

Assignee pursuant to this Agreement) shall not include an assignment of this Section 15.10 and shall not relieve First Licensee of its obligations under this Section 15.10.

**15.11 No Third Party Beneficiaries.** Except as provided in Article 10, each party intends that this Agreement shall not benefit or create any right or cause of action in, or on behalf of, any person, other than Licensor and Licensee and, except as provided in Article 8, no person, other than Licensor and Licensee, shall be entitled to rely on the provisions of this Agreement in any action, suit, proceeding, hearing or other forum. Notwithstanding the potential existence of third party beneficiaries, this Agreement may be amended, varied, waived or terminated by the parties hereto without the approval of such beneficiaries.

**15.12 Amendment and Waiver.** No amendment, discharge, modification, restatement, supplement, termination or waiver of this Agreement or any Section of this Agreement is binding unless it is in writing and executed by all of the parties. No waiver of, failure to exercise or delay in exercising, any Section of this Agreement constitutes a waiver of any other Section (whether or not similar) nor does any waiver constitute a continuing waiver unless otherwise expressly provided.

**15.13 Independent Legal Advice.** Each of the parties acknowledges that it has read and understands the terms and conditions of this Agreement and acknowledges and agrees that it has had the opportunity to seek, and was not prevented or discouraged by any other party to this Agreement from seeking, any independent legal advice which it considered necessary before the execution and delivery of this Agreement and that, if it did not avail itself of that opportunity before signing this Agreement, it did so voluntarily without any undue pressure, and agrees that its failure to obtain independent legal advice will not be used by it as a defence to the enforcement of its obligations under this Agreement.

**15.14 Counterparts and Electronic Delivery.** This Agreement may be executed and delivered by the parties in one or more counterparts, each of which will be deemed an original, and each of which may be delivered by e-mail or other functionally equivalent electronic means of transmission, and those counterparts will together constitute one and the same instrument.

**THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK**

**IN WITNESS WHEREOF** each of the parties has executed and delivered this Agreement as of the date noted at the beginning of this Agreement.

**SIMPLY GREEN HOME SERVICES  
CORP.**

Per:   
Name: Lawrence Krimker  
Title: President

**SGHS MANAGEMENT HOLDCO INC**

Per:   
Name: Lawrence Krimker  
Title: President

**2775996 ONTARIO INC.**

Per:   
Name: Lawrence Krimker  
Title: President

**SIMPLY GREEN HOME SERVICES INC.**

Per:   
Name: Lawrence Krimker  
Title: President

**SCHEDULE "A"  
LICENSED MARKS**

**Unregistered Trademarks**

CROWN CREST CAPITAL

SIMPLY GREEN HOME SERVICES

SIMPLY GROUP

SIMPLY CARES

SIMPLY GREEN ADVANTAGE



**SCHEDULE "B"**  
**LICENSED IP**

**DOMAIN NAMES**

mysimplygreen.co

mysimplycares.com

mysimplycares.ca

mysimplygroup.ca

mysimplygroup.com

simplycares.ca

crowncrestcapital.com

crowncrestclients.com

endlesshotwater.ca

mysg.ca

mysimplygreen.com

mysimplyled.com

mysimplyledd.com

mysimplyportal.com

mysimplygreen.ca

mysimplygroup.com

Sandpipenergysolutions.ca

**Unregistered Trademarks**

CROWN CREST CAPITAL

SIMPLY GREEN HOME SERVICES

SIMPLY GROUP

SIMPLY CARES

SIMPLY GREEN ADVANTAGE



### Unregistered Copyrights

- All employee manuals and all documents relating to operational and compliance process, policies and methodologies used in the Business.
- All marketing and advertising materials used in the Business.
- All website content for all websites used in the Business.

Schedule "F"

**LEASE ASSIGNMENT**

[to be provided]



September 17, 2020

Dorsay Development Corporation and ONTARI Holdings Ltd.  
c/o Epic Investment Services  
2225 Sheppard Avenue East, Suite 900  
TORONTO, Ontario  
M2J 5C2

Attention: Mr. Peter Halkias,  
Vice President, Real Estate Management

Re: Leased premises at 2225 Sheppard Avenue East, Suite 800, Toronto, Ontario, M2J 5C2  
(the "**Premises**")

Dear Sir/Madame:

Capitalized terms not otherwise defined herein shall have the same meanings attributed to them in the lease of the Premises dated October 21<sup>st</sup>, 2019 between Simply Green Home Services Inc. (the "**Tenant**") and Dorsay Development Corporation and ONTARI Holdings Ltd., (collectively as "the Landlord") (the "**Lease**"). In connection with the proposed assignment of the Lease from the Tenant to an affiliate of the Tenant as part of a corporate reorganization including the acquisition of several other companies (the "**Transaction**"), the undersigned each hereby jointly and severally acknowledge and confirm as follows:

1. Contemporaneously with the completion of the Transaction:
  - a. the Tenant will be changing its corporate name by way of articles of amendment to "Simply Green Home Services Corp." and, with the consent of the Tenant, 2775153 Ontario Inc. will be changing its name by way of articles of amendment to "Simply Green Home Services Inc." (the "**Assignee**");
  - b. both the Tenant and the Assignee are and will be ultimately controlled by Lawrence Krimker (the "**Controlling Shareholder**") and, as such, are "affiliates" (i.e. two corporations controlled by the same person) within the meaning of Section 2(2)(b) of the *Canada Business Corporations Act*, RSC.1985, c. C-44;
  - c. at and under the direction of the Controlling Shareholder, (i) the Assignee will be continuing and carrying on the business of the Tenant, being the origination, financing, administration and servicing of consumer leases and loans (the "**Business**"), with complete continuity of the Tenant's business practices and policies, and (ii) the Tenant will cease carrying on any active business; and
  - d. all of the operating assets of the Tenant used or useful in the Business will also be transferred to the Assignee; and the Tenant will cease carrying on any active business;

Website: <https://www.mysimplygreen.com/>

Email: [website@mysimplygreen.com](mailto:website@mysimplygreen.com)

Phone: 1.800.764.5138

Fax: 647.846.7475



2. the Tenant will remain liable for all of the obligations under the Lease for the balance of the Term;
3. the Transaction will be completed on a date yet to be determined but prior to October 31, 2020.

Kindly confirm our understanding that the Assignee is, subject to all of the foregoing, a Permitted Assignee under the Lease.

**Simply Green Home Services Inc.**

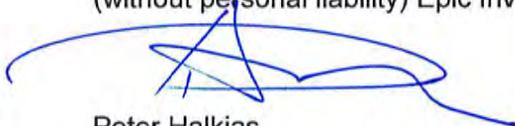
Per:   
Lawrence Krimker  
Authorized Signing Officer

**2775153 Ontario Inc.**

Per:   
Lawrence Krimker  
Authorized Signing Officer

Acknowledge receipt of the above Notice dated September 17, 2020

**Dorsay Development Corporation and ONTARI Holdings Ltd.** represented by  
(without personal liability) Epic Investment Services L.P.

A blue ink signature of Peter Halkias, consisting of several loops and a long horizontal stroke.

Peter Halkias  
Vice President, Real Estate Management

**This is Exhibit "V"  
to the Affidavit of Michael Lombard sworn  
remotely before me on November 6, 2023**

DocuSigned by:

*Katherine Yurkovich*

BE136400C72D4E9

---

A commissioner for taking affidavits

**ONTARIO PPSA SEARCH SUMMARIES**

**A. CROWN CREST CAPITAL MANAGEMENT CORP.**

**File Currency: August 7, 2023**

SECURED PARTY		REFERENCE FILE NO./ REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL CLASSIFICATION/ DESCRIPTION						FINANCING CHANGE STATEMENTS
1	Peoples Trust Company  <b>Debtor(s):</b> Crown Crest Capital Management Corp.	722718549 <b>20161122 1607 1862 1143</b> 10 Years Expiry date: November 22, 2026	Consumer Goods	Inventory	Equipment	Accounts	Other	MV Included	Nil.
				X	X	X	X	X	

**B. CROWN CREST CAPITAL TRUST**

**File Currency: August 7, 2023**

SECURED PARTY		REFERENCE FILE NO./ REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL CLASSIFICATION/ DESCRIPTION					FINANCING CHANGE STATEMENTS	
1	Peoples Trust Company  <b>Debtor(s):</b> Crown Crest Funding Corp., Crown Crest Capital Trust, and Crown Crest Capital Trust Trust	722718531 <b>20161122 1606 1862 1142</b> 10 Years Expiry date: November 22, 2026	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	Nil.
				X	X	X	X	X	
2	Peoples Trust Company  <b>Debtor(s):</b> Crown Crest Capital Trust and Crown Crest Capital Trust Trust	746394201 <b>20181130 1333 1862 7645</b> 11 Years Expiry date: November 30, 2029	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20190125 1731 1862 1403</b> <u>Amendment:</u> adding Crown Crest Funding Corp. as an additional debtor
				X	X	X	X		

**C. CROWN CREST FINANCIAL CORP.**

**File Currency: August 7, 2023**

SECURED PARTY		REFERENCE FILE NO./ REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL CLASSIFICATION/ DESCRIPTION						FINANCING CHANGE STATEMENTS
1	Peoples Trust Company  <b>Debtor(s):</b> Crown Crest Financial Corp.	735810741 <b>20180119 1428 1530 5806</b> 11 Years Expiry date: January 19, 2029	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	Nil.
				X	X	X	X		
2	Peoples Trust Company  <b>Debtor(s):</b> Crown Crest Financial Corp.	735810768 <b>20180119 1428 1530 5808</b> 10 Years Expiry date: January 19, 2028	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	Nil.
				X	X	X	X	X	

**D. CROWN CREST FUNDING CORP.**

**File Currency: August 7, 2023**

SECURED PARTY		REFERENCE FILE NO./ REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL CLASSIFICATION/ DESCRIPTION					FINANCING CHANGE STATEMENTS	
1	Peoples Trust Company  <b>Debtor(s):</b> Crown Crest Funding Corp., Crown Crest Capital Trust, and Crown Crest Capital Trust Trust	722718531 <b>20161122 1606 1862 1142</b> 10 Years Expiry date: November 22, 2026	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	Nil.
				X	X	X	X	X	
2	Peoples Trust Company  <b>Debtor(s):</b> Crown Crest Capital Trust and Crown Crest Capital Trust Trust	746394201 <b>20181130 1333 1862 7645</b> 11 Years Expiry date: November 30, 2029	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20190125 1731 1862 1403</b> <u>Amendment:</u> adding Crown Crest Funding Corp. as an additional debtor
				X	X	X	X		

