration of this Court-appointed receivership to date and on the assets and operations of the Debtor, in support of a motion by the Receiver to obtain an Order of the Court:

- a) approving the actions and activities of the Receiver prior to and since the Appointment Date;
- b) authorizing the increase in the Receiver's borrowing authority from \$100,000 to \$225,000;
- c) approving the Receiver's plan to not seek approval for a sales process at this time but rather carry out the Operations Plan (as defined in paragraph 76 of this First Report) to operate the business of the Debtor for a period ending on or about September 30, 2023 and then seek approval of this Honourable Court for a sales process;
- d) approving the accounting for the receipts and disbursements of the Receiver from January 24, 2022 to October 31, 2022; and
- e) approving the fees, disbursements and other costs incurred to date by the Receiver and its legal counsel, Robins Appleby LLP ("RA").

1.2 *Disclaimer*

4. In preparing this First Report, the Receiver, where stated, has relied upon information obtained from and discussions with contractors and other third parties as stated herein (collectively, the “**Information**”). The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information and expresses no opinion, or other form of assurance, in respect of the Information. As indicated herein, the Receiver is of the opinion that the books and records provided by the Debtor and its principal were incomplete. Accordingly, the Receiver had to collect data from third parties and from operating the business of the Company to be able to initially determine the financial position of the Company and to accumulate the Information.

5. This report is prepared solely for the use of the Court and the stakeholders in this proceeding, for the purpose of assisting the Court in making a determination whether to approve the actions and activities of the Receiver, and other relief being sought. It is based on the Receiver’s analysis of information provided to it by the management, Directors, staff, and contractors of the Debtor, and other third parties as stated herein, which included unaudited financial statements and internal financial reporting. The Receiver’s procedures did not constitute an audit or financial review engagement of the Debtor’s financial reporting. Where stated, the Receiver has relied upon the Information in reaching the conclusions set out in this report.

2.0 **BACKGROUND AND OVERVIEW**

6. The Company was incorporated in 2008 as a *Sociedad de Responsabilidad Limitada* in Madrid, Spain and was registered extra-provincially in Ontario on June 10, 2010. The Company’s

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application for an Ontario extra-provincial licence indicates that Mr. Harshal Gunde is the Company's chief officer or manager in Ontario, and Mr. Gunde on February 24, 2010 had consented to act as agent for service in Ontario on behalf of the Company. A copy of Forms 1 and 2 under the *Extra-Provincial Corporations Act*, R.S.O. 1990, c. E.27, as amended, filed by the Company are attached hereto as **Appendix "B"**.

7. The Company entered into Feed-In Tariff Contracts ("**FIT Contracts**") with the Ontario Power Authority in 2011 and constructed solar generation facilities that went into service with a Term Commencement Date (as defined in the FIT Contracts) of January 20, 2015. The FIT Contracts have a term which concludes at 24:00 hours on June 6, 2034.

8. The Company's principal assets are nine (9) rooftop solar generation sites with separate revenue producing FIT Contracts to supply electricity to the Toronto Hydro-Electric System Limited ("**Toronto Hydro**") at the rate of \$0.713/kWh, described as follows:

- a. 60 kW solar project at 40 Tuxedo Court, Toronto, Ontario (F-001698-SPV-130-502; FITFR4951V);
- b. 50 kW solar project at 42 Tuxedo Court, Toronto, Ontario (F-001700-SPV-130-502, FITFEMUZ1B);
- c. 21 kW solar project at 1445 Kingston Road, Toronto (F-001691-SPV-130-502, FITF9ND3MI);
- d. 21 kW solar project at 1449 Kingston Road, Toronto (F-001692-SPV-130-502, FITF3GNE08);

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- e. 26 kW solar project at 1457 Kingston Road, Toronto (F-001693-SPV-130-502, FITF9MVKXX);
 - f. 18 kW solar project at 1463 Kingston Road, Toronto (F-001694-SPV-130-502, FITFF0Z020);
 - g. 26 kW solar project at 1469 Kingston Road, Toronto (F-001695-SPV-130-502, FITFLQLLQJ);
 - h. 18 kW solar project at 1475 Kingston Road, Toronto (F-001696-SPV-130-502, FITFL8B6T7); and
 - i. 26 kW solar project at 1481 Kingston Road, Toronto (F-001684-SPV-130-502, FITFN7L15H).
9. Each roof-top generation site consists of a series of two distinct components, which are described in further detail in the Thrive Report (see section 3.2 below). Each site has a quantity of solar photovoltaic panels which produce direct current (“DC”) when exposed to a light source. These panels are assembled on some form of rack or assembly. Multiple panels are wired to each other in series and terminate at an inverter, which consolidates and converts the DC electricity to alternating current (“AC”) and back feeds the AC electricity, through safety disconnects and a metering device into Toronto Hydro’s electricity grid for distribution.
10. In this report the projects described at paragraphs 8 (a) and (b) are collectively referred to as the “**Tuxedo Site**” and the projects described at paragraphs 8 (c) through (i) are collectively referred to as the “**Kingston Site**”.

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11. The Kingston Site solar panels are mounted on the roofs of a group of mid-rise residential apartment buildings, the Tuxedo Site panels are mounted on the roofs of one high-rise residential apartment building and one low-rise mixed use commercial building. The Company had entered into two long term occupancy leases with each of the landlords, one each, for the Tuxedo Site and the Kingston Site. The Kingston Site landlord, 1034523 Ontario Ltd. (the “**Kingston Landlord**”) is related to 1199403 Ontario Inc., 1274442 Ontario Inc., and Gulu Thadani (collectively, the “**Applicant**”), the Applicant in these proceedings.

12. The Tuxedo Site landlord initially was related to the Applicant, however during the term of the lease, and prior to the Appointment Date the buildings at the Tuxedo Site were sold to an arm’s-length party who assumed the leases. Rent for the Tuxedo Site is now payable to Tuxedo Court LP (the “**Tuxedo Landlord**”). Copies of what the Receiver believes to be the leases for the Tuxedo Site and Kingston Site are attached hereto as **Appendix “C”**.

13. The Company had surplus photovoltaic solar panels in storage, which the Receiver took possession of and funds in a bank account at The Toronto-Dominion Bank. The Receiver froze the account and the funds were remitted to the Receiver by the bank.

3.0 ACTIVITIES OF THE RECEIVER

3.1 *Toronto Hydro*

14. Attached as **Appendix “D”** is a copy of the Receiver’s letter of January 26, 2022 (without enclosures) to Toronto Hydro, making them aware of the Appointment Order, advising that all amounts payable to the Company under the FIT Contracts are to be paid to the Receiver, and

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requesting a history of payments made to the Company. After several attempts by the Receiver to follow up on its letter, when no response was received from Toronto Hydro, RA wrote to Toronto Hydro on March 18, 2022 to follow up on the Receiver's request and remind Toronto Hydro of their obligations under the Appointment Order.

15. Toronto Hydro, on March 22, 2022, replied to RA and confirmed that all funds present and future due to the Company will be paid to the Receiver. The first payment representing electricity generated during the months of January through March, 2022 (inclusive), was received by the Receiver and deposited on April 19, 2022.

16. Further, Toronto Hydro provided a listing of payments made to the Company in the past 5 years, which only indicated a payment date and the amount paid, per generation site, with little context or explanation. Significant time was taken by the Receiver to review the information provided by Toronto Hydro. Following further review and analysis by the Receiver, this raw information that was provided only showed net payment to the Company and did not account for several items that appear on Toronto Hydro's detailed statements, including the monthly hydro delivery charge (a debit to the account), gross electricity generation revenue (credit), net HST (usually a net credit as HST is paid on gross revenue and charged on the delivery charge), Ontario energy rebate (credit) and any adjustments.

17. In hindsight, had Toronto Hydro been able to reproduce 5 years of statements as opposed to just providing a schedule of net amounts paid, the Receiver would have been able to earlier on determine the specific historical generation of the solar projects, as attempts to determine energy output by applying the FIT Contract generation rate of \$0.713 per kWh to the payment amounts

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was very difficult as various other credit and debit charges detailed on the statements were unknown at the time Toronto Hydro initially provided their figures.

18. The initial data from Toronto Hydro, while lacking contextual reference, was sufficient to show that during the 5-year historical period provided, the solar generation had experienced several periods where it was generating less than its potential, even when accounting for seasonal variances¹. In some cases, certain generation sites experienced several consecutive months with no generation.

19. Following a lengthy period of correspondence with the principal of the Company (see discussion at section 3.7 below), in May 2022, the Receiver learned that every month, Toronto Hydro issued detailed statements regarding energy generation in the form attached hereto as **Appendix “E”**. The Receiver promptly advised Toronto Hydro that it should have received access to the online portal where historical and future statements are accessible, and to provide it with the historical detailed records, beyond the two-year archive available in the portal.

20. Only since receiving these detailed records from Toronto Hydro and Mr. Gunde during the months of May and June 2022, was the Receiver able to understand the detailed history of hydro generation, per site, and overall.

¹ Solar electricity generation is dependent on exposure to sunlight. Hours of daylight fluctuates during the year, with maximal sunlight hours on the summer solstice and minimum sunlight hours on the winter solstice. Accordingly, the generation of electricity output also fluctuates during the year.

3.2 *Thrive Inc.*

21. Prior to the issuance of the Appointment Order, a representative of the Receiver met with Mr. D. Michaud of RA and legal counsel for the Applicant, who introduced the Receiver to Mr. Dakk Marrello of Thrive Inc. (“**Thrive**”). The Applicant’s counsel indicated that in addition to being a paralegal, Mr. Marrello has a background in engineering and is very familiar with the solar generation systems and equipment used by the Company. The purpose of the meeting was for ISI to gain an understanding of the proposed receivership mandate and to consider, if appointed, the potential benefits to the receivership administration in retaining Mr. Marrello as a consultant. The Receiver ended up retaining Thrive, to provide asset management, project management and advisory services in relation to the Company’s assets. A copy of Thrive’s services agreement with the Receiver is attached hereto as **Appendix “F”**. The Appointment Order gives the Receiver the power to retain and engage consultants.

22. Although the term of the services agreement has expired, on September 28, 2022, both the Receiver and Thrive have mutually agreed in writing to extend the term to the end of the calendar year. The Receiver anticipates that it will seek to further extend the term of the agreement with Thrive.

23. Thrive was requested by the Receiver to perform an initial inspection all of the Company’s assets in situ at the Tuxedo Site and Kingston Site, so that the Receiver would be aware of the physical condition of the assets following its appointment. The assets are located on rooftops and other than for one of the facilities at the Tuxedo Site, there are few, if any, guards or railings nor is there much passage room between adjacent panels on a roof. As the Appointment Date was in

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the winter, after attending at the Tuxedo Site, and overseeing an emergency repair to the roof at the Kingston Site, the Receiver and Thrive agreed that winter weather conditions made it unsafe to inspect the panels, until conditions improved in late March early April. A copy of Thrive's report detailing its inspection, asset conditions and recommendation is attached hereto as **Appendix "G"** (the "**Thrive Report**").

24. Prior to Thrive carrying out a complete inspection, the landlord of the Tuxedo Site contacted the Receiver and requested the entire array at one of the buildings be removed to facilitate the landlord's repair of the roof (see further discussion at section 3.5 below). Thrive arranged for a licensed electrician and general labour as well as necessary tools and equipment to facilitate the removal and re-installation of the array.

25. The Thrive Report *inter alia* noted that the inverters at one building at the Tuxedo Site and the entirety of the Kingston Site were not installed according to manufacturer specifications. The Thrive Report recommended that the Receiver undertake corrective action to re-align the inverter components in accordance with the manufacturer's specifications. Furthermore, the Thrive Report noted that all of the inverters at one Tuxedo Site and many across the Kingston Site were either in error mode or not operational.

26. Thrive contacted the manufacturer's technical service department to troubleshoot the inverters. As detailed in the Thrive Report the inverters at the Tuxedo Site did not qualify for warranty repair or replacement and would need to be replaced at the Receiver's expense. The inverters at the Kingston Site did qualify to have corroded otherwise damaged circuit boards replaced under warranty. Thrive initiated the warranty replacement process, which has occurred

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to date in three phases based on both availability of components² and the discovery of subsequent warranted defects while replacement work was being carried out.

27. As of the date of this First Report, repairs or replacements were done to the inverters at the Kingston Site under warranty by the inverter manufacturer's authorized contractor. Additional inverters are still awaiting replacement as there is insufficient inventory available due to supply chain issues. The costs of the labour and components has been covered by the manufacturer's warranty. The Receiver only pays for travel costs of the manufacturer's authorized technicians and Thrive's supervisory time.

28. Thrive has been valued and cost effective to the Receiver in terms of being able to procure labour and materials, provide insightful oversight and supervision, and identification and management of warrantable repairs which has led to increased profitability from the Kingston Site equipment. Thrive's hourly rate is less than one-half of that of the Receiver's and accordingly Thrive's ability to serve as agent and asset manager for the Receiver comes at a substantial costs savings over the Receiver's hourly rates. Despite this, and notwithstanding the powers conferred in the Receivership Order, the Company/Mr. Gunde's counsel has stated their opposition to Thrive's involvement. Attached as **Appendix "H"** is correspondence from the Company/Mr. Gunde's counsel and RA's reply.

² The breakdown of the global supply chain following the COVID-19 pandemic has affected a ready supply of components.

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3.4 *Insurance*

29. The Receiver contacted Jones DesLauriers Insurance Management Inc. (“**JDIMI**”), the insurance broker who placed the insurance coverage for the Company on their physical assets. The broker confirmed that the premium and policy were in good standing and that ISI was added as a named insured to the existing policy, provided by Lloyd’s Underwriting.

30. The insurance policy renewed on September 2, 2022 and the Receiver was able to renew the coverage at substantially the same terms and premium. Attached as **Appendix “I”** is confirmation of insurance coverage.

3.5 *Landlord Matters*

31. As described above at paragraph 12, the Tuxedo Site lease had been assigned to the Tuxedo Landlord. The Receiver learned this from its correspondence with the Company’s principal in the weeks following its appointment. Following this discovery, the Receiver wrote to the Tuxedo Landlord on February 7, 2022. A copy of the Receiver’s letter, without enclosures, is attached hereto as **Appendix “J”**.

32. The Tuxedo Landlord did not respond in a timely fashion to the letter and ultimately responded in response to Thrive’s request for inspection access on February 16, 2022. A representative of the Tuxedo Landlord contacted the Receiver with insurance and safety concerns regarding Thrive attending and demanding that rent, in an unspecified amount be paid. Following the call, the Receiver provided the Tuxedo Landlord with its letter of February 7th, the Appointment Order, its report under SS. 245 & 246 of the BIA, and proof of insurance. The Receiver renewed

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its request for a copy of the lease for the Tuxedo Site and a statement of any rental arrears. A copy of the receiver's email to the Tuxedo Landlord is attached hereto as **Appendix "K"**.

33. The Tuxedo Landlord did not reply to the Receiver's request for a copy of the lease and a statement of account. Thrive separately provided proof of its insurance and was permitted to inspect the equipment at the Tuxedo Site. Legal counsel for the Tuxedo Landlord did write to the Receiver on March 7, 2022, a copy of which is attached hereto as **Appendix "L"**.

34. On March 24, 2022 the Tuxedo Landlord contacted the Receiver by telephone. The call was anticipated as in the week prior Thrive advised that the Tuxedo Landlord contacted him alleging unspecified breaches of the lease and indicating the roof at 42 Tuxedo Court needed replacement. Thrive directed the Tuxedo Landlord to contact the Receiver.

35. The Tuxedo Landlord made various allegations to the Receiver that the lease and in turn the Receiver is in breach in connection with roof repairs at 40 Tuxedo Court prior to the Appointment Date. The Tuxedo Landlord alleged that: (i) the Company owed money for unspecified rent arrears; and (ii) the Company failed to provide revenue generation data. The Tuxedo Landlord suggested that costly litigation could be avoided and simultaneously aid in the sale of the Company's assets if a practical economic solution could be reached.

36. The Receiver advised that any action against the Company or the Receiver is stayed by virtue of the Appointment Order and the Receiver does not assume responsibility for actions of the Company prior to the Appointment Date. The Receiver advised that it will honour the Company's obligations under the lease. The Receiver further advised the Tuxedo Landlord if it

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feels this is insufficient, they are welcome to consult with legal counsel and bring a motion to lift the stay of proceedings against either the Company, the Receiver or both.

37. The Tuxedo Landlord and the Receiver then discussed what a Receiver's sales process would involve. The Receiver spoke generally about the court approval process and its traditional means of asset realization but noted that it is premature at this point as the Receiver was not in possession of sufficient books, records or historical information regarding electricity generation to provide any potential purchaser sufficient information at this time. The Receiver further advised the Tuxedo Landlord that they would have the opportunity to participate in a sales process, if they chose to and would be aware of it either if they were served with the Receiver's motion material or if not, invited to participate in accordance with the process, once approved.

38. The Receiver's impression from the discussion was that the Tuxedo Landlord intimated that if he could get a good deal and offset an unquantified amount they believed to be owed by the Company, they may be a purchaser.

39. The Tuxedo Landlord finally brought up the gravamen of the discussion, that the roof at 42 Tuxedo Court needed to be replaced and that terms of the lease required that the tenant remove the solar equipment at its expense. Although at this point the Tuxedo Landlord had yet to provide a copy of the lease to the Receiver, the Receiver had seen what it believed to be a copy of the lease provided to it by another party. That copy of the lease required that the Tuxedo Landlord give notice in writing, and that the Receiver had to determine if this removal would be the first or a subsequent removal as the lease requires the tenant to pay the cost of a first removal and the Tuxedo

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Landlord to pay the cost of any subsequent removal of the equipment. Mr. Marrello of Thrive was invited to join the call and a discussion regarding timing and cost estimates ensued.

40. Attached as **Appendices “M” and “N”** is the Tuxedo Landlord’s written request to remove the solar panels and the Receiver’s reply. After consulting with representatives of the Company and the original landlord for the Tuxedo Site it was determined that this removal would be the first one. The Receiver and Thrive discussed a budget and plan for removal of the equipment and Thrive communicated to the Tuxedo Landlord that they would be managing the removal and reinstallation of the solar panels for the Receiver and would co-ordinate scheduling and access with the Tuxedo Landlord and their roofing contractor. As detailed in the Thrive Report, the equipment was restored to the roof, improvements were made to conform to manufacturer installation specifications, but the inverters which were non functioning at the Appointment Date and not covered by warranty remain at the time of this First Report, not generating electricity.

41. Due to time constraints and available manpower in removing the solar equipment at 42 Tuxedo Court, ballast material used to weigh down the panel assemblies to the roof, could not be removed in time for the Tuxedo Landlord’s roofing contractor to begin work. As the roofing contractor had available manpower and the Tuxedo Landlord wished to proceed without delay it was agreed that the roofing contractor would remove the ballast and bill the Receiver either directly or via the Tuxedo Landlord. At the time of this First Report, the Receiver has not received any billing for this work, which occurred in April. Furthermore, the Receiver believes it would have an offset to any claim as Thrive discovered that mechanical security devices were bypassed on its rented equipment on premises and the equipment was used without its permission, allowing it to run overnight and over the weekend. In doing so the equipment consumed fuel and hourly usage

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charges paid for by the Receiver. Thrive's Mr. Marrello was advised by a tenant at 42 Tuxedo Court that they observed the Tuxedo Landlord's contractors using the equipment.

42. By letter dated April 7, 2022 the Tuxedo Landlord *inter alia* ultimately replied to the Receiver's request for a lease copy and confirmed they have made application for a zoning amendment for redevelopment of 42 Tuxedo Court. A copy of the Landlord's letter is attached hereto as **Appendix "O"**. Although not required by the lease, the Receiver responded by providing a copy of what, then, was the only information it had concerning the historical energy production at the Tuxedo Site, being the reports from Toronto Hydro, redacted so as to exclude the details of the Kingston Site. Subsequently, based upon updated information, the Receiver calculated and provided to the Tuxedo Landlord updated Tuxedo Site energy production information which confirmed that the correct and greater rate of rent due in accordance with the lease is \$7,000 per annum.

43. On April 14, 2022, the Tuxedo Landlord sent to the principal of the Company a rent arrears statement, which was forwarded to the Receiver. A copy of the email and statement are attached hereto as **Appendix "P"**. This is the first time the Receiver received such a statement from any party, notwithstanding requesting it from the Tuxedo Landlord in its email of February 16, 2022. The Receiver sought to promptly pay this account but was told not to by the Tuxedo Landlord, pending their review of the generation data provided by the Receiver. A copy of the correspondence is attached hereto as **Appendix "Q"**.

44. Despite there being no provision in the lease requiring any accounting of generation revenue, the Tuxedo Landlord was not satisfied with the information the Receiver provided. The

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Receiver provided the best explanation available at the time but ultimately could not provide any greater clarity or information regarding 3rd party data than what it has knowledge of. As more reliable information became available to the Receiver, both in response to requests made by the Tuxedo Landlord and independent of those requests, the Receiver voluntarily disclosed electricity generation from the Tuxedo Site and at all times, rent at the rate of \$7,000 per annum has been greater than 8% of annual generation. Accordingly, the Receiver has, at the date of this First Report, paid rent, in 3 tranches, in advance to December 31, 2022 at the monthly rate of \$583.33 (plus HST), being 1/12th of \$7,000 per annum and in accordance with the Tuxedo Landlord's statement.

45. The Receiver has not had any direct dealings with the Kingston Landlord, beyond periodic updates provided to its legal counsel³. With the Receiver's permission, Thrive has also provided periodic progress updates to the Kingston Landlord's legal counsel in connection with seeking access to the equipment at the Kingston Site. As described below the Receiver has exhausted its limited borrowing authority and to conserve its limited cashflow has deferred payment of rent to the Kingston Landlord.

3.6 Cash flow and borrowings

46. As described above the Receiver did not receive any generation revenue from Toronto Hydro until April 19, 2022 and what it did receive was insufficient to pay the costs associated with the Receivership especially the unforeseen cost to remove all equipment from 42 Tuxedo Court.

³ As the Applicant and the Kingston Landlord are related, the Applicant's and the Kingston Landlord's legal counsel are one and the same.

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As of the date of this First Report the Receiver has issued two Receiver's Certificates, and has borrowed to date the maximum allowed under the Appointment Order being the sum of \$100,000.00 from the Applicant. The Receiver holds a separate 3rd party retainer in the amount of \$10,000.00 received from the Applicant, segregated from its Receivership specific trust account, in its firm's general trust account reserved for 3rd party deposits.

47. As of the date of this First Report the Receiver has received total net receipts, inclusive of HST from Toronto Hydro under the FIT Contracts for the period January to September 2022, inclusive, in the amount of \$91,241.62. Attached hereto as **Appendix "R"** is the Receiver's schedule summarizing the Toronto Hydro revenue for the relevant period.

48. Readers are directed to Section 5.0 below regarding the receipts and disbursements of the Receiver⁴ and section 6.0 below regarding the fees and disbursements of the Receiver and RA.

3.7 Books and records

49. On January 26, 2022 the Receiver communicated in writing with Mr. H. Gunde, the Company's principal, advising of its appointment and requesting to be provided, without limitation, with all books and records, assets, properties and undertaking of the Company. A copy of the Receiver's letter, without enclosures, is attached hereto as **Appendix "S"**. In a series of emails between Mr. Gunde and the Receiver, Mr. Gunde in a timely fashion advised of the location of the fixed assets and identified the respective landlords.

⁴ September 2022 generation revenue was not received until November 2, 2022. As the Receiver uses a cash-based accounting system, the September revenue is not included in an accounting as of October 31, 2022.

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50. As no records were received by February 4, 2022, the Receiver began to follow up its request and in a series of emails between the Receiver and Mr. Gunde, Mr. Gunde indicated he would make delivery of documents and/or upload documents to an online portal for the Receiver's access. Ultimately Mr. Gunde began to make certain books and records available in an online portal, and when reviewed each time the Receiver noted there to be missing documents and made further requests.

51. The Receiver was not satisfied that Mr. Gunde had produced all books and records in his possession or control. The Receiver requested RA to write to legal counsel for Mr. Gunde and remind them of the obligations for production. Copies for RA's letter and Mr. Gunde's legal counsel's response are attached hereto as **Appendix "T"**. On March 22, 2022 Mr. Gunde's legal counsel advised that both the Company and Mr. Gunde have provided all documents in their possession and has handed over the accounting system to the Receiver. Subsequently the Receiver was made aware through its reviews of the available books and records and discussion with 3rd parties that specific books and records should exist and were not provided to the Receiver either by the Company or Mr. Gunde. When the Receiver tendered on Mr. Gunde by naming those specific books and records, it turns out that Mr. Gunde still had them in his possession and ultimately delivered them to the Receiver.

52. Mr. Gunde ultimately also advised the Receiver that he has surplus solar panels in storage as well as physical books and records in a storage locker. The Receiver attended at the storage facility on April 4, 2022 and took possession of the surplus panels but did not to locate any further records in the storage locker. When questioned by the Receiver, Mr. Gunde advised those records were in a different location than the one he advised the Receiver of.

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53. Mr. Gunde was asked repeatedly to produce them, and on or around May 17, 2022 delivered a box of physical records, consisting mainly of historic Toronto Hydro statements. The Receiver reviewed the statements and placed them in chronological order and noted they stopped at a specific date. The Receiver questioned Mr. Gunde regarding the balance of the records. Mr. Gunde advised at that point Toronto Hydro switched to an online portal and Mr. Gunde was surprised the Receiver didn't have access to it. This was the first time the Receiver learned of the existence of such portal as neither Mr. Gunde nor Toronto Hydro had advised of its existence, despite both parties having been on notice of the Receiver's appointment and requests for possession of all books and records of or relating to the Company.

54. The Receiver examined the bank statements and electronic bookkeeping records provided by Mr. Gunde and observed them to be incomplete. The Receiver examined 12 months of bank statements to determine any related party transactions. The Receiver's examination did not constitute an audit, review or tracing. The examination of the electronic accounting records led the Receiver to conclude that they too were incomplete and not reliable. This is further supported by Mr. Gunde's statement that the Company did not issue cheques and many transactions flowed through related companies. Attached hereto as **Appendix "U"** is Mr. Gunde's email advising of this.

3.8 *Canada Revenue Agency*

55. The Receiver was contacted by Canada Revenue Agency ("CRA") after receiving the Receiver's report under SS. 245 & 246 of the BIA. CRA advised that the Company was a quarterly filer of returns, but there was no record of the Company ever filing any return prior to the

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Appointment Date. The Receiver sought to determine the status of the Company's accounts, advise of its appointment and request that a "0002" HST account be established for the Receiver to file returns for its HST exigible activities. As of the date of this First Report, CRA has confirmed that a "0002" account has been set up however the Receiver has not yet received the required electronic filing access from CRA to allow it to file returns.

56. As the Receiver was not in possession of sufficient or reliable books and records to file returns for the Company's activities, and unpaid HST is a director liability, the Receiver advised Mr. Gunde that it will not accept responsibility for any liability raised against him as a result of notional assessment by CRA or arising from returns the Receiver files from the available books and records. The Receiver gave Mr. Gunde the opportunity to file outstanding returns that he believes accurately represents the activities of the Company under his control or provide the Receiver with the specific and complete information required to file all outstanding returns. After much discussion and delay, Mr. Gunde elected to cause the returns that the Company neglected to file, to be filed.

57. Mr. Gunde provided the Receiver with copies of quarterly filing confirmation for HST returns for the period January 1, 2019 to September 30, 2021. The Receiver attempted to perform a spot audit by reconciling a return with the electronic accounting records and was unable to. The Receiver requested from Mr. Gunde his working papers showing the calculations. Mr. Gunde has not supplied the Receiver with any working papers or updated records but directed the Receiver back to the electronic records supplied previously. Accordingly, the Receiver is unable to express any opinion regarding the integrity of the accounting records and the returns filed by Mr. Gunde and cannot rely upon them. The Receiver's opinion is that the only reliable records are the

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historical statements from Toronto Hydro that show the energy generation revenue. The Receiver has no reliable records demonstrating payment of any construction, operation or maintenance costs.

58. CRA has confirmed to the Receiver that the only pre-appointment HST return outstanding is for the stub period January 1, 2022 to the Appointment Date. The Receiver does not have sufficient reliable books and records to file the stub period return. Attached as **Appendix “V”** is the demand letter of CRA, asserting a trust claim of \$14,858.37 over the assets of the Company. The Receiver believes the letter contains a clerical error and the figure of “\$12,345.67” expressed in the first paragraph of the second page of the letter is a placeholder entry that should read \$14,858.37.

3.9 EnviroEn Inc.

59. Mr. Gunde is also the principal of EnviroEn. Inc. (“**EnviroEn**”) who *inter alia* was engaged by the Company in a maintenance contract, a copy of which is attached hereto as **Appendix “W”**.

60. The Receiver received certain reports, logs and records from EnviroEn but was not satisfied that they were sufficiently detailed or accurately represented the site conditions observed and reported on by Thrive. For example, the data supplied by EnviroEn stated that all equipment was functioning when that conclusion is not supported by either Thrive’s inspection or the historical records obtained from Toronto Hydro. Attached as **Appendix “X”** is the Receiver’s letter to EnviroEn advising it was not adopting its maintenance contract with the Company.

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4.0 POTENTIAL STALKING HORSE PROCESS

61. The Appointment Order, *inter alia*, granted the Receiver the power to market any and all of the Property including advertising and soliciting offers and negotiating terms of sale.

62. The Receiver approached legal counsel both the Applicant and Mr. Gunde/the Company and enquired if either of them or a party known to them wished to submit an offer to purchase the assets, properties and undertaking of the Company (the “**Assets**”) on either a credit or cash bid basis to serve as a stalking horse offer to be used in a stalking horse sales process to be approved by this Honourable Court. The Receiver was advised by respective counsel that neither party wished to be a purchaser and neither party introduced any potential purchasers to the Receiver.

63. The Receiver contacted eDGe Renewable Partners (“**Edge**”), a firm that specializes in renewable energy mergers and acquisition, regarding acting as a broker acting on behalf of the Receiver for the sale of the Company’s assets. After entering into a confidentiality agreement, the Receiver provided Edge with 5 years of generation data for them to review to then advise the Receiver of their estimated range of value of Assets and to provide a marketing proposal. After considering the opportunity, Edge advised that the scope of the Company’s assets was too small for them to get involved in and they declined the opportunity. Attached as **Appendix “Y”** is Edge’s email declining the opportunity. Portions indicating Edge’s cursory estimated valuation have been redacted so as not to make this figure public and potentially taint any future sales process.

64. As a result of the Edge response, the Receiver contacted MC2 Business Advisors Inc. (“**MC2**”), a boutique mergers and acquisitions firm the Receiver previously worked with, to see if they had the interest and expertise to assist the Receiver in a Court-approved sales process. After

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considering the opportunity, MC2 advised that although they have been involved in certain renewable energy mandates, they do not have specific solar energy experience and like Edge, felt that the size of the project was too small. They therefore also declined this opportunity.

65. The Receiver had disseminated notice of the Appointment Order through a regular email broadcast of the Insolvency Insider, a publication sent to the insolvency, legal and lending communities. In response to the initial publication, Mr. Anton Frolich, of Sculler Energy Corp. (“**Sculler**”), contacted the Receiver and advised that it would be interested in purchasing the Assets. The Receiver initially advised that they could participate in a future, to be approved sales process, however as they appeared to be a *bona fide* purchaser, the Receiver offered them the opportunity to conduct due diligence and make a stalking horse offer, subject to approval by this Honourable Court.

66. Sculler entered into a confidentiality agreement and was granted data room access to view available books and records, including a draft version of the Thrive Report, historical generation data obtained from Toronto Hydro statements, leases, the FIT Contracts, engineering reports and drawings. Through the due diligence review, Sculler identified documents that should be in existence, but were not in the Receiver’s possession. The Receiver sought and obtained these items from Mr. Gunde and other third parties.

67. Sculler provided the Receiver with a non-binding letter of intent (the “**LOI**”) dated August 31, 2022 to purchase the Assets. Attached as **Appendix “Z”** is a copy of the LOI with the purchase price redacted.

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68. The proposed purchase price in the Sculler LOI was in the range of value calculated by the Receiver. As the calculation involves the present value of a stream of payments, the calculated amount can differ based on the estimate of future revenue under the remaining term of the FIT contracts, an estimate for required maintenance and repairs as well as the present value interest factor used in the present value calculation. Sculler's proposed purchase price was at the low end of the Receiver's calculated range. Therefore, although low, the proposed purchase price was not commercially unreasonable. As Sculler agreed to have its offer stand as a stalking horse bid, ultimately, the marketplace would determine if any party was willing to bid more than Sculler.

69. The Receiver confirmed with Sculler that they were prepared to turn their LOI into a binding Asset Purchase Agreement and upon execution, to be used as the Stalking Horse Bid ("**Stalking Horse APA**") in a Court-approved Stalking Horse Sales Process. Sculler provided the Receiver with contact details for its legal counsel. The Receiver prepared a draft APA and bid procedures for RA to review and RA provided its comments and revisions.

70. RA, on behalf of the Receiver, communicated with legal counsel for both the Company and Mr. Gunde and legal counsel for the Applicant, providing them with the LOI. RA described in general about the Receiver's plans to run a Stalking Horse Sales Process and that it had an LOI that the Receiver would be prepared to have turned into a binding Stalking Horse APA. The Company/Mr. Gunde's legal counsel advised its client was supportive of the proposed stalking-horse process involving the LOI.

71. The Receiver also sought feedback from the Applicant in respect of the potential stalking horse sale process. Upon considering the potential stalking horse sale process, legal counsel for

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the Applicant advised that his client was not in favour of the LOI purchase price or a Stalking Horse Sales Process involving the LOI. Under the circumstances, unless the Applicant was prepared to make a superior stalking horse offer, the Receiver suggested that the only other commercially reasonable option would be for the Applicant to fund the receivership for another 12 months, including replacing the inverters at 42 Tuxedo Court so that the solar projects would show better performance before the Receiver attempts to sell the Company's assets. The Applicant's legal counsel asked for the Receiver's estimate of funding required to pay for all receivership costs to date as well as funding for the next 12 months.

72. Discussions ensued and the Receiver advised that a further amount of \$125,000 to \$150,000 would be required. The Applicant, while not supportive of a Stalking Horse Sales Process involving the LOI, was supportive of the Receiver running the business of the Debtor for an additional 12 months and agreed to fund the Receiver a further amount of \$125,000. This amount should cover costs incurred to date and provide for future costs over approximately a 9-to-12-month period. In order to borrow this further amount, the Receiver requires this Honourable Court to authorize an increase in the Receiver's initial borrowing authority of \$100,000 contained in the Appointment Order. RA advised the Applicant's legal counsel that the Receiver requires the Applicant's funds to be in the lawyer's trust account prior to the Receiver's motion being heard, so that there is certainty to the additional funding by the Applicant.

73. RA advised legal counsel for the Company/Mr. Gunde of the Applicant's position. Legal counsel advised RA that this was inappropriate, that a sales process should be undertaken and that Mr. Gunde would arrange for an offer to purchase the Assets to be submitted to the Receiver for review and consideration. As of the date of this First Report, no such offer has been received.

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74. On October 25, 2022, Sculler advised the Receiver that the Tuxedo Landlord was making various demands that made it impossible for Sculler to continue to be a purchaser and unfortunately, had no choice but to retract its LOI. Therefore, currently, there is no Stalking Horse APA, or purchaser.

75. In light of the facts that the Applicant was not supportive of a Stalking Horse Sales Process involving the LOI, which is now withdrawn; the past underperformance of the solar generation; the rejection by two experienced business brokers to aid in marketing; and the Applicant's willingness to fund the costs incurred to date and future estimated costs to improve the Company's assets, the Receiver believes that continuing the operations of the Debtor, collecting revenue and improving the Company's assets is a commercially reasonable approach. The Receiver believes this approach will both preserve the value of the Company's assets, and improve its value for a future sales process.

76. In summary, the Receiver's plan to operate the business of the Debtor through approximately September 30, 2023 involves:

- a. Collecting hydro generation revenue from Toronto Hydro;
- b. Overseeing the replacement of all damaged inverter components at the Kingston Site under warranty as components become available;

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- c. As components become available and weather conditions are safe to permit, replace all damaged inverters⁵, not under warranty, at 42 Tuxedo Court and bring the site on-line to generate electricity; and
- d. Perform inspections of all equipment and maintain as needed (the foregoing is collectively defined as the “**Operations Plan**”).

5.0 RECEIVER’S STATEMENT OF RECEIPTS AND DISBURSEMENTS

77. As described in this First Report the Receiver has been collecting and utilizing the hydro generation revenue receipts to fund its mandate, along with advances from the Applicant. Attached as **Appendix “AA”** is the Receiver’s Statement of Receipts and Disbursements for the period January 24, 2022 to October 31, 2022.

6.0 PROFESSIONAL FEES AND DISBURSEMENTS

78. Attached as **Appendix “BB”** is a copy of the Affidavit of Mr. Brandon Smith in connection with the Receiver’s fee and disbursements including the detailed statement of account for all work done since being consulted to act as Receiver to October 31, 2022 inclusive, in the amount of \$72,683.67 (inclusive of disbursements and excluding HST). As indicated in the Statement of Receipts and Disbursements, to date, the amount of \$30,335.46 (plus HST) has been advanced on account of the Receiver’s fee and disbursements.

⁵ The Receiver estimates the cost including labour and rental of equipment to be in the range of \$35,000 – \$50,000.

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79. Attached as **Appendix “CC”** is a copy of the Affidavit of Irving Marks in connection with RA’s fee and disbursements including the detailed statement of account for the period since being retained by the Receiver to October 31, 2022 in the amount of \$45,524.24 (inclusive of HST). As indicated in the Statement of Receipts and Disbursements, to date, the amount of \$18,434.50 (plus HST) has been advanced on account of RA’s fee and disbursements.

7.0 OTHER MATTERS

80. In accordance with Subsections 245(1) and 246(1) of the BIA, on February 14, 2022, ISI’s statutory Report (the “**BIA Report**”) was sent by ordinary mail to the Debtor, the Office of the Superintendent of Bankruptcy and all known creditors of the Debtor. Attached as **Appendix “DD”** to this First Report is a copy of the BIA Report.

81. In accordance with Subsection 246(2) of the BIA, on July 21, 2022, ISI’s statutory First Interim Report (the “**Interim Report**”) was sent by ordinary mail to the Debtor and the Office of the Superintendent of Bankruptcy (and all known creditors of the Debtor who requested a copy⁶). Attached as **Appendix “EE”** to this First Report is a copy of the Interim Report.

8.0 CONCLUSION AND RECOMMENDATIONS

82. For the reasons set out in this First Report, the Receiver respectfully requests that this Honourable Court approve:

⁶ No creditor requested a copy, one was provided as a courtesy to the Applicant’s counsel.

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- a) this First Report and the actions and activities of the Receiver described herein prior to and since the Appointment Date;
- b) authorizing the increase in the Receiver's borrowing authority from \$100,000 to \$225,000;
- c) approving the Receiver's plan to not seek approval for a sales process at this time but rather carry out the Operations Plan and then seek approval of this Honourable Court for a sales process;
- d) approving the accounting for the receipts and disbursements of the Receiver from January 24, 2022 to October 31, 2022; and
- f) approving the fees, disbursements and other costs incurred to date by the Receiver and its legal counsel, RA.

All of which is respectfully submitted at Toronto, Ontario this 10th day of November, 2022.

IRA SMITH TRUSTEE & RECEIVER INC.
solely in its capacity as Court-Appointed Receiver
of Saptashva Solar S.A., and not in its personal Capacity

Per:



Ira Smith – President

APPENDIX B2

Court File No. CV-21-00655706-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**SUPPLEMENTARY REPORT TO THE
FIRST REPORT OF IRA SMITH TRUSTEE & RECEIVER INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
SAPTASHVA SOLAR S.A.**

DECEMBER 6, 2022

1.0 INTRODUCTION

1. This supplementary report (the “**Supplementary Report**”) is filed by Ira Smith Trustee & Receiver Inc. (“**ISI**”) in its capacity as Court-appointed Receiver (the “**Receiver**”), pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the Courts of Justice Act, R.S.O 1990, c.43, as amended (the “**CJA**”), without security, of all of the assets, undertakings and properties of Saptashva Solar S.A. (“**Saptashva**” OR the “**Company**” or the “**Debtor**”).

2. This report is supplementary to the Receiver’s First Report to Court dated November 10, 2022 (the “**First Report**”) contained in the Receiver’s motion record of the same date for the Receiver’s motion heard on December 2, 2022.

3. After hearing the submissions of all counsel and of the Receiver, the Honourable Madam Justice Conway granted a very brief adjournment of the Receiver’s motion to Wednesday, December 7, 2022 to allow for:

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- a. the Receiver to consider the non-binding letter of intent (“**LOI**”) submitted by Hexa Ventures Ltd. (“**Hexa**”) by email at 6:33 p.m. (Toronto time) on December 1, 2022, to see if the Receiver should reconsider selling the business instead of operating it; and
 - b. to allow Mr. A. Morrison, legal counsel for Saptashva, the Respondent in this receivership proceeding, to deliver and upload to CaseLines by noon on December 6, 2022, written submissions setting out, in explicit detail, his objections to the report and fees.
4. Attached as **Appendix “A”** is a copy of the Hexa LOI and attached as **Appendix “B”** is a copy of Her Honour’s endorsement.

1.1 Purpose of this Report

5. The purpose of this Supplementary Report is to report to this Honourable Court on the Receiver’s efforts in considering the LOI and in responding to Mr. Morrison’s request for information.

1.2 Disclaimer

6. This report is prepared solely for the use of the Court and the stakeholders in this proceeding, for the purpose of assisting the Court in making a determination whether to approve the actions and activities of the Receiver, and other relief being sought in the Receiver’s First Report. It is based on the Receiver’s analysis of information provided to it by the management, Directors, staff, and contractors of the Debtor, and other third parties as stated herein, which

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included unaudited financial statements and internal financial reporting. The Receiver's procedures did not constitute an audit or financial review engagement of the Debtor's financial reporting. Where stated, the Receiver has relied upon the Information in reaching the conclusions set out in this report.

2.0 COMMUNICATIONS WITH HEXA PRIOR TO DECEMBER 1, 2022

7. Prior to submitting its LOI on December 1, 2022, on November 11, 2022, the day after the service of the Receiver's motion record including the First Report, Mr. Morrison provided to the Receiver's legal counsel, Mr. D. Michaud of Robins Appleby LLP, a document from Hexa which it described as a non-binding term sheet dated November 4, 2022 (the "**Term Sheet**").

8. In the Term Sheet, Hexa offered to purchase the assets, properties and undertakings of Saptashva for the amount of \$350,000. Attached as **Appendix "C"** is a copy of the Term Sheet.

9. As the Term Sheet was non-binding and contained other terms of a proposed transaction that were inappropriate for a court-supervised receivership sale of assets, the Receiver reached out to Mr. K. Sandhu, CEO of Hexa, who signed the Term Sheet, by email dated November 21, 2022. The Receiver would have corresponded with Mr. Sandhu sooner however the Term Sheet did not have any email contact for Mr. Sandhu, and it was not until the next business day that Mr. Morrison's reply of November 18, 2022, to Mr. Michaud's request for contact details, was relayed to the Receiver.

10. The purpose of the email was to meet with Mr. Sandhu, his legal counsel and Mr. Michaud to discuss his Term Sheet to see if there was sufficient agreement to produce a binding agreement

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of purchase and sale for Mr. Sandhu's review. Attached as **Appendix "D"** is a copy of the email of Mr. B. Smith of the Receiver to Mr. Sandhu.

11. On the same day, Mr. Sandhu replied by email stating that he did not wish to have any discussions with the Receiver as there had yet to be a court-approved sales process. Mr. Sandhu's email also intimated that even after such a court-approved process was established, the only form of communication acceptable to Mr. Sandhu was email. Attached as **Appendix "E"** is a copy of Mr. Sandhu's November 21, 2022 email.

12. On the same day, the Receiver replied to Mr. Sandhu advising, *inter alia*, that the Receiver had the authority to market the assets, property and undertaking of Saptashva but not to enter into an agreement of purchase and sale at that time and repeated the Receiver's desire to meet with Mr. Sandhu and his legal counsel to discuss the basis of an offer that the Receiver could recommend to this Honourable Court. Attached as **Appendix "F"** is a copy of the Receiver's email dated November 21, 2022.

13. On the same day, there was one more exchange of emails between Mr. Sandhu and the Receiver. There was no further communication until receiving Mr. Sandhu's email and the Hexa LOI on December 1, 2022. Attached as **Appendices "G" and "H"** is a copy of the final November 21, 2022 email exchange.

3.0 THE HEXA LOI

14. In accordance with Her Honour's endorsement, on December 2, 2022, Mr. I. Smith of the Receiver sent an email to Mr. Sandhu, advising that:

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- a. Her Honour granted a very brief adjournment until Wednesday, December 7, 2022, so that the Receiver can further consider the HEXA LOI to see if agreement can be reached on terms that would form a binding Agreement of Purchase and Sale.
 - b. The Receiver and its legal counsel wished to meet with Mr. Sandhu and Hexa's legal counsel on Monday, December 5, 2022. The purpose of the meeting would be to explain the terms of the Hexa LOI that are not workable in a receivership context, to see if mutually agreeable terms can be established and to further explain the proposed sales process the Receiver would then recommend to this Honourable Court should we ultimately end up in a binding Agreement of Purchase and Sale with Hexa that it would allow it to stand as a stalking horse bidder.
15. Attached as **Appendix "I"** is a copy of the Receiver's email to Hexa dated December 2, 2022.
16. Mr. Sandhu replied on the same day advising that Mr. Morrison would act on behalf of Hexa, that he was not comfortable meeting as he is part of an investor group and that all communications should be in writing only. Attached as **Appendix "J"**.
17. The Receiver responded on that same afternoon to Mr. Sandhu. The Receiver provided Mr. Sandhu with the essential terms any offer would need to include. Attached as **Appendix "K"** is the Receiver's email.
18. As indicated in the appendices, Mr. Morrison was copied on the December 2, 2022 email exchange between the Receiver and Mr. Sandhu. On December 5, 2022 Mr. Morrison emailed the

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Receiver and Mr. Michaud to indicate that he was available to meet at any time to resolve a fair process related to the Saptashva assets.

19. At 2:45 p.m. that same day, a video meeting was held between Mr. Morrison, Mr. Michaud and Messrs. I. Smith and B. Smith of the Receiver, to discuss the Hexa offer. Mr. Michaud reviewed the Receiver's comments contained in its email included in this Supplementary Report as Appendix "K".

20. Mr. Morrison indicated that all of the points raised seemed fair, other than for the requirement of the full purchase price to be put in Mr. Michaud's trust account as a condition precedent. Mr. Morrison suggested that a deposit of \$25,000 should be sufficient.

21. Mr. Michaud explained to Mr. Morrison that when the Receiver performed an online search of Hexa, there was very little information available, which did not provide any comfort. Mr. Michaud and Mr. I. Smith advised Mr. Morrison that any deposit, if not the full purchase price, would have to be a significant amount which the Receiver considered to be six-figures.

22. The meeting concluded and Mr. Morrison advised that he would speak to his client Hexa about the Receiver's requirements to move forward in attempting to enter into a binding agreement of purchase and sale with Hexa.

23. Later that afternoon, Mr. Morrison advised by email that he recommended to Hexa that they put up a deposit of \$25,000. Afterwards, Mr. Morrison's office advised by email that the \$25,000 deposit can be in Mr. Morrison's trust account some time later this week.

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24. This news was obviously disappointing, since we advised Mr. Morrison that the deposit would have to be a substantial six-figure amount, if not the entire purchase price, given the lack of any information about Hexa and its financial position.

25. On December 6, 2022, Mr. Michaud advised the Receiver that he had a conversation with Mr. S. Turk, legal counsel for the Applicants in these receivership proceedings. Mr. Michaud advised that he brought Mr. Turk up to date regarding the discussions with Mr. Morrison regarding the Hexa LOI and the new information regarding a deposit of \$25,000.

26. Mr. Michaud advised the Receiver that Mr. Turk advised him that, the Applicants were not supportive of the Hexa LOI and certainly not with such a small deposit from an unknown party.

27. In its application to this Honourable Court for the appointment of a receiver, Mr. G. Thadani, who is one of the Applicants and is the principal of the two corporate Applicants, deposed that the Applicants advanced two loans to Saptashva which were also personally guaranteed by the principal and director of the Company. Mr. Thadani also deposed that for both loans, the Applicants have security over the assets, properties and undertaking of Saptashva and are owed as at December 31, 2020 the total amount of \$1,429,760.96 under such security.

28. Mr. Thadani also deposed that the Applicants have partial summary judgment against the principal and director of Saptashva under his personal guarantee for the loans advanced to Saptashva.

29. The Receiver has not yet requested Mr. Michaud to provide his opinion on the validity and ranking of the security of the Applicants as there is not yet any proposed distribution to be

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approved by this Honourable Court. Based on the information known to the Receiver at this time, as described in the First Report and this Supplementary Report, it is obvious that the Applicants as secured creditor will suffer a shortfall from the realization of assets in this receivership.

30. The Applicants support and are prepared to fund the Operations Plan (as defined in the First Report) notwithstanding they will suffer a significant shortfall. By providing this support, the Applicants will be increasing the amount of their shortfall. The Applicants do not support the Hexa LOI.

31. The Receiver cannot obtain any information on Hexa or its financial position. The Receiver cannot support the Hexa LOI with a deposit of only \$25,000, which is an increase from the amount stated in the Hexa LOI. Such an amount is disappointing after the Receiver and its legal counsel advised Mr. Morrison that the deposit would need to be a six-figure amount for the Receiver to agree to continue to deal with Hexa.

4.0 OTHER DECEMBER 2, 2022 AND SUBSEQUENT COMMUNICATIONS WITH MR. MORRISON AND HIS OFFICE

32. On December 2, 2022 at 11:48 a.m. Mr. Morrison left a voicemail for our Mr. I. Smith requesting clarification on some financial matters. Attached as **Appendix “L”** is a transcription of Mr. Morrison’s voicemail.

33. The Receiver responded to Mr. Morrison’s voicemail by advising that that he should put all questions and concerns in writing and email them to both Mr. Smith and Mr. Michaud. The

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Receiver also advised that if Mr. Morrison preferred to have a conversation, he should call Mr. Michaud. Attached as **Appendix “M”** is a copy of that email.

34. On December 2, 2022 at 2:33 p.m. Mr. Morrison left another voicemail for Mr. I. Smith requesting a “...simple, clear financial statement...”. Attached as **Appendix “N”** is a transcription of Mr. Morrison’s voicemail.

35. The Receiver responded by email to Mr. Morrison’s second voicemail advising that:
- a. The books and records of the company provided to us by your client, as articulated in our report to Court, cannot be relied upon, so therefore the Receiver has not prepared any financial statements.
 - b. Our statutory report under the *Bankruptcy and Insolvency Act (Canada)* which is Appendix “DD”, being pp. 311-314, inclusive, in our motion record indicates, in addition to the report itself, our understanding of the assets of Saptashva and who the known creditors are at the date of issuance of that report. This would indicate our understanding of the assets we took possession of and the creditors known to us. This would also resemble a portion of a balance sheet.
 - c. Appendix “AA”, being page 248 in our motion record, being the Receiver’s Statement of Receipts and Disbursements for the period January 24, 2022 to October 31, 2022. This would be the equivalent of a cash-basis income statement and is a very standard document in all receivership matters.

36. Attached as **Appendix “O”** is a copy of the Receiver’s email.

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37. Finally, Mr. Morrison's office asked one question concerning one of the suppliers indicated in the payment breakdown contained in Appendix "O". The Receiver answered that question by email.

5.0 SAPTASHVA CROSS MOTION DATED DECEMBER 6, 2022

38. The Receiver has reviewed the Saptashva motion record and the Affidavit of Mr. Harshal Gunde. The Receiver makes the following comments and observations regarding Mr. Gunde's sworn affidavit:

- a. **Paragraphs 9 and 10** – The Receiver described the relationship between Saptashva and EnviroEn Inc. in paragraphs 59 and 60 of the First Report, page 38 of the Receiver's motion record, including providing a copy of the maintenance contract. The Receiver's 2 year review of the single known Saptashva bank account maintained at The Toronto-Dominion Bank ("TD") indicates that in 2020 and 2021, the amounts of \$86,957.90 and \$67,886.00 were transferred to a different account maintained at TD. The Saptashva general ledger, although is an incomplete accounting record, it does indicate that the other TD account the funds were transferred into was for the benefit of EnviroEn Inc.

Accordingly, the Receiver has no knowledge of a total amount of \$24,000 and Mr. Gunde does not provide any evidence of annual payments by Saptashva to EnviroEn limited to the amount of \$24,000 per annum. As indicated in the First Report, the Receiver cannot place any reliance on the Saptashva accounting records.

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In his criticisms, Mr. Gunde ignores the Receiver's evidence contained in the First Report concerning the costs of repairing the solar projects due to the incorrect installation and deferred maintenance caused by Saptashva and the need under the 42 Tuxedo lease to remove and then re-install that solar project due to the Tuxedo Landlord's need to replace the building roof.

- b. **Paragraph 11** – As indicated in the First Report, although there were very preliminary discussions with the Tuxedo Landlord (as defined in the First Report), no offer was ever received from the Tuxedo Landlord. The Receiver has no knowledge of what Mr. Gunde has deposed and notes that he has not provided any details of such purported offer. Accordingly, there is nothing for the Receiver to consider let alone accept, subject to the approval of this Honourable Court.

The Receiver notes that the Tuxedo Landlord was served with the Receiver's motion record and did not retain legal counsel to attend in court and make submissions on its behalf on December 2.

- c. **Paragraphs 12-14** – With respect to the Receiver's fee and disbursements as disclosed in the First Report, the Receiver has provided very detailed evidence. Mr. Gunde makes very wide-sweeping generalizations almost identical to those made by Mr. Morrison to this Honourable Court on December 2, 2022. Mr. Gunde does not provide any expert evidence or details in support of his or Mr. Morrison's criticisms.

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Further, the Receiver's and its legal counsel's fees and disbursements, being a required cost of a receivership administration, have no relationship to the operating costs of the solar projects. Mr. Gunde adds these costs into the operating costs to somehow attempt to prove that the solar projects are not being operated properly.

- d. **Paragraphs 16, 18 and 19** – The Receiver's position is that the solar projects have been properly maintained by the Receiver with the assistance of Thrive Inc. The Receiver has described in the First Report the various states of disrepair it found the solar projects upon its appointment and the obvious deferred maintenance as a result of Saptashva not spending the appropriate amount for ongoing repairs and maintenance. The First Report also describes how certain components of the solar projects were improperly installed by Saptashva/Mr. Gunde and required correcting.
- e. **Paragraph 21** – Mr. Gunde uses a very simplistic approach in attempting to estimate future costs, by simply multiplying the costs contained in the First Report by a multiple. It is clear that the Receiver would not have to deal with issues already dealt with or incur costs for repairs already performed. The Receiver cannot estimate the cost of future unforeseen events which have not yet transpired. The Receiver's best estimate of future costs is the amount of the increased borrowing authority being requested from this Honourable Court.
- f. **Known contradictory statements contained in Mr. Gunde's sworn Affidavit** – Mr. Gunde was examined at the offices of Network North Reporting & Mediation,

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Suite 1200, 25 Sheppard Avenue West, Toronto, Ontario, on the 12th day of September, 2017.

Civil Engineer claim – In paragraph 4 of his sworn affidavit, Mr. Gunde deposes that he is a Civil Engineer. In response to question 22 on page 6 in his examination, Mr. Gunde stated that he has a Bachelor of Technology in Civil Engineering degree from a university in India. Mr. Gunde in his examination then further describes his work experience in North America as a management consultant in supply chain management and not as an engineer.

The Receiver performed a search of the Professional Engineers Ontario directory. Attached as **Appendix “P”** is that search indicating that Mr. Gunde is not registered as a Civil Engineer with that body.

EnviroEn Inc. – In response to question 66 on page 11 of his examination, Mr. Gunde advised that approximately 2 years before his examination in 2017, EnviroEn Inc. became inactive. Therefore, the Receiver does not understand how other than for a bit of historical context, anything deposed by Mr. Gunde related to EnviroEn Inc. can be relied upon by this Honourable Court.

Attached as **Appendix “Q”** is a copy of the relevant pages of Mr. Gunde’s examination.

