

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

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

**MOTION RECORD**

**(Returnable May 10, 2018)**

**PALLET VALO LLP**

Lawyers & Trade-Mark Agents  
77 City Centre Drive, West Tower  
Suite 300  
Mississauga, Ontario  
L5B 1M5

**ALEX ILCHENKO, C.S. (LSUC NO. 33944Q)**

**DINA MILIVOJEVIC (LSUC NO. 64521U)**

**MONTY DHALIWAL (LSUC NO. 65124N)**

Tel: (905) 273-3300

Fax: (905) 273-6920

Lawyers for HB Solar Canada Inc.

**TO: SERVICE LIST (attached)**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

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

**INDEX**

<b>DOCUMENT</b>	<b>TAB</b>
Notice of Motion returnable May 10, 2018	1
Affidavit of Ingo Wolfert sworn May 8, 2018, including Exhibits:	2
Copy of Corporate Profile Report of HB	A
Copy of PPSA search for HB	B
Copy of HB's Creditor List (as attached to NOI)	C
Copy of Certificate of Filing of NOI	D
Copy of Cash Flow Forecast	E
First Report of Dodick Landau Inc. - Proposal Trustee dated May 8, 2018	3
Draft Order	4

# TAB 1

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

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

**NOTICE OF MOTION**

**HB Solar Canada Inc. (“HB”)** will make a Motion before a Judge sitting on the Commercial List to be heard on **Thursday, May 10, 2018**, at 10:00 a.m. or as soon after that time as the Motion can be heard at the Court House, 330 University Avenue, Toronto, Ontario, M5G 1E6.

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

- in writing under subrule 37.12.1 (1) because it is (insert one of on consent, unopposed or made without notice);
- in writing as an opposed motion under subrule 37.12.1 (4);
- orally.

**THE MOTION IS FOR:**

1. If necessary, abridging the time for service and filing of the Notice of Motion, the Motion Record and the First Report of Dodick Landau Inc., the Proposal Trustee (the “**Proposal Trustee**”) dated May 8, 2018 (the “**First Report**”) and dispensing with service on any other person other than those served;
2. Approving and adopting the Commercial List E-Service Protocol to serve documents by email;

3. Extending the time for filing a proposal, and extending the stay of proceedings granting upon the filing on April 10, 2018 (the “**Filing Date**”) of a Notice of Intention to Make a Proposal (the “**NOI**”), for a period of forty-five (45) days, to and including June 22, 2018;
4. Granting the Administration Charge as defined below;
5. Approving a sale and investment solicitation process (the “**SISP**”) and the expansion of the powers of the Proposal Trustee, to implement the SISP, as set out in the SISP and draft Order requested; and
6. Such further and other relief as counsel to HB Solar Canada Inc. may request and this Honourable Court may deem just.

**THE GROUNDS FOR THE MOTION ARE:**

1. HB’s insolvency has been caused by a number of factors including but not limited to the contraction of the rooftop solar panel market due to changes made to the Feed-In-Tariff program, increased competition forcing HB to reduce prices and earn lower margins, and increased bad debt write-offs. As a result of these issues, HB has faced a liquidity crisis which has made it impossible to maintain its obligations to its creditors.
2. On April 10, 2018, HB filed an NOI. Pursuant to the *Bankruptcy and Insolvency Act*, all proceedings against HB were stayed for 30 days;

**Extension of Time:**

3. HIB requests an extension of the stay of proceedings until June 22, 2018;
4. An extension of time would provide the Proposal Trustee, with HB’s assistance, the necessary time to implement the SISP and complete a transaction with a view of HB making a successful proposal to its creditors;
5. An extension of the stay will substantially enhance the likelihood of HB making a viable Proposal to its creditors and will not cause any undue prejudice to any party;

### **SISP and Enhanced Proposal Trustee Powers:**

6. The paramount goal of HB is to preserve, maximize and realize value for the benefit of all stakeholders. HB is of the view that the restructuring of HB to be undertaken under the BIA will likely involve a sale of its business. HB will explore all options to maximize value for stakeholders;
7. The purpose of the SISP is to identify one or more financiers, purchasers or investors in HB's business with a projected completion date of a transaction or transactions by the end of June 2018 if the single stage process is implemented, and the end of July 2018 if the second stage, open bidding process, is implemented;
8. The SISP will include broad marketing to all potential financiers and investors, including those that have already expressed interest in purchasing the business. HB and the Trustee are proposing a two stage process of negotiating with an existing possible purchaser with the aim of having an executed agreement of purchase and sale in a form acceptable to HB and the Proposal Trustee executed, and a deposit paid, by May 20, 2018.
9. If such an agreement is not executed, the SISP would then expand to a full sale process that would accommodate offers for the purchase of HB's assets for all possible purchasers. It will be a fair and transparent process that will be implemented by the Proposal Trustee;
10. The SISP, implemented and completed by the Proposal Trustee, would formalize this process and ensure that (a) there will be no complications to completing a transaction resulting from the structure of IIB's business, and (b) no issues arise in the event competing bidders make offers for HB's assets;
11. In Order to implement the SISP, the Proposal Trustee will need assurance that its fees, as well as the fees of its counsel and counsel for HB are secured by an Administration Charge in the amount of \$80,000 on the assets of HB pursuant to the provisions of s.64.2 of the *Bankruptcy and Insolvency Act*, but excluding the vehicles leased by Kennedy National Leasing Limited.

12. The Proposal Trustee is agreeable to implementing and completing the SISP on behalf of HB;
13. HB is in the process of preparing a proposal which it will present to creditors;
14. HB has acted and continues to act in good faith and with due diligence in seeking to restructure its affairs after the date of the filing of the NOI;
15. An initial extension of the stay to June 22, 2018 will substantially enhance a likelihood of HB making a viable proposal to its creditors;
16. No creditor would be materially prejudiced if the extension of the stay were granted;
17. Sections 50.4(9), 50.6 and 64.2 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended;
18. Rules 1.04, 2.03, 3.02, 16.04 and 37 of the *Rules of Civil Procedure*, RRO 1990, Reg. 194, as amended;
19. The inherent and equitable jurisdiction of this Honourable Court;
20. Other grounds as described in the Affidavit of Ingo Wolfert and the First Report; and
21. Such further and other relief as counsel may advise and this Honourable Court may permit.

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

1. The Affidavit of Ingo Wolfert sworn May 8, 2018, and the exhibits annexed thereto.
2. The First Report of the Proposal Trustee dated May 8, 2018 and appendices annexed thereto.
3. Such further and other material as counsel may produce and this Honorable Court may permit.

**DATED: MAY 8, 2018**

**PALLET VALO LLP**  
Lawyers & Trade-Mark Agents  
77 City Centre Drive, West Tower  
Suite 300  
Mississauga, Ontario  
L5B 1M5

**ALEX ILCHENKO, C.S. (LSUC NO. 33944Q)**  
**DINA MILIVOJEVIC (LSUC NO. 64521U)**  
**MONTY DHALI WAL (LSUC NO. 65124N)**  
Tel: (905) 273-3300  
Fax: (905) 273-6920

Lawyers for HB Solar Canada Inc.



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

Court File No. 31-2364769

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

PROCEEDING COMMENCED AT  
TORONTO

**NOTICE OF MOTION**

**PALLET VALO LLP**  
Lawyers & Trade-Mark Agents  
77 City Centre Drive, West Tower  
Suite 300  
Mississauga, Ontario  
L5B 1M5

**ALEX ILCHENKO, C.S. (LSUC NO. 33944Q)**

Tel: (905) 273-3300  
Fax: (905) 273-6920

Lawyers for HB Solar Canada Inc.

# TAB 2

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

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

**AFFIDAVIT OF INGO WOLFERT**

I, **INGO WOLFERT**, of the City of Kingston, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

1. I am the President of HB Solar Canada Inc. ("**HB**" or the "**Company**"). Where I do not have personal knowledge, I have indicated the source of my information and do verily believe such information to be true. Where correspondence is adopted as an exhibit, I do verily believe the information contained therein and that it was sent and received on the date(s) indicated.

**I. Relief Sought:**

2. This Affidavit is sworn in support of a motion for an Order:

- (a) If necessary, abridging the time for service of the Notice of Motion, the Motion Record and the First Report of Dodick Landau Inc. (the "**Proposal Trustee**") dated May 8, 2018 (the "**First Report**") and dispensing with service on any other person other than those served;
- (b) Approving and adopting by reference the e-service protocol of the Commercial List (the "**Protocol**") such that service of court documents by email in accordance with the Protocol shall be deemed valid and effective service in these proceedings;
- (c) Extending the time for filing a proposal, and extending the stay of proceedings granting upon the filing on April 10, 2018 (the "**Filing Date**") of a Notice of

Intention to Make a Proposal (the “NOI”), for a period of forty-five (45) days, to and including June 22, 2018;

(d) Granting the Administration Charge (defined below);

(e) Approving a Two-Stage Sale and Investment Solicitation Process (the “SISP”) to be undertaken by the Proposal Trustee with the assistance of HB; and

(f) Granting the Proposal Trustee expanded powers to implement the SISP and close any transaction under the SISP approved by the Court.

## **II. Overview and Business Operations**

### **A. Overview of the Business:**

3. HB is an Ontario corporation that was incorporated on October 2, 2009. Attached hereto as **Exhibit “A”** is a copy of a Corporation Profile Report dated August 2, 2017. The shares of HB Solar are indirectly 50% owned by each of Eric Stephenson and Ingo Wolfert who are the Company’s founders.

4. At the date of filing of the NOI, HB employed eleven (11) people. None of the employees were terminated after the NOI was filed.

5. HB carries on the business of as a supplier of photovoltaic/solar energy array mounting systems and related equipment. HB is headquartered in Concord, Ontario and supplies all of North America and the Caribbean with a variety of solar mounting rack solutions and accessories.

6. HB Solar funded its operations from a combination of shareholder equity and line of credit from its banking facility with Royal Bank of Canada, its sole significant secured creditor.

7. Since its inception in 2009, HB focused on the Ontario market for Photovoltaic (“PV”) rooftop systems that was created with the inception of the Green Energy Act and the subsequent FIT program. Despite competing against large international players (such as Schletter, Sunlink, Solardock, Solyndra, PanelClaw), in the early days of the FIT program, HB was able to build its business and gain a reputation for the quality of its products.

8. HB engineers and produces mounting systems for rooftop solar PV arrays as well as car ports. It offers products for the Commercial and Industrial market, the Residential Market, and the Municipalities, Universities, Schools and Hospitals sector. Its product platforms consist of systems for metal roofs, flat roofs, shingle roofs, car ports as well as engineered solutions for unique project conditions (i.e. solar awnings, seismic solutions etc.)

9. By 2016, HB had reached the number one position in the Ontario market for PV rooftop racking. Due to the constant changes of the FIT program and drastic reductions of the FIT rates the local market for rooftop PV systems has contracted by an estimated 80% and most racking suppliers have either left the Ontario market or closed up their business completely.

10. Market conditions in the Ontario market remain extremely challenging due to the reduced FIT rates, discontinuation of the FIT program and artificially lowered electricity cost under the "Fair Hydro Plan". As of 2018 HB is the preferred supplier of rooftop racking to the largest remaining developers/EPCs with a market penetration of about 60% of all available systems.

11. HB's sales in recent years ranged from \$6-11 million per year. Due to the constant cost pressures from reduced FIT rates, prices for rooftop racking have deteriorated by roughly 80% and therefore more systems need to be sold for less money to achieve the same margins.

12. HB has also experienced an increase in bad debts from a number of customers which has reduced its available net working capital.