**E. SIMPLY GREEN HOME SERVICES CORP.**

**File Currency: August 7, 2023**

SECURED PARTY		REFERENCE FILE NO./ REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL CLASSIFICATION/ DESCRIPTION						FINANCING CHANGE STATEMENTS
1	Peoples Trust Company  <b>Debtor(s):</b> Simply Green Home Services Inc.	735810777 <b>20180119 1428 1530 5809</b> 10 Years Expiry date: January 19, 2028	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20201112 1628 1590 6443</b> <u>Amendment:</u> Amended to reflect a debtor name change from Simply Green Home Services Inc. to Simply Green Home Services Corp.
				X	X	X	X	X	
2	Jim Peplinski Leasing Inc.  <b>Debtor(s):</b> Simply Green Home Services Inc.  [DISCHARGED]	741574746 <b>20180713 1009 1462 8202</b> 6 Years Expiry date: July 27, 2023	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20190228 1404 1462 0189</b> <u>Amendment:</u> Smile HVAC Service and Installation Corp. assuming the lease, Simply Green remains as co-lessee  <b>20230613 0814 1793 0742</b> <u>Renewal:</u> 1 Year  <b>20230727 1002 1462 7854</b> <u>Discharge</u>
					X	X	X	X	
			Amount: \$28,071  2018 Nissan NV200 Cargo Van (VIN: 3N6CM0KN6JK697854) Maturity date: July 31, 2024						
3	Jim Peplinski Leasing Inc.  <b>Debtor(s):</b> Simply Green Home Services Inc.  [DISCHARGED]	741574764 <b>20180713 1009 1462 8204</b> 6 Years Expiry date: July 27, 2023	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20190228 1231 1793 0623</b> <u>Amendment:</u> Smile HVAC Service and Installation Corp. assuming the lease, Simply Green remains as co-lessee  <b>20230613 0815 1793 0743</b> <u>Renewal:</u> 1 Year  <b>20230727 1002 1462 7853</b> <u>Discharge</u>
					X	X	X	X	
			Amount: \$28,071  2018 Nissan NV200 Cargo Van (VIN: 3N6CM0KN0JK697851) Maturity date: July 31, 2024						

SECURED PARTY		REFERENCE FILE NO./ REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL CLASSIFICATION/ DESCRIPTION						FINANCING CHANGE STATEMENTS
4	Jim Peplinski Leasing Inc.  <b>Debtor(s):</b> Smile HVAC Service and Installation Corp. and Simply Green Home Services Inc.	747811881 <b>20190123 1710 1462 9545</b> 6 Years Expiry date: January 23, 2025	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	Nil.
					X	X		X	
			Amount: \$27,955  2019 Nissan NV200 Cargo Van (VIN: 3N6CM0KN2KK692491) Maturity date: January 31, 2025						
5	The Toronto-Dominion Bank – 14822  <b>Debtor(s):</b> Simply Green Home Services Inc.	748018962 <b>20190131 1944 1531 3676</b> 1 Year Expiry date: January 31, 2025	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20191121 1939 1531 2154</b> <u>Renewal: 5 Years</u>  <b>20211108 1447 1530 4255</b> <u>Amendment:</u> name change from Simply Green Home Services Inc. to Simply Green Home Services Corp.
						X	X		
			No fixed maturity date						
6	Greypoint Capital Inc.  <b>Debtor(s):</b> Simply Green Home Services Inc.	753585336 <b>20190722 1319 1862 4003</b> 10 Years Expiry date: July 22, 2029	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20201013 1112 1862 2692</b> <u>Amendment:</u> amended to reflect a debtor name change from Simply Green Home Services Inc. to Simply Green Home Services Corp. pursuant to Articles of Amendment as of October 9, 2020.
				X	X	X	X	X	
7	Mercedes-Benz Financial and Mercedes-Benz Financial Services Canada Corporation  <b>Debtor(s):</b> Simply Green Home Services	757236501 <b>20191104 1414 1532 0573</b> 4 Years Expiry date: July 31, 2023	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20230731 1348 1532 9183</b> <u>Discharged</u>
					X		X	X	
			Amount: \$118,596.42  2019 Mercedes-Benz S560W4M (VIN: WDDUF8GB0KA495163) Maturity date: July 31, 2023						

SECURED PARTY		REFERENCE FILE NO./ REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL CLASSIFICATION/ DESCRIPTION						FINANCING CHANGE STATEMENTS
	Inc. and Lyudmila Krimker  [DISCHARGED]								
8	Magnetar Financial LLC  <b>Debtor(s):</b> 2775153 Ontario Inc. Simply Green Home Services Inc.  [DISCHARGED]	766529118 <b>20201007 0942 9234 3488</b> 10 Years Expiry date: June 19, 2023	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20210406 0931 1862 4893</b> <u>Amendment:</u> amend debtor name to Simply Green Home Services Inc.  <b>20230619 1245 9234 8496</b> <u>Discharge</u>
				X	X	X	X	X	
9	2775153 Ontario Inc.  <b>Debtor(s):</b> Simply Green Home Services Inc.	766530252 <b>20201007 0948 9234 3498</b> 10 Years Expiry date: October 7, 2030	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	Nil.
				X	X	X	X	X	
10	Peoples Trust Company  <b>Debtor(s):</b> Simply Green Home Services Inc.	771729777 <b>20210420 1719 1590 9499</b> 10 Years Expiry date: April 20, 2031	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	Nil.
				X	X	X	X	X	
11	Ford Credit Canada Leasing, Division of Canadian Road Leasing Company  <b>Debtor(s):</b> Simply Green Home Services Inc.	789862662 <b>20230110 1342 1532 7384</b> 2 Years Expiry date: January 10, 2025	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	Nil.
					X		X	X	
			2022 Ford F150 (VIN: 1FTFW1E58NFC08036) No fixed maturity date						

**F. SIMPLY GREEN HOME SERVICES INC.**

**File Currency: August 7, 2023**

SECURED PARTY		REFERENCE FILE NO./ REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL CLASSIFICATION/ DESCRIPTION						FINANCING CHANGE STATEMENTS
1	Peoples Trust Company  <b>Debtor(s):</b> Simply Green Home Services Inc.	735810777 <b>20180119 1428 1530 5809</b> 10 Years Expiry date: January 19, 2028	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20201112 1628 1590 6443</b> <u>Amendment:</u> Amended to reflect a debtor name change from Simply Green Home Services Inc. to Simply Green Home Services Corp.
				X	X	X	X	X	
2	Jim Peplinski Leasing Inc.  <b>Debtor(s):</b> Simply Green Home Services Inc.  [DISCHARGED]	741574746 <b>20180713 1009 1462 8202</b> 6 Years Expiry date: July 27, 2023	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20190228 1404 1462 0189</b> <u>Amendment:</u> Smile HVAC Service and Installation Corp. assuming the lease, Simply Green remains as co-lessee  <b>20230613 0814 1793 0742</b> <u>Renewal:</u> 1 Year  <b>20230727 1002 1462 7854</b> <u>Discharge</u>
					X	X	X	X	
			Amount: \$28,071  2018 Nissan NV200 Cargo Van (VIN: 3N6CM0KN6JK697854) Maturity date: July 31, 2024						
3	Jim Peplinski Leasing Inc.  <b>Debtor(s):</b> Simply Green Home Services Inc.  [DISCHARGED]	741574764 <b>20180713 1009 1462 8204</b> 6 Years Expiry date: July 27, 2023	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20190228 1231 1793 0623</b> <u>Amendment:</u> Smile HVAC Service and Installation Corp. assuming the lease, Simply Green remains as co-lessee  <b>20230613 0815 1793 0743</b> <u>Renewal:</u> 1 Year  <b>20230727 1002 1462 7853</b> <u>Discharge</u>
					X	X	X	X	
			Amount: \$28,071  2018 Nissan NV200 Cargo Van (VIN: 3N6CM0KN0JK697851) Maturity date: July 31, 2024						

SECURED PARTY		REFERENCE FILE NO./ REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL CLASSIFICATION/ DESCRIPTION						FINANCING CHANGE STATEMENTS
4	Jim Peplinski Leasing Inc.  <b>Debtor(s):</b> Smile HVAC Service and Installation Corp. and Simply Green Home Services Inc.	747811881 <b>20190123 1710 1462 9545</b> 6 Years Expiry date: January 23, 2025	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	Nil.
					X	X		X	
			Amount: \$27,955  2019 Nissan NV200 Cargo Van (VIN: 3N6CM0KN2KK692491) Maturity date: January 31, 2025						
5	The Toronto-Dominion Bank – 14822  <b>Debtor(s):</b> Simply Green Home Services Inc.	748018962 <b>20190131 1944 1531 3676</b> 1 Year Expiry date: January 31, 2025	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20191121 1939 1531 2154</b> <u>Renewal: 5 Years</u>  <b>20211108 1447 1530 4255</b> <u>Amendment:</u> name change from Simply Green Home Services Inc. to Simply Green Home Services Corp.
						X	X		
			No fixed maturity date						
6	Greypoint Capital Inc.  <b>Debtor(s):</b> Simply Green Home Services Inc.	753585336 <b>20190722 1319 1862 4003</b> 10 Years Expiry date: July 22, 2029	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20201013 1112 1862 2692</b> <u>Amendment:</u> amended to reflect a debtor name change from Simply Green Home Services Inc. to Simply Green Home Services Corp. pursuant to Articles of Amendment as of October 9, 2020.
				X	X	X	X	X	
7	Mercedes-Benz Financial and Mercedes-Benz Financial Services Canada Corporation  <b>Debtor(s):</b> Simply Green Home Services	757236501 <b>20191104 1414 1532 0573</b> 4 Years Expiry date: July 31, 2023	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20230731 1348 1532 9183</b> <u>Discharged</u>
					X		X	X	
			Amount: \$118,596.42  2019 Mercedes-Benz S560W4M (VIN: WDDUF8GB0KA495163) Maturity date: July 31, 2023						

