Court File No. CV-25-00752340-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N:

DEUTSCHE BANK TRUST COMPANY AMERICAS, DEUTSCHE BANK AG, CANADA BRANCH, and THE BANK OF NOVA SCOTIA

Applicants

- and -

GSC SOLAR FUND I LP, GSC SOLAR FUND I GP INC., GSC SOLAR FUND II LP, GSC SOLAR FUND II GP INC., GSC SOLAR LEASING LP, GSC SOLAR LEASING GP INC., GSC SOLAR LEASING II LP and GSC SOLAR LEASING II GP INC.

Respondents

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

FACTUM OF THE APPLICANTS
(Expanded Receivership Motion, returnable August 18, 2026)

August 13, 2026

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PART I - OVERVIEW

1. The Applicants bring this motion to put the entities listed in Schedule C of this factum (collectively, the "**Non-Debtor Obligors**") directly into the scope of this receivership. They seek this relief to facilitate the going-concern transactions that emerged as the successful bid during the sale process that this Court previously approved in February. Should this Court grant this relief, then this motion will be immediately followed by the motion of Alvarez & Marsal Canada Inc. ("**A&M**"), in its capacity as the receiver and manager in this proceeding (in such capacity, the "**Receiver**"), for approval of those going-concern transactions and corresponding vesting and reverse vesting orders.

2. When the Applicants commenced this receivership proceeding against the Grasshopper group of solar generation companies on September 23, 2025, they had three primary objectives. First, to clean up the numerous and significant technical problems that plagued Grasshopper's solar generation facilities. Second, after Grasshopper's facilities were cleaned up, to find a value-maximizing transaction for Grasshopper's business and assets through a court-approved sale process. And finally, to reasonably minimize the disruption that the foregoing two objectives might cause to Grasshopper's business.

3. In light of these objectives, the Applicants did not initially seek to appoint the Receiver over all of the entities in the Grasshopper group over whose assets they hold a first-ranking security interest—despite being entitled to do so at that time. Instead, they took a bifurcated approach: (a) A&M was appointed as the Receiver of the eight "top-level" holding entities in Grasshopper's corporate structure (collectively, the "**Debtors**"); and (b) a stay of proceedings and other authorizations and protections were implemented in respect of the Non-Debtor Obligors, which hold the operating assets for Grasshopper's commercial and industrial solar projects.

4. The Applicants chose this structure because, among other reasons, they were mindful of the possibility that Grasshopper's portfolio might be most efficiently monetized at the Debtor level through a transaction involving the Debtors' equity interests in the Non-Debtor Obligors, rather than a transaction involving the project-level assets of the Non-Debtor Obligors themselves. However, the Applicants were vocal on their initial application and at every subsequent step of this receivership that they would seek to put the Non-Debtor Obligors directly into the scope of the receivership if that relief became necessary or desirable.

5. That relief has now become necessary. The court-approved sale process has concluded, and two related transactions have emerged as the best bid that, if consummated, would generate the most value for Grasshopper's solar portfolio. One transaction is structured as an asset purchase agreement whereby the operating assets of the Non-Debtor Obligors will be conveyed to the purchaser. The other transaction is, in turn, conditional on the concurrent consummation of the asset purchase transaction. In order to consummate these transactions, the Non-Debtor Obligors must be brought directly into the receivership so the Receiver can convey their assets and seek the corresponding vesting orders.

6. This outcome was market tested through an extensive and robust sale process. Despite these transactions resulting in a considerable shortfall on the Applicants' over $159 million of secured claims against the Non-Debtor Obligors and the Debtors, they represent the highest and best option available in the circumstances. It is appropriate for this Court to put the Non-Debtor Obligors directly into receivership to facilitate this outcome. Such relief is just and convenient in the circumstances.

PART II - THE FACTS

7. This section provides a cursory overview of the facts underlying this motion of Deutsche Bank Trust Company Americas (the "**Agent**"), and Deutsche Bank AG, Canada Branch and The Bank of Nova Scotia (together, the "**Lenders**", and collectively with the Agent, the "**Applicants**"). A more fulsome description of those facts is set out in the affidavit of Richard Leishman sworn July 30, 2026, in support of this motion (the "**Leishman Affidavit**").[1]

