

**APPENDIX "III"**

Court File No. CV-12-9861-00CL

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

THE HONOURABLE <i>MR.</i> JUSTICE BROWN	) ) )	FRIDAY, THE 18 <sup>th</sup> DAY OF JANUARY, 2013
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BETWEEN:

**CANADIAN SOLAR SOLUTIONS INC.**

Applicant

- and -

**RA SOLAR LEASING INC.**

Respondent

**SALES PROCESS ORDER**

THIS MOTION, made by BDO Canada Limited, in its capacity as court-appointed receiver (in such capacity, the "Receiver") of RA Solar Leasing Inc. (the "Debtor"), appointed pursuant to the Order dated November 26, 2012 (the "Appointment Order"), for an Order:

- (a) validating the service of the Notice of Motion, the Motion Record and the First Report of the Receiver dated January 9, 2013 (the "First Report") so that this Motion is properly returnable today and dispensing with further service thereof;
- (b) approving the First Report and the activities of the Receiver as described therein;
- (c) approving the Sales Process or Bidding Procedures (the "Sales Process") substantially in the form attached as Schedule "A" to this Order;
- (d) authorizing the Receiver to carry out the Sales Process; and

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- (e) authorizing the Receiver, after the fact, to settle with Icarus Power Generation Inc. ("**Icarus**") regarding the 4 Projects identified or listed in Schedule "B" of this Order that were funded or partially funded by the Applicant (the "**Icarus Projects**"),

was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the material filed, including the Notice of Motion, the First Report and the appendices thereto, the Supplemental Report to the First Report dated January 16, 2013 (the "**Supplemental Report**") and the Affidavit of Steven Marshall sworn January 15, 2013 and the exhibits thereto and the Supplementary Affidavit of Steven Marshall sworn January 17, 2013, and on hearing the submissions of counsel for the Receiver, Applicant and Respondent, and no one appearing for any other party although duly served as appears from the Affidavit of Service of Candice Cavalier, sworn January 10, 2013, filed;

#### **SERVICE**

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

#### **RECEIVER'S ACTIVITIES**

2. **THIS COURT ORDERS** that the First Report and the activities of the Receiver as described therein are hereby approved.

#### **SALES PROCESS**

3. **THIS COURT ORDERS** that the Sales Process attached as Schedule "A" to this Order is hereby approved.
4. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to take such steps as it considers necessary or desirable to carry out the Sales Process.

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5. **THIS COURT ORDERS** that the Receiver shall have no personal or corporate liability in connection with conducting the Sales Process, excepting any liability resulting from gross negligence or wilful misconduct.

#### ICARUS PROJECTS

6. **THIS COURT ORDERS** that the Receiver is authorized, after the fact, to settle with Icarus regarding the Icarus Projects and that the Icarus Projects are excluded from or do not fall under the Property being sold under the Sales Process.

#### AID AND ASSISTANCE OF OTHER COURTS

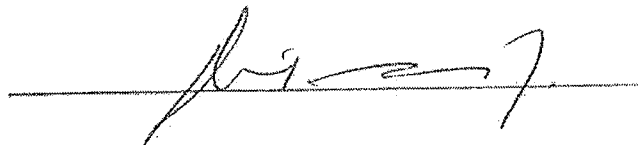
7. **THIS COURT REQUESTS** the aid and recognition of any court or any judicial, regulatory, or administrative body in any province or territory of Canada and the Federal Court of Canada and any judicial, regulatory, or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court, or any judicial, regulatory or administrative body of the United States and the states of other subdivisions of the United States and of any other nation or state to act in aid of and to be complementary to this Court in carrying out the terms of this Order.

#### GENERAL

8. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven days notice to any other party or parties likely to be affected by the Order sought or upon such other notice as this Court may order.

ENTERED AT / INSCRIT A TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO:

JAN 21 2013



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**Schedule "A"**

**Sales Process**

## Schedule "A"

### Sales Process

Pursuant to the Receivership or Appointment Order dated November 26, 2012 (the "**Appointment Order**"), BDO Canada Limited was appointed as the receiver (in this capacity, the "**Receiver**") of RA Solar Leasing Inc. (the "**Debtor**").

The Receiver has prepared the sales process (the "**Sales Process**") set out herein to determine whether a successful bid or bids can be obtained for the assets and interests of the Debtor associated with, arising out of, or in any way or manner related to any and all of the projects funded in whole or in part by Canadian Solar Solutions Inc. ("**Canadian Solar**") pursuant to the Master Purchase Agreement dated November 10, 2011 (the "**Projects**").

Pursuant to the Order dated January 18, 2013, the Ontario Superior Court of Justice (Commercial List), (the "**Court**") approved the Sales Process (the "**Sales Process Order**").