SECURED PARTY		REFERENCE FILE NO./ REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL CLASSIFICATION/ DESCRIPTION						FINANCING CHANGE STATEMENTS
	Inc. and Lyudmila Krimker  [DISCHARGED]								
8	Magnetar Financial LLC  Debtor(s): 2775153 Ontario Inc.  [DISCHARGED]	766529118 20201007 0942 9234 3488 10 Years Expiry date: June 19, 2023	Consumer Goods	Inventory	Equipment	Accounts	Other	MV Included	20210406 0931 1862 4893 Amendment: amend debtor name to Simply Green Home Services Inc.  20230619 1245 9234 8496 Discharge
				X	X	X	X	X	
9	2775153 Ontario Inc.  Debtor(s): Simply Green Home Services Inc.	766530252 20201007 0948 9234 3498 10 Years Expiry date: October 7, 2030	Consumer Goods	Inventory	Equipment	Accounts	Other	MV Included	Nil.
				X	X	X	X	X	
10	Peoples Trust Company  Debtor(s): Simply Green Home Services Inc.	771729777 20210420 1719 1590 9499 10 Years Expiry date: April 20, 2031	Consumer Goods	Inventory	Equipment	Accounts	Other	MV Included	Nil.
				X	X	X	X	X	
11	Ford Credit Canada Leasing, Division of Canadian Road Leasing Company  Debtor(s): Simply Green Home Services Inc.	789862662 20230110 1342 1532 7384 2 Years Expiry date: January 10, 2025	Consumer Goods	Inventory	Equipment	Accounts	Other	MV Included	Nil.
					X		X	X	
			2022 Ford F150 (VIN: 1FTFW1E58NFC08036) No fixed maturity date						

**G. MARBLE AMALCO INC.**

**File Currency: October 2, 2023**

SECURED PARTY		REFERENCE FILE NO./ REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL CLASSIFICATION/ DESCRIPTION						FINANCING CHANGE STATEMENTS
1	Simply Group Financial Corp  <b>Debtor(s):</b> Marble Amalco Inc.	794345625 <b>20230615 1052 1590 7783</b> 10 Years	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	Nil.
						X	X		
			All accounts and chattel paper sold by the debtor to the secured party from time to time under or pursuant to (I) the share and asset purchase agreement dated as of April 14, 2023 among 2775996 Ontario Inc., as seller, and Communitylend Holdings Inc., as buyer, as amended, restated, supplemented or otherwise modified from time to time, and (II) the conveyance and assignment and assumption agreement dated as of June 15, 2023 between the debtor, as seller, Communitylend Holdings Inc., and the secured party, as buyer, as amended, restated, supplemented or otherwise modified from time to time, together with all proceeds of the foregoing in any form (including, without limitation, goods, documents of title, chattel paper, securities, investment property, instruments, money and intangibles (as such terms are understood under the personal property security act in effect in the Province of Ontario)) derived, directly or indirectly, from any dealing with any of the foregoing or any proceeds thereof.						
2	Versabank  <b>Debtor(s):</b> Simply Group Financial Corp. ((previously Ecohome Financial Inc. and Marble Amalco Inc.))	745898625 <b>20181115 1306 1590 3291</b> 10 Years	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20200724 0934 6083 2830</b> <u>Amendment:</u> Debtor address change to 130 King Street West, Toronto On M5X 1C7  <b>20230614 1631 1590 7709</b> <u>Amendment:</u> To record the name change of the debtor pursuant to
				X	X	X	X	X	

SECURED PARTY		REFERENCE FILE NO./ REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL CLASSIFICATION/ DESCRIPTION						FINANCING CHANGE STATEMENTS
									the Articles of Amalgamation. New Name: Marble Amalco Inc.  <u>Debtor/Transferee</u> : Simply Group Financial Corp. (20230615 0945 1590 7758)
3	Sun Life Assurance Company Of Canada.  <b>Debtor(s)</b> : Simply Group Financial Corp (previously One Dealer Financial Services Inc. and Marble Amalco Inc.)	718865073 <b>20160722 1105 1590 3297</b> 10 Years	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20230614 1639 1590 7712</b> <u>Amendment</u> : To record the name change of the debtor pursuant to articles of amalgamation.  <u>Debtor/Transferee</u> : Simply Group Financial Corp. (20230615 0949 1590 7761)
				X	X	X	X	X	
4	Sun Life Assurance Company Of Canada.  <b>Debtor(s)</b> :. Simply Group Financial Corp. (previously Ecohome Financial Inc. and Marble Amalco Inc.)	705085749 <b>20150414 0940 1793 3924</b> 10 Years	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20160219 1143 1590 3597</b> <u>Amendment</u> : To amend the general collateral description.  <b>20230614 1638 1590 7711</b> <u>Amendment</u> : To record the name change of the debtor pursuant to articles of amalgamation.  <b>20230615 0948 1590 7760</b> <u>Debtor/Transferee</u> : Simply Group Financial Corp.
				X	X	X	X	X	
5	Versabank (previously:	671635206 <b>20110721 1529 1862 4603</b> 5 Years + 10 year renewal	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>MV Included</b>	<b>20150313 1222 1862 3397</b>
				X	X	X	X	X	

SECURED PARTY	REFERENCE FILE NO./ REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL CLASSIFICATION/ DESCRIPTION	FINANCING CHANGE STATEMENTS
<p>Pacific &amp; Western Bank Of Canada)</p> <p><b>Debtor(s):</b> Simply Group Financial Corp. (previously Ecohome Financial Inc. and Marble Amalco Inc.)</p>		<p>Certain present and future loans (collectively, the “Relevant Loans” and each a “Relevant Loan”) now or hereafter financed by the secured party under or pursuant to a master purchase and servicing agreement, dated as of September 21, 2011, between the debtor and the secured party, as the same may be amended, supplemented or otherwise modified from time to time, together with all of the debtor’s right, title and interest in, to and under the following: (A) all present and future payments that are due or are to become due under the relevant loans, (B) all present and future guarantees, indemnities, warranties and other agreements or arrangements of whatsoever character from time to time supporting or securing payment or performance of an obligor’s obligations under any relevant loan, whether pursuant to such relevant loan or otherwise, including any residual value guarantees and any agreements under which any third party is obligated to assist in any repossession and/or sale of repossessed collateral, or to purchase repossessed collateral and other repurchase and/or remarketing arrangements and any security therefor, but only insofar as they relate to such obligor’s obligations under such relevant loan, (C) all present and future payments made on account of any loss of or damage to the related equipment that secures or any relevant loan, excess wear and tear thereon or excess use thereof, whether under such relevant loan or otherwise, (D) all claims, demands, actions, damages and indemnities owing to the debtor with respect to any present or future patent and copyright indemnity agreements or manufacturers’ or suppliers’ warranties relating to any such equipment, except to the extent that the same indemnify against liability to others, (E) the lien on the equipment that is the subject matter of any relevant loan and any assets mortgaged, charged, assigned or otherwise encumbered under or in connection with such relevant loan, (F) all rights in or to payments under all present and future insurance policies maintained by any obligor under any of such relevant loans or by the debtor in respect of any of such relevant loans (to the extent the same indemnify for loss or damage</p>	<p><u>Amendment:</u> to record the addition of a general collateral description to the registration.</p> <p><b>20151218 1332 1862 5730</b> <u>Amendment:</u> to amend the address of the debtor to 156 Duncan Mill Rd., Unit 16 Toronto ON M3B 3N2.</p> <p><b>20160222 1022 1862 9987</b> <u>Amendment:</u> to amend the address of the debtor to 325 Milner Ave., Toronto ON M1B 5N1.</p> <p><b>20160713 0924 6083 4074</b> <u>Renewal:</u> 10 years</p> <p><b>20160819 1029 6083 5137</b> <u>Amendment:</u> amend the secured party's name from "Pacific &amp; Western Bank of Canada" to "Versabank."</p> <p><b>20200724 0934 6083 2831</b> <u>Amendment:</u> to amend the address of the debtor to 130 King Street West, Suite 501 Toronto ON M5X 1C7.</p> <p><b>20230614 1632 1590 7710</b> <u>Amendment:</u> to record the name change of the debtor pursuant to articles of amalgamation.</p>

SECURED PARTY	REFERENCE FILE NO./ REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL CLASSIFICATION/ DESCRIPTION	FINANCING CHANGE STATEMENTS
		<p>to any equipment that is the subject matter thereof), the benefit of all covenants with respect to any such equipment by the related obligor (including all indemnities and covenants with respect to maintenance and repair, use and insurance obligations, except to the extent that the same indemnify against all liability to others), all rights in or to all present and future security deposits made by any obligor in connection with any of such relevant loans, the right of the debtor to ask, demand, sue for, collect, receive and enforce any and all monies now or hereafter payable under any of such relevant loans and to enforce all other covenants, obligations, rights and remedies thereunder, in each case except to the extent that any of such rights have been validly purchased by the secured party or indemnify against liability to others, (G) all monies now or at any time or from time to time hereafter held by the secured party and recorded in any reserve account and all investments made from time to time with such monies, including all renewals thereof, accretions thereto, substitutions therefor, and all interest, income and revenue arising therefrom or by virtue thereof, (H) all rights in or to all present and future security deposits made by any obligor in connection with any relevant loan including, for greater certainty, all monies now or at any time or from time to time hereafter held by the secured party and recorded in a security deposit account and all investments made from time to time with such monies, including all renewals thereof, accretions thereto, substitutions therefor, and all interest, income and revenue arising therefrom or by virtue thereof, (I) all rights, powers, remedies and benefits of the debtor under each agreement between the debtor and any of Enbridge Gas Distributions Inc. and CIBC Mellon Trust Company (or any of their successors) as they relate to any relevant loan, (J) all present and future contracts evidencing the relevant loans and the other related assets, and all present and future books, records and other documents and information (including hard copies of all data maintained in databases of the debtor, tapes, disks, copies of computer programs and data processing software, and all related</p>	<p><b>20230615 0946 1590 7759</b>  <u>Debtor/Transferee:</u> Simply Group  Financial Corp.</p>

SECURED PARTY	REFERENCE FILE NO./ REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL CLASSIFICATION/ DESCRIPTION	FINANCING CHANGE STATEMENTS
		property and rights) maintained with respect thereto, (K) all other rights or interest of any kind whatsoever of the debtor under or in connection with any relevant loans or related assets with respect thereto, and (L) all proceeds of, from or with respect to any or all of the foregoing.	