A. The Applicants are secured creditors of the Non-Debtor Obligors and the Debtors

8. On September 23, 2025, Justice J. Dietrich granted an order (as was subsequently amended on October 14, 2025, the "**Original Receivership Order**") under the *Bankruptcy and Insolvency Act* ("**BIA**") and the *Courts of Justice Act* ("**CJA**") appointing A&M as the Receiver of the Debtors, being the following eight entities in the Grasshopper group: GSC Solar Fund I LP, GSC Solar Fund I GP Inc., GSC Solar Fund II LP, GSC Solar Fund II GP Inc., GSC Solar Leasing LP, GSC Solar Leasing GP Inc., GSC Solar Leasing II LP and GSC Solar Leasing II GP Inc.[2]

9. Two of the Debtors, GSC Solar Fund I LP and GSC Solar Fund II LP (together, the "**Borrowers**"), are primary obligors indebted to the Applicants in an amount of over $159 million[3] under a second amended and restated credit agreement dated June 29, 2023 (as further amended

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[1] Affidavit of Richard Leishman sworn July 30, 2026 (the "**Leishman Affidavit**"), Motion Record of the Applicants dated July 30, 2026 (the "**MR**"), Tab 2, pp. A6308-A6340.
[2] Order (Appointing Receiver) of Justice J. Dietrich dated September 23, 2025, as amended October 14, 2025 (the "**Original Receivership Order**"), Exhibit "A" to the Leishman Affidavit, MR, Tab 2, pp A6341-A6368.
[3] As at July 1, 2026, exclusive of certain interest amounts and costs, fees, etc., which continue to accrue.

or otherwise modified from time to time, the "**Credit Agreement**").[4] The Borrowers' indebtedness is fully guaranteed by each other Debtor and each Non-Debtor Obligor.[5]

10. Each Debtor and Non-Debtor Obligor has provided the Agent with a security interest in all or substantially all of its property to secure its indebtedness.[6] The applicable loan and security documents (collectively, the "**Loan and Security Documents**") give the Agent the contractual right to appoint a receiver over that property when the Borrowers are in default of the Credit Agreement.[7]

11. The Applicants delivered notices of intention to enforce security pursuant to section 244 of the BIA to each of the Non-Debtor Obligors and the Debtors on June 26, 2025, and the Borrowers' indebtedness under the Credit Agreement matured, or otherwise came due, on June 29, 2025.[8]

B. The Non-Debtor Obligors have been subject to this proceeding since September 2025

12. As a result of the foregoing, the Applicants were entitled to bring an application for the appointment of the Receiver over the Non-Debtor Obligors, in addition to the Debtors, at the time of the initial receivership application on September 23, 2025.

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[4] Leishman Affidavit, MR, Tab 2, pp A6308-A6340; Second Amended and Restated Credit Agreement dated June 29, 2023, Exhibit "H" to the Leishman Affidavit, MR, Tab 2, pp A6481-A6913.
[5] Leishman Affidavit, paras 14, 49(a), MR, Tab 2, pp A6313-A6314, A6325; Guarantee and Indemnity (sample), Exhibit "P" to the Leishman Affidavit, MR, Tab 2, A7410-A7420.
[6] Leishman Affidavit, paras 14, 49(c), MR, Tab 2, pp A6313-A6314, A6326; General Security Agreement (sample), Exhibit "R" to the Leishman Affidavit, MR, Tab 2, pp A7449-A7468.
[7] Leishman Affidavit, paras 64-70, MR, Tab 2, pp A6334-A6337.
[8] Leishman Affidavit, paras 61-63, MR, Tab 2, pp A6333-A6334; Sample Demand Letter and Section 244 Notice to a Non-Debtor Obligor, Exhibit "X" to the Leishman Affidavit, MR, Tab 2, pp A7557-A7583.

13. However, as noted, the Applicants' primary objectives at that time were threefold: (a) to protect, preserve and fix the numerous technical issues that plagued Grasshopper's solar portfolio; (b) to implement a sale and investment solicitation process to realize the maximum value for Grasshopper's solar portfolio; and (c) to address these two prior-mentioned objectives in a manner that was as efficient and least disruptive to the business as possible in the circumstances.[9]

14. With these objectives in mind, the Applicants were mindful of the possibility that Grasshopper's portfolio might be most efficiently monetized at the Debtor level through a transaction involving the Debtors' equity interests in the Non-Debtor Obligors, rather than a transaction involving the project-level assets of the Non-Debtor Obligors themselves. They were also mindful that putting the Non-Debtor Obligors directly into the receivership might have unnecessarily impacted the third-party entities that own minority or majority equity interests in certain of the Non-Debtor Obligors (the "**Third-Party Project Co-Owners**") in the event of a subsequent sale transaction involving only equity interests.[10]