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6.0 CONCLUSION AND RECOMMENDATIONS

39. The Receiver's proposed Operations Plan for which it seeks the approval of this Honourable Court is mutually exclusive from any unsolicited offer that may be made to the Receiver going forward. In the event an offer is made that the Receiver feels it can recommend to this Honourable Court as part of a Court-approved sales process, that approved sales process can be incorporated at that time into the Operations Plan. The Operations Plan is meant to bring the remaining inoperative solar project online and allow for additional warranty replacement work of parts. This will allow the Receiver to attempt to maximize the value of the assets, properties and undertaking when all solar projects of the Company are fully operational.

40. For the reasons set out in the First Report and this Supplementary Report, the Receiver respectfully requests that this Honourable Court approve the Receiver's First Report and the actions, activities, fees and disbursements and the Operations Plan, all as described in the First Report and the Receiver's motion record.

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All of which is respectfully submitted at Toronto, Ontario this 6th day of December, 2022.

IRA SMITH TRUSTEE & RECEIVER INC.
solely in its capacity as Court-Appointed Receiver
of Saptashva Solar S.A., and not in its personal Capacity

Per:



Ira Smith – President

APPENDIX B3

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

**SECOND SUPPLEMENTARY REPORT TO THE
FIRST REPORT OF IRA SMITH TRUSTEE & RECEIVER INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
SAPTASHVA SOLAR S.A.**

DECEMBER 11, 2022

1.0 INTRODUCTION

1. This second supplementary report (the “**Second Supplementary Report**”) is filed by Ira Smith Trustee & Receiver Inc. (“**ISI**”) in its capacity as Court-appointed Receiver (the “**Receiver**”), pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the Courts of Justice Act, R.S.O 1990, c.43, as amended (the “**CJA**”), without security, of all of the assets, undertakings and properties of Saptashva Solar S.A. (“**Saptashva**” OR the “**Company**” or the “**Debtor**”).

2. This report is supplementary to the Receiver’s First Report to Court dated November 10, 2022 (the “**First Report**”) contained in the Receiver’s motion record of the same date for the Receiver’s motion heard on December 2, 2022; and the Receiver’s Supplementary Report to Court dated December 7, 2022 (the “**Supplementary Report**”).

3. After hearing the submissions of all counsel and of the Receiver, the Honourable Madam Justice Conway granted a further very brief adjournment of the Receiver’s motion to Monday,

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December 12, 2022 to allow for the Receiver reconsider selling the business through a stalking horse sales process with Hexa Ventures Ltd. (“**Hexa**”) standing at the stalking horse bidder, instead of operating it as recommended in the First Report. As articulated by the Receiver in Court that would include:

- a. Hexa retaining independent legal counsel;
 - b. Hexa’s demonstration that it can conduct itself in a manner that gives the Receiver comfort that Hexa is a *bona fide* party by its retention of counsel and depositing with the Receiver’s legal counsel \$100,000.00 as a deposit towards its purchase of the assets of Saptashva (the “**Deposit**”); and
 - c. if the above conditions are met, the Receiver would provide Hexa’s counsel with a form of asset purchase agreement appropriate for a Receivership stalking horse sales process, subject to the approval of this Honourable Court.
4. Attached as **Appendix “A”** is a copy of Her Honour’s endorsement.

1.1 Purpose of this Report

5. The purpose of this Second Supplementary Report is to report to this Honourable Court on the events that have transpired since this Honourable Court adjourned on December 7, 2022.

1.2 Disclaimer

6. This report is prepared solely for the use of the Court and the stakeholders in this proceeding, for the purpose of assisting the Court in making a determination whether to approve

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the actions and activities of the Receiver, and other relief being sought in the Receiver's First Report. It is based on the Receiver's analysis of information provided to it by the management, Directors, staff, and contractors of the Debtor, and other third parties as stated herein, which included unaudited financial statements and internal financial reporting. The Receiver's procedures did not constitute an audit or financial review engagement of the Debtor's financial reporting. Where stated, the Receiver has relied upon the Information in reaching the conclusions set out in this report.

2.0 COMMUNICATIONS WITH MR. MORRISON ON DECEMBER 7, 2022

7. Following adjournment of Court on December 7, 2022, Mr. D. Michaud of Robins Appleby LLP, counsel to the Receiver wrote to Mr. Morrison to provide wire instructions for it's trust account, for the purpose of receiving the Deposit and to request the contact details of Hexa's counsel. Attached as **Appendix "B"** is a copy of Mr. Michaud's email.

8. Ms. A. Bolton of Mr. Morrison's office replied stating that there were three elements to be satisfied regarding Hexa's offer, including the Receiver providing a form of asset purchase agreement for Hexa's review and erroneously stating that the Deposit could be made to either Messers. Michaud's or Morrison's trust account. Attached as **Appendix "C"** is a copy of the email of Ms. Bolton.

9. Mr. I. Smith of the Receiver replied by email stating *inter alia* that what was discussed amongst the parties in Court, was that the Deposit was to be placed into Mr. Michaud's trust account and following that and Hexa's retention of counsel and paying of the Deposit, the Receiver would provide to Hexa's counsel a form of asset purchase agreement suitable for these

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proceedings, for discussion amongst the parties and execution by Hexa. A subsequent email was sent by Mr. Smith clarifying a typographical error with respect to the quantum of the Deposit.

Appendix “D” is a copy of Mr. I. Smith’s emails.

3.0 HEXA’S CONDUCT

10. At the close of business on December 9, 2022 the Receiver contacted Mr. Michaud who confirmed that he neither received the Deposit from Hexa nor was he contacted by counsel for Hexa.

11. At 4:00PM on the date of this Second Supplementary Report neither the Receiver nor Mr. Michaud had been contacted by Hexa, their counsel nor had the Deposit been received.

12. As reported in the Supplementary Report, given that Hexa has refused several invitations to meet with the Receiver and respective counsel and specifically after being advised by the Receiver on November 21, 2022, what the terms of offer the Receiver would consider appropriate, Hexa chose to not respond until the evening prior to the December 2, 2022 return date of the Receiver’s motion, and everything that has transpired since, the Receiver does not believe that Hexa is acting in good faith or is a *bona fide* purchaser.

4.0 CONCLUSION AND RECOMMENDATIONS

13. As neither Hexa nor any legal counsel advising they are representing Hexa has contacted the Receiver and Mr. Michaud has not received the Deposit, the Receiver reiterates its recommendations from the First Report and Supplementary Report that the Operations Plan and

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other matters for which it seeks the approval of this Honourable Court be approved without any further requests for adjournment.

14. Any unsolicited offer that may be made to the Receiver going forward is mutually exclusive from the Operations Plan. In the event an offer is made that the Receiver feels it can recommend to this Honourable Court as part of a Court-approved sales process, that approved sales process can be incorporated at that time into the Operations Plan. The Operations Plan is meant to bring the remaining inoperative solar project online and allow for additional warranty replacement work of parts. This will allow the Receiver to attempt to maximize the value of the assets, properties and undertaking when all solar projects of the Company are fully operational.

15. For the reasons set out in the First Report and the Supplementary Report, and this Second Supplementary Report, the Receiver respectfully requests that this Honourable Court approve the Receiver's First Report and the actions, activities, fees and disbursements and the Operations Plan, all as described in the First Report and the Receiver's motion record.

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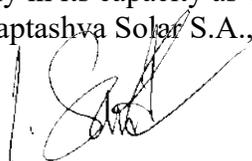
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All of which is respectfully submitted at Toronto, Ontario this 11th day of December, 2022.

IRA SMITH TRUSTEE & RECEIVER INC.
solely in its capacity as Court-Appointed Receiver
of Saptashva Solar S.A., and not in its personal Capacity

Per:



Ira Smith – President

APPENDIX B4

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**SECOND REPORT OF IRA SMITH TRUSTEE & RECEIVER INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
SAPTASHVA SOLAR S.A.**

DATED JANUARY 31, 2024

1.0 INTRODUCTION

1. This report (the “**Second Report**”) is filed by Ira Smith Trustee & Receiver Inc. (“**ISI**”) in its capacity as Court-appointed Receiver (the “**Receiver**”), pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the Courts of Justice Act, R.S.O 1990, c.43, as amended (the “**CJA**”), without security, of all of the assets, undertakings and properties of Saptashva Solar S.A. (“**Saptashva**” or the “**Company**” or the “**Debtor**”).

2. The Honourable Justice Cavanagh made an order dated January 24, 2022 (the “**Appointment Date**”) appointing the Receiver (the “**Receivership Order**”). A copy of the Receivership Order and His Honour’s endorsement are attached hereto as **Appendix “A”**.

3. The Receiver to date has filed a First Report to Court dated November 10, 2022 (the “**First Report**”) and two supplements to the First Report, dated December 6, 2022 and December 11, 2022, (respectively the “**First Supplementary Report**” and the “**Second Supplementary**

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Report”). These three reports, without exhibits, are attached hereto as **Appendices “B1”, “B2”** and **“B3”**.

4. After hearing the submissions of the Receiver and respective counsel with respect to the Receiver’s motion to approve the First Report and the supplements thereto, and the actions, activities and recommendations contained therein, on December 2, 7 and 12, the Honourable Madam Justice Conway granted an Order, *inter alia*, approving the Relief sought by the Receiver, including its Operations Plan as defined and detailed in the First Report. Attached hereto as **Appendices “C1”, “C2”, “C3”** and **“C4”** is Her Honour’s Order dated December 12, 2022 (the **“First Report Approval Order”**) and Her Honour’s endorsements dated December 2, 7 and 12, respectively.

1.1 Purpose of this Report

5. The purpose of this Second Report is to report to this Honourable Court on the administration of this Court-appointed receivership since the date of the First Report Approval Order and on the assets and operations of the Debtor, in support of a motion by the Receiver to obtain an Order of the Court:

- a) approving the actions and activities of the Receiver since the First Report Approval Order as detailed in this Second Report;
- b) authorizing the Receiver to enter into an agreement (the **“Purchase Agreement”**) to sell all or substantially all of the assets, property and undertakings of the Company (the **“Purchased Assets”**) to 1034523 Ontario Limited (**“103”** or the **“Purchaser”**)

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(the “**Transaction**”), substantially in the form of the agreement attached hereto as **Appendix “D”** (the “**Stalking Horse APA**” or the “**Stalking Horse Bid**”);

- c) approving the bidding procedures described in this report and attached as **Appendix “E”** (the “**Bid Procedures**”) and the sales and auction process described in this report (collectively, the “**Stalking Horse Process**”) and authorizing and directing the Receiver to conduct the Stalking Horse Process;
- d) in the event that the Receiver concludes a sale of all, or substantially all, of the Purchased Assets to a Successful Bidder (as defined in the Bid Procedures) other than the Stalking Horse Bidder, approving and authorizing the Receiver to pay the Breakup Fee (as defined in the Bid Procedures) to the Stalking Horse Bidder forthwith following the closing of such sale approved by the Court in accordance with the provisions of the Stalking Horse Bid;
- e) approving the accounting for the receipts and disbursements of the Receiver from January 24, 2022 to November 30, 2023; and
- f) approving the fees, disbursements and other costs incurred for the period from November 1, 2022 to November 30, 2023, by the Receiver and its legal counsel, Robins Appleby LLP (“**RA**”).

1.2 Disclaimer

6. In preparing this Second Report, the Receiver, where stated, has relied upon information obtained from and discussions with contractors and other third parties as stated herein

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(collectively, the “**Information**”). The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information and expresses no opinion, or other form of assurance, in respect of the Information. As indicated herein, the Receiver is of the opinion that the books and records provided by the Debtor and its principal were incomplete. Accordingly, the Receiver had to collect data from third parties and from operating the business of the Company to be able to initially determine the financial position of the Company and to accumulate the Information.

7. This report is prepared solely for the use of the Court and the stakeholders in this proceeding, for the purpose of assisting the Court in making a determination whether to approve the actions and activities of the Receiver, and other relief being sought. It is based on the Receiver’s analysis of information provided to it by the management, Directors, staff, and contractors of the Debtor, and other third parties as stated herein, which included unaudited financial statements and internal financial reporting. The Receiver’s procedures did not constitute an audit or financial review engagement of the Debtor’s financial reporting. Where stated, the Receiver has relied upon the Information in reaching the conclusions set out in this report.

2.0 BACKGROUND AND OVERVIEW

8. The background of the Company as understood by the Receiver, is disclosed in Section 2.0 of the First Report. Readers are referred to that section of the First Report.

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3.0 ACTIVITIES OF THE RECEIVER

3.1 *Toronto Hydro*

9. In May, 2022, a representative of Toronto Hydro contacted the Company regarding scheduling an audit of certain equipment installed at the generation sites located at 40 and 42 Tuxedo Court, Toronto (the “**Tuxedo Site**”). The representative was directed to contact the Receiver, who through its project and property manager, Mr. Marello of Thrive Inc, facilitated a site visit.

10. Mr. Marrello advised the Receiver following the visit, that at the time the Company constructed the Tuxedo Site certain components related to Toronto Hydro’s supervisory control and data acquisition (“**SCADA**”) that were to be provided by Toronto Hydro, were not available and were supplied by the Company, with the understanding that Toronto Hydro would purchase that equipment from the Company. As the 42 Tuxedo equipment was not generating electricity at the time of the audit, the auditor was unable to fully conduct his inspection and requested to be contacted when 42 Tuxedo became operational.

11. The Receiver is not in possession of any of the Company’s books, records, contracts or other documentation concerning the SCADA equipment. Readers are directed to Section 3.7 of the First Report regarding the Receiver’s efforts to obtain books and records from the Company and its principal, Mr. H. Gunde.

12. Toronto Hydro reattended following the Receiver’s replacement of the inverters at 42 Tuxedo which made the equipment operational. In June 2023 a Toronto Hydro representative

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contacted the Receiver to begin the process of buying the SCADA equipment. On September 5, 2023, Toronto Hydro presented the Receiver with its offer to purchase the SCADA equipment located at the Tuxedo Site for \$15,160.00. The Receiver conferred with Mr. Marrello who confirmed that all the equipment that Toronto Hydro was seeking to purchase was at the site and that the offer was reasonable.

13. The Receiver sought advice from its legal counsel and after several rounds of revisions to Toronto Hydro's SCADA buyback agreement, the Receiver and Toronto Hydro entered into a purchase agreement as of October 27, 2023 with a transaction closing date of December 22, 2023 (the "SCADA APA"). A copy of the agreement is attached hereto as **Appendix "F"**. Paragraph 2(k)(i) of the Appointment Order authorizes the Receiver to enter into and close this contemplated transaction without further approval from this Honourable Court.

14. The Receiver was not in funds by December 22, 2023 to close the sale. On December 27, 2023, the Receiver contacted Toronto Hydro regarding the lack of funds and advised that it considered the sale not to be closed until funds were received. Toronto Hydro indicated that an administrative delay, which was resolved on December 27, 2023 was preventing their release of funds. Subsequently Toronto Hydro advised that although the administrative issue was resolved, funds would not be released until their next scheduled cheque batch date. As of the date of this Second Report the Receiver is not yet in funds to close the transaction and has advised Toronto Hydro that closing will take place once funds are received.

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3.2 *Operations Plan*

15. The First Report Approval Order, *inter alia*, approved the Receiver's Operations Plan which was described in the First Report as operating the business of the Debtor through approximately September 30, 2023 involving:

- a. collecting hydro generation revenue from Toronto Hydro;
- b. overseeing the replacement of all damaged inverter components at the Kingston Site under warranty as components become available;
- c. as components become available and weather conditions are safe to permit, replace all damaged inverters, not under warranty, at 42 Tuxedo Court and bring the site on-line to generate electricity; and
- d. perform inspections of all equipment and maintain as needed (the foregoing is collectively defined as the "**Operations Plan**").

16. As described in the First Report, the Receiver was introduced by legal counsel to 1199403 Ontario Inc. ("**119**"), 1274442 Ontario Inc. and Gulu Thadani (collectively the "**Applicant**") to Mr. Dakk Marrello of Thrive Inc. ("**Thrive**"). Mr. Marrello has a background in engineering and is very familiar with the solar generation systems and equipment used by the Company. The Receiver retained Thrive, to provide asset management, project management and advisory services in relation to the Company's assets. These services were an essential part of the Operations Plan. The term of Thrive's services agreement with the Receiver has been continuously mutually agreed to be extended and remains in effect at this time.

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17. The First Report details the conditions that Thrive's initial and subsequent inspections revealed regarding the status of the electricity generation of the Company's equipment. The First Report also reported that all of the inverters, a component required to convert the DC power generated by the solar panels into AC power for introduction and sale to the power grid, at one of the Tuxedo Sites had failed. As they were not installed correctly by the Company, the manufacturer would not provide warranty coverage for those parts.

18. Warranty coverage was provided by the manufacturer for the inverters located at the buildings on Kingston Road, Toronto (the "**Kingston Site**") and at the date of the First Report several components were repaired or replaced under warranty, and others were awaiting repair and replacements as components became available through the supply chain.

19. Following the issuance of the First Report Approval Order the Receiver secured additional funding from the Applicant in these proceedings by way of a Receiver's Certificate, under the increased borrowing authority approved by the First Report Approval Order. With sufficient funds to cover its accumulated expenses and the cost of replacing the inverters at 42 Tuxedo Court, the Receiver through Thrive, expeditiously placed an order for the inverters to avoid supply chain delays. The inverters were received by the Receiver on February 8, 2023 and Generation Solar, the manufacturer's authorized installer, scheduled installation to take place on March 9, 2023. Installation was co-ordinated and supervised by Thrive as a man lift and other equipment was required for the work.

20. Attached as **Appendix "G"** is Thrive's reporting letter to the Receiver detailing the following:

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- a. the completion of the inverter replacement work at 42 Tuxedo including Generation Solar's invoice for supply and installation and their post-installation reporting;
 - b. a summary of all warranty work completed by Generation Solar at the Kingston site;
 - c. a summary of work the Receiver was required to do under the premises leases at both the Kingston Site and Tuxedo Site to facilitate roof repairs required by the respective landlords¹; and
 - d. the date of Thrive's last inspection of all equipment and the operational status.
21. As a result of the replacement of the 42 Tuxedo inverters, an additional 20,547.154 kWh of electricity has been produced as of November 30, 2023, translating to a gross revenue gain of \$14,650.12. Readers are directed to section 3.6 below regarding a more detailed discussion of cashflow and generation revenue.

3.3 Insurance

22. The insurance policy renewed on September 2, 2023 and the Receiver was able to renew the coverage at substantially the same terms and premium as previous. Attached as **Appendix "H"** is confirmation of insurance coverage.

¹ Section 3.5 of the First Report describes in detail a significant undertaking that was required at 42 Tuxedo in April 2022 with respect to complete removal of all panels for roof repair. The Kingston landlord required a number of panels to be temporarily removed over Winter/Spring 2022/2023 to facilitate roof repairs. Subsequent to the date of Thrive's report several panels at one of the Kingston Road sites required removal at the Receiver's expense to facilitate a roof repair and a few at 42 Tuxedo, at the landlord's expense to facilitate HVAC repairs.

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3.4 Potential Purchaser Enquiries

23. The First and Second Supplementary Reports discuss in significant detail an unsolicited offer received by the Receiver from Hexa Ventures Ltd. (“Hexa”) following service of its motion record containing the First Report. Despite Mr. Morrison, counsel for the Company and potentially Hexa, advising this Honourable Court that it had deposit funds from Hexa and asking the Court how to proceed, since Her Honour’s ruling, Order and Endorsements, as of the date of this Second Report the Receiver received no further correspondence from or on behalf of Hexa. The Receiver intends to make Hexa aware of the Stalking Horse Process once approved by this Honourable Court and begun by the Receiver.

24. Paragraph 3 of the First Report Approval Order allowed any stakeholder, on ten days notice, to bring a motion to terminate the Operations Plan and seek an Order to implement a sales process. No party has done so as of the date of this Second Report.

25. Madam Justice Conway’s Endorsement dated December 12, 2022 awarded the Receiver \$4,000.00 in costs payable by the Company and its Principal Mr. Gunde. RA advised the Receiver that on November 30, 2023, it received a bank draft from Mr. Gunde payable to it in trust on account of the cost award. The funds were deposited in RA’s trust account and were ultimately applied to their fees.

26. On December 13, 2022 the Tuxedo Landlord left the Receiver a voicemail message indicating he wished to speak with the Receiver. The Receiver replied by email, providing an update, of what transpired in court and that it was carrying out the Operations Plan and an email exchange took place.

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27. The Tuxedo Landlord had on prior occasions expressed an interest in potentially acquiring the Company's assets located at the Tuxedo Site² and this was reiterated in the email exchange. The Receiver advised that there will ultimately be a sales process that the Tuxedo Landlord can participate in. The Tuxedo Landlord was referred to specific sections of the First Report to answer additional questions. Additionally, they were advised that although the Receiver may not accept an unsolicited offer, especially one that is not for all assets *en bloc* it can't stop any party from submitting an unsolicited offer. The Receiver noted that the Sculler precedent from the First Report would be a good model to follow and that a non-binding letter of intent would be the best way to engage the Receiver should the Tuxedo Landlord wish to commence due diligence as a prospective purchaser. A copy of the email exchange is attached hereto as **Appendix "I"**.

28. Periodically parties would contact the Receiver by telephone or email indicating that they heard of the receivership of Saptashva and were seeking an update as to whether the Receiver had assets for sale. Parties were informed that the Receiver is carrying out the Court approved Operations Plan, and will ultimately seek Court approval of a sales process and that interested parties can provide their contact details, to be included in any future Court approved sales process.

29. On May 25, 2023, legal counsel to 103, the Kingston Site landlord who is related to the Applicant, contacted the Receiver advising that his client was considering making a stalking-horse offer initially for just the assets at the Kingston Site, and then clarified to include all of the

² Readers can refer to Section 3.5 of the First Report for details.

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Company's assets. Counsel requested that the Receiver provide its form of confidentiality agreement ("CA"), which was promptly provided.

30. Following receipt of the fully executed CA on June 27, 2023, the Receiver provided 103's principals with data room access to view the books and records that were made available to Sculler (readers are directed to Section 4.0 of the First Report for more details) plus updated information regarding the electricity generation as at the then current date.

31. On September 22, 2023, counsel to 103 advised the Receiver that his client had concluded its due diligence and wished to make a stalking-horse offer. A call with the Receiver, its counsel and 103's counsel was immediately scheduled to discuss the form of offer and terms that would be acceptable to the Receiver. Due to several factors including the health of one of 103's principals and 103 wishing to retain counsel more experienced in this specific type of transaction, there was a delay in receiving a written offer, however 103's counsel assured the Receiver that it was to come. On November 13, 2023 103's additionally retained counsel presented the Receiver with a draft stalking-horse purchase agreement for its review and comment. Readers are directed to Section 4.0 of this Second Report for further discussion.

32. In January 2024, the Tuxedo landlord sought an update from the Receiver regarding its activities. The Receiver advised that it was finalizing the terms of a stalking horse offer. Following learning of this, the Tuxedo Landlord advised it wished to begin due diligence with a view to submitting an offer to purchase only the assets located at the Tuxedo Site. The Receiver advised that it would be inappropriate to engage further purchasers while it was till working in good faith

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with a stalking horse offeree, and the Tuxedo Landlord would be served with its motion for approval of *inter alia* the sales process and could participate in that process.

3.5 Cash flow and borrowings

33. As of the date of this Second Report the Receiver has issued three Receiver's Certificates, and has borrowed to date the maximum allowed under the expanded borrowing authority approved by the First Report Approval Order being the sum of \$225,000.00 from the Applicant. The Receiver holds a separate 3rd party retainer in the amount of \$12,000.00 received from the Applicant, segregated from its Receivership specific trust account, in its firm's general trust account reserved for 3rd party deposits. The First Report indicated that the retainer was \$10,000.00 in error.

34. The Receiver has received total net receipts, inclusive of HST from Toronto Hydro under the FIT Contracts for the period January, 2022 to November 2023, inclusive, in the amount of \$262,727.01. Attached hereto as **Appendix "J"** is the Receiver's schedule summarizing the Toronto Hydro revenue for the relevant period.

35. Attached as **Appendix "K"** are comparative summaries of generation for 2021 (the year prior to the Receiver's appointment) 2022 and 2023. Since the appointment of the Receiver and its efforts with Thrive's assistance to remediate and repair the generation assets, generation has increased from 121,382 kWh for the twelve months ending December 31, 2021 to 195,258 kWh for eleven months ending November 30, 2023. This represents average monthly generation of 17,751 kWh in 2023 as compared to average monthly generation of 10,115 kWh in 2021, a gain

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of 75%³ in electricity generation following the work described in the First Report and the Receiver's implementation of the Operations Plan.

36. Readers are directed to Section 6.0 below regarding the receipts and disbursements of the Receiver⁴ and section 7.0 below regarding the fees and disbursements of the Receiver and RA.

3.6 Canada Revenue Agency

37. As detailed in the First Report, the Receiver requested that Canada Revenue Agency ("CRA") open an "RT0002" HST account for the Receiver to file returns for its HST exigible activities. On December 1, 2022, the Receiver received the required electronic filing access from CRA to allow it to file returns and returns for the partial first and complete second and third quarters of 2022, which were due at the time and were promptly filed. The return for fourth quarter 2022 was filed on January 3, 2023 following the end of the fiscal quarter. As the returns for second and third quarter 2022 were filed simultaneously, the Receiver did not pay the HST due for the third quarter but rather elected to have it be offset by the larger refund due to it for the second quarter.

38. On February 6, 2023, Mr. B. Dupont of CRA contacted the Receiver by telephone to inform that the fourth quarter 2022 HST return had been selected for review (the "Q4 Review") and a discussion took place regarding the receivership status. The Receiver informed Mr. Dupont that it

³ December typically provides reduced revenue, 11 months of revenue for 2023 produced a 60.6% gain over 12 months of revenue in 2021.

⁴ November 2023 generation revenue was not received until December, 2023. As the Receiver uses a cash-based accounting system, the November revenue is not included in an accounting as of November 30, 2023.

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had not received any assessments of the returns filed to date and had no access to the Company's online portal where perhaps the assessments were accessible. The telephone call was followed up by the Receiver with a letter dated February 7, 2023, confirming the contents of the call, providing additional information and making certain requests that Mr. Dupont requested be made in writing. A copy of the Receiver's letter, without enclosures is attached hereto as **Appendix "L"**.

39. On February 16, 2023, the Receiver received Mr. Dupont's letter (addressed to the Company's director care of the Receiver) dated February 10, 2023, formally advising of the Q4 Review. The Receiver provided a response in facilitation of the Q4 Review on February 20, 2023. A copy of CRA's letter and the Receiver's response, without enclosures, are attached hereto as **Appendices "M1" and "M2"**.

40. The Receiver continued filing quarterly RT0002 HST returns as they became due, and had not received any notices of assessment. The Receiver contacted Mr. Dupont to again request copies of assessments and to enquire regarding the status of the Q4 Review. Mr. Dupont advised he is unable to assist with assessment copies as that is not his department, and confirmed that the Q4 Review is still being examined by CRA. Mr. Dupont advised the Receiver that he wished to examine backup documentation for first quarter 2023 and directed the Receiver to contact the Sudbury Tax Services Office (the "TSO") in writing with respect to notices of assessment. The Receiver complied with Mr. Dupont's request in relation to first quarter 2023 and corresponding with the TSO.

41. In July 2023, the second quarter RT0002 HST return was filed when due. Again, the Receiver contacted Mr. Dupont to follow up on the status of the Q4 Review, notices of assessment

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and refunds due to the Receiver for its RT0002 filings. There was an HST liability for certain RT0002 periods that could be offset against the HST refund due. Mr. Dupont advised that he had completed the Q4 Review and his informal review of the first quarter 2023 documents and was recommending that his team lead assess the returns as filed, but the matter was waiting on team lead approval. Mr. Dupont recommended that the Receiver pay all RT0002 HST remittances as they become due and not seek to offset against held refunds for prior periods. The Receiver has therefore remitted to CRA HST due on the RT0002 account for second and third quarters 2023.

42. Attached hereto as **Appendix “N”** is CRA’s letter of August 1, 2023 advising that CRA had accepted the returns filed by the Receiver for fourth quarter 2022 and first quarter 2023. The Receiver contacted Mr. Dupont to enquire regarding the status of the net refunds due to the Receiver now that the review was complete and Mr. Dupont advised that he is not able to provide an answer as that information is not available to him as an examiner.

43. The Receiver contacted Mr. M. Lohnes at CRA, the collector who initially contacted the Receiver and set up the RT0002 account. Mr. Lohnes was able to provide reproductions of several RT0002 assessments to the Receiver and initiated an internal enquiry into what is delaying the release of the net refunds due to the Receiver. On December 4, 2023 the net held refunds were released to the Receiver, totalling \$20,877.68, including interest.

44. As at the date of this Second Report, the Receiver is current in its filings with CRA for the RT0002 and is expecting a refund of \$260.46 from its Q4 2023 RT0002 filing. Readers are directed to Section 6.0 of this Second Report regarding the Receiver’s statement of receipts and

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disbursements which *inter alia* accounts for all HST for its activities since its appointment to the end date of the statement, on a cash basis⁵.

45. As indicated in the First Report, CRA issued a demand letter for its trust claim for the Company's unpaid HST, which contained a clerical error. Attached as **Appendix "O"** is the revised demand letter of CRA, indicating a balance owing by the Company in the amount of \$14,061.31 and asserting a trust claim of \$10,967.89 over the assets of the Company.

3.7 *Landlords*

46. As described in section 3.5 of the First Report, the Tuxedo Landlord *inter alia* made various allegations regarding the Company's rental arrears and failure to provide generation data. Ultimately, as indicated in the First Report, the only accounting ever provided by the Tuxedo Landlord indicated rent, in the normal course, at the rate of \$583.33 a month was outstanding following the Receiver's appointment. This was promptly paid by the Receiver.

47. The Receiver has continuously paid rent to the Tuxedo Landlord, quarterly, in advance, at the rate specified in Section 8.01 of the Tuxedo Lease, being the greater of 8% of the annual generation revenue or \$7,000.00 per annum.

48. Even with the 42 Tuxedo Site becoming fully operational, the total electricity generated at the Tuxedo Site for January 1 to November 30, 2023 was 85,473.215 kWh giving rise to gross

⁵ As the HST refunds were received after the reconciled statement date of November 30, 2023, they are not included in the appendix to Section 6.0.

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generation revenue of \$60,942.40. 8% of this revenue would be \$4,875.39 or an average of \$443.22 a month.

49. As 8% of the annual observed generation revenue at the Tuxedo Site has consistently remained less than \$7,000.00 per annum, the Receiver has always paid at the greater rate of \$7,000.00 per annum, quarterly, in advance, plus HST.

50. As of the date of this Second Report the Receiver has pre-paid rent to the Tuxedo Landlord up to March 31, 2024.

51. To conserve cashflow, the Receiver has continued to defer payment of rent to the Kingston Landlord. The Receiver estimates that the total deferred rent amounts to \$27,844.14, (plus HST) up to January 19, 2024. As the Stalking Horse APA contains an adjustment clause to fund final expenses of the Receiver, should the Receiver have insufficient cash on hand to pay this deferred obligation future discussion with the Purchaser and the Kingston Landlord would need to take place regarding either forgiveness or funding.

4.0 SALE OF ASSETS – PROPOSED STALKING HORSE PROCESS

52. The Appointment Order, *inter alia*, granted the Receiver the power to market any and all of the Property including advertising and soliciting offers and negotiating terms of sale.

53. The Receiver's view is that the assets, properties and undertakings should be sold on an *en-bloc* going-concern basis. As indicated herein, the Purchaser, an entity related to the Applicant has submitted the Stalking Horse Bid.

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54. With a view to maximizing realizations, the Receiver also encouraged the Applicant to permit any bid that it makes to act as a stalking-horse bid for the assets. The Receiver is of the view that a stalking-horse process enhances the stability of the Company's business by ensuring the transition of the Company's business out of receivership as a going-concern, and also provides an opportunity to expose the Company's assets to the market for the benefit of all stakeholders.

55. The Purchaser has submitted to the Receiver the Stalking Horse APA (Appendix D to this Second Report), which, should it be approved by this Honourable Court, will serve as the Asset Purchase Agreement that all proposed purchasers will be required to complete should they wish to make a bid on the Company's assets, properties and undertakings.

56. The main features of the Stalking Horse APA can be summarized as follows:

- i. The Purchased Assets. The Purchased Assets include substantially all of the property, assets and undertakings of the Company. All of the Purchased Assets are being purchased on an "as is where is" basis.
- ii. The Purchase price: The Stalking Horse APA is essentially a credit bid, offering to assume \$550,000 of the debt owing to 119. The bid includes a clause to provide the Receiver with any additional cash required to complete its mandate.
- iii. Closing: the Stalking Horse APA is conditional upon closing by no later than May 31, 2024. This leaves adequate time for the Receiver to conduct an appropriate length sales process. The Receiver believes this is sufficient for a sophisticated party to conduct the necessary due diligence.

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iv. Conditions. The conditions include those common in a Receiver's sale of this nature.

v. The Sales Process. The Receiver will run the sales process outlined in the proposed Bid Procedures (as defined in the Stalking Horse APA). If the Receiver determines that it has received more than one Qualified Bid (as defined in the Stalking Horse APA) (in addition to the Stalking Horse APA), it will invite Qualified Bidders (as defined in the Stalking Horse APA) to participate in an auction, as described in the Bid Procedures. If the Receiver does not receive any Qualified Bids other than the Stalking Horse APA, it will not hold an auction, in which case the Purchase Agreement will be deemed the Successful Bid (as defined in the Stalking Horse APA) and the Applicant will be named the Successful Bidder (as defined in the Stalking Horse APA), and the Receiver will move before this court for an Approval and Vesting Order in the form attached to the Stalking Horse APA. If the Stalking Horse Bid or any Revised Stalking Horse Bid from the Applicant is not the Accepted Bid (as defined in the Stalking Horse APA) then the Receiver shall pay to the Applicant, \$12,500.00 as a break fee from sales proceeds.

57. The Receiver recommends that this court authorize it to enter into the Stalking Horse APA.

The Receiver makes this recommendation for the following reasons:

- (i) The Purchase Price is substantially in excess of the amount offered by Sculler Energy Corp ("**Sculler**") who had submitted and then rescinded an offer which they were originally

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prepared to let stand as a stalking horse offer. Readers are directed to the First Report for further details on the Receiver's marketing process with Sculler.

(ii) The Purchase Price, at \$550,000 inclusive of the assumption of the Receiver's indebtedness of \$225,000 is substantially in excess of the price offered by Hexa. Readers are directed to the First Supplementary Report and Second Supplementary Report for further discussion of the offer submitted by Hexa. Although the Company's assets are generating more revenue now than at the time of the Hexa offer, the value of the Company's assets is based on the future finite revenue stream. At least a full year of potential revenue opportunity has passed since the Hexa offer was submitted. The marketplace will tell us if the Applicant's offer is appropriate.

(iii) Attached hereto as **Appendix "P"** is a schedule of the Receiver's observed revenue for the calendar year 2023⁶ and an assessment of present value of the future income stream from January 1, 2024 to the end of the FIT contract life span on June 6, 2034, after deducting for rent, hydro costs, insurance, basic maintenance and 0.5% annual rate of decay from the solar panels. When compared to potential investment returns with less associated risk, the Receiver believes the Purchase Price to be reasonable.

(iv) The Receiver has not commissioned an appraisal of the Company's assets and future income. The Receiver prefers to rely on the marketplace to decide the highest and best

⁶ As certain generation sites were offline for maintenance during the year and December revenue has not been obtained at the date of this report, the Receiver extrapolated and estimated generation potential for those sites by comparing the percentage output of other sites for the relevant period to the maximum potential for the month of May.

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value for the Purchased Assets. The Receiver refers readers to Section 4.0 of the First Report regarding its unsuccessful attempts to engage two experienced consultants, including one with a specific focus on solar projects to aid it with a marketing process. Therefore, the Receiver at this time has decided to rely on the marketplace of potential purchasers, who would not be bound by any valuation, rather than attempt to engage a consultant to value the Purchased Assets.

58. Accordingly, the Receiver believes that the proposed Stalking Horse Sales Process will allow the marketplace to determine the highest and best value for the Purchased Assets and is the recommended strategy to be followed.

5.0 SECURED PARTIES AND OTHER LIABILITIES

59. The Receiver performed a search of the Ontario Personal Property Security Registration System (“**PPSA Search**”) as at February 11, 2022 (current as of February 10, 2022) which indicated that only 119 had registered a security interest against the Company or their assets: Attached as **Appendix “Q”** is a copy of the Receiver's PPSA search.

60. The Affidavit of Gulu Thadani sworn December 28, 2020 in connection with these receivership proceedings (the “**Thadani Affidavit**”) indicates that the balance outstanding to the Applicant as at December 31, 2020 was \$1,429,760.96 with interest and costs accruing in accordance with the terms of the loans advanced by the Applicant.

61. Attached hereto as **Appendix “R”** is the independent security opinion of RA confirming to the Receiver that 119’s security, is valid, enforceable and ranking in first position.

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62. CRA's trust claim for the Company's unremitted HST ranks ahead of security held by 119 by virtue of the statutory priority created by Section 222 of the *Excise Tax Act* (Canada). As the first proceeds of sale of the Company's assets will come from the closure of the SCADA buyback to Toronto Hydro, the Receiver, in consultation with stakeholders, intends to satisfy that obligation from those proceeds of sale.

6.0 RECEIVER'S STATEMENT OF RECEIPTS AND DISBURSEMENTS

63. As described in the First Report and this Second Report, the Receiver has been collecting and utilizing the hydro generation revenue receipts to fund its mandate, along with advances from the Applicant. Attached as **Appendix "S"** is the Receiver's Statement of Receipts and Disbursements for the period January 24, 2022 to November 30, 2023.

7.0 PROFESSIONAL FEES AND DISBURSEMENTS

64. The First Report Approval Order approved, *inter alia*, the Receiver's fees and disbursements for all work done since being consulted to act as Receiver to October 31, 2022 inclusive. Attached as **Appendix "T"** is a copy of the Affidavit of Mr. Brandon Smith in connection with the Receiver's fee and disbursements including the detailed statement of account for all work done since November 1, 2022 to November 30, 2023 inclusive, in the amount of \$35,430.73 (inclusive of disbursements and excluding HST). To date, the amount of \$35,430.73 (plus HST) has been advanced on account of the Receiver's fee and disbursements.

65. The First Report Approval Order approved, *inter alia*, RA's fee and disbursements account for the period since being retained by the Receiver to October 31, 2022. Attached as **Appendix**

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“U” is a copy of the Affidavit of Irving Marks sworn January 29, 2024, in connection with RA’s fee and disbursements including the detailed statement of account for the period November 1, 2022 to November 30, 2023 in the amount of \$34,328.39 (inclusive of HST). To date, the amount of \$34,328.39 (including HST) has been advanced on account of RA’s fee and disbursements. Included in this advance is the cost award paid by Mr. Gunde to RA in trust.

8.0 OTHER MATTERS

66. In accordance with Subsection 246(2) of the BIA, on February 21, 2023 and August 16, 2023, ISI’s statutory Second and Third Interim Reports (the “**Interim Reports**”) were sent by ordinary mail to the Debtor and the Office of the Superintendent of Bankruptcy (and all known creditors of the Debtor who requested a copy⁷). Attached as **Appendix “V”** to this First Report is a copy of the Interim Reports.

9.0 CONCLUSION AND RECOMMENDATIONS

67. For the reasons set out in this First Report, the Receiver respectfully requests that this Honourable Court approve:

- a) this Second Report and the actions and activities of the Receiver described herein since the date of the First Report and the supplements thereto;

⁷ No creditor requested a copy, one was provided as a courtesy to the Applicant’s counsel.

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- b) authorize the Receiver to enter into the Stalking Horse APA to sell the Purchased Assets to the Purchaser, substantially in the form of the agreement attached hereto as Appendix “D”;
- c) the Bid Procedures described in this Second Report and attached hereto as Appendix “E”;
- d) the Stalking Horse Process described in this Second Report and authorize and direct the Receiver to conduct the Stalking Horse Process;
- e) in the event that the Receiver concludes a sale of all, or substantially all, of the Purchased Assets to a Successful Bidder other than the Stalking Horse Bidder, the payment by the Receiver of the Breakup Fee to the Stalking Horse Bidder forthwith following the closing of such sale approved by the Court in accordance with the provisions of the Stalking Horse Bid;
- f) the accounting for the receipts and disbursements of the Receiver from January 24, 2022 to November 30, 2023; and
- g) the fees, disbursements and other costs incurred for the period November 1, 2022 to November 30, 2023, by the Receiver and its legal counsel, RA as disclosed herein.

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All of which is respectfully submitted at Toronto, Ontario this 31st day of January, 2024.

IRA SMITH TRUSTEE & RECEIVER INC.
solely in its capacity as Court-Appointed Receiver
of Saptashva Solar S.A., and not in its personal Capacity

Per:

A handwritten signature in black ink, appearing to read 'Brandon Smith', written in a cursive style.

Brandon Smith – Senior Vice-President

APPENDIX B5

Court File No. CV-21-00655706-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**SUPPLEMENTARY REPORT TO THE
SECOND REPORT OF IRA SMITH TRUSTEE & RECEIVER INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
SAPTASHVA SOLAR S.A.**

FEBRUARY 9, 2024

1.0 INTRODUCTION

1. This supplementary report (the “**Supplementary Second Report**”) is filed by Ira Smith Trustee & Receiver Inc. (“**ISI**”) in its capacity as Court-appointed Receiver (the “**Receiver**”), pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the Courts of Justice Act, R.S.O 1990, c.43, as amended (the “**CJA**”), without security, of all of the assets, undertakings and properties of Saptashva Solar S.A. (“**Saptashva**” OR the “**Company**” or the “**Debtor**”).

2. This report is supplementary to the Receiver’s Second Report to Court dated January 31, 2024 (the “**Second Report**”) contained in the Receiver’s motion record of February 1, 2024 for the Receiver’s motion scheduled to be heard on February 15, 2024.

3. All defined terms in this Supplementary Second Report have the same meaning as defined in the Second Report.

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1.1 Purpose of this Report

4. The purpose of this Supplementary Second Report is to report to this Honourable Court and those on the service list to correct a miss-insertion of an appendix to the Second Report.

5. Attached hereto as **Appendix “A”** are the Bid Procedures to be used in the Stalking Horse Sales Process. These are to replace those which appear as Appendix “E” to the Second Report which were inadvertently appended.

1.2 Disclaimer

6. This report is prepared solely for the use of the Court and the stakeholders in this proceeding, for the purpose of assisting the Court in making a determination whether to approve the actions and activities of the Receiver, and other relief being sought in the Receiver’s First Report. It is based on the Receiver’s analysis of information provided to it by the management, Directors, staff, and contractors of the Debtor, and other third parties as stated herein, which included unaudited financial statements and internal financial reporting. The Receiver’s procedures did not constitute an audit or financial review engagement of the Debtor’s financial reporting. Where stated, the Receiver has relied upon the Information in reaching the conclusions set out in this report.

2.0 CONCLUSION AND RECOMMENDATIONS

7. For the reasons set out in the Second Report and this Supplementary Second Report, the Receiver respectfully requests that this Honourable Court approve:

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- a) this Supplementary Second Report, the Second Report and the actions and activities of the Receiver described therein since the date of the First Report and the supplements thereto;
- b) authorize the Receiver to enter into the Stalking Horse APA to sell the Purchased Assets to the Purchaser, substantially in the form of the agreement attached to the Second Report as Appendix “D”;
- c) the Bid Procedures described in the Second Report and this Supplementary Second Report attached hereto as Appendix “A”;
- d) the Stalking Horse Process described in the Second Report and authorize and direct the Receiver to conduct the Stalking Horse Process;
- e) in the event that the Receiver concludes a sale of all, or substantially all, of the Purchased Assets to a Successful Bidder other than the Stalking Horse Bidder, the payment by the Receiver of the Breakup Fee to the Stalking Horse Bidder forthwith following the closing of such sale approved by the Court in accordance with the provisions of the Stalking Horse Bid;
- f) the accounting for the receipts and disbursements of the Receiver from January 24, 2022 to November 30, 2023; and
- a) the fees, disbursements and other costs incurred for the period November 1, 2022 to November 30, 2023, by the Receiver and its legal counsel, RA as disclosed in the Second Report.

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All of which is respectfully submitted at Toronto, Ontario this 9th day of February, 2024.

IRA SMITH TRUSTEE & RECEIVER INC.
solely in its capacity as Court-Appointed Receiver
of Saptashva Solar S.A., and not in its personal Capacity

Per:

A handwritten signature in black ink, appearing to read 'Brandon Smith', written over a horizontal line.

Brandon Smith – Senior Vice- President

APPENDIX C1



Court File No.: CV-21-00655706-00CL

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

THE HONOURABLE

)

MONDAY, THE 12TH

)

JUSTICE CONWAY

)

DAY OF DECEMBER, 2022

BETWEEN:

1199403 ONTARIO INC., 1274442 ONTARIO INC. and GULU THADANI

Applicants

-and-

SAPTASHVA SOLAR S.A.

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. 8-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43. AS AMENDED

ORDER

THIS MOTION made by the Ira Smith Trustee & Receiver Inc. ("**ISI**"), in its capacity as the Court-appointed receiver (the "**Receiver**") of Saptashva Solar S.A. (the "**Debtor**") for the relief set out in the Notice of Motion dated November 10, 2022, including the approval of the Operations Plan described at paragraph 76 of the First Report of the Receiver dated November 10, 2022 (the "**First Report**") and the approval of the an increase to Receiver's Borrowing limit was heard this day by videoconference as a result of the Covid-19 pandemic.

ON READING the Motion Record of the Receiver and the First Report, the Affidavit of Irving Marks sworn November 10, 2022 (the “**Robins Fee Affidavit**”), the Affidavit of Brandon Smith sworn November 10, 2022 (the “**ISI Fee Affidavit**”) and on hearing the submissions of counsel for the Receiver and any such other counsel or individual as were present, no one appearing for any other person on the service list, although properly served as evidenced by the Affidavit of Wendy Lee sworn November 10, 2022, filed.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service hereof.

APPROVAL OF THE OPERATIONS PLAN

2. **THIS COURT ORDERS** that the Receiver is authorized and directed to implement the Operations Plan as described in paragraph 76 of the First Report (the “**Operations Plan**”).

3. **THIS COURT ORDERS** that the approval of the Operations Plan is without prejudice to any stakeholder in the receivership to bring a motion on a minimum of 10 days notice to terminate the Operations Plan and seek an Order to implement a sales process of the Debtor’s assets.

RECEIVER BORROWINGS

4. **THIS COURT ORDERS** that the principal amount the Receiver is at liberty and empowered to borrow as secured by the Receiver’s Borrowings Charge as defined in the Order of Justice Cavanagh dated January 24, 2022 (the “**Appointment Order**”) shall be and is increased from \$100,000 to \$225,000 and any future borrowings of the Receiver under this increased

borrowing limit shall also be secured by the Receiver's Borrowings Charge.

APPROVAL OF ACTIVITIES

5. **THIS COURT ORDERS** that the activities of the Receiver as described in the First Report are hereby approved.

6. **THIS COURT ORDERS** that the accounting of the Receipts and Disbursements of the Receiver from January 24, 2022 to October 31, 2022 as described in the First Report are hereby approved.

APPROVAL OF RECEIVER' FEES AND EXPENSES

7. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its legal counsel as described in the First Report, the ISI Fee Affidavit and the Robins Fee Affidavit are hereby approved.



1199403 ONTARIO INC. et al. - and- SAPTASHVA SOLAR S.A.

Applicants

Respondent

Court File No.: CV-21-00655706-00CL

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

APPLICATION UNDER SUBSECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c.B-
3, AS AMENDED AND SECTION 101 OF THE *COURTS
OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

PROCEEDING COMMENCED AT TORONTO

ORDER

ROBINS APPLEBY LLP

Barristers + Solicitors
2600 - 120 Adelaide Street West
Toronto, ON M5H 1T1

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Email: asamat@robapp.com
Tel: (416) 360-3728

Lawyers for the Receiver, Ira Smith Trustee & Receiver Inc.

APPENDIX C2



SUPERIOR COURT OF JUSTICE

COUNSEL SLIP

COURT FILE NO.: CV-21-00655706-00CL

DATE: December 2, 2022

NO. ON LIST: 2

TITLE OF PROCEEDING: 1199403 ONT INC V SAPTASHVA SOLAR S.A.

BEFORE JUSTICE: JUSTICE CONWAY

PARTICIPANT INFORMATION**For Plaintiff, Applicant, Moving Party, Crown:**

Name of Person Appearing	Name of Party	Contact Info
Stephan Turk	Csl for the Applicants 1199403 Ontario Inc., 1274442 Ontario Inc., and Gulu Thadani	sturk@stephenturklaw.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
Allan Morrison	Csl for Respondent	allan@morrisonlaw.ca

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Dom Michaud	Csl for the Receiver	Dmichaud@robapp.com

ENDORSEMENT OF JUSTICE CONWAY:

The Receiver brings this motion for various relief, including approval of an operations plan, increase to its borrowing limit, and approval of its First Report and activities.

As described in the First Report, the efforts to conduct a stalking horse sales process have not been successful to date and, supported by the Applicant, the Receiver proposes to operate the company for the next year.

Mr. Morrison, for the company and its principal, tendered a non-binding LOI from Hexa Ventures yesterday. Apparently, there were discussions with this company a few weeks ago but nothing was forthcoming until the day before this motion.

The Receiver says that it is prepared to consider this non-binding LOI to see if it should reconsider selling the business instead of operating it. I am granting a very brief adjournment for that purpose. This matter will return **to me for 30 minutes on December 7, 2022 at 12:30 p.m. (confirmed with the CL office).**

With respect to approval of the Receiver's report and fees, Mr. Morrison says that his client has various objections. He has not filed anything with court or even provided details to the Receiver since the motion was brought. If he intends to maintain his objections, he must deliver and upload to CaseLines by noon on December 6th written submissions setting out, in explicit detail, his objections to the report and fees.

A handwritten signature in blue ink, appearing to read "Conway J.", is located below the text.

APPENDIX C3



SUPERIOR COURT OF JUSTICE

COUNSEL SLIPCOURT FILE NO.: CV-21-655706-CL DATE: Wednesday, December 7, 2022NO. ON LIST: 4TITLE OF PROCEEDING: **11199403 ONTARIO INC. et al v SAPTASHVA SOLAR S.A.**BEFORE JUSTICE: **MADAM JUSTICE CONWAY****PARTICIPANT INFORMATION****For Plaintiff, Applicant, Moving Party, Crown:**

Name of Person Appearing	Name of Party	Contact Info
Dom Michaud	Court Appointed Receiver - Ira Smith Trustee & Receiver Inc.	dmichaud@robapp.com
Ira Smith	Court Appointed Receiver - Ira Smith Trustee & Receiver Inc.	ira@irasmithinc.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
Stephen M. Turk	1199403 Ontario Inc., 1274442 Ontario Inc., Gulu Thadani and 1034523 Ontario Ltd.	sturk@stephenturklaw.com
Allan Morrison	EnviroEn Inc. and Harshal Gunde	allan@morrisonlaw.ca
Amanda Bolton	EnviroEn Inc. and Harshal Gunde	office@morrisonlaw.ca
Elham Beygi	EnviroEn Inc. and Harshal Gunde	office@morrisonlaw.ca

ENDORSEMENT OF JUSTICE CONWAY:

Mr. Morrison seeks a further adjournment to present what he says is a real offer from Hexa that can form the basis for a stalking horse bid process. There has been communication between the Receiver and Mr. Morrison about the Hexa offer that did not satisfy the Receiver as of today's date. Issues remain over who Hexa is and how much of a deposit they are prepared to put down. They do not have independent counsel either – they have been presenting their offer through Mr. Morrison, counsel for the debtor. All of this is concerning to me. However, the only other option on the table is an operations plan in which the Receiver would, at the cost of the secured creditor, operate the business for another year. Mr. Morrison says that this will cause costs to escalate unnecessarily, to the detriment of his client.

I am granting a final adjournment of this matter to **December 12, 2022 at 3 p.m. before me – one hour** **(confirmed with the CL office)**. At that time, I will decide how this receivership is going to move forward.¹⁵⁹

Conway J.

APPENDIX C4



SUPERIOR COURT OF JUSTICE

COUNSEL SLIP/ENDORSEMENTCOURT FILE NO.: CV-21-00655706-00CLDATE: December 12th 2022NO. ON LIST: 3TITLE OF PROCEEDING: **1199403 ONT INC V SAPTASHVA SOLAR SA**BEFORE JUSTICE: **CONWAY****PARTICIPANT INFORMATION****For Plaintiff, Applicant, Moving Party, Crown:**

Name of Person Appearing	Name of Party	Contact Info
MICHAUD, DOM	Counsel for the court Appointed Receiver – Ira Smith Trustee & Receiver Inc.	dmichaud@robapp.com
SMITH, IRA	Court Appointed Receiver – Ira Smith Trustee & Receiver Inc.	ira@irasmithinc.com

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
TURK, STEPHEN	1199403 Ontario Inc., 1274442 Ontario Inc., Gulu Thadani and 1034523 Ontario Ltd.	sturk@stephenturklaw.com
MORRISON, ALLAN	EnviroEn Inc. and Harshal Gunde	allan@morrisonlaw.ca

ENDORSEMENT OF JUSTICE CONWAY:

This matter returned to me today following another adjournment from December 7th. In my endorsement that day, I said that I was granting the further adjournment so that Hexa could satisfy the Receiver that its offer to put forth a stalking horse offer was real. The history of Hexa's conduct over the last month is set out in the Receiver's reports. The Receiver has now set out in detail in its second supplementary report what has transpired since December 7th. Hexa has not provided a deposit to the Receiver's counsel's trust account – only to debtor counsel Mr. Morrison's account – all despite Mr. Michaud providing the bank account

information to Mr. Morrison on December 7th (and confirming that if an agreement was not signed, the deposit would be fully refundable). Mr. Morrison said that he could transfer the deposit to Mr. Michaud's account today. I see no reason why that could not have happened already. Further, Hexa has not had independent counsel contact Mr. Michaud or the Receiver. It is still communicating through Mr. Morrison, counsel for the debtor. I see no reason why independent counsel could not have been retained and communicated with Mr. Michaud before today – indeed, I had expressly referred to that in my December 7th endorsement.

Mr. Morrison seeks another adjournment of the Receiver's motion. Given that I have already granted two adjournments and the Hexa situation is anything but clear, I am not prepared to grant yet another adjournment.

There are two motions before me. The first is the Receiver's motion to delay a sales process at this time and to carry out the Operations Plan to operate the business, funded by the Applicant. The Receiver recommended this approach as set out in its First Report, para 75, since the Sculler LOI was withdrawn, other marketing initiatives went nowhere, the assets were underperforming, and the Applicant was willing to fund continued operations to maximize the value of the company's assets and eventual recovery to stakeholders.

The Receiver then agreed to provide an "off-ramp", namely that the approval of the Operations Plan would be without prejudice to any stakeholder in the receivership bringing a motion on at least 10 days' notice to terminate the plan and to seek approval of a sales process.

Notwithstanding this addition to the draft order, the Respondent brought a cross-motion seeking an order requiring the Receiver to sell the assets to Hexa, an order reviewing the Receiver's costs, and an order appointing a solar energy expert to conduct a review of the projects.

With respect to the motion to approve the Operations Plan and the cross-motion to approve the sale to Hexa, I am granting the former and dismissing the latter. As described above, the Receiver continues to recommend the Operations Plan route, with the off-ramp. The Receiver and its counsel have diligently considered the Hexa LOI and followed this court's directions in that regard. The Receiver advised the court that after that process, it has less confidence in Hexa than it had before. Based on the record before me, I accept the Receiver's recommendation. Approving the Operations Plan will move this receivership forward, while preserving rights of stakeholders to come before this court to seek a sales process and terminate the Operations Plan. It is without prejudice to Hexa coming forward with a proposed LOI that addresses the Receiver's concerns.

With respect to the remainder of the relief sought by the Receiver, I am approving it. All of Mr. Gunde's allegations of mismanagement by the Receiver have been adequately addressed in the Supplementary Report. Further, while Mr. Gunde takes issue with the magnitude of the Receiver's costs, there is no basis for me to find that the Receiver has unnecessarily run up costs. It is clear that the Receiver has had to expend considerable time on this receivership for reasons that include the condition of the solar panels themselves and the state of the company books and records. Finally, I cannot accept Mr. Gunde's directive that an expert be retained to conduct an independent review of the Projects. The Receiver has described the steps that it has taken to ascertain the condition of the projects and what must be done to make them fully operational. The Applicant supports these steps. I am not prepared to burden the company with additional costs at Mr. Gunde's direction.