**BRITISH COLUMBIA PPSA SEARCH SUMMARY**

**A. CROWN CREST CAPITAL MANAGEMENT CORP.**

**File Currency: October 30, 2023**

SECURED PARTY	BASE REGISTRATION NO./ REGISTRATION DATE/ EXPIRY DATE	COLLATERAL CLASSIFICATION/ DESCRIPTION	FINANCING CHANGE STATEMENTS
<p><b>1</b> Peoples Trust Company</p> <p><b>Debtor(s):</b> Crown Crest Financial Corp., Crown Crest Capital Management Corp., Simply Green Home Services Corp., Simply Green Home Services Inc., Crown Crest Funding Corp.</p>	<p><b>869784P</b>                      Registration date: October 25, 2023                      Expiry date: October 25, 2028</p>	<p>Vehicle collateral: none</p> <p>General collateral: ALL OF EACH DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY (INCLUDING, WITHOUT LIMITATION, FIXTURES).</p>	<p><b>877553P</b>                      Amendment: October 30, 2023 to correct debtor names.</p> <p><b>877613P</b>                      Amendment: October 30, 2023 to add Crown Crest Funding Corp. as additional debtor</p>

**B. CROWN CREST CAPITAL TRUST**

**File Currency: October 30, 2023**

<b>SECURED PARTY</b>		<b>BASE REGISTRATION NO./ REGISTRATION DATE/ EXPIRY DATE</b>	<b>COLLATERAL CLASSIFICATION/ DESCRIPTION</b>	<b>FINANCING CHANGE STATEMENTS</b>
<b>1</b>	Peoples Trust Company  <b>Debtor(s):</b> Crown Crest Funding Corp., Crown Crest Capital Trust, Crown Crest Capital Trust Trust	<b>673513J</b> Registration date: November 22, 2016 Expiry date: November 22, 2026	Vehicle collateral: none  General collateral: ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR.	Nil.

**C. CROWN CREST FINANCIAL CORP.**

**File Currency: October 30, 2023**

SECURED PARTY	BASE REGISTRATION NO./ REGISTRATION DATE/ EXPIRY DATE	COLLATERAL CLASSIFICATION/ DESCRIPTION	FINANCING CHANGE STATEMENTS
<p><b>1</b> Peoples Trust Company</p> <p><b>Debtor(s):</b> Crown Crest Financial Corp., Crown Crest Capital Management Corp., Simply Green Home Services Corp., Simply Green Home Services Inc., Crown Crest Funding Corp.</p>	<p><b>869784P</b></p> <p>Registration date: October 25, 2023</p> <p>Expiry date: October 25, 2028</p>	<p>Vehicle collateral: none</p> <p>General collateral: ALL OF EACH DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY (INCLUDING, WITHOUT LIMITATION, FIXTURES).</p>	<p><b>877553P</b></p> <p>Amendment: October 30, 2023 to correct debtor names.</p> <p><b>877613P</b></p> <p>Amendment: October 30, 2023 to add Crown Crest Funding Corp. as additional debtor</p>

**D. CROWN CREST FUNDING CORP.**

**File Currency: October 30, 2023**

	<b>SECURED PARTY</b>	<b>BASE REGISTRATION NO./ REGISTRATION DATE/ EXPIRY DATE</b>	<b>COLLATERAL CLASSIFICATION/ DESCRIPTION</b>	<b>FINANCING CHANGE STATEMENTS</b>
<b>1</b>	Peoples Trust Company  <b>Debtor(s):</b> Crown Crest Funding Corp., Crown Crest Capital Trust, Crown Crest Capital Trust Trust	<b>673513J</b> Registration date: November 22, 2016 Expiry date: November 22, 2026	Vehicle collateral: none  General collateral: ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR.	Nil.
<b>2</b>	Peoples Trust Company  <b>Debtor(s):</b> Crown Crest Financial Corp., Crown Crest Capital Management Corp., Simply Green Home Services Corp., Simply Green Home Services Inc., Crown Crest Funding Corp.	<b>869784P</b> Registration date: October 25, 2023 Expiry date: October 25, 2028	Vehicle collateral: none  General collateral: ALL OF EACH DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY (INCLUDING, WITHOUT LIMITATION, FIXTURES).	<b>877553P</b> Amendment: October 30, 2023 to correct debtor names.  <b>877613P</b> Amendment: October 30, 2023 to add Crown Crest Funding Corp. as additional debtor

**E. SIMPLY GREEN HOME SERVICES CORP.**

**File Currency: October 30, 2023**

<b>SECURED PARTY</b>	<b>BASE REGISTRATION NO./ REGISTRATION DATE/ EXPIRY DATE</b>	<b>COLLATERAL CLASSIFICATION/ DESCRIPTION</b>	<b>FINANCING CHANGE STATEMENTS</b>
<p><b>1</b> Peoples Trust Company</p> <p><b>Debtor(s):</b> Crown Crest Financial Corp., Crown Crest Capital Management Corp., Simply Green Home Services Corp., Simply Green Home Services Inc., Crown Crest Funding Corp.</p>	<p><b>869784P</b></p> <p>Registration date: October 25, 2023</p> <p>Expiry date: October 25, 2028</p>	<p>Vehicle collateral: none</p> <p>General collateral: ALL OF EACH DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY (INCLUDING, WITHOUT LIMITATION, FIXTURES).</p>	<p><b>877553P</b></p> <p>Amendment: October 30, 2023 to correct debtor names.</p> <p><b>877613P</b></p> <p>Amendment: October 30, 2023 to add Crown Crest Funding Corp. as additional debtor</p>

**F. SIMPLY GREEN HOME SERVICES INC.**

**File Currency: October 30, 2023**

<b>SECURED PARTY</b>	<b>BASE REGISTRATION NO./ REGISTRATION DATE/ EXPIRY DATE</b>	<b>COLLATERAL CLASSIFICATION/ DESCRIPTION</b>	<b>FINANCING CHANGE STATEMENTS</b>
<p><b>1</b> Peoples Trust Company</p> <p><b>Debtor(s):</b> Crown Crest Financial Corp., Crown Crest Capital Management Corp., Simply Green Home Services Corp., Simply Green Home Services Inc., Crown Crest Funding Corp.</p>	<p><b>869784P</b>  Registration date: October 25, 2023  Expiry date: October 25, 2028</p>	<p>Vehicle collateral: none</p> <p>General collateral: ALL OF EACH DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY (INCLUDING, WITHOUT LIMITATION, FIXTURES).</p>	<p><b>877553P</b>  Amendment: October 30, 2023 to correct debtor names.</p> <p><b>877613P</b>  Amendment: October 30, 2023 to add Crown Crest Funding Corp. as additional debtor</p>

**ALBERTA PPSA & EXECUTION SEARCH SUMMARY**

**A. CROWN CREST CAPITAL MANAGEMENT CORP.**

**File Currency: October 30, 2023**

**PPSA REGISTRATION: SECURITY AGREEMENT**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Financial Corp., Simply Green Home Services Corp., Simply Green Home Services Inc., Crown Crest Capital Management Corp. and Crown Crest Funding Corp.	Peoples Trust Company	<b>23102519842</b> Registration date: October 25, 2023 Expiry date: October 25, 2028	All present and after-acquired personal property of the debtors or any of them.	<b>23103015281</b> <u>Amendment</u> : deleting Simply Green Homes Services Inc. and adding Simply Green Home Services Inc., Crown Crest Capital Management Corp. and Crown Crest Funding Corp. as debtors.

**PPSA REGISTRATION: WRITS OF ENFORCEMENT**

#	DEBTOR(S)	CREDITOR(S)	REGISTRATION NO./ REGISTRATION PERIOD	DESCRIPTION OF WRIT	AMENDMENTS
1	Crown Crest Capital Management Corp., Crown Crest Capital Management, Crown Crest Capital Trust	Shabnam Raheema Morin; Edward Dustin Morin	<b>22051916838</b> Expiry date: May 19, 2024	Writ of enforcement Court File Number: 2103 16166 Judgment Date: 2022-Mar-04 Costs: \$3,500.00 Current Amount Owing: \$3,500.00	<b>22080336593</b> <u>Amendment</u> : adding Crown Crest Capital Management and Crown Crest Capital Trust as additional debtors.

**B. CROWN CREST CAPITAL TRUST**

File Currency: October 30, 2023

**PPSA REGISTRATION: SECURITY AGREEMENT**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Funding Corp., Crown Crest Capital Trust, Crown Crest Capital Trust	Peoples Trust Company	<b>16112818629</b> Registration date: November 28, 2016 Expiry date: November 28, 2026	All present and after-acquired personal property of the debtor.	<b>23103015281</b> <u>Amendment</u> : deleting Simply Green Homes Services Inc. and adding Simply Green Home Services Inc., Simply Green Home Services Corp., Crown Crest Capital Management Corp. and Crown Crest Funding Corp. as debtors.

**PPSA REGISTRATION: WRITS OF ENFORCEMENT**

#	DEBTOR(S)	CREDITOR(S)	REGISTRATION NO./ REGISTRATION PERIOD	DESCRIPTION OF WRIT	AMENDMENTS
1	Crown Crest Capital Management Corp., Crown Crest Capital Management, Crown Crest Capital Trust	Shabnam Raheema Morin; Edward Dustin Morin	<b>22051916838</b> Expiry date: May 19, 2024	Writ of enforcement Court File Number: 2103 16166 Judgment Date: 2022-Mar-04 Costs: \$3,500.00 Current Amount Owing: \$3,500.00  Debtors: Crown Crest Capital Trust, Crown Crest Capital Management, Crown Crest Capital Management Corp	<b>22080336593</b> <u>Amendment</u> : adding Crown Crest Capital Management and Crown Crest Capital Trust as additional debtors.

**C. CROWN CREST FINANCIAL CORP.**

**File Currency: October 30, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Financial Corp., Simply Green Home Services Corp., Simply Green Home Services Inc., Crown Crest Capital Management Corp. and Crown Crest Funding Corp.	Peoples Trust Company	<b>23102519842</b> Registration date: October 25, 2023 Expiry date: October 25, 2028	All present and after-acquired personal property of the debtors or any of them.	<b>23103015281</b> <u>Amendment</u> : deleting Simply Green Homes Services Inc. and adding Simply Green Home Services Inc., Crown Crest Capital Management Corp. and Crown Crest Funding Corp. as debtors.

**D. CROWN CREST FUNDING CORP.**

**File Currency: October 30, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Funding Corp., Crown Crest Capital Trust, Crown Crest Capital Trust Trust	Peoples Trust Company	<b>16112818629</b> Registration date: November 28, 2016 Expiry date: November 28, 2026	All present and after-acquired personal property of the debtor.	<b>23103015281</b> <u>Amendment</u> : deleting Simply Green Homes Services Inc. and adding Simply Green Home Services Inc., Simply Green Home Services Corp., Crown Crest Capital Management Corp. and Crown Crest Funding Corp. as debtors.
2	Crown Crest Financial Corp., Simply Green Home Services Corp., Simply Green Home Services Inc., Crown Crest Capital Management Corp. and Crown Crest Funding Corp.	Peoples Trust Company	<b>23102519842</b> Registration date: October 25, 2023 Expiry date: October 25, 2028	All present and after-acquired personal property of the debtors or any of them.	<b>23103015281</b> <u>Amendment</u> : deleting Simply Green Homes Services Inc. and adding Simply Green Home Services Inc., Crown Crest Capital Management Corp. and Crown Crest Funding Corp. as debtors.