15. Accordingly, the Applicants did not view it as necessary to put the Non-Debtor Obligors directly into receivership at the time of the initial receivership application. Rather, they sought to put only the Debtors directly into receivership and to extend the stay of proceedings and certain related authorizations and protections in favour of the Non-Debtor Obligors.[11]

16. The Applicants nonetheless were clear that they reserved their rights to seek to expand the scope of receivership to include the Non-Debtor Obligors if such a step proved necessary or

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[9] Leishman Affidavit, para 16, MR, Tab 2, p A6314.
[10] Leishman Affidavit, paras 17, 49(b), 54-55, MR, Tab 2, pp A6314, A6325-A6326, A6328-A6329.
[11] Leishman Affidavit, para 18, MR, Tab 2, pp A6314-A6315; Original Receivership Order, paras 3, 12, 16, MR, Tab 2, pp A6310, A6313, A6314.

desirable, including in connection with the Receiver's efforts to monetize Grasshopper's solar portfolio.[12]

17. Additionally, the Third-Party Project Co-Owners have guaranteed the Borrowers' indebtedness owing to the Applicants and pledged to the Agent, as security for those guaranteed obligations, their respective equity interests in the applicable Non-Debtor Obligors.[13] While the Applicants are not, at this time, seeking to enforce the Agent's security interest in those equity interests, the Applicants continue to reserve their rights to do so at a later time.

C. Value maximization now requires the Non-Debtor Obligors to be put directly into receivership

18. On February 27, 2026, Justice Cavanagh granted an order in this receivership proceeding approving a sale process (the "**Sale Process**") for Grasshopper's business and assets, expressly including the business and assets of the Non-Debtor Obligors.[14] During the Sale Process approval motion, the Applicants and the Receiver again reserved their right to bring some or all of the Non-Debtor Obligors directly into the receivership if that step became necessary to facilitate the successful transaction under the Sale Process.[15]

19. Justice Cavanagh recognized this dynamic in his endorsement accompanying the order approving the Sale Process when he wrote that:

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[12] Affidavit of Thomas Rorick sworn September 21, 2025 (the "**Rorick Affidavit**"), para 149, Exhibit "C" to the Leishman Affidavit, MR, Tab 2, p A6438; Leishman Affidavit, para 19, MR, Tab 2, p A6315; Endorsement of Justice J. Dietrich dated September 23, 2025 (the "**Initial Endorsement**"), para 32, Exhibit "B" to the Leishman Affidavit, MR, Tab 2, pp A6373-A6374; Sale Process Approval Order of Justice Cavanagh dated February 27, 2026 (the "**Sale Process Approval Order**"), para 9, Exhibit "E" to the Leishman Affidavit, MR, Tab 2, p A6451.
[13] Leishman Affidavit, para 49(b), MR, Tab 2, pp A6325-A6326.
[14] Sale Process Approval Order, paras 5, 9, MR, Tab 2, pp A6450-A6451.
[15] Leishman Affidavit, para 22, MR, Tab 2, p A6316; Sale Process Approval Order, paras 5, 9, MR, Tab 2, pp A6450, A6451.

> [10] The Applicants did not seek a receivership order over the Non-Debtor Obligors at the outset of these proceedings in order to preserve the normal course business operations and stakeholder interests. However, the Applicants expressly reserved their rights to seek the appointment of a receiver in respect of some or all of the Non-Debtor Obligors and/or the equity interests in the applicable Non-Debtor Obligors held by the Third-Party Project Co-Owners at a later date if such appointment became necessary or appropriate.
>
> [11] The proposed Sale Process Approval Order authorizes the Receiver to apply to this Court for advice and directions in connection with the Sale Process or the implementation thereof, including to seek to include the Non-Debtor Obligors or other obligors directly within the scope of the receivership if and when the Receiver may consider appropriate in connection with the implementation of the Sale Process or any proposed Transaction(s). The Receiver is not at this time seeking any such relief in connection with the Sale Process Approval Order. The Receiver expects that whether or not any such relief is required will become clear as the Sale Process develops and bidders' views emerge with respect to the structure of potential Transaction(s).[16]

20. The Sale Process has concluded, and it is now clear that such relief is necessary for the value of Grasshopper's business to be maximized.