I am therefore granting the relief set out in the revised draft order and dismissing the Respondents' cross-motion. I note that most of the maintenance work is not going to occur until spring 2023. If a viable stalking horse agreement can be put into place in the coming months, that would avoid those maintenance costs being incurred while the matter returns to court.

The Receiver seeks its costs. It submits that the Respondents drove up the costs of this motion by repeated and unproductive attendances and adjournments. It submits that the costs of its legal counsel should not have to be borne by the creditors of the company. I agree. I exercise my discretion to award costs to the Receiver on a partial indemnity basis in the amount of \$4,000, all inclusive, which I consider fair and reasonable under the circumstances. Those costs are payable by Saptashva and Mr. Gunde, the moving parties on the cross-motion.

A handwritten signature in blue ink, appearing to read "Conway J.", is located below the text. The signature is written in a cursive style with a large initial 'C'.

APPENDIX D



Court File No.: CV-21-0065706-00CL

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

THE HONOURABLE) **THURSDAY, THE 15th**
)
JUSTICE WILTON-SIEGEL) **DAY OF FEBRUARY, 2024**

BETWEEN:

1199403 ONTARIO INC., 1274442 ONTARIO INC. and GULU THADANI

Applicants

-and-

SAPTASHVA SOLAR S.A.

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. 8-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43. AS AMENDED

ORDER

(Approval of Stalking Horse APA and Bidding Procedures)

THIS MOTION made by the Ira Smith Trustee & Receiver Inc. ("**ISI**"), in its capacity as the Court-appointed receiver (the "**Receiver**") of Saptashva Solar S.A. (the "**Debtor**") for the relief set out in the Notice of Motion dated January 31, 2024, including, *inter alia*, the approval of the bidding procedures substantially in the form attached as Schedule "A" (the "**Bidding Procedures**") and approving the Stalking Horse APA (defined below) was heard this day by videoconference.

ON READING the Motion Record of the Receiver and the Second Report of the Receiver dated January 31, 2024 (the “**Second Report**”), the Affidavit of Irving Marks sworn January 29, 2024 (the “**Robins Fee Affidavit**”), the Affidavit of Brandon Smith sworn January 29, 2024 (the “**ISI Fee Affidavit**”) and on hearing the submissions of counsel for the Receiver and any such other counsel or individual as were present, no one appearing for any other person on the service list, although properly served as evidenced by the Affidavit of Wendy Lee sworn February 1, 2024, filed.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service hereof.

BIDDING PROCEDURES

2. **THIS COURT ORDERS** that the Bidding Procedures are hereby approved.

3. **THIS COURT ORDERS** that the Receiver and its advisors are hereby authorized and directed to carry out the Bidding Procedures and take such steps and execute such documentation as may be necessary or incidental to the Bidding Procedures.

4. **THIS COURT ORDERS** that the Receiver and its affiliates, partners, directors, employees, advisors, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages, or liability of any nature or kind to any person in connection with or as a result of the Bidding Procedures, except to the extent that such losses, claims, damages or liabilities resulting from the gross negligence or willful misconduct of the Receiver in performing

its obligations under the Bidding Procedures.

5. **THIS COURT ORDERS** that, in carrying out the Bidding Procedures, the Receiver shall have all benefits and protections granted to it under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, the Order (Appointing Receiver) dated January 24, 2022 and any Order of this Court in the within proceeding.

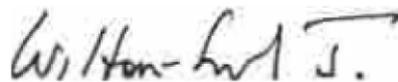
STALKING HORSE APA

6. **THIS COURT ORDERS** that the Receiver is hereby authorized and empowered to enter into the asset purchase agreement dated January 31, 2024 (the “**Stalking Horse APA**”), among the Receiver as Vendor and 1034523 Ontario Limited (“**103co**”) as purchaser, in the form attached as Appendix “D” to the Second Report with such minor amendments as may be acceptable to each of the parties thereto; provided that nothing herein approves the sale and vesting of the assets contemplated in the Stalking Horse APA (the “**Assets**”) and the approval and sale and vesting of such assets shall be considered by this Court on a subsequent motion made to this Court following the completion of the sale process pursuant to the terms of the Bidding Procedures if 103co is the successful bidder.

7. **THIS COURT ORDERS** that the break fee of \$12,500 as set out in the Stalking Horse APA (the “**Break Fee**”) is hereby approved and the Receiver is hereby authorized and directed to pay the Break Fee to 103co (or as it may direct) in the manner and circumstances described in the Bidding Procedures out of the proceeds from the completion of the sale of the Assets with any party other than 103co.

GENERAL

12. **THIS COURT ORDERS** that this Order shall have full force and-effect in all provinces and territories in Canada.
13. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder or under the Bidding Procedures.
14. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, or to assist the Receiver and its agents in carrying out the terms of this Order.
15. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.



SCHEDULE "A" – BIDDING PROCEDURES

STALKING HORSE BID

BID PROCEDURES, BREAK FEE AND TERMS AND CONDITIONS OF SALE

Set forth below are the Terms and Conditions of Sale (the "**Terms and Conditions of Sale**") to be employed with respect to the sale of the assets, undertakings and properties and (the "**Purchased Assets**") of Saptashva Solar, S. A. (the "**Company**") as more particularly defined in the Stalking Horse Asset Purchase Agreement (the "**Agreement**") submitted by 1034523 Ontario Limited (the "**Stalking Horse Bidder**"). It is expressly acknowledged and agreed that notwithstanding any other provision herein, the stalking horse sales process shall occur in accordance with this essential timetable and in the event of any conflict between the provisions of this timetable and any other provision of this Agreement, the provisions of this timetable set out in the immediately following chart shall govern to the extent necessary (and only to the extent necessary) to resolve the conflict:

Advertisement in Financial Post	February 20, 2024 (subject to motion date)
Summary information document (" Teaser ") distributed to interested parties	Commencing February 20, 2024
Confidentiality Agreement (" CA ") distributed to interested parties	Commencing February 20, 2024
Data room access provided to interested parties after receipt of signed CA	Commencing February 20, 2024
Deadline for submission of bids	April 5, 2024 (3:00 PM Toronto time) provided that in the event that there are no Qualified Bidders, the Receiver and the Stalking Horse Bidder shall, upon granting court approval, proceed to close the transaction called for under the Agreement on or before May 31, 2024.
Bidders notified of Qualified Bidder status	No later than April 12, 2024
Indication by Qualified Bidders of intention to participate in Auction (if necessary)	April 15, 2024 (5:00 PM Toronto time)
Auction (if necessary)	April 18, 2024 10:00 AM Toronto time) (" A ")
Court motion to approve Successful Bid	May 3, 2024
Transaction close	On or before 10 days following granting of Approval and Vesting Order or May 31, 2024

Marketing Process and Identifying Potential Bidders

1. Upon Court approval of the Agreement and the sales process described within these Terms and Conditions of Sale (the “**Sales Process**”), Ira Smith Trustee & Receiver Inc., solely in its capacity as Court-appointed Receiver of the assets, undertakings and properties of the Company (the “**Receiver**”), will immediately commence the following marketing process:
 - a) a list of potential buyers has been identified by the Receiver and will be advised of the current opportunity to acquire the Purchased Assets;
 - b) an advertisement will be placed in the national edition of the National Post within 5 business days, or as soon thereafter as practical; and
 - c) a notice will be placed on the website of the Receiver.

Due Diligence

2. All interested parties that sign the Receiver’s form of confidentiality agreement (a “**Potential Bidder**”) will be provided access to a data room containing detailed information regarding the assets to enable them to perform their due diligence.
3. Subject to access being provided by the respective landlords, a Potential Bidder will also be provided with a site visit, facilitated by the Receiver, to supplement their due diligence procedures.
4. Potential Bidders are cautioned not to rely upon any documentation or information provided by or on behalf of the Receiver. Any such documentation or other material provided with respect to the Purchased Assets was prepared solely for the convenience of Potential Bidders and is not warranted to be complete or accurate, has not been independently verified, and is not part of these Terms and Conditions of Sale or any resulting Asset Purchase Agreement or Bill of Sale. Each Potential Bidder shall be deemed to have relied entirely on its own inspection and investigation in submitting its offer. Potential Bidders are required to obtain such third-party consents as they consider necessary. Potential Bidders are to make such independent enquiries, as they deem necessary, concerning all Purchased Assets prior to submitting their Bid (as defined herein).

Bid Deadline

5. A Potential Bidder that desires to make a bid shall deliver its bid to the Receiver no later than 3:00 PM (Toronto Time) on April 15, 2024 (the “**Bid Deadline**”). Any Potential Bidder who submits a bid by the Bid Deadline (the “**Bid**”) will be considered a Bidder.

Bid Requirements

6. All bids must include:

- a) an offer to pay a cash purchase price greater than the aggregate consideration offered by the Stalking Horse Bidder pursuant to the Agreement, plus the amount of the break fee of \$12,500.00 plus an overbid in the amount of \$5,000.00 (which in aggregate equals the Break Fee amount plus the bid increment proposed by the Receiver in the Auction process) (the “**Purchase Price**”);
- b) no provision making the offer subject to any due diligence, financing condition or other contingencies (including representations, warranties, covenants, and timing requirements) of any kind or any other conditions precedent on such party's obligation to acquire the Purchased Assets other than as may be specifically included in the Agreement;
- c) an executed copy of a purchase agreement in the form of the Agreement, together with a blackline copy of the Agreement reflecting any changes made to the Agreement, shall be submitted to the Receiver and shall be binding and irrevocable until either (i) such time as the Receiver rejects a Bidder's Bid in accordance with paragraph 11 herein; (ii) at the conclusion of the Auction, if held, each respective Qualified Bidder (as defined herein) does not become the Successful Bidder; or (iii) if the Court does not approve the Successful Bidder's Accepted Bid;
- d) a certified cheque, bank draft or wire transfer drawn on a Canadian Schedule “I” Chartered Bank (an “**Acceptable Institution**”) in the amount of fifteen per cent (15%) of the Bidder's Purchase Price contained in the Bidder's Bid payable to the Receiver in trust. This amount will either (i) be applied to satisfy the purchase price of a Successful Bidder, the balance of which purchase price shall be due on closing; (ii) be returned to the Bidder if its bid is not successful (subject to the other provisions of these Terms and Conditions of Sale), or (iii) be forfeited to the Receiver in the event that the Successful Bidder breaches its obligations to complete the purchase in accordance with the Bidder's Accepted Bid (as defined herein);
- e) a representation of the Bidder and such written evidence of available cash and/or a commitment for financing to evidence the Bidder's ability to consummate the proposed transaction as the Receiver may reasonably request;
- f) a copy of a resolution or similar document demonstrating authority to make an irrevocable bid, and to execute the transaction contemplated by the offering bid for the Purchased Assets;
- g) disclosure of the identity of each entity that will be bidding for the Purchased Assets or otherwise participating with such bid and the complete terms of any such participation;

- h) disclosure of the identity of each of the Officers and Directors or Partners, as the case may be, of each entity bidding for the Purchased Assets or otherwise participating with such bid;
- i) an acknowledgement by such Bidder that if its bid becomes a Qualified Bid and the bidder becomes a Qualified Bidder (as such terms are hereinafter defined) that the such Qualified Bidder's continued participation in any Auction is on a non-exclusive basis; and
- j) a description of the Bidder's current operations.

Qualified Bids

- 7. A bid received from a Bidder not later than the Bid Deadline that meets the above requirements will be considered a "**Qualified Bid**" and each Bidder that submits a Qualified Bid will be considered a "**Qualified Bidder**".
- 8. The Agreement shall be deemed to be a Qualified Bid and the Stalking Horse Bidder shall be deemed to be a Qualified Bidder for all purposes and requirements pursuant to the sale procedures set out this Schedule (the "**Sale Procedures**"), notwithstanding the requirements that other potential Bidders must satisfy to be considered a Qualified Bidder.
- 9. Qualified Bids will be valued and assessed by the Receiver in its sole commercial discretion based upon any and all factors that the Receiver may, in its sole discretion, deem pertinent.
- 10. The Receiver, in its business judgment, reserves the right to reject any Bid if such Bid:
 - a) is on terms that are more burdensome or conditional than the terms of the Agreement;
 - b) requires any indemnification of such Bidder;
 - c) excludes assets or contracts, or leases of the Company;
 - d) is not received by the Bid Deadline;
 - e) is subject to any due diligence, financing condition or other contingencies (including representations, warranties, covenants, and timing requirements) of any kind or any other conditions precedent on such party's obligation to acquire the Purchased Assets; or
 - f) includes any other considerations that the Receiver may deem relevant to the bid.
- 11. Any Bid rejected pursuant to Paragraph 10 above, shall not be deemed to be a Qualified Bid.
- 12. The Receiver will advise all Bidders by email whether or not they are a Qualified Bidder by 5PM (Toronto time) on April 12, 2024 or by such further date as the Receiver may

determine in its sole discretion, but in any event not less than 48 hours before the start of the Auction (the “**Notification Date**”).

13. In the case of a rejected bid, the Receiver shall return to the Bidder, the amount provided in the Bid in accordance with paragraph 6(b) above, within 5 business days after the Notification Date.

The Auction and Auction Procedures

14. If the Receiver determines that it has received more than one Qualified Bid (including the Agreement), it will invite Qualified Bidders to participate in an Auction, as described in more detail below (the “**Auction**”). If the Receiver does not receive any Qualified Bids other than the Agreement, it will not hold an Auction, in which case the Agreement will be deemed the Successful Bid (as this term is defined herein) and the Stalking Horse Bidder will be named the Successful Bidder (as this term is defined herein) and the Receiver will proceed towards completion of the Transaction in accordance with its terms.
15. By 5PM (Toronto time) on April 15, 2024, each Qualified Bidder must inform the Receiver, by email, whether it intends to participate in the Auction.
16. The Receiver will promptly thereafter inform, in writing, each Qualified Bidder who has expressed its intent to participate in the Auction of the identity of all other Qualified Bidders that have expressed their intention to participate in the Auction and will provide copies of all other Qualified Bids to such Qualified Bidders.
17. Only the authorized representatives, professionals or agents of the Stalking Horse Bidder and each other Qualified Bidder identified in advance to the Receiver, shall be eligible to participate at the Auction.
18. The Auction, if any, shall be conducted by the Receiver, commencing on April 18, 2024, at 10AM. (Toronto Time) via video conference using a weblink to be provided by the Receiver to Qualified Bidders 24 hours prior to the Auction.
19. At the Auction, the bidding will start at the aggregate consideration for the Purchased Assets and terms proposed in the offer that the Receiver selects as the highest and best offer prior to the Auction and will continue in cash increments of at least \$5,000.
20. The Receiver, in its sole discretion, may adjourn the Auction at any time to permit the Qualified Bidders and the Stalking Horse Bidder, the opportunity to consider improved bids.
21. During the Auction, Qualified Bidders including the Stalking Horse Bidder may submit revised bids that otherwise comply with the rules of this bidding and Auction process (a “**Revised Bid**”).

22. If no Qualified Bidder submits a Revised Bid after a period of 15 minutes following the Receiver's acceptance of a Revised Bid and the Receiver in its sole discretion chooses not to adjourn the Auction further, the Auction will be concluded whereupon the Receiver shall enter into a binding agreement of purchase and sale with the Qualified Bidder or the Stalking Horse Bidder that submitted the leading bid as determined by the Receiver in its sole discretion (the "**Successful Bidder**"). The bid process shall end at the conclusion of the Auction.
23. The Successful Bidder agrees to do all such things as may be required by the Receiver to obtain Court approval of the Accepted Bid.
24. Subject to the Receiver obtaining the approval and vesting order in respect of the Accepted Bid, if the Successful Bidder fails to consummate the transaction by on or before 10 days following the granting of the approval and vesting order or May 31, 2024 (or such date that may otherwise be mutually agreed upon), the Receiver shall be authorized but not required to deem that the Successful Bidder has breached its obligations pursuant to the Accepted Bid, has forfeited its deposit to the Receiver, and the Company and the Receiver are authorized to seek an alternative bidder for the Purchased Assets.
25. Except for the Stalking Horse Bidder with respect to the Break Fee, Potential Bidders, Bidders and/or Qualified Bidders shall not be allowed any breakup, termination or similar fee or expense reimbursement. For greater certainty, Potential Bidders, Bidders and/or Qualified Bidders/Successful Bidder shall be responsible for all of their own professional and other fees and costs relating to their investigation or closing of any transaction in this regard.
26. The Receiver shall have the right to adopt and implement such other rules for the Auction as may be necessary to promote the goals of this bid process generally.
27. The highest or any offer will not necessarily be accepted.

Court Approval

28. The sale of Purchased Assets is subject to an approval and vesting Order being issued by the Court.
29. In the case of an Agreement for the Receiver's interest in any lease, the Receiver shall assign (without covenants) all of its right, title and interest, if any, in such lease to the Successful Bidder on closing. The Receiver agrees to use all commercially reasonable efforts to obtain the requisite consent of the landlord or lessor, as the case may be, and/or the approval of the Court, to such assignment (if required by the lease) but in so doing shall not be required to incur any expense or liability (except as the Receiver in its absolute discretion may see fit).

30. Pursuant to the Terms and Conditions of Sale Order, the Receiver shall report to the Court and provide its recommendations to the Court regarding the sale of the Purchased Assets on May 3, 2024, or as soon thereafter as the Court may allow.
31. The Receiver shall not be required to pay any commission or finder's fee with respect to any sale pursuant hereto.

“As is, where is”

32. The Purchased Assets are being sold on an “as is, where is” basis and no warranty, condition or representation, whether statutory, express or implied, is being given by the Receiver as to the description, condition, state, cost, size, quality, fitness for purpose, merchantability, or in respect to any other matter or thing whatsoever concerning the Purchased Assets other than as may be expressly set out herein. The Successful Bidder is deemed to have satisfied itself with regard to all of the foregoing and any matter or thing whatsoever in respect of the Purchased Assets.

Miscellaneous

33. The Purchased Assets shall be and remain at the risk of the Receiver as its interest may appear until closing. From and after closing, the Purchased Assets shall be at the Successful Bidder's risk. Pending closing, the Receiver shall hold any insurance policies or proceeds thereof in trust for itself, the Successful Bidder and others as their respective interests may appear. In the event of substantial damage to or loss prior to closing of the Purchased Assets which are insured, the Successful Bidder may elect by notice in writing, 15 days after receiving notice from the Receiver, of such damage or loss, either to close the Agreement and receive the remaining Purchased Assets and the proceeds of the insurance, or may rescind the Agreement, have all moneys theretofore paid returned without interest, costs, deduction or compensation, but shall have no further or other right to damages, costs, specific performance or any other remedy.
34. The Successful Bidder shall pay on closing, in addition to the purchase price, all applicable federal, provincial and municipal taxes in connection with the sale.
35. The Successful Bidder shall, at its own cost and expense, be responsible for compliance with all municipal, provincial and federal laws insofar as they apply to the Purchased Assets and the use thereof by the Successful Bidder from and after closing.
36. All stipulations as to time are strictly of the essence.
37. Any tender of documents or money hereunder may be made upon the Receiver, a Bidder, the Successful Bidder or their respective solicitors. Money may only be tendered by certified cheque, bank draft or wire transfer drawn on an Acceptable Institution.

38. The Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and applicable laws of Canada and enure to the benefit of and be binding upon the parties thereto and their respective heirs, executors, administrators, successors or assigns as the case may be.
39. The obligations of the Receiver to complete the Agreement shall be relieved if, on or before the closing of such sale, any asset which is the subject of the sale has been removed from the control of the Receiver by any means or process, or any such asset is redeemed, or if the completion of the sale is restrained or prohibited by an injunction or other order issued by a court of competent jurisdiction, whereupon the only obligation of the Receiver shall be to return the applicable deposit, without interest, deduction, costs or compensation.
40. All communications, inquiries and requests for information relating to the acquisition of the Purchased Assets should be addressed to:

Ira Smith Trustee & Receiver Inc.
167 Applewood Crescent, Suite 6
Concord, Ontario L4K 4K7

Attention: Brandon Smith

T: (905) 738-4167 x113
E: brandon@irasmithinc.com
F: 905.738.9848

1199403 ONTARIO INC. et. al. - and- **SAPTASHVA SOLAR S.A.**

Applicants

Respondent

Court File No.: CV-21-00655706-00CL

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

APPLICATION UNDER SUBSECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c.B-
3, AS AMENDED AND SECTION 101 OF THE *COURTS
OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

PROCEEDING COMMENCED AT TORONTO

ORDER

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ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL SLIP/ENDORSEMENT

COURT FILE NO.: CV-21-00655706-00CL DATE: February 15, 2024

NO. ON LIST: 2

TITLE OF PROCEEDING: 11199403 ONTARIO INC. et al v. SAPTASHVA SOLAR
S.A.

BEFORE JUSTICE: Mr. JUSTICE H. J. WILTON-
SIEGEL

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party, Crown:

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	1274442 ONTARIO INC.	
	THADANI, GULU	

For Defendant, Respondent, Responding Party, Defence:

Name of Person Appearing	Name of Party	Contact Info
BEYGI, ELHAM	SAPTASHVA SOLAR S.A.	beygi@englobelaw.com

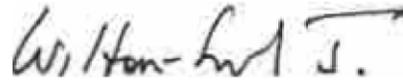
For Other:

Name of Person Appearing	Name of Party	Contact Info
MICHAUD, DOM	RECEIVER	dmichaud@robapp.com
SCHERNITZKI, NATALIE	TUXEDO COURT LLP.	nschernitzki@businesslawyers.com

ENDORSEMENT:

The Receiver seeks approval of a proposed sales process including bidding procedures and a stalking horse bid pursuant to an agreement dated January 31, 2024 between the Receiver and 1034523 Ontario Limited. The respondent debtor in this proceeding, Saptashva Solar S.A. consents to the order sought. The only creditor appearing, Tuxedo Court LLP., does not oppose the order. Accordingly, an order shall issue in the form attached.

The Receiver advised the Court that its request for the relief sought in items (b), (f) and (g) of its Notice of Motion has been adjourned and is currently expected to be considered upon a return to court to seek approval of a sale transaction.



WILTON-SIEGEL J.

Date: February 15, 2024

APPENDIX E

ASSET PURCHASE AGREEMENT
BETWEEN
IRA SMITH TRUSTEE & RECEIVER INC.,
solely in its capacity as receiver of SAPTASHVA SOLAR, S.A., and not in its personal
capacity
AND
1000851861 Ontario Inc.
MADE AS OF
04 April, 2024

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ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made as of 04th April, 2024.

B E T W E E N :

**IRA SMITH TRUSTEE & RECEIVER INC., solely in its capacity as receiver of
SAPTASHVA SOLAR, S.A. (the “Debtor”), and not in its personal capacity,
(the “Receiver”)**

- and -

1000851861 ONTARIO INC.

(the “Purchaser”)

WHEREAS:

- A. on January 24, 2022, the Court granted an order (the “**Receivership Order**”) appointing the Receiver as receiver of the assets, undertakings and properties of the Debtor amongst others;
- B. pursuant to the Receivership Order, the Receiver was authorized to market and sell the assets, undertakings and properties of Debtor;
- C. the Purchaser desires to purchase the Purchased Assets upon and subject to the terms and conditions set out in this Agreement;

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the parties agree as follows:

ARTICLE 1 – RECITALS AND ACKNOWLEDGEMENTS

1.1 Recitals

The parties acknowledge and confirm that the recitals are true and accurate as the recitals relate to each party respectively.

ARTICLE 2 – INTERPRETATION

2.1 Definitions

In this Agreement, unless something in the subject matter or context is inconsistent therewith:

- (a) “**Affiliates**” means, with respect to any Person, any other Person that controls or is controlled by or is under common control with the referent Person.
- (b) “**Agreement**” means this agreement, including its recitals and schedules, as amended from time to time.
- (c) “**Applicable Law**” means:
 - (i) any applicable domestic or foreign law including any statute, subordinate legislation or treaty, as well as the common law; and
 - (ii) any applicable and enforceable rule, requirement, order, judgment, injunction, award or decree of a Governmental Authority.
- (d) “**Approval and Vesting Order**” means an order of the Court substantially in the form attached hereto as **Exhibit A**: (i) approving the sale of the Purchased Assets by the Receiver to the Purchaser pursuant to the terms of this Agreement, and (ii) providing for the vesting of the right, title, benefit and interest of Debtor in and to the Purchased Assets in and to the Purchaser, free and clear of all Liens, other than the Permitted Encumbrances.
- (e) “**Assigned Contracts**” has the meaning set out in Section 3.1(b).

- (f) **“Assignment and Assumption Agreement”** has the meaning set out in Section 7.2(d).
- (g) **“Assumed Liabilities”** has the meaning set out in Section 3.2.
- (h) **“Business Day”** means a day other than a Saturday, Sunday or statutory holidays in the Province of Ontario.
- (i) **“Claim”** means any actual or threatened civil, criminal, administrative, regulatory, arbitral or investigative inquiry, action, suit, investigation or proceeding and any Loss, claim or demand relating thereto or resulting therefrom, or any other claim or demand of whatever nature or kind.
- (j) **“Closing”** means the closing of the transaction of purchase and sale of the Purchased Assets contemplated by this Agreement.
- (k) **“Closing Amount”** has the meaning set out in Section 3.4.
- (l) **“Closing Date”** means fifteen (15) days following the date of the Approval and Vesting Order, provided that such date may not be later than the Outside Date.
- (m) **“Contract”** means any agreement, contract, lease, licence, undertaking, engagement or commitment of any nature, whether written or oral.
- (n) **“Court”** means the Ontario Superior Court of Justice (Commercial List).
- (o) **“Evaluation Information”** has the meaning set out in Section 4.3(b).
- (p) **“FIT Contracts”** means the feed-in tariff contracts between the Debtor and the OPA identified as such in **Exhibit D**.
- (q) **“FIT Revenue Direction”** means an irrevocable direction to the LDC that all amounts payable to the “Receiver” under the FIT Contracts shall thenceforth be made in favour of the Person set forth in such direction, in substantially the form of FIT Revenue Direction set out in **Exhibit F** of this Agreement.
- (r) **“Governmental Authority”** means any domestic or foreign legislative, executive, judicial or administrative body or person having jurisdiction in the relevant circumstances, including the OPA and the IESO.
- (s) **“IESO”** means the Independent Electrical System Operator in the Province of Ontario.
- (t) **“LDC”** means the Toronto Hydro-Electric System Limited.
- (u) **“Liens”** means any lien (statutory or otherwise), mortgage, pledge, security interest (whether contractual, statutory or otherwise), hypothecation, trust or deemed trust (whether contractual, statutory, or otherwise), execution, levy, charge, encumbrance, interest in property, or other financial or monetary claim which, in each case, in substance, secures payment or performance of an obligation, or similar charge of any kind.
- (v) **“OPA”** means the Ontario Power Authority and any successor agency thereto;
- (w) **“OPA Consent”** means the consent of the OPA to the assignment of the FIT Contracts by the Receiver to the Purchaser in accordance with the terms of the FIT Contracts;
- (x) **“Outside Date”** means (i) May 31, 2024; or (ii) such earlier or later date as the Purchaser and the Receiver may agree in writing.
- (y) **“Permitted Encumbrances”** means only those Liens related to the Purchased Assets set forth in **Exhibit B**.

- (z) **“Person”** means any individual, corporation, limited liability company, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Authority or other entity.
- (aa) **“Premises”** means, collectively, the premises leased by the Debtor located at 40 and 42 Tuxedo Court, and 1445, 1449, 1457, 1463, 1469, 1475 and 1481 Kingston Road, Toronto, ON.
- (bb) **“Project”** means the solar project described herein as set forth in Schedule A.
- (cc) **“Purchase Price”** has the meaning set out in Section 3.4.
- (dd) **“Purchased Assets”** has the meaning set out in Section 3.1.
- (ee) **“Purchaser’s Solicitor”** means . (To be decided)
- (ff) **“Receiver’s Certificate”** means a certificate signed by the Receiver substantially in the form attached as **Schedule A** to the Approval and Vesting Order confirming that: (i) the Purchaser has paid, and the Receiver has received payment of, the Purchase Price in relation to the purchase by the Purchaser of the Purchased Assets, and (ii) the conditions to be complied with at or prior to the Time of Closing as set out in Section 6.1 and Section 6.2, respectively, have been satisfied or waived by the Receiver or the Purchaser, as applicable, pursuant to Section 6.3.
- (gg) **“Receivership Order”** has the meaning set out in the recitals hereto.
- (hh) **“Receiver’s Solicitor”** means Robins Appleby LLP.
- (ii) **“Solar Equipment”** has the meaning set out in Section 3.1(a).
- (jj) **“Tax Act”** means the *Income Tax Act* (Canada).
- (kk) **“Time of Closing”** means 9:00 a.m. (Toronto Time) on the Closing Date.

2.2 Headings

The division of this Agreement into Articles and Sections and the insertion of a table of contents and headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement. The terms “hereof”, “hereunder” and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof. Unless something in the subject matter or context is inconsistent therewith, references herein to “Article”, “Section” or “Exhibit” is to an article or section of or exhibit to this Agreement.

2.3 Extended Meanings

In this Agreement words importing the singular number include the plural and *vice versa*, words importing any gender include all genders and words importing persons include individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and Governmental Authorities. The term “including” means “including without limiting the generality of the foregoing” and the term “third party” means any Person other than the Receiver, the Debtor and the Purchaser or an Affiliate of any of them.

2.4 Capacity of Receiver

The Receiver, in executing this Agreement, is entering into this Agreement solely in its capacity as the court appointed receiver and manager of the Debtor, and not in its personal or any other capacity. The Receiver will have no personal or corporate liability of any kind whether in contract, tort or otherwise.

2.5 Statutory References

In this Agreement, unless something in the subject matter or context is inconsistent therewith or unless otherwise herein provided, a reference to any statute is to that statute

as now enacted or as the same may from time to time be amended, re-enacted or replaced and includes any regulations made thereunder.

2.6 Currency

All references to currency herein are to lawful money of Canada.

2.7 Exhibits

The following are the Exhibits to this Agreement:

Exhibit A – Form of Approval and Vesting Order

Exhibit B – Permitted Encumbrances

Exhibit C – Solar Equipment

Exhibit D – Assigned Contracts

Exhibit E – Allocation Schedule

Exhibit F – FIT Revenue Direction

ARTICLE 3 – SALE AND PURCHASE

3.1 Assets to be Sold and Purchased

Subject to the terms and conditions set forth herein, the Receiver will sell to the Purchaser and the Purchaser will purchase from the Receiver, as of and with effect from the Time of Closing, all of the right, title, benefit and interest of the Debtor in and to the following assets (collectively, the “**Purchased Assets**”):

- (a) all equipment and ancillary equipment (including spare parts) associated with the rooftop solar photovoltaic generation facilities located at the Premises, as further described in **Exhibit C** (collectively, the “**Solar Equipment**”);
- (b) all Contracts set forth in **Exhibit D** (collectively, the “**Assigned Contracts**”); and
- (c) all of the Debtor’s rights under warranties, indemnities and all similar rights against third parties to the extent related to any Purchased Assets.

3.2 Assumed Liabilities

Subject to the terms and conditions set forth herein, the Purchaser will assume and agree to pay, perform and discharge when due any and all obligations and liabilities under the Assigned Contracts (collectively, the “**Assumed Liabilities**”). Other than the Assumed Liabilities, the Purchaser will not assume any liabilities or obligations of the Debtor of any kind, whether known or unknown, contingent, matured or otherwise, whether currently existing or hereinafter created.

3.3 Assignments Requiring Consent

Neither this Agreement nor any agreement, certificate or other instruments delivered or given pursuant to this Agreement will constitute an assignment or an attempted assignment of any Assigned Contract contemplated to be assigned to the Purchaser hereunder which is not assignable without the consent, approval or waiver of another party or parties to the Assigned Contract if such consent, approval or waiver has not been obtained and the assignment or attempted assignment would constitute a breach of the Assigned Contract or, in the alternative, the Approval and Vesting Order has not been granted in a form that authorizes the assignment without such consent, approval or waiver.

3.4 Purchase Price

The aggregate purchase price payable by the Purchaser on Closing to the Receiver for the Purchased Assets (the “**Closing Amount**”) will be the following amount, *plus* the assumption of the Assumed Liabilities (the “**Purchase Price**”): **\$805,000 ; payable as follows:**

- (a) a deposit in the amount of \$101,250 by way of bank draft or certified funds drawn on a Canadian Schedule "I" Chartered Bank accompanying this offer; and
- (b) the balance, payable by wire transfer on Closing to the Receiver or to whom the Receiver will otherwise direct.

On Closing, the Purchaser shall pay the Receiver by wire transfer the amount of harmonized sales tax exigible on the Purchase Price, provided that if the Purchaser and Receiver are entitled to jointly elect and the transaction qualifies for an exemption from harmonized sales tax under section 167(1) of the *Excise Tax Act* (Canada), the Purchaser and the Receiver shall jointly make such election and deliver to the other on Closing a joint election form executed by the deliverer thereof and in such event, the Purchaser shall be relieved of the payment of harmonized sales tax to the Receiver on the Purchase Price at Closing.

3.5 Allocation of Purchase Price

Receiver and Purchaser agree that the Purchase Price and the Assumed Liabilities (plus other relevant items) shall be allocated among the Purchased Assets for all purposes (including tax and financial accounting) as shown in the allocation schedule attached hereto as **Exhibit E** (the "Allocation Schedule"). Purchaser and Receiver shall file all tax returns (including amended returns and claims for refund) and elections required or desirable under the Tax Act in a manner consistent with the Allocation Schedule. Neither Receiver nor Purchaser shall take a contrary position with respect to such allocation in any tax proceeding, audit, investigation, assessment, reassessment objection or appeal.

ARTICLE 4- REPRESENTATIONS AND WARRANTIES

4.1 Receiver's Representations and Warranties

The Receiver represents and warrants to the Purchaser that, as at the date hereof and as of the Closing Date:

- (a) subject to the entry of the Approval and Vesting Order and any other orders required by the Court in connection with the transactions contemplated herein, the Receiver has the power, authority and right to enter into and deliver this Agreement and to carry out its obligations hereunder;
- (b) subject to the entry of the Approval and Vesting Order and any other orders required by the Court in connection with the transactions contemplated herein, this Agreement constitutes a valid and legally binding obligation of the Receiver, enforceable against the Receiver in accordance with its terms; and
- (c) the Debtor is not a non-resident of Canada within the meaning of section 116 of the Tax Act.

4.2 Purchaser's Representations and Warranties

The Purchaser represents and warrants to the Receiver that:

- (a) the Purchaser is a corporation duly incorporated pursuant to the laws of the Province of Ontario;
- (b) the Purchaser has the power, authority and right to enter into and deliver this Agreement and to carry out its obligations hereunder;
- (c) this Agreement constitutes a valid and legally binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms;
- (d) the Purchaser has taken all necessary action to authorize the entering into and performance by it of this Agreement and completion of the transactions contemplated herein and the entering into of this Agreement in completion of the

transactions contemplated herein will not breach its constating documents, any agreement binding on the Purchaser, or Applicable Laws relating to the Purchaser;

- (e) the Purchaser is not a non-resident of Canada within the meaning of section 116 of the Tax Act.

4.3 “As Is, Where Is”

- (a) The Purchaser acknowledges and agrees that it is purchasing the Purchased Assets on an “as is, where is” basis and on the basis that the Purchaser has conducted to its satisfaction an independent inspection, investigation and verification of the Purchased Assets, and all other relevant matters and has determined to proceed with the transaction contemplated herein and will accept the same at the Time of Closing in its then current state, condition, location, and amounts.
- (b) The Purchaser acknowledges that the Receiver or other Persons have made available to the Purchaser documents, material, confidential information memoranda, management presentations or other information (the “**Evaluation Information**”), for the Purchaser’s convenience only, to enable the Purchaser to evaluate for itself on its own terms whether to enter into this Agreement and consummate the transaction contemplated by this Agreement without the need of the Purchaser to source the Evaluation Information itself. The Evaluation Information was and is made available on an “as is, where is” basis with an express acknowledgment from the Purchaser that it may not rely upon such information and that any investigation in respect to such Evaluation Information must include an assessment by the Purchaser of the accuracy, completeness, worthiness, quality, fitness, genuineness, reliability, authenticity or validity of any Evaluation Information without any assurance, representation or warranty from the Receiver in respect thereto. The Receiver has not made and is not making any representations or warranties, implied or otherwise, to or for the benefit of the Purchaser as to the accuracy, completeness, worthiness, quality, fitness, genuineness, reliability, authenticity or validity of any Evaluation Information or the achievability of any valuations, estimates, projections or other derivations arising from the Evaluation Information. The Purchaser acknowledges that it has not and will not rely upon the Evaluation Information in any manner, whether as a substitute for or supplementary to its own due diligence, searches, inspections and evaluations or otherwise. The Receiver and its Affiliates and their respective directors, officers, employees, agents and advisors will not be liable for any inaccuracy, incompleteness or subsequent changes to any Evaluation Information.

ARTICLE 5 – COVENANTS

5.1 Covenants of the Receiver

- (a) The Receiver will ensure that the representations and warranties of the Receiver set out in Section 4.1 are true and correct in all material respects at the Time of Closing and use reasonable commercial efforts to ensure that the conditions of closing for the benefit of the Purchaser set out in Section 6.1 over which it has reasonable control have been performed or complied with in all material respects by the Time of Closing.
- (b) The Receiver will file with the Court, as soon as practicable after its execution and delivery of this Agreement, a motion seeking the Court’s issuance of the Approval and Vesting Order.

5.2 Covenants of the Purchaser

- (a) The Purchaser will ensure that the representations and warranties of the Purchaser set out in Section 4.2 are true and correct in all material respects at the Time of Closing and use reasonable commercial efforts to ensure that the conditions of closing for the benefit of the Receiver set out in Section 6.2 over which it has reasonable control have been performed or complied with in all material respects by the Time of Closing.
- (b) The Purchaser will provide the Receiver with all information within its possession or control that the Receiver may reasonably request to assist the Receiver in obtaining the Approval and Vesting Order.
- (c) The Purchaser will provide to a third party in a timely manner and without delay such information as may be required or requested by such third party in connection with obtaining any consent, approval or waiver of such third party under any Assigned Contract, including confidential, financial and sensitive information.
- (d) On Closing, the Purchaser will assume the obligations of the Debtor under the Assumed Liabilities in writing in favour of both the Receiver and any other required parties in such forms as may be required by the Receiver, acting reasonably, and by the other parties, acting in their respective discretion permitted under the Assumed Liabilities.

ARTICLE 6 – CONDITIONS AND TERMINATION

6.1 Conditions for the Benefit of the Purchaser

The sale by the Receiver and the purchase by the Purchaser of the Purchased Assets is subject to the following conditions, which are for the exclusive benefit of the Purchaser and which are to be performed or complied with at or prior to the Time of Closing:

- (a) the representations and warranties of the Receiver set forth in this Agreement will be true and correct in all material respects at the Time of Closing with the same force and effect as if made at and as of such time;
- (b) the Receiver will have performed or complied in all material respects with all of the obligations and covenants of this Agreement to be performed or complied with by the Receiver at or prior to the Time of Closing;
- (c) no action or proceeding in Canada will be pending by any third party to enjoin or prohibit the sale and purchase of the Purchased Assets at the Time of Closing;
- (d) the Approval and Vesting Order will have been granted by the Court and such order will not have been stayed, varied in any material respect, set aside or appealed (or any such appeal will have been dismissed with no further appeal therefrom) prior to the Time of Closing;
- (e) all of the Solar Equipment shall be in commercial operation in accordance with the requirements of the FIT Contracts;
- (f) the Receiver shall have executed and delivered to the Purchaser a FIT Revenue Direction in favour of the Purchaser dated and delivered to the OPA and any other relevant Governmental Authority as of COD in substantially the form of the FIT Revenue Direction forming Schedule C to this Agreement; and
- (g) the Purchaser will have obtained all the consents, approvals or waivers under the Assigned Contracts in connection with the assignments of the Assigned Contracts contemplated by this Agreement or, in the alternative, the Approval and Vesting Order will have been granted in a form that authorizes the assignments of the

Assigned Contracts without such consents, approvals or waivers prior to the Time of Closing.

6.2 Conditions for the Benefit of the Receiver

The sale by the Receiver and the purchase by the Purchaser of the Purchased Assets is subject to the following conditions, which are for the exclusive benefit of the Receiver and which are to be performed or complied with at or prior to the Time of Closing:

- (a) the representations and warranties of the Purchaser set forth in this Agreement will be true and correct in all material respects at the Time of Closing with the same force and effect as if made at and as of such time;
- (b) the Purchaser will have performed or complied in all material respects with all of the obligations and covenants of this Agreement to be performed or complied with by the Purchaser at or prior to the Time of Closing;
- (c) no action or proceeding in Canada will be pending by any third party to enjoin or prohibit the purchase and sale of the Purchased Assets at the Time of Closing; and
- (d) the Approval and Vesting Order will have been granted by the Court and such order will not have been stayed, varied in any material respect, set aside or appealed (or any such appeal will have been dismissed with no further appeal therefrom) prior to the Time of Closing.

6.3 Waiver of Condition

The Purchaser, in the case of a condition set out in Section 6.1, and the Receiver, in the case of a condition set out in Section 6.2 (other than Section 6.2(d)), will have the exclusive right to waive the performance or compliance of such condition in whole or in part and on such terms as may be agreed upon without prejudice to any of its rights in the event of non-performance of or non-compliance with any other condition in whole or in part. Any such waiver will not constitute a waiver of any other conditions in favour of the waiving party. Such waiving party will retain the right to complete the purchase and sale of the Purchased Assets herein contemplated.

6.4 Termination

This Agreement may, by notice in writing given on or prior to the Closing Date, be terminated:

- (a) by mutual consent of the Receiver and the Purchaser;
- (b) by the Purchaser, if:
 - (i) there has been a material breach of this Agreement by the Receiver and where such breach is capable of being cured, such breach has not been waived by the Purchaser in writing or cured within 15 days following written notice of such breach by the Purchaser;
 - (ii) any of the conditions in Section 6.1 have not been satisfied or it becomes reasonably apparent that any of such conditions will not be satisfied by the Time of Closing (other than as a result of the failure of the Purchaser to perform any of its material obligations) and the Purchaser has not waived such condition in writing at or prior to Closing; or
 - (iii) the Closing has not occurred on or prior to the Outside Date, provided that the Purchaser is not in material breach of any of its obligations under this Agreement;
- (c) by the Receiver, if:

- (i) there has been a material breach of this Agreement by the Purchaser and where such breach is capable of being cured, such breach has not been waived by the Receiver or cured within 15 days following written notice of such breach by the Receiver;
- (ii) any of the conditions in Section 6.2 have not been satisfied or it becomes reasonably apparent that any of such conditions will not be satisfied by the Time of Closing (other than as a result of the failure of the Receiver to perform any of its material obligations) and the Receiver has not waived such condition at or prior to Closing; or
- (iii) the Closing has not occurred on or prior to the Outside Date, provided that the Receiver is not in material breach of any of the obligations under this Agreement.

6.5 Effect of Termination

Each party's right of termination under Section 6.4 is in addition to any other rights it may have under this Agreement, and the exercise of a right of termination will not be an election of remedies. If this Agreement is terminated pursuant to Section 6.4, all further obligations of the parties under this Agreement will terminate, except that the obligations in Section 6.4, Section 9.3, Section 9.4 and Section 9.5 will survive. If this Agreement is terminated by a party as a result of a material breach of any representation, warranty, covenant, obligation or other provision of this Agreement by the other party the sole remedy available to each of the parties is to terminate this Agreement and, in the case of termination by the Receiver resulting from the material breach of the Purchaser.

ARTICLE 7 – CLOSING ARRANGEMENTS

7.1 Closing

The sale and purchase of the Purchased Assets will be completed by exchange of documents by electronic transfer in counterpart, save for payment of the Closing Amount by the Purchaser to the Receiver pursuant to Section 3.4, with originals to follow within five (5) Business Days following the Closing Date.

7.2 Receiver's Closing Deliveries

On or before the Time of Closing, the Receiver will deliver or cause to be delivered to the Purchaser the following:

- (a) a certificate executed by the Receiver confirming that the representations and warranties of the Receiver in this Agreement are true and correct in all material respects as of the Time of Closing and that the obligations of the Receiver to be performed prior to the Time of Closing have been performed in all material respects;
- (b) a copy of the issued and entered Approval and Vesting Order;
- (c) a bill of sale, duly executed by the Receiver, if necessary, transferring the Purchased Assets to the Purchaser;
- (d) an assignment and assumption agreement (the "**Assignment and Assumption Agreement**"), duly executed by the Receiver, effecting the assignment and assumption by the Purchaser of the Purchased Assets and the Assumed Liabilities;
- (e) such other documents or instruments as contemplated or required to be delivered by the Receiver pursuant to this Agreement, all of which will be in form and substance satisfactory to the parties, acting reasonably.

7.3 Purchaser's Closing Deliveries

On or before the Time of Closing, the Purchaser will deliver or cause to be delivered to the Receiver the following:

- (a) payment of the balance of the Closing Amount to the Receiver as contemplated by Section 3.4;
- (b) a certificate executed by an officer of the Purchaser confirming that the representations and warranties of the Purchaser in this Agreement are true and correct in all material respects as of the Time of Closing and that the obligations of the Purchaser to be performed prior to the Time of Closing have been performed in all material respects;
- (c) the Assignment and Assumption Agreement, duly executed by the Purchaser; and
- (d) such other documents or instruments as contemplated or required to be delivered by the Purchaser pursuant to this Agreement, all of which will be in form and substance satisfactory to the parties, acting reasonably.

7.4 Confidentiality

Both prior to the Closing Date and, if the sale and purchase of the Purchased Assets hereunder fails to occur for whatever reason thereafter, the Purchaser will not disclose to anyone, save for its professional advisors, or use for its own or for any purpose other than the purpose contemplated by this Agreement any confidential information concerning Debtor or the operations obtained by the Purchaser pursuant hereto, and will hold all such information in the strictest confidence and, if the sale and purchase of the Purchased Assets hereunder fails to occur for whatever reason, will return all documents, records and all other information or data relating to the Debtor or to the operations which the Purchaser obtained pursuant to this Agreement. The Purchaser acknowledges that until and subject to Closing, such confidential information is the sole property of the Debtor and, except for the use of such confidential information by the Purchaser to evaluate the within transaction during its due diligence therefor, the Debtor is the sole Person entitled to use, exploit and benefit from such confidential information.

7.5 Delivery of Receiver's Certificate

When the Receiver is satisfied that all conditions hereunder have been satisfied or waived, and all documents to be delivered under the terms hereof have been delivered at or before the Time of Closing, the Receiver will deliver an executed copy of the Receiver's Certificate to the Purchaser's Solicitor in escrow upon the sole condition of receipt by the Receiver of the amounts referred to in Section 3.4. Following written confirmation of receipt by the Receiver of such funds (or such person directed by the Receiver to receive such funds), the Receiver's Certificate will be released from escrow to the Purchaser. Upon such delivery, the Closing will be deemed to have occurred at the Time of Closing. The Receiver will file a copy of the Receiver's Certificate with the Court on the next Business Day following the Closing Date and provide evidence of such filing to the Purchaser.

7.6 OPA Consent

The Purchaser acknowledges that it is solely responsible, at its cost, to obtain the OPA Consent and that the risk of not obtaining the OPA Consent is solely that of the Purchaser. The Purchaser shall close the transaction of purchase and sale contemplated by this Agreement on the Closing Date, whether or not it has received the OPA Consent.

ARTICLE 8– SURVIVAL

8.1 Survival

No covenants, representations and warranties of each party contained in this Agreement will survive the completion of the sale and purchase of the Purchased Assets, except for the covenants that by their terms are to be satisfied or survive after the Time of Closing (including without limitation Section 3.5, Section 9.3, Section 9.4 and Section 9.5), which covenants will continue in full force and effect in accordance with their terms.

ARTICLE 9 – GENERAL

9.1 Further Assurances

Each of the Receiver and the Purchaser will from time to time at the request and expense of the other execute and deliver all such further documents and instruments and do all acts and things as the other party may, either before or after the Closing Date, reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement.

9.2 Time of the Essence

Time is of the essence of this Agreement.

9.3 Costs and Expenses

Except as otherwise set out in this Agreement, each of the Receiver and the Purchaser will pay its respective legal and accounting costs and expenses incurred in connection with the preparation, execution and delivery of this Agreement and all documents and instruments executed pursuant to this Agreement and any other costs and expenses whatsoever and howsoever incurred.

9.4 Public Announcements

Except as required by Applicable Law, no public announcement or press release concerning the sale and purchase of the Purchased Assets may be made by the Receiver or the Purchaser without the prior consent and joint approval of the Receiver and the Purchaser.

9.5 Commission

The Purchaser agrees to indemnify and save harmless the Receiver and the Debtor from and against all losses suffered or incurred by the Receiver and the Debtor in respect of any commission or other remuneration payable or alleged to be payable to any broker, agent or other intermediary who purports to act or have acted for or on behalf of the Purchaser.

9.6 Benefit and Binding Nature of the Agreement

This Agreement will enure to the benefit of and be binding upon the successors and permitted assigns of the parties.

9.7 Entire Agreement

This Agreement (including the agreements contemplated hereby) constitute the entire agreement between the parties with respect to the subject matter hereof and such agreements cancel and supersede any prior understandings and agreements between the parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties other than as expressly set forth in this Agreement (including the agreements contemplated hereby).

9.8 Amendments and Waivers

No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by both of the parties. No waiver of any breach of any provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided, will be limited to the specific breach waived.

9.9 Assignment

This Agreement may not be assigned by the Receiver or the Purchaser without the written consent of the other, which consent may not be arbitrarily withheld, but provided that the Purchaser may assign this Agreement without the consent of the Receiver to an Affiliate of the Purchaser provided that: (i) such Affiliate enters into a written agreement with the Receiver to be bound by the provisions of this Agreement in all respects and to the same extent as the Purchaser is bound; (ii) such assignment occur prior to the issuance of the Approval and Vesting Order; (iii) in the Receiver's opinion, acting reasonably, the assignee has the financial ability through its own resources or through financing that has been arranged with a recognized financial lending institution, to close the transaction contemplated herein and pay the balance of the Closing Amount on the Closing Date and the financial covenant to perform its obligations under this Agreement and agreements given pursuant to this Agreement, including all indemnities, if any; and (iv) the assigning Purchaser agrees in writing with the Receiver to continue to be bound by and liable for all of the Purchaser's covenants and obligations herein contained as if the assignment had not occurred.

9.10 Notices

Any demand, notice or other communication to be given in connection with this Agreement must be given in writing and will be given by personal delivery or by fax or electronic means of communication addressed to the recipient as follows:

To the Receiver:

Ira Smith Trustee & Receiver Inc.
167 Applewood Crescent
Suite 6
Concord, Ontario L4K 4K7
Fax No.: (905) 738-9848
Email: brandon@irasmithinc.com
Attention: Brandon Smith

With copies to:

Robins Appleby LLP
120 Adelaide Street West
Suite 2600
Toronto, Ontario M5H 1T1
Fax No: (416) 868-0306
Email: dmichaud@robapp.com
Attention: Dominique Michaud

To the Purchaser:

Name: 1000851861 ONTARIO INC
Address: 23 Westmore Drive, Unit 304, Etobicoke, ON M9V 3Y7
Fax no.
Email: hexaventureson@gmail.com

Attention: Manish Mehra (manukaran@yahoo.com)

With copies to:

(Name of legal counsel if applicable)
Address:

Email:
Attention:

or to such other street address, individual or electronic communication number or address as may be designated by notice given by either party to the other. Any demand, notice or other communication given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, if given by fax or electronic communication, on the day of transmittal thereof if given during the normal business hours of the recipient and on the Business Day during which such normal business hours next occur if not given during such hours on any day.

9.11 Remedies Cumulative

The right and remedies of the parties under this Agreement are cumulative and are in addition to, and not in substitution for, any other rights and remedies available at law or in equity or otherwise. No single or partial exercise by a party of any right or remedy precludes or otherwise affects the exercise of any other right or remedy to which that party may be entitled.

9.12 No Third Party Beneficiaries

This Agreement is solely for the benefit of:

- (a) the Receiver, and its successors and permitted assigns, with respect to the obligations of the Purchaser under this Agreement, and
- (b) the Purchaser, and its successors and permitted assigns, with respect to the obligations of the Receiver under this Agreement,

and this Agreement will not be deemed to confer upon or give to any other person any Claim or other right or remedy.

9.13 Governing Law

This Agreement is governed by and will be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

9.14 Attornment

For the purpose of all legal proceedings this Agreement will be deemed to have been performed in the Province of Ontario and the courts of the Province of Ontario will have jurisdiction to entertain any action arising under this Agreement. The Receiver and the Purchaser each attorns to the jurisdiction of the courts of the Province of Ontario.

9.15 Appointment of Agent for Service

The Purchaser nominates, constitutes and appoints Manish Mehra of the City of Toronto, Ontario at 23 Westmore Drive, Unit 304, Etobicoke, ON M9V 3Y7, its true and lawful agent to accept service of process and to receive all lawful notices in respect of any action arising under this Agreement (other than any notice that is to be given by one party to another pursuant to Section 9.10). Until due and lawful notice of the appointment of another and subsequent agent in the Province of Ontario has been given to and accepted by the Receiver, service of process or of papers and such notices upon 23 Westmore Drive, Unit 304, Etobicoke, ON M9V 3Y7 will be accepted by the Purchaser as sufficient service.

9.16 Severability

If any provision of this Agreement is determined by any court of competent jurisdiction to be illegal or unenforceable, that provision will be severed from this Agreement and the remaining provisions will continue in full force and effect.

9.17 Counterparts

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument.

9.18 Electronic Execution

Delivery of an executed signature page to this Agreement by any party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such party. An electronic copy of this Agreement or a copy derived therefrom will be deemed to be an original.

[The balance of this page has been intentionally left blank.]

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

**IRA SMITH TRUSTEE & RECEIVER INC.,
solely in its capacity as receiver of
SAPTASHVA SOLAR, S.A. and not in its
personal capacity**

Per: 
Name: BRANDON SMITH
Title: SENIOR VICE-PRESIDENT


Per: 1000851861 ONTARIO INC
Name: Manishi Mehra
Title: Director

I have the authority to bind the Corporation

EXHIBIT A
Form of Approval and Vesting Order
(see attached)

Court File No.: CV-21-00655706-00CL

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

THE HONOURABLE) **TUESDAY, THE 14th**
)
JUSTICE) **DAY OF MAY, 2024**

BETWEEN:

1199403 ONTARIO INC., 1274442 ONTARIO INC., and GULU THADANI

Applicants

-and-

SAPTASHVA SOLAR S.A.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by Ira Smith Trustee & Receiver Inc. (“**ISI**”) in its capacity as the Court-appointed receiver (the "**Receiver**") of Saptashva Solar S.A. (the "**Debtor**"), without security, to exercise the powers and duties as specifically set out in the Order of the Honourable Justice Cavanagh dated January 24, 2022 (the “**Appointment Order**”) with respect to the assets, undertakings and properties of the Debtor acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof, for an order, *inter alia*, approving the sale transaction (the "**Transaction**") contemplated by an asset purchase agreement (the "**Purchase Agreement**") between the Receiver, as vendor, and 1000851861 Ontario Inc. (“**Purchaser**”), as purchaser, made as of April 4, 2024, and vesting in the Purchaser the Debtor’s right, title and

interest in and to the assets described in the Purchase Agreement (the "**Purchased Assets**"), was heard this day by videoconference.

ON READING the Motion Record of the Receiver dated February 1, 2024 containing the Second Report of the Receiver dated January 31, 2024 (the "**Second Receiver's Report**"), the Motion Record of the Receiver dated **May ●, 2024** containing the Third Report of the Receiver dated **May ●, 2024** (the "**Third Receiver's Report**"), the Affidavits of Irving Marks sworn January 29, 2024 and **May ●, 2024** (the "**Robins Appleby LLP Fee Affidavits**") and the Affidavits of Brandon Smith sworn January 29, 2024 and **May ●, 2024** (the "**ISI Fee Affidavits**"), and on hearing the submissions of counsel for the Receiver and any such other counsel or individual as were present, no one appearing for any other person on the service list, although properly served as evidenced by the Affidavit of Wendy Lee sworn **May ●, 2024**, filed.