**E. SIMPLY GREEN HOME SERVICES CORP.**

**File Currency: October 30, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Financial Corp., Simply Green Home Services Corp., Simply Green Home Services Inc., Crown Crest Capital Management Corp. and Crown Crest Funding Corp.	Peoples Trust Company	<b>23102519842</b> Registration date: October 25, 2023 Expiry date: October 25, 2028	All present and after-acquired personal property of the debtors or any of them.	<b>23103015281</b> <u>Amendment</u> : deleting Simply Green Homes Services Inc. and adding Simply Green Home Services Inc., Crown Crest Capital Management Corp. and Crown Crest Funding Corp. as debtors.

**F. SIMPLY GREEN HOME SERVICES INC.**

**File Currency: October 30, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Financial Corp., Simply Green Home Services Corp., Simply Green Home Services Inc., Crown Crest Capital Management Corp. and Crown Crest Funding Corp.	Peoples Trust Company	<b>23102519842</b> Registration date: October 25, 2023 Expiry date: October 25, 2028	All present and after-acquired personal property of the debtors or any of them.	<b>23103015281</b> <u>Amendment</u> : deleting Simply Green Homes Services Inc. and adding Simply Green Home Services Inc., Crown Crest Capital Management Corp. and Crown Crest Funding Corp. as debtors.

## SASKATCHEWAN PPSA SEARCH SUMMARY

### A. CROWN CREST CAPITAL MANAGEMENT CORP.

File Currency: November 2, 2023

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Capital Management Corp.	Peoples Trust Company	<b>302481217</b> Registration Date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**B. CROWN CREST CAPITAL TRUST**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Capital Trust, Crown Crest Capital Trust Trust, Crown Crest Funding Corp.	Peoples Trust Company	<b>301560727</b> Registration date: November 28, 2016 Expiry date: November 28, 2026	All present and after-acquired personal property of the debtor.	Nil.

**C. CROWN CREST FINANCIAL CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Financial Corp.	Peoples Trust Company	<b>302481219</b> Registration Date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**D. CROWN CREST FUNDING CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Funding Corp., Crown Crest Capital Trust, Crown Crest Capital Trust Trust	Peoples Trust Company	<b>301560727</b> Registration date: November 28, 2016 Expiry date: November 28, 2026	All present and after-acquired personal property of the debtor.	Nil.

**E. SIMPLY GREEN HOME SERVICES CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Simply Green Home Services Corp.	Peoples Trust Company	<b>302481222</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**F. SIMPLY GREEN HOME SERVICES INC.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Simply Green Home Services Inc.	Peoples Trust Company	<b>302481221</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**MANITOBA PPSA SEARCH SUMMARY**

**A. CROWN CREST CAPITAL MANAGEMENT CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Capital Management Corp.	Peoples Trust Company	<b>202318010007</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**B. CROWN CREST CAPITAL TRUST.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Capital Trust, Crown Crest Funding Corp.	Peoples Trust Company	<b>201621791201</b> Registration date: November 25, 2016 Expiry date: November 25, 2026	The security interest is taken in all of the debtor's present and after-acquired personal property.	Nil.

**C. CROWN CREST FINANCIAL CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Financial Corp.	Peoples Trust Company	<b>202318006808</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**D. CROWN CREST FUNDING CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Funding Corp., and Crown Crest Capital Trust	Peoples Trust Company	201621791201 Registration date: November 25, 2016 Expiry date: November 25, 2026	General collateral: The security interest is taken in all of the debtor's present and after-acquired personal property.	Nil.

**E. SIMPLY GREEN HOME SERVICES CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Simply Green Home Services Corp.	Peoples Trust Company	<b>202318007006</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**F. SIMPLY GREEN HOME SERVICES INC.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Simply Green Home Services Inc.	Peoples Trust Company	<b>202318006905</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**NEW BRUNSWICK PPSA SEARCH SUMMARY**

**A. CROWN CREST CAPITAL MANAGEMENT CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Capital Management Corp.	Peoples Trust Company	<b>39163969</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**B. CROWN CREST CAPITAL TRUST.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Capital Trust, Crown Crest Capital Trust Trust, Crown Crest Funding Corp.	Peoples Trust Company	<b>39163936</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**C. CROWN CREST FINANCIAL CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Financial Corp.	Peoples Trust Company	<b>39163951</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**D. CROWN CREST FUNDING CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Funding Corp., Crown Crest Capital Trust, Crown Crest Capital Trust Trust	Peoples Trust Company	<b>39163936</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**E. SIMPLY GREEN HOME SERVICES CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Simply Green Home Services Corp.	Peoples Trust Company	<b>39163928</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**F. SIMPLY GREEN HOME SERVICES INC.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Simply Green Home Services Inc.	Peoples Trust Company	<b>39163944</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**NEWFOUNDLAND AND LABRADOR PPSA SEARCH SUMMARY**

**A. CROWN CREST CAPITAL MANAGEMENT CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Capital Management Corp.	Peoples Trust Company	<b>21245907</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**B. CROWN CREST CAPITAL TRUST.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Capital Trust, Crown Crest Capital Trust Trust, Crown Crest Funding Corp.	Peoples Trust Company	<b>21245972</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**C. CROWN CREST FINANCIAL CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Financial Corp.	Peoples Trust Company	<b>21245899</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**D. CROWN CREST FUNDING CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Funding Corp., Crown Crest Capital Trust, Crown Crest Capital Trust Trust	Peoples Trust Company	<b>21245972</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	All present and after-acquired personal property of the debtor.	Nil.

**E. SIMPLY GREEN HOME SERVICES CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Simply Green Home Services Corp.	Peoples Trust Company	21245931 Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**F. SIMPLY GREEN HOME SERVICES INC.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Simply Green Home Services Inc.	Peoples Trust Company	<b>21245923</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**NOVA SCOTIA PPSA SEARCH SUMMARY**

**A. CROWN CREST CAPITAL MANAGEMENT CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Capital Management Corp.	Peoples Trust Company	<b>38656245</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**B. CROWN CREST CAPITAL TRUST.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Capital Trust, Crown Crest Capital Trust Trust, Crown Crest Funding Corp.	Peoples Trust Company	<b>38656195</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**C. CROWN CREST FINANCIAL CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Financial Corp.	Peoples Trust Company	38656237 Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**D. CROWN CREST FUNDING CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Funding Corp., Crown Crest Capital Trust, Crown Crest Capital Trust Trust	Peoples Trust Company	<b>38656195</b> Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**E. SIMPLY GREEN HOME SERVICES CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Simply Green Home Services Corp.	Peoples Trust Company	<b>38656203</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**F. SIMPLY GREEN HOME SERVICES INC.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Simply Green Home Services Inc.	Peoples Trust Company	<b>38656211</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**PRINCE EDWARD ISLAND PPSA SEARCH SUMMARY**

**A. CROWN CREST CAPITAL MANAGEMENT CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Capital Management Corp.	Peoples Trust Company	<b>6369413</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**B. CROWN CREST CAPITAL TRUST.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Capital Trust, Crown Crest Capital Trust Trust, Crown Crest Funding Corp.	Peoples Trust Company	<b>6369486</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**C. CROWN CREST FINANCIAL CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Financial Corp.	Peoples Trust Company	<b>6369422</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**D. CROWN CREST FUNDING CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Crown Crest Funding Corp., Crown Crest Capital Trust Trust, Crown Crest Capital Trust	Peoples Trust Company	<b>6369486</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**E. SIMPLY GREEN HOME SERVICES CORP.**

**File Currency: November 2, 2023**

#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Simply Green Home Services Corp.	Peoples Trust Company	<b>6369440</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**F. SIMPLY GREEN HOME SERVICES INC.**

**File Currency: November 2, 2023**

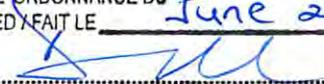
#	DEBTOR(S)	SECURED PARTY	REGISTRATION NO./ REGISTRATION PERIOD	COLLATERAL DESCRIPTION	FINANCING CHANGE STATEMENTS
1	Simply Green Home Services Inc.	Peoples Trust Company	<b>6369431</b> Registration date: October 30, 2023 Expiry date: October 30, 2028	Against all property, assets and undertakings.	Nil.

**This is Exhibit "W"**  
**to the Affidavit of Michael Lombard sworn**  
**remotely before me on November 6, 2023**

DocuSigned by:  
*Katherine Yurkovich*  
BF136400C72D4F9...

---

A commissioner for taking affidavits

AMENDED THIS JUL - 4 2023 PURSUANT TO  
MODIFIÉ CE \_\_\_\_\_ CONFORMÉMENT A  
 RULE/LA RÉGLE 26.02 ( \_\_\_\_\_ )  
 THE ORDER OF Justice Akbarali  
L'ORDONNANCE DU  
DATED / FAIT LE June 21, 2023 Court File No.: CV-21-00665193-00CP  
  
REGISTRAR GREFFIER **ONTARIO**  
SUPERIOR COURT OF JUSTICE COUR SUPÉRIEURE DE JUSTICE SUPERIOR COURT OF JUSTICE

B E T W E E N :

(Court Seal)

ALGA ADINA BONNICK and GORAN STOILOV DONEV

Plaintiffs

- and -

LAWRENCE KRIMKER, CROWN CREST CAPITAL MANAGEMENT CORP., CROWN CREST FINANCIAL CORP., CROWN CREST CAPITAL TRUST, CROWN CREST CAPITAL II TRUST, CROWN CREST BILLING CORP., CROWN CREST CAPITAL CORP., CROWN CREST FUNDING CORP., SANDPIPER ENERGY SOLUTIONS, SANDPIPER ENERGY SOLUTIONS HOME COMFORT, SIMPLY GREEN HOME SERVICES (ONTARIO) INC., SIMPLY GREEN HOME SERVICES INC., and SIMPLY GREEN HOME SERVICES CORP.

