



Court File No. CV-23-00709164-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

)

TUESDAY, THE 14TH

JUSTICE OSBORNE

)

DAY OF JANUARY, 2025

)

BETWEEN:

STAR AMERICA DPGI ACQUISITION COMPANY, INC.

Applicant

-and-

DEMAND POWER GROUP INC.

Respondent

APPLICATION UNDER section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C. 43.

**APPROVAL AND VESTING ORDER
(Narrows Green Transaction)**

THIS MOTION, made by Deloitte Restructuring Inc. (“**Deloitte**”) in its capacity as the Court-appointed receiver and manager (in such capacity, the “**Receiver**”), without security, of all of the assets, undertakings, and properties of Demand Power Group Inc. (the “**Debtor**”), for an order, among other things:

- (a) approving the sale transaction (the “**Narrows Green Transaction**”) contemplated by an amended asset purchase agreement between the Receiver, as seller, and Narrows Green, LP, as purchaser (the “**Purchaser**”), dated January 6, 2025 (the “**Narrows Green Purchase Agreement**”) and appended to the Supplement to the First Report of the Receiver dated January 8, 2025 (the “**Supplemental Report**”, and, together with the First Report of the Receiver dated December 10, 2024, the “**First Report**”), and vesting in the Purchaser all of the Debtor’s and the Receiver’s

right, title, and interest in and to the Purchased Assets (as defined in the Narrows Green Purchase Agreement);

- (b) sealing Confidential Appendix 1 to the Supplemental Report and ordering that the Confidential Appendices (as defined in the Supplemental Report) shall be released from sealing upon the delivery of the Receiver's Certificate (as defined below) or further Order of this Court; and
- (c) approving the First Report and the activities of the Receiver described therein,

was heard this day by videoconference in Toronto, Ontario.

ON READING the Notice of Motion and the First Report, filed, and on hearing the submissions of counsel to the Receiver, counsel to the Purchaser and counsel for such other parties as were present and wished to be heard, no one else appearing although duly served as appears from the certificate of service, filed:

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used herein that are otherwise not defined shall have the meaning ascribed to them in the Narrows Green Purchase Agreement.

APPROVAL OF THE NARROWS GREEN TRANSACTION

3. **THIS COURT ORDERS** that the Narrows Green Transaction is hereby approved and the execution of the Narrows Green Purchase Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Narrows Green Transaction and for the conveyance of the Purchased Assets to the Purchaser.

4. **THIS COURT ORDERS** that this Order shall constitute the only authorization required by the Receiver to proceed with the Narrows Green Transaction and that no shareholder or other approvals shall be required in connection therewith.

VESTING OF THE PURCHASED ASSETS

5. **THIS COURT ORDERS** that, upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "**Receiver's Certificate**"), all of the Debtor's and the Receiver's right, title and interest in and to the Purchased Assets shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Kimmel dated November 22, 2023; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of which are collectively referred to as the "**Encumbrances**"). For greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

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

9. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

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

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy or receivership order now or hereinafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”) or other applicable legislation, in respect of the Debtor or its property, and any bankruptcy or receivership order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor,

the entering into of the Narrows Green Purchase Agreement and the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that has been or may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

SEALING

11. **THIS COURT ORDERS** that Confidential Appendix 1 to the Supplemental Report be and is hereby sealed, kept confidential and shall not form part of the public record, and that the Confidential Appendices shall only be released from sealing upon: (i) the delivery of the Receiver’s Certificate; or (ii) further Order of this Court.

APPROVAL OF THE FIRST REPORT

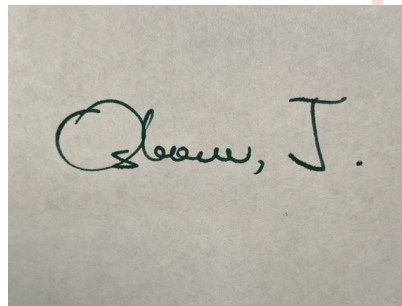
12. **THIS COURT ORDERS** that the First Report, and the activities of the Receiver referred to therein, be and are hereby approved; provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

GENERAL

13. **THIS COURT ORDERS** that the Receiver or the Purchaser may apply to the Court as necessary to seek further orders and directions to give effect to this Order.

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

15. **THIS COURTS ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order without any need for filing or entry.

A rectangular box containing a handwritten signature in black ink. The signature appears to be "Osborne, J." written in a cursive style.

Digitally signed
by Osborne J.

Date:

2025.01.14

16:29:45 -05'00'

Schedule “A” – Form of Receiver’s Certificate

Court File No. CV-23-00709164-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

STAR AMERICA DPGI ACQUISITION COMPANY, INC.

Applicant

-and-

DEMAND POWER GROUP INC.

Respondent

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RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Kimmel of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated November 22, 2023, Deloitte Restructuring Inc. was appointed as receiver (in such capacity, the “**Receiver**”) without security of the assets, undertakings, and properties of Demand Power Group Inc. (the “**Debtor**”).

B. Pursuant to an Order of the Court dated January ●, 2025 (the “**Approval and Vesting Order**”), the Court approved the sale transaction (the “**Narrows Green Transaction**”) contemplated by an amended asset purchase agreement made as of January 6, 2025 (the “**Narrows Green Purchase Agreement**”) between the Receiver and Narrows Green, LP (the “**Purchaser**”), and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set

out in the Narrows Green Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser, as applicable; and (iii) the Narrows Green Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated or defined herein, capitalized terms used in this Receiver's Certificate shall have the meanings given to them in the Approval and Vesting Order and/or the Narrows Green Purchase Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has satisfied the Purchase Price payable at Closing for the Purchased Assets in accordance with the Narrows Green Purchase Agreement;
2. The conditions to Closing set forth in the Narrows Green Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser, as applicable; and
3. The Narrows Green Transaction has been completed to the satisfaction of the Receiver.

This Certificate was delivered by the Receiver on ●, 2025.

DELOITTE RESTRUCTURING INC., solely in its capacity as Court-appointed Receiver of the assets, undertaking, and properties of Demand Power Group Inc., and not in its personal or corporate capacity

Per:

Name:

Title:

STAR AMERICA FUND II GP, LLC
Applicant

-and-

DEMAND POWER GROUP INC.
Respondent

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ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced at Toronto

APPROVAL AND VESTING ORDER
(Narrows Green Transaction)

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Lawyers for Deloitte Restructuring Inc., in its
capacity as court-appointed Receiver