Set out below are the sales or bidding procedures (the "**Sales Process Procedures**") to be followed with respect to the Sales Process to be undertaken and supervised by the Receiver, and, if a successful bid or bids is/are obtained, to complete the transaction(s) contemplated therein.

### Defined Terms

In these Sales Process Procedures:

"**Business**" means the business being carried on by the Debtor.

"**Business Day**" means a day, other than a Saturday or Sunday on which banks are open for business in the City of Toronto.

"**Property**" means all of the assets, undertakings and property of the Debtor associated with, arising out of or in any way or manner related to any and all of the Projects funded in whole or in part by Canadian Solar or any portion thereof and to the extent that such Property includes any leases, agreements or contracts to which the Debtor is a party, such Property shall be subject to any and all third party consents required as set out in the terms of the relevant lease, agreement or contract.

### Sales Process Procedures

The Sales Process Procedures set out herein, describes, among other things, the Property available for sale, the manner in which prospective bidders may gain access to or continue to have access to due diligence materials concerning the Property and the Business, the receipt and negotiation of bids received, the ultimate selection of a successful bidder or bidders and the Court's approval thereof (collectively, the "**Solicitation Process**"). The Receiver shall administer the Sales Process Procedures. In the event that there is disagreement as to the interpretation or application of this Sales Process Procedures, the Court will have jurisdiction to hear and resolve such dispute.

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### **Purchase and Sale Opportunity**

An information memorandum (the "IM") describing the opportunity to acquire some or all of the Property of the Debtor will be made available by the Receiver, to prospective purchasers. The IM will provide a concise summary of the Property that will allow potential purchasers to assess the Property.

The IM will also set out the parameters and timeline for the Solicitation Process including an offer form (the "Offer Form") outlining the terms and conditions of sale. The Receiver will compile a list of potential purchasers (each a "Potential Bidder"). The list of Potential Bidders will include strategic buyers that may be interested in the Property. The list of Potential Bidders will be compiled based on research by the Receiver using available databases as well as existing market resources and information previously gathered by the Debtor, including unsolicited expressions of interest to date.

### **"As Is, Where Is"**

The sale of the Property will be on an "as is, where is" basis and without representations and warranties of any kind, nature or description by the Receiver, or any of its agents.

### **Free of Any and All Claims and Interests**

In the event of a sale of the Property, all of the rights, title and interests of the Debtor in and to the Property to be acquired will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options and interests thereon and there against (collectively, the "Claims and Encumbrances"), such Claims and Encumbrances to attach to the net proceeds of the sale of such Property (without prejudice to any claims or causes of action regarding the priority, validity or enforceability thereof), except to the extent otherwise set forth in the relevant asset purchase agreement with a successful bidder.

### **Publication Notice**

As soon as reasonably practicable after the granting of the Sales Process Order, but in any event no later than February 1, 2013, the Receiver shall cause a notice of the Sales Process contemplated herein and such other relevant information which the Receiver considers appropriate to be published in the Globe and Mail National Edition.

### **Electronic Data Room**

Along with the Receiver's preparation of the IM and the list of Potential Bidders, the Receiver will compile a comprehensive electronic data room (the "Data Room") that will include all relevant data that would reasonably be required by a Potential Bidder in the due diligence process with respect to the Property.

The Data Room will allow Potential Bidders to log on remotely and the electronic site will be fully secure and the Receiver will be able to customize, monitor and track the activity of any Potential Bidder granted access to the Data Room.

### **Participation Requirements**

In order to participate in the Solicitation Process, each Potential Bidder must deliver to the Receiver at the address specified below (including by email or fax transmission) and prior to the distribution of any confidential information by the Receiver to such Potential Bidder, an executed confidentiality agreement (the "Confidentiality Agreement") in the form

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and substance satisfactory to the Receiver, which shall enure to the benefit of any purchaser of the Property.

A Potential Bidder that has executed the Confidentiality Agreement will be granted access to the Data Room.

#### **Due Diligence**

The Receiver shall provide any Potential Bidder who has signed the Confidentiality Agreement with a copy of the IM and access to the Data Room. The Receiver makes no representation or warranty as to the information contained in the IM or the information to be provided through the due diligence process or otherwise.

#### **Timeline for Due Diligence and Submission of Bids**

Each Potential Bidder shall have a period of approximately four weeks from the date of the Sales Process Order to review the IM and access to the Data Room. Upon the completion of the four week period, any Potential Bidders wishing to submit an Offer Letter must do so by no later than 1:00 p.m. on March 1, 2013.

#### **Selection of Bids and Negotiation of an Asset Purchase Agreement**

The Receiver shall negotiate and enter into an agreement or agreements of purchase and sale with the successful bidder or bidders on or before March 15, 2013, which agreement or agreements shall be subject to Court approval.