1. **THIS COURT ORDERS** that unless otherwise defined herein or the context otherwise requires, capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Purchase Agreement.
2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Purchase Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule A** hereto (the "**Receiver's Certificate**"), all of Debtor's right, title, benefit and interest in and to the Purchased Assets described in the Purchase Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Appointment Order and the Order of the Honourable Justice Conway dated December 12, 2022; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of which are collectively referred to as the "**Encumbrances**") 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.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of

the Receiver's Certificate forthwith after delivery thereof.

6. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to Debtor's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by Debtor.

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of Debtor and shall not be void or voidable by creditors of Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

Schedule A- Form of Receiver's Certificate

Court File No.: CV-21-00655706-00CL

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

BETWEEN:

1199403 ONTARIO INC., 1274442 ONTARIO INC., and GULU THADANI

Applicants

-and-

SAPTASHVA SOLAR S.A.

Respondent

RECEIVER'S CERTIFICATE**RECITALS**

A. Pursuant to an Order of the Honourable Justice Cavanagh of the Ontario Superior Court of Justice (the "**Court**") dated January 24, 2022, Ira Smith Trustee & Receiver Inc. was appointed as receiver (the "**Receiver**") of Saptashva Solar S.A. (the "**Debtor**"), without security, to exercise the powers and duties as specifically set out in the Appointment Order with respect to the assets, undertakings and properties of the Debtor acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof.

B. Pursuant to an Order of the Court dated ●, 2024 the Court approved the asset purchase agreement made as of April 4, 2024 (the "**Purchase Agreement**") between the Receiver, as vendor, and 1000851861 Ontario Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out the Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Purchase Agreement.

THE RECEIVER CERTIFIES the following:

- 1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Purchase Agreement;
- 2. The conditions to closing as set out in the Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser, respectively; and
- 3. The Transaction has been completed to the satisfaction of the Receiver.
- 4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

IRA SMITH TRUSTEE & RECEIVER INC., in its capacity as Receiver of Saptashva Solar S.A., and not in its personal capacity and without personal or corporate liability

Per: _____
Name:
Title:

**1199403 ONTARIO INC. - and- SAPTASHVA SOLAR S.A.
ET AL.**

Applicants

Respondent

Court File No.: CV-21-00655706-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

APPROVAL AND VESTING ORDER

ROBINS APPLEBY LLP

Barristers + Solicitors
2600 - 120 Adelaide Street West
Toronto, ON M5H 1T1

Dominique Michaud LSO No. 56871V

Email: dmichaud@robapp.com
Tel: (416) 360-3795

Joey Jamil LSO No. 74614L

Email: jjamil@robapp.com
Tel: (416) 360-3783

Lawyers for the Receiver, Ira Smith Trustee & Receiver
Inc.

EXHIBIT B
Permitted Encumbrances

Encumbrances registered on the Ontario Personal Property Security Registration System:

N/A

EXHIBIT C
Solar Equipment

40 Tuxedo

qty 7: Fronius IG Plus inverters (three phase)
qty 204: Solar panels (Canadian Solar MODEL TYPE: CS6X-300P)

42 Tuxedo

qty 5: Fronius Symo Advanced inverters
qty 155: solar panels (Canadian Solar MODEL TYPE: CS6X-300P)

1445 Kingston Road

qty 3: Fronius IG Plus inverters (single phase)
qty 89: solar panels (Sharp NDL235Q2)

1449 Kingston Road

qty 3: Fronius IG Plus inverters (single phase)
qty 91: solar panels (Sharp NDL235Q2)

1457 Kingston Road

qty 4: Fronius IG Plus inverters (single phase)
qty 111: solar panels (Sharp NDL235Q2)

1463 Kingston Road

qty 3: Fronius IG Plus inverters (single phase)
qty 81: solar panels (Sharp NDL235Q2)

1469 Kingston Road

qty 4: Fronius IG Plus inverters (single phase)
qty 116: solar panels (Sharp NDL235Q2)

1475 Kingston Road

qty 3: Fronius IG Plus inverters (single phase)
qty 78: solar panels (Sharp NDL235Q2)

1481 Kingston Road

qty 4: Fronius IG Plus inverters (single phase)
qty 112: solar panels (Sharp NDL235Q2)

Other

qty 14: Spare solar panels (Canadian Solar MODEL TYPE: CS6X-300P)

Assorted cables, connectors, fuses, tools, etc. located on rooftops and in storage

EXHIBIT D
Assigned Contracts

The Assigned Contracts consisting of the nine FIT Contracts are as follows:

1. **FIT-FR4951V**, among the Debtor and the OPA, for the 60 kW solar project at 40 Tuxedo Court, Toronto, Ontario
2. **FIT-FEMUZ1B**, among the Debtor and the OPA, for the 50 kW solar project at 42 Tuxedo Court, Toronto, Ontario
3. **FIT-F9ND3MI**, among the Debtor and the OPA, for the 21 kW solar project at 1445 Kingston Road, Toronto
4. **FIT-F3GNE08**, among the Debtor and the OPA, for the 21 kW solar project at 1449 Kingston Road, Toronto
5. **FIT-F9MVKXX**, among the Debtor and the OPA, for the 26 kW solar project at 1457 Kingston Road, Toronto
6. **FIT-FF0Z020**, among the Debtor and the OPA, for the 18 kW solar project at 1463 Kingston Road, Toronto
7. **FIT-FLQLLQJ**, among the Debtor and the OPA, for the 26 kW solar project at 1469 Kingston Road, Toronto
8. **FIT-FL8B6T7**, among the Debtor and the OPA, for the 18 kW solar project at 1475 Kingston Road, Toronto
9. **FIT-FN7L15H**, among the Debtor and the OPA, for the 26 kW solar project at 1481 Kingston Road, Toronto

EXHIBIT E
Allocation Schedule

Description of Purchased Asset	Allocation of Purchase Price in \$CAD
Cash and cash equivalents	Cash value
Accounts Receivable	Determined in accordance with ASPE
Prepaid Expenses	Determined in accordance with ASPE
Other Current Assets	Determined in accordance with ASPE
Solar Equipment	\$705,000
Goodwill	Remainder of the consideration to be allocated less \$1.00
Assigned Contracts and all other Purchased Assets not listed above	\$1.00

APPENDIX F

ENERGY GENERATION IN kWh
2022

Site	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	2022 Total
40 Tuxedo	2,255.402	2,937.498	3,500.425	7,832.475	9,150.435	9,062.157	8,552.353	7,442.131	6,199.915	5,522.116	3,309.043	1,825.267	67,589.217
42 Tuxedo	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
1445 Kingston	163.578	459.052	776.712	881.045	834.313	1,283.957	1,411.334	1,670.694	1,185.350	928.715	380.304	259.781	10,234.835
1449 Kingston	71.388	195.878	356.293	44.462	326.679	64.368	0.000	349.883	667.017	1,203.566	404.970	0.000	3,684.504
1457 Kingston	162.419	437.968	726.289	1,203.684	1,498.997	1,078.334	914.486	1,861.656	1,763.661	1,684.200	716.198	477.551	12,525.443
1463 Kingston	172.483	479.593	837.092	1,462.443	1,839.461	1,853.358	1,813.518	1,614.010	1,090.293	847.186	336.232	241.688	12,587.357
1469 Kingston	23.909	66.204	94.025	158.421	192.480	357.290	2,074.657	2,205.091	1,525.290	1,199.995	398.398	180.767	8,476.527
1475 Kingston	234.502	604.401	1,101.484	1,873.532	2,190.203	2,070.549	2,052.250	1,871.027	1,449.565	1,201.102	478.605	333.464	15,460.684
1481 Kingston	266.507	511.016	710.442	1,215.199	930.730	743.397	746.009	1,666.599	1,522.685	1,209.990	496.916	344.930	10,364.420
	3,350.188	5,691.610	8,102.762	14,671.261	16,963.298	16,513.410	17,564.607	18,681.091	15,403.776	13,796.870	6,520.666	3,663.448	140,922.987

ENERGY GENERATION IN kWh
2023

Site	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	2023 Total
40 Tuxedo	1,084.446	3,288.483	5,542.713	7,338.622	10,353.357	8,807.440	8,682.273	6,755.391	5,175.598	4,528.602	3,369.136	1,423.723	66,349.784
42 Tuxedo	0.000	0.000	873.580	2,795.314	4,277.565	3,032.140	2,875.999	2,333.682	2,190.028	1,331.419	837.427		370.498
1445 Kingston	151.912	396.298	486.367	1,044.245	2,368.824	2,046.145	2,937.390	2,550.206	2,154.805	1,281.510	762.401	342.873	16,522.976
1449 Kingston	39.798	466.710	603.127	698.796	2,449.189	2,024.403	2,150.485	1,871.908	1,596.490	973.211	594.919	259.572	13,728.608
1457 Kingston	257.918	670.393	1,321.144	1,758.467	16.175	1,082.835	2,322.367	1,918.103	1,704.130	1,573.544	1,001.476	422.233	14,048.785
1463 Kingston	135.050	341.037	458.730	1,094.324	3,030.877	2,521.928	2,676.180	2,295.826	1,902.998	1,116.151	684.232	308.529	16,565.862
1469 Kingston	97.884	243.258	568.946	1,743.532	4,077.951	3,403.029	3,626.787	3,200.827	2,773.331	1,681.913	1,047.298	453.731	22,918.487
1475 Kingston	184.753	455.349	1,091.449	1,807.811	2,541.739	1,881.686	1,930.566	1,787.269	1,602.697	1,021.389	639.376	276.056	15,220.140
1481 Kingston	136.717	137.548	35.180	271.480	718.871	729.769	3,162.957	2,798.792	2,451.561	1,487.739	912.249	340.525	13,183.388
	2,088.478	5,999.076	10,981.236	18,552.591	29,834.548	25,529.375	30,365.004	25,512.004	21,551.638	14,995.478	9,848.514	4,197.740	199,455.682

ENERGY GENERATION IN kWh
2024

Site	Jan	Feb	Mar	2024 to date	Cummulative
40 Tuxedo	1,728.666	4,679.878	6,235.789	12,644.333	146,583.334
42 Tuxedo	226.062	1,116.184	1,738.305	3,080.551	23,998.203
1445 Kingston	389.745	826.445	1,178.241	2,394.431	29,152.242
1449 Kingston	286.053	0.000	1,395.431	1,681.484	19,094.596
1457 Kingston	415.929	1,031.288	1,329.071	2,776.288	29,350.516
1463 Kingston	310.704	809.553	1,242.436	2,362.693	31,515.912
1469 Kingston	504.622	0.000	1,847.763	2,352.385	33,747.399
1475 Kingston	291.075	815.796	1,376.617	2,483.488	33,164.312
1481 Kingston	338.388	947.701	1,516.153	2,802.242	26,350.050
	4,491.244	10,226.845	17,859.806	32,577.895	372,956.564

NET RECEIPTS FROM TORONTO HYDRO BY CHEQUE DATE
2022

Site	18-Apr	16-May	20-May	13-Jun	04-Jul	11-Jul	18-Jul	15-Aug	12-Sep	19-Sep	30-Oct	14-Nov	12-Dec	2022 Total
40 Tuxedo	\$ 6,885.17	\$ -	\$ 6,271.19	\$ -	\$ 7,331.96	\$ -	\$ 7,262.28	\$ 6,850.21	\$ 5,955.60	\$ -	\$ 4,955.94	\$ 4,408.40	\$ 2,624.33	\$ 52,545.08
42 Tuxedo	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1445 Kingston	\$ 1,010.76	\$ 671.13	\$ -	\$ 632.37	\$ -	\$ 995.82	\$ -	\$ 1,097.12	\$ -	\$ 1,306.16	\$ 916.42	\$ 708.28	\$ 265.45	\$ 7,603.51
1449 Kingston	\$ 227.98	\$ -	\$ -	\$ 219.82	\$ -	\$ 13.12	\$ -	\$ -	\$ 242.00	\$ -	\$ 498.73	\$ 929.48	\$ 285.21	\$ 2,416.34
1457 Kingston	\$ 951.39	\$ 930.86	\$ -	\$ 1,167.87	\$ -	\$ 830.40	\$ -	\$ 697.16	\$ -	\$ 1,460.02	\$ 1,382.09	\$ 1,316.48	\$ 535.49	\$ 9,271.76
1463 Kingston	\$ 1,082.36	\$ 1,139.36	\$ -	\$ 1,442.06	\$ -	\$ 1,454.66	\$ -	\$ 1,421.32	\$ -	\$ 1,260.54	\$ 839.83	\$ 642.62	\$ 229.97	\$ 9,512.72
1469 Kingston	\$ -	\$ 91.84	\$ -	\$ 115.00	\$ -	\$ 249.34	\$ -	\$ 1,631.63	\$ 1,736.49	\$ -	\$ 1,189.90	\$ 926.39	\$ 279.43	\$ 6,220.02
1475 Kingston	\$ 1,445.90	\$ 1,470.58	\$ -	\$ 1,724.64	\$ -	\$ 1,629.58	\$ -	\$ 1,613.50	\$ -	\$ 1,467.45	\$ 1,129.08	\$ 927.54	\$ 344.38	\$ 11,752.65
1481 Kingston	\$ 1,080.68	\$ 939.97	\$ -	\$ 709.70	\$ -	\$ 560.38	\$ -	\$ 561.40	\$ 1,302.87	\$ -	\$ 1,187.99	\$ 934.69	\$ 359.13	\$ 7,636.81
	\$ 12,684.24	\$ 5,243.74	\$ 6,271.19	\$ 6,011.46	\$ 7,331.96	\$ 5,733.30	\$ 7,262.28	\$ 13,872.34	\$ 9,236.96	\$ 5,494.17	\$ 12,099.98	\$ 10,793.88	\$ 4,923.39	\$ 106,958.89

NET RECEIPTS FROM TORONTO HYDRO BY CHEQUE DATE
2023

Site	16-Jan	13-Feb	13-Mar	17-Apr	08-May	15-May	12-Jun	17-Jul	14-Aug	11-Sep	18-Sep	09-Oct	16-Oct	13-Nov	20-Nov	18-Dec	25-Dec	2023 Total
40 Tuxedo	\$ 1,427.30	\$ 827.75	\$ 2,608.20	\$ 4,420.16	\$ -	\$ 5,868.76	\$ 8,296.37	\$ 7,052.35	\$ 6,950.06	\$ -	\$ 5,397.45	\$ -	\$ 4,125.97	\$ -	\$ 3,603.03	\$ -	\$ 2,673.30	\$ 53,250.70
42 Tuxedo	\$ -	\$ -	\$ -	\$ 657.78	\$ -	\$ 2,207.77	\$ 3,400.60	\$ 2,398.80	\$ 2,271.35	\$ 1,834.42	\$ -	\$ 1,719.97	\$ -	\$ 1,026.41	\$ -	\$ 632.67	\$ -	\$ 16,149.77
1445 Kingston	\$ 166.99	\$ 77.43	\$ 278.76	\$ 347.31	\$ 798.21	\$ -	\$ 1,863.88	\$ 1,605.36	\$ 2,321.82	\$ -	\$ 2,009.81	\$ 1,692.63	\$ -	\$ 987.46	\$ -	\$ 573.72	\$ -	\$ 12,723.38
1449 Kingston	\$ -	\$ -	\$ 335.13	\$ 441.14	\$ -	\$ 519.87	\$ 1,928.44	\$ 1,587.86	\$ 1,687.80	\$ 1,463.31	\$ -	\$ 1,242.80	\$ -	\$ 739.06	\$ -	\$ 438.78	\$ -	\$ 10,384.19
1457 Kingston	\$ 341.82	\$ 162.09	\$ 499.01	\$ 1,019.40	\$ 1,373.31	\$ -	\$ -	\$ 828.53	\$ 1,826.12	\$ 1,500.34	\$ -	\$ 1,329.29	\$ -	\$ 1,222.50	\$ -	\$ 766.04	\$ -	\$ 10,868.45
1463 Kingston	\$ 152.43	\$ 63.84	\$ 234.24	\$ 325.06	\$ 838.50	\$ -	\$ 2,397.14	\$ 1,988.55	\$ 2,111.38	\$ 1,804.86	\$ -	\$ 1,489.76	\$ -	\$ 854.25	\$ -	\$ 510.78	\$ -	\$ 12,770.79
1469 Kingston	\$ 102.69	\$ 33.11	\$ 154.85	\$ 413.12	\$ -	\$ 1,361.07	\$ 3,240.58	\$ 2,698.28	\$ 2,877.09	\$ -	\$ 2,533.82	\$ -	\$ 2,190.74	\$ 1,309.83	\$ -	\$ 802.99	\$ -	\$ 17,718.17
1475 Kingston	\$ 226.09	\$ 103.51	\$ 326.02	\$ 834.37	\$ 1,413.10	\$ -	\$ 2,003.02	\$ 1,472.71	\$ 1,510.63	\$ 1,395.12	\$ -	\$ 1,247.79	\$ -	\$ 777.88	\$ -	\$ 474.62	\$ -	\$ 11,784.86
1481 Kingston	\$ 235.32	\$ 65.04	\$ 70.22	\$ -	\$ -	\$ 175.26	\$ 534.73	\$ 544.92	\$ 2,503.37	\$ -	\$ 2,209.90	\$ 1,931.48	\$ -	\$ 1,153.38	\$ -	\$ 694.19	\$ -	\$ 10,117.81
	\$ 2,652.64	\$ 1,332.77	\$ 4,506.43	\$ 8,458.34	\$ 4,423.12	\$ 10,132.73	\$ 23,664.76	\$ 20,177.36	\$ 24,059.62	\$ 7,998.05	\$ 12,150.98	\$ 10,653.72	\$ 6,316.71	\$ 8,070.77	\$ 3,603.03	\$ 4,893.79	\$ 2,673.30	\$ 155,768.12

NET RECEIPTS FROM TORONTO HYDRO BY CHEQUE DATE
2024

Site	15-Jan	12-Feb	11-Mar	18-Mar	15-Apr	22-Apr	2024 to date	Cummulative
40 Tuxedo	\$ 1,104.41	\$ 1,348.19	\$ 3,729.08			\$ 4,979.97	\$ 11,161.65	\$ 116,957.43
42 Tuxedo	\$ 254.65	\$ 136.28	\$ 857.00		\$ 1,355.56		\$ 2,603.49	\$ 18,753.26
1445 Kingston	\$ 234.34	\$ 270.19	\$ 625.04		\$ 905.93		\$ 2,035.50	\$ 22,362.39
1449 Kingston	\$ 167.21	\$ 186.60				\$ 1,040.03	\$ 1,393.84	\$ 14,194.37
1457 Kingston	\$ 297.91	\$ 291.02		\$ 789.95		\$ 1,027.21	\$ 2,406.09	\$ 22,546.30
1463 Kingston	\$ 206.68	\$ 206.50	\$ 611.39		\$ 957.44		\$ 1,982.01	\$ 24,265.52
1469 Kingston	\$ 323.31	\$ 362.39				\$ 1,403.70	\$ 2,089.40	\$ 26,027.59
1475 Kingston	\$ 180.51	\$ 190.66	\$ 616.42		\$ 1,065.54		\$ 2,053.13	\$ 25,590.64
1481 Kingston	\$ 232.09	\$ 228.42	\$ 722.39		\$ 1,177.70		\$ 2,360.60	\$ 20,115.22
	\$ 3,001.11	\$ 3,220.25	\$ 7,161.32	\$ 789.95	\$ 5,462.17	\$ 8,450.91	\$ 28,085.71	\$ 290,812.72

APPENDIX G



167 Applewood Cres. Suite 6, Concord, ON L4K 4K7
Phone: 905.738.4167
Fax: 905.738.9848
irasmithinc.com

Licensed Insolvency Trustee

Brandon Smith

Phone: 905.738.4167 ext. 113

Email: brandon@irasmithinc.com

February 14, 2024

Canada Revenue Agency
National Insolvency Office
145 Hobsons Lake Drive
PO BOX 638
Halifax, NS B3J 2T5

Attention: Mr. Mark Lohnes, Resource/Complex Case Officer

Dear Sirs

**SAPTASHVA SOLAR, S.A. (the “Company”)
BN 805988888**

As you are aware on January 24, 2022, we were appointed pursuant to an Order of the Ontario Superior Court of Justice, Commercial List (the “Court”), as Receiver of the Company. A copy of the Order was previously provided to you.

We are writing in response to your letter of November 1, 2023, wherein you advised that the Company owes GST/HST in the amount of \$14,061.31, of which \$10,967.89 represented property held in trust for the Crown pursuant to ss. 222(3) of the *Excise Tax Act* (Canada).

We advise that on February 8, 2024, as Receiver, we closed a sale on a specific set of assets that were subject to a specific buy-back agreement. The proceeds of sale were \$15,160.00 plus HST and will be accounted for when we file our RT0002 Q1 2024 HST return.

Please find enclosed our estate trust account cheque number 80, in the amount of \$10,967.89 remitting the full and final amount of your trust claim with respect to the Company’s RT0001 indebtedness.

We are currently seeking court approval of a stalking horse sales process to realize upon substantially all assets of the Company. Service of our motion was provided to you care of Department of Justice. At this time it is our preliminary estimate that the applicant and secured party in these proceedings will suffer a shortfall. Our final report to the court will account for all

receipts and disbursements, but it is our estimate that there will not be funds to pay unsecured creditors, including your residual claim for \$3,093.42.

We further advise that on January 2, 2024 we filed an RT0002 return for the period October 1 through December 31, 2023, claiming a refund of \$260.46. At this time, we have neither received a notice of assessment nor refund. We have also not received a notice of assessment for the RT0002 account for the period July 1 through September 30, 2023. Please advise and if possible send paper copies of the reproduced assessments as we have no access to the Company's CRA online portal.

Yours truly,

IRA SMITH TRUSTEE & RECEIVER INC.
solely in its capacity as the Court-appointed Receiver of
Saptashva Solar, S.A.

Per:



Brandon Smith
Senior Vice-President

Encl.

APPENDIX H

ASSET PURCHASE AGREEMENT
BETWEEN
IRA SMITH TRUSTEE & RECEIVER INC.,
solely in its capacity as receiver of SAPTASHVA SOLAR, S.A., and not in its personal
capacity
AND
1034523 ONTARIO LIMITED

MADE AS OF
January 31, 2024

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ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made as of January 31, 2024.

B E T W E E N :

IRA SMITH TRUSTEE & RECEIVER INC., solely in its capacity as receiver of SAPTASHVA SOLAR, S.A. (the “Debtor”), and not in its personal capacity, (the “Receiver”)

- and -

1034523 ONTARIO LIMITED, an Ontario Corporation (the “Purchaser”)

WHEREAS:

- A. on January 24, 2022, the Court granted an order (the “**Receivership Order**”) appointing the Receiver as receiver of the assets, undertakings and properties of the Debtor amongst others;
- B. pursuant to the Receivership Order, the Receiver was authorized to market and sell the assets, undertakings and properties of Debtor;
- C. the Purchaser desires to purchase the Purchased Assets upon and subject to the terms and conditions set out in this Agreement;
- D. In connection with the Receivership Order, the Receiver will seek the approval of the Court: (i) of a sales and marketing process for the Purchased Assets; and (ii) to sell to the Purchaser as the “Stalking Horse Bidder” on an “as is, where is basis” the Purchased Assets.

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the parties agree as follows:

ARTICLE 1 – RECITALS AND ACKNOWLEDGEMENTS

1.1 Recitals

The parties acknowledge and confirm that the recitals are true and accurate as the recitals relate to each party respectively.

ARTICLE 2 – INTERPRETATION

2.1 Definitions

In this Agreement, unless something in the subject matter or context is inconsistent therewith:

- (a) “**Accepted Bid**” has the meaning set out in the Sale Process.
- (b) “**Affiliates**” means, with respect to any Person, any other Person that controls or is controlled by or is under common control with the referent Person.
- (c) “**Agreement**” means this agreement, including its recitals and schedules, as amended from time to time.
- (d) “**Applicable Law**” means:
 - (i) any applicable domestic or foreign law including any statute, subordinate legislation or treaty, as well as the common law; and
 - (ii) any applicable and enforceable rule, requirement, order, judgment, injunction, award or decree of a Governmental Authority.
- (e) “**Approval and Vesting Order**” means an order of the Court substantially in the form attached hereto as **Exhibit A**: (i) approving the sale of the Purchased Assets

by the Receiver to the Purchaser pursuant to the terms of this Agreement, and (ii) providing for the vesting of the right, title, benefit and interest of Debtor in and to the Purchased Assets in and to the Purchaser, free and clear of all Liens, other than the Permitted Encumbrances.

- (f) **“Assigned Contracts”** has the meaning set out in Section 3.1(b).
- (g) **“Assignment and Assumption Agreement”** has the meaning set out in Section 7.2(d).
- (h) **“Assumed Liabilities”** has the meaning set out in Section 3.2.
- (i) **“Break Fee”** has the meaning set out in Section 8.2.
- (j) **“Business Day”** means a day other than a Saturday, Sunday or statutory holidays in the Province of Ontario.
- (k) **“Claim”** means any actual or threatened civil, criminal, administrative, regulatory, arbitral or investigative inquiry, action, suit, investigation or proceeding and any Loss, claim or demand relating thereto or resulting therefrom, or any other claim or demand of whatever nature or kind.
- (l) **“Closing”** means the closing of the transaction of purchase and sale of the Purchased Assets contemplated by this Agreement.
- (m) **“Closing Amount”** has the meaning set out in Section 3.4.
- (n) **“Closing Date”** means fifteen (15) days following the date of the Approval and Vesting Order, provided that such date may not be later than the Outside Date.
- (o) **“Contract”** means any agreement, contract, lease, licence, undertaking, engagement or commitment of any nature, whether written or oral.
- (p) **“Court”** means the Ontario Superior Court of Justice (Commercial List).
- (q) **“Debt”** has the meaning set out in Section 3.4(a).
- (r) **“Evaluation Information”** has the meaning set out in Section 4.3(b).
- (s) **“FIT Contracts”** means the feed-in tariff contracts between the Debtor and the OPA identified as such in **Exhibit D**.
- (t) **“FIT Revenue Direction”** means an irrevocable direction to the LDC that all amounts payable to the “Receiver” under the FIT Contracts shall thenceforth be made in favour of the Person set forth in such direction, in substantially the form of FIT Revenue Direction set out in **Exhibit G** of this Agreement.
- (u) **“Governmental Authority”** means any domestic or foreign legislative, executive, judicial or administrative body or person having jurisdiction in the relevant circumstances, including the OPA and the IESO.
- (v) **“IESO”** means the Independent Electrical System Operator in the Province of Ontario.
- (w) **“LDC”** means the Toronto Hydro-Electric System Limited.
- (x) **“Liens”** means any lien (statutory or otherwise), mortgage, pledge, security interest (whether contractual, statutory or otherwise), hypothecation, trust or deemed trust (whether contractual, statutory, or otherwise), execution, levy, charge, encumbrance, interest in property, or other financial or monetary claim which, in each case, in substance, secures payment or performance of an obligation, or similar charge of any kind.
- (y) **“OPA”** means the Ontario Power Authority and any successor agency thereto;

- (z) **"OPA Consent"** means the consent of the OPA to the assignment of the FIT Contracts by the Receiver to the Purchaser in accordance with the terms of the FIT Contracts;
- (aa) **"Outside Date"** means (i) May 31, 2024; or (ii) such earlier or later date as the Purchaser and the Receiver may agree in writing.
- (bb) **"Permitted Encumbrances"** means only those Liens related to the Purchased Assets set forth in **Exhibit B**.
- (cc) **"Person"** means any individual, corporation, limited liability company, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Authority or other entity.
- (dd) **"Premises"** means, collectively, the premises leased by the Debtor located at 40 and 42 Tuxedo Court, and 1445, 1449, 1457, 1463, 1469, 1475 and 1481 Kingston Road, Toronto, ON.
- (ee) **"Project"** means the solar project described herein as set forth in Schedule A.
- (ff) **"Purchase Price"** has the meaning set out in Section 3.4.
- (gg) **"Purchased Assets"** has the meaning set out in Section 3.1.
- (hh) **"Purchaser's Solicitor"** means Dickinson Wright LLP.
- (ii) **"Receiver's Certificate"** means a certificate signed by the Receiver substantially in the form attached as **Schedule A** to the Approval and Vesting Order confirming that: (i) the Purchaser has paid, and the Receiver has received payment of, the Purchase Price in relation to the purchase by the Purchaser of the Purchased Assets, and (ii) the conditions to be complied with at or prior to the Time of Closing as set out in Section 6.1 and Section 6.2, respectively, have been satisfied or waived by the Receiver or the Purchaser, as applicable, pursuant to Section 6.3.
- (jj) **"Receivership Order"** has the meaning set out in the recitals hereto.
- (kk) **"Receiver's Solicitor"** means Robins Appleby LLP.
- (ll) **"Revised Bid"** has the meaning set out in the Sale Process.
- (mm) **"Sale Process"** has the meaning set out in Section 8.1.
- (nn) **"Solar Equipment"** has the meaning set out in Section 3.1(a).
- (oo) **"Stalking Horse Bid"** has the meaning set out in Section 8.1.
- (pp) **"Tax Act"** means the *Income Tax Act* (Canada).
- (qq) **"Time of Closing"** means 9:00 a.m. (Toronto Time) on the Closing Date.

2.2 Headings

The division of this Agreement into Articles and Sections and the insertion of a table of contents and headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement. The terms "hereof", "hereunder" and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof. Unless something in the subject matter or context is inconsistent therewith, references herein to "Article", "Section" or "Exhibit" is to an article or section of or exhibit to this Agreement.

2.3 Extended Meanings

In this Agreement words importing the singular number include the plural and *vice versa*, words importing any gender include all genders and words importing persons include individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and Governmental Authorities. The term "including" means "including without limiting the generality of the foregoing" and the term "third party" means any Person other than the Receiver, the Debtor and the Purchaser or an Affiliate of any of them.

2.4 Capacity of Receiver

The Receiver, in executing this Agreement, is entering into this Agreement solely in its capacity as the court appointed receiver and manager of the Debtor, and not in its personal or any other capacity. The Receiver will have no personal or corporate liability of any kind whether in contract, tort or otherwise.

2.5 Statutory References

In this Agreement, unless something in the subject matter or context is inconsistent therewith or unless otherwise herein provided, a reference to any statute is to that statute as now enacted or as the same may from time to time be amended, re-enacted or replaced and includes any regulations made thereunder.

2.6 Currency

All references to currency herein are to lawful money of Canada.

2.7 Exhibits

The following are the Exhibits to this Agreement:

Exhibit A - Form of Approval and Vesting Order

Exhibit B - Permitted Encumbrances

Exhibit C – Solar Equipment

Exhibit D - Assigned Contracts

Exhibit E - Sale Process

Exhibit F – Allocation Schedule

Exhibit G - FIT Revenue Direction

ARTICLE 3 - SALE AND PURCHASE

3.1 Assets to be Sold and Purchased

Subject to the terms and conditions set forth herein, the Receiver will sell to the Purchaser and the Purchaser will purchase from the Receiver, as of and with effect from the Time of Closing, all of the right, title, benefit and interest of the Debtor in and to the following assets (collectively, the "**Purchased Assets**"):

- (a) all equipment and ancillary equipment (including spare parts) associated with the rooftop solar photovoltaic generation facilities located at the Premises, as further described in **Exhibit C** (collectively, the "**Solar Equipment**");
- (b) all Contracts set forth in **Exhibit D** (collectively, the "**Assigned Contracts**"); and
- (c) all of the Debtor's rights under warranties, indemnities and all similar rights against third parties to the extent related to any Purchased Assets.

3.2 Assumed Liabilities

Subject to the terms and conditions set forth herein, the Purchaser will assume and agree to pay, perform and discharge when due any and all obligations and liabilities under the

Assigned Contracts (collectively, the “**Assumed Liabilities**”). Other than the Assumed Liabilities, the Purchaser will not assume any liabilities or obligations of the Debtor of any kind, whether known or unknown, contingent, matured or otherwise, whether currently existing or hereinafter created.

3.3 **Assignments Requiring Consent**

Neither this Agreement nor any agreement, certificate or other instruments delivered or given pursuant to this Agreement will constitute an assignment or an attempted assignment of any Assigned Contract contemplated to be assigned to the Purchaser hereunder which is not assignable without the consent, approval or waiver of another party or parties to the Assigned Contract if such consent, approval or waiver has not been obtained and the assignment or attempted assignment would constitute a breach of the Assigned Contract or, in the alternative, the Approval and Vesting Order has not been granted in a form that authorizes the assignment without such consent, approval or waiver.

3.4 **Purchase Price**

The aggregate purchase price payable by the Purchaser on Closing to the Receiver for the Purchased Assets (the “**Closing Amount**”) will be the following amount, *plus* the assumption of the Assumed Liabilities (the “**Purchase Price**”):

- (a) \$550,000 (the “**Debt Assumption Amount**”), payable by way of assumption of the debt owed by the Debtor to 1199403 Ontario Inc., 1274442 Ontario Inc., and Gulu Thadani (the “**Debt**”) which Debt consists of the following:
 - (i) the entire indebtedness, including, without limitation, principal, interest, fees and costs of collection, owing by the Debtor pursuant to the certificates issued by the Receiver pursuant to paragraph 23 of the Receiver’s Order (the “**Receiver Certificate Loan**”); and
 - (ii) that part of the indebtedness, including, without limitation, principal, interest, fees and costs of collection, owing pursuant to a loan agreement among the Debtor, as debtor, and 1199403 Ontario Inc., 1274442 Ontario Inc., and Gulu Thadani, collectively as lender, dated September 23, 2014 equal to the amount of the Debt Assumption Amount less the amount outstanding under the Receiver Certificate Loan as at the time of assumption thereof under this Section 3.4(a).

- (b) an amount equal to the unfunded fees and expenses (plus applicable HST) of the Receiver and its agents and legal counsel, which amount shall not be greater than \$100,000.00, payable by wire transfer on Closing to the Receiver or to whom the Receiver will otherwise direct.

On Closing, the Purchaser shall pay the Receiver by wire transfer the amount of harmonized sales tax exigible on the Purchaser Price, provided that if the Purchaser and Receiver are entitled to jointly elect and the transaction qualifies for an exemption from harmonized sales tax under section 167(1) of the *Excise Tax Act* (Canada), the Purchaser and the Receiver shall jointly make such election and deliver to the other on Closing a joint election form executed by the deliverer thereof and in such event, the Purchaser shall be relieved of the payment of harmonized sales tax to the Receiver on the Purchase Price at Closing.

3.5 Allocation of Purchase Price

Receiver and Purchaser agree that the Purchase Price and the Assumed Liabilities (plus other relevant items) shall be allocated among the Purchased Assets for all purposes (including tax and financial accounting) as shown in the allocation schedule attached hereto as **Exhibit F** (the "Allocation Schedule"). Purchaser and Receiver shall file all tax returns (including amended returns and claims for refund) and elections required or desirable under the Tax Act in a manner consistent with the Allocation Schedule. Neither Receiver nor Purchaser shall take a contrary position with respect to such allocation in any tax proceeding, audit, investigation, assessment, reassessment objection or appeal.

3.6 Bid and Auction Procedures

- (a) The Purchaser and Receiver acknowledge that this Agreement and the transactions contemplated hereby are subject to the marketing and auction process contemplated by the Sale Process and to the approval of the Court.
- (b) The Purchaser further acknowledges that the Receiver intends to bring a motion to the Court to seek approval for the Sale Process to market and sell the Purchased Assets. By making an offer pursuant to this Agreement, the Purchaser acknowledges that it has reviewed and accepts the Sale Process.

ARTICLE 4 - REPRESENTATIONS AND WARRANTIES

4.1 Receiver's Representations and Warranties

The Receiver represents and warrants to the Purchaser that, as at the date hereof and as of the Closing Date:

- (a) subject to the entry of the Approval and Vesting Order and any other orders required by the Court in connection with the transactions contemplated herein, the Receiver has the power, authority and right to enter into and deliver this Agreement and to carry out its obligations hereunder;
- (b) subject to the entry of the Approval and Vesting Order and any other orders required by the Court in connection with the transactions contemplated herein, this Agreement constitutes a valid and legally binding obligation of the Receiver, enforceable against the Receiver in accordance with its terms; and
- (c) the Debtor is not a non-resident of Canada within the meaning of section 116 of the Tax Act.

4.2 Purchaser's Representations and Warranties

The Purchaser represents and warrants to the Receiver that:

- (a) the Purchaser is a corporation duly incorporated pursuant to the laws of the Province of Ontario;
- (b) the Purchaser has the power, authority and right to enter into and deliver this Agreement and to carry out its obligations hereunder;
- (c) this Agreement constitutes a valid and legally binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms;
- (d) the Purchaser has taken all necessary action to authorize the entering into and performance by it of this Agreement and completion of the transactions contemplated herein and the entering into of this Agreement in completion of the transactions contemplated herein will not breach its constating documents, any agreement binding on the Purchaser, or Applicable Laws relating to the Purchaser;
- (e) the Purchaser is not a non-resident of Canada within the meaning of section 116 of the Tax Act.

4.3 "As Is, Where Is"

- (a) The Purchaser acknowledges and agrees that it is purchasing the Purchased Assets on an "as is, where is" basis and on the basis that the Purchaser has conducted to its satisfaction an independent inspection, investigation and verification of the Purchased Assets, and all other relevant matters and has determined to proceed with the transaction contemplated herein and will accept the same at the Time of Closing in its then current state, condition, location, and amounts.
- (b) The Purchaser acknowledges that the Receiver or other Persons have made available to the Purchaser documents, material, confidential information memoranda, management presentations or other information (the "**Evaluation Information**"), for the Purchaser's convenience only, to enable the Purchaser to evaluate for itself on its own terms whether to enter into this Agreement and consummate the transaction contemplated by this Agreement without the need of the Purchaser to source the Evaluation Information itself. The Evaluation Information was and is made available on an "as is, where is" basis with an express acknowledgment from the Purchaser that it may not rely upon such information and that any investigation in respect to such Evaluation Information must include an assessment by the Purchaser of the accuracy, completeness, worthiness, quality, fitness, genuineness, reliability, authenticity or validity of any Evaluation Information without any assurance, representation or warranty from the Receiver in respect thereto. The Receiver has not made and is not making any representations or warranties, implied or otherwise, to or for the benefit of the Purchaser as to the accuracy, completeness, worthiness, quality, fitness, genuineness, reliability, authenticity or validity of any Evaluation Information or the achievability of any valuations, estimates, projections or other derivations arising from the Evaluation Information. The Purchaser acknowledges that it has not and will not rely upon the Evaluation Information in any manner, whether as a substitute for or supplementary to its own due diligence, searches, inspections and evaluations or otherwise. The Receiver and its Affiliates and their respective directors, officers, employees, agents and advisors will not be liable for any inaccuracy, incompleteness or subsequent changes to any Evaluation Information.

ARTICLE 5 - COVENANTS

5.1 Covenants of the Receiver

- (a) The Receiver will ensure that the representations and warranties of the Receiver set out in Section 4.1 are true and correct in all material respects at the Time of Closing and use reasonable commercial efforts to ensure that the conditions of closing for the benefit of the Purchaser set out in Section 6.1 over which it has reasonable control have been performed or complied with in all material respects by the Time of Closing.
- (b) The Receiver will file with the Court, as soon as practicable after its execution and delivery of this Agreement, a motion seeking the Court's issuance of the Approval and Vesting Order, subject to the provisions of ARTICLE 8.

5.2 Covenants of the Purchaser

- (a) The Purchaser will ensure that the representations and warranties of the Purchaser set out in Section 4.2 are true and correct in all material respects at the Time of Closing and use reasonable commercial efforts to ensure that the conditions of closing for the benefit of the Receiver set out in Section 6.2 over

which it has reasonable control have been performed or complied with in all material respects by the Time of Closing.

- (b) The Purchaser will provide the Receiver with all information within its possession or control that the Receiver may reasonably request to assist the Receiver in obtaining the Approval and Vesting Order.
- (c) The Purchaser will provide to a third party in a timely manner and without delay such information as may be required or requested by such third party in connection with obtaining any consent, approval or waiver of such third party under any Assigned Contract, including confidential, financial and sensitive information.
- (d) On Closing, the Purchaser will assume the obligations of the Debtor under the Assumed Liabilities in writing in favour of both the Receiver and any other required parties in such forms as may be required by the Receiver, acting reasonably, and by the other parties, acting in their respective discretion permitted under the Assumed Liabilities.

ARTICLE 6 - CONDITIONS AND TERMINATION

6.1 Conditions for the Benefit of the Purchaser

The sale by the Receiver and the purchase by the Purchaser of the Purchased Asset is subject to the following conditions, which are for the exclusive benefit of the Purchaser and which are to be performed or complied with at or prior to the Time of Closing:

- (a) the representations and warranties of the Receiver set forth in this Agreement will be true and correct in all material respects at the Time of Closing with the same force and effect as if made at and as of such time;
- (b) the Receiver will have performed or complied in all material respects with all of the obligations and covenants of this Agreement to be performed or complied with by the Receiver at or prior to the Time of Closing;
- (c) no action or proceeding in Canada will be pending by any third party to enjoin or prohibit the sale and purchase of the Purchased Assets at the Time of Closing;
- (d) the Approval and Vesting Order will have been granted by the Court and such order will not have been stayed, varied in any material respect, set aside or appealed (or any such appeal will have been dismissed with no further appeal therefrom) prior to the Time of Closing;
- (e) all of the Solar Equipment shall be in commercial operation in accordance with the requirements of the FIT Contracts;
- (f) the Receiver shall have executed and delivered to the Purchaser a FIT Revenue Direction in favour of the Purchaser dated and delivered to the OPA and any other relevant Governmental Authority as of COD in substantially the form of the FIT Revenue Direction forming Schedule C to this Agreement
- (g) the Purchaser will have obtained all the consents, approvals or waivers under the Assigned Contracts in connection with the assignments of the Assigned Contracts contemplated by this Agreement or, in the alternative, the Approval and Vesting Order will have been granted in a form that authorizes the assignments of the Assigned Contracts without such consents, approvals or waivers prior to the Time of Closing.

6.2 Conditions for the Benefit of the Receiver

The sale by the Receiver and the purchase by the Purchaser of the Purchased Assets is subject to the following conditions, which are for the exclusive benefit of the Receiver and which are to be performed or complied with at or prior to the Time of Closing:

- (a) the representations and warranties of the Purchaser set forth in this Agreement will be true and correct in all material respects at the Time of Closing with the same force and effect as if made at and as of such time;
- (b) the Purchaser will have performed or complied in all material respects with all of the obligations and covenants of this Agreement to be performed or complied with by the Purchaser at or prior to the Time of Closing;
- (c) no action or proceeding in Canada will be pending by any third party to enjoin or prohibit the purchase and sale of the Purchased Assets at the Time of Closing; and
- (d) the Approval and Vesting Order will have been granted by the Court and such order will not have been stayed, varied in any material respect, set aside or appealed (or any such appeal will have been dismissed with no further appeal therefrom) prior to the Time of Closing.

6.3 Waiver of Condition

The Purchaser, in the case of a condition set out in Section 6.1, and the Receiver, in the case of a condition set out in Section 6.2 (other than Section 6.2(d)), will have the exclusive right to waive the performance or compliance of such condition in whole or in part and on such terms as may be agreed upon without prejudice to any of its rights in the event of non-performance of or non-compliance with any other condition in whole or in part. Any such waiver will not constitute a waiver of any other conditions in favour of the waiving party. Such waiving party will retain the right to complete the purchase and sale of the Purchased Assets herein contemplated.

6.4 Termination

This Agreement may, by notice in writing given on or prior to the Closing Date, be terminated:

- (a) by mutual consent of the Receiver and the Purchaser;
- (b) by the Purchaser, if:
 - (i) there has been a material breach of this Agreement by the Receiver and where such breach is capable of being cured, such breach has not been waived by the Purchaser in writing or cured within 15 days following written notice of such breach by the Purchaser;
 - (ii) any of the conditions in Section 6.1 have not been satisfied or it becomes reasonably apparent that any of such conditions will not be satisfied by the Time of Closing (other than as a result of the failure of the Purchaser to perform any of its material obligations) and the Purchaser has not waived such condition in writing at or prior to Closing; or
 - (iii) the Closing has not occurred on or prior to the Outside Date, provided that the Purchaser is not in material breach of any of its obligations under this Agreement;
- (c) by the Receiver, if:
 - (i) there has been a material breach of this Agreement by the Purchaser and where such breach is capable of being cured, such breach has not been

waived by the Receiver or cured within 15 days following written notice of such breach by the Receiver;

- (ii) any of the conditions in Section 6.2 have not been satisfied or it becomes reasonably apparent that any of such conditions will not be satisfied by the Time of Closing (other than as a result of the failure of the Receiver to perform any of its material obligations) and the Receiver has not waived such condition at or prior to Closing; or
- (iii) the Closing has not occurred on or prior to the Outside Date, provided that the Receiver is not in material breach of any of the obligations under this Agreement.

6.5 Effect of Termination

Each party's right of termination under Section 6.4 is in addition to any other rights it may have under this Agreement, and the exercise of a right of termination will not be an election of remedies. If this Agreement is terminated pursuant to Section 6.4, all further obligations of the parties under this Agreement will terminate, except that the obligations in Section 6.4, Section 8.2, Section 10.3, Section 10.4 and Section 10.5 will survive. If this Agreement is terminated by a party as a result of a material breach of any representation, warranty, covenant, obligation or other provision of this Agreement by the other party the sole remedy available to each of the parties is to terminate this Agreement and, in the case of termination by the Receiver resulting from the material breach of the Purchaser.

ARTICLE 7 - CLOSING ARRANGEMENTS

7.1 Closing

The sale and purchase of the Purchased Assets will be completed by exchange of documents by electronic transfer in counterpart, save for payment of the Closing Amount by the Purchaser to the Receiver pursuant to Section 3.4, with originals to follow within five (5) Business Days following the Closing Date.

7.2 Receiver's Closing Deliveries

On or before the Time of Closing, the Receiver will deliver or cause to be delivered to the Purchaser the following:

- (a) a certificate executed by the Receiver confirming that the representations and warranties of the Receiver in this Agreement are true and correct in all material respects as of the Time of Closing and that the obligations of the Receiver to be performed prior to the Time of Closing have been performed in all material respects;
- (b) a copy of the issued and entered Approval and Vesting Order;
- (c) a bill of sale, duly executed by the Receiver, if necessary, transferring the Purchased Assets to the Purchaser;
- (d) an assignment and assumption agreement (the "**Assignment and Assumption Agreement**"), duly executed by the Receiver, effecting the assignment and assumption by the Purchaser of the Purchased Assets and the Assumed Liabilities;
- (e) such other documents or instruments as contemplated or required to be delivered by the Receiver pursuant to this Agreement, all of which will be in form and substance satisfactory to the parties, acting reasonably.

7.3 Purchaser's Closing Deliveries

On or before the Time of Closing, the Purchaser will deliver or cause to be delivered to the Receiver the following:

- (a) payment of the balance of the Closing Amount to the Receiver as contemplated by Section 3.4;
- (b) a certificate executed by an officer of the Purchaser confirming that the representations and warranties of the Purchaser in this Agreement are true and correct in all material respects as of the Time of Closing and that the obligations of the Purchaser to be performed prior to the Time of Closing have been performed in all material respects;
- (c) the Assignment and Assumption Agreement, duly executed by the Purchaser;
- (d) an assignment and assumption agreement (the "**Debt Assignment**"), duly executed by 1199403 Ontario Inc., 1274442 Ontario Inc., and Gulu Thadani, effecting the assignment and assumption by the Purchaser of the Debt; and
- (e) such other documents or instruments as contemplated or required to be delivered by the Purchaser pursuant to this Agreement, all of which will be in form and substance satisfactory to the parties, acting reasonably.

7.4 Confidentiality

Both prior to the Closing Date and, if the sale and purchase of the Purchased Assets hereunder fails to occur for whatever reason thereafter, the Purchaser will not disclose to anyone, save for its professional advisors, or use for its own or for any purpose other than the purpose contemplated by this Agreement any confidential information concerning Debtor or the operations obtained by the Purchaser pursuant hereto, and will hold all such information in the strictest confidence and, if the sale and purchase of the Purchased Assets hereunder fails to occur for whatever reason, will return all documents, records and all other information or data relating to the Debtor or to the operations which the Purchaser obtained pursuant to this Agreement. The Purchaser acknowledges that until and subject to Closing, such confidential information is the sole property of the Debtor and, except for the use of such confidential information by the Purchaser to evaluate the within transaction during its due diligence therefor, the Debtor is the sole Person entitled to use, exploit and benefit from such confidential information.

7.5 Delivery of Receiver's Certificate

When the Receiver is satisfied that all conditions hereunder have been satisfied or waived, and all documents to be delivered under the terms hereof have been delivered at or before the Time of Closing, the Receiver will deliver an executed copy of the Receiver's Certificate to the Purchaser's Solicitor in escrow upon the sole condition of receipt by the Receiver of the amounts referred to in Section 3.4. Following written confirmation of receipt by the Receiver of such funds (or such person directed by the Receiver to receive such funds), the Receiver's Certificate will be released from escrow to the Purchaser. Upon such delivery, the Closing will be deemed to have occurred at the Time of Closing. The Receiver will file a copy of the Receiver's Certificate with the Court on the next Business Day following the Closing Date and provide evidence of such filing to the Purchaser.

7.6 OPA Consent

The Purchaser acknowledges that it is solely responsible, at its cost, to obtain the OPA Consent and that the risk of not obtaining the OPA Consent is solely that of the Purchaser. The Purchaser shall close the transaction of purchase and sale contemplated by this Agreement on the Closing Date, whether or not it has received the OPA Consent.

ARTICLE 8 - COMPETING BIDS AND SALES PROCESS

8.1 The Sale Process

The parties acknowledge and agree that, as soon as reasonably practicable, the Receiver will apply to the Court for a timetable for and a bidding and sales process (the “**Sale Process**”) with respect to the Purchased Assets, as more particularly set forth in **Exhibit E**. The Sale Process will recognize this Agreement and in particular the Closing Amount, as a baseline or “stalking horse bid” (the “**Stalking Horse Bid**”), and shall also provide for a marketing process of the Purchased Assets by the Receiver and a competitive bidding to be administered by the Receiver. The Purchaser acknowledges and agrees that the aforementioned process is in contemplation of determining whether a higher price than that contemplated in the Stalking Horse Bid can be obtained for the Purchased Assets.

8.2 Break Fee

If the Stalking Horse Bid or the Purchaser’s Revised Bid, as the case may be, is not the Accepted Bid, then the Receiver shall pay to the Purchaser the sum of \$12,500 (the “**Break Fee**”) within one (1) Business Day after the closing of the sale of the Purchased Assets pursuant to the Accepted Bid as compensation to the Purchaser for the time and expenditure it has incurred with respect to the negotiation of this Agreement and any due diligence expenses in connection therewith. The payment of the Break Fee pursuant to this Section 8.2, will be the sole and exclusive remedy of the Purchaser, whether at law or in equity, in the event the Stalking Horse Bid or the Purchaser’s Revised Bid, as the case may be, is not the Accepted Bid.

ARTICLE 9 - SURVIVAL

9.1 Survival

No covenants, representations and warranties of each party contained in this Agreement will survive the completion of the sale and purchase of the Purchased Assets, except for the covenants that by their terms are to be satisfied or survive after the Time of Closing (including without limitation Section 3.5, Section 10.3, Section 10.4 and Section 10.5), which covenants will continue in full force and effect in accordance with their terms.

ARTICLE 10 - GENERAL

10.1 Further Assurances

Each of the Receiver and the Purchaser will from time to time at the request and expense of the other execute and deliver all such further documents and instruments and do all acts and things as the other party may, either before or after the Closing Date, reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement.

10.2 Time of the Essence

Time is of the essence of this Agreement.

10.3 Costs and Expenses

Except as otherwise set out in this Agreement, each of the Receiver and the Purchaser will pay its respective legal and accounting costs and expenses incurred in connection with the preparation, execution and delivery of this Agreement and all documents and instruments executed pursuant to this Agreement and any other costs and expenses whatsoever and howsoever incurred.

10.4 Public Announcements

Except as required by Applicable Law, no public announcement or press release concerning the sale and purchase of the Purchased Assets may be made by the Receiver

or the Purchaser without the prior consent and joint approval of the Receiver and the Purchaser.

10.5 Commission

The Purchaser agrees to indemnify and save harmless the Receiver and the Debtor from and against all losses suffered or incurred by the Receiver and the Debtor in respect of any commission or other remuneration payable or alleged to be payable to any broker, agent or other intermediary who purports to act or have acted for or on behalf of the Purchaser.

10.6 Benefit and Binding Nature of the Agreement

This Agreement will enure to the benefit of and be binding upon the successors and permitted assigns of the parties.

10.7 Entire Agreement

This Agreement and the Escrow Agreement (including the agreements contemplated hereby) constitute the entire agreement between the parties with respect to the subject matter hereof and such agreements cancel and supersede any prior understandings and agreements between the parties with respect thereto. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties other than as expressly set forth in this Agreement and/or the Escrow Agreement (including the agreements contemplated hereby).

10.8 Amendments and Waivers

No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by both of the parties. No waiver of any breach of any provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided, will be limited to the specific breach waived.

10.9 Assignment

This Agreement may not be assigned by the Receiver or the Purchaser without the written consent of the other, which consent may not be arbitrarily withheld, but provided that the Purchaser may assign this Agreement without the consent of the Receiver to an Affiliate of the Purchaser provided that: (i) such Affiliate enters into a written agreement with the Receiver to be bound by the provisions of this Agreement in all respects and to the same extent as the Purchaser is bound; (ii) such assignment occur prior to the issuance of the Approval and Vesting Order; (iii) in the Receiver's opinion, acting reasonably, the assignee has the financial ability through its own resources or through financing that has been arranged with a recognized financial lending institution, to close the transaction contemplated herein and pay the balance of the Closing Amount on the Closing Date and the financial covenant to perform its obligations under this Agreement and agreements given pursuant to this Agreement, including all indemnities, if any; and (iv) the assigning Purchaser agrees in writing with the Receiver to continue to be bound by and liable for all of the Purchaser's covenants and obligations herein contained as if the assignment had not occurred.

10.10 Notices

Any demand, notice or other communication to be given in connection with this Agreement must be given in writing and will be given by personal delivery or by fax or electronic means of communication addressed to the recipient as follows:

To the Receiver:

Ira Smith Trustee & Receiver Inc.
167 Applewood Crescent

Suite 6
 Concord, Ontario L4K 4K7
 Fax No.: (905) 738-9848
 Email: brandon@irasmithinc.com
 Attention: Brandon Smith

With copies to:

Robins Appleby LLP
 120 Adelaide Street West
 Suite 2600
 Toronto, Ontario M5H 1T1
 Fax No: (416) 868-0306
 Email: dmichaud@robapp.com
 Attention: Dominique Michaud

To the Purchaser:

1034523 ONTARIO LIMITED
 157 York Mills road, Toronto ON M2L1K6
 Fax no. 289-275-1195
 Email: giclimited1@gmail.com
 Attention: Gulu Thadani

With copies to:

Dickinson Wright LLP
 199 Bay St.
 Suite 2200
 Toronto, Ontario M5L 1G4
 Email: mmcleod@dickinson-wright.com
 Attention: Matthew McLeod

or to such other street address, individual or electronic communication number or address as may be designated by notice given by either party to the other. Any demand, notice or other communication given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, if given by fax or electronic communication, on the day of transmittal thereof if given during the normal business hours of the recipient and on the Business Day during which such normal business hours next occur if not given during such hours on any day.

10.11 Remedies Cumulative

The right and remedies of the parties under this Agreement are cumulative and are in addition to, and not in substitution for, any other rights and remedies available at law or in equity or otherwise. No single or partial exercise by a party of any right or remedy precludes or otherwise affects the exercise of any other right or remedy to which that party may be entitled.

10.12 No Third Party Beneficiaries

This Agreement is solely for the benefit of:

- (a) the Receiver, and its successors and permitted assigns, with respect to the obligations of the Purchaser under this Agreement, and
- (b) the Purchaser, and its successors and permitted assigns, with respect to the obligations of the Receiver under this Agreement,

and this Agreement will not be deemed to confer upon or give to any other person any Claim or other right or remedy.

10.13 Governing Law

This Agreement is governed by and will be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

10.14 Attornment

For the purpose of all legal proceedings this Agreement will be deemed to have been performed in the Province of Ontario and the courts of the Province of Ontario will have jurisdiction to entertain any action arising under this Agreement. The Receiver and the Purchaser each attorns to the jurisdiction of the courts of the Province of Ontario.