## **B. Assets:**

13. HB's primary assets are its inventory and accounts receivable from its customers as well as fixed assets, with estimated book values at the date of the NOI of \$1.4 million for the inventory, \$1.6 million for the accounts receivable and \$180,000 for the fixed assets.

### **Secured Indebtedness:**

14. Attached hereto as **Exhibit "B"** to this my Affidavit is a chart setting out the list of secured creditors of HB in order of registration under the PPSA. Its chief secured creditor is Royal Bank of Canada with current indebtedness of approximately \$800,000.00 ("**RBC**"). The only other secured creditor relate to a pair of leased vehicles.

15. Attached hereto as **Exhibit "C"** is a copy of HB's Creditor List which is attached to the NOI. The total amount owing to all creditors is \$2,927,457.00 as at the Filing Date including the \$800,000.00 owing to RBC.

16. As of the date of this Affidavit, HB is current in paying employee source deductions and HST remittances.

### **Unsecured Creditors:**

17. The breakdown of secured versus unsecured indebtedness is in the process of being finalized. HB's accounts payable to unsecured creditors totaled approximately \$2,100,000 as at the Filing Date.

## **III. Current Status**

### **A. Factors Leading to Insolvency:**

18. A number of factors have led to HB's insolvency including but not limited to, changes to the FIT program contracting the market for rooftop PV systems, increased competition forcing HB to reduce prices and earn lower margins, increased bad debt write offs and the inability to attract additional capital from institutional lenders and equity investors.

19. Beginning in 2017, the Company increased its efforts to attract additional capital from

institutional lenders and equity investors, as well as from others in the solar business, whether by way of debt, equity or some other form of strategic alliance. While there was some interest in the market, it became apparent that HB Solar would have to formally restructure its affairs before anyone would invest further.

20. Due to lower sales, reduced prices and margins, and significant bad debt write-offs, HB faced liquidity concerns which has made it difficult to maintain its obligations to its creditors.

21. In response to the above referenced issues, HB determined that it had no other readily available options but to file the NOI on the Filing Date to prevent irreparable harm to the business of HB and the erosion of the capital of its investors, while HB implements a sale process.

22. To date, HB has not filed a proposal. A copy of the Certificate of Filing of the NOI is attached hereto as **Exhibit "D"**.

23. HB filed the NOI in order to preserve the status quo and to preserve its business operations.

24. Since filing the NOI, HB Solar has continued to service its customers. Every effort is being made to maintain the ongoing business until the closing of a possible sale transaction.

#### **IV. Overview of Restructuring Plan and SISP**

25. The paramount goal of HB is to preserve, maximize and realize value for the benefit of all stakeholders. HB is of the view that the restructuring of HB to be undertaken under the BIA will likely involve a sale of its business. HB will explore all options to maximize value for stakeholders.

26. The purpose of the SISP is to identify one or more financiers, purchasers or investors in HB's business with a projected completion date of a transaction or transactions by the end of June 2018 if the first, single bidder stage of the process is successfully implemented, and by the end of July 2018 if the second stage, open bidding process is implemented.

27. The SISP will include broad marketing to all potential financiers and investors, including those that have already expressed interest in purchasing the business. HB and the Trustee are

proposing a two stage process of negotiating with an existing possible purchaser with the aim of having an executed agreement of purchase and sale in a form acceptable to HB and the Proposal Trustee executed, and a deposit paid, by May 20, 2018.

28. If such an agreement is not executed, the SISP would then expand to a full sale process that would accommodate offers for the purchase of HB's assets for all possible purchasers. It will be a fair and transparent process that will be implemented by the Proposal Trustee.

29. The SISP, implemented and completed by the Proposal Trustee, would formalize this process and ensure that (a) there will be no complications to completing a transaction resulting from the structure of HB's business, and (b) no issues arise in the event competing bidders make offers for HB's assets.

30. A chart summarizing the important dates for the SISP is set out below:

<b>Sale Process Procedures</b>	<b>Date</b>
Court approval of Sale Process by	May 10, 2018
<b>STAGE 1</b>	
Due Diligence by existing interested party	May 10, 2018 to May 20 2018
Executed APS and deposit paid	By May 20, 2018
<b>IF NO APS – STAGE 2</b>	
Begin marketing to interested parties, distributing CIM and provide access to on-line data room	By May 21, 2018
Solicitation of potential purchasers/investors	By June 1, 2018
Due diligence completed	By June 29, 2018
Deadline for submission of binding offers	By June 29, 2018
Identification of successful offer	By July 4, 2018
Hold meeting of creditors to vote on Proposal	By July 25, 2018
Obtain Court approval of Proposal	By July 30, 2018
Closing of Transaction	By July 31, 2018

31. HB approves the SISP being proposed by the Proposal Trustee and I am advised that the Proposal Trustee is agreeable to implementing and completing the SISP on behalf of HB.

32. Given the complexity involved in the sale of HB's assets and a possibility that current management may be involved in a purchase offer, the Proposal Trustee requires enhanced powers



to close the transaction that may arise out of the SISP on behalf of HB.

33. The Proposal Trustee has approved HB obtaining the form of draft Order being requested, approving the SISP and the expanded powers of the Proposal Trustee described in the draft Order.

#### **V. Cash Flow Forecast**

34. HB has worked with the Proposal Trustee to prepare a Cash Flow Statement and Report on Cash Flow for HB which was filed by HB in accordance with the BIA (the “**Cash Flow Forecast**”).

35. HB has also prepared as Cash Flow Forecast for the extension period request (the “**Second Cash Flow Forecast**”). Attached hereto as **Exhibit “E”** is a copy of the Cash Flow Forecast and the Second Cash Flow Forecast. Based on my knowledge of the financial position of HB and the assumptions set out in the Cash Flow Forecast and the Second Cash Flow Forecast, both of these are fair and reasonable.

#### **VI. Administration Charge**

36. HB is also requesting that the Court grant a charge in favour of HB’s counsel and in favour of the Proposal Trustee and its counsel (the “**Professional Advisors**”) to secure payment of fees and expenses incurred in connection with this proceeding (the “**Administration Charge**”).

37. HB seeks an Administration Charge in the amount of \$80,000.00 on its assets, other than the 2 vehicles leased by Kennedy National Leasing, to secure payment of the fees and expenses of HB’s counsel and the Proposal Trustee and its counsel.

38. The Professional Advisors have been and will continue to be actively involved in providing HB support, advice and assistance through these proceedings and their ongoing support is necessary to maximize value for all stakeholders. The Proposal Trustee will ensure that the business and affairs of HB will be properly managed by existing management of HB during these proceedings.

**VII. Extension of Stay**

39. In order to allow HB sufficient time to implement the SISP and to complete its reorganization successfully, HB is seeking an extension of the time for filing of the Proposal to and including June 22, 2018 for a total of 45 days.

40. I verily believe that HB has acted in good faith and with diligence and has made best efforts in seeking to restructure the affairs of HB after the date of filing the NOI. In order to maximize return for all stakeholders, it would not be possible to complete the restructuring process and prepare a viable Proposal to creditors within the initial stay provided for under the BIA.

41. I verily believe that the requested extension will substantially enhance the likelihood of HB making a viable Proposal to its creditors, and will not cause any undue prejudice to any party.

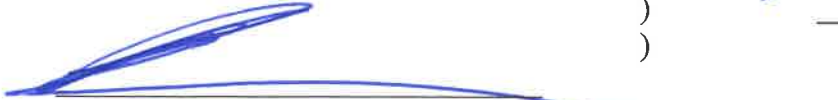
42. An extension of stay proceedings is essential to preserve HB's business and to maintain its value. A stay would also provide HB with the necessary time to undertake and implement the SISP and complete a transaction with a view to making a successful proposal to creditors.

43. Without the benefit of a stay of proceedings, HB would be deemed bankrupt and there would be a fast and significant erosion of value of HB's assets.

44. I swear this Affidavit in support of HB's motion for the relief requested and for no other or improper purpose.

**SWORN BEFORE ME** )  
at the City of Mississauga )  
in the Province of Ontario, )  
this 8<sup>th</sup> day of May, 2018 )  
)  
)

  
\_\_\_\_\_  
**INGO WOLFERT**

  
A Commissioner for taking oaths, etc.  
*Alex Schulco*

This is **Exhibit "A"** referred to in the Affidavit  
of INGO WOLFERT sworn before me  
this 8th day of May, 2018

A handwritten signature in blue ink, consisting of several overlapping strokes, positioned above a dotted line.

A Commissioner for Taking Affidavits  
**ALEX ILCHENKO**

Request ID: 020558122  
Transaction ID: 65239239  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/08/02  
Time Report Produced: 10:37:00  
Page: 1

## CORPORATION PROFILE REPORT

<b>Ontario Corp Number</b>	<b>Corporation Name</b>	<b>Incorporation Date</b>
2219762	HB SOLAR CANADA INC.	2009/10/02
		<b>Jurisdiction</b>
		ONTARIO
<b>Corporation Type</b>	<b>Corporation Status</b>	<b>Former Jurisdiction</b>
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
<b>Registered Office Address</b>		<b>Date Amalgamated</b>
21 ROYSUN ROAD		NOT APPLICABLE
<b>Suite # 6</b>		<b>New Amal. Number</b>
WOODBIDGE		NOT APPLICABLE
ONTARIO		<b>Notice Date</b>
CANADA L4L 8R3		NOT APPLICABLE
<b>Mailing Address</b>		<b>Letter Date</b>
21 ROYSUN ROAD		NOT APPLICABLE
<b>Suite # 6</b>		<b>Revival Date</b>
WOODBIDGE		NOT APPLICABLE
ONTARIO		<b>Continuation Date</b>
CANADA L4L 8R3		NOT APPLICABLE
		<b>Transferred Out Date</b>
		NOT APPLICABLE
		<b>Cancel/Inactive Date</b>
		NOT APPLICABLE
		<b>EP Licence Eff.Date</b>
		NOT APPLICABLE
		<b>EP Licence Term.Date</b>
		NOT APPLICABLE
	<b>Number of Directors</b>	<b>Date Commenced</b>
	<b>Minimum</b>	<b>in Ontario</b>
	<b>Maximum</b>	<b>Date Ceased</b>
	00001	<b>in Ontario</b>
	00010	NOT APPLICABLE
<b>Activity Classification</b>		NOT APPLICABLE
NOT AVAILABLE		

Request ID: 020558122  
Transaction ID: 65239239  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/08/02  
Time Report Produced: 10:37:00  
Page: 2

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2219762

**Corporation Name**

HB SOLAR CANADA INC.

**Corporate Name History**

HB SOLAR CANADA INC.

**Effective Date**

2009/10/02

**Current Business Name(s) Exist:**

NO

**Expired Business Name(s) Exist:**

NO

**Administrator:**

**Name (Individual / Corporation)**

ERIC  
STEPHENSON

**Address**

28 WOOLSTHORPE CRESCENT  
  
THORNHILL  
ONTARIO  
CANADA L3T 4E2

**Date Began**

2012/05/15

**First Director**

NOT APPLICABLE

**Designation**

DIRECTOR

**Officer Type**

**Resident Canadian**

Y

Request ID: 020558122  
Transaction ID: 65239239  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/08/02  
Time Report Produced: 10:37:00  
Page: 3

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2219762

**Corporation Name**

HB SOLAR CANADA INC.