Defendants

Proceeding under the *Class Proceedings Act, 1992*

### **AMENDED FRESH AS AMENDED STATEMENT OF CLAIM**

TO THE DEFENDANTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiffs. The claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the Plaintiffs' lawyer or, where the Plaintiffs do not have a lawyer, serve it on the Plaintiffs, and file it, with proof of service in this court office, WITHIN TWENTY DAYS after this Statement of Claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a Statement of Defence, you may serve and file a Notice of Intent to Defend in Form 18B prescribed by the Rules of Civil Procedure. This will entitle you to ten more days within which to serve and file your Statement of Defence.

AMENDED THIS PURSUANT TO  
MORÉ DE CONFORMÉMENT À

LE RÈGLEMENT/RÈGLE 38.02 ( )

THE ORDER OF

L'ORDONNANCE DU

DATED/FAIT LE

REGISTRAR  
SHERIFF OF THE COURT OF QUEBEC

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.

Date: July 7, 2021, ~~amended as of~~  
~~June~~, 2023. *h*

Issued by "E - Filed"  
Local Registrar

Address of court office: Superior Court of Justice  
330 University Avenue, 8<sup>th</sup> Floor  
Toronto ON M5G 1R7

**TO: LAWRENCE KRIMKER**  
800-2225 Sheppard Ave. East  
Toronto, ON M2J 5C2

**AND TO: CROWN CREST FINANCIAL CORP.**  
800-2225 Sheppard Ave. East  
Toronto, ON M2J 5C2

**AND TO: CROWN CREST CAPITAL MANAGEMENT CORP.**  
800-2225 Sheppard Ave. East  
Toronto, ON M2J 5C2

**AND TO: CROWN CREST CAPITAL CORP.**  
800-2225 Sheppard Ave. East  
Toronto, ON M2J 5C2

**AND TO: CROWN CREST BILLING CORP.**  
800-2225 Sheppard Ave. East  
Toronto, ON M2J 5C2

**AND TO: CROWN CREST CAPITAL TRUST**  
800-2225 Sheppard Ave. East  
Toronto, ON M2J 5C2

**AND TO: CROWN CREST CAPITAL II TRUST**  
800-2225 Sheppard Ave. East  
Toronto, ON M2J 5C2

**AND TO: CROWN CREST FUNDING CORP.**

800-2225 Sheppard Ave. East  
Toronto, ON M2J 5C2

**AND TO: SANDPIPER ENERGY SOLUTIONS**  
800-2225 Sheppard Ave. East  
Toronto, ON M2J 5C2

**AND TO: SANDPIPER ENERGY SOLUTIONS HOME COMFORT**  
800-2225 Sheppard Ave. East  
Toronto, ON M2J 5C2

**AND TO: SIMPLY GREEN HOME SERVICES (ONTARIO) INC.**  
800-2225 Sheppard Ave. East  
Toronto, ON M2J 5C2

**AND TO: SIMPLY GREEN HOME SERVICES INC.**  
800-2225 Sheppard Ave. East  
Toronto, ON M2J 5C2

**AND TO: SIMPLY GREEN HOME SERVICES CORP.**  
800-2225 Sheppard Ave. East  
Toronto, ON M2J 5C2

**A. RELIEF SOUGHT**

1. The plaintiffs, on ~~her~~ their own behalf and on behalf of all class members, seeks:
  - (a) a declaration that the defendants' conduct particularized herein breached the *Consumer Protection Act, 2002*, SO 2002, c 30, Schedule A, and its Regulations, O Reg 17/05 and O Reg 8/18;
  - (b) a declaration that it is not in the interests of justice to require that notice be given pursuant to s. 18(15) or any other section of the *Consumer Protection Act*, and waiving any such notice requirement;
  - (c) rescission, cancellation and/or a declaration that the subject consumer agreements with class members are unenforceable;
  - (d) general damages calculated on an aggregate basis or otherwise, for all payments the class members made to the defendants;
  - (e) special damages for out-of-pocket and inconvenience expenses incurred;
  - (f) punitive and exemplary damages in the amount of \$5,000,000;
  - (g) a declaration that the defendants were unjustly enriched at the expense of the plaintiffs and the class members;
  - (h) relief from amounts that the defendants claim are or were owed or owing to the defendants by the plaintiffs and the class members;
  - (i) an order under s. 160 of the *Land Titles Act* that all notices of security interest and other encumbrances that any of the defendants have registered, own or control, on title to the class members' real property be vacated and removed from title;
  - (j) disgorgement of the defendants' profits;
  - (k) a reference to decide any issues not decided at the trial of the common issues;
  - (l) an interlocutory injunction barring the defendants from engaging in the conduct

particularized herein;

- (m) an order permanently enjoining the defendants from engaging in the conduct particularized herein;
- (n) costs of administration and notice, plus applicable taxes, pursuant to s. 26(9) of the *Class Proceedings Act*;
- (o) costs of this action;
- (p) prejudgment interest compounded and post-judgment interest in accordance with ss. 128 and 129 of the *Courts of Justice Act*, RSO 1990, c C.43; and
- (q) such further and other relief as the parties may advise and this Honourable Court deems just.

## **B. THE PARTIES**

### **The plaintiffs**

2. The plaintiff, Alga Adina Bonnick, is an individual living in Toronto. She is one of many Ontario residents who entered into consumer agreements for HVAC and HVAC-related Equipment (as that term is defined in paragraph ~~26~~ 27 below) with persons such as the defendants.

3. The plaintiff, Goran Stoilov Donev, is an individual living in Etobicoke. He is also one of many residents who entered into consumer agreements for HVAC and HVAC-related Equipment with the defendants.

### **The defendants**

4. The defendant Lawrence Krimker is an individual residing in Toronto, Ontario. During the materials times, Mr. Krimker has been the legal and/or beneficial owner, officer, and director of all the corporate defendants.

5. As particularized further below, Mr. Krimker has used the named corporate defendants, as well as other companies whose identity is not currently within the knowledge of the plaintiffs, to engage in the impugned conduct, including, but not limited to, by entering into impugned consumer agreements with the class members, billing the class members fees pursuant to such agreements, assigning the class member's agreements amongst the corporate defendants and other similar companies, and registering security interests against the title to the class members' homes to extract previously undisclosed sums of money from the class.

6. Mr. Krimker uses his companies as a puppet, a sham, a mere façade acting as his agents in carrying out the impugned conduct against the class members with impunity.

7. The plaintiffs does not currently know the identity of all the companies used by Mr. Krimker to engage in the unlawful conduct particularized herein. Mr. Krimker has actively concealed that information. The plaintiffs reserves the right to add such companies to this action whenever their identity becomes discoverable.

8. The defendants Crown Crest Capital Management Corp., Crown Crest Capital Corp., Crown Crest Capital Trust, Crown Crest Capital II Trust, Crown Crest Financial Corp., Crown Crest Billing Corp., and Crown Crest Funding Corp. (collectively and interchangeably "**Crown Crest**"), Sandpiper Energy Solutions, Sandpiper Energy Solutions Home Comfort, Simply Green Home Services (Ontario) Inc., Simply Green Home Services Inc., and Simply Green Home Services Corp. (collectively, the "**corporate defendants**") are affiliated HVAC equipment and financial services corporations incorporated under Ontario's *Business Corporations Act*, all sharing the same registered office located at 800-2225 Sheppard Avenue East, North York, Ontario, Canada, M2J 5C2.

9. The corporate defendants operate from the same physical location, maintain the same employees, share customer information amongst one another, use the same phone numbers, display similar website content and are all owned and controlled by Mr. Krimker.

10. During the Class Period, the corporate defendants have been, and continue to be, engaged in the business of: (a) entering into HVAC and HVAC-related Equipment agreements with Ontario Consumers directly, and assigning those agreements to the other corporate defendants; or (2) financing third party suppliers who entered into HVAC and HVAC-related Equipment agreements with individual Ontario consumers, including Ms. Bonnick and other class members, and then registering and/or enforcing notices of security on title to the consumers' homes.

11. The corporate defendants carry out this conduct against consumers, such as the plaintiffs, individually and at times on a mass basis, including by financing the installation of HVAC and HVAC-related Equipment in newly built condominium buildings and registering notices of security for previously undisclosed amounts on titles of hundreds of condominium units owned by the members of the class.

12. Ontario's Ministry of Government and Consumer Services has laid charges against Mr. Krimker and Crown Crest Financial Corp. for violating the *Consumer Protection Act* relating to the subject matter of this action.

13. At all relevant times, the named defendants acted in concert with each other in the conduct particularized herein. Reference to "the defendants" in this Statement of Claim includes reference to Mr. Krimker using his corporations to advance the unlawful activities particularized herein.

### **C. NATURE OF THE ACTION**

14. This is an action about the non-disclosure of material, statutorily mandated, information to

consumers, and the unlawful use of encumbrances on consumers' home titles as ransom to extract unconscionable undisclosed amounts from consumers. The undisclosed material fact at issue is the consumers' total liability in consumer agreements relating to HVAC and HVAC-related Equipment. The action concerns the breaches of the *Consumer Protection Act* and slander of title by Mr. Krimker through his companies, including, but not limited to, the corporate defendants, to illegally benefit himself at Ontario consumers' expense.

15. The *Consumer Protection Act* strictly regulates “direct agreements” and “leases” to protect consumers against predatory sales practices. Parts IV and VIII of the *Consumer Protection Act* and its regulations strictly regulate the form and content of such agreements and give consumers rights and protections against breaches of those requirements.

16. A “direct agreement” means a consumer agreement that is negotiated or concluded in person at a place other than at the supplier's place of business. A “lease” means a consumer agreement for the lease of goods.

17. The relevant suppliers in this instance include companies such as those that seek to induce consumers—typically at consumers' homes—to enter into direct agreements and/or leases for HVAC and HVAC-related Equipment. The predatory practices of such companies were such that as of March 1, 2018, Ontario banned unsolicited, door-to-door sales of many HVAC and HVAC-related Equipment to protect consumers from the aggressive sales tactics exerted by these suppliers contracting with consumers, and the misleading agreements that these suppliers employed.

18. During the Class Period, the defendants obtained ownership or control of consumer contracts relating HVAC and HVAC-related Equipment in two ways.

19. First, the defendants created and maintained a common and uniform contractual program

for financing suppliers who rented HVAC and HVAC-related Equipment to consumers (“**Financing Arrangement**”).