21. On July 24, 2026, following discussions and negotiations with the Skyline group of companies ("**Skyline**"), the Receiver entered into two transaction agreements with buyer entities affiliated with Skyline and declared such transactions to be the Successful Bid (as defined in the Sale Process):

(a) an asset purchase agreement with St. Regis Solar Power Corporation (the "**C&I Buyer**") dated July 24, 2026, providing for the purchase and sale of substantially

[16] Endorsement of Justice Cavanagh dated February 27, 2026, paras 10-11, Exhibit "F" to the Leishman Affidavit, MR, Tab 2, p A6477 [emphasis added].

all of the assets associated with Grasshopper's commercial and industrial ("**C&I**") solar generation portfolio, all of which are held by the Non-Debtor Obligors (the "**C&I Purchase Agreement**"); and

(b) an equity purchase agreement with Skyline Clean Energy Limited Partnership, by its general partner, Skyline Clean Energy GP Inc., dated July 24, 2026, providing for the purchase and sale of all of the equity in two Debtors—GSC Solar Leasing LP and GSC Solar Leasing II LP (being the two entities that own all of the assets associated with Grasshopper's residential solar generation portfolio)—pursuant to a reverse vesting order structure (the "**Residential Purchase Agreement**" and, together with the C&I Purchase Agreement, the "**Purchase Agreements**").[17]

22. The C&I Purchase Agreement provides for an asset purchase structure whereby, among other things, substantially all of the assets of the Non-Debtor Obligors will be transferred to and vested in the C&I Buyer, free and clear of claims and encumbrances, subject to the terms and conditions of the C&I Purchase Agreement.[18]

23. This asset purchase structure requires the Receiver to be appointed over the Non-Debtor Obligors, both so the Receiver can consummate the sale of the Non-Debtor Obligors' assets as contemplated by the C&I Purchase Agreement and so this Court can grant a vesting order effecting the conveyance of those assets to the C&I Buyer (if this Court is inclined to grant such an order).[19] The Residential Purchase Agreement, in turn, requires as a condition to closing that all of the C&I

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[17] Leishman Affidavit, para 23, MR, Tab 2, pp A6316-A6317; Second Report of Alvarez & Marsal Canada Inc., in its capacity as Receiver, dated July 30, 2026 (the "**Second Report**"), paras 7.8-7.10, pp E714-E716.
[18] Second Report, paras 6.4, 7.10(i), pp E707, E716.
[19] Second Report, paras 6.6-6.7, 8.1, pp E708, E717-E719; Asset Purchase Agreement (C&I Portfolio) dated July 24, 2026, s 6.1(b), Appendix "H" to the Second Report, pp E902-E959.

Purchase Agreement's conditions to closing have been met (the C&I Purchase Agreement provides a similar condition in respect of the conditions to closing in the Residential Purchase Agreement).[20]

24. Accordingly, the Non-Debtor Obligors must be brought directly into the scope of the receivership in order for the Purchase Agreements to be consummated. The Lenders and the Receiver believe that this outcome is the best available result for the Lenders and for Grasshopper's other stakeholders, despite the significant shortfall that the Lenders will suffer on their secured claims.[21]

PART III - THE ISSUES

25. The issues before this Court, and addressed below, are:

(a) Does this Court have jurisdiction to appoint the Receiver directly over the Non-Debtor Obligors?

(b) Is it just and convenient in these circumstances for this Court to appoint the Receiver directly over the Non-Debtor Obligors?

(c) Are the terms of the proposed Amended and Restated Receivership Order appropriate?

PART IV - THE LAW

A. Preliminary note: Justice J. Dietrich's September 23, 2025, endorsement has already addressed these issues

26. As a preliminary matter, while Justice J. Dietrich did not address whether a direct receivership over the Non-Debtor Obligors is appropriate, she has already partly or fully addressed

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[20] Second Report, paras 7.11, 9.1, pp E716, E724-E726; Equity Purchase Agreement (Residential Portfolio) dated July 24, 2026, s 7.1(c), Appendix "I" to the Second Report, pp E961-E1068.
[21] Leishman Affidavit, paras 24, 28, MR, Tab 2, pp A6317, A6318; Second Report, paras 6.11, 10.1(viii), pp E709, E739.

each of the three legal issues on this motion in her endorsement accompanying the Original Receivership Order (the "**Initial Endorsement**").[22]

27. Specifically, Justice J. Dietrich found in the Initial Endorsement that:

(a) Jurisdiction: the Court had jurisdiction under section 101 of the CJA and section 243 of the BIA to appoint a receiver over the Debtors and grant the related protective relief against the Non-Debtor Obligors, including because:[23]

(i) *Indebtedness and Security Interest*: the Debtors and the Non-Debtor Obligors were indebted to the Applicants in the amount of approximately $148 million (which, due to accruing interest, fees and similar amounts, has since increased to over $159 million as of July 1, 2026), and the Loan and Security Documents provide the Agent with a security interest in, among other things, all of the assets, property and undertaking of the Debtors and each of the Non-Debtor Obligors as security for such indebtedness;[24] and

