Court File No. BK-24-03056686-0031

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

ASSOCIATE JUSTICE ILCHENKO	)	TUESDAY, THE 24TH
	)	
	)	DAY OF FEBRUARY, 2026

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF WAVESTAR NETWORKS INC.
UNDER THE *BANKRUPTCY AND INSOLVENCY ACT*

Applicant

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF C&D EQUIPMENT INC.
UNDER THE *BANKRUPTCY AND INSOLVENCY ACT*

Applicant

ORDER

THIS MOTION, made by Rosen Goldberg Inc. (the "**Proposal Trustee**"), in its capacity as proposal trustee for Wavestar Networks Inc. ("**Wavestar**") and C&D Equipment Inc. (collectively with Wavestar being, the "**Debtors**") for an Order approving the proposal of the Debtors dated July 15, 2024, and the fees and expenses of the Proposal Trustee and its counsel, each as set out in the Report of the Proposal Trustee dated February 13, 2026 (the "**Report**") was read this day, at 330 University Avenue, Toronto ON M5G 1R7.

A938

ON READING the Notice of Motion and the Report of the Proposal Trustee, including the fee affidavits of the Proposal Trustee and its legal counsel, Torkin Manes LLP ("**Torkin**"), appended to the Report (collectively, the "**Fee Affidavits**"),

1. THIS COURT ORDERS AND DECLARES that the proposal of the Debtors, in the terms contained in the paper writing attached as Schedule "A" hereto (the "**Proposal**") is hereby approved.

Date of issuance
(to be completed by registrar)

(Signature of judge, officer or registrar)
ASSOCIATE JUSTICE ILCHENKO

RCP-E 59A (January 2, 2024)

SCHEDULE "A"

Estate No. 31-3056686

IN THE MATTER OF THE PROPOSAL OF
WAVESTAR NETWORKS INC.
OF THE CITY OF RICHMOND HILL, IN THE PROVINCE OF ONTARIO

-and-

Estate No. 31-3066194

IN THE MATTER OF THE PROPOSAL OF
C&D EQUIPMENT INC.
OF THE CITY OF RICHMOND HILL, IN THE PROVINCE OF ONTARIO

PROPOSAL

Wavestar Networks Inc. ("**Wavestar**") and C&D Equipment Inc. ("**C&D**") (collectively, the "**Debtors**"), the above-named debtors, hereby submit the following Proposal under the *Bankruptcy and Insolvency Act*:

PART 1
INTERPRETATION

1. In this Proposal, capitalized terms have the following meanings:

(a) "Act" means the *Bankruptcy and Insolvency Act*, as it may be amended from time to time;

(b) "Assets" means the furniture, inventory, non-leased equipment and accounts receivable of the Debtors;

(c) "Business Day" means any day other than a Saturday or a Sunday or a day observed as a holiday under the laws of the Province of Ontario or the federal laws of Canada applicable therein;

(d) "Claim" means, collectively, any of the following:

(i) any right or claim of any Person against the Debtor or any Related Party that may be made in whole or in part against the Debtors or any property or assets of the Debtors or any Related Party, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever of the Debtors, which indebtedness, liability or obligation is in existence at the Filing Date or which is based on an event, act or omission which occurred in whole or in part prior to the Filing Date, and any accrued interest thereon and costs payable in respect thereof to and including the Filing Date, whether or not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, unknown, by guarantee, by surety or otherwise and whether or not such a right is executory or anticipatory in nature, including, without limitation, the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future based in whole or in part on facts which existed prior to or at the Filing Date and includes any other claims that would have been claims provable in bankruptcy had the Debtors become bankrupt on the Filing Date; and

(ii) any right or claim of any Person against the Debtors, or either of them, in connection with any indebtedness, liability or obligation of any kind whatsoever owed by the Debtors, or either of them, to such Person arising out of the restructuring, repudiation, disclaimer, resiliaton, termination, amendment or breach after the Filing Date of any contract, lease, employment agreement or other agreement or obligation whether written or oral and whether such restructuring, disclaimer, resiliation, termination, amendment or breach took place or takes place before or after the Filing Date;

(e) "Consolidation Orders" means the Orders of Justice Black dated April 16, 2024 which formally consolidated the separate proposal proceedings of the Debtors under the Court File Number Court File No. BK-24-03056686-0031;