20. The Financing Arrangement operated as follows. Suppliers, often engaging in door-to-door sales, entered into program agreements with one or more of the corporate defendants, their predecessors, or their affiliates. Under these program agreements, the corporate defendants would finance the suppliers’ sale of HVAC and HVAC-related Equipment, as defined below, to consumers under the following conditions:

- (r) the corporate defendants dictated or approved the terms of the agreements that the suppliers signed with class members as defined in paragraph ~~26~~ 27 below (These agreements, together with consumer agreements of a similar nature formed outside the Financing Arrangement but which have been assigned to any one of the corporate defendants through an intermediary or by another corporate defendant and where the corporate defendants registered an interest in their favour against class members’ home title or otherwise owns or controls such an interest on title, are collectively referred to here as “**Consumer Agreements**”).
- (s) The suppliers could only change the Consumer Agreements with the corporate defendants’ approval.
- (t) The Consumer Agreements commonly and uniformly included a provision in fine print giving the supplier the right to register a security interest against the class member and on title to their home, barring class members from selling, mortgaging or otherwise dealing with their property without first obtaining the supplier’s consent or the discharge of the security interest from title.
- (u) The Consumer Agreements also commonly and uniformly included a provision in fine print that the supplier may assign the Consumer Agreements to any person at the supplier’s sole discretion at any time, without the class member’s consent or notice to them.
- (v) the corporate defendants would directly vet each class member that any of the suppliers

targeted before the supplier signed a Consumer Agreement with the class member.

- (w) If the defendants were satisfied of the class member's credit and particularly of the ownership of their home, the defendants would accept that consumer class member, whereupon the supplier would have the class member sign the Consumer Agreement.
- (x) The supplier would then assign the Consumer Agreement to one or more of the corporate defendants.
- (y) In return, the corporate defendants provided financing to the supplier for the purchase and installation of the equipment, and other start-up expenses.
- (z) Using the powers allotted to them in the Consumer Agreement, the corporate defendants would then register a security interest in an exorbitant and disproportionate amount against the title to the class member's home.

21. The second way in which the defendants have obtained ownership or control of Consumer Agreements of a similar nature but formed outside the Financing Arrangement is when such Consumer Agreements are sold or assigned to the defendants through an intermediary.

22. The defendants enforce security interests on class members' home titles in at least three ways that are currently known to the plaintiffs:

- (i) one or more of the defendants directly registers security interests on title under its own name and seeks to enforce it against the class member as particularized herein;
- (ii) one or more of the defendants obtain ownership rights to a security interest already registered by a previous company under that company's name, and then one or more of the corporate defendants registers its own security interest in its own name (or in the name of other companies whose identity is known to Mr. Krimker but not within the knowledge of the plaintiffs) and seeks to enforce it as particularized herein; and/or
- (iii) one or more of the defendants obtain ownership rights to a security interest already registered by a previous person under that person's name, and the defendants seek to enforce it as particularized herein without changing the security interest to the name of one

of the corporate defendants or another company belonging to or controlled by Mr. Krimker.

23. At no point during this process would the defendants, their predecessors, or other supplier disclose to the consumer the total amount payable by that consumer under the Consumer Agreement—the total amount being the amount that the defendants would later register against the consumer’s home title and eventually extract from the consumer or the amount that the defendants would extract from consumers in order to discharge security interests owned or controlled by the defendants, plus any monthly and all other payments already made by the consumer toward the HVAC and HVAC-related Equipment.

24. Similarly, in instances where one of the defendants obtained assignments of Consumer Contracts from intermediary companies outside the defendants’ Financing Arrangement, the class members’ total liability, as pleaded in paragraph 22 above, were not disclosed to the class members in compliance with the *Consumer Protection Act*, as particularized below.

25. Class members only become aware of the existence of the encumbrance registered, owned, or controlled by the defendants on their homes and the amount that the defendants had registered or demanded, once they obtain a title abstract to their property, which typically only occurs when the class members are in the process of selling or remortgaging their home.

26. In exchange for removing the charge from title, the defendants extract from consumers amounts grossly exceeding the price at which similar HVAC and HVAC-related Equipment are readily available to like consumers. Consumers have no choice or opportunity to challenge the charge; they must pay the price dictated to them by the defendants to discharge the security interest registered on title to their home and cannot proceed with the sale or remortgage of their home, until said charge is removed by the defendants.

## The Class

27. The plaintiffs seeks to represent the following class, of which ~~she is~~ they are both a member:

All individuals in Ontario who:

(a) are or were at any time party to a consumer agreement for HVAC or HVAC-related Equipment\* with any person who directly or indirectly assigned that consumer agreement to one of the defendants between July 17, 2013 and the date of certification of this action or any other date that the Court deems appropriate (“Class Period”); and

(b) against whose property the defendants registered, or caused to be registered, a security interest or other encumbrance on title, or the defendants otherwise owned or controlled such an encumbrance on title.

\*“HVAC or HVAC-related Equipment” means furnaces, air conditioners, air purifiers, water heaters, water softeners, water purifiers, water treatment systems, water filters, boilers, air cleaners, humidifiers, chimney liners, duct cleaning services, filters, thermostats and other equipment or services offered under the rental contracts, or bundles of these goods and services.

## The plaintiffs’s experience

### Alga Adina Bonnick

28. Ms. Bonnick is 70 years old. After a life of hard work, she was able to buy her home—a small bungalow in Scarborough—in 2006. She works as a cleaner despite her advanced age, and chronic health issues.

29. On or about July 22, 2017, a person identifying himself as Noor Ullah attended at Ms. Bonnick’s home.

30. Mr. Ullah told Ms. Bonnick that he worked for “Enercare” and that he was sent to her home to inspect her Enercare furnace. In reality, Mr. Ulah was not an employee of Enercare, but a sales representative for MGA Home Services (“MGA”), a door-to-door supplier and an affiliated

corporate entity of the corporate defendants.

31. Mr. Ullah also told Ms. Bonnick that he was at her home to install a water softener, carbon filter, and air cleaner and that she would not be charged for these items.

32. At Mr. Ullah's request, Ms. Bonnick signed a document that was purported to be an agreement. However, Mr. Ullah refused to give her a copy of the document.

33. The following day, an unidentified person attended to install equipment. During the installation, a real Enercare representative was coincidentally at Ms. Bonnick's home fixing her air conditioner.

34. The Enercare representative asked Ms. Bonnick who was installing the air cleaner. Ms. Bonnick told him that it was another person from Enercare.

35. The Enercare representative told her that the person installing the air cleaner was not an Enercare employee. This was the first time that Ms. Bonnick realized she was not dealing with Enercare.

36. Ms. Bonnick immediately requested that the other person stop working. At this point, the air cleaner was already installed. This was the only product that was installed at this time.

37. Shortly after, Ms. Bonnick contacted Shaheem Khalid at MGA by phone to cancel the purported agreement and to request the removal of the equipment from her home.

38. Mr. Khalid confirmed the cancellation. However, he told her that she would still owe \$1,300.00.

39. Ms. Bonnick told him that she could not afford \$1,300.00. He suggested that she ask a

friend for the money, and he told her there was a law that required her to pay.

40. A few days later, Mr. Khalid attended at Ms. Bonnicks home. This time he demanded that she pay \$1,500.00. She asked why the price went up. He told her that interest had been added to the original amount he quoted on the phone.

41. Mr. Khalid suggested that instead of paying the \$1,500 fee to cancel, Ms. Bonnicks could pay \$20.00 per month for two years. She was told she could keep the air filter that was installed, and he would install a water softener. She was told that she would have no further obligations to MGA, at the end of the two years.

42. Mr. Khalid provided Ms. Bonnicks with a hand-written note that mentioned the \$20.00 monthly fee and two-year term. He never gave Ms. Bonnicks a copy of any agreement.

43. Several days later, a technician attended Ms. Bonnicks home and installed a water softener.

44. In or around November 2017, Ms. Bonnicks discovered that Crown Crest was billing her \$88.14 monthly for two water softeners and an air cleaner.

45. Ms. Bonnicks had never received two water softeners.

46. Ms. Bonnicks disputed the Crown Crest charge on her bill with Enercare. Enercare removed the charges from her Enercare bill.

47. Over the next several months, Ms. Bonnicks made several requests to Crown Crest to cancel any and all agreements she may have allegedly had. However, Crown Crest has continued to demand payment and threaten with collections and enforcement.

48. Despite making repeated requests to MGA and Crown Crest, Ms. Bonnick has never received a copy of her signed original agreement(s) in violation of the *Consumer Protection Act* and its regulations.

49. On April 3, 2018, Crown Crest registered a security interest on title of Ms. Bonnick's home in the amount of \$14,448.00.

50. The agreement(s) that the supplier, MGA, had Ms. Bonnick sign, and subsequently assigned to Crown Crest was a Consumer Agreement.

51. The total amount payable by Ms. Bonnick under the Consumer Agreement was the amount of \$14,448.00 that Crown Crest subsequently registered on Ms. Bonnick's title plus all the other amounts she had paid toward the equipment.

52. At no point did any of the persons particularized above disclose to Ms. Bonnick the total amount payable by her under the Consumer Agreement. The defendants unilaterally decided the total amount, and registered on title to her home.

53. It is the defendants' common practice to register an unconscionable amount on title to the class members' properties and to keep class members in the dark about the total amount payable by them under the Consumer Agreements.

54. The equipment installed in Ms. Bonnick's house was of minimal value and turned out to be defective, causing damage and covering her home in mold. She had to pay someone to uninstall the equipment and move it to her backyard.

55. One of MGA's directors most recently pleaded guilty in the Ontario Court of Justice to charges of deception, untrue statements, and false and misleading practices contrary to the

**Goran Stoilov Donev**

56. Mr. Donev is a resident of Etobicoke, Ontario. He lives with his family in a modest bungalow in Etobicoke, which he bought in 2012.

57. In or around May 2015, a salesperson from the defendants came to his home and told him of a great offer on a new air conditioner.

58. Despite Mr. Donev's assertion that he did not need to change his conditioner, the salesperson insisted that changing the air conditioner would help him save significant sums off his hydro bill. The salesperson assured Mr. Donev that the new air conditioner would use highly efficient technology so any increase in his Enbridge bill would be offset by decreases in his hydro bill. Mr. Donev did not receive any of these efficiency costs savings on his monthly bills.

59. On the insistence of the salesperson, Mr. Donev agreed to change his air conditioner and signed the document that the salesperson gave to him that was purported to be an agreement with "Simply Green Home Services" at the top.

60. The agreement did not include the total amount of money that Mr. Donev would later become liable for, nor did it include any kind of payment schedule or other material information required to enable him to know what sort of arrangement he was entering into.

61. The air conditioner was subsequently installed in Mr. Donev's home. The defendants removed his existing, functioning air conditioner.

62. In May 2015, the defendants started charging Mr. Donev around \$80 monthly on his Enbridge bill. This was later increased to \$100 per month. He has consistently paid these amounts

for the past seven years.