(ii) *Defaults and Section 244 Notices*: numerous significant defaults have occurred under the Loan and Security Documents (including that the maturity date has occurred under the Credit Agreement), the Debtors and the Non-Debtor Obligors did not have the means of satisfying their indebtedness to the Applicants, and the Applicants had sent the Debtors and the Non-Debtor Obligors the requisite demand letters and notices of

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[22] Initial Endorsement, MR, Tab 2, pp A6369-A6374.
[23] Initial Endorsement, paras 20, 28-29, MR, Tab 2, pp A6372, A6373.
[24] Justice J. Dietrich's endorsement refers to the Lenders having security in "each of the Non-Debtor Obligors, save for the Fund Equity HoldCos […]" however, the Fund Equity HoldCos are no longer a part of the definition of the Non-Debtor Obligors and will not be subject to the proposed expanded receivership under the Amended and Restated Receivership Order. Initial Endorsement, paras 10, 21, MR, Tab 2, pp A6370, A6372.

intention to enforce security under section 244 of the BIA such that the applicable statutory notice periods had expired;[25]

(b) Just and Convenient: receivership over the Debtors, and the protective relief in respect of the Non-Debtor Obligors, was just and convenient in the circumstances;[26]

(c) Terms of Order are Appropriate: the terms of the Original Receivership Order were appropriate and otherwise in large part consistent with the Commercial List's Model Order.[27]

28. The Applicants submit that each of these findings remains true today. The key question on this motion is thus whether the Non-Debtor Obligors should be moved directly into the scope of the receivership established under the Original Receivership Order, in light of both Justice J. Dietrich's previous findings and the Sale Process having resulted in Purchase Agreements that require this relief to be consummated.

29. As discussed in the balance of this factum, this question should be answered in the affirmative.

B. This Court has jurisdiction to appoint the Receiver over the Non-Debtor Obligors

30. Section 101 of the CJA provides courts with the jurisdiction to appoint a receiver where it is "just or convenient" to do so. Similarly, section 243(1) of the BIA provides that, on an application by a secured creditor, this Court may appoint a receiver if it considers it "just or convenient" to do so, to: (a) take possession of the assets of an insolvent person; (b) exercise any

[25] Initial Endorsement, paras 22-24, MR, Tab 2, p A6372.
[26] Initial Endorsement, paras 28-29, MR, Tab 2, p A6373.
[27] Initial Endorsement, para 35, MR, Tab 2, p A6374.

control that the Court considers advisable over the insolvent person's property and business; or (c) take any other action that the Court considers advisable.[28]

31. Justice J. Dietrich has already exercised jurisdiction under section 101 of the CJA and section 243 of the BIA against the Non-Debtor Obligors when she extended the stay of proceedings and granted related authorizations and protections in favour of those entities.[29] The Applicants submit that this Court continues to have this jurisdiction over the Non-Debtor Obligors as set out in paragraphs 20-24[30] of Justice J. Dietrich's analysis summarized in the previous section above.

32. Accordingly, the Applicants submit that putting the Non-Debtor Obligors directly into the receivership is not a question of this Court's jurisdiction, but rather a question of whether exercising this jurisdiction would be just and convenient.

C. It is just and convenient for this Court to appoint the Receiver over the Non-Debtor Obligors

33. It is just and convenient for this Court to appoint the Receiver directly over the Non-Debtor Obligors. Indeed, each of the factors that Justice J. Dietrich applied in her Initial Endorsement to find that receivership over the Debtors, and the protective relief over the Non-Debtor Obligors, was just and convenient continues to apply.[31] Namely:

(a) Grasshopper, including the Non-Debtor Obligors, continues to lack operations, maintenance and administrative functionality without the Receiver and the various

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[28] *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, s 243(1), Schedule B; *Courts of Justice Act*, RSO 1990, c C.43, s 101, Schedule B.
[29] Initial Endorsement, paras 20-24, MR, Tab 2, p A6372.
[30] Initial Endorsement, paras 20-24, MR, Tab 2, p A6372.
[31] Initial Endorsement, paras 28-29, MR, Tab 2, p A6373.

service providers that the Receiver has contracted to perform such functionality in accordance with the Original Receivership Order;[32]

(b) multiple operational and financial defaults, including a maturity default, are continuing, and each Debtor and Non-Debtor Obligor is still deeply insolvent;[33]

(c) the Lenders made considerable efforts to accommodate Grasshopper and find solutions to its challenges prior to commencing this receivership application;[34] and

(d) the Lenders have a contractual right to appoint a receiver over the Non-Debtor Obligors.[35]

34. Importantly, Justice J. Dietrich noted that the Non-Debtor Obligors hold the key assets of Grasshopper's C&I business, including land leases, FIT program contracts, solar installations and bank accounts, and that the protective relief in the Original Receivership Order was necessary "to ensure the receiver had a reasonable opportunity to determine how to maximize value for stakeholders."[36] As noted above, Justice Cavanagh made similar comments in his endorsement approving the Sale Process.