(f) "Construction Act" means the Construction Act, RSO 1990, c. C. 30;

(g) "Construction Lien/Trust Claim" means any valid priority lien or priority trust claim asserted under the applicable provisions of the Construction Act which are deemed to have priority by the Proposal Trustee in accordance with the Construction Lien/Trust Claim Process;

(h) "Construction Lien/Trust Claim Process" means the Court approved process that is established by the Proposal Trustee to review and validate any Construction Lien/Trust Claims;

(i) "Court" means Superior Court of Justice, in Bankruptcy and Insolvency;

(j) "Court Approval Date" means the date on which the Court makes the Final Order;

(k) "CRA" means Canada Revenue Agency;

(l) "Creditor" means any person who holds one or more Claims;

(m) "Creditors' Meeting" means the special meeting of the Unsecured Creditors called for the purpose of considering and voting upon the Proposal;

(n) "Debtors' Counsel" means Rory McGovern PC, or such other counsel as may be appointed by the Debtors and approved by the Proposal Trustee;

(o) "Directors" means Derek Black and Christopher Hayward;

(p) "Effective Date" means the date on which all conditions contained in Part X hereof have been satisfied;

(q) "Employees" means all of the employees of Wavestar;

(r) "Event of Default" has the meaning given to it in Part VII;

(s) "Filing Date" means the date on which Wavestar filed its Notice of Intention to Make a Proposal under the Act- March 17, 2024;

(t) "Final Order" means an order of the Court approving this Proposal to be granted pursuant to the provisions of the Act, the appeal period having expired and no appeal having been filed, or any appeal therefrom having been dismissed and such dismissal having become final;

(u) "Inspectors" means any inspectors appointed pursuant to the Act as provided for in the Proposal;

(v) "Maturity Date" means the date on which all payments to the Proposal Trustee have been made, provided that no event of default has occurred that has not been cured or waived;

(w) "Post Filing Goods and Services" means in respect of the Proposal the goods supplied, services rendered and other consideration given to Wavestar subsequent to the Filing Date;

(x) "Preferred Creditor" means any Creditor entitled to receive payment of any amount owed to it in priority to other Creditors as provided in section 136 of the Act;

(y) "Proposal" means this Proposal made pursuant to the Act, as further amended or supplemented from time to time;

(z) "Proposal Funds" means all funds held by the Proposal Trustee which are to be used to fund the within proposal;

(aa) "Proposal Period" means the period between the Final Order and the Maturity Date;

(bb) "Proposal Trustee" means Rosen Goldberg Inc., the Licensed Insolvency Trustee acting in this Proposal;

(cc) "Related Parties" means affiliates, related entities and/or partnerships, shareholders, partners, limited partners, members, employees, officers, directors, spouses of directors, agents, heirs, administrators, executors, trustees, beneficiaries, predecessors, successors and assigns of the Debtors or the Directors;

(dd) "Secured Creditor" means any Creditor who has valid security against the Assets.

(ee) "WEPPA Trust Claim" means the priority trust claim to be paid under the *Wage Earner Protection Program Act*, SC 2005, c 47, s. 1 ("**WEPPA**");

(ff) "Unsecured Creditor" means those persons with Claims, except for those Claims:

(i) that have been finally and conclusively disallowed;
(ii) that may be contingent or unliquidated and found by the Trustee or the Court (as may be applicable), not to be provable;
(iii) that are claims by Secured Creditors;
(iv) that are claims by Preferred Creditors; or
(v) that are Lien/Trust Claims, or portions thereof, for which the Corporation holds funds in trust.

Headings

2. The divisions of this Proposal into parts, paragraphs and subparagraphs, and the insertion of headings herein, is for convenience of reference only and is not to affect the construction or interpretation of this Proposal.

Number, etc.

3. In this Proposal, where the context requires, a word importing the singular includes the plural and vice versa, and a word importing gender includes the masculine, feminine and neuter genders.

Date for Action

4. In the event that any date on which any action is required to be taken hereunder is not a Business Day, such action will be required to be taken on the next succeeding day that is

a Business Day.