**Administrator:  
Name (Individual / Corporation)**

ERIC  
STEPHENSON

**Address**

28 WOOLSTHORPE CRESCENT  
  
THORNHILL  
ONTARIO  
CANADA L3T 4E2

**Date Began**

2012/05/15

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

CHAIRMAN

**Resident Canadian**

**Administrator:  
Name (Individual / Corporation)**

INGO  
J  
WOLFERT

**Address**

141 DALGLEISH AVENUE  
  
KINGSTON  
ONTARIO  
CANADA K7K 7E5

**Date Began**

2009/10/02

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

MANAGING DIRECTOR

**Resident Canadian**

Request ID: 020558122  
Transaction ID: 65239239  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/08/02  
Time Report Produced: 10:37:00  
Page: 4

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2219762

**Corporation Name**

HB SOLAR CANADA INC.

**Administrator:  
Name (Individual / Corporation)**

INGO  
J  
WOLFERT

**Address**

141 DALGLEISH AVENUE

KINGSTON  
ONTARIO  
CANADA K7K 7E5

**Date Began**

2009/10/02

**First Director**

NOT APPLICABLE

**Designation**

DIRECTOR

**Officer Type**

**Resident Canadian**

Y

**Administrator:  
Name (Individual / Corporation)**

INGO  
J  
WOLFERT

**Address**

141 DALGLEISH AVENUE

KINGSTON  
ONTARIO  
CANADA K7K 7E5

**Date Began**

2009/10/02

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

SECRETARY

**Resident Canadian**

Y

Request ID: 020558122  
Transaction ID: 65239239  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/08/02  
Time Report Produced: 10:37:00  
Page: 5

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2219762

**Corporation Name**

HB SOLAR CANADA INC.

**Administrator:  
Name (Individual / Corporation)**

INGO  
J  
WOLFERT

**Address**

141 DALGLEISH AVENUE

KINGSTON  
ONTARIO  
CANADA K7K 7E5

**Date Began**

2009/10/02

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

TREASURER

**Resident Canadian**

Y



Request ID: 020558122  
Transaction ID: 65239239  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/08/02  
Time Report Produced: 10:37:00  
Page: 6

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2219762

**Corporation Name**

HB SOLAR CANADA INC.

**Last Document Recorded**

<b>Act/Code</b>	<b>Description</b>	<b>Form</b>	<b>Date</b>
CIA	ANNUAL RETURN 2016	1C	2017/07/09 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Director of Companies and Personal Property Security Branch.

Request ID: 020558123  
Transaction ID: 65239240  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/08/02  
Time Report Produced: 10:37:02  
Page: 1

## CORPORATION DOCUMENT LIST

**Ontario Corporation Number**  
2219762

**Corporation Name**  
HB SOLAR CANADA INC.

<b>ACT/CODE</b>	<b>DESCRIPTION</b>	<b>FORM</b>	<b>DATE (YY/MM/DD)</b>	
CIA	ANNUAL RETURN 2016 PAF: WOLFERT, INGO	1C	2017/07/09	(ELECTRONIC FILING)
BCA	ARTICLES OF AMENDMENT	3	2015/04/30	
CIA	CHANGE NOTICE PAF: WESTON, RONALD J	1	2013/10/02	(ELECTRONIC FILING)
CIA	ANNUAL RETURN 2011 PAF: WOLFERT, INGO	1C	2012/07/21	(ELECTRONIC FILING)
CIA	ANNUAL RETURN 2010 PAF: WOLFERT, INGO	1C	2011/07/02	(ELECTRONIC FILING)
CIA	ANNUAL RETURN 2009 PAF: WOLFERT, INGO	1C	2011/07/02	(ELECTRONIC FILING)
CIA	CHANGE NOTICE PAF: WOLFERT, INGO J	1	2010/02/04	(ELECTRONIC FILING)
BCA	ARTICLES OF AMENDMENT	3	2010/01/28	
CIA	INITIAL RETURN PAF: WOLFERT, INGO	1	2009/12/03	
BCA	ARTICLES OF INCORPORATION	1	2009/10/02	(ELECTRONIC FILING)

Request ID: 020558123  
Transaction ID: 65239240  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2017/08/02  
Time Report Produced: 10:37:02  
Page: 2

## CORPORATION DOCUMENT LIST

**Ontario Corporation Number**  
2219762

**Corporation Name**  
HB SOLAR CANADA INC.

<b>ACT/CODE</b>	<b>DESCRIPTION</b>	<b>FORM</b>	<b>DATE (YY/MM/DD)</b>
-----------------	--------------------	-------------	----------------------------

THIS REPORT SETS OUT ALL DOCUMENTS FOR THE ABOVE CORPORATION WHICH HAVE BEEN FILED ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

ALL "PAF" (PERSON AUTHORIZING FILING) INFORMATION IS DISPLAYED EXACTLY AS RECORDED IN ONBIS. WHERE PAF IS NOT SHOWN AGAINST A DOCUMENT, THE INFORMATION HAS NOT BEEN RECORDED IN THE ONBIS DATABASE.

The issuance of this report in electronic form is authorized by the Director of Companies and Personal Property Security Branch.

This is **Exhibit "B"** referred to in the Affidavit  
of INGO WOLFERT sworn before me  
this 8th day of May, 2018



.....  
A Commissioner for Taking Affidavits  
**ALEX ILCHENKO**

PSSME19                    PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM                    05/07/2018  
TIP73507                    RESPONSE SUMMARY/HIGH VOLUME                    14:20:15  
ACCOUNT : 009313-0001  
FILE CURRENCY : 06MAY 2018  
SEARCH : BD : HB SOLAR CANADA INC.

RESPONSE CONTAINS : APPROXIMATELY            3 FAMILIES            5 PAGES

- FOR VERBAL RESPONSE, ENTER "V" IN RESPONSE TYPE.
- TO REQUEST A PRINT-OUT, ENTER "P" IN RESPONSE TYPE AND FILL IN THE MISSING INFORMATION.
- TO TERMINATE THE ENQUIRY, ENTER "CANCEL" IN THE NAME LINE.

RESPONSE TYPE : V                    RESPONSE LANGUAGE (E,F) : E                    PICK-UP CODE : \_\_\_\_\_  
RESPONSE MAILING ADDRESS  
NAME : \_\_\_\_\_  
ADDRESS : \_\_\_\_\_  
CITY : \_\_\_\_\_ PROV : \_\_\_\_\_  
POSTAL CODE : \_\_\_\_\_  
PRINT RESPONSE LOCALLY (Y/N) : N

---

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 05/07/2018  
 TIP73507 DISPLAY 1C REGISTRATION - SCREEN 1 14:20:15  
 ACCOUNT : 009313-0001 FAMILY : 1 OF 3 ENQUIRY PAGE : 1 OF 5  
 FILE CURRENCY : 06MAY 2018  
 SEARCH : BD : HB SOLAR CANADA INC.

00 FILE NUMBER : 698104926 EXPIRY DATE : 17JUL 2019 STATUS :  
 01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :  
 REG NUM : 20140717 1440 1530 5986 REG TYP: P PPSA REG PERIOD: 5  
 02 IND DOB : IND NAME:  
 03 BUS NAME: HB SOLAR CANADA INC. OCN :  
 04 ADDRESS : 21 ROYSUN ROAD UNIT 6  
 CITY : WOODBRIDGE PROV: ON POSTAL CODE: L4L 8R3  
 05 IND DOB : IND NAME:  
 06 BUS NAME: OCN :  
 07 ADDRESS :  
 CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :  
 ROYAL BANK OF CANADA  
 09 ADDRESS : 36 YORK MILLS ROAD 4TH FLR  
 CITY : TORONTO PROV: ON POSTAL CODE: M2P 0A4  
 CONS. MV DATE OF OR NO FIXED  
 GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
 10 X X X X X  
 YEAR MAKE MODEL V.I.N.

11  
 12  
 13 GENERAL COLLATERAL DESCRIPTION  
 14  
 15

16 AGENT: CANADIAN SECURITIES REGISTRATION SYSTEMS  
 17 ADDRESS : 4126 NORLAND AVENUE  
 CITY : BURNABY PROV: BC POSTAL CODE: V5G 3S8

---

PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 05/07/2018  
TIP73507 DISPLAY 2C REGISTRATION - SCREEN 1 14:20:15  
ACCOUNT : 009313-0001 FAMILY : 1 OF 3 ENQUIRY PAGE : 2 OF 5  
FILE CURRENCY : 06MAY 2018  
SEARCH : BD : HB SOLAR CANADA INC.

FILE NUMBER 698104926  
PAGE TOT REGISTRATION NUM REG TYPE  
01 CAUTION : 01 OF 002 MV SCHED: 20150821 1045 1529 4554  
21 REFERENCE FILE NUMBER : 698104926  
22 AMEND PAGE: NO PAGE: X CHANGE: A AMNDMNT REN YEARS: CORR PER:  
23 REFERENCE DEBTOR/ IND NAME:  
24 TRANSFEROR: BUS NAME: HB SOLAR CANADA INC.

25 OTHER CHANGE:  
26 REASON: CHANGE DEBTOR'S ADDRESS FROM  
27 /DESCR: 21 ROYSUN ROAD UNIT 6  
28 : WOODBRIDGE, ON L4L 8R3  
02/05 IND/TRANSFeree:  
03/06 BUS NAME/TRFEE: HB SOLAR CANADA INC.

OCN:  
04/07 ADDRESS: UNIT 23 399 FOUR VALLEY DRIVE  
CITY: CONCORD PROV: ON POSTAL CODE: L4K 5Y8  
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
CITY : PROV : POSTAL CODE :  
CONS. MV DATE OF NO FIXED  
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10  
11  
12  
13  
14  
15

16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS  
17 ADDRESS : 4126 NORLAND AVENUE  
CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

PSSME04 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 05/07/2018  
 TIP73507 DISPLAY 2C REGISTRATION - SCREEN 1 14:20:15  
 ACCOUNT : 009313-0001 FAMILY : 1 OF 3 ENQUIRY PAGE : 3 OF 5  
 FILE CURRENCY : 06MAY 2018  
 SEARCH : BD : HB SOLAR CANADA INC.

FILE NUMBER 698104926

PAGE TOT REGISTRATION NUM REG TYPE  
 01 CAUTION : 02 OF 002 MV SCHED: 20150821 1045 1529 4554  
 21 REFERENCE FILE NUMBER : 698104926  
 22 AMEND PAGE: NO PAGE: CHANGE: REN YEARS: CORR PER:  
 23 REFERENCE DEBTOR/ IND NAME:  
 24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:  
 26 REASON: TO  
 27 /DESCR: UNIT 23 399 FOUR VALLEY DRIVE  
 28 : CONCORD, ON L4K 5Y8  
 02/05 IND/TRANSFEREE:  
 03/06 BUS NAME/TRFEE:

OCN:

04/07 ADDRESS:  
 CITY: PROV: POSTAL CODE:  
 29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :  
 CITY : PROV : POSTAL CODE :  
 CONS. MV DATE OF NO FIXED  
 GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10  
 11  
 12  
 13  
 14  
 15

16 NAME :  
 17 ADDRESS :  
 CITY : PROV : POSTAL CODE :





PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 05/07/2018  
TIP73507 DISPLAY 1C REGISTRATION - SCREEN 1 14:20:15  
ACCOUNT : 009313-0001 FAMILY : 2 OF 3 ENQUIRY PAGE : 4 OF 5  
FILE CURRENCY : 06MAY 2018  
SEARCH : BD : HB SOLAR CANADA INC.

00 FILE NUMBER : 712171782 EXPIRY DATE : 27NOV 2020 STATUS :  
01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :  
REG NUM : 20151127 1710 1462 8359 REG TYP: P PPSA REG PERIOD: 5  
02 IND DOB : IND NAME:  
03 BUS NAME: HB SOLAR CANADA INC.