35. The Receiver has since fully explored this "reasonable opportunity" and has determined, through the court-approved Sale Process, that value for Grasshopper's assets will be maximized for stakeholders under the Purchase Agreements.[37] The Purchase Agreements cannot be implemented unless the Non-Debtor Obligors are brought directly into the receivership.[38]

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[32] Leishman Affidavit, paras 56, 60(e), MR, Tab 2, pp A6330, A6332.
[33] Leishman Affidavit, paras 59-60, MR, Tab 2, pp A6331-A6333.
[34] Rorick Affidavit, paras 23, 100-102, 145, MR, Tab 2, pp A6384, A6420-A6421, A6436-A6437.
[35] Leishman Affidavit, paras 64-70, MR, Tab 2, pp A6334-A6337.
[36] Initial Endorsement, para 29, MR, Tab 2, p A6373.
[37] Second Report, paras 6.4, 7.8, 10.1(vii), pp E707, E714-E716, E739.
[38] Second Report, paras 6.6-6.7, p E708.

36. The Receiver concludes in its second report dated July 30, 2026, that, among other things, the Sale Process involved a broad and comprehensive canvass of the market, and the Purchase Agreements provide fair treatment for stakeholders in light of their legal priorities and superior consideration to the estimated recoveries that would otherwise be available to the receivership estate.[39] The Lenders—which are set to suffer a significant shortfall on their over $159 million of secured claims against the Non-Debtor Obligors and the Debtors—believe that the Purchase Agreements represent the highest and best value for Grasshopper's assets and business in the circumstances.[40]

37. In these circumstances, the factors that Chief Justice Morawetz outlined in *PricewaterhouseCoopers Inc. v Northern Citadel* as being key to the "just and convenient" analysis are salient.[41] Those factors are addressed as follows:

(a) The existence of a debt and a default. Each Non-Debtor Obligor is indebted to the Applicants in an amount of over $159 million under credit facilities that matured over a year ago on June 29, 2025, and are otherwise subject to numerous defaults.[42]

(b) The quality of the security. The Receiver's counsel has reviewed and rendered an opinion on the security that the Agent holds in the property of the Non-Debtor Obligors, among others, under the Loan and Security Documents. Subject to

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[39] Second Report, paras 10.1(i), (v), (vii), pp E737, E738, E739.
[40] Leishman Affidavit, para 24, MR, Tab 2, p A6317.
[41] *PricewaterhouseCoopers Inc. v Northern Citadel Bancorp Limited*, 2023 ONSC 2172, para 91; Initial Endorsement, para 27, MR, Tab 2, pp 87-88; see also *Maple Trade Finance Inc. v CY Oriental Holdings Ltd.*, 2009 BCSC 1527, para 25; *RMB Australia Holdings Limited v Seafield Resources Ltd.*, 2014 ONSC 5205 (Commercial List), paras 28-29; quoting *Bank of Nova Scotia v Freure Village on Clair Creek* (1996), 40 C.B.R. (3d) 274 (Ont. Gen. Div. (Commercial List)), para 12; *BCIMC Construction Fund Corporation et al. v The Clover on Yonge Inc.*, 2020 ONSC 1953 (Commercial List), paras 43-45.
[42] Leishman Affidavit, paras 14, 39, MR, Tab 2, pp A6313-A6314, A6321.

customary qualifications and assumptions, the Receiver's counsel concluded that the security is valid and was duly registered.[43]

(c) The likelihood of maximizing the return to the parties. The Sale Process has concluded, and, following an extensive and robust canvass of the market, the Receiver has declared the Purchase Agreements to be the Successful Bid (as defined in the Sale Agreement).[44] As noted, the Receiver believes that the Purchase Agreements provide superior consideration to the estimated recoveries that would be available to the receivership estate absent the Purchase Agreements.[45] The Lenders agree with this assessment.[46] Put simply, maximizing value requires the Non-Debtor Obligors to be placed directly into the receivership so the Purchase Agreements can close.