Successors and Assigns

5. This Proposal will be binding upon and will enure to the benefit of the heirs, administrators, executors, personal representatives, successors and assigns of all persons named or referred to herein including, without limitation, all Creditors.

Accounting Principles

6. Accounting terms not otherwise defined have the meanings assigned to them in accordance with generally accepted Canadian accounting principles.

PART II
PURPOSE AND EFFECT OF THIS PROPOSAL

Purpose of Proposal

7. The purpose of this Proposal is to provide the Unsecured Creditors with a greater dividend than would result from bankruptcy proceedings.

Effect of Proposal

8. This Proposal amends the terms of agreements between the Debtors and the Unsecured Creditors existing as at the Filing Date and provides the essential terms on which all Claims of Unsecured Creditors will be fully and finally resolved and settled. During the Proposal Period, and provided that an Event of Default has not occurred and is continuing hereunder, all Creditors, other than Secured Creditors, will be stayed from commencing or continuing any proceeding or remedy against the Debtors or any of its property or assets in respect of their Claims including, without limitation any proceeding or remedy to recover payment of such claims to recover or enforce any judgment against Wavestar in respect of such Claims or to commence any formal proceedings against Wavestar under applicable bankruptcy, insolvency or other laws in respect of such Claims other than a proceeding in connection with this Proposal.

Persons Affected

9. This Proposal will, as of the Effective Date, be binding on the Debtors and all Preferred Creditors and Unsecured Creditors of the Debtors.

PART III
TREATMENT OF CREDITOR CLAIMS

10. **CRA Trust Claim -** Payment of the Claims, if any, of His Majesty in Right of Canada and in Right of the Province of Ontario in existence as of the Filing Date and of a kind that could be subject to a demand under (the "**CRA Trust Claim**"):

    (a) subsection 224(1.2) of the *Income Tax Act*;

    (b) any provision of the *Canada Pension Plan* or of the *Employment Insurance Act* that refers to subsection 224(1.2) of the *Income Tax Act* and provides for the collection of a contribution, as defined in the *Canada Pension Plan*, an employee's premium, or employer's premium, as defined in the *Employment Insurance Act*, or a premium under Part VII.1 of that statute, and of any related interest, penalties or other amounts; or

    (c) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the *Income Tax Act*, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum:

        (i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the *Income Tax Act*; or

        (ii) is of the same nature as a contribution under the *Canada Pension Plan* if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the *Canada Pension Plan* and the provincial legislation establishes a "provincial pension plan" as defined in that subsection 224(1.2) of the *Income Tax Act* or any substantially similar provision of Ontario legislation,

    shall be paid in full by the Debtors within six (6) months following the Court Approval Date.

11. **WEPPA Trust Claim:** The WEPPA Trust Claim shall be paid in full.

12. **Construction Lien/Trust Creditors -** All Construction Lien/Trust Claims which are deemed to be valid by the Proposal Trustee in the Construction Lien/Trust Claim Process and which are deemed to have priority over the claims of the Creditors will be paid in full.

13. **Secured Creditors** – This proposal is not being made to Secured Creditors. Claims of Unsecured Creditors will not be affected by this Proposal.

14. **Preferred Creditors -** The Claims of Preferred Creditors, if any, will be paid in full, without interest, in accordance with the terms described below, in priority to all Claims of Unsecured Creditors, in accordance with the scheme of distribution set out in the Act.

15. **Unsecured Creditors** – The Claims of Unsecured Creditors shall be paid in accordance with terms described below.

16. **Related Parties** - No Related Party will have a claim for all or part of its indebtedness as either a Secured or Unsecured Creditor and will not participate in the distributions to be made to Unsecured Creditors under this Proposal.

PART IV
UNSECURED CREDITOR CLAIMS

Payment of Unsecured Claims

17. The Debtors will cause to be paid to the Proposal Trustee the net proceeds from the sale of assets and collection of accounts receivable after payment of the Construction Lien/Trust Claims.