10.15 Appointment of Agent for Service

The Purchaser nominates, constitutes and appoints Dickinson Wright LLP of the City of Toronto, Ontario at 199 Bay St., Suite 2200, its true and lawful agent to accept service of process and to receive all lawful notices in respect of any action arising under this Agreement (other than any notice that is to be given by one party to another pursuant to Section 10.10). Until due and lawful notice of the appointment of another and subsequent agent in the Province of Ontario has been given to and accepted by the Receiver, service of process or of papers and such notices upon Dickinson Wright LLP will be accepted by the Purchaser as sufficient service.

10.16 Severability

If any provision of this Agreement is determined by any court of competent jurisdiction to be illegal or unenforceable, that provision will be severed from this Agreement and the remaining provisions will continue in full force and effect.

10.17 Counterparts

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument.

10.18 Electronic Execution

Delivery of an executed signature page to this Agreement by any party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such party. An electronic copy of this Agreement or a copy derived therefrom will be deemed to be an original.

[The balance of this page has been intentionally left blank.]

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

**IRA SMITH TRUSTEE & RECEIVER INC.,
solely in its capacity as receiver of
SAPTASHVA SOLAR, S.A. and not in its
personal capacity**

Per:  Digitally signed by Brandon Smith
DN: O=Ira Smith Trustee & Receiver Inc.,
CN=Brandon Smith, E=brandon@irasmithinc.com
Reason: I am the author of this document
Location: VAUGHAN, ONTARIO
Date: 2024.02.15 13:26:07-05'00'
Foxit PhantomPDF Version: 10.1.1

Name: Brandon Smith
Title: Senior Vice-President

1034523 ONTARIO LIMITED

Per:  Digitally signed by Gulu Thadani
DN: CN=Gulu Thadani, E=guluthadani1@gmail.com
Reason: I am approving this document with my
legally binding signature
Location: Toronto, Ontario
Date: 2024.01.31 12:52:31-05'00'
Foxit PDF Reader Version: 12.0.1

Name: Gulu Thadani
Title: President

I have the authority to bind the Corporation

EXHIBIT A
Form of Approval and Vesting Order
(see attached)

Court File No. CV-21-00655706-00CL

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

THE HONOURABLE)	
)	●, THE ●
JUSTICE ●)	DAY OF ●, 2024

B E T W E E N:

1199403 ONTARIO INC., 1274442 ONTARIO INC. AND GULU THADANI

Applicants

- and -

SAPTASHVA SOLAR S.A.

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. 8-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43. AS AMENDED

APPROVAL AND VESTING ORDER

THIS MOTION, made by Ira Smith Trustee & Receiver Inc. in its capacity as the Court-appointed receiver (the "**Receiver**") of Saptashva Solar S.A. (the "**Debtor**"), without security, to exercise the powers and duties as specifically set out in the Order of the Honourable Justice Cavanagh dated January 24, 2022 (the "**Appointment Order**") with respect to the assets, undertakings and properties of the Debtor acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof, for an order, *inter alia*, approving the sale transaction (the "**Transaction**") contemplated by an asset purchase agreement (the "**Asset Purchase Agreement**") between the Receiver, as vendor, and 1034523 Ontario Limited (the

"Purchaser") dated as of ●, 2024, and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Asset Purchase Agreement (the "**Purchased Assets**"), was heard this day by videoconference.

ON READING the Motion Record of the Receiver and the ●, and on hearing the submissions of counsel for the Receiver and any such other counsel or individual as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of ● sworn [DATE] filed.

1. THIS COURT ORDERS that unless otherwise defined herein or the context otherwise requires, capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Asset Purchase Agreement.

2. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Asset Purchase Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule A** hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Asset Purchase Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Appointment Order and the Order of the Honourable Justice Conway dated December 12, 2022 and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and

restrictive covenants listed on **Schedule B**) 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.

4. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

6. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.

7. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

**SCHEDULE A
FORM OF RECEIVER'S CERTIFICATE**

Court File No. CV-21-00655706-00CL

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

B E T W E E N:

1199403 ONTARIO INC., 1274442 ONTARIO INC. AND GULU THADANI

Applicants

- and -

SAPTASHVA SOLAR S.A.

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. 8-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43. AS AMENDED

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Cavanagh of the Ontario Superior Court of Justice (the "**Court**") dated January 24, 2022, Ira Smith Trustee & Receiver Inc. was appointed as receiver (the "**Receiver**") of Saptashva Solar S.A. (the "**Debtor**"), without security, to exercise the powers and duties as specifically set out in the Appointment Order with respect to the assets, undertakings and properties of the Debtor acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof.

B. Pursuant to an Order of the Court dated ●, 2024 the Court approved the asset purchase agreement made as of ●, 2024 (the "**Asset Purchase Agreement**") between the Receiver, as vendor, and 1034523 Ontario Limited (the "**Purchaser**") and provided for the vesting in the

Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out the Asset Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Asset Purchase Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Asset Purchase Agreement;
2. The conditions to Closing as set out in the Asset Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**IRA SMITH TRUSTEE & RECEIVER INC.,
in its capacity as Receiver of Saptashva Solar
S.A., and not in its personal capacity and
without personal or corporate liability**

Per: _____
Name:
Title:

SCHEDULE B
PERMITTED ENCUMBRANCES, EASEMENTS AND RESTRICTIVE COVENANTS

Encumbrances registered on the Ontario Personal Property Security Registration System:

File Number:	Registration Number	Secured Party:
749480823	20190327 1215 1901 1447	1199403 Ontario Inc.
749551959	20190329 0835 1901 1872	1199403 Ontario Inc.

EXHIBIT B
Permitted Encumbrances

Encumbrances registered on the Ontario Personal Property Security Registration System:

File Number:	Registration Number	Secured Party:
749480823	20190327 1215 1901 1447	1199403 Ontario Inc.
749551959	20190329 0835 1901 1872	1199403 Ontario Inc.

EXHIBIT C
Solar Equipment

40 Tuxedo

qty 7: Fronius IG Plus inverters (three phase)
qty 204: Solar panels (Canadian Solar MODEL TYPE: CS6X-300P)

42 Tuxedo

qty 5: Fronius Symo Advanced inverters
qty 155: solar panels (Canadian Solar MODEL TYPE: CS6X-300P)

1445 Kingston Road

qty 3: Fronius IG Plus inverters (single phase)
qty 89: solar panels (Sharp NDL235Q2)

1449 Kingston Road

qty 3: Fronius IG Plus inverters (single phase)
qty 91: solar panels (Sharp NDL235Q2)

1457 Kingston Road

qty 4: Fronius IG Plus inverters (single phase)
qty 111: solar panels (Sharp NDL235Q2)

1463 Kingston Road

qty 3: Fronius IG Plus inverters (single phase)
qty 81: solar panels (Sharp NDL235Q2)

1469 Kingston Road

qty 4: Fronius IG Plus inverters (single phase)
qty 116: solar panels (Sharp NDL235Q2)

1475 Kingston Road

qty 3: Fronius IG Plus inverters (single phase)
qty 78: solar panels (Sharp NDL235Q2)

1481 Kingston Road

qty 4: Fronius IG Plus inverters (single phase)
qty 112: solar panels (Sharp NDL235Q2)

Other

qty 14: Spare solar panels (Canadian Solar MODEL TYPE: CS6X-300P)

Assorted cables, connectors, fuses, tools, etc. located on rooftops and in storage

EXHIBIT D
Assigned Contracts

The Assigned Contracts consisting of the nine FIT Contracts are as follows:

1. **FIT-FR4951V**, among the Debtor and the OPA, for the 60 kW solar project at 40 Tuxedo Court, Toronto, Ontario
2. **FIT-FEMUZ1B**, among the Debtor and the OPA, for the 50 kW solar project at 42 Tuxedo Court, Toronto, Ontario
3. **FIT-F9ND3MI**, among the Debtor and the OPA, for the 21 kW solar project at 1445 Kingston Road, Toronto
4. **FIT-F3GNE08**, among the Debtor and the OPA, for the 21 kW solar project at 1449 Kingston Road, Toronto
5. **FIT-F9MVKXX**, among the Debtor and the OPA, for the 26 kW solar project at 1457 Kingston Road, Toronto
6. **FIT-FF0Z020**, among the Debtor and the OPA, for the 18 kW solar project at 1463 Kingston Road, Toronto
7. **FIT-FLQLLQJ**, among the Debtor and the OPA, for the 26 kW solar project at 1469 Kingston Road, Toronto
8. **FIT-FL8B6T7**, among the Debtor and the OPA, for the 18 kW solar project at 1475 Kingston Road, Toronto
9. **FIT-FN7L15H**, among the Debtor and the OPA, for the 26 kW solar project at 1481 Kingston Road, Toronto

EXHIBIT E
Sale Process
(see attached)



LICENSED INSOLVENCY TRUSTEE

167 Applewood Cres. Suite 6, Concord, ON L4K 4K7

Phone: 905.738.4167

Fax: 905.738.9848

irasmithinc.com

STALKING HORSE BID

BID PROCEDURES, BREAK FEE AND TERMS AND CONDITIONS OF SALE

Set forth below are the Terms and Conditions of Sale (the “**Terms and Conditions of Sale**”) to be employed with respect to the sale of the assets, undertakings and properties and (the “**Purchased Assets**”) of Saptashva Solar, S. A. (the “**Company**”) as more particularly defined in the Stalking Horse Asset Purchase Agreement (the “**Agreement**”) submitted by 1034523 Ontario Limited (the “**Stalking Horse Bidder**”). It is expressly acknowledged and agreed that notwithstanding any other provision herein, the stalking horse sales process shall occur in accordance with this essential timetable and in the event of any conflict between the provisions of this timetable and any other provision of this Agreement, the provisions of this timetable set out in the immediately following chart shall govern to the extent necessary (and only to the extent necessary) to resolve the conflict:

Advertisement in Financial Post	February 20, 2024 (subject to motion date)
Summary information document (“ Teaser ”) distributed to interested parties	Commencing February 20, 2024
Confidentiality Agreement (“ CA ”) distributed to interested parties	Commencing February 20, 2024
Data room access provided to interested parties after receipt of signed CA	Commencing February 20, 2024
Deadline for submission of bids	April 5, 2024 (3:00 PM Toronto time) provided that in the event that there are no Qualified Bidders, the Receiver and the Stalking Horse Bidder shall, upon granting court approval, proceed to close the transaction called for under the Agreement on or before May 31, 2024.
Bidders notified of Qualified Bidder status	No later than April 12, 2024
Indication by Qualified Bidders of intention to participate in Auction (if necessary)	April 15, 2024 (5:00 PM Toronto time)
Auction (if necessary)	April 18, 2024 10:00 AM Toronto time) (“ A ”)
Court motion to approve Successful Bid	May 3, 2024
Transaction close	On or before 10 days following granting of Approval and Vesting Order or May 31, 2024

Marketing Process and Identifying Potential Bidders

1. Upon Court approval of the Agreement and the sales process described within these Terms and Conditions of Sale (the “**Sales Process**”), Ira Smith Trustee & Receiver Inc., solely in its capacity as Court-appointed Receiver of the assets, undertakings and properties of the Company (the “**Receiver**”), will immediately commence the following marketing process:
 - a) a list of potential buyers has been identified by the Receiver and will be advised of the current opportunity to acquire the Purchased Assets;
 - b) an advertisement will be placed in the national edition of the National Post within 5 business days, or as soon thereafter as practical; and
 - c) a notice will be placed on the website of the Receiver.

Due Diligence

2. All interested parties that sign the Receiver’s form of confidentiality agreement (a “**Potential Bidder**”) will be provided access to a data room containing detailed information regarding the assets to enable them to perform their due diligence.
3. Subject to access being provided by the respective landlords, a Potential Bidder will also be provided with a site visit, facilitated by the Receiver, to supplement their due diligence procedures.
4. Potential Bidders are cautioned not to rely upon any documentation or information provided by or on behalf of the Receiver. Any such documentation or other material provided with respect to the Purchased Assets was prepared solely for the convenience of Potential Bidders and is not warranted to be complete or accurate, has not been independently verified, and is not part of these Terms and Conditions of Sale or any resulting Asset Purchase Agreement or Bill of Sale. Each Potential Bidder shall be deemed to have relied entirely on its own inspection and investigation in submitting its offer. Potential Bidders are required to obtain such third-party consents as they consider necessary. Potential Bidders are to make such independent enquiries, as they deem necessary, concerning all Purchased Assets prior to submitting their Bid (as defined herein).

Bid Deadline

5. A Potential Bidder that desires to make a bid shall deliver its bid to the Receiver no later than 3:00 PM (Toronto Time) on April 15, 2024 (the “**Bid Deadline**”). Any

Potential Bidder who submits a bid by the Bid Deadline (the “**Bid**”) will be considered a Bidder.

Bid Requirements

6. All bids must include:
 - a) an offer to pay a cash purchase price greater than the aggregate consideration offered by the Stalking Horse Bidder pursuant to the Agreement, plus the amount of the break fee of \$12,500.00 plus an overbid in the amount of \$5,000.00 (which in aggregate equals the Break Fee amount plus the bid increment proposed by the Receiver in the Auction process) (the “**Purchase Price**”);
 - b) no provision making the offer subject to any due diligence, financing condition or other contingencies (including representations, warranties, covenants, and timing requirements) of any kind or any other conditions precedent on such party's obligation to acquire the Purchased Assets other than as may be specifically included in the Agreement;
 - c) an executed copy of a purchase agreement in the form of the Agreement, together with a blackline copy of the Agreement reflecting any changes made to the Agreement, shall be submitted to the Receiver and shall be binding and irrevocable until either (i) such time as the Receiver rejects a Bidder's Bid in accordance with paragraph 11 herein; (ii) at the conclusion of the Auction, if held, each respective Qualified Bidder (as defined herein) does not become the Successful Bidder; or (iii) if the Court does not approve the Successful Bidder's Accepted Bid;
 - d) a certified cheque, bank draft or wire transfer drawn on a Canadian Schedule “I” Chartered Bank (an “**Acceptable Institution**”) in the amount of fifteen per cent (15%) of the Bidder's Purchase Price contained in the Bidder's Bid payable to the Receiver in trust. This amount will either (i) be applied to satisfy the purchase price of a Successful Bidder, the balance of which purchase price shall be due on closing; (ii) be returned to the Bidder if its bid is not successful (subject to the other provisions of these Terms and Conditions of Sale), or (iii) be forfeited to the Receiver in the event that the Successful Bidder breaches its obligations to complete the purchase in accordance with the Bidder's Accepted Bid (as defined herein);
 - e) a representation of the Bidder and such written evidence of available cash and/or a commitment for financing to evidence the Bidder's ability to consummate the proposed transaction as the Receiver may reasonably request;
 - f) a copy of a resolution or similar document demonstrating authority to make an irrevocable bid, and to execute the transaction contemplated by the offering bid for the Purchased Assets;

- g) disclosure of the identity of each entity that will be bidding for the Purchased Assets or otherwise participating with such bid and the complete terms of any such participation;
- h) disclosure of the identity of each of the Officers and Directors or Partners, as the case may be, of each entity bidding for the Purchased Assets or otherwise participating with such bid;
- i) an acknowledgement by such Bidder that if its bid becomes a Qualified Bid and the bidder becomes a Qualified Bidder (as such terms are hereinafter defined) that the such Qualified Bidder's continued participation in any Auction is on a non-exclusive basis; and
- j) a description of the Bidder's current operations.

Qualified Bids

- 7. A bid received from a Bidder not later than the Bid Deadline that meets the above requirements will be considered a “**Qualified Bid**” and each Bidder that submits a Qualified Bid will be considered a “**Qualified Bidder**”.
- 8. The Agreement shall be deemed to be a Qualified Bid and the Stalking Horse Bidder shall be deemed to be a Qualified Bidder for all purposes and requirements pursuant to the sale procedures set out this Schedule (the "**Sale Procedures**"), notwithstanding the requirements that other potential Bidders must satisfy to be considered a Qualified Bidder.
- 9. Qualified Bids will be valued and assessed by the Receiver in its sole commercial discretion based upon any and all factors that the Receiver may, in its sole discretion, deem pertinent.
- 10. The Receiver, in its business judgment, reserves the right to reject any Bid if such Bid:
 - a) is on terms that are more burdensome or conditional than the terms of the Agreement;
 - b) requires any indemnification of such Bidder;
 - c) excludes assets or contracts, or leases of the Company;
 - d) is not received by the Bid Deadline;
 - e) is subject to any due diligence, financing condition or other contingencies (including representations, warranties, covenants, and timing requirements)

- of any kind or any other conditions precedent on such party's obligation to acquire the Purchased Assets; or
- f) includes any other considerations that the Receiver may deem relevant to the bid.
11. Any Bid rejected pursuant to Paragraph 10 above, shall not be deemed to be a Qualified Bid.
12. The Receiver will advise all Bidders by email whether or not they are a Qualified Bidder by 5PM (Toronto time) on April 12, 2024 or by such further date as the Receiver may determine in its sole discretion, but in any event not less than 48 hours before the start of the Auction (the “**Notification Date**”).
13. In the case of a rejected bid, the Receiver shall return to the Bidder, the amount provided in the Bid in accordance with paragraph 6(b) above, within 5 business days after the Notification Date.

The Auction and Auction Procedures

14. If the Receiver determines that it has received more than one Qualified Bid (including the Agreement), it will invite Qualified Bidders to participate in an Auction, as described in more detail below (the “**Auction**”). If the Receiver does not receive any Qualified Bids other than the Agreement, it will not hold an Auction, in which case the Agreement will be deemed the Successful Bid (as this term is defined herein) and the Stalking Horse Bidder will be named the Successful Bidder (as this term is defined herein) and the Receiver will proceed towards completion of the Transaction in accordance with its terms.
15. By 5PM (Toronto time) on April 15, 2024, each Qualified Bidder must inform the Receiver, by email, whether it intends to participate in the Auction.
16. The Receiver will promptly thereafter inform, in writing, each Qualified Bidder who has expressed its intent to participate in the Auction of the identity of all other Qualified Bidders that have expressed their intention to participate in the Auction and will provide copies of all other Qualified Bids to such Qualified Bidders.
17. Only the authorized representatives, professionals or agents of the Stalking Horse Bidder and each other Qualified Bidder identified in advance to the Receiver, shall be eligible to participate at the Auction.
18. The Auction, if any, shall be conducted by the Receiver, commencing on April 18, 2024, at 10AM. (Toronto Time) via video conference using a weblink to be provided by the Receiver to Qualified Bidders 24 hours prior to the Auction.

19. At the Auction, the bidding will start at the aggregate consideration for the Purchased Assets and terms proposed in the offer that the Receiver selects as the highest and best offer prior to the Auction and will continue in cash increments of at least \$5,000.
20. The Receiver, in its sole discretion, may adjourn the Auction at any time to permit the Qualified Bidders and the Stalking Horse Bidder, the opportunity to consider improved bids.
21. During the Auction, Qualified Bidders including the Stalking Horse Bidder may submit revised bids that otherwise comply with the rules of this bidding and Auction process (a “**Revised Bid**”).
22. If no Qualified Bidder submits a Revised Bid after a period of 15 minutes following the Receiver’s acceptance of a Revised Bid and the Receiver in its sole discretion chooses not to adjourn the Auction further, the Auction will be concluded whereupon the Receiver shall enter into a binding agreement of purchase and sale with the Qualified Bidder or the Stalking Horse Bidder that submitted the leading bid as determined by the Receiver in its sole discretion (the “**Successful Bidder**”). The bid process shall end at the conclusion of the Auction.
23. The Successful Bidder agrees to do all such things as may be required by the Receiver to obtain Court approval of the Accepted Bid.
24. Subject to the Receiver obtaining the approval and vesting order in respect of the Accepted Bid, if the Successful Bidder fails to consummate the transaction by on or before 10 days following the granting of the approval and vesting order or May 31, 2024 (or such date that may otherwise be mutually agreed upon), the Receiver shall be authorized but not required to deem that the Successful Bidder has breached its obligations pursuant to the Accepted Bid, has forfeited its deposit to the Receiver, and the Company and the Receiver are authorized to seek an alternative bidder for the Purchased Assets.
25. Except for the Stalking Horse Bidder with respect to the Break Fee, Potential Bidders, Bidders and/or Qualified Bidders shall not be allowed any breakup, termination or similar fee or expense reimbursement. For greater certainty, Potential Bidders, Bidders and/or Qualified Bidders/Successful Bidder shall be responsible for all of their own professional and other fees and costs relating to their investigation or closing of any transaction in this regard.
26. The Receiver shall have the right to adopt and implement such other rules for the Auction as may be necessary to promote the goals of this bid process generally.

27. The highest or any offer will not necessarily be accepted.

Court Approval

28. The sale of Purchased Assets is subject to an approval and vesting Order being issued by the Court.
29. In the case of an Agreement for the Receiver's interest in any lease, the Receiver shall assign (without covenants) all of its right, title and interest, if any, in such lease to the Successful Bidder on closing. The Receiver agrees to use all commercially reasonable efforts to obtain the requisite consent of the landlord or lessor, as the case may be, and/or the approval of the Court, to such assignment (if required by the lease) but in so doing shall not be required to incur any expense or liability (except as the Receiver in its absolute discretion may see fit).
30. Pursuant to the Terms and Conditions of Sale Order, the Receiver shall report to the Court and provide its recommendations to the Court regarding the sale of the Purchased Assets on May 3, 2024, or as soon thereafter as the Court may allow.
31. The Receiver shall not be required to pay any commission or finder's fee with respect to any sale pursuant hereto.

“As is, where is”

32. The Purchased Assets are being sold on an “as is, where is” basis and no warranty, condition or representation, whether statutory, express or implied, is being given by the Receiver as to the description, condition, state, cost, size, quality, fitness for purpose, merchantability, or in respect to any other matter or thing whatsoever concerning the Purchased Assets other than as may be expressly set out herein. The Successful Bidder is deemed to have satisfied itself with regard to all of the foregoing and any matter or thing whatsoever in respect of the Purchased Assets.

Miscellaneous

33. The Purchased Assets shall be and remain at the risk of the Receiver as its interest may appear until closing. From and after closing, the Purchased Assets shall be at the Successful Bidder's risk. Pending closing, the Receiver shall hold any insurance policies or proceeds thereof in trust for itself, the Successful Bidder and others as their respective interests may appear. In the event of substantial damage to or loss prior to closing of the Purchased Assets which are insured, the Successful Bidder may elect by notice in writing, 15 days after receiving notice from the Receiver, of such damage or loss, either to close the Agreement and receive the remaining Purchased Assets and the proceeds of the insurance, or may rescind the Agreement, have all moneys theretofore paid returned without interest, costs,

- deduction or compensation, but shall have no further or other right to damages, costs, specific performance or any other remedy.
34. The Successful Bidder shall pay on closing, in addition to the purchase price, all applicable federal, provincial and municipal taxes in connection with the sale.
35. The Successful Bidder shall, at its own cost and expense, be responsible for compliance with all municipal, provincial and federal laws insofar as they apply to the Purchased Assets and the use thereof by the Successful Bidder from and after closing.
36. All stipulations as to time are strictly of the essence.
37. Any tender of documents or money hereunder may be made upon the Receiver, a Bidder, the Successful Bidder or their respective solicitors. Money may only be tendered by certified cheque, bank draft or wire transfer drawn on an Acceptable Institution.
38. The Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and applicable laws of Canada and enure to the benefit of and be binding upon the parties thereto and their respective heirs, executors, administrators, successors or assigns as the case may be.
39. The obligations of the Receiver to complete the Agreement shall be relieved if, on or before the closing of such sale, any asset which is the subject of the sale has been removed from the control of the Receiver by any means or process, or any such asset is redeemed, or if the completion of the sale is restrained or prohibited by an injunction or other order issued by a court of competent jurisdiction, whereupon the only obligation of the Receiver shall be to return the applicable deposit, without interest, deduction, costs or compensation.
40. All communications, inquiries and requests for information relating to the acquisition of the Purchased Assets should be addressed to:

Ira Smith Trustee & Receiver Inc.
167 Applewood Crescent, Suite 6
Concord, Ontario L4K 4K7

Attention: Brandon Smith

T: (905) 738-4167 x113
E: brandon@irasmithinc.com
F: 905.738.9848

EXHIBIT F
Allocation Schedule

Description of Purchased Asset	Allocation of Purchase Price in \$CAD
Cash and cash equivalents	Cash value
Accounts Receivable	Determined in accordance with ASPE
Prepaid Expenses	Determined in accordance with ASPE
Other Current Assets	Determined in accordance with ASPE
Solar Equipment	\$150,000
Goodwill	Remainder of the consideration to be allocated less \$1.00
Assigned Contracts and all other Purchased Assets not listed above	\$1.00

APPENDIX I

“IT'S A PRETTY GOOD STRATEGIC IDEA. THE WILD CARD IS HOW LONG DOES IT TAKE THE AUTOMAKERS TO FAIL AND ADMIT THEY FAILED?”
— ERIC NOBLE, FOUNDER AND PRESIDENT OF THE CARLAB,
AN AUTOMOTIVE DESIGN CONSULTANCY IN CALIFORNIA



BlackBerry QNX successfully pivoted to safety-certified applications for vehicles, and moved away from infotainment. This was enabled in part by a rapid transformation in the auto sector that has made vehicles less mechanical and more driven by software.

COLE BOSTON / REUTERS/REUTERS

Firm feels timing is right to establish dominant operating system for automotive market

BLACKBERRY Continued from FP1

He joined BlackBerry in 2010 after it bought Ottawa-based QNX Software Systems, largely to acquire that company's team of software developers to help build the operating system for its smartphone business. Wall said he declined to work on smartphones after the acquisition, and continued to focus on auto software, which at the time meant infotainment systems such as stereos inside the vehicle. “I stayed back and said, ‘No. I want to continue to work on automotive,’ and I rebuilt the team,” he said.

Over time, however, Apple Inc. and Google's parent Alphabet Inc., the same companies that created smartphone operating systems that destroyed BlackBerry's hand-held business, also moved into auto software. Today, those companies dominate the infotainment software.

BlackBerry QNX, as Wall's company is known, successfully pivoted to building safety-certified applications for vehicles, and moved away from infotainment.

That was enabled in part by a rapid transformation taking part in the auto sector that has made vehicles less mechanical and more driven by software. Today, everything from suspension and steering to braking and propulsion, among other many things, is controlled by an array of software programs, controllers and sensors.

Phil Amrind, associate director for the automotive semiconductor research area at S&P Global Inc., a research company, said the rapid growth of software means that a bevy of differ-

ent software operating systems and controllers function in any given vehicle.

That decentralized software architecture is seen as a possible headwind for advanced software systems such as autonomous driving, he said.

“The endgame that everyone is playing towards is going from 100 to, at some point, one central computer that does everything,” he said. Amrind said BlackBerry is already positioning itself to help with that transition. The company sells a hypervisor, which is essentially a virtual machine that he described as “a traffic cop” to manage all the different operating systems in the vehicle.

Alongside such bold propositions, automakers are also spending billions of dollars. In 2021, Toyota Motors Corp. and Volkswagen AG each invested between US\$3 billion and US\$4 billion into software research and development, while BMW AG, Mercedes-Benz AG, GM and Ford Motor Co. each invested between US\$1 billion and US\$1.75 billion that year, according to Luke Junk, an analyst at Robert W. Baird & Co. Inc.

That spending is driven by a desire to find new sources of revenue, said Eric Noble, founder and president of The Carlab, an automotive design consultancy in California. All the new sensors on board modern vehicles are collecting rich troves of data, he noted.

As many North American automakers eye the costs of rebuilding their supply chains for the electric-vehicle transition, they've cast their eye on this data as a potentially lucrative asset.

This is a search for revenue, Noble said.

He said he had doubts about whether legacy automakers are capable of leveraging data to collect revenue, which would essentially transform them into service providers. For that reason, he said BlackBerry is smart to position itself as a neutral party that would build “non-differentiating” software that wouldn't necessarily take any data or look to provide services.

“It's a pretty good strategic idea,” Noble said. “The wild card is how long does it take the automakers to fail and admit they failed?”

Wall said he thinks some automakers are ready to work with BlackBerry on an operating system. Some automakers, though not all, realize they have wasted too much time and money building levels of software that don't make a difference to their end customer, he said.

He said BlackBerry's biggest rival is Linux, an open-source platform that automakers such as Tesla have used to build their safety-certified software.

Wall said BlackBerry is also moving toward making its programs “open source,” though not in the traditional sense. The company plans to show some of its code to the public for transparency purposes, and then it will work with automakers in a more co-operative sense to develop software, he said.

He said BlackBerry failed to establish a dominant operating system for smartphones before its rivals seized the opportunity, but said its timing is right to do so for the automotive market.

“We're talking about the right thing at the right time,” he said.

He predicted it would be “a gradual” success, with BlackBerry scoring wins with maybe one vehicle model series at first, then expanding to that automaker's entire fleet, and then to other automakers' fleets.

Until then, Wall said he keeps travelling the world, with three trips to Germany planned for the next month, and telling auto executives why it makes sense to allow BlackBerry to build their operating system.

In turn, they often remind him about BlackBerry's smartphone business.

“Nobody ever lets me forget it, to be honest,” he said.

Financial Post
g.friedman@postmedia.ca

NOTICE OF BANKRUPTCY AND FIRST MEETING OF CREDITORS IN THE MATTER OF THE BANKRUPTCY OF FUSION CAREER SERVICES CANADA INC. OF THE CITY OF VAUGHAN, IN THE PROVINCE OF ONTARIO

NOTICE is hereby given that the bankruptcy of Fusion Career Services Canada Inc., a corporation which carried on business at 4140 Steeles Ave. West, Unit 3 Vaughan, ON, occurred on February 13, 2024 and that the first meeting of creditors will be held on March 5, 2024 at 11:00 AM via Zoom videoconference ID 882 7003 6140. Creditors wishing to attend the first meeting of creditors must contact the Trustee by email at claims@krieger.ca to obtain a secure password.

Markham, ON –



675 Cochrane Drive, East Tower Suite 531
Markham ON L3R 0B8
Tel: 905.508.8088
Web: krieger.ca

NOTICE OF BANKRUPTCY & FIRST MEETING OF CREDITORS (s.102(4))

IN THE MATTER OF THE BANKRUPTCY OF
2622973 ONTARIO INC.
OF THE CITY OF BRAMPTON
PROVINCE OF ONTARIO

Notice is given that 2622973 ONTARIO INC. filed an Assignment in Bankruptcy on February 12, 2024. The First Meeting of Creditors will be held on February 27, 2024 at 10:00am via ZOOM. For further instructions on how to obtain the ZOOM meeting ID and passcode, please contact the Office of the Trustee at the information provided below.



RUSSO CORP.

Russo Corp
Licensed Insolvency Trustee
79 Wellington St. E.
Aurora, Ontario, L4G 1H8
Phone: 905-503-3328
Fax: 905-503-2338
Email: info@russocorp.com

NOTICE TO CREDITORS

of Collision Kings Group Inc., CMD Holdings Inc., East Lake Collision Ltd., Mayland Heights Collision Ltd., Sunrise Collision Ltd., 2199931 Alberta Ltd., Collision Kings 3 Ltd., Arrow Auto Body Ltd., CMD Glass Ltd., Royal Vista Collision Ltd., Stathko Investments Ltd., Nick's Repair Service Ltd., 10026023 Manitoba Ltd. and Bunzy's Auto Body Ltd. (the “Applicants” or “Collision Kings Group”)

RE: NOTICE OF CCAA FILING

NOTICE IS HEREBY GIVEN that on February 7, 2024, the Collision Kings Group sought and obtained an order (the “Initial Order”) from the Court of King's Bench of Alberta (the “Court”) under the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the “CCAA”). Pursuant to the Initial Order, FTI Consulting Canada Inc. has been appointed as monitor (the “Monitor”).

PLEASE TAKE NOTICE that a copy of the Initial Order and other public information concerning these CCAA proceedings can be found on the Monitor's website at <http://otcanada.fticonsulting.com/collisionskings/>, or may be obtained by contacting the Monitor at:

FTI Consulting Canada Inc.
Monitor of the Collision Kings Group
1610 – 520 5th Ave. S.W.
Calgary, Alberta T2P 3P7

Phone: 1-833-277-3586
Fax: 403-232-6116
Email: Collision.Kings@FTIConsulting.com



NOTICE OF BANKRUPTCY AND FIRST MEETING OF CREDITORS

IN THE MATTER OF THE
BANKRUPTCY OF
Aillatan Services Inc.

Notice is hereby given that the bankruptcy of Aillatan Services Inc. with its head office located at 805-177 Dundas St. W., Mississauga ON, occurred on the 14th day of February, 2024 and that the First Meeting of Creditors will be held on the 6th day of March, 2024 at 208-2101 Eglinton Ave. E., Scarborough ON, at 11:00 am in the City of Scarborough, in the Province of Ontario.

Dated at Scarborough, Ontario this 15th day of February, 2024

Rusink & Associates Inc.

Licensed Insolvency Trustee

2401 Eglinton Avenue East
Suite 208
Scarborough, ON M1K 2M5
Tel (416) 288-8048
Fax (416) 288-8429
info@rusink.ca

Ina Smith Trustee & Receiver Inc., solely in its capacity as Court-appointed Receiver (the “Receiver”) of the assets, undertakings and properties of Saptasba Solar S.A. (“Saptasba”), is offering for sale, as approved by Order of the Ontario Superior Court of Justice (Commercial List) dated February 13, 2024, its right, title and interest, if any, in all of the assets, undertakings and properties of Saptasba on an “as is, where is” basis.

Saptasba is the owner and operator of nine (9) solar electricity generating projects located in the Greater Toronto Area. Saptasba is the Supplier under nine (separate) Feed-In Tariff (“FIT”) contracts with Ontario Power Authority with a contract termination date of June 6, 2034. Saptasba's generation sites are roof-top solar arrays under long term leases with two landlords.

The Available Assets include, without limitation, fixed assets consisting of a limited inventory of surplus replacement panels, inverter solar panels, racking, inverters and wiring, distribution agreements, the rights inherent in the FIT contracts and leases, and the future cash flow opportunity.

Interested parties should contact the Receiver for further information and terms and conditions of sale:

Mr. Brandon Smith
Senior Vice-President
Email: brandon@inasmithinc.com
Phone: 905-738-4167 ext 113 | Fax: 905-738-9846
www.inasmithinc.com
Suite 45127 Applewood Crescent, Vaughan, ON L4K 4K7



APPENDIX J

Brandon Smith

Subject: FW: Beauty giant collapses; WeWork seeks fresh cash amid landlord complaints

From: Insolvency Insider <editor@insolvencyinsider.ca>

Sent: Tuesday, February 20, 2024 7:02 AM

To: Ira Smith <ira@irasmithinc.com>

Subject: Beauty giant collapses; WeWork seeks fresh cash amid landlord complaints

Livewire Communications Inc., a Toronto, Ontario-based communications agency focused on strategic employee communications...

February 20, 2024

Beauty giant collapses; WeWork seeks fresh cash amid landlord complaints



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Recent Filings

[Livewire Communications Inc.](#), a Toronto, Ontario-based communications agency focused on strategic employee communications, filed an NOI on February 2, listing approximately \$2.9 million in liabilities, including approximately \$1.4 million to **BMO**. The company has been in business for over 25 years and has worked for clients including **BMO**, **Magna**, **McCain**, **McDonalds**, **PwC** and **The Four Seasons**. **Livewire's** revenue grew by almost 50% in 2022, resulting in the company increasing headcount significantly. However, clients faced economic uncertainty as a result of COVID and its aftermath, leading to projects being cancelled or postponed. In order to protect the business from experiencing this again, and as part of the restructuring, the company is changing its operating model to rely on a smaller team of full-time employees supplemented by freelancers and independent contractors as required. **Livewire** believes there is still significant demand for its services and that its new operating model will result in a quick return to profitability. **10Point1 Inc.** and **1281000 Ontario Limited**, the company's two shareholders, have agreed to be the DIP lenders. **Albert Gelman** is the proposal trustee. Counsel is **Fogler Rubinoff** for **Livewire** and **Chaitons** for **BMO**.



[Vandyk-Backyard Queensview Limited and Vandyk-Backyard HumberSide Limited](#), Toronto, Ontario-based members of the **Vandyk Group** of companies, had a receiver appointed over their unsold condominium units on February 6, on application by **Peoples Trust Company** and **Firm Capital Mortgage Fund Inc.**, owed approximately \$12 million. The companies are special-purpose entities that were incorporated to develop a condominium building located at 25 Neighbourhood Lane, Toronto, Ontario, which is now fully constructed. Various **Vandyk Group** entities were placed into receivership in the fall of 2023 and January 2024, on application by their respective secured lenders after defaulting on numerous mortgages for the properties they are developing. The companies have defaulted on their loan to **Peoples Trust** and **Firm Capital** as a result of over \$8 million in construction liens being registered against the units. **TDB** was appointed receiver. Counsel is **TGF** for **Peoples Trust** and **Firm Capital**; **Paliare Roland** for the companies; **Chaitons** for **Home Trust Company**; **Drudi Alexiou Kuchar**, **Bianchi Presta**, **Carlton Law**, **Miller Thomson**, **Robins Appleby**, **BLG**, **Giffen Lawyers** and **RAR Litigation** for certain lien claimants; and **Torkin Manes** for the receiver.



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[11282751 Canada Inc. et al.](#), which owns the property municipally known as 170 Burton Avenue, Barrie, Ontario, was placed into receivership on February 9, on application by **C&K Mortgage Services Inc. o/a Rescom Capital** and **Canadian Western Trust Company**, owed approximately \$4.6 million. The company purchased the property in June 2019 and operated a **Petro-Canada** gas station and convenience store until June 2023, when it abandoned the operations. The **Gallens**, who hold a subsequent mortgage against the property, then assumed operation of the gas station and convenience store and began making payments towards the loan. They failed to make the monthly payment due for December 2023 and subsequently abandoned the premises. **Rosen Goldberg** was appointed receiver. Counsel is **Chaitons** for **C&K Mortgage**, **Jack Frymer Professional Corporation** for the **Gallens**, and **Blakes** for **Suncor Energy Products Partnership**.



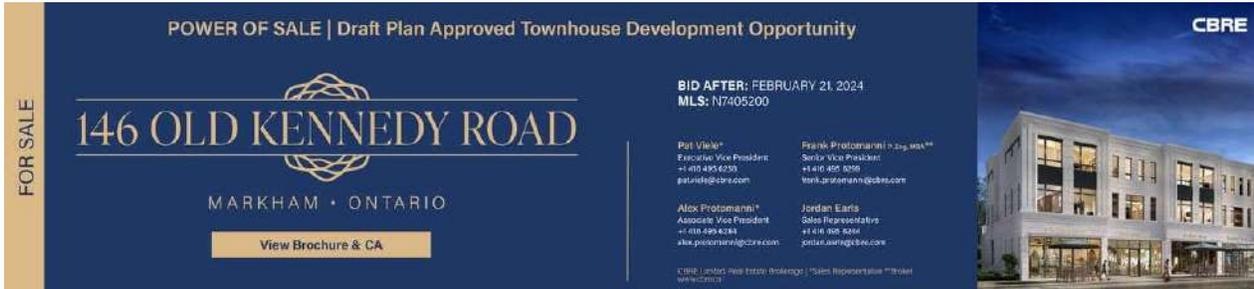
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[The Good Fat Co. Ltd.](#), a Toronto, Ontario-based company which created and sold snack products, primarily various protein and other bars, was deemed bankrupt on February 1. The company lists nearly \$22 million in liabilities, including approximately \$15.7 million to **EDC**. It filed an NOI on January 2, having been unable to scale its volume to break-even since it launched in late 2017. The primary purpose of the NOI proceedings was to create a stabilized environment to allow the company to sell its assets to an affiliate of **Propel Natural Brands**, a broker that represents various natural and organic brands in Canada, via a quick flip. The sale was approved in mid-January and closed at the end of the month. The company did not seek a further stay extension and was deemed bankrupt. **Richter** is the bankruptcy trustee. Counsel is **Aird & Berlis** for the company, **Cassels** for the trustee, and **Loopstra Nixon** for the purchaser.



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POWER OF SALE: CBRE's Toronto North Capital Markets team, on behalf of Scarecrow Capital Inc. is pleased to offer for sale an approved townhouse development opportunity at 146 Old Kennedy Road. For more information, download the brochure above.

Hunterwood Technologies Ltd. et al., a Cochrane, Alberta-based company which designs and manufactures equipment for the hay compression industry, was placed into receivership on February 9, on application by **HSBC**, owed approximately \$8.7 million. **Hunterwood's** business has been deteriorating due to a poor 2023 farming season output as a result of regional drought, an increase in the cost of supplies and a reduced demand from buyers reverting to more cost-effective substitute products. The company began offering scaled down press machines at a reduced price point to address these issues, but significant challenges with the engineering, design and manufacturing of this new product led the build process to take much longer than anticipated while significantly eroding margins. In December 2023, **Hunterwood's** CFO resigned, and in early January 2024, the interim CFO discovered material inaccuracies and misrepresentations in the company's financial records. **EY** was appointed receiver. Counsel is **Bishop & McKenzie** for **HSBC**, **Fasken** for the receiver and **Osler** for **Roynat**.

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Document Library Updates

Have you subscribed to our new [Document Library service](#) yet? If not, you've missed out on last Thursday's subscribers-only email where we discussed:

- the Newfoundland and Labrador Supreme Court's rejection of a request to reopen a SISP in the CCAA proceedings of **Harbour Grace Ocean Enterprises** and its parent company **Laureceton Holdings** to allow **Gray Enterprise**, the companies' 51% shareholder, to submit its own bid for the shipyard; and
- how a proposed reverse vesting order in the CCAA proceedings of **Tacora Resources** has been so hotly contested that the Ontario Court has set aside 2.5 days in April to hear the parties' arguments.

Make sure your group is subscribed so you're aware of all the important case updates and legal issues developing. [Check out our website](#) for further details on the Document Library, including pricing. When you're ready, [send us an email](#) to get your group subscribed!



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- [Receivership ending at Yukon's abandoned Wolverine mine, gov't now looks to closure, remediation](#)
- [Sale is on for Towns of Thornbury property in receivership](#)
- [La compagnie madelinienne Total Océan fait faillite](#)
- [Emmanuel Aucoin tire à boulets rouges sur le syndic de faillite](#)
- [Laurentian expected to approve post-insolvency roadmap this week](#)



- [TDB Advisory Limited ushers in a new era of financial solutions with expanded insolvency, estate trustee, and financial advisory services](#)
- [Ontario Superior Court refuses to appoint a representative in a personal injury class action](#)
- [City of Edmonton's claim against electric bus manufacturer balloons to \\$82M](#)
- [3-Tower Project In Brampton Under Receivership Over \\$10M Vendor Take-Back Mortgage](#)
- [Careadon Village under new ownership, slated to be done by April](#)

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Insolvency Directory

Click the button below for our comprehensive directory of who's who in the Canadian insolvency market — trustees, lawyers, lenders, liquidators, property managers, turnaround professionals, industry consultants, distressed purchasers and more.

[Insolvency Directory](#)

Also listed are strategic players and investors looking to purchase distressed assets, so make sure to check it out if you're running a sales process.

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Restructuring Webinar



We've just recorded a very timely and informative 30-minute discussion on [Q4 2023: Governance receivers, WEPPA & subordinated deemed trusts](#). We cover, among other things:

- a recent decision in the Coromandel Group saga where the BC Supreme Court considered a request to appoint a “governance receiver” to perform the necessary corporate functions that would normally be carried out by management;
- the treatment of employees under the proposal of Metroland Media Group and, more specifically, Service Canada’s position on the employees’ eligibility for WEPPA payments and a potential right of subrogation for the government;
- the Quebec Court of Appeal’s ruling on whether the Crown’s deemed trust can be subordinated to super-priority charges granted in proposal proceedings under the BIA; and
- guidance from the Ontario Superior Court on the appropriate parameters of an RVO transaction.

Watch Now

The full agenda and link to register can be found [HERE](#). The cost is only \$79.00 + HST. The webinar can be watched at your convenience, so make sure you register and set aside 30 minutes to watch it! It is well worth your time to get up-to-speed on what you need to know right now in our fast-paced market!



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Upcoming Events

Aird & Berlis is holding a free 1-hour virtual webinar on **Wednesday, March 13, 2024** at 3pm, titled **Real Estate in Distress and the Search for Solutions**, presented by **Sam Billard, Norman Kahn, Mistrale Lepage-Chouinard** and **Sanjeev Mitra**. Further details can be found [HERE](#).

OAIRP is holding a free 1-hour virtual continuing education seminar on **Thursday, February 29, 2024** at 11:00 am, titled **The Rights of Debtors and Execution Creditors: Joint Tenancy vs. Tenants in Common**, presented by **Sean Zeitz** of **Spetter Zeitz Klaiman PC**. Virtual login details will be provided upon registration.

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U.S. Filings and News

- [U.K. beauty chain The Body Shop goes into administration after years of struggles](#)
- [Insolvency Software Market Forecasted at \\$2.4 Billion by 2028: Insights Into Key Market Dynamics, the Regulatory Landscape, Use Cases, and the Profiles of Key Players](#)
- [Breast-Implant Maker Sientra Files Bankruptcy After Consumer Pullback](#)
- [WeWork Seeks Fresh Cash With Bankruptcy at ‘Critical Juncture’](#)



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[Canam Appraiz is auctioning the assets of law firm Minden Gross. Assets include collectable art, high end office furniture and equipment, electronics, IT, computers and monitors. Further details here.](#)

- [Fertilizer Maker Unigel Pitches Last-Minute Deal to Avoid Bankruptcy](#)
- [Radio Giant Audacy Set To Exit Bankruptcy With Soros Fund Management As Largest Shareholder](#)
- [Brazilian airline Gol probes rival's effort to poach aircraft](#)
- [Senior Living Firm Petersen Health Care Plans Bankruptcy Filing](#)

Assets for Sale

A.D. Hennick & Associates Inc. and **Danbury Global Ltd.** will be conducting the liquidation of discount retailer **Factory Direct's** 14 stores. The liquidation sale begins **February 17**. A wide range of products, including cell phones, computers, appliances, TV and home theatre, furniture, speakers, kitchen and other items, are available from major brand names including Apple, Samsung, LG, Dell, Panasonic, Cuisinart, Danby and others. Further information can be found [HERE](#).

Ira Smith Trustee & Receiver Inc., solely in its capacity as Court-appointed Receiver (the “**Receiver**”) of the assets, undertakings and properties of **Saptashva Solar S.A.** (“**Saptashva**”), is offering for sale, as approved by Order of the Ontario Superior Court of Justice (Commercial List) dated February 15, 2024, its right, title and interest, if any, in of all of the assets, undertakings and properties of **Saptashva** on an “as is, where is” basis. **Saptashva** is the owner and operator of nine (9) solar electricity generating projects located in the Greater Toronto Area. **Saptashva** is the Supplier under nine (separate) Feed-In Tariff (“**FIT**”) contracts with **Ontario Power Authority** with a contract termination date of June 6, 2034. **Saptashva's** generation sites are roof-top solar arrays under long term leases with two landlords. The Available Assets include, without limitation, fixed assets consisting of a limited inventory of surplus replacement panels, in-situ solar panels, racking, inverters and wiring; distribution agreements, the rights inherent in the FIT contracts and leases, and the future cash flow opportunity. Interested parties should contact the Receiver for further information and terms and conditions of sale: Mr. Brandon Smith Senior Vice-President at brandon@irasmithinc.com or at 905-738-4167 ext 113. Further details [HERE](#).

Tool Shed Brewing Company Inc. filed a Notice of Intention to make a proposal on February 5, 2024. The Company's operations based in Calgary, AB include brewing of craft beer for sale on its leased premises and at third party locations

across Western Canada. Assets of the Company include equipment required for the brewing of its products. **KPMG Inc.** has been appointed as proposal trustee and is conducting a sale and investment solicitation process to identify potential purchasers of the Company's operations and/or assets. Further details [HERE](#).

EY, in its capacity as Receiver of **Razar Contracting Services Ltd.**, has engaged **Cushman & Wakefield Stevenson** to solicit offers for the property located at 190 IXL Cres, East Selkirk, MB. The property includes a two-storey 5,000 sq ft office and a 3,400 sq. ft warehouse on 2.10 acres. Further information can be found [HERE](#).

FTI Consulting Canada Inc., in its capacity as CCAA monitor, has launched a sale and investment solicitation process (the "SISP") to solicit interest in, and opportunities for, a sale of all or part of the business, property, assets and undertakings of the **Collision Kings Group**, a network of quality automotive collision repair and mechanical facilities in the Canadian Prairies. The SISP includes a Stalking Horse Bid for certain of the assets of the **Collision Kings Group** which will set a low-price limit for prospective bidders and ensures continuity of operations by way of a known offer for a going concern sale. **The deadline to submit a binding offer to purchase is March 8, 2024 at 5:00 pm Calgary time.** Further information on the SISP including the full SISP procedures can be found on the [Monitor's website](#). If you wish to participate in the SISP and receive access to the virtual data room following the execution of a confidentiality agreement, please contact the Monitor at: phone: 1-888-277-3986 or email: Collision.Kings@FTIConsulting.com.

Harris & Partners Inc., in its capacity as Receiver of 314 Pure Cannabis Ltd. is soliciting offers to pursue a potential acquisition of all or part of the company's assets. Pursuant to the Sales Process, interested parties who wish to pursue a potential acquisition are required to execute a Confidentiality Agreement to receive access to the data room. Non-binding letters of intent must be submitted by no later than **5:00 pm (Calgary Time) on March 15, 2024**. Further details can be found [HERE](#).

The **Behar Group Realty Inc.**, Brokerage is offering the following property for sale through Power of Sale: 16-18 Dupont Street, Toronto. Ideal turn key high-end investment property between coveted Annex and Yorkville in Toronto. Approx. 8250 Sq Ft GFA across 4 levels including basement. Nearly full lot coverage with rear laneway access. Including 2 Residential Units and 4 Commercial Units. Ideal for passive investor, owner-occupier, or developer for future assembly. Data room access is available. For more information, please contact Avi Behar at abehar@thebehargroup.com or Noah Kerzner at 416.636.8898 Ext.299 nkerzner@thebehargroup.com.

Deloitte Restructuring Inc., as Court-appointed Monitor of SimEx Inc. and certain of its subsidiaries ("SimEx"), is seeking offers for SimEx's business or assets as part of a Court-supervised sale and investment solicitation process. SimEx is a leading global provider of 4D experiences and flyride films for amusement parks and attractions, with over 350 sites and locations across the world since inception and hosting over 40 million visitors to their attractions every year. The deadline for offers is **March 14, 2024** and interested parties are asked to contact the Monitor via email at simexinc@deloitte.ca. Full details can be found at this [website](#).

Ernst & Young Inc., in its capacity as receiver (the "Receiver") of **Magic Investments Corporation** (the "Company"), is soliciting offers to purchase its right, title and interest in certain lands, building, and furnishings (the "Property" or "**910 Topsail**") located at 910 Topsail Rd, Mount Pearl, Newfoundland and Labrador. The Property is comprised of thirteen (13) commercial rental units/salon suites. The deadline to submit tenders is **21 March 2024 at 12:00pm Atlantic Standard Time**. Further details can be obtained by contacting Drew MacCormack at drew.maccormack@parthenon.ey.com or Niamh Fraser at niamh.fraser@parthenon.ey.com.

Canam Apprais is auctioning the assets of law firm **Minden Gross**. Assets include collectable art, high end office furniture and equipment, electronics, IT, computers and monitors. Further details [HERE](#).

FTI Consulting Canada Inc. as receiver of **Trade X Group of Companies and Techlantic Ltd** (global auto exporters) is soliciting offers for the sale of the business assets and undertaking of the companies including: luxury vehicles, business accounts, international client base, intellectual property and technology platform. For further information, please contact: Kamran Hamidi at Kamran.hamidi@fticonsulting.com

B. Riley Farber Inc., in its capacity as Trustee of the bankruptcy estate of **Clover Inc.** (the "Company"), is conducting a sale process (the "**Sale Process**") for the Company's intellectual property (the "**Property**"). The Property consists of the Clover Canadian and US trademarks and a drive which includes the code and database used for the Company's online application. The Company operated an online dating application which included a live streaming platform (i.e. "**video dating**"). Prospective Bidders must submit a binding offer, in the form of a fully executed purchase and sale agreement, by no later than **February 22, 2024**, at 5:00pm EST. Further information relevant to the Sale Process is available on the [Trustee's website](#). To obtain copies of, or access to relevant documentation, please contact Emily Klein at (437) 294-4663, or by email at eklein@brileyfin.com.

Deloitte Restructuring Inc., as Court-appointed Monitor of **Humble & Fume Inc.** and certain of its subsidiaries ("**Humble**"), is seeking offers for Humble's business or assets as part of a Court-supervised sale and investment solicitation process. Humble is a leading cannabis accessories distributor in Canada and also owns 25% of a California-based cannabis distributor, Cabo Connection. The deadline for offers is **February 23, 2024** and interested parties are asked to contact the Monitor via email at humble@deloitte.ca. Full details can be found at this [website](#).

EY, in its capacity as Receiver of **Garibaldi at Squamish Inc. and Garibaldi at Squamish Limited Partnership** (“**Garibaldi**”), is soliciting offers to purchase the assets of Garibaldi. Garibaldi is a proposed resort development in Squamish, British Columbia. The Receiver is seeking non-binding letter of intent on or by **February 22, 2024**. Further information, including a teaser and NDA can be found on the Receiver’s website at www.ey.com/ca/garibaldi.

PwC as court-appointed Receiver of **CanXGold Mining Corp.** (formerly known as **Golden Dawn Minerals Inc.**) and **Kettle River Resources Ltd.** (the “Companies”) is seeking offers to purchase the assets of the Companies including, mineral claims, Crown grants, valid mines permits for exploration and reclamation in place. Infrastructure on site includes a processing mill, offices, assay lab and various mobile assets. The deadline for offers is **March 8, 2024**. For further information please refer to the Receiver’s website [here](#) or contact David McKenna (david.mckenna@pwc.com) or 604-328-2278.

BDO Canada Limited, in its capacity as Court appointed Receiver of **HBJR Holdings Ltd.** is soliciting offers to purchase the inventory and brands of the company. **HBJR Holdings Ltd.** is a clothing company with a presence in the US and Canada. The inventory primarily consists of compression socks, slippers, sleepwear and other apparel which are sold under the brand names Dr. Segal’s and Pudus. Please contact [Troy Chesley](#) for more information.

Need to promote a distressed asset sale? [Email us](#).

From the Editor

[Dina Kovacevic](#) is the editor of the Insolvency Insider publication.

Feedback and suggestions on how we can improve our format and/or content are always welcome!

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Have a great week!



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Ajax, Ontario L1T1R9, Canada

APPENDIX K

Brandon Smith

From: Brandon Smith
Sent: February 20, 2024 3:52 PM
To: Brandon Smith
Cc: Ira Smith; Dominique Michaud (dmichaud@robapp.com)
Subject: Saptashva Solar S.A. -Purchase Opportunity
Attachments: Saptashva Asset Sale Opportunity.pdf; Order of Justice Wilton-Siegel - 15-FEB-2024.pdf

We are writing to you to advise of the opportunity to purchase the Receiver's interest, if any, in the assets, undertakings and property of Saptashva Solar S.A.

Attached is a brief summary of the opportunity and the Order of the Ontario Superior Court of Justice (Commercial List) dated February 15, 2024, approving the sales process, inclusive of the standing stalking-horse offer, the sale terms, conditions and timeline.

We recommend that all interested parties visit the Receiver's website for this engagement located at: https://www.irasmithinc.com/case_studies/saptashva/index.html and review publicly available information regarding the Receivership, including our reporting to the Court and the court approved Stalking Horse offer.

If you wish to pursue this opportunity further please request from us a confidentiality agreement and provide:

1. the name of the entity wishing to participate in the sales process;
2. its full mailing address; and
3. if a corporation, the name of the signing officer and their position.

Upon our receipt of your fully executed agreement we will supply you with data room access in accordance with the Court approved process. Parties who have executed a confidentiality agreement will be contacted at a later date if they wish to have a site visit.

Please feel free to share this email with any of your contacts, colleagues or clients who you feel may be interested in pursuing this opportunity.