(d) The risk to the security holder. With the previous factor in mind, the risk to the Lenders and to Grasshopper's other stakeholders of not putting the Non-Debtor Obligors directly into receivership is that the Purchase Agreements will not be consummated. There is no back-up bid. This outcome would set this receivership down an uncertain, rudderless path without any clear road to recovery for the Lenders (who, as noted, are already set to suffer a significant shortfall with the consideration provided by the Purchase Agreements). This outcome will not result in any known benefit to any person, including the Non-Debtor Obligors, whose assets may simply be liquidated piecemeal in this scenario.

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[43] Second Report, paras 5.1-5.2, pp E702-E703.
[44] Second Report, paras 7.5-7.9, pp E712-E716; Leishman Affidavit, para 72, MR, Tab 2, p A6338.
[45] Second Report, paras 10.1(i), (v), (vii), pp E737, E738, E739.
[46] Leishman Affidavit, para 24, MR, Tab 2, p A6317.

38. In sum, the Receiver's direct appointment over the Non-Debtor Obligors is the only outcome that results in a just and convenient outcome for the Lenders and Grasshopper's other stakeholders.

D. The terms of the proposed Amended and Restated Receivership Order are appropriate

39. The proposed Amended and Restated Receivership Order amends and restates the Original Receivership Order in a manner that: (a) moves the Non-Debtor Obligors into the definition of "Debtors", thereby including them directly within the scope of the receivership; and (b) cleans up the language in various places in the order to reflect this change, including the removal of relief in respect of the Non-Debtor Obligors that is no longer necessary where such entities are "Debtors".[47] The proposed Amended and Restated Receivership Order does not otherwise expand any relief that was previously granted under the Original Receivership Order; it merely applies that existing relief directly to the Non-Debtor Obligors.

40. Justice J. Dietrich found that the terms of the Original Receivership Order were appropriate as they applied to the Debtors and were otherwise in large part consistent with the Commercial List's Model Order.[48] For the reasons set out above, that relief is also appropriate as it applies to the Non-Debtor Obligors.

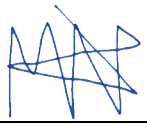
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[47] See, e.g., Blackline of Draft Amended and Restated Receivership Order to the Amended Receivership Order of Justice Dietrich dated September 23, 2025, as amended October 14, 2025, para 3, MR, Tab 4, p A7615.
[48] Initial Endorsement, para 35, MR, Tab 2, p A6374.

PART V - ORDER REQUESTED

41. For the reasons set out above and in the Applicants' motion record, the Applicants respectfully request that this Court grant the proposed Amended and Restated Receivership Order in the form attached as Tab 3 of the motion record.

ALL OF WHICH IS RESPECTFULLY SUBMITTED



David Bish / Mike Noel / Charles Kanani

Lawyers for Deutsche Bank Trust Company Americas, as Agent, and Deutsche Bank AG, Canada Branch, and The Bank of Nova Scotia

SCHEDULE A – LIST OF AUTHORITIES

1. *PricewaterhouseCoopers Inc. v Northern Citadel Bancorp Limited*, 2023 ONSC 2172

2. *Maple Trade Finance Inc. v CY Oriental Holdings Ltd.*, 2009 BCSC 1527

3. *RMB Australia Holdings Limited v Seafield Resources Ltd.*, 2014 ONSC 5205 (Commercial List), paras 28-29

4. *Bank of Nova Scotia v. Freure Village on Clair Creek* (1996), 40 C.B.R. (3d) 274 (Ont. Gen. Div. (Commercial List))

5. *BCIMC Construction Fund Corporation et al. v The Clover on Yonge Inc.*, 2020 ONSC 1953 (Commercial List)

SCHEDULE B – TEXT OF STATUTES, REGULATIONS & BY-LAWS

Bankruptcy and Insolvency Act, RSC 1985, c. B-3

PART XI – SECURED CREDITORS AND RECEIVERS

Court may appoint receiver

243 (1) Subject to subsection (1.1), on application by a secured creditor, a court may appoint a receiver to do any or all of the following if it considers it to be just or convenient to do so:

(a) take possession of all or substantially all of the inventory, accounts receivable or other property of an insolvent person or bankrupt that was acquired for or used in relation to a business carried on by the insolvent person or bankrupt;

(b) exercise any control that the court considers advisable over that property and over the insolvent person's or bankrupt's business; or

(c) take any other action that the court considers advisable.