#### **Approval Motion**

The Receiver shall apply to the Court (the "**Approval Motion**") for an order approving the agreement or agreements of purchase and sale entered into by the Receiver, as well as an order vesting title to the purchased Property in the name of the purchaser(s) and such order shall be obtained on or before April 1, 2013.

#### **Sale Transaction(s)**

The sale transaction(s) under this Sales Process shall be completed or closed on or before April 3, 2013.

#### **Deposits**

Any and all deposits (the "**Deposit**") submitted pursuant to the terms of the Offer Form, shall be retained by the Receiver. If there is a successful bid(s), the Deposit paid by the successful bidder(s) whose bid(s) is/are approved at the Approval Motion shall be applied to the purchase price to be paid by the successful bidder(s) upon closing of the approved transaction and will be non-refundable. The Deposits of Potential Bidders not selected as the successful bidder(s) shall be returned to such bidders within five Business Days of the date upon which the successful bid(s) is/are approved by the Court. If there is no successful bid, all Deposits shall be returned to the bidders within five Business Days of the Date upon which the Sales Process is terminated in accordance with these procedures.

#### **Notices**

Any notices permitted or required to be given to the Receiver herein shall be in writing and addressed Private and Confidential to the Receiver and mailed, faxed or delivered (including delivery by other means of electronic communication) as follows:



BDO Canada Limited  
 1 City Centre Drive  
 Suite 1040  
 Mississauga, ON L5B 1M2  
 Attention: Vince Siciliano  
 Fax: 905.615.1333  
 Tel: 905.615.6200  
 Email: [vsiciliano@bdo.ca](mailto:vsiciliano@bdo.ca)

Any notice personally delivered as aforesaid shall be deemed to have been received on the date of delivery. If delivered by facsimile transmission or other electronic means, delivery shall also be deemed to have been received on the date of delivery unless delivered after 4:00 p.m. in which case the date of delivery shall be deemed to be the following business day. If delivered by regular mail or prepaid registered mail, the date of delivery shall be deemed to be two business days after the notice is sent and one business day if sent by courier.

**Management**

The Debtor will assist the Receiver in the preparation of the list of Potential Bidders and consult with the Receiver as appropriate in the Sales Process.

**Amendments**

The Receiver may amend or terminate the Sales Process at any time.

**Further Orders**

At any time during the Sales Process, the Receiver may apply to the Court for advice and directions with respect to the discharge of its powers and duties hereunder.

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**Schedule "B"**

**Icarus Projects**

## Schedule "B"

## LISTING OF THE ICARUS PROJECTS

#	Contract #	Address	Project Size (kW)
1	ML10611	722 Turrell Crescent, Milton, ON	8.250
2	ML9006	340 Tonelli Lane, Milton, ON	8.250
3	OS317	506 Hartgrove Lane, Oshawa, ON	8.000
4	AU10026	270 Ivy Jay Crescent, Aurora, ON	7.875
			<u>32.375</u>

CANADIAN SOLAR SOLUTIONS INC.  
Applicant

- and -

RA SOLAR LEASING INC.  
Respondent

Court File No. CV-12-9861-00CL

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

Proceedings commenced at Toronto

**SALES PROCESS ORDER**

**FOGLER, RUBINOFF LLP**

Lawyers

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Toronto, Ontario M5K 1G8

**Vern W. DaRe (LSUC# 32591E 1D)**

Tel: 416-941-8842

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*Lawyers for the court-appointed  
Receiver of RA Solar Leasing Inc., BDO  
Canada Limited*

Jan 18/13

CANADIAN SOLAR SOLUTIONS INC. - and -  
Applicant

RA SOLAR LEASING INC.  
Respondent

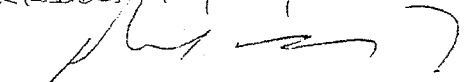
Court File No. CV-12-9861-00CL

Jan 18/13

① There is no opposition to the proposed sales  
marketing process. I approve it.

② As to the issue of the ownership and/or  
inclusion of the evaluator software + database  
in the ~~assets~~ <sup>assets</sup>.

- ③ ~~status~~ <sup>held</sup> to issue regarding matter only  
by 3pm Tuesday, Jan 22/13;
- ④ any CX to be held Wed, Jan 23/13;
- ⑤ Review my file supplemental report  
R for 24/13;
- ⑥ Hearing, Friday, Jan 25/13 before  
me @ 2:15 pm.

⑦ if Cdu Solar intends to file further evidence  
it must receive by  
4pm on Wed, Jan 21/13.   
D. H. BROWN

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

Proceedings commenced at Toronto



MOTION RECORD  
(Returnable January 18, 2013)

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