04 ADDRESS : 21 ROYSUN ROAD UNIT 6 OCN :  
CITY : WOODBRIDGE PROV: ON POSTAL CODE: L4L8R3  
05 IND DOB : IND NAME:  
06 BUS NAME: OCN :

07 ADDRESS :  
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :  
KENNEDY NATIONAL LEASING LIMITED

09 ADDRESS : 280 SOUTH SERVICE ROAD WEST P.O. BOX 595  
CITY : OAKVILLE PROV: ON POSTAL CODE: L6J5B4  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE  
10 X X X X X 48400 X  
YEAR MAKE MODEL V.I.N.  
11 2015 DODGE RAM 1C6RR7LT8FS705564

12 GENERAL COLLATERAL DESCRIPTION

13

14

15

16 AGENT: KENNEDY NATIONAL LEASING LIMITED

17 ADDRESS : 280 SOUTH SERVICE ROAD WEST P.O. BOX 595  
CITY : OAKVILLE PROV: ON POSTAL CODE: L6J5B4

=====

PSSME02 PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM 05/07/2018  
TIP73507 DISPLAY 1C REGISTRATION - SCREEN 1 14:20:15  
ACCOUNT : 009313-0001 FAMILY : 3 OF 3 ENQUIRY PAGE : 5 OF 5  
FILE CURRENCY : 06MAY 2018  
SEARCH : BD : HB SOLAR CANADA INC.

00 FILE NUMBER : 712388115 EXPIRY DATE : 04DEC 2020 STATUS :  
01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :  
REG NUM : 20151204 1404 1462 0435 REG TYP: P PPSA REG PERIOD: 5  
02 IND DOB : IND NAME:  
03 BUS NAME: TRIPLE S HARDWARE CANADA INC

OCN :  
04 ADDRESS : 44 MILES STREET  
CITY : MILTON PROV: ON POSTAL CODE: L9T1E4

05 IND DOB : IND NAME:  
06 BUS NAME: H B SOLAR CANADA INC.

OCN :  
07 ADDRESS : 21 ROYSUN ROAD UNIT 6  
CITY : WOODBRIDGE PROV: ON POSTAL CODE: L4L8R3

08 SECURED PARTY/LIEN CLAIMANT :  
KENNEDY NATIONAL LEASING LIMITED

09 ADDRESS : 280 SOUTH SERVICE ROAD WEST P.O. BOX 595  
CITY : OAKVILLE PROV: ON POSTAL CODE: L6J5B4  
CONS. MV DATE OF OR NO FIXED  
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

	X	X	X	X	X	48800		X
10	X	X	X	X	X	48800		X
	YEAR	MAKE		MODEL			V.I.N.	
11	2015	FORD		EDGE			2FMTK3J97FBB97788	

12

GENERAL COLLATERAL DESCRIPTION

13

14

15

16 AGENT: KENNEDY NATIONAL LEASING LIMITED

17 ADDRESS : 280 SOUTH SERVICE ROAD WEST P.O. BOX 595  
CITY : OAKVILLE PROV: ON POSTAL CODE: L6J5B4

LAST SCREEN

This is **Exhibit "C"** referred to in the Affidavit  
of INGO WOLFERT sworn before me  
this 8th day of May, 2018

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke that curves upwards at the end.

.....  
A Commissioner for Taking Affidavits  
**ALEX ILCHENKO**

District of: Ontario  
Division No. 09 - Toronto  
Court No.  
Estate No.

- FORM 33 -  
Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the matter of the proposal of  
HB Solar Canada Inc.  
of the city of Concord, in the Province of Ontario

Take notice that:

1. I, HB Solar Canada Inc., an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Dodick Landau Inc. of 4646 Dufferin St., Suite 6, Toronto, ON, M3H 5S4, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the city of Toronto in the Province of Ontario, this 9th day of April 2018.

  
\_\_\_\_\_  
Jugo Wolf HB Solar Canada Inc.  
Director Insolvent Person

District of: Ontario  
 Division No. 09 - Toronto  
 Court No.  
 Estate No.

- FORM 33 -

Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of  
 HB Solar Canada Inc.  
 of the city of Concord, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Abhay Shah			2,000.00
Alectra Utilities Chris Meridkth	P. O. Box 3700 Concord ON L4K 5N2		970.00
Alexander Gereb			2,000.00
APPS Cartage Inc.	6495 Tomken Road Mississauga ON L5T 2X7		253.00
Bell Canada F-88 - Business Insolvency Department	1 Carrefour Alexandre-Graham-Bell, Aile E3 Verdun QC H3E 3B3		250.00
Big Rock Supply	330 Meyer Road Bensenville IL 60106 USA		771.00
Canadian Parking Association	350-2255 St. Laurent Blvd. Ottawa ON L4K 5Y7		893.00
Canadian Solar Industries Association	450 Isabella Street, Sulte 605 Ottawa ON K1A 1V7		3,390.00
CBC Engineers	125 Westpark Road Centerville OH 45459 USA		1,160.00
Century Concrete Products Ltd.	4170 Midland Avenue Scarborough ON M1V 4S6		39,868.00
Cintas	255 Harry Walker Parkway Newmarket ON L3Y 8Z5		1,208.00
Corlin	20 Speers Rd., Unit 603 Oakville ON L6K 3R5		1,932.00
CRA - Tax - Ontario Quebec Insolvency Intake Centre	Shawinigan - Sud National Verification and Collection Centre 4695 Shawinigan-Sud Blvd Shawinigan-sud QC G9P 5H9		25,409.00
Derek Wilson			2,000.00
Ecoliblum Solar	244 W State Street Athens OH 45701 USA		1,562.00
Edward Hutchinson			2,000.00

District of: Ontario  
 Division No. 09 - Toronto  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of  
 HB Solar Canada Inc.  
 of the city of Concord, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
EJOT Fastening Systems L.P.	9900 58th Place, Suite 100 Kenosha WI 53144 USA		23,249.00
Enbridge Gas Distribution - Ontario Back Office Collections Department	PO Box 650 Scarborough ON M1K 5E3		964.00
Eric Stephenson			2,000.00
Extrusion Profiles Inc.	8-110 Torbay Road Markham ON L3R 1G6		16,098.00
FATH Inc.	6533 Hazeltine National Drive, Ste. 3 Orlando FL 32822 USA		328,232.00
Graham Smith			2,000.00
Hamilton Stamping Inc.	101 Morley Street Hamilton ON L8H 3R8		9,447.00
HD Supply Brafasco/CTF	100 Galcat Drive Woodbridge ON L4L 0B9		738.00
Henderson Fleischer Roller	151 Lakeshore Road Oakville ON L6K 1E5		7,786.00
ILSCO of Canada	615B Orwell Street Mississauga ON L5A 2W4		9,978.00
Ingo Wolfert			2,000.00
JAZ Freight Inc.	12 Harcourt Crescent Kitchener ON N2P 1K9		2,113.00
Levac Supply Limited	25 Railway Street Kingston ON K7K 2L7		2,556.00
M.A.K. Freight Systems	1000 Edgeley Blvd., Unit 3, Suite 200 Concord ON L4K 4V4		25,875.00
Matrix Scale Service Inc.	301 Watline Avenue Mississauga ON L4Z 1P3		367.00
Michael Jay Boychuk			2,000.00

District of: Ontario  
 Division No. 09 - Toronto  
 Court No.  
 Estate No.

- FORM 33 -  
 Notice of Intention To Make a Proposal  
 (Subsection 50.4(1) of the Act)

In the matter of the proposal of  
 HB Solar Canada Inc.  
 of the city of Concord, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
NRG Metalworks Inc.	244 Montrose St. N., Unit 6 Cambridge ON N3H 2H7		840,139.00
OMG	153 Bowles Road Agawam MA 01001-3824 USA		2,416.00
Optimum Structural Corp.	39 Kirk Drive Thornhill ON L3T 3K8		19,545.00
Pallett Valo LLP Frances Wales	300-77 City Centre Dr, West Tower Mississauga ON L5B 1M5		2,520.00
PTC (Canada) Inc.	P.O. Box 4290 Station A Toronto ON M5W 0E1		780.00
Purolator Inc.	PO Box 7006, 31 Adelaide St. E. Toronto ON M5C 3E2		2,269.00
RBC Royal Bank Visa c/o BankruptcyHighway.com Razel Bowen	PO Box 57100 Etobicoke ON M8Y 3Y2		1,000.00
Ridout & Maybee LLP	11 Holland Avenue, Suite 601 Ottawa ON K1Y 4S1		2,094.00
Royal Bank of Canada	36 York Mills Road, 4th Floor Toronto ON M2P 0A4		800,000.00
Ruza & RDM Maintenance Inc.	60 Spruce Avenue Richmond Hill ON L4C 6W1		384.00
Ryan Olejnik			2,000.00
Samco Machinery	351 Passmore Ave. Toronto ON M1V 3N8		15,216.00
Samuel, Son & Co.	2360 Dixie Road Mississauga ON L4Y 1Z7		19,351.00
SAPA Canada Inc.	PO Box 11000, Station A Toronto ON M5W 2G5		565,770.00
Silicone Rubber Canada	551 Imperial Road North Guelph ON N1H 7M2		74,900.00

District of: Ontario  
Division No. 09 - Toronto  
Court No.  
Estate No.

- FORM 33 -

Notice of Intention To Make a Proposal  
(Subsection 50.4(1) of the Act)

In the matter of the proposal of  
HB Solar Canada Inc.  
of the city of Concord, in the Province of Ontario

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
Tubeway	260186 Southgate Rd. 26 RR 1 Proton Station ON N0C 1L0		53,301.00
TUV Rheinland PTL LLC	1107 West Fairmount Dr., Bldg A Tempe AZ 85282 USA		3,274.00
UCC Steelwork Connections Inc.	895 Sandy Beach Rd. Unit 12 & 13 Pickering ON L1W 3N7		1,429.00
Total			2,927,457.00



Jingo Wolfert  
Director  
HB Solar Canada Inc.  
Insolvent Person





Industry Canada

Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada

Bureau du surintendant  
des faillites Canada

District of Ontario  
Division No. 09 - Toronto  
Court No. 31-2364769  
Estate No. 31-2364769

In the Matter of the Notice of Intention to make a  
proposal of:

**HB Solar Canada Inc.**  
Insolvent Person

**DODICK LANDAU INC.**  
Licensed Insolvency Trustee

---

Date of the Notice of Intention: April 10, 2018

---

**CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL**  
**Subsection 50.4 (1)**

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

---

Date: April 10, 2018, 13:35


E-File/Dépôt Electronique

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

Canada

This is **Exhibit "D"** referred to in the Affidavit  
of INGO WOLFERT sworn before me  
this 8th day of May, 2018

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke that tapers to the right.

.....  
A Commissioner for Taking Affidavits  
**ALEX ILCHENKO**



Industry Canada

Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada

Bureau du surintendant  
des faillites Canada

District of Ontario  
Division No. 09 - Toronto  
Court No. 31-2364769  
Estate No. 31-2364769

In the Matter of the Notice of Intention to make a  
proposal of:

**HB Solar Canada Inc.**  
Insolvent Person

**DODICK LANDAU INC.**  
Licensed Insolvency Trustee

---

Date of the Notice of Intention: April 10, 2018

---

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

---

E-File/Dépôt Electronique

Date: April 10, 2018, 13:35

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

Canada

This is **Exhibit "E"** referred to in the Affidavit  
of INGO WOLFERT sworn before me  
this 8th day of May, 2018

A handwritten signature in blue ink, consisting of several overlapping strokes that form a long, sweeping horizontal line with a slight upward curve at the end.

