



Court File No. 31-2364769

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY AND INSOLVENCY  
(COMMERCIAL LIST)**

THE HONOURABLE REGIONAL

)

MONDAY, THE 13TH

)

SENIOR JUSTICE MORAWETZ

)

DAY OF AUGUST, 2018

)

**IN THE MATTER OF THE PROPOSAL OF HB SOLAR  
CANADA INC.  
OF THE CITY OF VAUGHAN, IN THE PROVINCE OF  
ONTARIO**

**SALE APPROVAL AND VESTING ORDER**

THIS MOTION, made by HB Solar Canada Inc. (the “**Debtor**”) for an order approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale between the Proposal Trustee (as defined below) and Craig Chornaby on behalf of a company to be incorporated, (the “**Purchaser**”), dated July 3, 2018 (the “**APS**”) and vesting in the Purchaser the right, title and interest of the Debtor in and to the Purchased Assets described in the APS (the “**Purchased Assets**”), and approving the Report of Trustee on Proposal by Dodick Landau Inc. in its capacity as the Proposal Trustee of the Debtor (the “**Proposal Trustee**”), dated July 25, 2018 and the Supplementary Report of the Proposal Trustee dated August 13, 2018 (collectively, the “**Report**”), the Report of Proposal Trustee on Proposal and Sale dated July 27, 2018, the Second Report to Court of the Proposal Trustee dated June 14, 2018 and the First Report of the Proposal Trustee dated May 8, 2018 and the activities of the Proposal Trustee as more particularly described in such reports, was heard this day at the Court House, 330 University Avenue, Toronto, Ontario.

ON READING the Report, the Report of Proposal Trustee on Proposal and Sale dated July 27, 2018, the Order of the Honourable Justice McEwen dated May 14, 2018 approving a sale and investment solicitation process (“SISP”), together with enhanced powers for the Proposal Trustee, including authorization for the Proposal Trustee to carry out the SISP (the “**Sale Process Order**”), and on hearing the submissions of counsel for the Debtor, the Proposal Trustee, the parties as listed on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed.

1. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the APS by the Proposal Trustee on behalf of the Debtor are hereby authorized and approved, with such minor amendments as the Proposal Trustee may deem necessary. The Debtor and the Proposal Trustee are 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.

2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Trustee’s certificate to the Purchaser substantially in the form attached as Schedule “A” hereto (the “**Trustee’s Certificate**”), all of the right, title and interest of the Debtor in and to the Purchased Assets described in the APS 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 Sale Process Order or otherwise created in the proposal proceedings of the Debtor; (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.

3. 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 Trustee'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, with such Claims and Encumbrances being addressed in the Proposal.

4. THIS COURT ORDERS AND DIRECTS the Proposal Trustee to file with the Court a copy of the Trustee's Certificate, forthwith after delivery thereof.

5. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Proposal Trustee is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the records of the Debtor pertaining to the past and current employees of the Debtor. 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.

6. 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.

7. 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 Proposal Trustee 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 Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Proposal Trustee and its agents in carrying out the terms of this Order.

8. THIS COURT ORDERS AND APPROVES the Report, the Report of Proposal Trustee on Proposal and Sale dated July 27, 2018, the Second Report to Court of the Proposal Trustee dated June 14, 2018 and the First Report of the Proposal Trustee dated May 8, 2018, the appendices thereto and the conduct and the activities of the Proposal Trustee as more particularly described in such reports.

Grant RST.

**Schedule A – Form of Trustee’s Certificate**

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**IN THE MATTER OF THE PROPOSAL OF HB SOLAR  
CANADA INC.  
OF THE CITY OF VAUGHAN, IN THE PROVINCE OF  
ONTARIO**

**TRUSTEE’S CERTIFICATE**

**RECITALS**

A. Pursuant to Order of the Honourable Justice McEwen of the Ontario Superior Court of Justice (the “**Court**”) dated May 27, 2016, Dodick Landau Inc. in its capacity as Proposal Trustee (the “**Proposal Trustee**”) was permitted to market and sell the undertaking, property and assets of HB Solar Canada Inc. (the “**Debtor**”).

B. Pursuant to an Order of the Court dated August 13, 2018, the Court approved the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale between the Proposal Trustee and Craig Chornby on behalf of a company to be incorporated, (the “**Purchaser**”), dated July 3, 2018 (the “**APS**”) and vesting in the Purchaser the right, title and interest of the Debtor in and to the Purchased Assets (the “**Purchased Assets**”) described in the APS 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 Proposal Trustee to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price (as defined in the APS)(the “**Purchase Price**”) for the Purchased Assets; (ii) that the conditions to Closing as set out in the APS have been satisfied or waived by the Proposal Trustee and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Proposal Trustee.

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

THE TRUSTEE CERTIFIES the following:

1. The Purchaser has paid and the Proposal Trustee has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the APS;
2. The Proposal Trustee has been advised by Royal Bank of Canada that it has received from the Purchaser payment in full of the secured amount due to it by the Debtor;
2. The conditions to Closing as set out in the APS have been satisfied or waived by the Proposal Trustee and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Proposal Trustee.
4. This Certificate was delivered by the Proposal Trustee at \_\_\_\_\_ on \_\_\_\_\_, 2018.

**Dodick Landau Inc., in its capacity as  
Proposal Trustee of HB Solar Canada Inc.,  
and not in its personal capacity**

Per: \_\_\_\_\_  
Name:  
Title:

IN THE MATTER OF the Proposal of HB Solar Canada Inc.  
of the City of Vaughan, in the Province of Ontario

<p><b>ONTARIO</b> <b>SUPERIOR COURT OF JUSTICE</b> <b>IN BANKRUPTCY AND INSOLVENCY</b> <b>(COMMERCIAL LIST)</b></p> <p>PROCEEDING COMMENCED AT TORONTO</p>	
<p><b>SALE APPROVAL AND VESTING ORDER</b></p>	
<p><b>PALLET VALO LLP</b> Lawyers &amp; Trade-Mark Agents 77 City Centre Drive, West Tower Suite 300 Mississauga, Ontario L5B 1M5</p> <p><b>ALEX ILCHENKO, C.S. (LSUC NO. 33944Q)</b></p> <p>Tel: (905) 273-3300 Fax: (905) 273-6920</p> <p>Lawyers for HB Solar Canada Inc.</p>	