18. Subsequent to the filing of the Notice of Intention to Make a Proposal, Wavestar disclaimed its interest in the following leases, the disclaimers in respect of which are attached to this Proposal:

    250 West Beaver Creek Road, Units 17-18, Richmond Hill, Ontario
    286 Maitland Drive, Belleville, Ontario
    18838 Woodbine Ave., Stouffville, Ontario

    Pursuant to paragraph 65.2(4) of the Act, the Wavestar will accept claims from the landlords in respect of the above noted premises for the aggregate of:

    (i) The rent provided in the lease for the first year of the lease following the date on which the disclaimer or resiliation becomes effective, and

    (ii) Fifteen (15) percent for the remainder of the term of the lease after that year.

18. The Proposal funds shall be paid in the following manner:

    (i) The fees and costs, including legal fees and disbursements, of the Proposal Trustee and Debtors' Counsel;

    (ii) Construction Lien/Trust claims;

    (iii) Claims of Preferred Creditors, if any, shall be paid in full within twelve (12) months of the Court Approval Date, less applicable levy of the Office of the Superintendent of Bankruptcy, in priority to any payments being made to the Unsecured Creditors; and

    (iv) To the extent of available funds, the admitted claims of the Unsecured Creditors to be distributed pro-rata, less applicable levy of the Office of the Superintendent of Bankruptcy, without interest, and without penalty, among the Unsecured Creditors.

Renunciation to Dividend by Related Parties

19. As a condition precedent to the vote on this Proposal, the Proposal Trustee shall have received and submitted to Creditors present at the Creditors' Meeting, written renunciations to dividends, which may be payable under this Proposal, from Related Parties acknowledging that no dividend will be paid to them out of the Proceeds to be distributed under section 12 hereof.

Effect of Payment

20. Unsecured Creditors will accept the payments provided in Part IV of this Proposal, in complete satisfaction of all their Claims and all liens, certificates of pending litigation, executions or any other similar charges or actions or proceedings in respect of such Claims will have no effect in law or in equity against the property, assets and undertaking of the Debtors. Upon the making of all payments provided for in this Part IV, any and all such clients, certificates of pending litigation, executions or other similar charges or actions will be discharged, dismissed or vacated without costs to the Debtors.

PART V
POST FILINGS

21. The Debtors covenant and agree to keep all filings, remittances and instalments, if any, to CRA current for the post filing returns.

Set Off

22. The Debtor acknowledges and agrees that CRA will have the right to exercise its right of set off to which it is entitled to by law and will apply:

(a) Income tax refunds pertaining to the year of the Proposal or prior years to the Debtor's income tax arrears;

(b) HST refunds or rebates to all periods for which the HST liability is due; and

(c) Any other tax refund, to which the Debtor may be entitled, to the payroll deductions liability.

Payment of Fees

23. All proper fees and expenses of the Proposal Trustee and reasonable legal fees, including the Debtors' Counsel, and other professional fees of and incidental to the proceedings and transactions arising out of this Proposal and in connection with the preparation of this

Proposal, and the administration of this Proposal, including advice to the Debtors in connection therewith, will be paid in full from the Proposal Funds. The Proposal Trustee will be at liberty to withdraw and pay such fees from time to time subject to final approval by the Registrar in Bankruptcy upon completion of the Proposal.

Employees' Claims

24. All payments payable to current or former Employees, excluding independent commissioned sales agents or contractors, for amounts equal to the amounts that they would be qualified to receive under paragraph 136(l)(d) of the BIA if Wavestar became bankrupt on the Filing Date, as well as wages, salaries, commissions or compensation for services rendered after that date and before the Court approval of the Proposal, together with, in the case of traveling salesmen, disbursements properly incurred by those salesmen during the same period.

PART VII
EVENTS OF DEFAULT

25. The following events will constitute Events of Default for the purpose of section 63 of the Act and otherwise under this Proposal:

    (a) the non-payment of the amounts to the Debtors' Counsel or Proposal Trustee pursuant to paragraph 23.

PART VIII
TRUSTEE

Confirmation of Appointment

26. The Proposal Trustee shall be the trustee under this Proposal and all monies payable under this Proposal, unless otherwise provided herein, shall be paid over to the Proposal Trustee who shall make the payment of all dividends in accordance with the terms of this Proposal.

27. The Proposal Trustee is acting in its capacity as Proposal Trustee and not in its personal capacity and no officer, director, employee or agent of the Proposal Trustee shall incur any obligations or liabilities in connection with this Proposal or in connection with the business or liabilities of the Debtors.