.....  
A Commissioner for Taking Affidavits  
**ALEX ILCHENKO**

District of: Ontario  
Division No. 09 - Toronto  
Court No. 31-2364769  
Estate No. 31-2364769

-- FORM 29 --

Trustee's Report on Cash-Flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of  
HB Solar Canada Inc.  
of the city of Concord, in the Province of Ontario

The attached statement of projected cash flow of HB Solar Canada Inc., as of the 20th day of April 2018, consisting of 11 week period from April 7, 2018 to June 22, 2018, has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by:  the management and employees of the insolvent person or  the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by:  management or  the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,


- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the city of Toronto in the Province of Ontario, this 20th day of April 2018.

Dodick Landau Inc. - Licensed Insolvency Trustee  
Per:

  
Rahn Dodick - Licensed Insolvency Trustee  
4646 Dufferin St., Suite 6  
Toronto ON M3H 5S4  
Phone: (416) 736-4357 Fax: (416) 649-7725

District of: Ontario  
Division No. 09 - Toronto  
Court No. 31-2364769  
Estate No. 31-2364769

\_\_FORM 29\_\_ - Attachment  
Trustee's Report on Cash-flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of  
HB Solar Canada Inc.  
of the city of Concord, in the Province of Ontario

Purpose:

Solely for the purpose of this insolvency proceeding.

Projection Notes:

See attached cash-flow

Assumptions:

See attached cash-flow

Dated at the city of Toronto in the Province of Ontario, this 20th day of April 2018.

Dodick Landau Inc. - Licensed Insolvency Trustee

Per:



Rahn Dodick - Licensed Insolvency Trustee  
4646 Dufferin St., Suite 6  
Toronto ON M3H 5S4  
Phone: (416) 736-4357 Fax: (416) 649-7725

**HB Solar Canada Inc**

**Weekly Cash Flow Forecast**

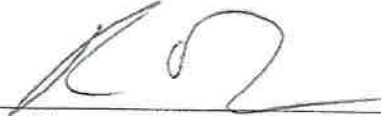
For the period from April 7, 2018 to June 22, 2018

Week Ending	Notes	13-Apr-18	20-Apr-18	27-Apr-18	4-May-18	11-May-18	18-May-18	25-May-18	1-Jun-18	8-Jun-18	15-Jun-18	22-Jun-18	TOTAL
<b>Receipts</b>													
Sales	2	-	-	-	-	78,142	95,840	43,981	64,137	159,972	152,306	209,873	804,252
AR Collections	3	220,000	120,649	98,437	277,221	197,379	43,247	18,777	5,000	73,961	5,000	-	1,059,671
<b>Total Receipts</b>		<b>220,000</b>	<b>120,649</b>	<b>98,437</b>	<b>277,221</b>	<b>275,521</b>	<b>139,087</b>	<b>62,758</b>	<b>69,137</b>	<b>233,933</b>	<b>157,306</b>	<b>209,873</b>	<b>1,863,923</b>
<b>Disbursements</b>													
Material and Freight	4	-	49,624	122,458	100,353	131,902	130,602	99,527	197,728	226,699	148,915	191,709	1,399,519
Payroll	5	-	-	83,000	5,100	-	-	-	83,500	5,100	-	-	176,700
Occupancy Costs	6	-	2,215	-	8,825	-	1,515	700	8,825	-	1,540	700	24,320
G&A Expenses	7	760	6,770	760	11,240	760	6,570	760	11,240	760	6,570	760	46,950
Professional Fees	8	-	16,950	-	16,950	-	-	15,950	-	16,950	-	-	67,800
<b>Total Disbursements</b>		<b>760</b>	<b>75,559</b>	<b>206,218</b>	<b>142,468</b>	<b>132,662</b>	<b>138,687</b>	<b>117,937</b>	<b>301,293</b>	<b>249,509</b>	<b>157,025</b>	<b>193,169</b>	<b>1,715,289</b>
<b>Net Cash Flow</b>		<b>219,240</b>	<b>45,090</b>	<b>-107,781</b>	<b>134,753</b>	<b>142,859</b>	<b>400</b>	<b>-55,180</b>	<b>-232,156</b>	<b>-15,576</b>	<b>281</b>	<b>16,703</b>	<b>148,634</b>
<b>Bank Balance</b>													
Opening Bank Balance	9	-	219,240	264,330	156,548	291,301	434,161	434,561	379,381	147,226	131,650	131,931	-
Add: Net Cash Flow		219,240	45,090	-107,781	134,753	142,859	400	-55,180	-232,156	-15,576	281	16,703	148,634
<b>Closing Bank Balance</b>		<b>219,240</b>	<b>264,330</b>	<b>156,548</b>	<b>291,301</b>	<b>434,161</b>	<b>434,561</b>	<b>379,381</b>	<b>147,226</b>	<b>131,650</b>	<b>131,931</b>	<b>148,634</b>	<b>148,634</b>


This statement of forecast cash flow of HB Solar Canada Inc. is prepared in accordance with section 50.4 (2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the accompanying notes and Trustee's report on cash flow statement dated this the 20th day of April, 2018.

Dodick Landau inc.

HB Solar Canada Inc.

Per:   
Rahn Dodick, CPA, CA, CIRP, LIT

Per:

  
Eric Stephenson  
Director

**HB Solar Canada Inc. (“HB Solar” or the “Company”)**  
Major Assumptions  
Cash Flow Forecast  
For the Period April 7, 2018 to June 22, 2018 (the “Period”)

1. HB Solar’s financial projections have been prepared for the purpose of meeting the requirements of the Bankruptcy and Insolvency Act. The Projection is based on the hypotheses that HB Solar will continue operations in the normal course and will generate sufficient cash flow to meet its ongoing operational needs.

**Receipts:**

2. HB Solar’s sales projections for the purposes of this cash flow are based on management’s best estimate for the Period. The cash flow forecast assumes that the Company will collect its sales based on historic collection terms.
3. The opening Accounts Receivable balance, net of known bad debts, is approximately \$1.5 million and approximately 54% of the accounts are estimated to be collected within the Period.

**Disbursements:**

4. Production material and freight includes raw materials, outsourced services to complete the manufacturing process such as well as freight costs. Production costs are forecast based on the Company’s historical production costs.
5. Payroll includes amounts for salaried employees. Owners are not drawing any compensation from the Company during the Period.

To reduce payroll costs over the Period two employees were terminated, and a contractor’s hours were reduced. Other payroll costs include source deduction remittances, employee benefits and WSIB payments in the Period.

6. Occupancy expenses include HB Solar’s insurance costs, utilities and office rent.
7. General and administrative expense include general office expenses, vehicle leases, travel expenses, and rent to a third party for inventory storage.
8. Professional fees include fees for the Company’s legal counsel, the Proposal Trustee and its legal counsel for the Period.
9. The opening cash balance as of April 7, 2018 is nil. It is assumed that the Company will no longer be able to utilize its RBC line of credit.



# TAB 3

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

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

FIRST REPORT TO COURT OF PROPOSAL TRUSTEE

DATED MAY 8, 2018

**INTRODUCTION**

1. On April 10, 2018 (the "**Filing Date**"), HB Solar Canada Inc. ("**HB**" or the "**Debtor**") filed with the Official Receiver a Notice of Intention to Make a Proposal ("**NOI**") to its creditors and named Dodick Landau Inc. ("**DLI**") as Proposal Trustee (the "**Proposal Trustee**"). Attached as **Appendix "A"** is the Certificate of Filing of the NOI for the Debtor.
2. A detailed overview of the Debtor's business operations, corporate structure and financial difficulties which led to the filing of the NOI is set out in the Affidavit of Ingo Wolfert sworn May 8, 2018 (the "**Wolfert Affidavit**"), served and filed with the Court in support of the Debtor's motion for the relief set out herein.
3. All capitalized terms used in this Report but not otherwise defined shall have the meaning ascribed to such terms in the Wolfert Affidavit.
4. This first report (the "**Report**") of the Proposal Trustee is made in connection with the motion of the Debtor to:

- i. abridge the time for service of the Notice of Motion, the Motion Record and this Report and dispensing with service on any other person other than those served;
- ii. seek approval to adopt the e-service protocol of the Commercial List;
- iii. extend the time for filing a proposal, and extend the stay of proceedings granted upon the filing of the NOI, for a period of 45-days to, and including, June 22, 2018;
- iv. seek an order granting an administration charge (as hereinafter defined);
- v. approving a two-stage Sale and Investment Solicitation Process ("**SISP**") to be undertaken by the Proposal Trustee with the assistance of the Debtor's management and granting the Proposal Trustee expanded powers to implement the SISP and close any transactions under the SISP approved by the Court; and
- vi. approving the activities of the Proposal Trustee as set out in this Report.

## **DISCLAIMER**

5. In preparing this Report, the Proposal Trustee has relied upon certain unaudited, draft and/or internal financial information, the Company's books and records, discussions with the management of the Company ("**Management**") and information from other third-party sources (collectively, the "**Information**"). Except as described in this Report:
  - i. the Proposal Trustee has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook and, accordingly, the Proposal Trustee expresses no opinion or other form of assurance in respect of the Information;

- ii. some of the information referred to in this Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Canadian Institute of Chartered Accountants handbook, has not been performed; and
  - iii. the Proposal Trustee has prepared this Report in its capacity as a Court appointed officer and has made a copy of this Report available on the Proposal Trustee's website at [www.dodick.ca](http://www.dodick.ca) for purposes of the Company's motion returnable May 10, 2018. Parties using this Report, other than for the purpose of the motion, are cautioned that it may not be appropriate for their purposes.
6. Future oriented financial information referred to in this Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.
7. Unless otherwise stated, all monetary amounts contained herein are in Canadian dollars.

#### **THE SISP**

8. The goal of the Debtor's proposal proceeding is to preserve its business for the benefit of all stakeholders through either a sale, recapitalization or refinancing of the Debtor's business. To achieve this goal, the Debtor seeks the approval of the proposed SISP which would allow the Debtor to explore all restructuring alternatives.
9. Prior to the filing of the NOI, the Debtor commenced discussions with a party to purchase its business. These discussions continued after the NOI was filed. The Proposal Trustee met with this party who had expressed its continued interest to make an offer to purchase the Debtor's business. The Proposal Trustee advised this party that the Debtor will be seeking Court approval of a two-stage SISP. The

first stage would include the Proposal Trustee continuing to negotiate with this existing prospective purchaser with an aim of having an executed agreement of purchase and sale in a form acceptable to HB and the Proposal Trustee, and a deposit paid, by May 20, 2018.

10. The Proposal Trustee further advised the prospective purchaser that if he has not yet made an acceptable offer to purchase the Debtor's business by May 20, 2018 the Proposal Trustee will then expand the SISP beginning May 21, 2018 to the second-stage which would consist of a full sale process that would accommodate offers for the purchase of HB's business from all possible purchasers. The current prospective purchaser may participate in the second-stage of the SISP should he continue to have an interest to purchase the Debtor's business.
11. The purpose of the SISP is to identify one or more purchasers of the Debtor's assets, or investors in the Debtor's businesses, with a projected completion date of a transaction by the end of July 2018.
12. The terms of the SISP are set out in **Appendix "B"**. The more significant milestones in the second-stage of the SISP are:

<b>Activity</b>	<b>Timeline</b>
Begin marketing to interested parties, distribute CIM and provide access to dataroom	May 21, 2018
Solicitation of potential purchasers/investors	by June 1, 2018
Due diligence completed	by June 29, 2018
Deadline for submission of binding offers	June 29, 2018
Identification of successful offer	July 4, 2018
Hold meeting of creditors to vote on Proposal	by July 25, 2018
Obtain Court approval of Proposal	by July 30, 2018
Closing of transaction(s)	by July 31, 2018

13. The Proposal Trustee has assisted the Debtor in the development of the proposed SISP. The Proposal Trustee is of the view that the second-stage of the SISP will

provide it with the ability to reasonably canvass the market, having regard to the current circumstances and limited funding available, in an attempt to find a buyer or an investor for the Debtor's business.