Sincerely,

BRANDON SMITH, BA, CIRP
LICENSED INSOLVENCY TRUSTEE
 Senior Vice-President

167 Applewood Cres. Suite 6, Concord, ON L4K 4K7

P: 905.738.4167 ext.113 | F: 905.738.9848

E: brandon@irasmithinc.com

www.irasmithinc.com

Check out our weekly blog and Youtube channel-

<http://www.irasmithinc.com/blog/>

<https://www.youtube.com/c/IraSmithTrustee/videos>



APPENDIX L

PURCHASE OPPORTUNITY

Purchase Opportunity

Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) dated January 24, 2022, Ira Smith Trustee & Receiver Inc. (“**ISI**”), was appointed Receiver of the assets, properties and undertakings (the “**Receiver**”) of Saptashva Solar, S.A. (“**Solar**”).

Solely in its capacity as Receiver, ISI is undertaking a “stalking-horse” sales process to sell of all the assets, properties and undertakings of the Company on an “as is, where is” basis, in accordance with the Order of the Ontario Superior Court of Justice (Commercial List) dated February 15, 2024 (the “**Order**”).

The Receiver refers potential bidders (“**Potential Bidders**”), to the Terms and Conditions of Sale, which allows Potential Bidders, on a non-exclusive basis, to participate in this purchase opportunity as part of Solar’s receivership proceedings.

Opportunity Overview

Solar is the owner and operator of nine (9) solar electricity generating projects located in the Greater Toronto Area. Solar is the Supplier under nine (separate) Feed-In Tariff (“**FIT**”) contracts with Ontario Power Authority with a contract termination date of June 6, 2034. Solar’s generation sites are roof-top solar arrays under long term leases with two landlords.

The Available Assets include, without limitation, fixed assets consisting of a limited inventory of surplus replacement panels, in-situ solar panels, racking, inverters and wiring; distribution agreements, the rights inherent in the FIT contracts and leases, the existing cash flow and the future cash flow opportunity.

Investment Highlights and Opportunities

Investment Opportunity: This opportunity allows for a Potential Bidder to capitalize on Solar’s capacity to generate electricity sold to Toronto Hydro at the rate of \$0.713 per kWh. Following capital improvements carried out by the Receiver, an average of 17,751 kWh is generated monthly (11 months ending November 30, 2023) across all 9 sites.



**Terms and
Conditions of
Sale**

The Receiver is offering for sale its right, title and interest, if any, in the assets, properties and undertaking of Solar. Potential Bidders are referred to the Terms and Conditions of Sale attached hereto as Exhibit “A”.

Potential Bidders may contact the Receiver to enter into a confidentiality agreement and conduct due diligence through the Receiver’s web-based data room. Qualified purchasers may have the opportunity for a site tour of the equipment in situ.

The data room will contain proprietary, non-public information regarding the Company and the Assets and will be furnished to qualified purchasers on a confidential basis. The information contained therein has been obtained from various sources and has been prepared for the purpose of providing interested parties with general information to assist them in their evaluation of the Company and the Assets, for the purpose of determining whether or not to proceed with the acquisition of the Assets.

No representation or warranty, expressed or implied, is made by the Receiver as to the accuracy or completeness of the information or any other written or oral communication transmitted or made available to prospective purchasers of the Assets. Nothing contained in the data room is, or shall be relied upon as, a promise or representation, whether as to the past or future performance of the Assets. Any estimates or projections contained herein have been prepared by the Receiver, and are based on information currently available, and may involve significant subjective judgments and analyses. Accordingly, no representation is made as to the completeness or attainability of the projections. Only those representations and warranties made in a definitive agreement of purchase and sale shall have any legal or binding effect.

Parties with access to the data room will be bound by a confidentiality agreement and agree that all of the information contained therein is of a confidential nature and will treat it in a confidential manner consistent with the terms and conditions of the agreement, will not be directly or indirectly disclosed or permit their agents, representatives, employees, officers, directors or any other affiliates to disclose any of such information and that they will use the information only to evaluate an acquisition of the Assets and for no other purpose. If either the recipient elects not to pursue this matter or is not successful in acquiring the Assets, the recipient will relinquish their data room access and any material relating to the Assets, the



Company or the receivership to the Receiver, which the recipient may have received from the Receiver without retaining any copies or extracts thereof. Any information generated by the recipient that consists of analysis, compilations, designs, studies or other documents that contain or refer to such confidential information shall be destroyed by the recipient; the recipient will confirm such destruction in writing to the Receiver.

The Receiver reserves the right to negotiate with one or more parties at any time and to enter into a definitive agreement concerning the Company and/or the Assets without prior notice to any other parties.

The Receiver has not been retained to verify the information contained in the data room. Each Potential Bidder is responsible for conducting its own independent analysis of any proposed transaction and for independently verifying the information contained in the data room. Each recipient agrees not to contact any owners, officers, directors, employees, representatives, agents, customers, suppliers or any other affiliates of the Company without the express prior consent of the Receiver.

This Memorandum and the contents of the data room is not, and under no circumstances is it to be construed as, a prospectus, a public offering, or an offering memorandum as defined under applicable securities legislation. All financial figures included in the data room are in Canadian dollars unless noted otherwise.

Process

The Stalking Horse and Bid Procedures Order, a copy of which has been made available to all Prospective Purchasers, approves an Agreement of Purchase and Sale between 1034523 Ontario Limited and the Receiver (the “**Stalking Horse APA**”). The Stalking Horse APA contained in the Receiver’s Second Report to Court dated January 31, 2024, indicates the purchase price is \$550,000.00. A copy of the Stalking Horse APA will be in the web-based data room.

As indicated in the Court approved Bidding Procedures, any offer to purchase must contain an all-cash purchase price greater than the aggregate consideration offered in the Stalking Horse APA.

All offers submitted through this sales process are considered final and binding on the Potential Bidder as further defined in the Terms and Conditions of Sale.



Prospective purchasers are required to submit a final bid by no later than 3:00PM Toronto time (EDT) on April 5, 2024. If necessary, in accordance with the terms and conditions an auction will be held on April 15, 2024 to determine the Successful Purchaser. Potential Bidders will be notified by the Receiver on or before April 12, 2024 regarding the success of their bid and the auction. Parties submitting final binding offers will be provided with a detailed purchase and sale agreement template during the web-based data room access phase.

To ensure an orderly sales process, target dates have been established as follows:

Advertisement in Financial Post	February 20, 2024 (subject to motion date)
Summary information document (“Teaser”) distributed to interested parties	Commencing February 20, 2024
Confidentiality Agreement (“CA”) distributed to interested parties	Commencing February 20, 2024
Data room access provided to interested parties after receipt of signed CA	Commencing February 20, 2024
Deadline for submission of bids	April 5, 2024 (3:00 PM Toronto time) provided that in the event that there are no Qualified Bidders, the Receiver and the Stalking Horse Bidder shall, upon granting court approval, proceed to close the transaction called for under the Agreement on or before May 31, 2024.
Bidders notified of Qualified Bidder status	No later than April 12, 2024
Indication by Qualified Bidders of intention to participate in Auction (if necessary)	April 15, 2024 (5:00 PM Toronto time)
Auction (if necessary)	April 18, 2024 10:00 AM Toronto time) (“A”)
Court motion to approve Successful Bid	May 3, 2024
Transaction close	On or before 10 days following granting of Approval and Vesting Order or May 31, 2024



Contact

All communications, inquiries and requests for information relating to the acquisition of the Available Assets should be addressed to:

Ira Smith Trustee & Receiver Inc.
167 Applewood Crescent, Suite 6
Concord, Ontario L4K 4K7
F: (905) 738-9848

Attention: Brandon Smith
T: (905) 738-4167 x113
E: brandon@irasmithinc.com



APPENDIX "A"
TERMS AND CONDITIONS OF SALE





LICENSED INSOLVENCY TRUSTEE

167 Applewood Cres. Suite 6, Concord, ON L4K 4K7

Phone: 905.738.4167

Fax: 905.738.9848

irasmithinc.com

STALKING HORSE BID

BID PROCEDURES, BREAK FEE AND TERMS AND CONDITIONS OF SALE

Set forth below are the Terms and Conditions of Sale (the “**Terms and Conditions of Sale**”) to be employed with respect to the sale of the assets, undertakings and properties and (the “**Purchased Assets**”) of Saptashva Solar, S. A. (the “**Company**”) as more particularly defined in the Stalking Horse Asset Purchase Agreement (the “**Agreement**”) submitted by 1034523 Ontario Limited (the “**Stalking Horse Bidder**”). It is expressly acknowledged and agreed that notwithstanding any other provision herein, the stalking horse sales process shall occur in accordance with this essential timetable and in the event of any conflict between the provisions of this timetable and any other provision of this Agreement, the provisions of this timetable set out in the immediately following chart shall govern to the extent necessary (and only to the extent necessary) to resolve the conflict:

Advertisement in Financial Post	February 20, 2024 (subject to motion date)
Summary information document (“ Teaser ”) distributed to interested parties	Commencing February 20, 2024
Confidentiality Agreement (“ CA ”) distributed to interested parties	Commencing February 20, 2024
Data room access provided to interested parties after receipt of signed CA	Commencing February 20, 2024
Deadline for submission of bids	April 5, 2024 (3:00 PM Toronto time) provided that in the event that there are no Qualified Bidders, the Receiver and the Stalking Horse Bidder shall, upon granting court approval, proceed to close the transaction called for under the Agreement on or before May 31, 2024.
Bidders notified of Qualified Bidder status	No later than April 12, 2024
Indication by Qualified Bidders of intention to participate in Auction (if necessary)	April 15, 2024 (5:00 PM Toronto time)
Auction (if necessary)	April 18, 2024 10:00 AM Toronto time) (“ A ”)
Court motion to approve Successful Bid	May 3, 2024
Transaction close	On or before 10 days following granting of Approval and Vesting Order or May 31, 2024

Marketing Process and Identifying Potential Bidders

1. Upon Court approval of the Agreement and the sales process described within these Terms and Conditions of Sale (the “**Sales Process**”), Ira Smith Trustee & Receiver Inc., solely in its capacity as Court-appointed Receiver of the assets, undertakings and properties of the Company (the “**Receiver**”), will immediately commence the following marketing process:
 - a) a list of potential buyers has been identified by the Receiver and will be advised of the current opportunity to acquire the Purchased Assets;
 - b) an advertisement will be placed in the national edition of the National Post within 5 business days, or as soon thereafter as practical; and
 - c) a notice will be placed on the website of the Receiver.

Due Diligence

2. All interested parties that sign the Receiver’s form of confidentiality agreement (a “**Potential Bidder**”) will be provided access to a data room containing detailed information regarding the assets to enable them to perform their due diligence.
3. Subject to access being provided by the respective landlords, a Potential Bidder will also be provided with a site visit, facilitated by the Receiver, to supplement their due diligence procedures.
4. Potential Bidders are cautioned not to rely upon any documentation or information provided by or on behalf of the Receiver. Any such documentation or other material provided with respect to the Purchased Assets was prepared solely for the convenience of Potential Bidders and is not warranted to be complete or accurate, has not been independently verified, and is not part of these Terms and Conditions of Sale or any resulting Asset Purchase Agreement or Bill of Sale. Each Potential Bidder shall be deemed to have relied entirely on its own inspection and investigation in submitting its offer. Potential Bidders are required to obtain such third-party consents as they consider necessary. Potential Bidders are to make such independent enquiries, as they deem necessary, concerning all Purchased Assets prior to submitting their Bid (as defined herein).

Bid Deadline

5. A Potential Bidder that desires to make a bid shall deliver its bid to the Receiver no later than 3:00 PM (Toronto Time) on April 5, 2024 (the “**Bid Deadline**”). Any

Potential Bidder who submits a bid by the Bid Deadline (the “**Bid**”) will be considered a Bidder.

Bid Requirements

6. All bids must include:
 - a) an offer to pay a cash purchase price greater than the aggregate consideration offered by the Stalking Horse Bidder pursuant to the Agreement, plus the amount of the break fee of \$12,500.00 plus an overbid in the amount of \$5,000.00 (which in aggregate equals the Break Fee amount plus the bid increment proposed by the Receiver in the Auction process) (the “**Purchase Price**”);
 - b) no provision making the offer subject to any due diligence, financing condition or other contingencies (including representations, warranties, covenants, and timing requirements) of any kind or any other conditions precedent on such party's obligation to acquire the Purchased Assets other than as may be specifically included in the Agreement;
 - c) an executed copy of a purchase agreement in the form of the Agreement, together with a blackline copy of the Agreement reflecting any changes made to the Agreement, shall be submitted to the Receiver and shall be binding and irrevocable until either (i) such time as the Receiver rejects a Bidder's Bid in accordance with paragraph 11 herein; (ii) at the conclusion of the Auction, if held, each respective Qualified Bidder (as defined herein) does not become the Successful Bidder; or (iii) if the Court does not approve the Successful Bidder's Accepted Bid;
 - d) a certified cheque, bank draft or wire transfer drawn on a Canadian Schedule “I” Chartered Bank (an “**Acceptable Institution**”) in the amount of fifteen per cent (15%) of the Bidder's Purchase Price contained in the Bidder's Bid payable to the Receiver in trust. This amount will either (i) be applied to satisfy the purchase price of a Successful Bidder, the balance of which purchase price shall be due on closing; (ii) be returned to the Bidder if its bid is not successful (subject to the other provisions of these Terms and Conditions of Sale), or (iii) be forfeited to the Receiver in the event that the Successful Bidder breaches its obligations to complete the purchase in accordance with the Bidder's Accepted Bid (as defined herein);
 - e) a representation of the Bidder and such written evidence of available cash and/or a commitment for financing to evidence the Bidder's ability to consummate the proposed transaction as the Receiver may reasonably request;
 - f) a copy of a resolution or similar document demonstrating authority to make an irrevocable bid, and to execute the transaction contemplated by the offering bid for the Purchased Assets;

- g) disclosure of the identity of each entity that will be bidding for the Purchased Assets or otherwise participating with such bid and the complete terms of any such participation;
- h) disclosure of the identity of each of the Officers and Directors or Partners, as the case may be, of each entity bidding for the Purchased Assets or otherwise participating with such bid;
- i) an acknowledgement by such Bidder that if its bid becomes a Qualified Bid and the bidder becomes a Qualified Bidder (as such terms are hereinafter defined) that the such Qualified Bidder's continued participation in any Auction is on a non-exclusive basis; and
- j) a description of the Bidder's current operations.

Qualified Bids

- 7. A bid received from a Bidder not later than the Bid Deadline that meets the above requirements will be considered a “**Qualified Bid**” and each Bidder that submits a Qualified Bid will be considered a “**Qualified Bidder**”.
- 8. The Agreement shall be deemed to be a Qualified Bid and the Stalking Horse Bidder shall be deemed to be a Qualified Bidder for all purposes and requirements pursuant to the sale procedures set out this Schedule (the "**Sale Procedures**"), notwithstanding the requirements that other potential Bidders must satisfy to be considered a Qualified Bidder.
- 9. Qualified Bids will be valued and assessed by the Receiver in its sole commercial discretion based upon any and all factors that the Receiver may, in its sole discretion, deem pertinent.
- 10. The Receiver, in its business judgment, reserves the right to reject any Bid if such Bid:
 - a) is on terms that are more burdensome or conditional than the terms of the Agreement;
 - b) requires any indemnification of such Bidder;
 - c) excludes assets or contracts, or leases of the Company;
 - d) is not received by the Bid Deadline;
 - e) is subject to any due diligence, financing condition or other contingencies (including representations, warranties, covenants, and timing requirements)

of any kind or any other conditions precedent on such party's obligation to acquire the Purchased Assets; or

- f) includes any other considerations that the Receiver may deem relevant to the bid.
11. Any Bid rejected pursuant to Paragraph 10 above, shall not be deemed to be a Qualified Bid.
 12. The Receiver will advise all Bidders by email whether or not they are a Qualified Bidder by 5PM (Toronto time) on April 12, 2024 or by such further date as the Receiver may determine in its sole discretion, but in any event not less than 48 hours before the start of the Auction (the "**Notification Date**").
 13. In the case of a rejected bid, the Receiver shall return to the Bidder, the amount provided in the Bid in accordance with paragraph 6(b) above, within 5 business days after the Notification Date.

The Auction and Auction Procedures

14. If the Receiver determines that it has received more than one Qualified Bid (including the Agreement), it will invite Qualified Bidders to participate in an Auction, as described in more detail below (the "**Auction**"). If the Receiver does not receive any Qualified Bids other than the Agreement, it will not hold an Auction, in which case the Agreement will be deemed the Successful Bid (as this term is defined herein) and the Stalking Horse Bidder will be named the Successful Bidder (as this term is defined herein) and the Receiver will proceed towards completion of the Transaction in accordance with its terms.
15. By 5PM (Toronto time) on April 15, 2024, each Qualified Bidder must inform the Receiver, by email, whether it intends to participate in the Auction.
16. The Receiver will promptly thereafter inform, in writing, each Qualified Bidder who has expressed its intent to participate in the Auction of the identity of all other Qualified Bidders that have expressed their intention to participate in the Auction and will provide copies of all other Qualified Bids to such Qualified Bidders.
17. Only the authorized representatives, professionals or agents of the Stalking Horse Bidder and each other Qualified Bidder identified in advance to the Receiver, shall be eligible to participate at the Auction.
18. The Auction, if any, shall be conducted by the Receiver, commencing on April 18, 2024, at 10AM. (Toronto Time) via video conference using a weblink to be provided by the Receiver to Qualified Bidders 24 hours prior to the Auction.

19. At the Auction, the bidding will start at the aggregate consideration for the Purchased Assets and terms proposed in the offer that the Receiver selects as the highest and best offer prior to the Auction and will continue in cash increments of at least \$5,000.
20. The Receiver, in its sole discretion, may adjourn the Auction at any time to permit the Qualified Bidders and the Stalking Horse Bidder, the opportunity to consider improved bids.
21. During the Auction, Qualified Bidders including the Stalking Horse Bidder may submit revised bids that otherwise comply with the rules of this bidding and Auction process (a “**Revised Bid**”).
22. If no Qualified Bidder submits a Revised Bid after a period of 15 minutes following the Receiver’s acceptance of a Revised Bid and the Receiver in its sole discretion chooses not to adjourn the Auction further, the Auction will be concluded whereupon the Receiver shall enter into a binding agreement of purchase and sale with the Qualified Bidder or the Stalking Horse Bidder that submitted the leading bid as determined by the Receiver in its sole discretion (the “**Successful Bidder**”). The bid process shall end at the conclusion of the Auction.
23. The Successful Bidder agrees to do all such things as may be required by the Receiver to obtain Court approval of the Accepted Bid.
24. Subject to the Receiver obtaining the approval and vesting order in respect of the Accepted Bid, if the Successful Bidder fails to consummate the transaction by on or before 10 days following the granting of the approval and vesting order or May 31, 2024 (or such date that may otherwise be mutually agreed upon), the Receiver shall be authorized but not required to deem that the Successful Bidder has breached its obligations pursuant to the Accepted Bid, has forfeited its deposit to the Receiver, and the Company and the Receiver are authorized to seek an alternative bidder for the Purchased Assets.
25. Except for the Stalking Horse Bidder with respect to the Break Fee, Potential Bidders, Bidders and/or Qualified Bidders shall not be allowed any breakup, termination or similar fee or expense reimbursement. For greater certainty, Potential Bidders, Bidders and/or Qualified Bidders/Successful Bidder shall be responsible for all of their own professional and other fees and costs relating to their investigation or closing of any transaction in this regard.
26. The Receiver shall have the right to adopt and implement such other rules for the Auction as may be necessary to promote the goals of this bid process generally.

27. The highest or any offer will not necessarily be accepted.

Court Approval

28. The sale of Purchased Assets is subject to an approval and vesting Order being issued by the Court.
29. In the case of an Agreement for the Receiver’s interest in any lease, the Receiver shall assign (without covenants) all of its right, title and interest, if any, in such lease to the Successful Bidder on closing. The Receiver agrees to use all commercially reasonable efforts to obtain the requisite consent of the landlord or lessor, as the case may be, and/or the approval of the Court, to such assignment (if required by the lease) but in so doing shall not be required to incur any expense or liability (except as the Receiver in its absolute discretion may see fit).
30. Pursuant to the Terms and Conditions of Sale Order, the Receiver shall report to the Court and provide its recommendations to the Court regarding the sale of the Purchased Assets on May 3, 2024, or as soon thereafter as the Court may allow.
31. The Receiver shall not be required to pay any commission or finder’s fee with respect to any sale pursuant hereto.

“As is, where is”

32. The Purchased Assets are being sold on an “as is, where is” basis and no warranty, condition or representation, whether statutory, express or implied, is being given by the Receiver as to the description, condition, state, cost, size, quality, fitness for purpose, merchantability, or in respect to any other matter or thing whatsoever concerning the Purchased Assets other than as may be expressly set out herein. The Successful Bidder is deemed to have satisfied itself with regard to all of the foregoing and any matter or thing whatsoever in respect of the Purchased Assets.

Miscellaneous

33. The Purchased Assets shall be and remain at the risk of the Receiver as its interest may appear until closing. From and after closing, the Purchased Assets shall be at the Successful Bidder’s risk. Pending closing, the Receiver shall hold any insurance policies or proceeds thereof in trust for itself, the Successful Bidder and others as their respective interests may appear. In the event of substantial damage to or loss prior to closing of the Purchased Assets which are insured, the Successful Bidder may elect by notice in writing, 15 days after receiving notice from the Receiver, of such damage or loss, either to close the Agreement and receive the remaining Purchased Assets and the proceeds of the insurance, or may rescind the Agreement, have all moneys theretofore paid returned without interest, costs,

- deduction or compensation, but shall have no further or other right to damages, costs, specific performance or any other remedy.
34. The Successful Bidder shall pay on closing, in addition to the purchase price, all applicable federal, provincial and municipal taxes in connection with the sale.
35. The Successful Bidder shall, at its own cost and expense, be responsible for compliance with all municipal, provincial and federal laws insofar as they apply to the Purchased Assets and the use thereof by the Successful Bidder from and after closing.
36. All stipulations as to time are strictly of the essence.
37. Any tender of documents or money hereunder may be made upon the Receiver, a Bidder, the Successful Bidder or their respective solicitors. Money may only be tendered by certified cheque, bank draft or wire transfer drawn on an Acceptable Institution.
38. The Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and applicable laws of Canada and enure to the benefit of and be binding upon the parties thereto and their respective heirs, executors, administrators, successors or assigns as the case may be.
39. The obligations of the Receiver to complete the Agreement shall be relieved if, on or before the closing of such sale, any asset which is the subject of the sale has been removed from the control of the Receiver by any means or process, or any such asset is redeemed, or if the completion of the sale is restrained or prohibited by an injunction or other order issued by a court of competent jurisdiction, whereupon the only obligation of the Receiver shall be to return the applicable deposit, without interest, deduction, costs or compensation.
40. All communications, inquiries and requests for information relating to the acquisition of the Purchased Assets should be addressed to:

Ira Smith Trustee & Receiver Inc.
167 Applewood Crescent, Suite 6
Concord, Ontario L4K 4K7

Attention: Brandon Smith

T: (905) 738-4167 x113
E: brandon@irasmithinc.com
F: 905.738.9848

APPENDIX M



STARTING OVER, STARTING NOW



HOME

ABOUT US

BANKRUPTCY SERVICES

BANKRUPTCY FAQ

RESOURCES

CONTACT

BLOG



SAPTASHVA SOLAR S.A..

On January 24, 2022 ISI became the Receiver over the assets, properties and undertakings of Saptashva Solar S.A.. (the "Company"). The Receiver is continuing the Company's business and the Receiver will offer the assets comprising the operations of the Company for sale.

Receivership

- [Endorsement of The Honourable Mr. Justice Cavanagh](#) - January 24, 2022
- [Endorsement of The Honourable Madam Justice Conway](#) - December 2, 2022
- [Endorsement of The Honourable Madam Justice Conway](#) - December 7, 2022
- [Endorsement of The Honourable Madam Justice Conway](#) - December 12, 2022

Court Matters

- [Receivership Appointment Order](#) - January 24, 2022
- [First Court Report Motion Record](#) - November 10, 2022
- [First Supplementary Court Report to the First Court Report](#) - December 6, 2022
- [Second Supplementary Court Report Motion Record](#) - December 11, 2022
- [First Report Approval Order](#) - December 12, 2022

Sales Process

- [Sales Process Approval Order](#) - February 15, 2024
- [Second Court Report Motion Record](#) - February 1, 2024
- [First Supplement to the Second Court Report](#) - February 9, 2024
- [Asset Sale Opportunity](#) - February 20, 2024
- [Terms and Conditions of Sale](#) - February 20, 2024
- [Stalking-Horse Offer](#) - February 20, 2024

All documents are in [Acrobat/PDF format](#) - free reader available [HERE](#).

RESOURCES

Case Studies

- [NEW - Saptashva Solar S.A.](#)
- [D-Films](#)
- [558 Dovercourt Road](#)
- [Matheson](#)
- [Vaughan Crossings Inc.](#)
- [Settler's Ghost Club Limited Partnership & FSP Holdings Inc.](#)
- [Cloud Dynamics Inc.](#)
- [Windsor Bridal](#)
- [Norma Walton and Ronald Walton](#)
- [Brushstrokes Fine Art Inc.](#)
- [Conquest Vacations](#)
- [Dauphin Media Group Limited](#)
- [The Deloraine Residences](#)
- [Hide House](#)
- [1 King West](#)
- [King's Landing Student Residence](#)
- [Linda Lundstrom](#)
- [MPH Graphics Inc.](#)
- [Sunny Meadow](#)
- [Trinity Landing](#)
- [Korex](#)

905.738.4167

**Need help?
Contact Us!**

1.866.483.NO DEBT (6633)

APPENDIX N

Brandon Smith

From: Brandon Smith
Sent: March 14, 2024 12:45 PM
To: Brandon Smith
Cc: Dominique Michaud (dmichaud@robapp.com); Ira Smith
Subject: Saptashva Solar S.A. - site tour
Attachments: Saptashva Asset Sale Opportunity.pdf; Order of Justice Wilton-Siegel - 15-FEB-2024.pdf

Tracking:

Recipient	Delivery	Read

Good afternoon potential purchasers,

Thank you for your interest and participation in the court approved sales process.

We wish to draw your attention to a clerical error and inconsistency in the bidding procedures attached to the sales process approval order. Our terms and conditions available online and as part of the sale opportunity as well as the chart in the approved bidding procedures sets the deadline for offers at 3PM (Toronto time) on April 5, 2024 with an auction to follow, if required on April 18th. Consistent with that deadline the bidding procedures at lines 12 and 15 set out notice dates for the April 18th auction. Line 5 of the bidding procedures appended to the approval order, and in conflict with the chart of dates on the first page of the bidding procedures, contains a typographical error setting the deadline for offer submission as 3pm on April 15, 2024. The very first paragraph of the bid procedures states that should there be any conflict, the chart shall govern to resolve such conflicts.

So that there is no confusion, the deadline for submission of offers is April 5, 2024 at 3PM Toronto time. We are finalizing a standardized form of offer, in accordance with the bidding procedures that will be made available to all participants in the coming days.

If any party wishes to have a site visit to inspect the physical assets in situ, please contact me and advise of your availability during the weeks of March 18 and 25 and we will have our property manager schedule a visit with you.

BRANDON SMITH, BA, CIRP
LICENSED INSOLVENCY TRUSTEE
Senior Vice-President

167 Applewood Cres. Suite 6, Concord, ON L4K 4K7

P: 905.738.4167 ext.113 | **F:** 905.738.9848

E: brandon@irasmithinc.com

www.irasmithinc.com

Check out our weekly blog and Youtube channel-

<http://www.irasmithinc.com/blog/>

<https://www.youtube.com/c/IraSmithTrustee/videos>



This e-mail is intended only for the person to whom it is addressed (the "addressee") and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use that a person other than the addressee makes of this communication is prohibited and any reliance or decisions made based on it, are the responsibility of such person. We accept no responsibility for any loss or damages suffered by any person other than the addressee as a result of decisions made or actions taken based on this communication or otherwise. If you received this in error, please contact the sender and destroy all copies of this e-mail.

APPENDIX O



ROBINS APPLEBY
BARRISTERS + SOLICITORS

Delivered by: Email
File No.: 2000836

January 31, 2024

Ira Smith Trustee & Receiver Inc.
167 Applewood Crescent,
Suite #6
Vaughan, Ontario L4K 4K7

Attention: Ira Smith

Dear Sir:

Re: Review of security held by 1199403 Ontario Inc. ("119") over Saptashva Solar, S.A. (the "Debtor")

We are writing to provide you with our opinion on the security granted by the Debtor to 119. This opinion is provided to Ira Smith Trustee & Receiver Inc. (the "**Receiver**") in its capacity as court-appointed receiver and manager of the property, assets, and undertakings of the Debtor. Our opinion is based on our review of the documents provided to us by counsel for the Debtor and the searches we conducted as noted herein.

Background

The following statements in this section titled "Background" have been provided for context only, and do not constitute our opinion hereunder.

The Debtor

The Debtor is a société anonyme formed under Spanish law that is extra-provincially registered in the Province of Ontario, with offices in Madrid, Spain and Concord, Ontario.

1034523 Ontario Limited ("103")

103 is a corporation that is registered in the Province of Ontario, with offices in Willowdale, Ontario. 119 will be assigning the Security (as hereinafter defined) to 103.

119 Security

119, 1274442 Ontario Inc. and Gulu Thadani (the "**Lenders**") entered into a loan agreement dated September 23, 2014 with the Debtor (the "**First Loan Agreement**"), pursuant to which the Lenders issued certain credit facilities in favour of the Debtor. The Debtor entered into a general security agreement dated September 23, 2014 in favour of the Lenders, which granted: (i) a fixed

and specific mortgage, charge and security interest; and (ii) a security interest in the present and future undertaking, property and assets of the Debtor, securing payment of all debts and liabilities, present or future, direct or indirect, absolute or contingent, whether arising from dealings between the Lenders and the Debtor or from other dealings or proceedings by which the Lenders may be or become, in any manner whatever, a creditor of the Debtor and wherever incurred, and in any currency and whether incurred by the Debtor alone or with another or others, and whether as principal or surety, and all interest, commissions, legal and other costs, charges and expenses (the "**First GSA**"). The Debtor and 119 entered into a supplementary loan agreement dated June 15, 2015 (the "**Supplementary Loan Agreement**" and together with the First Loan Agreement, the "**Loan Agreements**"), pursuant to which 119 issued certain credit facilities in favour of the Debtor. The Debtor entered into a general security agreement dated June 15, 2015 in favour of 119 which granted: (i) a fixed and specific mortgage, charge and security interest; and (ii) a security interest in the present and future undertaking, property and assets of the Debtor, securing payment of all debts and liabilities, present or future, direct or indirect, absolute or contingent, whether arising from dealings between 119 and the Debtor or from other dealings or proceedings by which 119 may be or become, in any manner whatever, a creditor of the Debtor and wherever incurred, and in any currency and whether incurred by the Debtor alone or with another or others, and whether as principal or surety, and all interest, commissions, legal and other costs, charges and expenses (the "**Supplementary GSA**" and together with the First GSA, the "**GSA's**", and collectively with the Loan Agreements, the "**Security**").

119 registered a financing statement against the Debtor under the PPSA in respect of the GSA's, as set out in Schedule "A" hereto (the "**Registration**").

On January 15, 2024, we received email confirmation from counsel for the Debtor that the chief executive office of the Debtor is located at 99 Prairie Dunes Place, Concord, Ontario, L4K 2E4.

The Purchase Agreement

The Receiver, on behalf of the Debtor negotiated an asset purchase agreement (the "**Purchase Agreement**"), in respect of the sale to 1034523 (the "**Purchaser**") of the following assets of the Debtor: (i) all equipment and ancillary equipment (including spare parts) associated with the rooftop solar photovoltaic generation facilities located at the Premises (as defined in the Purchase Agreement); and (ii) all of the Assigned Contracts (as defined in the Purchase Agreement (collectively, the "**Assets**"). The Purchase Agreement also contemplates the sale of all of the Debtor's rights under warranties, indemnities and all similar rights against third parties to the extent related to any assets.

The closing in respect to the transactions contemplated in the Purchase Agreement is expected to occur on or before May 31, 2024. \$550,000 is expected to be paid on closing, payable by way of an assumption of debt owed by the Debtor to the Lenders, and an amount equal to the unfunded fees and expenses (plus applicable HST) of the Receiver and its agents and legal counsel (the "**Sale Proceeds**") to be paid to the Receiver.

Scope of Inquiry

To render the opinions set out herein, we have examined copies of the following documents:

- (a) the First Loan Agreement;



- (b) the First GSA;
- (c) the Supplementary Loan Agreement; and
- (d) the Supplementary GSA.

In addition, we have conducted a certified search from the Ontario Personal Property Registration System against the debtor with a file currency of November 28, 2023 (the "**Debtor PPSA Search**"). We have conducted no further searches in connection with the delivery of this opinion.

Opinions

Based and relying upon the foregoing, and subject to the assumptions and qualifications hereinafter expressed, we are of the opinion that:

1. The Security comprises valid and binding obligations of the Debtor, enforceable in accordance with the terms thereof.
2. The GSA's create a security interest in favour of 119 in the collateral described therein to which the PPSA applies to secure payment and performance of the obligations described in the GSA's as being secured thereby. For greater certainty, the GSA's create a security interest in favour of 119 in the Sale Proceeds.
3. A financing statement was registered in favour of 119, as the secured party against the Debtor, as the debtor pursuant to the PPSA on March 27, 2019, as evidenced by Registration No. 20190327 1215 1901 1447 (File No. 749480823).
4. While the Registration may have general application, it may also be limited to the general collateral description contained therein (as set out in Schedule A) and the maximum dollar amount of \$1,490,000 set out therein. In either event, the Registration perfects 119's security interest in the Assets.
5. 119's order of registration in the Ontario Personal Property Security Registration System against the Debtor in respect of the security interest granted by the Debtor to 119 pursuant to the GSA's is first in respect of the collateral set out therein.

Assumptions

As a basis for our opinions, we have made the following assumptions:

- (a) all signatures on documents submitted to us are genuine, all documents submitted to us as originals are authentic and complete, and all documents submitted to us as copies conform to authentic and complete original documents;
- (b) the Security is governed by the law of the Province of Ontario;
- (c) the chief executive office (as used in the PPSA) of the Debtor is located in the Province of Ontario;



- (d) that each of the documents examined, which by their respective terms do not include a governing law clause, are governed by the law of the Province of Ontario;
- (e) that each examined document that does not contain a counterparts clause may be (i) executed in any number of counterparts, each of which when executed shall be deemed an original and all of such counterparts together are deemed to be one and the same document, and (ii) delivered by facsimile, email or other means of electronic transmission, which is deemed to have the same effect as delivery of an original signed copy of such document;
- (f) the Debtor was a valid and subsisting société anonyme at the time of execution and delivery of the Security;
- (g) all necessary steps were completed by the Debtor to authorize the execution, delivery and performance by it of each of the documents to which it is a party;
- (h) the execution, delivery and performance by the Debtor of each of the documents to which it is a party do not breach or result in a default under any of its constating documents, or any statute or regulation of the Province of Ontario, of Canada, or of Spain applicable therein binding on or applicable to the Debtor;
- (i) none of the Security, originals or copies of which we have examined, has been amended, discharged, terminated, waived, substituted or replaced;
- (j) all facts set forth in official public records and certificates and other documents supplied by public officials or otherwise conveyed to us by public officials are and remain at all relevant times true, accurate and complete;
- (k) the Security was duly authorized, executed, and delivered by the Debtor and each of other parties thereto and all necessary corporation actions were taken by the Debtor: to authorize the Debtor to borrow monies from 119, to permit the granting of the Security to 119, and to perform its obligations pursuant to the Security;
- (l) no fact exists, or has existed, which would entitle the Debtor or any other party to assert or obtain a remedy at law or in equity (such as, without limitation, rectification, rescission or release from a contract through frustration) affecting the validity, legality, binding effect or enforceability of any of the Security;
- (m) the Security has been unconditionally delivered by the Debtor to 119;
- (n) the Security has not been assigned, released, discharged or otherwise impaired, either in whole or in part;
- (o) there is no agreement (whether oral or written) among 119 and the Debtor, or any party to postpone and/or subordinate 119's security interest in the personal property of the Debtor in favour of the security interest held by any other party in the personal property of the Debtor;



- (p) there are no agreements (whether oral or written) or other facts which might affect the validity, enforceability or priority of the Security which are not apparent from the review the Security or the Debtor PPSA Search;
- (q) the Debtor PPSA Search examined by us in connection with the opinions was complete and accurate when examined and continues to reflect registrations against the Debtor as at the date hereof;
- (r) consideration and/or value was given by 119 to the Debtor for the grant of the Security;
- (s) the Registration were completed in compliance with the regulations under the PPSA and copies thereof were delivered to the Debtor in accordance with the provisions of the PPSA;
- (t) amounts remain outstanding under the Loan Agreements and the amounts owing have become due;
- (u) the Debtor has rights in its personal property including the Sale Proceeds so that attachment occurred within the meaning of the PPSA with respect to the GSA's;
- (v) the Debtor's name listed in the Registration as set out in the Debtor PPSA Search is and has at all relevant times been that name and has not changed except as reflected in the Registration;
- (w) all of the Debtor's assets, undertakings, and property as listed in the GSA's have at all relevant times been situated in the Province of Ontario for the purposes of the PPSA;
- (x) the Debtor has as at all relevant times for the purposes of the PPSA been incorporated, continued, amalgamated or otherwise organized under the laws of the Province of Ontario;
- (y) 119 has perfected its security interest created by the GSA's; and
- (z) None of 119, or any other party have any claims or encumbrances against the Assets which arose prior to the completion of the sale of the Assets under the Purchase Agreement which would give rise to a claim or encumbrance against the Sale Proceeds.

Qualifications

The opinions expressed herein are also subject to the following qualifications:

- (a) enforcement may be limited by laws of general application affecting creditors' rights including, without limitation: the common law with respect to lenders' obligations (such as the obligation of a lender to act reasonably and in good faith and to provide reasonable notice prior to enforcement of security); and laws relating to bankruptcy, insolvency, fraudulent conveyances and limitations of



action, including the notice requirements and restrictions on enforcement contained in the PPSA and the *Bankruptcy and Insolvency Act* (Canada);

- (b) enforcement may be limited by general principles of equity; the availability of equitable remedies (such as specific performance and injunctive relief) is subject to certain equitable defences and to the discretion of the court; and the court has jurisdiction to grant relief from acceleration;
- (c) enforcement is subject to the discretion that a court may reserve to decline to hear an action if it is not the proper forum to hear the action or if concurrent proceedings are being brought elsewhere;
- (d) a court may decline to accept the factual and legal determinations of a party notwithstanding that a contract or instrument provides that the determinations of that party shall be conclusive;
- (e) no opinion is expressed regarding the enforceability of the following terms in the Security:
 - (i) terms which provide that any document constitutes the "entire agreement" among the parties and there are no other representations, conditions or collateral agreements among the parties;
 - (ii) terms which provide that a party is required to make payments and perform its obligations without regard to any right of set-off, defence or counterclaim which may be available to the other party;
 - (iii) terms which provide that if any provision in the document is unenforceable, such provision is "severable" and the remainder of the document is enforceable;
 - (iv) terms which deem any receiver appointed by 119 to be the agent of the signatory of the document;
 - (v) terms which purport to confer upon any party the right to exercise any discretionary power or make any determination in its sole or unfettered discretion, or which provide that any such determination, record or certificate produced by a party is deemed to be conclusive;
 - (vi) terms which purport to limit or exculpate a party from liability in respect of its own acts or omissions;
 - (vii) terms which purport to limit or exculpate a party from any duty or obligation otherwise imposed by law, or to exclude or limit such party's liability for failure to discharge any such duty or obligation;
 - (viii) terms which purport to waive rights to which a party is otherwise entitled by law;



- (ix) terms which provide that a party agrees not to commence, maintain or be a party to any judicial proceeding, or in which a party agrees to consent to any order or judgment which may be given in any such proceeding;
 - (x) terms which purport to provide that if any provision in the document contravenes any law, the provision is deemed to be amended to the extent that it does not contravene such law;
 - (xi) terms which require the payment of fees or other amounts, or interest at increased rates, if the court considers any such term to constitute a penalty;
 - (xii) terms to the extent it purports to exculpate 119, its agents or any receiver or receiver and manager appointed by it from liability in respect of acts or omissions which may be illegal, fraudulent or involve wilful misconduct;
 - (xiii) terms which provide that any assignment without compliance is void;
 - (xiv) terms which provide that remedies may be exercised cumulatively;
 - (xv) any provision of a document which requires an obligor to pay, or to indemnify 119 for, the costs and expenses of 119 in connection with judicial proceedings, since those provisions may derogate from the court's discretion to determine by whom and to what extent those costs should be paid;
- (f) we have not received copies of the articles or bylaws of the Debtor or any internal corporate proceedings to confirm that the authorization, execution and delivery of the Security was within the Debtor's corporate power and that they were properly authorized, executed and delivered by proper signing authorities on behalf of the Debtor. However, pursuant to the *Business Corporations Act* (Ontario), the "indoor management" rule provides that any non-compliance with the articles or any lack of or defect in the authority given to the signing officer of the Debtor in respect of the Security may not be asserted against 119, except if 119 knew of the deficiency or, by virtue of its relationship to the Debtor, ought to have known of it. No actual deficiency has come to our attention;
- (g) we express no opinion as to whether the Security can be attacked under the *Bankruptcy and Insolvency Act* (Canada) or any other federal or provincial legislation as a fraudulent conveyance, preference, transaction at undervalue, or otherwise;
- (h) the PPSA imposes certain obligations on secured creditors which cannot be varied by contract. The PPSA may also affect the enforcement of certain rights and remedies contained in the Security to the extent that those rights and remedies are inconsistent with or contrary to the PPSA including, without limitation, sections 16, 17 and 39 and Part V of the PPSA;
- (i) except as provided herein, we express no opinion as to the priority of the Security including particularly as against any purchase money security interest, unregistered possessory interests, unregistered statutory trusts or liens or in



respect to its security interest in any personal property of the Debtor other than the Sale Proceeds;

- (j) we express no opinion as to the effect of any provision in the Security which purports to relieve a person from a liability or duty otherwise owed or to required compliance regardless of law;
- (k) the enforceability of the Security is subject to the *Limitations Act, 2002* (Ontario), and we express no opinion as to whether a court may find that any provision of the Security will be unenforceable as an attempt to vary or exclude a limitation period under that statute;
- (l) we express no opinion as to the validity of any security interest in any contractual right, licences, or Crown debts, which by their terms or by the terms of any applicable statute, cannot be subject of a security interest absolutely or without the consent, authorization, or approval of third parties;
- (m) we express no opinion with respect to the creation or perfection of a security interest pursuant to the *Copyright Act* (Canada), the *Patent Act* (Canada), and the *Trade Marks Act* (Canada) or the consequences of compliance or non-compliance with such statutes;
- (n) we express no opinion with respect to the enforceability of the Security against fixtures;
- (o) we express no opinion as to whether the Debtor holds title to or any rights in the collateral described in the 119 GSA; and
- (p) we express no opinion as to the ranking or priority of any of the 119 Security in relation to the security interests, liens, or trust claims of any party which may exist under any other statute or at common law.

Reliance

It is understood that our opinions expressed herein are limited to matters governed by the laws of the Province of Ontario and the laws of Canada applicable therein.

The opinions expressed herein are provided solely for the benefit of the addressees. This opinion letter may not be relied upon by or disclosed to anyone else or used for any other purpose, without our prior written consent.

Yours very truly,

Robins Appleby LLP

SCHEDULE "A"
PPSA SUMMARY CHART

Current to November 28, 2023

File No.	Registration No.	Registration Period	Business Debtor(s)	Secured Creditor	Collateral Classification	General Collateral Description
749480823	20190327 1215 1901 1447	5 years	Saptashva Solar S.A. Enviroen Inc.	1199403 Ontario Inc.	Inventory Equipment Accounts Other	ALL MATERIALS, EQUIPMENT AND ONTARIO POWER AUTHORITY CONTRACTS, TOGETHER WITH REVENUES GENERATES FROM THE FOLLOWING SOLAR PROJECTS (I) 60 KW SOLAR PROJECT AT 40 TUXEDO COURT, TORONTO (F-001698- SPV-130-502, FIT- FR4951V), (II) 50 KW SOLAR PROJECT AT 42 TUXEDO COURT, TORONTO (F-001700- SPV-130-502, FIT- FEMUZLB), (III) 21 KW SOLAR PROJECT AT 1445 KINGSTON ROAD, TORONTO (F-001691- SPV-L30-502, FIT- F9ND3MI), (IV) 21 KW SOLAR PROJECT AT 1449 KINGSTON ROAD, TORONTO (F-001692- SPV-L30-502, FIT- F3GNE08), (V) 26 KW SOLAR PROJECT AT



						1457 KINGSTON ROAD, TORONTO (F-001693-SPV-130-502, FIT-F9MVKXX), (VI) 18 KW SOLAR PROJECT AT 1463 KINGSTON ROAD, TORONTO (F-001694-SPV-130-502, FIT-FFOZO2O), (VII) 26 KW SOLAR PROJECT AT 1469 KINGSTON ROAD, TORONTO (F-001695-SPV-130-502, FIT-FLQLLQJ), (VIII) 18 KW SOLAR PROJECT AT 1475 KINGSTON ROAD, TORONTO (F-001696-SPV-130-502, FIT-FL8B6T7), AND (IX) 26 KW SOLAR PROJECT AT 1481 KINGSTON ROAD, TORONTO
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APPENDIX P

Court No: CV-21-00655706-00CL

Estate No: 31-459323

Receiver's Interim Statement of Receipts and Disbursements
IN THE MATTER OF THE RECEIVERSHIP OF
SAPTASHVA SOLAR S.A.
FOR THE PERIOD FROM JANUARY 24, 2022 TO APRIL 30, 2024

RECEIPTS

Cash in bank	1,041.45
SCADA Sale Proceeds	15,160.00
Net receipts from Hydro Generation (excl. HST)	257,516.30
Sale of Assets En Bloc - 1000851861 Ontario Inc. Deposit	101,250.00
Borrowings - Receiver Certificates 1, 2 & 3	225,000.00
Interest	925.39
HST Refunds Received	20,877.68
Net HST Collected	35,399.67

TOTAL RECEIPTS:	\$ 657,170.49
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DISBURSEMENTS

Filing Fee	72.97
Payment of CRA Trust Claim	10,967.89
Sales Process Advertising, Website & Data Room	3,215.50
Insurance	11,375.00
Bank Charges	258.57
Hydro Charges (incl. accumulated arrears)	723.92
Maintenance, Repairs, Consultant & Supervisory ¹	159,300.06
HST Paid	53,652.24
HST Remitted	7,179.81
Fees Paid to Receiver	120,992.78
Fees Paid to Receiver's Legal Counsel	128,933.16
Rent	15,749.97

TOTAL DISBURSEMENTS	\$ 512,421.87
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BALANCE ON HAND AS AT APRIL 30, 2024²	\$ 144,748.62
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1. Includes labour and material to replace all inverters at 42 Tuxedo, and removal and reinstallation to accommodate landlord roof repairs.

2. Reconciled as at March 31, 2024

APPENDIX Q

Court File No. CV-21-00655706-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

B E T W E E N:

**1199403 ONTARIO INC., 1274442 ONTARIO INC.,
and GULU THADANI**

Applicants

and

SAPTASHVA SOLAR S.A.

Respondent

AFFIDAVIT OF BRANDON SMITH
(Sworn January 29, 2024)

I, Brandon Smith, of the City of Vaughan, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am the Senior Vice-President of Ira Smith Trustee & Receiver Inc. (“**ISI**”), the court-appointed receiver (the “**Receiver**”) of Saptashva Solar S.A. (the “**Debtor**”). As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe it to be true.
2. ISI was appointed Receiver of all of the assets, properties and undertakings of the Debtor pursuant to an Order of the Ontario Superior Court of Justice dated January 24, 2022 (the “**Receivership Order**”).
3. Pursuant to paragraph 18 of the Receivership Order, the Receiver and its legal counsel are required to pass their accounts from time to time.

4. Attached hereto and marked as **Exhibit “A”** to this my Affidavit is a summary of the fees charged and accounts rendered by the Receiver in respect of the proceedings (the “**Accounts Summary**”) for the period November 1, 2022 to November 30, 2023 (the “**Time Period**”). A copy of the invoice rendered by the Receiver and referenced in the Accounts Summary is attached to this my Affidavit as **Exhibit “B”**.

5. The Receiver has filed its Second Report with this Honourable Court, which outlines, among other things, the Receiver’s overall actions and activities since its First report and the supplements thereto.

6. A total of 86.9 hours were expended by the Receiver in connection with this matter during the Time Period, giving rise to fees totaling \$35,385.00 (excluding HST) for an average hourly rate of \$407.19 and allocated approximately as outlined in the Accounts Summary.

7. To the best of my knowledge, the rates charged by the Receiver throughout the course of these proceedings are comparable to the rates charged by other accounting firms in the Greater Toronto Area for the provision of similar services.

8. The hourly billing rates outlined on the Accounts Summary are the normal hourly rates charged by the Receiver for services rendered in relation to similar proceedings.

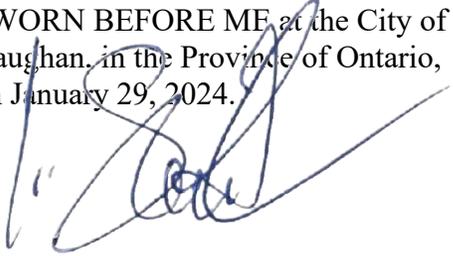
9. I verily believe that the Receiver’s accounts are fair and reasonable in the circumstances.

10. Attached as Exhibits “A” and “B” to the Affidavit of Irving Marks sworn January 29, 2024 and filed in support of the within motion are copies of the accounts rendered by Robins Appleby LLP (“**RA**”), counsel to the Receiver, for the period November 1, 2022 to November 30, 2023.

11. RA has rendered services throughout these proceedings consistent with instructions from the Receiver, the Receiver has approved all such accounts and I verily believe that the fees and disbursements of RA are fair and reasonable in the circumstances.

12. The said Affidavit is sworn in connection with the Receiver’s motion to have, among other things, its fees and disbursements approved by this Honourable Court and for no improper purpose.

SWORN BEFORE ME at the City of
Vaughan, in the Province of Ontario,
on January 29, 2024.



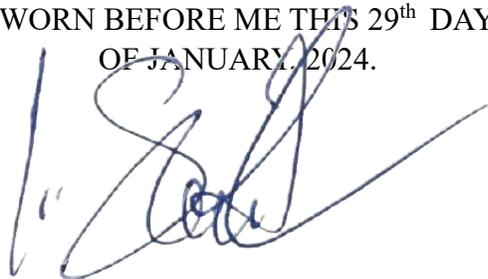
A Commissioner for taking affidavits

Ira Clare Smith,
a Commissioner, etc.,
Province of Ontario, for Ira
Smith Trustee & Receiver Inc.
Expires March 30, 2026.



Brandon Smith

THIS IS **EXHIBIT "A"** REFERRED TO IN
THE AFFIDAVIT OF **BRANDON SMITH**
SWORN BEFORE ME THIS 29th DAY
OF JANUARY, 2024.



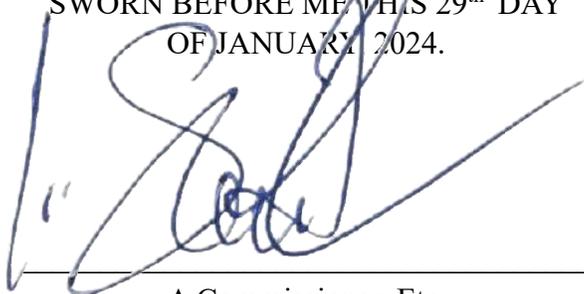
A Commissioner, Etc.
Ira Clare Smith,
a Commissioner, etc.,
Province of Ontario, for Ira
Smith Trustee & Receiver Inc.
Expires March 30, 2026.

**SECOND REPORT OF IRA SMITH TRUSTEE & RECEIVER INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
SAPTASHVA SOLAR S.A.**

November 1, 2022 to November 30, 2023

Staff Member	Title	Total Hours	Hourly Rate (\$CDN)	Amount Billed (\$CDN)
Ira Smith MBA CPA CA•CIRP, Trustee	President	13.9	450.00	6,225.00
Ira Smith MBA CPA CA•CIRP, Trustee	President	5.0	500.00	2,500.00
Brandon Smith, BA CIRP, Trustee	Senior	22.8	375.00	8,550.00
	Vice-President			
Brandon Smith, BA CIRP, Trustee	Senior	45.2	400.00	18,080.00
	Vice-President			
Total		<u>86.9</u>	Average hourly rate of \$407.19	35,385.00
Disbursements				<u>45.73</u>
				<u>35,430.73</u>

THIS IS **EXHIBIT "B"** REFERRED TO IN
THE AFFIDAVIT OF **BRANDON SMITH**
SWORN BEFORE ME THIS 29th DAY
OF JANUARY 2024.



A Commissioner, Etc.

Ira Clare Smith,
a Commissioner, etc.,
Province of Ontario, for Ira
Smith Trustee & Receiver Inc.
Expires March 30, 2026.