28. Any payments made by the Proposal Trustee to Creditors hereunder shall be made by the Proposal Trustee net of any levies payable or due under the Act.

PART IX

INSPECTORS

Appointment of Inspectors

29. At the Creditors' Meeting, the Unsecured Creditors will be entitled to appoint one or more, but not exceeding five (5) inspectors in total. The inspectors will have the following powers, but will have no personal liability to the Debtors or other Creditors:

(a) the power to extend the dates of payments provided under this Proposal;

(b) the power to waive any default in the performance of any provision of this Proposal;

(c) the power to advise the Proposal Trustee in respect of such matters as may be referred to the inspectors by the Proposal Trustee; and

(d) the power to advise the Proposal Trustee concerning any dispute that may arise to the validity of Claims of Preferred Creditors and Unsecured Creditors under this Proposal.

PART X
CONDITIONS PRECEDENT

30. The performance of this Proposal by the Debtors shall be conditional upon the fulfillment or satisfaction of the following conditions within thirty (30) Business Days following the issuance of the Final Order:

(a) all approvals and consents to the Proposal that may be required have been obtained;

(b) the Final Order has been issued and the time for bringing any appeal therefrom has expired;

(c) no order or decree restraining or enjoining the consummation of the transactions contemplated by this Proposal has been issued; and

(d) all agreements or instruments necessary to effect the intention and purpose of this Proposal have been received by the Debtors in a form satisfactory to it and the Proposal Trustee.

PART XI
MISCELLANEOUS

Consents, Waivers and Agreements

31. On the Effective Date, all Unsecured Creditors will be deemed to have consented and agreed to all of the provisions of this Proposal in its entirety. For greater certainty, each such Unsecured Creditor will be deemed to have waived any default by the Debtors in any provision, express or implied, in any agreement existing between the Unsecured Creditor and the Debtors that has occurred on or prior to the Filing Date, and to have agreed that, to the extent that there is any conflict between the provisions of any such agreement and the provisions of the Proposal, the provisions of this Proposal take precedence and priority and the provisions of any such agreement are amended accordingly.

Further Actions

32. The Debtors and the Creditors will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of this Proposal and to give effect to the transactions contemplated hereby.

Performance

33. All obligations of the Debtors under this Proposal will commence as of the Effective Date. All obligations of the Debtors under this Proposal will be fully performed for the purposes only of section 65.3 of the Act upon the Debtors having made the payments to the Proposal Trustee provided for herein.

Binding Effect

34. The provisions of this Proposal will be binding on the Creditors of the Debtors, and their respective heirs, executors, administrators, successors and assigns, upon issuance of the Final Order after all appeal periods have expired.

PART XII
RELEASE

35. Upon the Effective Date, each and every present and former director of the Debtors (the "**Released Party**"), shall be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, expenses, executions, liens and other recoveries on account of any liability, obligation, demand or cause of action that arose before the commencement of the proceedings under the Act, in respect of the potential statutory liabilities of the former, present and future directors, but provided that nothing herein shall release or discharge any Released Party from claims that:

    (a) relate to contractual rights of one or more creditors arising from contracts with one or more directors;

(b) are based on allegations or misrepresentations made by directors to creditors or of wrongful or oppressive conduct by directors.

PART XIII
ANNULMENT OF PROPOSAL

Annulment

36. If this Proposal is annulled by an order of the Court, all payments on account of Claims made pursuant to the terms of this Proposal will reduce the Claims of Creditors.

PART XIV
MODIFICATION

37. The Debtors may propose amendments to the Proposal at any time prior to the conclusion of the Creditors' Meeting provided that any such amendment does not reduce the rights and benefits given to the Unsecured Creditors pursuant to the Proposal before such amendment and that any and all amendments shall be deemed to be a part of and incorporated into the Proposal.

Dated at Toronto, Ontario, this 15th day of July, 2024.

____
Wavestar Networks Inc.
Per: Derek Black

____
C&D Equipment Inc.
Per: Derek Black

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF WAVESTAR NETWORKS INC.
UNDER THE *BANKRUPTCY AND INSOLVENCY ACT*

Applicant

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF C&D EQUIPMENT INC.
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Applicant

Court File No. BK-24-03056686-0031

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

ORDER

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