14. Under the proposed Court order, in addition to the powers and duties set out in the BIA, the Debtor is seeking to have the Proposal Trustee carry out the SISP and to execute any and all documents on behalf and in the name of the Debtor necessary to complete any transaction under the SISP approved by the Court. As a result, the Debtor is seeking an order expanding the Proposal Trustee's powers as contemplated by the Debtor's motion.
15. The reason these additional powers are required is primarily due to the possibility that Management, or a party related to Management, wish to make an offer, or join a group, making an offer in the SISP. The concern is that Management would find itself in conflict if it was both the seller and participating directly, or indirectly, as a buyer in the SISP. However, it is contemplated that Management will assist the Proposal Trustee in carrying out its SISP responsibilities.
16. The Proposal Trustee consents to the expansion of its powers as contemplated by the Debtor's motion.

#### **EXTENSION OF STAY OF PROCEEDINGS**

17. The Debtor is seeking an extension of the time for the filing of the proposal to and including June 22, 2018, for a total of 45 days.
18. The stay extension is required to provide the Debtor with the necessary time to commence the SISP. It is understood that in order to complete the SISP a further extension to the stay of proceedings will be required beyond June 22, 2018.

The Proposal Trustee is of the view that the Debtor is acting in good faith and with due diligence in formulating and implementing a restructuring plan that would preserve its business and assets for the benefit of their stakeholders. Without the extension, the Debtor is not in a position to make a viable proposal to its creditors

and will become bankrupt to the detriment of its stakeholders. In contrast, no creditor will be materially prejudiced if the extension applied for is granted. If the extension applied for is granted, the Debtor would likely be able to make a viable proposal to its creditors following the completion of the SISP and any resulting transaction.

## **OVERVIEW OF THE DEBTOR'S WEEKLY CASH FLOW FORECAST**

19. The Debtor, with the assistance of the Proposal Trustee, has prepared an eleven-week cash flow forecast for the period of April 7, 2018 to June 22, 2018 ("**Cash Flow Forecast**"). A copy of the Cash Flow Forecast is attached hereto as **Appendix "C"** to this Report. The Cash Flow Forecast has been prepared by Management of the Debtor for the purpose of this motion, using probable and hypothetical assumptions set out in notes 1 to 9 attached to the Cash Flow Forecast. The Cash Flow Forecast reflects receipts and disbursements to be received or paid over the eleven-week forecast period in Canadian dollars.
20. The Cash Flow Forecast projects that the Debtor will have sufficient liquidity to fund its expenses and the Proposal proceeding throughout the proposed extension of the stay of proceedings.
21. The Proposal Trustee's review of the Cash Flow Forecast consisted of inquiries, analytical procedures and discussion related to information supplied to the Proposal Trustee by certain of the Management and employees of the Debtor. Since hypothetical assumptions need not be supported, the Proposal Trustee's procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow Forecast. The Proposal Trustee has also reviewed the support provided by Management of the Debtor for the probable assumptions, and the preparation and presentation of the Cash Flow Forecast.
22. Based on the Proposal Trustee's review, nothing has come to its attention to cause it to believe that, in all material respects:

- i. the hypothetical assumptions are not consistent with the purpose of the Cash Flow Forecast;
  - ii. as at the date of this Report, the probable assumptions developed by Management are not suitably supported and consistent with the plans of the Debtor or do not provide a reasonable basis for the Cash Flow Forecast, given the hypothetical assumptions; or
  - iii. the Cash Flow Forecast does not reflect the probable and hypothetical Assumptions.
23. As described in the Disclaimer above, since the Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented, even if the hypothetical assumptions occur, and the variations may be material. Accordingly, the Proposal Trustee expresses no assurance as to whether the Cash Flow Forecast will be achieved. In addition, the Proposal Trustee expresses no opinion or other form of assurance with respect to the accuracy of financial information presented in the Cash Flow Forecast.
24. The Cash Flow Forecast has been prepared solely for the purpose described above, and readers are cautioned that it may not be appropriate for other purposes.

#### **COURT ORDERED CHARGE**

25. The Debtor is seeking a charge (the "**Administration Charge**"), in a maximum amount of \$80,000, in favour of the Debtor's legal counsel, the Proposal Trustee and its legal counsel, which shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, statutory or otherwise in favour of any person.
26. The Proposal Trustee is of the view that the Administration Charge is necessary and reasonable in the circumstances in order to carry out the proposed SISP and complete the administration of the Proposal.



## CONCLUSION AND RECOMMENDATION

27. The Proposal Trustee is of the view that the SISP, as described above, will allow a reasonable canvassing of the market with a view to identifying parties to purchase or invest in the Debtor's business.
28. The Proposal Trustee further is of the view that the Administration Charge is reasonable and appropriate in these circumstances.
29. Based on the foregoing, the Proposal Trustee respectfully recommends that the Court make an order granting the relief being requested by the Debtor pursuant to the BIA.

All of which is respectfully submitted this 8<sup>th</sup> day of May, 2018.

### **DODICK LANDAU INC.**

In its capacity as the Proposal Trustee of  
HB Solar Canada Inc. and not in its personal or  
corporate capacity.

Per:



---

Rahn Dodick, CA, CPA, CIRP, LIT  
President

# APPENDIX “A”



Industry Canada

Office of the Superintendent  
of Bankruptcy Canada

Industrie Canada

Bureau du surintendant  
des faillites Canada

District of            Ontario  
Division No.        09 - Toronto  
Court No.            31-2364769  
Estate No.          31-2364769

In the Matter of the Notice of Intention to make a  
proposal of:

**HB Solar Canada Inc.**  
Insolvent Person

**DODICK LANDAU INC.**  
Licensed Insolvency Trustee

---

Date of the Notice of Intention:                      April 10, 2018

---

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL  
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

---

E-File/Dépôt Electronique

Date: April 10, 2018, 13:35

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

**Canada**

# APPENDIX “B”

**HB Solar Canada Inc. (“HB”)**  
**Sale and Investment Solicitation Process Summary**

The purpose of the Sale and Investment Solicitation Process (the “SISP”) is to identify one or more purchasers of, or investors in, the business and assets of HB with a projected completion date of a transaction or transactions by July 2018.

All capitalized terms used but not otherwise defined herein have the meaning given to them in the Order granted by the Ontario Superior Court of Justice (the “Court”) on May 10, 2018 (the “May Order”) in respect of the proposal proceedings commenced by HB under the *Bankruptcy and Insolvency Act* (the “BIA”).

The SISP will be a Two Stage process. Initially HB and the Proposal Trustee will continue negotiating with an existing possible purchaser with the aim of having an executed agreement of purchase and sale in a form acceptable to HB and the Proposal Trustee executed, and a deposit paid, by May 20, 2018.

If such an agreement is not executed by May 20, 2018, the SISP would then expand to a Second Stage of a full sale process that would accommodate offers for the purchase of HB’s assets for all possible purchasers.

The details of the expanded Second Stage of the SISP details are provided below.

- HB has compiled, and with the assistance of the Proposal Trustee, may continue to compile, a list of interested parties (“Interested Parties”) and will distribute to them an interest solicitation letter detailing this opportunity. The Proposal Trustee will contact all parties identified as well as any additional parties that come to its attention. A confidentiality agreement (“CA”) will be attached to the interest solicitation letter;
- HB, with the assistance of the Proposal Trustee, will prepare a confidential information memorandum (“CIM”) which will be made available to Interested Parties that execute the CA. The CIM will provide an overview of HB’s business, property and financial results;
- Interested Parties who execute the CA will have an opportunity to perform diligence, including reviewing information in a virtual data room;
- At the discretion of the Proposal Trustee, a notice will be published in trade publications;
- The Proposal Trustee, with the assistance of HB, will facilitate diligence efforts by, among other things, responding to questions and coordinating meetings between Interested Parties and HB’s management and such other parties as the Proposal Trustee may arrange. All meetings with management will be convened in the presence of a representative of the Proposal Trustee;

- Prospective investors shall be required to identify all material terms of their proposed investment to permit evaluation of such proposal but will not be required to submit the terms and structure of their proposed investment in a predetermined prescribed format;
- Parties interested in acquiring assets will be able to refer to a template asset purchase agreement (“APA”) that will be posted in the data room. Interested Parties who wish to acquire assets will be encouraged to submit offers substantially in the form of the APA, with any changes black-lined against the APA;
- Interested Parties will be entitled to submit offers for HB's business and assets on an individual basis or *en bloc*. Subject to the value of the consideration to be paid, preference will be given to *en bloc* offers;
- The deadline for submission of offers (“Offer Deadline”) will be 5:00 pm EST on June 29, 2018;
- Offers are to be submitted to the Proposal Trustee with a refundable cash deposit in the form of a wire transfer (to a bank account specified by the Proposal Trustee) or such other form of deposit as is acceptable to the Proposal Trustee, in an amount equal to 10% of the purchase price or investment amount. Offers are to be supported by evidence, satisfactory to the Proposal Trustee, of financing sufficient to close a transaction within the timelines detailed in these procedures. All offers are to be irrevocable until 10 days after Court approval of the Proposal;
- The Proposal Trustee will evaluate the offers and may seek clarification and/or a re-bidding of certain offers;
- HB’s management, along with their respective legal counsel, will be consulted on a timely basis during the different phases of the SISP, provided that they confirm to the Proposal Trustee that they are not bidders in the SISP;
- Any offer submitted must be subject to the approval of the creditors of HB and the Court;
- Upon completion of definitive documentation, HB will make a Proposal to its creditors in which it will propose a sale of the assets to the successful bidder(s) and the Proposal Trustee will call a meeting of the creditors of HB to vote on HB’s Proposal; and
- Following receipt of creditor approval of HB’s Proposal, HB will apply to the Court for an order approving the Proposal including one or more offers (“Transaction”), with the Transaction projected to be completed as soon as possible following approval of the Proposal by the Court. The Proposal Trustee will provide its recommendation to the Court with respect to the Proposal and the Transaction.

Other attributes of the SISP:

- The Proposal Trustee shall have the right to extend by up to two-weeks any deadline in the SISP in order to facilitate the SISP. Further extensions will require Court approval;
- HB's management and employees are required to assist and support the efforts of the Proposal Trustee as provided for herein;
- Any transaction will be consistent with insolvency principles, including without material representations and warranties and shall be on an "as is, where is" basis;
- The Proposal Trustee reserves the right to accept one or more offers, in consultation with HB management, and to take such steps as are necessary to finalize and complete an APA or investment agreement or to continue negotiations with a selected number of Interested Parties with a view to finalizing an agreement(s) with one or more of them;
- The Proposal Trustee shall be under no obligation to accept the highest offer, the best offer, or any offer, and the selection of any offer(s) shall be at the discretion of the Proposal Trustee after consultation with HB Management;
- The Proposal Trustee shall not be bound by the terms of any transaction(s) until approval of the Court is obtained;
- The Proposal Trustee may consider transactions involving a restructuring or investment in HB if, in the opinion of the Proposal Trustee, the resulting transaction is in the best interests of HB and maximizes value for the benefit of its stakeholders; and
- The Proposal Trustee reserves the right to apply to the Court at any time to modify or terminate the SISP if it considers it appropriate in the circumstances or to apply to the Court for advice and directions.