Restriction on appointment of receiver

(1.1) In the case of an insolvent person in respect of whose property a notice is to be sent under subsection 244(1), the court may not appoint a receiver under subsection (1) before the expiry of 10 days after the day on which the secured creditor sends the notice unless

(a) the insolvent person consents to an earlier enforcement under subsection 244(2); or

(b) the court considers it appropriate to appoint a receiver before then.

Definition of receiver

(2) Subject to subsections (3) and (4), in this Part, ***receiver*** means a person who

(a) is appointed under subsection (1); or

(b) is appointed to take or takes possession or control — of all or substantially all of the inventory, accounts receivable or other property of an insolvent person or bankrupt that was acquired for or used in relation to a business carried on by the insolvent person or bankrupt — under

(i) an agreement under which property becomes subject to a security (in this Part referred to as a "security agreement"), or

(ii) a court order made under another Act of Parliament, or an Act of a legislature of a province, that provides for or authorizes the appointment of a receiver or receiver-manager.

Definition of receiver — subsection 248(2)

(3) For the purposes of subsection 248(2), the definition ***receiver*** in subsection (2) is to be read without reference to paragraph (a) or subparagraph (b)(ii).

Trustee to be appointed

(4) Only a trustee may be appointed under subsection (1) or under an agreement or order referred to in paragraph (2)(b).

Place of filing

(5) The application is to be filed in a court having jurisdiction in the judicial district of the locality of the debtor.

Orders respecting fees and disbursements

(6) If a receiver is appointed under subsection (1), the court may make any order respecting the payment of fees and disbursements of the receiver that it considers proper, including one that gives the receiver a charge, ranking ahead of any or all of the secured creditors, over all or part of the property of the insolvent person or bankrupt in respect of the receiver's claim for fees or disbursements, but the court may not make the order unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations.

Meaning of disbursements

(7) In subsection (6), ***disbursements*** does not include payments made in the operation of a business of the insolvent person or bankrupt.

Courts of Justice Act, RSO 1990, c. C.43

INTERLOCUTORY ORDERS

Injunctions and receivers

101 (1) In the Superior Court of Justice, an interlocutory injunction or mandatory order may be granted or a receiver or receiver and manager may be appointed by an interlocutory order, where it appears to a judge of the court to be just or convenient to do so.

Terms

(2) An order under subsection (1) may include such terms as are considered just.

SCHEDULE C - NON-DEBTOR OBLIGORS

C&I Project HoldCos

- 2245073 Ontario Inc.
- 2246253 Ontario Inc.
- 2377512 Ontario Inc.
- 2410581 Ontario Limited
- 2421907 Ontario Limited
- 2428760 Ontario Inc.
- Biidaaske Inc.
- Celeste Solar LP
- CEW L3V Solar III Limited Partnership
- Chi Biidaaske Inc.
- Cleave Energy Holdings Ltd.
- Gengrowth Energy LP
- Grasshopper Solar FIT Projects Inc.
- GSC Southlake Solar LP
- GSC SPN 4 Projects LP
- Howard Avenue Solar Inc.
- ICM Realty Group Solar 2013 Inc.
- LDREC SPN LP
- SPN LP 1
- SPN LP 3
- SPN LP 4
- SPN LP 5
- SPN LP 10
- SPN LP 14
- SPN LP 15
- Rising Sun Community Power Corp.
- HSSW Limited Partnership
- HSSW Property LP
- GSC FIT 4.2 LP
- GSC FIT 4.2 GP Inc.
- GreenLife Solar Projects Inc.
- GSC GreenLife Projects LP

- GSC GreenLife Projects GP Inc.

C&I Equity HoldCos

- 2410089 Ontario Inc.
- 2416428 Ontario Inc.
- 2422500 Ontario Inc.
- Celeste Solar GP Inc.
- GSC Gengrowth GP Inc.
- GSC Southlake Solar GP Inc.
- GSC SPN 4 Projects GP Inc.
- Marina Del Rey Solar Inc.
- McLevin Avenue Solar Inc.
- Solar Power Network 001 Inc.
- Solar Power Network 003 Inc.
- Solar Power Network 006 Inc.
- Solar Power Network 007 Inc.
- Solar Power Network 009 Inc.
- FIT Solar GP 1 Inc.
- HSSW Property GP Inc.

DEUTSCHE BANK TRUST COMPANY AMERICAS, DEUTSCHE BANK AG, CANADA BRANCH, and THE BANK OF NOVA SCOTIA

v

GSC SOLAR FUND I LP et al.

Court File No. CV-25-00752340-00CL

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at TORONTO

FACTUM OF THE APPLICANTS
(Expanded Receivership Motion, returnable August 18, 2026)

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