167 Applewood Cres. Suite 6, Concord, ON L4K 4K7

Phone: 905.738.4167

Fax: 905.738.9848

irasmithinc.com

R-Saptashva

December 19, 2023

GST/HST # 86236 5699

**IN THE MATTER OF THE RECEIVERSHIP OF
SAPTASHVA SOLAR S.A.**

For professional services rendered since being consulted to act as Receiver from November 1, 2022 to November 30, 2023 inclusive, in acting as Receiver of Saptashva Solar S. A. in accordance with the Order of the Ontario Superior Court of Justice (Commercial List) dated January 24, 2022 as follows (detail attached):

<u>Staff</u>	<u>Hourly rate</u>	<u>Hours</u>
I. Smith, President and Trustee	\$450	13.9
I. Smith, President and Trustee	\$500	5.0
B. Smith, Senior Vice-President and Trustee	\$375	22.8
B. Smith, Senior Vice-President and Trustee	\$400	<u>45.2</u>
		<u>86.9</u>
		\$ 35,385.00
Disbursements:		
Postage	\$ 39.48	
Faxes	<u>6.25</u>	
		<u>45.73</u>
		\$ 35,430.73
	Less interim draws	<u>(35,430.73)</u>
		NIL
	HST	<u>NIL</u>
		<u>\$ NIL</u>

Account Due When Rendered

Ira Smith Trustee & Receiver Inc.
 Detail Time Sheet
Period from: 2022-11-01 to 2023-11-30

Key name **Full Estate Name**
R-Saptashva **In the Matter of the Receivership of Saptashva Solar S.A.**

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2022-11-01	Brandon Smith	0.6	preparation of time summary and affidavit exhibit	225.00
2022-11-02	Brandon Smith	0.4	rvw emails btwn counsel re motion date; rcv sept hydro revenue, reconcile and update schedule	150.00
2022-11-03	Brandon Smith	1.1	rvw D. Michaud comments to 1st report, accept changes and amend in prep for mtg today; call w/ Dow to go over his comments and my revisions, further revise per conversation w/ Dom	412.50
2022-11-04	Brandon Smith	0.9	rvw most recent draft of report and make corrections, send to Dom for final rvw	337.50
2022-11-07	Brandon Smith	0.5	rvw hydro bills and post to schedule; issuance of pmt re 42 tux	187.50
2022-11-08	Brandon Smith	0.2	rcpt rvw and log last 2 hydro stmts	75.00
2022-11-09	Brandon Smith	2.8	RVW Dom's notice of motion, edit, start assembling appendices; call w/ Dom re service list, fwd docs; adjust appendix numbering, create flysheet, contents and appendix list	1,050.00
2022-11-10	Brandon Smith	0.8	update Table of contents, fee affidavit, report, prep srd exhibit rvw RA ex T and upload appendices	300.00
2022-11-10	Brandon Smith	0.8	MS teams call with Dom & S. Turk re applicant litigation and releasing IESO; coord w/ Dom re service and motion; rvw I. Marks Affidavit, finalize report and rcvr fee aff; mtg w/ Dom to commission	300.00
2022-11-14	Brandon Smith	0.6	rcv Sidhu nbloi from Dom, rvw, search purchaser/principal; email to Dom re issues, call to discuss w/ IS & D Michaud	225.00
2022-11-14	Ira Smith	0.3	Video conf w. D. Michaud and B. Smith re new non-binding LOI and disc on how to proceed	135.00

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet
Period from: 2022-11-01 to 2023-11-30

Key name **Full Estate Name**
R-Saptashva **In the Matter of the Receivership of Saptashva Solar S.A.**

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2022-11-21	Brandon Smith	0.4	read email from Morrison re tentative offer, no contact and adjourn, reply to Dom; rcv and deposit hydro funds, post accounting to schedule	150.00
2022-11-21	Brandon Smith	0.3	emails w/ D. Michaud re schedule with Hexi Mr. Sandhu and email to Sandhu	112.50
2022-11-21	Brandon Smith	0.5	reply from Hexi and correspondence re what constitutes a bone fide offer and terms a receiver can and cant accept	187.50
2022-11-21	Brandon Smith	0.1	l/m for CRA RE rt002	37.50
2022-11-21	Ira Smith	0.1	Rvw of draft reply to Hexi Ventures re their response to not wanting to meet to discuss their non-binding LOI	45.00
2022-11-22	Brandon Smith	0.2	call w/ CRA re rt0002	75.00
2022-11-22	Brandon Smith	0.2	email from and call w/ Dakk re leaking roof at Kingston, approve temp relocation of panels for landlord repair	75.00
2022-11-23	Brandon Smith	0.1	email and reply confirm repair instructions at Kingston	37.50
2022-11-23	Brandon Smith	0.2	further emails/call w/ Dakk re Kingston repairs	75.00
2022-11-24	Brandon Smith	0.2	calls/ emails w/ Dakk re new plan at 1449 Kingston	75.00
2022-12-01	Brandon Smith	0.5	rcpt of rt0002 HST filing access codes and periods, file Q1-Q3 Rt0002 2022	187.50
2022-12-01	Ira Smith	0.1	Email to W. Lee and D. Michaud re confirmation for court tomorrow and requesting Zoom link	45.00
2022-12-02	Brandon Smith	2.3	Prep for court incl telcon w. D. Michaud, attend court, conf call after court with D. Michaud and B. Smith, drafting of email reply to Hexi and sending draft to D. Michaud and B. Smith for comments	862.50

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet
Period from: 2022-11-01 to 2023-11-30

Key name **Full Estate Name**
R-Saptashva **In the Matter of the Receivership of Saptashva Solar S.A.**

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2022-12-02	Brandon Smith	0.6	rvw nbloi from Hexi, provide comments to Ira, rvw search provided by S Turk on Hexi; call w/Ira/Dom re court; rvw draft reply to Hexi and provide comments	225.00
2022-12-02	Ira Smith	0.1	Email to pot purchaser re need to meet on Monday to further discuss non-binding LOI	45.00
2022-12-02	Ira Smith	0.4	VM from Alan Morrison, email to him and other counsel in reply to his request for a "simple clear financial statement"	180.00
2022-12-05	Brandon Smith	0.2	remit pmt of Q1 2023 tux rent and transmittal ltr	75.00
2022-12-05	Brandon Smith	0.7	gather breakdown of maint/repair/consultant costs; calls w/ counsel and w/ Morrison re hexa	262.50
2022-12-05	Ira Smith	0.2	Telcon w. D. Michaud and B. Smith re Morrison emails and need to have a meeting w. Allan	90.00
2022-12-05	Ira Smith	0.3	Video meeting w. Allan Morrison, Dom Michaud, Brandon Smith re Hexi LOI and Receiver's needs to get into a binding offer discussion	135.00
2022-12-05	Ira Smith	2.8	Begin preparing supp report to court	1,260.00
2022-12-05	Ira Smith	1.6	Continue writing supp report to court	720.00
2022-12-06	Brandon Smith	0.7	provide supporting data and information to I Smith re supp[report, rvw and provide BL comments on supp report	262.50
2022-12-06	Ira Smith	0.1	Telcon w. D. Michaud re his telcon w. S. Turk and applicant not supportive of a \$350K offer	45.00
2022-12-06	Ira Smith	2.1	Complete and sign supp report to court and send to D. Michaud	945.00
2022-12-06	Ira Smith	1.8	Continue writing supp report to court and include reply to material filed noon today by A. Morrison	810.00
2022-12-07	Brandon Smith	0.4	rvw email exchange w/ Dom and Ira; call will Dom to discuss strategy for court	150.00

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet
Period from: 2022-11-01 to 2023-11-30

Key name **Full Estate Name**
R-Saptashva **In the Matter of the Receivership of Saptashva Solar S.A.**

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2022-12-07	Brandon Smith	0.4	rcv and rvw nov hydro statements, input into schedule, pmt of 42 tux charges	150.00
2022-12-07	Brandon Smith	0.3	post court discussion w/ IS and call w/ Dom; rvw and instruct counsel re Morrison email	112.50
2022-12-07	Ira Smith	1.3	Attendance in court before Conway J	585.00
2022-12-07	Ira Smith	0.2	Telcon w. Dom Michaud about next steps after court	90.00
2022-12-07	Ira Smith	0.6	Begin rvw of draft APA and make appropriate changes in case Hexi provides funds tomorrow	270.00
2022-12-08	Brandon Smith	0.8	rvw IS blackline to hexa aps, revise terms and conditions, provide comments to IS and DM	300.00
2022-12-08	Brandon Smith	0.5	rough draft 2nd supp report incase rqd	187.50
2022-12-08	Brandon Smith	0.4	mtg w/ DM, IS and Charlie re redraft APS should deposit from Hexi materialize	150.00
2022-12-09	Brandon Smith	0.8	quick rvw of RA Hexi APA Blackline; update to 2nd supp, prep flysheet and appendices	300.00
2022-12-09	Brandon Smith	0.4	email from S Turk re Gunde affidavit in other proceeding stating valuation; call w/ S. Turk	150.00
2022-12-12	Ira Smith	0.3	Meet w. D. Michaud and B. Smith to discuss position we should take at hearing this morning	135.00
2022-12-12	Ira Smith	0.4	Prep for court	180.00
2022-12-12	Ira Smith	1.2	Attend Saptashva court hearing before Conway J.	540.00
2022-12-13	Brandon Smith	0.5	VM from tux landlord and reply by email; email w/ S. Turk re 3rd cert borrowings, prep 3rd cert	187.50
2022-12-13	Brandon Smith	0.5	email and call w/ thrive to extend service agreement and get update on Kingston roof repair, inverter warranty and non-warranty repair timeline	187.50

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet
Period from: 2022-11-01 to 2023-11-30

Key name **Full Estate Name**
R-Saptashva **In the Matter of the Receivership of Saptashva Solar S.A.**

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2022-12-14	Brandon Smith	0.5	read and respond to Tuxedo landlord request for information, all of which was in court report he was served with	187.50
2022-12-19	Brandon Smith	0.3	rcpt of nov revenue from hydro, record rcpt in schedule	112.50
2022-12-22	Brandon Smith	0.5	rvw quote re 42 tux and call w. Dakk to discuss; instruct TD re GIC for trust funds; email from CRA re rt0002 assessment, vm to Marc at CRA re no online access, need paper copy	187.50
2022-12-28	Brandon Smith	0.4	rvw email from Dakk re Kingston roof; approve 42 tux quote and mail deposit	150.00
2022-12-30	Brandon Smith	0.2	call w/ Dakk re update on Kingston	75.00
2023-01-03	Brandon Smith	0.2	CORRESP W/ Dakk re replacement parts needed for racking at Kingston	80.00
2023-01-03	Brandon Smith	0.3	file q4 hst	120.00
2023-02-06	Brandon Smith	0.2	rvw thrive memo re Kingston roof work	80.00
2023-02-06	Brandon Smith	0.5	rvw, record post dec hydro revenue, deposit rcpt funds and reconcile	200.00
2023-02-06	Brandon Smith	0.8	call w/ CRA re rvw of Q4 2022 RT0002 acct; DRAFT LETTER TO cra RE CHRONOLOGY AND RT002	320.00
2023-02-07	Brandon Smith	0.7	finalize And send ltr to CRA; rvw and post Jan hydro revenue stmts; pay o/s hydro costs	280.00
2023-02-07	Ira Smith	0.6	Files for website update and emails to J. Gorber to do	300.00
2023-02-08	Brandon Smith	0.3	receive delivery of new inverters for 42 Tuxedo	120.00
2023-02-08	Brandon Smith	0.5	draft 2nd interim bia report and SRD	200.00
2023-02-16	Brandon Smith	1.7	rcv, rvw and respond to CRA letter re Q4 2022 review	680.00
2023-02-17	Brandon Smith	0.2	call from Dakk re another Kingston roof requires repairing and his plan to meet w/ owner on site when weather permits	80.00
2023-02-20	Brandon Smith	0.3	RVW AND EDIT REPLY TO CRA AND TRANSMIT	120.00

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet
Period from: 2022-11-01 to 2023-11-30

Key name **Full Estate Name**
R-Saptashva **In the Matter of the Receivership of Saptashva Solar S.A.**

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2023-02-21	Brandon Smith	0.2	RCPT OF JAN HYDRO REVENUE, RECONCILE AGAISNT STMTS/SCHEDULE	80.00
2023-02-23	Brandon Smith	0.4	call and email w/ Dakk re Generation solar wants to instal inverters at 42 tux asap	160.00
2023-02-24	Brandon Smith	0.4	email from and return call to Dakk re Generation ow wants to defer b/c weather, discussion re adding Jamie as day labour	160.00
2023-03-02	Brandon Smith	0.2	email and call w/ Dakk re hydro and IESO re inverter swap	80.00
2023-03-06	Brandon Smith	0.3	emails and call w/ Dakk re Kingston roof repairs and go/no go for tuxedo	120.00
2023-03-07	Brandon Smith	0.6	rcv, rvw and post to sched Feb generation data; call w/ Dakk re good for Thursday and pay hydro for 42 tux consumption	240.00
2023-03-08	Brandon Smith	0.2	CALL W/ DAKK RE POTENTIAL ISSUE WITH 42 TUX PROJECT RE EQUIPMENT AVAILABILITY	80.00
2023-03-09	Brandon Smith	0.3	meet Jamie for him to load inverters and deliver to 42 tux	120.00
2023-03-09	Brandon Smith	0.2	status update from Dakk re 42 going online	80.00
2023-03-15	Brandon Smith	0.3	rvw generation solar instal report re 42 tux, email to Dakk	120.00
2023-03-16	Brandon Smith	0.3	corresp w/ Dakk re generation solar invoicing; pay for inverters; remit pmt of Q2 tux rent	120.00
2023-03-20	Brandon Smith	0.3	rcpt of feb revenue, reconcile and record	120.00
2023-03-30	Brandon Smith	0.2	email and call w. Dakk re 42 tux esa inspection	80.00
2023-04-06	Brandon Smith	0.2	file Q1 hst return	80.00
2023-04-11	Brandon Smith	0.8	download march generation statements from hydro, input and analyze data, pmt of one DR bal acct, report findings to Dakk to compare to offline for roof repair	320.00
2023-04-13	Brandon Smith	0.2	call w/ & email w/ Dakk re short at Kingston	80.00
2023-04-25	Brandon Smith	0.1	rcpt of update from Dakk re additional Kingston roof work	40.00

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet
Period from: 2022-11-01 to 2023-11-30

Key name **Full Estate Name**
R-Saptashva **In the Matter of the Receivership of Saptashva Solar S.A.**

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2023-05-08	Brandon Smith	0.9	call/email from Dakk re status of inverters; discussion re applicant credit s/h bidder; download and analyze hydro stmts; email Dakk re performance status vs offline	360.00
2023-05-17	Brandon Smith	0.2	rcv, record post 2nd tranche April generation revenue	80.00
2023-05-23	Brandon Smith	0.1	call from Dakk that Lawyer for applicant will contact me re client as stalking horse and roof repair update	40.00
2023-05-24	Brandon Smith	0.5	update data room docs	200.00
2023-05-26	Brandon Smith	0.5	corrresp w/ applicant counsel re NDA and their expression of desire to make a stalking horse offer; draft ltr to tux landlord re same	200.00
2023-05-30	Brandon Smith	0.4	call w/ Dakk re mtg w/ hydro for tuxedo equip buy back; email Dakk court order and HST details; call and l/m w/ CRA re status of all RT0002 assessments and review	160.00
2023-06-01	Brandon Smith	0.2	call from B. Dupont at CRA re he needs more time to review our submission and he isn't the person to talk to about notices of assessment; left message for alternate contact at CRA	80.00
2023-06-07	Brandon Smith	1.0	rcv, rvw download may generation data and enter into schedule; review pmts to tuxedo landlord and calc 8% of generation vs minimum rent; ltr to land lord encl Q3 rent; pmt to hydro re offline Kingston site	400.00
2023-06-08	Brandon Smith	0.2	call w. CRA re unfiled Rt0001 return, direct them to contact Harshal	80.00
2023-06-13	Brandon Smith	0.5	call w/ R Dupont at CRA re Q4 2022 and Q1 2023 HST; email with requested b/u	200.00
2023-06-13	Brandon Smith	0.5	rcv and rvw corresp from hydro re scada buyback, perform CRA search as requested and respond	200.00

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet
Period from: 2022-11-01 to 2023-11-30

Key name **Full Estate Name**
R-Saptashva **In the Matter of the Receivership of Saptashva Solar S.A.**

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2023-06-20	Brandon Smith	0.2	email and call from Dakk re status of warranty part delivery and additional repairs needed at Kingston for ground fault	80.00
2023-06-27	Brandon Smith	0.4	rcv executed NDA from applicant; update data room; email to Dakk and Turk re due diligence and next steps	160.00
2023-07-04	Brandon Smith	0.5	call w/ CRA BSO re hst assessment; not "auth", sent letter to Sudbury	200.00
2023-07-10	Brandon Smith	0.9	download June hydro figures, update spreadsheet, update data room for potential stalking horse party; email to Dakk re lower June output	360.00
2023-07-12	Brandon Smith	0.4	email and call w/ CRA re RT0002 account, file and pay Q2 2023 RT0002	160.00
2023-07-24	Brandon Smith	0.2	rcpt of June hydro revenue, deposit, update revenue schedule	80.00
2023-08-02	Brandon Smith	0.3	corresp from and reply to insurance broker re sept 2023 renewal	120.00
2023-08-08	Brandon Smith	0.2	rvw proposal for insurance renewal, and authorise renewal	80.00
2023-08-08	Brandon Smith	0.4	rcv, rvw, download and enter into spreadsheet data for 5 sites for July revenue generation; email hydro re missing 4 statements	160.00
2023-08-08	Brandon Smith	0.2	f/u w/ hydro re scada buyback at tuxedo	80.00
2023-08-09	Brandon Smith	0.6	download, rvw post balance of generation statements for July, perform y2y and m2m analysis	240.00
2023-08-10	Brandon Smith	0.8	draft 3rd interim report including interim srd; seek update from Dakk re status of any warranty work	320.00
2023-08-14	Brandon Smith	0.1	call w/ S Turk - no update on client's due diligence	40.00
2023-08-16	Brandon Smith	0.3	send 3rd interim bia report and email potential stalking horse re status of due diligence	120.00

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet
Period from: 2022-11-01 to 2023-11-30

Key name **Full Estate Name**
R-Saptashva **In the Matter of the Receivership of Saptashva Solar S.A.**

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2023-08-31	Brandon Smith	0.2	call from Dakk re status of generation and timing of pre-winter maintenance	80.00
2023-09-06	Brandon Smith	0.3	email to tux landlord re uncashed q3 rent cheque; corresp w/ insurance broker, receive 23/4 policy renewal, pay premium;	120.00
2023-09-07	Brandon Smith	0.4	forward scada agreement to Dakk to get comment on value and accuracy of equip, rvw files for any docs from dtr on 3rd pty re scada	160.00
2023-09-07	Ira Smith	1.3	Rvw draft Toronto Hydro Asset Purchase Agreement, turn it into a form acceptable for a Receiver's sale	650.00
2023-09-11	Brandon Smith	1.2	rcpt review of Aug generation data, enter into tracking sheet, calc revenue, calc y2y and m2m, report findings to Dakk; calc tuxedo rent; email Jake & Gulu re due diligence progress	480.00
2023-09-12	Brandon Smith	0.4	call w/ Dakk re generation revenue, applicant due diligence process and scada buy back; email to Dom re scada and need to talk to applicant counsel re stalking horse	160.00
2023-09-13	Brandon Smith	0.3	rvw email from Dom re scada, send to hydro	120.00
2023-09-18	Brandon Smith	0.2	receipt and reconciliation of proceeds from hydro	80.00
2023-09-20	Brandon Smith	0.5	receipt and reconciliation of 2nd tranche proceeds from hydro; check calc of tuxedo rent vs lease vs generation; pmt of q4 rent and transmittal; LM for Dom re speak to S Turk	200.00
2023-09-21	Brandon Smith	0.2	email to CRA f/u Rt0002 refunds	80.00
2023-09-26	Brandon Smith	0.6	video call w/ Ira, Dakk, Dom & Turk re applicant credit bid; call w/ CRA re RT0002 assessments and refunds	240.00
2023-09-26	Brandon Smith	0.2	call rom r dupont @ CRA, reco l call team lead; l/m for team lead	80.00

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet
Period from: 2022-11-01 to 2023-11-30

Key name **Full Estate Name**
R-Saptashva **In the Matter of the Receivership of Saptashva Solar S.A.**

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2023-09-26	Ira Smith	0.6	video call w/Brandon, Dakk, Dom & Turk re applicant credit bid; call w/ CRA re RT0002 assessments and refunds	300.00
2023-09-28	Brandon Smith	0.7	rcpt of hydro revised draft scada agreement and sent to Dom & Charlie for review and discuss; revise and recirc to hydro	280.00
2023-09-29	Brandon Smith	0.4	review revisions to scada, emails w/ Charlie and hydro re writeback	160.00
2023-10-16	Brandon Smith	0.8	download and post sept hydro generation data; rcpt and deposit partial sept generation revenue; file and pay q3 hst	320.00
2023-10-16	Brandon Smith	0.1	l/m for team lead at cra re status of refund and assessments	40.00
2023-10-17	Brandon Smith	0.2	email corresp w/ hydro re scada - authority to sell and co former address	80.00
2023-10-18	Brandon Smith	0.2	rcpt and record 2nd tranche sept revenue	80.00
2023-10-30	Brandon Smith	0.2	email exchange w. Dom re status of applicant credit bid, capacity issues	80.00
2023-10-30	Brandon Smith	0.5	call w/ Dakk re o/s billing and credit bid issues; LM w/ cra 3rd time re RT002; rcv, rvw and sign Hydro SCADA sale agmt	200.00
2023-11-01	Brandon Smith	0.2	call w./Dom re sales process and court timing viz Stephen's client capacity issue	80.00
2023-11-01	Brandon Smith	1.0	calls w/ mark lohnes @ cra re rt0002, reprinting noa's and reconciling filed RT0002 rtns; PREP t2 WAIVERS DATING TO 2008	400.00
2023-11-02	Brandon Smith	0.4	corresp w/Dakk, jake and his counsel at dickinson re data room and scheduling a call	160.00
2023-11-06	Brandon Smith	0.6	call w/ Dom, Turk, Matt Mcleod re stalking horse; send docs to matt	240.00

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet
Period from: 2022-11-01 to 2023-11-30

Key name **Full Estate Name**
R-Saptashva **In the Matter of the Receivership of Saptashva Solar S.A.**

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2023-11-07	Brandon Smith	0.6	rcv, rvw download generation statements for oct, post and analyze generation data, corrersp[w/ Dakk; rcpt of signed scada agmt from hydro	240.00
2023-11-08	Brandon Smith	0.4	rcv rvw reprint rt0002 noa's and cra rt0001 demand; l/m for M Lohnes; analysis of Rt0002 position	160.00
2023-11-13	Brandon Smith	1.5	perusal of draft credit bid apa from gulu; revise PV calcs with 2023 generation data; discussion w/ Dakk re estimated annual maintenance	600.00
2023-11-15	Brandon Smith	1.0	rvw dom's blackline to stalking-horse apa; discussion w/ Ira; revise terms and conditions and teaser	400.00
2023-11-16	Brandon Smith	3.3	email exchange w/ counsel re rvw APA; email to Dakk re reporting letter for data room and 2nd report; begin drafting 2nd report; call w/ CRA; call w/ Dakk	1,320.00
2023-11-17	Brandon Smith	0.4	call w/ Dom, jeff & Ira re stalking horse apa	160.00
2023-11-20	Brandon Smith	0.2	review closing date from applicant draft apa and email Dom/Jonathan; reconcile funds from hydro re oct generation	80.00
2023-11-21	Brandon Smith	2.0	continue writing draft of 2nd report	800.00
2023-11-22	Brandon Smith	1.1	call w/ Dakk re clarification on ops report; finalize 1st draft of 2nd report ; emails to counsel re defining purchaser and their security	440.00
2023-11-27	Brandon Smith	0.4	review Dakk report on work done at 9 sites and provide comment	160.00
2023-11-27	Ira Smith	1.2	Begin rvw and changes to Second Report to Court	600.00
2023-11-27	Ira Smith	1.3	Continue rvw and changes to Second Report to Court	650.00
2023-11-28	Brandon Smith	0.4	corresp w/ hydro re scada closing; rvw Dakk final cut of report	160.00

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet
Period from: 2022-11-01 to 2023-11-30

Key name **Full Estate Name**
R-Saptashva **In the Matter of the Receivership of Saptashva Solar S.A.**

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2023-11-29	Brandon Smith	2.5	corresp w/ counsel re update draft stalking horse offer; transmit docs; rvw IS changes to draft 2nd report; prepare analytical exhibits and provide updates to draft	1,000.00
2023-11-30	Brandon Smith	0.2	call w/ Dakk re \$4000 cost award pmt endorsement; email Dom to be on the lookout	80.00
		86.9		35,385.00

<u>Employee Name</u>	<u>Hourly Rate</u>	<u>Amount</u>
Ira Smith	450.00	6,255.00
Ira Smith	500.00	2,500.00
Brandon Smith	375.00	8,550.00
Brandon Smith	400.00	18,080.00
Total:	86.9	35,385.00

Average Hourly Rate: \$ **407.19**

**1199403 ONTARIO INC., 1274442 ONTARIO INC.,
and GULU THADANI**

Applicants

And

SAPTASHVA SOLAR S.A.

Respondent

332

Court File No.: CV-21-00655706-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
- COMMERCIAL LIST -**

Proceeding commenced at Toronto

**AFFIDAVIT OF BRANDON SMITH
(Sworn January 29, 2024)**

Ira Smith Trustee & Receiver Inc.
167 Applewood Crescent, Suite 6
Concord, ON L4K 4K7

Ira Smith MBA CPA CA•CIRP, Trustee
Tel: 905-738-4167
Fax: 905-738-9848

Court-appointed Receiver of
Saptashva Solar S.A.

APPENDIX R

Court File No. CV-21-00655706-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

1199403 ONTARIO INC., 1274442 ONTARIO INC.,
and GULU THADANI

Applicants

and

SAPTASHVA SOLAR S.A.

Respondent

**AFFIDAVIT OF BRANDON SMITH
(Sworn May 1, 2024)**

I, Brandon Smith, of the City of Vaughan, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am the Senior Vice-President of Ira Smith Trustee & Receiver Inc. (“**ISI**”), the court-appointed receiver (the “**Receiver**”) of Saptashva Solar S.A. (the “**Debtor**”). As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe it to be true.
2. ISI was appointed Receiver of all of the assets, properties and undertakings of the Debtor pursuant to an Order of the Ontario Superior Court of Justice dated January 24, 2022 (the “**Receivership Order**”).
3. Pursuant to paragraph 18 of the Receivership Order, the Receiver and its legal counsel are required to pass their accounts from time to time.

4. Attached hereto and marked as **Exhibit “A”** to this my Affidavit is a summary of the fees charged and accounts rendered by the Receiver in respect of the proceedings (the “**Accounts Summary**”) for the period December 1, 2023 to April 30, 2024 (the “**Time Period**”). A copy of the invoice rendered by the Receiver and referenced in the Accounts Summary is attached to this my Affidavit as **Exhibit “B”**.

5. The Receiver has filed its Third Report with this Honourable Court, which outlines, among other things, the Receiver’s overall actions and activities since its Second Report and the supplements thereto.

6. A total of 57.2 hours were expended by the Receiver in connection with this matter during the Time Period, giving rise to fees totaling \$23,770.00 (excluding HST) for an average hourly rate of \$415.56 and allocated approximately as outlined in the Accounts Summary.

7. To the best of my knowledge, the rates charged by the Receiver throughout the course of these proceedings are comparable to the rates charged by other accounting firms in the Greater Toronto Area for the provision of similar services.

8. The hourly billing rates outlined on the Accounts Summary are the normal hourly rates charged by the Receiver for services rendered in relation to similar proceedings.

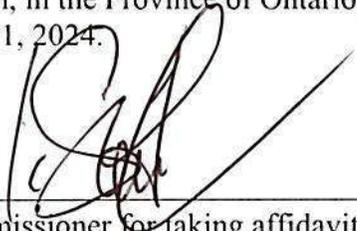
9. I verily believe that the Receiver’s accounts are fair and reasonable in the circumstances.

10. I have reviewed the affidavit of Irving Marks sworn May 1, 2024 filed in support of the within motion as exhibits thereto are copies of the accounts rendered by Robins Appleby LLP (“**RA**”), counsel to the Receiver, for the period December 1, 2023 to April 30, 2024.

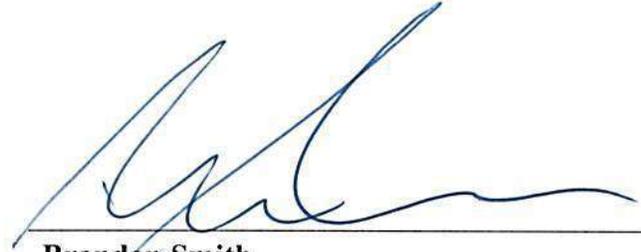
11. RA has rendered services throughout these proceedings consistent with instructions from the Receiver, the Receiver has approved all such accounts and I verily believe that the fees and disbursements of RA are fair and reasonable in the circumstances.

12. The said Affidavit is sworn in connection with the Receiver’s motion to have, among other things, its fees and disbursements approved by this Honourable Court and for no improper purpose.

SWORN BEFORE ME at the City of
Vaughan, in the Province of Ontario,
on May 1, 2024.



A Commissioner for taking affidavits



Brandon Smith

**Ira Clare Smith,
a Commissioner, etc.,
Province of Ontario, for Ira
Smith Trustee & Receiver Inc.
Expires March 30, 2026.**

**FIRST REPORT OF IRA SMITH TRUSTEE & RECEIVER INC.
IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
SAPTASHVA SOLAR S.A.**

December 1, 2023 to April 30, 2024

Staff Member	Title	Total Hours	Hourly Rate (\$CDN)	Amount Billed (\$CDN)
Ira Smith MBA CPA CA•CIRP, Trustee	President	8.9	500.00	4,450.00
Brandon Smith, BA CIRP, Trustee	Senior Vice-President	48.3	400.00	19,320.00
Total		<u>57.2</u>	Average hourly rate of \$415.56	23,770.00
Disbursements				<u>22.52</u>
				<u>23,792.52</u>

This Exhibit ^A..... referred to in the
Affidavit of Brandon Smith
Sworn before me this.... day of May, 2024

A Commissioner, etc.

Ira Clare Smith,
a Commissioner, etc.,
Province of Ontario, for Ira
Smith Trustee & Receiver Inc.
Expires March 30, 2026.



167 Applewood Cres. Suite 6, Concord, ON L4K 4K7
 Phone: 905.738.4167
 Fax: 905.738.9848
 irasmithinc.com

R-Saptashva

May 1, 2024

GST/HST # 86236 5699

**IN THE MATTER OF THE RECEIVERSHIP OF
 SAPTASHVA SOLAR S.A.**

For professional services rendered since being consulted to act as Receiver from December 1, 2023 to April 30, 2024 inclusive, in acting as Receiver of Saptashva Solar S. A. in accordance with the Order of the Ontario Superior Court of Justice (Commercial List) dated January 24, 2022 as follows (detail attached):

<u>Staff</u>	<u>Hourly rate</u>	<u>Hours</u>	
I. Smith, President and Trustee	\$500	8.9	
B. Smith, Senior Vice-President and Trustee	\$400	<u>48.3</u>	
		<u>57.2</u>	
			\$ 23,770.00

Disbursements:

Postage	\$ 12.02	
Search Fees	8.00	
Parking	<u>2.50</u>	
		<u>22.52</u>
		\$ 23,792.52

This Exhibit ³ referred to in the
 Affidavit of Brandon Smith
 Sworn before me this 1 day of May, 2024

Less interim draws (12,878.28)
 10,914.24

HST 1,418.85
\$ 12,333.09

A Commissioner, etc.

Ira Clare Smith,
 a Commissioner, etc.,
 Province of Ontario, for Ira
 Smith Trustee & Receiver Inc.
 Expires March 30, 2026.

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet

Period from: 2023-12-01 to 2024-04-30

Key name Full Estate Name
R-Saptashva In the Matter of the Receivership of Saptashva Solar S.A.

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2023-12-04	Brandon Smith	1.2	rcv, rvw post RT0002 refunds; corresp w/ CRA; u/d report; email Dom re circle back ; rvw hydro statements - all nil bal fwd, email to hydro re correct billing	480.00
2023-12-05	Brandon Smith	1.6	further updates to 2nd report; prepare exhibits; call w/ Dom re APA an court	640.00
2023-12-11	Brandon Smith	0.3	f/u w/ hydro re nov revenue; rvw emails re accepting terms of stalking-horse, u/d report to court	120.00
2023-12-12	Brandon Smith	0.5	update data room contents; email reply from hydro re billing issues	200.00
2023-12-13	Brandon Smith	1.4	call from Marc @ CRA; rcpt, rvw of nov hydro statements; enter into database; perform calculations regarding generation revenue; update 2nd report, PV calc and exhibits re generation and rate of rent calculations	560.00
2023-12-14	Brandon Smith	0.3	email Dom re include Kingston rent as assumed liability; email to hydro in prep for scada closing	120.00
2023-12-14	Brandon Smith	0.3	corresp w. hydro re closing, prepare invoice	120.00
2023-12-18	Brandon Smith	0.5	call w/ Dom re stalking horse apa; calculate rent due to Kingston landlord	200.00
2023-12-19	Brandon Smith	1.2	update draft court report, prepare SRD, docket and affidavit, prepare other exhibits	480.00
2023-12-19	Brandon Smith	0.5	rvw material from Dakk re gunde alleged valuation	200.00
2023-12-20	Brandon Smith	0.3	EMAIL W/ DOM RE SPAIN CORP DOCS; CORRESP W/ FRED @ HYDROP RE SCADA CLOSING	120.00
2023-12-21	Brandon Smith	0.3	pmt of q1 2024 tux rent and ltr to landlord and update 2nd report	120.00

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet

Period from: 2023-12-01 to 2024-04-30

Key name Full Estate Name
R-Saptashva In the Matter of the Receivership of Saptashva Solar S.A.

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2023-12-27	Brandon Smith	1.0	emails w/ hydro re failure to close scada deal, update draft report exhibit	400.00
2024-01-02	Brandon Smith	0.5	file Q4 2023 HST rtn; update 2nd report re HST; rcpt of final nov revenue, update schedule	200.00
2024-01-05	Brandon Smith	0.3	corresp[w/ Dakk re Kingston roof repairs; corresp w/ Fred @ hydro re no closing funds received, delay, extend and my absence	120.00
2024-01-24	Brandon Smith	1.5	finalize draft of 2nd report, send to Dom for comment	600.00
2024-01-24	Ira Smith	0.8	Rvw and changes to draft 2nd report to court	400.00
2024-01-26	Brandon Smith	1.0	review Dom's comments and update report; assemble exhibits	400.00
2024-02-05	Brandon Smith	1.5	download and post dec 23 generation revenue; update 2023 total revenue and generation reports; update PV calc w/ DEC data; call w/ Dakk re roof work status	600.00
2024-02-06	Brandon Smith	0.5	draft ad, update terms and teaser w/ dates; notify Dom of incorrect exhibit in motion record	200.00
2024-02-07	Brandon Smith	1.5	download and post Jan 24 generation revenue; email to Dakk and call re 42 tux drop in generation and Kingston roof repairs; further call re damaged panels and rvw drone footage	600.00
2024-02-07	Brandon Smith	0.2	emails from and reply to Dom re supp 2nd report	80.00
2024-02-08	Brandon Smith	0.7	draft supp 2nd report and send to Dom	280.00
2024-02-08	Brandon Smith	0.4	rcpt of funds for scada buyback, confirm rcpt w/ hydro, adv Dom to reach out to applicant re pay HST or bk to reverse priority	160.00
2024-02-08	Brandon Smith	0.2	u/d from Dakk re damage to panels at 42 tux	80.00
2024-02-12	Brandon Smith	0.3	corresp w/ Dakk re coordinate w/ generation solar and p/u rplc panels	120.00

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet

Period from: 2023-12-01 to 2024-04-30

Key name Full Estate Name

R-Saptashva In the Matter of the Receivership of Saptashva Solar S.A.

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2024-02-12	Brandon Smith	0.8	u/d teaser and terms and conditions; provide Dakk w/ 2 panels to repair 42 tux	320.00
2024-02-12	Ira Smith	0.2	VM to Dom Michaud re court hearing this Thursday, rvw of email from Dom to all lawyers re court on Thursday	100.00
2024-02-13	Brandon Smith	0.5	corresp w/ IT re set up data room; send draft ad to national post	200.00
2024-02-13	Ira Smith	0.8	Rvw of Saptashva draft sales docs, email to Jason Gorber re data room	400.00
2024-02-14	Brandon Smith	1.1	call w/ Dom re scada, hst priority and strategy for tomorrows court and how to finalize receivership; emails re stakeholder approval to pay HST trust claim, issue and draft ltr to CRA	440.00
2024-02-14	Brandon Smith	1.2	rvw participant APA form, make changes send to Dom, corresp w/ pot purch re deadline, offer form and tour	480.00
2024-02-15	Brandon Smith	0.9	call w/ Dom re court pep; attend motion to approve stalking horse sales process; sign APS as vendor; advise national post to run ad	360.00
2024-02-15	Ira Smith	0.3	Prep for motion today	150.00
2024-02-15	Ira Smith	0.6	Attend court motion for approval of sales process	300.00
2024-02-20	Brandon Smith	0.8	sales process corresp w// IT and pot purch; draft 4th interim BIA report and roll fwd SRD	320.00
2024-02-20	Brandon Smith	0.3	rcpt of jan revenue, deposit and record	120.00
2024-02-21	Brandon Smith	0.6	corresp w/pot purchaser ; prep and circulate CA's; circulate teasers	240.00
2024-02-21	Brandon Smith	0.3	call and email w/ potential purchaser	120.00
2024-02-22	Brandon Smith	0.3	call from Dakk re generation solar replace panels and found inverter not working	120.00
2024-02-26	Brandon Smith	0.2	corresp w/ pot purch	80.00
2024-02-27	Brandon Smith	0.1	f/u w/ pot purch who advised no longer interested	40.00

Ira Smith Trustee & Receiver Inc.

Detail Time Sheet

Period from: 2023-12-01 to 2024-04-30

Key name Full Estate Name
R-Saptashva In the Matter of the Receivership of Saptashva Solar S.A.

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2024-02-28	Brandon Smith	0.2	corresp w/ pot purch, prep NDA for OEC	80.00
2024-02-29	Brandon Smith	0.3	call from Dakk re sched spring inspection and inverter warranty matters	120.00
2024-03-05	Brandon Smith	0.3	rvw counsel invoices for pmt, redemption of gic; f/u w/ pot purch	120.00
2024-03-07	Brandon Smith	0.2	call w/ Dom re sales process, need for unified potential purch APS form and plans for scheduling final motion	80.00
2024-03-09	Brandon Smith	0.2	email s from Dakk re meter issues at Kingston	80.00
2024-03-10	Brandon Smith	0.4	email to hydro re Kingston meter issues; rcv enquiry and reply to potential purchaser	160.00
2024-03-12	Brandon Smith	0.3	call from Dakk re scheduling of Generation Solar for Kingston warranty and non warranty work & inspect Tux for warranty	120.00
2024-03-13	Brandon Smith	0.2	corresp w/ potential purchaser	80.00
2024-03-14	Brandon Smith	0.4	finalize bidder apa form and draft email to potential bidders	160.00
2024-03-15	Brandon Smith	0.1	corresp from pot purch advise not interested	40.00
2024-03-18	Brandon Smith	0.8	download and post Feb revenue, reconcile w/ rcpt; contact hydro re missing pmt, statements and out of service meters	320.00
2024-03-19	Brandon Smith	0.1	corresp w/ Dakk re Kingston	40.00
2024-03-20	Brandon Smith	0.4	call w/ Dom re inverters and update notice to pot purch to be sent on Friday	160.00
2024-03-21	Brandon Smith	0.5	email corresp w/ Hexe re sale is single offer for all assets, no multi piece JV; prep and issue CA to Hexa	200.00
2024-03-22	Brandon Smith	0.5	corresp w/ Hexa, now they wont sign CA because they want to form partnership; amend and send notice to all potential bidders	200.00

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet

Period from: 2023-12-01 to 2024-04-30

Key name Full Estate Name
R-Saptashva In the Matter of the Receivership of Saptashva Solar S.A.

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2024-04-02	Brandon Smith	0.4	rcv additional accounting for feb and post; corresp w/ hydro re missing statements and broken meters	160.00
2024-04-02	Brandon Smith	0.3	file Q1 2024 hst return, l/m for m lohnes re status of o/s assessments and refunds	120.00
2024-04-02	Brandon Smith	0.5	call from Dom and email exchange re defining purchase price and tuxedo landlord enquiry	200.00
2024-04-03	Brandon Smith	0.3	call w/ Dom re purch price allocation	120.00
2024-04-03	Brandon Smith	0.7	call w/ hydro, memo to file and email to Dakk re Kingston meters	280.00
2024-04-04	Brandon Smith	0.7	corresp w/ new pot purch - #'d Ontario, supposed partner of hexa, send CA, rcv ca, grant data room and send aps and terms, prep bid analysis	280.00
2024-04-04	Brandon Smith	0.5	rcpt of draft offer from Manish, and advise that the receiver is not a substitute to his legal counsel in reviewing draft offers, he needs to abide fully by the terms and conditions he was supplied with as approved by the court	200.00
2024-04-04	Ira Smith	0.7	Rvw of #'d company/Hexa offer, comparison of blackline of offer to standard form, email to Brandon re issues, telcon w. Brandon re issues, email to Dom re blackline	350.00
2024-04-05	Brandon Smith	0.3	corresp w/ purchaser, perform corporate search and view details; instruct Jason to lock down data room	120.00
2024-04-05	Brandon Smith	0.8	rcpt of offer, review, enter into log, cand and save to server; discuss w/ Ira and email to Dom	320.00
2024-04-08	Brandon Smith	0.3	rcv, rvw mar hydro statements, post to ledger	120.00
2024-04-08	Brandon Smith	3.3	verify authenticity and deposit Manish bank draft; begin drafting 3rd report to court for sale approval	1,320.00

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet

Period from: 2023-12-01 to 2024-04-30

Key name Full Estate Name
R-Saptashva In the Matter of the Receivership of Saptashva Solar S.A.

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2024-04-09	Brandon Smith	1.0	call w/ Ira, Dom & Joey to discuss 10008 offer and next steps; email to 10008 re 3 clarifying items; read email from Joey to stalking horse and add regarding auction	400.00
2024-04-09	Brandon Smith	0.3	RVW AND PAY GENERATION SOLAR INV; corresp w/ Dakk re o/s maint items	120.00
2024-04-09	Ira Smith	0.4	video meeting w. Brandon, Dom, Joey to discuss offers of #'d co and stalking horse, Hexa and next steps	200.00
2024-04-15	Brandon Smith	0.4	corresp w/ Dakk re roof repairs at Kingston; download additional hydro inv	160.00
2024-04-15	Brandon Smith	0.3	corresp w/ Matt McCleod re auction	120.00
2024-04-16	Brandon Smith	0.8	email w/ Dakk re Kingston panels; update court report; call w/ hydro re Kingston meters	320.00
2024-04-17	Brandon Smith	0.4	rcpt, rvw And posting of statements for feb and mar generation for 1449 and 1469 Kingston, update report re ops issues	160.00
2024-04-18	Brandon Smith	1.0	prepare for, attend/conduct auction discussion w/ Ira and email to Mr. Mehra re next steps	400.00
2024-04-18	Brandon Smith	0.3	call from hydro re update on Kingston metering issue	120.00
2024-04-18	Ira Smith	0.9	Attendance at Saptashva Solar Qualified Bidders auction	450.00
2024-04-22	Brandon Smith	0.2	email to purchaser to u/d their APA and circulate	80.00
2024-04-22	Brandon Smith	1.0	update third report re outcome of auction	400.00
2024-04-22	Brandon Smith	0.2	call w/ Dom re court approval and report	80.00
2024-04-23	Brandon Smith	0.8	finalize draft of 3rd report	320.00
2024-04-24	Brandon Smith	0.6	review and finalize 15 revisions to 3rd report draft	240.00
2024-04-24	Ira Smith	3.1	Rvw and changes to draft 3rd report to court	1,550.00
2024-04-24	Ira Smith	1.1	Complete rvw and changes to draft 3rd report to court	550.00

Ira Smith Trustee & Receiver Inc.
Detail Time Sheet

Period from: 2023-12-01 to 2024-04-30

Key name Full Estate Name
R-Saptashva In the Matter of the Receivership of Saptashva Solar S.A.

<u>Date</u>	<u>Name</u>	<u>Duration</u>	<u>Activity</u>	<u>\$</u>
2024-04-25	Brandon Smith	0.3	rcpt rvw of 2nd tranche match generation revenue, record to allocation schedule	120.00
2024-04-29	Brandon Smith	0.4	f/u purchaser re counsel & revised APS; call from Dom rvw email regarding urgency of pruchaser action	160.00
2024-04-30	Brandon Smith	2.2	rvw email from mara re counsel, fwd to Dom w/ request to engage; prep flysheet/TOC and gather appendices; further revisions to 3rd report	880.00
		57.2		23,770.00

<u>Employee Name</u>	<u>Hourly Rate</u>	<u>Amount</u>
Ira Smith	8.9	4,450.00
Brandon Smith	48.3	19,320.00
Total:	57.2	23,770.00

Average Hourly Rate: \$ 415.56

1199403 ONTARIO INC., 1274442 ONTARIO INC.,
and GULU THADANI

And

SAPTASHVA SOLAR S.A.

Applicants

Respondent

Court File No.: CV-21-00655706-00C1

**ONTARIO
SUPERIOR COURT OF JUSTICE
- COMMERCIAL LIST -**

Proceeding commenced at Toronto

**AFFIDAVIT OF BRANDON SMITH
(Sworn May 1, 2024)**

Ira Smith Trustee & Receiver Inc.
167 Applewood Crescent, Suite 6
Concord, ON L4K 4K7

Ira Smith MBA CPA CA•CIRP, Trustee
Tel: 905-738-4167
Fax: 905-738-9848

Court-appointed Receiver of
Saptashva Solar S.A.

APPENDIX S

Court File No.: CV-21-00655706-00CL

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

BETWEEN:

1199403 ONTARIO INC., 1274442 ONTARIO INC., and GULU THADANI

Applicants

-and-

SAPTASHVA SOLAR S.A.

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. 8-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43. AS AMENDED

AFFIDAVIT OF IRVING MARKS

I, **IRVING MARKS** of the city of Toronto, in the Province of Ontario **MAKE OATH AND SAY:**

1. I am a partner of the law firm of Robins Appleby LLP ("**Robins**"), the lawyers for Ira Smith Trustee & Receiver Inc. (the "**Receiver**"), as the Court-appointed receiver of Saptashva Solar S.A. (the "**Debtor**") and, as such, have knowledge of the matters contained in this Affidavit.

2. Pursuant to the Order of Justice Cavanagh dated January 24, 2022, the Receiver was appointed as the Receiver of the Debtor (the "**Receivership Order**").

3. This affidavit is made in connection with the Receiver's motion for, *inter alia*, the approval

- 2 -

of the fees and disbursements of Robins with respect to legal services rendered as independent counsel to the Receiver in connection with these receivership proceedings from the time our firm was retained in respect of this matter up from November 1, 2022 to November 30, 2023 (the "**Billing Period**"). Attached as **Exhibit "A"** is a record of the legal services rendered by Robins to the Receiver and disbursements incurred during this period (the "**Robins Invoices**"). To the best of my knowledge, the Robins Invoices provides a fair and accurate description of the activities undertaken and the services rendered by Robins during this period.

4. Attached as **Exhibit "B"** is a summary of the names, year of call, hourly rates, time expended by the lawyers and other professionals at Robins whose time is reflected in the dockets recorded in Exhibit "A".

5. During the Billing Period, the total fees billed by Robins were \$30,375.50 plus disbursement of \$3.60 and applicable taxes of \$3,949.29 for an aggregate amount of \$34,328.39.

6. I have reviewed the Robins Invoices and consider the time expended for legal fees charged to be fair and reasonable for the services performed. To the best of my knowledge, the rates charges by Robins are comparable to the rates charged for legal services of a similar nature and complexity by other medium sized firms in the Toronto market.

SWORN by videoconference by Irving Marks at the City of Toronto, in the Province of Ontario, before me on the 29th day of January, 2024 in accordance with *O. Reg. 431/20*, Administering Oath or Declaration Remotely.



DocuSigned by:

Dominique Michaud

5295B6ADCEAA451...

Commissioner for Taking Affidavits
(or as may be)

Dominique Michaud

DocuSigned by:

Irving Marks

C5CB27A4335540C

IRVING MARKS

THIS IS **EXHIBIT "A"** REFERRED TO IN
THE AFFIDAVIT OF **IRVING MARKS**
SWORN BEFORE ME THIS 29TH DAY OF
JANUARY, 2024.

DocuSigned by:
Dominique Michaud

5295B6ADCEAA451...

A Commissioner, Notary, Etc.

DOMINIQUE MICHAUD



ROBINS APPLEBY
BARRISTERS + SOLICITORS

352

INVOICE

Ira Smith Trustee & Receiver Inc.
Suite 6-167 Applewood Crescent
Vaughan, ON L4K 4K7

DATE: November 30, 2022
CLIENT No.: 9264
FILE No.: 2000836
INVOICE No.: 176225
H.S.T. No.: 12139 1205 RT0001

Attention: Ira Smith

RE: Receivership - Saptashva Solar S.A.	
	FOR ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including the following:
01-Nov-22	Review and revise Receiver's Report;
02-Nov-22	Telephone conference between Allan Morrison office and Dominique Michaud regarding November 25th motion; email to service list regarding scheduling of December motion date; email correspondence regarding Interna sale of contracts;
03-Nov-22	Review and revise draft report; email to client regarding timing of motion and comments on draft report; telephone conference with client regarding comments on draft report; draft motion materials;
07-Nov-22	Draft motion materials; telephone conferences and emails regarding motion for directions;
08-Nov-22	Draft motion materials;
09-Nov-22	Revise Notice of Motion; email to Ira Smith regarding motion materials; email to Morrison law office from Dominique Michaud regarding hearing date;
10-Nov-22	Draft motion materials; telephone conference between Brandon Smith and Dominique Michaud regarding completion of report; draft order; telephone conference between Stephen Turk and Dominique Michaud regarding settlement of litigation;
11-Nov-22	Telephone conference between Allan Morrison and Dominique Michaud;
14-Nov-22	Review term sheet; telephone conference with Ira Smith; email to Allan Morrison from Dominique Michaud;



16-Nov-22	Email regarding meeting with potential purchaser; telephone conference between Allan Morrison and Dominique Michaud regarding potential sale;
21-Nov-22	Email to Allan Morrison from Dominique Michaud; email to Brandon Smith regarding purchaser contact information; various telephone conferences between Brandon Smith, Allan Morrison and Dominique Michaud regarding potential sale; email to court from Dominique Michaud regarding adjournment;
22-Nov-22	Engage file regarding adjournment of motion;
24-Nov-22	Telephone conference with Ira Smith regarding adjournment motion;
30-Nov-22	Call with Allan Morrison; prepare for approval motion;

OUR FEE**\$9,450.00****DISBURSEMENTS**** Indicates not subject to H.S.T.*

Digital Signature

3.40

Photocopies

0.20

Total Disbursements**\$3.60**H.S.T. (13%)

on \$9,450.00 Fees

1,228.50

on \$3.60 Disbursements

0.47

Total H.S.T.**\$1,228.97****TOTAL FEES, DISBURSEMENTS and H.S.T.****\$10,682.57**

Outstanding account dated: 29-Apr-22

Ref. No. 174004

2,837.66

Outstanding account dated: 30-Jun-22

Ref. No. 174486

4,956.18

Outstanding account dated: 31-Aug-22

Ref. No. 175211

2,491.65

Outstanding account dated: 30-Sep-22

Ref. No. 175454

11,275.40

Outstanding account dated: 31-Oct-22

Ref. No. 175747

3,132.36

TOTAL OUTSTANDING**\$35,375.82****ROBINS APPLEBY LLP**

Per:

Dominique Michaud

E. & O.E.

/WL



ROBINS APPLEBY
BARRISTERS + SOLICITORS

Online bill payment is now available through most major banks. Please use the "Client No." located on this invoice as your online bill payment Account No., save "Robins Appleby LLP" as a "Payee" and proceed to "Pay Bills". If you require assistance, please call our office at 416-868-1080 and a member of the Robins Appleby accounting team would be pleased to help.

Account Due When Rendered. In accordance with section 33 of the *Solicitors Act*, interest will be charged at the rate of **3.00%** per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.

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ROBINS APPLEBY
BARRISTERS + SOLICITORS

356

INVOICE

Ira Smith Trustee & Receiver Inc.
Suite 6-167 Applewood Crescent
Vaughan, ON L4K 4K7

DATE: December 31, 2022
CLIENT No.: 9264
FILE No.: 2000836
INVOICE No.: 176775
H.S.T. No.: 12139 1205 RT0001

Attention: Ira Smith

RE: Receivership - Saptashva Solar S.A.	
	FOR ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including the following:
01-Dec-22	Telephone conference between Allan Morrison and Dominique Michaud; revise draft Order; prepare for hearing; telephone conference between Stephen Turk and Dominique Michaud;
02-Dec-22	Prepare for and attend sale process approval motion;
05-Dec-22	Email to Stephen Turk from Dominique Michaud regarding stakeholder feedback; telephone conference with Ira Smith regarding Hexa offer; various emails between Allan Morrison and Dominique Michaud regarding R&D and offer from Hexa;
06-Dec-22	Telephone conference between Stephen Turk, Ira Smith and Dominique Michaud regarding sales process; review Gunde Motion Record and affidavit; review supplemental report; prepare Supplementary Motion Record;
07-Dec-22	Prepare for comeback motion; attend comeback motion; various telephone conferences between Ira Smith, Stephen Turk and Dominique Michaud; email correspondence regarding stalking horse bid;
08-Dec-22	Review and revise stalking horse Agreement or Purchase and Sale; telephone conference with Ira Smith and Charlie Kim regarding revisions;
09-Dec-22	Revise draft Asset Purchase Agreement;
	Telephone call and email to Stephen Turk from Dominique Michaud regarding primary duty to recover for creditors; review Stephen Turk's Aide Memoire;
11-Dec-22	Review draft report and prepare for hearing;



12-Dec-22	Prepare and attend motion regarding operations plan; review Endorsement of Justice Conway; draft Dismissal Order;	
14-Dec-22	Email correspondence regarding implementation of operations plan;	
	OUR FEE	\$8,658.00
	<u>H.S.T. (13%)</u>	
	on \$8,658.00 Fees	1,125.54
	on \$0.00 Disbursements	0.00
	Total H.S.T.	\$1,125.54
	TOTAL FEES, DISBURSEMENTS and H.S.T.	<u>\$9,783.54</u>
	Outstanding account dated: 30-Nov-22 Ref. No. 176225	10,682.57
	TOTAL OUTSTANDING	<u>\$20,466.11</u>
	ROBINS APPLEBY LLP	
	Per:	
		
	Dominique Michaud	
	E. & O.E.	
	/WL	

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Account Due When Rendered. In accordance with section 33 of the *Solicitors Act*, interest will be charged at the rate of **3.00%** per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.



ROBINS APPLEBY
BARRISTERS + SOLICITORS

359

INVOICE

Ira Smith Trustee & Receiver Inc.
Suite 6-167 Applewood Crescent
Vaughan, ON L4K 4K7

DATE: July 31, 2023
CLIENT No.: 9264
FILE No.: 2000836
INVOICE No.: 179258
H.S.T. No.: 12139 1205 RT0001

Attention: Ira Smith

RE: Receivership - Saptashva Solar S.A.		
FOR ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including the following:		
04-May-23	Telephone conference with Ira Smith regarding status of receivership;	
17-May-23	Email correspondence regarding status of project;	
26-May-23	Engage file regarding potential stalking horse bid;	
15-Jun-23	Email correspondence regarding stalking horse bid;	
27-Jun-23	Email correspondnece regarding stalking horse bid;	
	OUR FEE	\$840.00
	<u>H.S.T. (13%)</u>	
	on \$840.00 Fees	109.20
	on \$0.00 Disbursements	0.00
	Total H.S.T.	\$109.20
	TOTAL FEES, DISBURSEMENTS and H.S.T.	<u>\$949.20</u>
	ROBINS APPLEBY LLP	
	Per:	
		
	Dominique Michaud	
	E. & O.E.	
	/WL	



ROBINS APPLEBY
BARRISTERS + SOLICITORS

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Account Due When Rendered. In accordance with section 33 of the *Solicitors Act*, interest will be charged at the rate of **3.00%** per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.

[robapp\8786009.1](#)



ROBINS APPLEBY
BARRISTERS + SOLICITORS

362

INVOICE

Ira Smith Trustee & Receiver Inc.
Suite 6-167 Applewood Crescent
Vaughan, ON L4K 4K7

DATE: September 29, 2023
CLIENT No.: 9264
FILE No.: 2000836
INVOICE No.: 179883
H.S.T. No.: 12139 1205 RT0001

Attention: Ira Smith

RE: Receivership - Saptashva Solar S.A.	
	FOR ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including the following:
17-Aug-23	Review BIA report and email correspondence from client regarding credit bid;
11-Sep-23	Email correspondence regarding sales process;
12-Sep-23	Review and revise Asset Purchase Agreement; email to Brandon Smith regarding Asset Purchase Agreement; Revise draft asset purchase agreement;
13-Sep-23	Review and revise Agreement of Purchase and Sale; email report to Brandon Smith regarding revisions to Agreement of Purchase and Sale; email to Stephen Turk from Dominique Michaud regarding potential stalking horse bid;
14-Sep-23	Email correspondence regarding sale to Hydro;
20-Sep-23	Email to Stephen Turk from Dominique Michaud regarding stalking horse bid;
26-Sep-23	Conference call regarding stalking horse bid; email to Stephen Turk from Dominique Michaud regarding form of stalking horse bid;
28-Sep-23	Review revised draft Asset Purchase Agreement; emails among Brandon Smith, Charlie Kim and Dominique Michaud; Review blackline changes to Asset Purchase Agreement; email correspondence regarding closing process;
29-Sep-23	Emails between Brandon Smith and Charlie Kim; review revised draft Asset Purchase Agreement;



Engage file regarding revisions to Asset Purchase Agreement; email correspondence with Brandon Smith regarding Asset Purchase Agreement revisions;

OUR FEE
\$3,512.50
H.S.T. (13%)

on \$3,512.50 Fees

456.63

on \$0.00 Disbursements

0.00

Total H.S.T.
\$456.63
TOTAL FEES, DISBURSEMENTS and H.S.T.
\$3,969.13
ROBINS APPLEBY LLP

Per:

Dominique Michaud

E. & O.E.

/WL

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Account Due When Rendered. In accordance with section 33 of the *Solicitors Act*, interest will be charged at the rate of **3.00%** per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.