## SUMMARY TIMELINE OF IMPORTANT DATES

<b>Sale Process Procedures</b>	<b>Date</b>
Court approval of Sale Process by	May 10, 2018
<b>STAGE 1</b>	
Due Diligence by existing interested party	May 10, 2018 to May 20, 2018
Executed APS and deposit paid	By May 20, 2018
<b>IF NO APS – STAGE 2</b>	
Begin marketing to interested parties, distributing CIM and provide access to on-line data room	By May 21, 2018
Solicitation of potential purchasers/investors	By June 1, 2018
Due diligence completed	By June 29, 2018
Deadline for submission of binding offers	By June 29, 2018
Identification of successful offer	By July 4, 2018
Hold meeting of creditors to vote on Proposal	By July 25, 2018
Obtain Court approval of Proposal	By July 30, 2018
Closing of Transaction	By July 31, 2018



# APPENDIX “C”

District of: Ontario  
Division No. 09 - Toronto  
Court No. 31-2364769  
Estate No. 31-2364769

-- FORM 29 --

Trustee's Report on Cash-Flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of  
HB Solar Canada Inc.  
of the city of Concord, in the Province of Ontario

The attached statement of projected cash flow of HB Solar Canada Inc., as of the 20th day of April 2018, consisting of 11 week period from April 7, 2018 to June 22, 2018, has been prepared by the management of the insolvent person (or the insolvent debtor) for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by:  the management and employees of the insolvent person or  the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by:  management or  the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the city of Toronto in the Province of Ontario, this 20th day of April 2018.

Dodick Landau Inc. - Licensed Insolvency Trustee  
Per:



Rahn Dodick - Licensed Insolvency Trustee  
4646 Dufferin St., Suite 6  
Toronto ON M3H 5S4  
Phone: (416) 736-4357 Fax: (416) 649-7725

District of: Ontario  
Division No. 09 - Toronto  
Court No. 31-2364769  
Estate No. 31-2364769

\_FORM 29... - Attachment  
Trustee's Report on Cash-flow Statement  
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the matter of the proposal of  
HB Solar Canada Inc.  
of the city of Concord, in the Province of Ontario

Purpose:

Solely for the purpose of this insolvency proceeding.

Projection Notes:

See attached cash-flow

Assumptions:

See attached cash-flow

Dated at the city of Toronto in the Province of Ontario, this 20th day of April 2018.

Dodick Landau Inc. - Licensed Insolvency Trustee

Per:



Rahn Dodick - Licensed Insolvency Trustee  
4646 Dufferin St., Suite 6  
Toronto ON M3H 5S4  
Phone: (416) 736-4357 Fax: (416) 649-7725

**HB Solar Canada Inc**

**Weekly Cash Flow Forecast**


For the period from April 7, 2018 to June 22, 2018

Week Ending	Notes	13-Apr-18	20-Apr-18	27-Apr-18	4-May-18	11-May-18	18-May-18	25-May-18	1-Jun-18	8-Jun-18	15-Jun-18	22-Jun-18	TOTAL
<b>Receipts</b>													
Sales	2	-	-	-	-	78,142	95,840	43,981	64,137	159,972	152,306	209,873	804,252
AR Collections	3	220,000	120,649	98,437	277,221	197,379	43,247	18,777	5,000	73,961	5,000	-	1,059,671
<b>Total Receipts</b>		<b>220,000</b>	<b>120,649</b>	<b>98,437</b>	<b>277,221</b>	<b>275,521</b>	<b>139,087</b>	<b>62,758</b>	<b>69,137</b>	<b>233,933</b>	<b>157,306</b>	<b>209,873</b>	<b>1,863,923</b>
<b>Disbursements</b>													
Material and Freight	4	-	49,624	122,458	100,353	131,902	130,602	99,527	197,728	226,699	148,915	191,709	1,399,519
Payroll	5	-	-	83,000	5,100	-	-	-	83,500	5,100	-	-	176,700
Occupancy Costs	6	-	2,215	-	8,825	-	1,515	700	8,825	-	1,540	700	24,320
G&A Expenses	7	760	6,770	760	11,240	760	6,570	760	11,240	760	6,570	760	46,950
Professional Fees	8	-	16,950	-	16,950	-	-	16,950	-	16,950	-	-	67,800
<b>Total Disbursements</b>		<b>760</b>	<b>75,559</b>	<b>206,218</b>	<b>142,468</b>	<b>132,662</b>	<b>138,687</b>	<b>117,937</b>	<b>301,293</b>	<b>249,509</b>	<b>157,025</b>	<b>193,169</b>	<b>1,715,289</b>
<b>Net Cash Flow</b>		<b>219,240</b>	<b>45,090</b>	<b>-107,781</b>	<b>134,753</b>	<b>142,859</b>	<b>400</b>	<b>-55,180</b>	<b>-232,156</b>	<b>-15,576</b>	<b>281</b>	<b>16,703</b>	<b>148,634</b>
<b>Bank Balance</b>													
Opening Bank Balance	9	-	219,240	264,330	156,548	291,301	434,161	434,561	379,381	147,226	131,650	131,931	-
Add: Net Cash Flow		219,240	45,090	-107,781	134,753	142,859	400	-55,180	-232,156	-15,576	281	16,703	148,634
<b>Closing Bank Balance</b>		<b>219,240</b>	<b>264,330</b>	<b>156,548</b>	<b>291,301</b>	<b>434,161</b>	<b>434,561</b>	<b>379,381</b>	<b>147,226</b>	<b>131,650</b>	<b>131,931</b>	<b>148,634</b>	<b>148,634</b>


This statement of forecast cash flow of HB Solar Canada Inc. is prepared in accordance with section 50.4 (2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the accompanying notes and Trustee's report on cash flow statement dated this the 20th day of April, 2018.

Dodick Landau Inc.

HB Solar Canada Inc.

Per:   
Rahn Dodick, CPA, CA, CIRP, LIT

Per:

  
Eric Stephenson  
Director

**HB Solar Canada Inc. (“HB Solar” or the “Company”)**  
Major Assumptions  
Cash Flow Forecast  
For the Period April 7, 2018 to June 22, 2018 (the “Period”)

1. HB Solar’s financial projections have been prepared for the purpose of meeting the requirements of the Bankruptcy and Insolvency Act. The Projection is based on the hypotheses that HB Solar will continue operations in the normal course and will generate sufficient cash flow to meet its ongoing operational needs.

**Receipts:**

2. HB Solar’s sales projections for the purposes of this cash flow are based on management’s best estimate for the Period. The cash flow forecast assumes that the Company will collect its sales based on historic collection terms.
3. The opening Accounts Receivable balance, net of known bad debts, is approximately \$1.5 million and approximately 54% of the accounts are estimated to be collected within the Period.

**Disbursements:**

4. Production material and freight includes raw materials, outsourced services to complete the manufacturing process such as well as freight costs. Production costs are forecast based on the Company’s historical production costs.
5. Payroll includes amounts for salaried employees. Owners are not drawing any compensation from the Company during the Period.

To reduce payroll costs over the Period two employees were terminated, and a contractor’s hours were reduced. Other payroll costs include source deduction remittances, employee benefits and WSIB payments in the Period.

6. Occupancy expenses include HB Solar’s insurance costs, utilities and office rent.
7. General and administrative expense include general office expenses, vehicle leases, travel expenses, and rent to a third party for inventory storage.
8. Professional fees include fees for the Company’s legal counsel, the Proposal Trustee and its legal counsel for the Period.
9. The opening cash balance as of April 7, 2018 is nil. It is assumed that the Company will no longer be able to utilize its RBC line of credit.

# TAB 4

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE ) FRIDAY, THE 10<sup>th</sup> DAY OF  
JUSTICE )  
) MAY, 2018

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

**ORDER**

**THIS MOTION**, made by HB Solar Canada Inc. (“**HB**”) pursuant to the *Bankruptcy and Insolvency Act*, R.S.C 1985, c B-3, as amended (the “**BIA**”) was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Affidavit of Ingo Wolfert sworn May 8, 2018 and the Exhibits thereto (the “**Wolfert Affidavit**”), the First Report of Dodick Landau Inc. (the “**Proposal Trustee**”) dated May 8, 2018 (the “**First Report**”) and on being advised that the creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for HB, the Proposal Trustee and any other parties who signed the counsel slip;

**Service:**

1. **THIS COURT ORDERS** that the time for service of the HB’s Notice of Motion and Motion Record and the First Report is hereby abridged so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **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: <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 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 <[www.dodick.ca]>.

3. **THIS COURT ORDERS** that the E-Service List Keeper and the WebHost (as such terms are defined in the Protocol) for the purpose of this proceeding shall be the Proposal Trustee.

**Extension of Time to File Proposal:**

4. **THIS COURT ORDERS** that the time for filing of the Proposal, and the stay of proceedings herein, are extended in accordance with Section 50.4(9) of the BIA for a period of 45 days, to and including June 22, 2018.

**Proposal Trustee’s Fees and Administration Charge:**

5. **THIS COURT ORDERS** that the Proposal Trustee, counsel to the Proposal Trustee and counsel to HB shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by HB as part of the costs of these proceedings. HB is hereby authorized and directed to pay the accounts of the Proposal Trustee, counsel for the Proposal Trustee and counsel for HB on a bi-weekly basis.

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



7. **THIS COURT ORDERS** that the Proposal Trustee, counsel to the Proposal Trustee, and HB's counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, but for the purposes of the Administration Charge specifically excluding the vehicles leased by Kennedy National Leasing Limited, in the amount of \$80,000.00, as security for their professional fees and disbursements incurred at the standard rates and charges of the Proposal Trustee and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 8 to 11 hereof.

**Validity and Priority of Administration Charge:**

8. **THIS COURT ORDERS** that the filing, registration or perfection of the Administration Charge shall not be required, and that the Administration Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Administration Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.

9. **THIS COURT ORDERS** that the Administration Charge shall constitute a charge on HB's current and future properties, assets and undertakings of every nature and kind whatsoever and wheresoever situated including all proceeds thereof, but for the purposes of the Administration Charge specifically excluding the vehicles leased by Kennedy National Leasing Limited (the "**Property**") and such Administration Charge shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any individual, firm, corporation, governmental body or agency (except statutory deemed trusts that, at law, rank in priority to all other charges), or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**").

10. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, HB shall not grant any Encumbrances over any Property that rank in priority to, or pari passu with, the Administration Charge, unless HB also obtains the prior written consent of the Proposal Trustee and the beneficiaries of the Administration Charge, or further Order of this Court.

11. **THIS COURT ORDERS** that the Administration Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Administration Charge (collectively, the “**Chargees**”) shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing or deemed filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds HB, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Administration Charge shall not create or be deemed to constitute a breach by HB of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting the creation of the Administration Charge; and
- (c) the payments made by HB pursuant to this Order and the granting of the Administration Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

**Enhanced Powers of the Proposal Trustee:**

12. **THIS COURT ORDERS** that, in addition to the powers and duties set out in the BIA and this Order (or any other Order of this Court in these proceedings), the Proposal Trustee is hereby fully and exclusively authorized and empowered, but not required, to take any and all actions and steps, and execute any and all documents and writings, on behalf, and in the name of HB in order to carry out its duties under this Order or any other Order of the Court, including to execute all documents relating to the SISP (as defined below) as well as to execute and deliver

any documents on behalf of HB to implement transactions under the SISP approved by the Court.

13. **THIS COURT ORDERS** that the Proposal Trustee is authorized and empowered, but not required, to operate on behalf of HB any of HB's existing accounts at any financial institution ("**HB's Accounts**"), in such manner as the Proposal Trustee, in its sole discretion, deems necessary or appropriate to assist with the exercise of the Proposal Trustee's powers and duties set out herein, including the ability to add or remove persons having signing authority with respect to any of HB's Accounts.