ROBINS APPLEBY
BARRISTERS + SOLICITORS

365

INVOICE

Ira Smith Trustee & Receiver Inc.
Suite 6-167 Applewood Crescent
Vaughan, ON L4K 4K7

DATE: October 31, 2023
CLIENT No.: 9264
FILE No.: 2000836
INVOICE No.: 180265
H.S.T. No.: 12139 1205 RT0001

Attention: Ira Smith

	RE: Receivership - Saptashva Solar S.A.	
	FOR ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including the following:	
10-Oct-23	Review email from Brandon Smith;	
18-Oct-23	Email correspondence regarding sales process and stalking horse bid;	
20-Oct-23	Telephone call to Stephen Turk from Dominique Michaud regarding stalking horse bid;	
30-Oct-23	Email to Stephen Turk from Dominique Michaud regarding stalking horse bid; email to Brandon Smith regarding report to court on operation plan;	
	OUR FEE	\$837.50
	<u>H.S.T. (13%)</u> on \$837.50 Fees	108.88
	on \$0.00 Disbursements	0.00
	Total H.S.T.	\$108.88
	TOTAL FEES, DISBURSEMENTS and H.S.T.	<u>\$946.38</u>
	ROBINS APPLEBY LLP	
	Per: 	
	Dominique Michaud E. & O.E. /WL	



ROBINS APPLEBY
BARRISTERS + SOLICITORS

Online bill payment is now available through most major banks. Please use the "Client No." located on this invoice as your online bill payment Account No., save "Robins Appleby LLP" as a "Payee" and proceed to "Pay Bills". If you require assistance, please call our office at 416-868-1080 and a member of the Robins Appleby accounting team would be pleased to help.

Account Due When Rendered. In accordance with section 33 of the *Solicitors Act*, interest will be charged at the rate of **3.00%** per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.

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ROBINS APPLEBY
BARRISTERS + SOLICITORS

368

INVOICE

Ira Smith Trustee & Receiver Inc.
Suite 6-167 Applewood Crescent
Vaughan, ON L4K 4K7

DATE: November 30, 2023
CLIENT No.: 9264
FILE No.: 2000836
INVOICE No.: 180554
H.S.T. No.: 12139 1205 RT0001

Attention: Ira Smith

RE: Receivership - Saptashva Solar S.A.	
	FOR ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including the following:
01-Nov-23	Conference call regarding sale process;
03-Nov-23	Email correspondence regarding stalking horse bid;
06-Nov-23	Telephone conference regarding credit bid stalking horse;
14-Nov-23	Review revised Asset Purchase Agreement; email report to Brandon Smith; email to Charlie Kim from Dominique Michaud regarding revisions to Asset Purchase Agreement and security opinion; Review draft purchase agreement;
15-Nov-23	Email between Jonathan Zepp, Charlie Kim and Dominique Michaud;
16-Nov-23	Engage file regarding credit bid stalking horse;
17-Nov-23	Telephone conference regarding stalking horse bid revisions; Meeting among Ira Smith, Dominique Michaud, Brandon Smith and Jonathan Zepp; review agreement;
20-Nov-23	Telephone conference between the purchaser and Dominique Michaud regarding form of credit bid; meeting between Jonathan Zepp and Dominique Michaud regarding revisions to Asset Purchase Agreement;



	Prepare for meeting; meeting among Matthew McLeod, Dominique Michaud and Jonathan Zepp; conference between Dominique Michaud and Jonathan Zepp; email to and from Brandon Smith;	
22-Nov-23	Email to Brandon Smith;	
29-Nov-23	Engage file regarding completion of Asset Purchase Agreement and draft Approval and Vesting Order; review PPSA search; email correspondence regarding increase in purchase price;	
	Conduct PPSA search;	
	Revise Asset Purchase Agreement; email to and Matthew McLeod from Jonathan Zepp; email to Dominique Michaud from Jonathan Zepp;	
	OUR FEE	\$7,077.50
	<u>H.S.T. (13%)</u>	
	on \$7,077.50 Fees	920.08
	on \$0.00 Disbursements	0.00
	Total H.S.T.	\$920.08
	TOTAL FEES, DISBURSEMENTS and H.S.T.	<u>\$7,997.58</u>
	ROBINS APPLEBY LLP	
	Per:	
		
	Dominique Michaud	
	E. & O.E.	
	WL	

Online bill payment is now available through most major banks. Please use the "Client No." located on this invoice as your online bill payment Account No., save "Robins Appleby LLP" as a "Payee" and proceed to "Pay Bills". If you require assistance, please call our office at 416-868-1080 and a member of the Robins Appleby accounting team would be pleased to help.

Account Due When Rendered. In accordance with section 33 of the *Solicitors Act*, interest will be charged at the rate of **3.00%** per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.

THIS IS **EXHIBIT "B"** REFERRED TO IN
THE AFFIDAVIT OF **IRVING MARKS**
SWORN BEFORE ME THIS 29TH DAY
OF JANUARY, 2024.

DocuSigned by:

Dominique Michaud

5295B6ADCEAA451...

A Commissioner, Notary, Etc.

DOMINIQUE MICHAUD

Fees and Disbursement Summary of Robins Appleby LLP from November 1, 2022 to November 30, 2023

NAME	YEAR OF CALL	HOURLY RATE	TOTAL HOURS	TOTAL FEES BILLS
Jonathan Zepp	1999	\$890.00 (2023)	3.5	\$3,115.00
Dominique Michaud	2009	\$630.00 (2022)	27.6	\$17,388.00
		\$700.00 (2023)	10.4	\$7,280.00
Charlie Kim	2010	\$600.00 (2022)	1.2	\$720.00
		\$675.00 (2023)	2.7	\$1,822.50
Kystra Ryan	Law Clerk	\$250.00 (2023)	0.2	\$50.00
SUBTOTAL FEES:				\$30,375.50
H.S.T. @13%				\$3,948.82
TOTAL FEES:				<u>\$34,324.32</u>
Disbursements				\$3.60
H.S.T. @13% on Taxable Disbursements				\$0.47
TOTAL DISBURSEMENTS:				<u>\$4.07</u>
TOTAL FEES, DISBURSEMENTS & H.ST.				<u>\$34,328.39</u>

**1199403 ONTARIO INC. ET - and-
AL.**

SAPTASHVA SOLAR S.A.

Applicants

Respondent

Court File No.: CV-21-00655706-00CL

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

IN THE MATTER OF Section 101 of the
Courts of Justice Act and Section 243 of the *Bankruptcy
and Insolvency Act*

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF IRVING MARKS

ROBINS APPLEBY LLP

Barristers + Solicitors
2600 - 120 Adelaide Street West
Toronto, ON M5H 1T1

Dominique Michaud LSO No.: 56871V

Email: dmichaud@robapp.com
Tel: (416) 360-3795

Lawyers for the Receiver, Ira Smith, Trustee & Receiver
Inc.

APPENDIX T

Court File No.: CV-21-00655706-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

1199403 ONTARIO INC., 1274442 ONTARIO INC., and GULU THADANI

Applicants

-and-

SAPTASHVA SOLAR S.A.

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. 8-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43. AS AMENDED

AFFIDAVIT OF IRVING MARKS

I, **IRVING MARKS** of the city of Toronto, in the Province of Ontario **MAKE OATH AND SAY:**

1. I am a partner of the law firm of Robins Appleby LLP ("**Robins**"), the lawyers for Ira Smith Trustee & Receiver Inc. (the "**Receiver**"), as the Court-appointed receiver of Saptashva Solar S.A. (the "**Debtor**") and, as such, have knowledge of the matters contained in this Affidavit.
2. Pursuant to the Order of Justice Cavanagh dated January 24, 2022, the Receiver was appointed as the Receiver of the Debtor (the "**Receivership Order**").
3. This affidavit is made in connection with the Receiver's motion for, *inter alia*, the approval

of the fees and disbursements of Robins with respect to legal services rendered as independent counsel to the Receiver in connection with these receivership proceedings from the time our firm was retained in respect of this matter up from December 1, 2024 to April 30, 2024 (the "**Billing Period**"). Attached as **Exhibit "A"** is a record of the legal services rendered by Robins to the Receiver and disbursements incurred during this period (the "**Robins Invoices**"). To the best of my knowledge, the Robins Invoices provides a fair and accurate description of the activities undertaken and the services rendered by Robins during this period.

4. Attached as **Exhibit "B"** is a summary of the names, year of call, hourly rates, time expended by the lawyers and other professionals at Robins whose time is reflected in the dockets recorded in Exhibit "A".

5. During the Billing Period, the total fees billed by Robins were \$69,473.50 plus disbursement of \$637.01 and applicable taxes of \$9,069.26 for an aggregate amount of \$79,179.77.

6. I have reviewed the Robins Invoices and consider the time expended for legal fees charged to be fair and reasonable for the services performed. To the best of my knowledge, the rates charges by Robins are comparable to the rates charged for legal services of a similar nature and complexity by other medium sized firms in the Toronto market.

SWORN by videoconference by Irving Marks at the City of Toronto, in the Province of Ontario, before me on the 1st day of May, 2024 in accordance with *O. Reg. 431/20*, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits
(or as may be)

Dominique Michaud

IRVING MARKS

THIS IS **EXHIBIT "A"** REFERRED TO IN
THE AFFIDAVIT OF **IRVING MARKS**
SWORN BEFORE ME THIS 1ST DAY
OF MAY, 2024.



A Commissioner, Notary, Etc.

DOMINIQUE MICHAUD



Ira Smith Trustee & Receiver Inc.
Suite 6-167 Applewood Crescent
Vaughan, ON L4K 4K7

DATE: December 29, 2023
CLIENT No.: 9264
FILE No.: 2000836
INVOICE No.: 181109
H.S.T. No.: 12139 1205 RT0001

Attention: Ira Smith

RE: Receivership - Saptashva Solar S.A.	
	FOR ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including the following:
01-Dec-23	Email correspondence regarding Costs Award;
04-Dec-23	Draft Approval and Vesting Order;
	Engage file regarding draft Approval and Vesting Order;
05-Dec-23	Revise Approval and Vesting Order;
	Draft motion materials regarding sale approval; telephone conference with Brandon Smith; email to Matt McLeod from Dominique Michaud regarding sale approval;
06-Dec-23	Revise Approval and Vesting Order;
	Review and revise motion materials for sale approval; telephone conference between Dominique Michaud and Jonathan Zepp regarding Asset Purchase Agreement ; telephone conference between Stephen Turk and Dominique Michaud regarding January 9th motion;
07-Dec-23	Conference between Anisha Samat and Dominique Michaud regarding Factum for sale approval motion;
11-Dec-23	Email to Matt McLeod from Dominique Michaud regarding Asset Purchase Agreement;
12-Dec-23	Email correspondence between Jonathan Zepp and Dominique Michaud regarding revisions to Asset Purchase Agreement;

13-Dec-23	Telephone conference between Dominique Michaud and Jonathan Zepp regarding completion of Saptashva Asset Purchase Agreement and security opinion;
14-Dec-23	Draft receivership opinion;
	Email to Bradley Gould from Dominique Michaud regarding scope of security opinion;
	Conference between Jonthan Zepp and Sukhraj Sandhu; revising Asset Purchase Agreement;
	Draft Asset Purchase Agreement (Saptasha Solar Assets);
15-Dec-23	Further revisions to Asset Purchase Agreement; conference between Sukhraj Sandhu and Jonathan Zepp;
	Draft Asset Purchase Agreement (Saptasha Solar Assets) ; email from Sukhraj Sandhu to Jonathan Zepp;
	Telephone conference between Anisha Samat and Dominique Michaud regarding Factum; review of precedents; continue legal research regarding stalking horse bid approval; commence drafting Factum;
16-Dec-23	Draft opinion;
17-Dec-23	Draft opinion;
18-Dec-23	Review and revise Asset Purchase Agreement; telephone conference with Brandon Smith regarding rent abatement;
	Telephone conference between Jonathan Zepp and Dominique Michaud; revise draft Asset Purchase Agreement; email to Dominique Michaud from Jonathan Zepp;
	Draft opinion;
19-Dec-23	Review security; telephone conference between Jonathan Zepp and Bradley Gould; telephone conference between Jonathan Zepp, Dominique Michaud and Bradley Gould;
	Telephone conference between Jonathan Zepp and Dominique Michaud regarding security opinion;
22-Dec-23	Email regarding sale process;



27-Dec-23

Email regarding sales process and stalking horse;

OUR FEE

\$15,284.00

DISBURSEMENTS

** Indicates not subject to H.S.T.*

PPSA Search

*8.00

Agency Fees

27.60

Total Disbursements

\$35.60

H.S.T. (13%)

on \$15,284.00 Fees

1,986.92

on \$27.60 Disbursements

3.59

Total H.S.T.

\$1,990.51

TOTAL FEES, DISBURSEMENTS and H.S.T.

\$17,310.11

ROBINS APPLEBY LLP

Per:

Dominique Michaud

E. & O.E.

/WL

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Account Due When Rendered. In accordance with section 33 of the *Solicitors Act*, interest will be charged at the rate of **3.00%** per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.



Ira Smith Trustee & Receiver Inc.
Suite 6-167 Applewood Crescent
Vaughan, ON L4K 4K7

DATE: January 29, 2024
CLIENT No.: 9264
FILE No.: 2000836
INVOICE No.: 181365
H.S.T. No.: 12139 1205 RT0001

Attention: Ira Smith

	RE: Receivership - Saptashva Solar S.A.	
	FOR ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including the following:	
03-Jan-24	Review file and responding motion record to prepare for case conference; Telephone conference regarding case conference preparation;	
04-Jan-24	Telephone conference between Stephen Turk and Samuel Mosonyi regarding upcoming case conference; prepare for and attend case conference;	
05-Jan-24	Review Endorsement of Justice Osborne, summarize same for Ira Smith;	
08-Jan-24	Review email correspondence regarding sales process; telephone conference between Stephen Turk and Dominique Michaud; prepare for motion; Emails regarding execution of documents; emails between Jonathan Zepp and Bradley Gould regarding opinion; conference between Bradley Gould and Jonathan Zepp regarding opinion and draft email to Brandon Smith;	
09-Jan-24	Conference between Dominique Michaud and Samuel Mosonyi regarding motion prep; Prepare for and attend motion regarding lifting of stay to enforce writ regarding Saptashva valuation; Finalize agreement; email between Jonathan Zepp and Dominique Michaud; prepare email to Brandon Smith regarding Spanish issues; conference between Bradley Gould and Jonathan Zepp;	
10-Jan-24	Email to Brandon Smith; review email from Brandon Smith;	



	Email to Brandon Smith;
	Telephone conference between Dominique Michaud and Jonathan Zepp regarding security opinion;
	Conference between Bradley Gould and Jonathan Zepp; prepare email to Brandon Smith; email from Brandon Smith; conference between Dominique Michaud and Jonathan Zepp;
15-Jan-24	Email to Allan Morrison from Dominique Michaud regarding corporate status; email correspondence regarding Tuxedo Court offers;
	Email between Jonathan Zepp and Dominique Michaud; conference between Bradley Gould and Jonathan Zepp;
17-Jan-24	Research regarding PPSA;
	Conference between Bradley Gould and Jonathan Zepp; prepare opinion; conduct research;
	Conduct legal research ;
18-Jan-24	Conduct legal research ;
19-Jan-24	Draft security opinion;
	Telephone conference regarding security opinion; email to client regarding sale approval motion; email to court regarding sale approval motion date;
	Draft opinion; emails between Jonathan Zepp and Bradley Gould; conference between Bradley Gould and Jonathan Zepp regarding PPSA issues and research; conference among BRG, Dominique Michaud and Jonathan Zepp;
	Conduct legal research ; -mail from Sukhraj Sandhu to Bradley Gould ;
21-Jan-24	Draft security opinion;
22-Jan-24	Email to Matt McLeod from Dominique Michaud regarding credit bid; email to Natalie Schernitzki from Dominique Michaud;
	Draft security opinion;



	Conference between Bradley Gould and Jonathan Zepp; draft security opinion;	
23-Jan-24	Review and revise security opinion; telephone conference between Dominique Michaud and Bradley Gould regarding status of the Asset Purchase Agreement; email correspondence regarding court hearing date; Amend security opinion;	
	Conference between Bradley Gould and Jonathan Zepp regarding Asset Purchase Agreement;	
24-Jan-24	Email correspondence regarding sale process approval;	
26-Jan-24	Review draft report; email with client regarding revisions to draft report;	
	OUR FEE	\$21,022.50
	<u>H.S.T. (13%)</u> on \$21,022.50 Fees	2,732.93
	on \$0.00 Disbursements	0.00
	Total H.S.T.	\$2,732.93
	TOTAL FEES, DISBURSEMENTS and H.S.T.	<u>\$23,755.43</u>
	Outstanding account dated: 29-Dec-23 Ref. No. 181109	17,310.11
	TOTAL OUTSTANDING	<u>\$41,065.54</u>
	ROBINS APPLEBY LLP Per: 	
	Dominique Michaud E. & O.E. /WL	

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Ira Smith Trustee & Receiver Inc.
Suite 6-167 Applewood Crescent
Vaughan, ON L4K 4K7

DATE: February 1, 2024
CLIENT No.: 9264
FILE No.: 2000836
INVOICE No.: 181639
H.S.T. No.: 12139 1205 RT0001

Attention: Ira Smith

RE: Receivership - Saptashva Solar S.A.	
	FOR ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including the following:
02-Jan-24	Email correspondence regarding sale process;
03-Jan-24	Email correspondence regarding sales process;
05-Jan-24	Email correspondence regarding sales process and stalking horse agreement;
29-Jan-24	Email to Brandon Smith; email to Matt McLeod from Bradley Gould; Draft motion materials; email correspondence regarding completion of Asset Purchase Agreement and delivery of security opinion; Email between Jonathan Zepp and Bradley Gould; Conference between Irving Marks and Dominique Michaud; review and swear affidavit;
30-Jan-24	Draft motion materials; draft Order regarding approval and bidding procedures; Email to Dickinson Wright from Bradley Gould; Email between Jonathan Zepp and Bradley Gould;
31-Jan-24	Revise bidding procedures and draft Approval and Vesting Order ; finalize motion materials;



Amend sale conditions document;

OUR FEE

\$7,181.50

DISBURSEMENTS

** Indicates not subject to H.S.T.*

Online Research

255.41

Digital Signature

3.40

Total Disbursements

\$258.81

H.S.T. (13%)

on \$7,181.50 Fees

933.60

on \$258.81 Disbursements

33.65

Total H.S.T.

\$967.25

TOTAL FEES, DISBURSEMENTS and H.S.T.

\$8,407.56

Outstanding account dated: 29-Dec-23

Ref. No. 181109

17,310.11

Outstanding account dated: 29-Jan-24

Ref. No. 181365

23,755.43

TOTAL OUTSTANDING

\$49,473.10

ROBINS APPLEBY LLP

Per:

Dominique Michaud

E. & O.E.

AWL

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Account Due When Rendered. In accordance with section 33 of the *Solicitors Act*, interest will be charged at the rate of **3.00%** per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.



Ira Smith Trustee & Receiver Inc.
Suite 6-167 Applewood Crescent
Vaughan, ON L4K 4K7

DATE: February 29, 2024
CLIENT No.: 9264
FILE No.: 2000836
INVOICE No.: 181828
H.S.T. No.: 12139 1205 RT0001

Attention: Ira Smith

RE: Receivership - Saptashva Solar S.A.	
FOR ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including the following:	
01-Feb-24	Email to Ira Smith regarding draft Order; review and revise service list; review and revise draft Order;
06-Feb-24	Conference between Dominique Michaud and Joey Jamil regarding Factum for stalking horse credit bid;
07-Feb-24	Review revised bidding terms and draft Factum;
08-Feb-24	Review and revise Supplementary Report;
	Telephone conference between Dominique Michaud and Joey Jamil regarding Factum for sale approval; draft Factum; conduct legal research regarding stalking horse bid;
09-Feb-24	Review and revise motion materials;
	Conduct legal research regarding stalking horse and credit bids; review receiver's reports; draft Factum;
12-Feb-24	Revise draft Order; email service list regarding draft Order;
	Conduct legal research for stalking horse and credit bid; draft Factum; conference between Dominique Michaud and Joey Jamil regarding receivership motion;
13-Feb-24	Review and revise Factum;



	Conference between Dominique Michaud and Joey Jamil regarding Factum; revise Factum;	
14-Feb-24	Review and revise Factum; telephone conference with Brandon Smith regarding sale approval motion; email correspondence regarding reversal of CRA deemed trust;	
15-Feb-24	Prepare for and attend sale process approval motion; attend to completion of Asset Purchase Agreement; telephone conference with client regarding completion of Asset Purchase Agreement;	
16-Feb-24	Email correspondence regarding sale process initiation;	
20-Feb-24	Email regarding status of Order and commencement of sales process;	
20-Feb-24	Email correspondence regarding sale process;	
21-Feb-24	Email correspondence regarding sale process and access to data room;	
	OUR FEE	\$11,128.00
	DISBURSEMENTS	
	<i>* Indicates not subject to H.S.T.</i>	
	Notice of Motion/Motion Record	*339.00
	Total Disbursements	\$339.00
	<u>H.S.T. (13%)</u>	
	on \$11,128.00 Fees	1,446.64
	on \$0.00 Disbursements	0.00
	Total H.S.T.	\$1,446.64
	TOTAL FEES, DISBURSEMENTS and H.S.T.	<u>\$12,913.64</u>
	Outstanding account dated: 29-Dec-23	Ref. No. 181109 17,310.11
	Outstanding account dated: 29-Jan-24	Ref. No. 181365 23,755.43
	Outstanding account dated: 01-Feb-24	Ref. No. 181639 8,407.56
	TOTAL OUTSTANDING	<u>\$62,386.74</u>



ROBINS APPLEBY LLP

Per:

Dominique Michaud

E. & O.E.

/WL

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Ira Smith Trustee & Receiver Inc.
Suite 6-167 Applewood Crescent
Vaughan, ON L4K 4K7

DATE: March 31, 2024
CLIENT No.: 9264
FILE No.: 2000836
INVOICE No.: 182298
H.S.T. No.: 12139 1205 RT0001

Attention: Ira Smith

RE: Receivership - Saptashva Solar S.A.	
	FOR ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including the following:
07-Mar-24	Conference between Bradley Gould and Dominique Michaud regarding draft Asset Purchase Agreement for virtual data room;
	Telephone conference with Brandon Smith and Bradley Gould regarding form of Asset Purchase Agreement and motion dates; email to court regarding sale approval motion;
08-Mar-24	Draft Asset Purchase Agreement;
	Email regarding sale process status;
12-Mar-24	Review and revise Asset Purchase Agreement; review and revise motion materials;
	Amend Asset Purchase Agreement;
	Conference between Dominique Michaud and Joey Jamil regarding instructions to prepare sale approval motion materials; emails between Joey Jamil and Colin Hunt regarding instructions for preparation of motion materials;
13-Mar-24	Conference between Colin Hunt and Joey Jamil regarding approval of sale motion materials; engage in file review;
	Conference between Joey Jamil and Colin Hunt regarding sale approval and discharge of receiver motion; review sale process approval materials;
	Review and revise Asset Purchase Agreement;



14-Mar-24	Update Asset Purchase Agreement; email to Brandon Smith;	
	Engage file regarding sales process; email correspondence regarding sales process;	
18-Mar-24	Draft approval of sale materials;	
	Email correspondence regarding site inspection and bid deadline;	
19-Mar-24	Draft approval of sale materials;	
20-Mar-24	Draft approval of sale materials;	
	Review Notice of Motion and Factum for May 14 motion;	
22-Mar-24	Email correspondence regarding sale process update;	
25-Mar-24	Email correspondence regarding notice of status of solar assets and form of offer;	
27-Mar-24	Email correspondence regarding sale process and update to potential purchasers;	
	OUR FEE	\$7,014.00
	DISBURSEMENTS	
	<i>* Indicates not subject to H.S.T.</i>	
	Photocopies	2.80
	Total Disbursements	\$2.80
	<u>H.S.T. (13%)</u>	
	on \$7,014.00 Fees	911.82
	on \$2.80 Disbursements	0.36
	Total H.S.T.	\$912.18
	TOTAL FEES, DISBURSEMENTS and H.S.T.	<u>\$7,928.98</u>



ROBINS APPLEBY LLP

Per:

Dominique Michaud

E. & O.E.

/WL

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Ira Smith Trustee & Receiver Inc.
Suite 6-167 Applewood Crescent
Vaughan, ON L4K 4K7

DATE: April 30, 2024
CLIENT No.: 9264
FILE No.: 2000836
INVOICE No.: 182629
H.S.T. No.: 12139 1205 RT0001

Attention: Ira Smith

RE: Receivership - Saptashva Solar S.A.	
	FOR ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including the following:
02-Apr-24	Email correspondence with Tuxedo Court landlord; telephone conference with client regarding purchase price allocation; email to Matt McLeod from Dominique Michaud regarding purchaser price;
03-Apr-24	Email to Brandon Smith; telephone conference with counsel for Tuxedo Court landlord; email correspondence regarding floor price;
04-Apr-24	Email correspondence regarding sales process;
05-Apr-24	Email correspondence regarding sales process; engage file regarding Bid results;
09-Apr-24	Review and consider correspondence from Joey Jamil regarding bids;
	Videoconference between Brandon Smith, Ira Smith, Dominique Michaud and Joey Jamil regarding bid from 1000851861 Ontario Inc. and next steps; videoconfernece between Dominique Michaud and Joey Jamil regarding communications with Stephen Turk and Matt McLeod; emails between Stephen Turk, Matt McLeod and Joey Jamil regarding next steps in the bid;
	Telephone conference with client regarding status of sales process; email correspondence regarding sale status and auction;
11-Apr-24	Conference between Colin Hunt and Joey Jamil regarding bidding process;
	Email correspondence regarding auction process;
12-Apr-24	Review bid from 1000851861 Ontario Inc. and related correspondence;



	Email correspondence regarding auction and sale process status;
15-Apr-24	Emails from Brandon Smith and Matt McLeod regarding auction process; Email regarding sales process;
16-Apr-24	Emails between Brandon Smith, Matt McLeod and Joey Jamil regarding auction;
17-Apr-24	Review sale approval motion materials; review emails between Brandon Smith and Matt McLeod regarding auction; Email correspondence regarding auction process;
18-Apr-24	Attend auction; telephone conferences between Dominique Michaud and Joey Jamil regarding auction; emails between Brandon Smith and Manish Mehra; review motion materials; Engage file regarding auction process;
19-Apr-24	Email regarding auction results;
22-Apr-24	Email from Brandon Smith to Manish Mehra regarding finalizing the sale; conference between Dominique Michaud and Joey Jamil regarding auction process;
25-Apr-24	Conference between Dominique Michaud and Joey Jamil regarding motion materials to approve sale;
29-Apr-24	Review and revise Third Report; email correspondence regarding completion of sale documents; Revise Notice of Motion regarding Approval of Sale; Review Third Report; emails between Dominique Michaud, Joey Jamil and Colin Hunt regarding revising motion materials for sale approval; review motion materials; conduct legal research regarding sale approval;
30-Apr-24	Revise Notice of Motion regarding Approval of Sale; Various telephone conferences and emails regarding closing of sale and required documentation;



Review and revise Receiver's Third Report; conference between Dominique Michaud and Joey Jamil regarding motion; review and revise motion materials;

OUR FEE **\$7,843.50**

DISBURSEMENTS

** Indicates not subject to H.S.T.*

Photocopies 0.80

Total Disbursements **\$0.80**

H.S.T. (13%)

on \$7,843.50 Fees 1,019.66

on \$0.80 Disbursements 0.10

Total H.S.T. **\$1,019.76**

TOTAL FEES, DISBURSEMENTS and H.S.T. **\$8,864.06**

ROBINS APPLEBY LLP

Per:

Dominique Michaud

E. & O.E.

WL

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Account Due When Rendered. In accordance with section 33 of the *Solicitors Act*, interest will be charged at the rate of **3.00%** per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.

THIS IS **EXHIBIT "B"** REFERRED TO IN
THE AFFIDAVIT OF **IRVING MARKS**
SWORN BEFORE ME THIS 1ST DAY
OF MAY, 2024.



A Commissioner, Notary, Etc.

DOMINIQUE MICHAUD

Fees and Disbursement Summary of Robins Appleby LLP from December 1, 2023 to April 30, 2024

NAME	YEAR OF CALL	HOURLY RATE	TOTAL HOURS	TOTAL FEES BILLS
Irving Marks	1980	\$1,025.00 (2024)	0.3	\$307.50
Jonathan Zepp	1999	\$890.00 (2023)	5.8	\$5,162.00
		\$995.00 (2024)	6.5	\$6,467.50
Dominique Michaud	2009	\$700.00 (2023)	7.0	\$4,900.00
		\$740.00 (2024)	36.5	\$27,010.00
Joey Jamil	2018	\$440.00 (2024)	19.1	\$8,404.00
Samuel Mosonyi	2019	\$400.00 (2024)	4.4	\$1,760.00
Anisha Samat	2021	\$340.00 (2023)	4.4	\$1,496.00
Bradley Gould	2022	\$310.00 (2023)	6.6	\$2,046.00
		\$340.00 (2024)	13.6	\$4,624.00
Colin Hunt	2023	\$325.00 (2024)	11.9	\$3,867.50
Matthew McGuigan	Articling Student	\$240.00 (2023)	4.7	\$1,128.00
Sukhraj Sandhu	Articling Student	\$240.00 (2023)	2.3	\$552.00
		\$265.00 (2024)	6.6	\$1,749.00
SUBTOTAL FEES:				\$69,473.50
H.S.T. @13%				\$9,031.56
TOTAL FEES:				<u>\$78,505.06</u>

Disbursements	\$637.01
H.S.T. @13% on Taxable Disbursements	\$37.70
TOTAL DISBURSEMENTS:	<u>\$674.71</u>
TOTAL FEES, DISBURSEMENTS & H.ST.	<u>\$79,179.77</u>

**1199403 ONTARIO INC. ET - and-
AL.**

SAPTASHVA SOLAR S.A.

Applicants

Respondent

Court File No.: CV-21-00655706-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF Section 101 of the
Courts of Justice Act and Section 243 of the *Bankruptcy*
and Insolvency Act

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF IRVING MARKS

ROBINS APPLEBY LLP

Barristers + Solicitors
2600 - 120 Adelaide Street West
Toronto, ON M5H 1T1

Dominique Michaud LSO No.: 56871V

Email: dmichaud@robapp.com
Tel: (416) 360-3795

Lawyers for the Receiver, Ira Smith Trustee & Receiver Inc.

APPENDIX U

**IN THE MATTER OF THE RECEIVERSHIP OF THE PROPERTY OF
SAPTASHVA SOLAR S.A.**

INTERIM REPORT NUMBER 4 OF THE RECEIVER
under subsection 246(2) of the Bankruptcy and Insolvency Act

The Receiver hereby delivers its interim report number 4:

1. By Order of the Ontario Superior Court of Justice (Commercial List) dated January 24, 2022, the undersigned Ira Smith Trustee & Receiver Inc. (“ISI”) became the Receiver of the property of Saptashva Solar S.A. (the “Company”), insolvent company that is described in Appendix “A” annexed hereto.
2. The undersigned became the Receiver by virtue of an Order of the Ontario Superior Court of Justice (Commercial List) dated January 24, 2022.
3. The undersigned took possession or control of the property by:
 1. Notifying the landlords where the physical assets were located of its appointment;
 2. Taking possession of surplus physical assets and available books and records provided by the principal of the Company; and
 3. Letter dated January 26, 2022, notifying the Toronto Hydro-Electric Systems Ltd. (“Toronto Hydro”) of its appointment and that all electricity generation revenue under the feed-in tariff (“FIT”) contracts be paid to it.
4. Since taking possession, the undersigned has:
 - a) Readers of this report are directed to the Receiver’s webpage dedicated to this receivership administration to view its detailed reporting to the Court regarding its actions and activities up to and including January 31, 2024. Reports to the Court and the Court’s Orders and Endorsements are available at: https://www.irasmithinc.com/case_studies/saptashva/index.html;
 - b) implemented the Operations Plan (as defined in its reporting to the Court) as approved by the Court on December 12, 2022;
 - c) entered into the Stalking Horse APA and commenced the Stalking Horse Process (as defined in its reporting to the Court) as approved by the Court on February 15, 2024;
 - d) carried out maintenance tasks related to obligations under the lease for several premises with respect to removal, storage and reinstallation of solar panels to permit the landlord to repair its roofs;

- e) carried out as need repairs to solar generation sites with respect to discovered faults;
- f) completed all warranty replacement of inverter components;
- g) met with a representative of Toronto Hydro to inspect equipment qualifying under their SCADA buyback program, accepted an offer to sell the SCADA equipment and closed the transaction in February, 2024.
- h) filed current all RT0002 HST returns, remitted HST as required, received all refunds except for Q4 2023 which is presently being assessed; and
- i) management and accounting of receipts and disbursements relating to the asset operations.

5. The actions still to be taken by the Receiver are as follows:

- a) continue to carry out the Court approved Stalking Horse Process for the sale of the assets (the “Sales Process”);
- b) report to the Court regarding all actions and activities and seek approval for a sale and vesting order, culminating from the Sales Process;
- c) continue with future tasks referred to in section 4 above;
- d) if required, engage in claims-bar process to be approved by the Court;
- e) if required, distribute the proceeds of the realization of the asset; and
- f) apply to the Court for our discharge

6. We attach the Receiver’s interim statement of receipts and disbursements as at January 31, 2024.

DATED at Concord, Ontario, this 22nd day of February, 2024

Yours truly,

IRA SMITH TRUSTEE & RECEIVER INC.,
Solely in its capacity as Receiver of the assets, undertakings
and properties of Saptashya Solar S.A.

Per:

Ira Smith
President

Court No: CV-21-00655706-00CL

Estate No: 31-459323

Receiver's Interim Statement of Receipts and Disbursements**IN THE MATTER OF THE RECEIVERSHIP OF****SAPTASHVA SOLAR S.A.****FOR THE PERIOD FROM JANUARY 24, 2022 TO JANUARY 31, 2024****RECEIPTS**

Cash in bank	1,041.45
Net receipts from Hydro Generation (excl. HST)	232,625.10
Borrowings - Receiver Certificates 1, 2 & 3	225,000.00
Interest	325.60
HST Refunds Received	20,877.68
Net HST Collected	30,234.36

TOTAL RECEIPTS:	\$ 510,104.19
------------------------	----------------------

DISBURSEMENTS

Filing Fee	72.97
Insurance	11,375.00
Bank Charges	258.57
Hydro Charges (incl. accumulated arrears)	723.92
Maintenance, Repairs, Consultant & Supervisory ¹	148,896.90
HST Paid	42,006.43
HST Remitted	7,179.81
Fees Paid to Receiver	108,114.50
Fees Paid to Receiver's Legal Counsel	66,666.95
Rent	14,583.31

TOTAL DISBURSEMENTS	\$ 399,878.36
----------------------------	----------------------

BALANCE ON HAND AS AT JANUARY 31, 2024	\$ 110,225.83
---	----------------------

1. Includes labour and material to replace all inverters at 42 Tuxedo, and removal and reinstallation to accommodate landlord roof repairs.

2. \$45,000 is invested in a 1 year cashable GIC

APPENDIX V

Court File No.: CV-21-00655706-00CL

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

BETWEEN:

1199403 ONTARIO INC., 1274442 ONTARIO INC., and GULU THADANI

Applicants

-and-

SAPTASHVA SOLAR S.A.

Respondent

CERTIFICATE OF COMPLETION

RECITALS

A. Pursuant to an Order of the Honourable Justice Cavanagh of the Ontario Superior Court of Justice (the "**Court**") dated January 24, 2022, Ira Smith Trustee & Receiver Inc. was appointed as receiver (the "**Receiver**") of Saptashva Solar S.A. (the "**Debtor**"), without security, to exercise the powers and duties as specifically set out in the Appointment Order with respect to the assets, undertakings and properties of the Debtor acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof.

B. Pursuant to an Order of Justice ● dated ●, (the "**Discharge Order**"), the Court, *inter alia*, authorized and directed the Receiver to carry out certain final outstanding matters (the "**Outstanding Matters**") that were outlined in the Third Report of the Receiver dated May ●, 2024 (the "**Third Receiver's Report**") Report, and further provided that upon the Receiver filing a Certificate of Completion with this Court certifying that the Outstanding Matters completed, the Receiver shall thereby be immediately discharged and the Receiver and all of its directors, officers, partners, employees, agents, attorneys and counsel released from any and all claims in respect of all acts or omissions of any such parties in the performance or intended performance of the Receiver's mandate or any activity related thereto.

THE RECEIVER HEREBY CERTIFIES the following:

1. The Receiver has completed all of the Outstanding Matters in accordance with the terms of the Third Receiver’s Report and the Discharge Order, such that the discharge and release of the Receiver should now be effective.

DATED at Toronto, Ontario this day of _____, _____.

**IRA SMITH TRUSTEE & RECEIVER INC.,
 in its capacity as Receiver of Saptashva Solar
 S.A., and not in its personal capacity and
 without personal or corporate liability**

Per: _____

Name:

Title:

**1199403 ONTARIO INC. - and-
ET AL.**

SAPTASHVA SOLAR S.A.

Applicants

Respondent

Court File No.: CV-21-00655706-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

CERTIFICATE OF COMPLETION

ROBINS APPLEBY LLP

Barristers + Solicitors
2600 - 120 Adelaide Street West
Toronto, ON M5H 1T1

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Lawyers for the Receiver, Ira Smith Trustee & Receiver
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TAB 3

Court File No.: CV-21-00655706-00CL

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

THE HONOURABLE)	TUESDAY, THE 14th
)	
JUSTICE)	DAY OF MAY, 2024

BETWEEN:

1199403 ONTARIO INC., 1274442 ONTARIO INC., and GULU THADANI

Applicants

-and-

SAPTASHVA SOLAR S.A.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by Ira Smith Trustee & Receiver Inc. (“**ISI**”) in its capacity as the Court-appointed receiver (the "**Receiver**") of Saptashva Solar S.A. (the "**Debtor**"), without security, to exercise the powers and duties as specifically set out in the Order of the Honourable Justice Cavanagh dated January 24, 2022 (the “**Appointment Order**”) with respect to the assets, undertakings and properties of the Debtor acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof, for an order, *inter alia*, approving the sale transaction (the "**Transaction**") contemplated by an asset purchase agreement (the "**Purchase Agreement**") between the Receiver, as vendor, and 1000851861 Ontario Inc. (“**Purchaser**”), as purchaser, made as of April 4, 2024, and vesting in the Purchaser the Debtor’s right, title and

interest in and to the assets described in the Purchase Agreement (the "**Purchased Assets**"), was heard this day by videoconference.

ON READING the Motion Record of the Receiver dated February 1, 2024 containing the Second Report of the Receiver dated January 31, 2024 (the "**Second Receiver's Report**"), the Motion Record of the Receiver dated May 3, 2024 containing the Third Report of the Receiver dated May 3, 2024 (the "**Third Receiver's Report**"), the Affidavits of Irving Marks sworn January 29, 2024 and May 1, 2024 (the "**Robins Appleby LLP Fee Affidavits**") and the Affidavits of Brandon Smith sworn January 29, 2024 and May 1, 2024 (the "**ISI Fee Affidavits**"), and on hearing the submissions of counsel for the Receiver and any such other counsel or individual as were present, no one appearing for any other person on the service list, although properly served as evidenced by the Affidavit of Wendy Lee sworn May 3, 2024, filed.

1. **THIS COURT ORDERS** that unless otherwise defined herein or the context otherwise requires, capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Purchase Agreement.
2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Purchase Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule A** hereto (the "**Receiver's Certificate**"), all of Debtor's right, title, benefit and interest in and to the Purchased Assets described in the Purchase Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Appointment Order and the Order of the Honourable Justice Conway dated December 12, 2022; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of which are collectively referred to as the "**Encumbrances**") 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.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of

the Receiver's Certificate forthwith after delivery thereof.

6. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to Debtor's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by Debtor.

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of Debtor and shall not be void or voidable by creditors of Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

Schedule A- Form of Receiver's Certificate

Court File No.: CV-21-00655706-00CL

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

BETWEEN:

1199403 ONTARIO INC., 1274442 ONTARIO INC., and GULU THADANI

Applicants

-and-

SAPTASHVA SOLAR S.A.

Respondent

RECEIVER'S CERTIFICATE**RECITALS**

A. Pursuant to an Order of the Honourable Justice Cavanagh of the Ontario Superior Court of Justice (the "**Court**") dated January 24, 2022, Ira Smith Trustee & Receiver Inc. was appointed as receiver (the "**Receiver**") of Saptashva Solar S.A. (the "**Debtor**"), without security, to exercise the powers and duties as specifically set out in the Appointment Order with respect to the assets, undertakings and properties of the Debtor acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof.

B. Pursuant to an Order of the Court dated ●, 2024 the Court approved the asset purchase agreement made as of April 4, 2024 (the "**Purchase Agreement**") between the Receiver, as vendor, and 1000851861 Ontario Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out the Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Purchase Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Purchase Agreement;
2. The conditions to closing as set out in the Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser, respectively; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**IRA SMITH TRUSTEE & RECEIVER
INC., in its capacity as Receiver of Saptashva
Solar S.A., and not in its personal capacity
and without personal or corporate liability**

Per: _____
Name:
Title:

**1199403 ONTARIO INC. - and-
ET AL.**

SAPTASHVA SOLAR S.A.

Applicants

Respondent

Court File No.: CV-21-00655706-00CL

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

PROCEEDING COMMENCED AT TORONTO

APPROVAL AND VESTING ORDER

ROBINS APPLEBY LLP

Barristers + Solicitors
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Toronto, ON M5H 1T1

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Lawyers for the Receiver, Ira Smith Trustee & Receiver
Inc.

Revised: January 21, 2014

Court File No. —: CV-21-00655706-00CL

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

THE HONOURABLE)	WEEKDAY TUESDAY , THE #
JUSTICE)	DAY OF MONTH, 20YR 14th
)	
<u>JUSTICE</u>)	<u>DAY OF MAY, 2024</u>

~~BETWEEN:~~

PLAINTIFF

~~Plaintiff~~

BETWEEN:

1199403 ONTARIO INC., 1274442 ONTARIO INC., and GULU THADANI

Applicants

- and —

DEFENDANT

~~Defendant~~

SAPTASHVA SOLAR S.A.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by ~~[RECEIVER'S NAME]~~Ira Smith Trustee & Receiver Inc.
("ISI") in its capacity as the Court-appointed receiver (the "Receiver") of ~~the undertaking,~~

~~property and assets of [DEBTOR] (the "Debtor")~~ Saptashva Solar S.A. (the "Debtor"), without security, to exercise the powers and duties as specifically set out in the Order of the Honourable Justice Cavanagh dated January 24, 2022 (the "Appointment Order") with respect to the assets, undertakings and properties of the Debtor acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof, for an order, *inter alia*, approving the sale transaction (the "Transaction") contemplated by an asset purchase agreement ~~of purchase and sale~~ (the "Sale Purchase Agreement") between the Receiver, as vendor, and ~~[NAME OF PURCHASER]~~ 1000851861 Ontario Inc. (the "Purchaser") ~~dated [DATE] and appended to the Report of the Receiver dated [DATE] (the "Report"),~~ as purchaser, made as of April 4, 2024, and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Purchase Agreement (the "Purchased Assets"), was heard this day ~~at 330 University Avenue, Toronto, Ontario~~ by videoconference.

ON READING the ~~Report~~ Motion Record of the Receiver dated February 1, 2024 containing the Second Report of the Receiver dated January 31, 2024 (the "Second Receiver's Report"), the Motion Record of the Receiver dated May ●, 2024 containing the Third Report of the Receiver dated May ●, 2024 (the "Third Receiver's Report"), the Affidavits of Irving Marks sworn January 29, 2024 and May ●, 2024 (the "Robins Appleby LLP Fee Affidavits") and the Affidavits of Brandon Smith sworn January 29, 2024 and May ●, 2024 (the "ISI Fee Affidavits"), and on hearing the submissions of counsel for the Receiver, ~~[NAMES OF OTHER PARTIES APPEARING]~~ and any such other counsel or individual as were present, no one appearing for any other person on the service list, although properly served as ~~appears~~ from evidenced by the ~~affidavit~~ Affidavit of ~~[NAME]~~ Wendy Lee sworn ~~[DATE]~~ May ●, 2024, filed[†].

[†] ~~This model order assumes that the time for service does not need to be abridged. The motion seeking a vesting order should be served on all persons having an economic interest in the Purchased Assets, unless circumstances~~

1. **THIS COURT ORDERS** that unless otherwise defined herein or the context otherwise requires, capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Purchase Agreement.

2. ~~1.~~ **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved,² and the execution of the ~~Sale~~Purchase Agreement by the Receiver³ is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

~~order should be served on all persons having an economic interest in the Purchased Assets, unless circumstances warrant a different approach. Counsel should consider attaching the affidavit of service to this Order.~~

~~²In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding, which finding may then be included in the Court's endorsement.~~

~~³In some cases, the Debtor will be the vendor under the Sale Agreement, or otherwise actively involved in the Transaction. In those cases, care should be taken to ensure that this Order authorizes either or both of the Debtor and the Receiver to execute and deliver documents, and take other steps.~~

3. ~~2.~~ **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule A** hereto (the "**Receiver's Certificate**"), all of ~~the~~ Debtor's right, title, benefit and interest in and to the Purchased Assets described in the SalePurchase Agreement ~~[and listed on Schedule B hereto]~~⁴ shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**"⁵) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Appointment Order and the Order of the Honourable Justice ~~[NAME]~~ Conway dated ~~[DATE]~~ December 12, 2022; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; ~~and (iii) those Claims listed on Schedule C hereto~~ (all of which are collectively referred to as the "**Encumbrances**", ~~which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D~~) 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.

~~⁴To allow this Order to be free standing (and not require reference to the Court record and/or the Sale Agreement), it may be preferable that the Purchased Assets be specifically described in a Schedule.~~

~~⁵The "Claims" being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. It is the Subcommittee's view that a non-specific vesting out of "rights, titles and interests" is vague and therefore undesirable.~~

~~3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the [Registry Division of {LOCATION}] of a Transfer/Deed of Land in the form prescribed by the Land Registration Reform Act duly executed by the Receiver][Land Titles Division of {LOCATION}] of an Application for Vesting Order in the form prescribed by the Land Titles Act and/or the Land Registration Reform Act]⁶, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the "Real Property") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto.~~

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds⁷ from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale⁸, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

6. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted

⁶Elect the language appropriate to the land registry system (Registry vs. Land Titles).

⁷The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at "net proceeds".

⁸This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.

to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to ~~the~~ Debtor's past and current employees, ~~including personal information of those employees listed on Schedule "•" to the Sale Agreement~~. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by ~~the~~ Debtor.

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of ~~the~~ Debtor and shall not be void or voidable by creditors of ~~the~~ Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

~~8. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).~~

8. ~~9.~~ **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.



Revised: January 21, 2014

Schedule A— Form of Receiver’s Certificate

Court File No. _____: CV-21-00655706-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

~~BETWEEN:~~

PLAINTIFF

~~Plaintiff~~

BETWEEN:

1199403 ONTARIO INC., 1274442 ONTARIO INC., and GULU THADANI

Applicants

- and -

DEFENDANT

~~Defendant~~

SAPTASHVA SOLAR S.A.

Respondent

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable ~~[NAME OF JUDGE]~~ Justice Cavanagh of the Ontario Superior Court of Justice (the "Court") dated ~~[DATE OF ORDER], [NAME OF RECEIVER]~~ January 24, 2022, Ira Smith Trustee & Receiver Inc. was appointed as ~~the~~ receiver (the "Receiver") of ~~the undertaking, property and assets of [DEBTOR] (the "Debtor")~~ Saptashva Solar S.A. (the "Debtor"), without security, to exercise the powers and duties as specifically set out in the Appointment Order with respect to the assets, undertakings and properties of the

Debtor acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof.

B. Pursuant to an Order of the Court dated ~~[DATE]~~, ●, 2024 the Court approved the asset purchase agreement ~~of purchase and sale~~ made as of ~~[DATE OF AGREEMENT]~~ April 4, 2024 (the "Sale Purchase Agreement") between the Receiver ~~[Debtor]~~, as vendor, and ~~[NAME OF PURCHASER]~~ 1000851861 Ontario Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out ~~in section ● of the~~ SalePurchase Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the SalePurchase Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the SalePurchase Agreement;
2. The conditions to ~~Closing~~ closing as set out in ~~section ● of the~~ SalePurchase Agreement have been satisfied or waived by the Receiver and the Purchaser, respectively; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

~~[NAME OF]~~ **IRA SMITH TRUSTEE & RECEIVER] INC.**, in its capacity as

-111 -

Receiver of ~~the undertaking, property and assets of [DEBTOR]~~Saptashva Solar S.A.,
and not in its personal capacity and without
personal or corporate liability

Per: _____

Name:

Title:

Revised: January 21, 2014

1199403 ONTARIO INC. - and- SAPTASHVA SOLAR S.A.
ET AL.

Applicants

Respondent

Court File No.: CV-21-00655706-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

APPROVAL AND VESTING ORDER

ROBINS APPLEBY LLP

Barristers + Solicitors

2600 - 120 Adelaide Street West

Toronto, ON M5H 1T1

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Email: jjamil@robapp.com

Tel: (416) 360-3783

Lawyers for the Receiver, Ira Smith Trustee & Receiver
Inc.

Schedule B—Purchased Assets

~~Schedule C—Claims to be deleted and expunged from title to Real Property~~

~~Schedule D — Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property~~

~~(unaffected by the Vesting Order)~~

Document comparison by Workshare Compare on Friday, May 03, 2024 9:48:03 AM

Input:	
Document 1 ID	iManage://robapp-mobility-ca.imanage.work/ACTIVE/9397319/1
Description	#9397319v1<robapp-mobility-ca.imanage.work> - Model Order - approval-and-vesting-order-EN (3)
Document 2 ID	iManage://robapp-mobility-ca.imanage.work/ACTIVE/9394274/2
Description	#9394274v2<robapp-mobility-ca.imanage.work> - Draft Order -Approval and Vesting Order - 10008
Rendering set	Standard

Legend:	
<u>Insertion</u>	
Deletion	
Moved from	
<u>Moved to</u>	
Style change	
Format change	
Moved deletion	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	108
Deletions	117
Moved from	0
Moved to	0
Style changes	0
Format changes	0
Total changes	225

TAB 4

Court File No.: CV-21-00655706-00CL

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

THE HONOURABLE)	TUESDAY, THE 14th
)	
JUSTICE)	DAY OF MAY, 2024

BETWEEN:

1199403 ONTARIO INC., 1274442 ONTARIO INC., and GULU THADANI

Applicants

-and-

SAPTASHVA SOLAR S.A.

Respondent

**ORDER
(Administration and Discharge of Receiver)**

THIS MOTION made by Ira Smith Trustee & Receiver Inc. (“**ISI**”) in its capacity as the Court-appointed receiver (the “**Receiver**”) of Saptashva Solar S.A. (the “**Debtor**”), without security, to exercise the powers and duties as specifically set out in the Order of the Honourable Justice Cavanagh dated January 24, 2022 (the “**Appointment Order**”) with respect to the assets, undertakings and properties of the Debtor acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof, for an order, *inter alia*, approving the Receiver’s activities set out in the Second Report of the Receiver dated January 31, 2024 (the “**Second Receiver’s Report**”) and the Third Report of the Receiver dated May 3, 2024 (the “**Third Receiver’s Report**”), and authorizing the termination of the within receivership proceedings and

the discharge and release of the Receiver upon the Receiver filing a Certificate of Completion with the Court was heard this day by videoconference.

ON READING the Motion Record of the Receiver dated February 1, 2024 containing the Second Receiver's Report, the Supplementary Motion Record of the Receiver dated February 9, 2024 containing the Supplementary Report of the Receiver dated February 9, 2024 (the "**Receiver's Supplementary Second Report**"), the Motion Record of the Receiver dated May 3, 2024 containing the Third Receiver's Report, the Affidavits of Irving Marks sworn January 29, 2024 and May 1, 2024, 2024 (the "**Robins Appleby LLP Fee Affidavits**") and the Affidavits of Brandon Smith sworn January 29, 2024 and May 1, 2024 (the "**ISI Fee Affidavits**"), and on hearing the submissions of counsel for the Receiver and any such other counsel or individual as were present, no one appearing for any other person on the service list, although properly served as evidenced by the Affidavit of Wendy Lee sworn May 3, 2024, filed.

Service

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion, the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service hereof.

Approval of Activities and Receiver's Reports

2. **THIS COURT ORDERS** that the activities of the Receiver as described in paragraphs 9-51 of the Second Receiver's Report and paragraphs 11-48 of the Third Receiver's Report are hereby approved, provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

3. **THIS COURT ORDERS** that the Second Receiver's Report, the Receiver's Second Supplementary Report, and the Third Receiver's Report are hereby approved.

Approval of Receiver's Fees And Expenses

4. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its legal counsel as described in the Second Receiver's Report, the Third Receiver's Report, the Robins Appleby LLP Fee Affidavits, and the ISI Fee Affidavits are hereby approved.

Interim Distribution

5. **THIS COURT ORDERS** that the Receiver is hereby authorized to make distributions in accordance with paragraphs 49-51 of the Third Receiver's Report.

Discharge And Release Of The Receiver

6. **THIS COURT ORDERS** that upon completion of the outstanding matters as set out in paragraphs 60-61 of the Third Receiver's Report and upon filing a certificate of completion certifying that it has completed the other activities described in the Third Receiver's Report in the form attached as **Schedule "A"** hereto (the "**Certificate of Completion**"), the Receiver shall be discharged as receiver of the undertaking, property and assets of the Debtor, provided however that notwithstanding its discharge herein (a) the Receiver shall remain receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of ISI in its capacity as the Receiver.

7. **THIS COURT ORDERS** that the Receiver shall have no other obligations or duties other

than to complete the outstanding matters as set out in paragraphs 60-61 of the Third Receiver's Report from the date of this Order until the filing of the Certificate of Completion.

8. **THIS COURT ORDERS** that the Receiver is hereby released and discharged from any and all liabilities that it had incurred pursuant to any and all Receiver Certificates issued for the funding of the Receivership.

9. **THIS COURT ORDERS** that ISI is hereby released and discharged from any and all liability that it now has or may hereafter have by reason of, or in any way arising out of, the acts of omissions of ISI while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the forgoing, ISI is hereby forever released and discharged from any and all liability relating to the matters raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

**SCHEDULE A
FORM OF RECEIVER'S CERTIFICATE OF COMPLETION**

Court File No.: CV-21-00655706-00CL

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

BETWEEN:

1199403 ONTARIO INC., 1274442 ONTARIO INC., and GULU THADANI

Applicants

-and-

SAPTASHVA SOLAR S.A.

Respondent

CERTIFICATE OF COMPLETION

RECITALS

A. Pursuant to an Order of the Honourable Justice Cavanagh of the Ontario Superior Court of Justice (the "**Court**") dated January 24, 2022, Ira Smith Trustee & Receiver Inc. was appointed as receiver (the "**Receiver**") of Saptashva Solar S.A. (the "**Debtor**"), without security, to exercise the powers and duties as specifically set out in the Appointment Order with respect to the assets, undertakings and properties of the Debtor acquired for, or used in relation to the business carried on by the Debtor, including all proceeds thereof.

B. Pursuant to an Order of Justice ● dated ●, (the "**Discharge Order**"), the Court, *inter alia*, authorized and directed the Receiver to carry out certain final outstanding matters (the "**Outstanding Matters**") that were outlined in the Third Report of the Receiver dated May ●, 2024 (the "**Third Receiver's Report**") Report, and further provided that upon the Receiver filing a Certificate of Completion with this Court certifying that the Outstanding Matters completed, the Receiver shall thereby be immediately discharged and the Receiver and all of its directors, officers, partners, employees, agents, attorneys and counsel released from any and all claims in respect of

all acts or omissions of any such parties in the performance or intended performance of the Receiver’s mandate or any activity related thereto.

THE RECEIVER HEREBY CERTIFIES the following:

- 1. The Receiver has completed all of the Outstanding Matters in accordance with the terms of the Third Receiver’s Report and the Discharge Order, such that the discharge and release of the Receiver should now be effective.

DATED at Toronto, Ontario this day of _____, _____.

**IRA SMITH TRUSTEE & RECEIVER INC.,
in its capacity as Receiver of Saptashva Solar
S.A., and not in its personal capacity and
without personal or corporate liability**

Per: _____
Name:
Title:

**1199403 ONTARIO INC. - and-
ET AL.**

SAPTASHVA SOLAR S.A.

Applicants

Respondent

Court File No.: CV-21-00655706-00CL

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

PROCEEDING COMMENCED AT TORONTO

ORDER

(Administration and Discharge of Receiver)

ROBINS APPLEBY LLP

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Lawyers for the Receiver, Ira Smith Trustee & Receiver
Inc.

**1199403 ONTARIO INC. ET - and-
AL.**

SAPTASHVA SOLAR S.A.

Applicants

Respondent

Court File No.: CV-21-00655706-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

**MOTION RECORD OF THE RECEIVER,
IRA SMITH TRUSTEE & RECEIVER INC.**

ROBINS APPLEBY LLP

Barristers + Solicitors
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