14. **THIS COURT ORDERS** that all employees of HB shall remain the employees of HB until such time as the Proposal Trustee, on HB's behalf, may terminate the employment of such employees. Nothing in this Order shall, in and of itself, cause the Proposal Trustee to be liable for any employee-related liabilities or duties, including, without limitation, wages, severance pay, termination pay, vacation pay and pension or benefit amounts.

15. **THIS COURT ORDERS** that the enhancement of the Proposal Trustee's powers as set forth herein, the exercise by the Proposal Trustee of any of its powers, the performance by the Proposal Trustee of any of its duties, or the use or employment by the Proposal Trustee of any person in connection with its appointment and the performance of its powers and duties shall not constitute the Proposal Trustee the employer, successor employer or related employer of the employees of HB within the meaning of any provincial, federal or municipal legislation or common law governing employment, pensions or labour standards or any other statute, regulation or rule of law or equity for any purpose whatsoever or expose the Proposal Trustee to liability to any individuals arising from or relating to their previous employment by IIB.

16. **THIS COURT ORDERS** that the Proposal Trustee is not, and shall not be or be deemed to be, a director, officer or employee of HB.

17. **THIS COURT ORDERS** that HB shall continue to have the benefit of all of the protections and priorities as set out in the BIA, or this Order, and any such protections and priorities shall apply to the Proposal Trustee in fulfilling its duties and exercising any of its powers under this Order or any other Order of this Court.

18. **THIS COURT ORDERS** that HB its management and advisors shall cooperate fully with the Proposal Trustee and any directions it may provide pursuant to this Order or any other Order of this Court and shall provide the Proposal Trustee with such assistance as the Proposal Trustee may request from time to time to enable the Proposal Trustee to carry out its duties and powers as set out in this Order or any other Order of this Court.

19. **THIS COURT ORDERS** that nothing in this Order shall constitute or be deemed to constitute the Proposal Trustee as a receiver, assignee, liquidator, administrator, receiver manager, agent of the creditors or legal representative of HB within the meaning of any relevant legislation and that any distribution made to creditors of HB by the Proposal Trustee will be deemed to have been made by HB itself.

20. **THIS COURT ORDERS** that the Proposal Trustee shall not take possession of the Property, and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the business or Property of HB, or any part thereof.

21. **THIS COURT ORDERS** that nothing herein contained shall require the Proposal Trustee 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 Proposal Trustee from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Proposal Trustee shall not, as a result of this Order or anything done in pursuance of the Proposal Trustee'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.

22. **THIS COURT ORDERS** that the Proposal Trustee shall provide any creditor of HB with information provided by HB in response to reasonable requests for information made in writing by such creditor addressed to the Proposal Trustee. The Proposal Trustee shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Proposal Trustee has been advised by HB is confidential, the Proposal Trustee shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Proposal Trustee and HB may agree.

23. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Proposal Trustee under the BIA or as an officer of this Court, the Proposal Trustee shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Proposal Trustee by the BIA or any applicable legislation.

**Sale and Investment Solicitation Process:**

24. **THIS COURT ORDERS** that the Two-Stage Sale and Investment Solicitation Process (the “SISP”), attached as **Schedule “A”** to this Order, is approved.

25. **THIS COURT ORDERS** that HB and the Proposal Trustee are authorized and directed to perform their obligations under and take such steps as they consider necessary or desirable in carrying out the SISP.

26. **THIS COURT ORDERS** that the Proposal Trustee shall have no personal or corporate liability in connection with the SISP, including, without limitation:

(a) by advertising the SISP;

(b) by exposing the Property to any and all parties;

(c) by responding to any and all requests or inquiries regarding due diligence conducted in respect of HB or the Property;

- (d) through the disclosure of any and all information regarding HB or the Property arising from, incidental to or in connection with the SISP; and
- (e) pursuant to any and all offers received by HB in accordance with the SISP.

27. **THIS COURT ORDERS** that, in connection with the SISP and pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act (Canada)*, HB and the Proposal Trustee are authorized and permitted to disclose personal information of identifiable individuals to prospective investors, financiers, purchasers or offerors and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more investment, finance or sale transactions (each, a “**Transaction**”). Each prospective investor, financier, purchaser, or offeror to whom such information is disclosed shall maintain and protect the privacy of such information and shall limit the use of such information to its evaluation of the Transaction, and if it does not complete a Transaction, shall: (i) return all such information to HB or the Proposal Trustee, as applicable; (ii) destroy all such information; or (iii) in the case of such information that is electronically stored, destroy all such information to the extent it is reasonably practical to do so. 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 HB, and shall return all other personal information to HB or the Proposal Trustee, as applicable, or ensure that all other personal information is destroyed.

**General:**

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 HB, the Proposal Trustee and their respective 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 HB and to the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Proposal Trustee in any foreign proceeding, or to assist HB and the Proposal Trustee and their respective agents in carrying out the terms of this Order.

29. **THIS COURT ORDERS** that each of HB and the Proposal Trustee 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 Proposal Trustee 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 any interested party (including HB and the Proposal Trustee) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

---

## Schedule "A"

### HB Solar Canada Inc. ("HB") Sale and Investment Solicitation Process Summary

The purpose of the Sale and Investment Solicitation Process (the "SISP") is to identify one or more purchasers of, or investors in, the business and assets of HB with a projected completion date of a transaction or transactions by July 2018.

All capitalized terms used but not otherwise defined herein have the meaning given to them in the Order granted by the Ontario Superior Court of Justice (the "Court") on May 10, 2018 (the "May Order") in respect of the proposal proceedings commenced by HB under the *Bankruptcy and Insolvency Act* (the "BIA").

The SISP will be a Two Stage process. Initially HB and the Proposal Trustee will continue negotiating with an existing possible purchaser with the aim of having an executed agreement of purchase and sale in a form acceptable to HB and the Proposal Trustee executed, and a deposit paid, by May 20, 2018.

If such an agreement is not executed by May 20, 2018, the SISP would then expand to a Second Stage of a full sale process that would accommodate offers for the purchase of HB's assets for all possible purchasers.

The details of the expanded Second Stage of the SISP details are provided below.

- HB has compiled, and with the assistance of the Proposal Trustee, may continue to compile, a list of interested parties ("Interested Parties") and will distribute to them an interest solicitation letter detailing this opportunity. The Proposal Trustee will contact all parties identified as well as any additional parties that come to its attention. A confidentiality agreement ("CA") will be attached to the interest solicitation letter;
- HB, with the assistance of the Proposal Trustee, will prepare a confidential information memorandum ("CIM") which will be made available to Interested Parties that execute the CA. The CIM will provide an overview of HB's business, property and financial results;
- Interested Parties who execute the CA will have an opportunity to perform diligence, including reviewing information in a virtual data room;
- At the discretion of the Proposal Trustee, a notice will be published in trade publications;
- The Proposal Trustee, with the assistance of HB, will facilitate diligence efforts by, among other things, responding to questions and coordinating meetings between Interested Parties and HB's management and such other parties as the Proposal Trustee may arrange. All meetings with management will be convened in the presence of a representative of the Proposal Trustee;



## Schedule "A"

- Prospective investors shall be required to identify all material terms of their proposed investment to permit evaluation of such proposal but will not be required to submit the terms and structure of their proposed investment in a predetermined prescribed format;
- Parties interested in acquiring assets will be able to refer to a template asset purchase agreement ("APA") that will be posted in the data room. Interested Parties who wish to acquire assets will be encouraged to submit offers substantially in the form of the APA, with any changes black-lined against the APA;
- Interested Parties will be entitled to submit offers for HB's business and assets on an individual basis or *en bloc*. Subject to the value of the consideration to be paid, preference will be given to *en bloc* offers;
- The deadline for submission of offers ("Offer Deadline") will be 5:00 pm EST on June 29, 2018;
- Offers are to be submitted to the Proposal Trustee with a refundable cash deposit in the form of a wire transfer (to a bank account specified by the Proposal Trustee) or such other form of deposit as is acceptable to the Proposal Trustee, in an amount equal to 10% of the purchase price or investment amount. Offers are to be supported by evidence, satisfactory to the Proposal Trustee, of financing sufficient to close a transaction within the timelines detailed in these procedures. All offers are to be irrevocable until 10 days after Court approval of the Proposal;
- The Proposal Trustee will evaluate the offers and may seek clarification and/or a re-bidding of certain offers;
- HB's management, along with their respective legal counsel, will be consulted on a timely basis during the different phases of the SISP, provided that they confirm to the Proposal Trustee that they are not bidders in the SISP;
- Any offer submitted must be subject to the approval of the creditors of HB and the Court;
- Upon completion of definitive documentation, HB will make a Proposal to its creditors in which it will propose a sale of the assets to the successful bidder(s) and the Proposal Trustee will call a meeting of the creditors of HB to vote on HB's Proposal; and
- Following receipt of creditor approval of HB's Proposal, HB will apply to the Court for an order approving the Proposal including one or more offers ("Transaction"), with the Transaction projected to be completed as soon as possible following approval of the Proposal by the Court. The Proposal Trustee will provide its recommendation to the Court with respect to the Proposal and the Transaction.

## Schedule "A"

Other attributes of the SISP:

- The Proposal Trustee shall have the right to extend by up to two-weeks any deadline in the SISP in order to facilitate the SISP. Further extensions will require Court approval;
- HB's management and employees are required to assist and support the efforts of the Proposal Trustee as provided for herein;
- Any transaction will be consistent with insolvency principles, including without material representations and warranties and shall be on an "as is, where is" basis;
- The Proposal Trustee reserves the right to accept one or more offers, in consultation with HB management, and to take such steps as are necessary to finalize and complete an APA or investment agreement or to continue negotiations with a selected number of Interested Parties with a view to finalizing an agreement(s) with one or more of them;
- The Proposal Trustee shall be under no obligation to accept the highest offer, the best offer, or any offer, and the selection of any offer(s) shall be at the discretion of the Proposal Trustee after consultation with HB Management;
- The Proposal Trustee shall not be bound by the terms of any transaction(s) until approval of the Court is obtained;
- The Proposal Trustee may consider transactions involving a restructuring or investment in HB if, in the opinion of the Proposal Trustee, the resulting transaction is in the best interests of HB and maximizes value for the benefit of its stakeholders; and
- The Proposal Trustee reserves the right to apply to the Court at any time to modify or terminate the SISP if it considers it appropriate in the circumstances or to apply to the Court for advice and directions.

## Schedule "A"

### SUMMARY TIMELINE OF IMPORTANT DATES

<b>Sale Process Procedures</b>	<b>Date</b>
Court approval of Sale Process by	May 10, 2018
<b>STAGE 1</b>	
Due Diligence by existing interested party	May 10, 2018 to May 20, 2018
Executed APS and deposit paid	By May 20, 2018
<b>IF NO APS – STAGE 2</b>	
Begin marketing to interested parties, distributing CIM and provide access to on-line data room	By May 21, 2018
Solicitation of potential purchasers/investors	By June 1, 2018
Due diligence completed	By June 29, 2018
Deadline for submission of binding offers	By June 29, 2018
Identification of successful offer	By July 4, 2018
Hold meeting of creditors to vote on Proposal	By July 25, 2018
Obtain Court approval of Proposal	By July 30, 2018
Closing of Transaction	By July 31, 2018

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

Court File No. 31-2364769

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**PROCEEDING COMMENCED AT  
TORONTO**

**MOTION RECORD OF  
HB SOLAR CANADA INC.**

**PALLET VALO LLP**

Lawyers & Trade-Mark Agents  
77 City Centre Drive, West Tower  
Suite 300  
Mississauga, Ontario  
L5B 1M5

**ALEX ILCHENKO, C.S. (LSUC NO. 33944Q)**

Tel: (905) 273-3300

Fax: (905) 273-6920

Lawyers for HB Solar Canada Inc.