63. To date, Mr. Donev estimates that he has paid approximately \$8,000 for the air conditioner.

64. At no point did the salesperson or any person from Simply Green Home Services disclose to Mr. Donev what monthly amounts he was and continues to be required to pay.

65. Subsequently, Mr. Donev discovered that Simply Green Home Services Inc. had registered a NOSI in the amount of \$7,269 on his home title on July 30, 2015 without his information or knowledge.

66. At the time of signing the agreement, Mr. Donev was not told that a NOSI would be registered on his home title or for how much. At no point did any of the defendants or their agents disclose to Mr. Donev the total amount payable by him under agreement. At no point did any of the defendants or their agents disclose to Mr. Donev that a NOSI would be used to secure any payout amount that the defendants unilaterally determined. The defendants unilaterally decided the total amount, and registered on title to his home.

67. As in the case with Ms. Bonnick, it is the defendants' common practice to unilaterally determine an unconscionable amount after an agreement is signed, and register that unconscionable amount on the home titles of class members without their knowledge.

68. To date, Mr. Donev does not know what his total liability to these companies is.

69. More recently, Mr. Donev has started to be contacted by Crown Crest Capital by phone and by email. Notwithstanding that Mr. Donev has not signed any contract or agreement with them, Crown Crest Capital continues to demand direct payment from him rather than billing through his Enbridge account.

70. The market value for the air conditioner provided to Mr. Donev is only a fraction of the amounts he has paid to date and the bulk buyout amount the defendants still hold on his home title.

#### **D. CAUSE OF ACTION**

##### **Breach of the *Consumer Protection Act, 2002*, and its Regulations**

71. The defendants failed to comply with the *Consumer Protection Act*.

72. The suppliers are located in Ontario and are each a “supplier” for the purposes of the *Consumer Protection Act*.

73. The defendants are suppliers and/or successor parties to the Consumer Agreements concluded by the suppliers who acted as their agents under the Financing Arrangement. The defendants administer the accounts into which customer payments are received and register and/or maintain a notice of security interest or other encumbrance over class members’ homes. The defendants are jointly engaged with the suppliers in the business of renting HVAC or HVAC-related Equipment to the class.

74. Accordingly, the defendants are “suppliers” under the *Consumer Protection Act*.

75. Alternatively, the defendants are assignees, and are liable under s. 18(13) of the *Consumer Protection Act*.

76. The class members’ Consumer Agreements assigned to, or owned by, the defendants are “consumer agreements” for the purposes of the *Consumer Protection Act*.

77. Ms. Bonnick and the other class members are “consumers” for the purposes of the *Consumer Protection Act*.

## **The Consumer Agreements breached direct agreement provisions**

78. The Consumer Agreements were direct agreements as defined under the *Consumer Protection Act*.

79. Part IV of the *Consumer Protection Act* governs direct agreements. Section 42(1) of the *Consumer Protection Act* mandates that all direct agreements be made in accordance with requirements specified in regulations.

80. *Requirements for Direct Agreements Subject to Section 43.1 of Act*, O Reg 8/18, required throughout the Class Period that the supplier furnish the consumer with an agreement setting out certain material information, including, but not limited to, the total amount payable by the consumer under the agreement, and all security given by the consumer in respect of money payable under the agreement.

81. The amounts for which the defendants registered security interests against the titles to the homes of Ms. Bonnicks and other class members, as well as amounts demanded by the defendants where the security interest was registered by another person but was assigned to any of the defendants, plus any monthly and all other amounts already paid or allegedly owed by the class member toward the HVAC and HVAC-related Equipment, constituted the total amount payable by the consumer under the Consumer Agreement.

82. The defendants and other suppliers that assigned the subject Consumer Agreements to the defendants failed to disclose this information and other material information required under the governing regulations to Ms. Bonnicks and other class members. The suppliers did not disclose the payable amounts to Ms. Bonnicks and other class members when they were signing the Consumer Agreements because the defendants unilaterally determine the total amount of the security interest

they register or own or control on title to consumers' homes after the fact.

83. This information was material, required under the regulations, and it was not known until the defendants registered a security interest against title unbeknownst to the consumer or demanded payment for a security interest assigned to them previously registered or owned by another person.

#### **The Consumer Agreements breached leasing requirements**

84. The Consumer Agreements failed to comply with the leasing requirements contained in Part VIII of the *Consumer Protection Act*. Specifically, s. 89(2) of the *Consumer Protection Act* requires a lessor to deliver a disclosure statement for the lease to the consumer, disclosing prescribed information.

85. *General Regulation*, O Reg 17/05, prescribed during the Class Period the information that must be disclosed to a consumer for a lease that is subject to Part VIII of the *Consumer Protection Act*. Section 74(2) requires the supplier to furnish the consumer with a disclosure statement setting out certain material information, including, but not limited to, the total lease cost as well as the implicit finance charge for the lease.

86. The above leasing provisions applied to the Consumer Agreements.

87. The amounts for which the defendants registered security interests and other encumbrances on the titles to the homes of Ms. Bonnick and other class members, as well as amounts demanded by any of the defendants where the security interest was registered by another person but was assigned to any of the defendants, plus any monthly and all other amounts already paid by the consumer toward the HVAC and HVAC-related Equipment, constituted the total lease cost under the Consumer Agreements.

88. The Consumer Agreements that suppliers signed with Ms. Bonnicks and other class members did not disclose, nor could they have disclosed, this information or the implicit finance charge, amongst others, to Ms. Bonnicks and other class members.

89. This information was material, required under the regulations, and it was not known until the defendants registered a security interest against title or demanded payment for a security interest assigned to them previously registered or owned by another person.

### **The Consumer Agreements constituted an unfair practice**

90. Section 14 of the *Consumer Protection Act* prohibits unfair practices. Failure to state a material fact if such failure deceives or tends to deceive a consumer constitutes an unfair practice.

91. Further, a consumer agreement where the price grossly exceeds the price at which similar goods or services are readily available to like consumers or where the terms of the consumer transaction are so adverse to the consumer as to be inequitable constitutes unfair practices contrary to s. 15 of the *Consumer Protection Act*.

92. Here, the Consumer Agreements' failure to disclose the material information particularized above to Ms. Bonnicks and other class members constituted an unfair practice contrary to s. 14. The grossly inflated amounts that the defendants commonly registered against title or demanded in order to discharge registrations owned or controlled by them and the grossly adverse unilateral terms of the Consumer Agreements render them unconscionable contrary to s. 15.

93. Ms. Bonnicks's situation illustrates the grossly one-sided and improvident terms imposed by the defendants against unknowing, vulnerable consumers: even disregarding the misrepresentations of the door-to-door supplier in this instance, for an air cleaner and a water softener (each valued at a few hundred dollars) the defendants have charged Ms. Bonnicks's home

title in the exorbitant amount of \$14,448, without any prior disclosure, breakdown of the cost, implicit finance charge, or opportunity for Ms. Bonnicks to dispute this charge. The defendants have still not even provided a copy of the purported Consumer Agreement to Ms. Bonnicks contrary to the *Consumer Protection Act*.

94. The impugned conduct breached ss. 14 and 15. The defendants knew, or ought to have known, the illegality under the *Consumer Protection Act*.

95. The defendants took advantage of the inability of Ms. Bonnicks and other class members to reasonably protect their own interests because of the gross information asymmetry between the contracting parties and class members' ignorance or inability to realize the character and nature of the Financing Arrangement and Consumer Agreements.

96. The defendants are liable as suppliers for these unfair practices.

97. Alternatively, pursuant to s. 18(12) of the *Consumer Protection Act*, the defendants are jointly and severally liable for these unfair practices particularized above together with the persons who signed Consumer Agreements with Ms. Bonnicks and other class members.

98. Alternatively, pursuant to s. 18(13) of the *Consumer Protection Act*, the defendants are liable as assignees of the Consumer Agreements.

#### **Slander of title**

99. The defendants' conduct constituted slander of title.

100. The defendants registered, or caused to be registered, false statements contrary to the *Consumer Protection Act*, *Personal Property Security Act*, and *Land Titles Act* against Ms. Bonnicks and other class members' home title.

101. The defendants' registration on title and their abuse of registrations assigned to them by other persons was intended to induce others not to deal with Ms. Bonnicks and other class members unless the amounts registered were paid and the registration discharged.

102. Malice motivated the defendants' conduct: the defendants had an improper motive to injure Ms. Bonnicks and other class members without just cause or excuse contrary to the *Consumer Protection Act*.

103. As a result of the defendants' conduct, Ms. Bonnicks and other class members suffered monetary loss, including but not limited to, their inability to dispose of their property without first paying the illegal charges imposed by the defendants, receiving a lowered price for their homes because of the amounts charged by the defendants, paying higher interest rates when refinancing or obtaining a loan secured against their home title, and damaged credit.

#### **The corporate veil should be pierced**

104. The legal principle that corporations are separate legal entities should be disregarded to hold Mr. Krimker personally liable for the wrongful conduct of the corporate defendants.

105. Mr. Krimker is the directing mind of all the corporate defendants. He is their founder, owner, CEO, president, and director. He exercises complete control over the corporate defendants and their actions.

106. Mr. Krimker has had five charges laid against him pursuant to s. 116(3) of the *Consumer Protection Act*, which holds an officer or director directly liable for a company's offence under the *Act* where that individual fails to take reasonable care to prevent the company from committing an offence.

107. This provision recognizes the significant role that directors and officers exercise in a corporation in the consumer context and their ability to make, authorize, condone, and encourage wrongful and improper conduct, such as the impugned conduct in this case.

108. Mr. Krimker's position as founder and CEO of the corporate defendants and their affiliated companies has allowed him to incorporate multiple corporations, including the corporate defendants, through which he acts to attempt to evade liability while reaping the benefits at consumers' expense.

109. As the founder, legal and beneficial owner, CEO, president, and director of the corporate defendants, Mr. Krimker has been instrumental in the development of the scheme of obtaining Consumer Agreements improperly entered into with Ms. Bonnicks and other class members to register security interests and other encumbrances in arbitrary amounts against the home titles of those consumers.

110. Mr. Krimker created the corporate defendants to facilitate the practice of using Consumer Agreements to register security interests against the properties of consumers. The sole or primary purpose for incorporating the corporate defendants was an improper activity contrary to the *Consumer Protection Act*. Many such companies go out of business, sometimes by bankruptcy and many are taken over by other companies, making it both difficult and futile for consumers to obtain any remedial relief for breaches of the consumer protection legislation against corporate defendants.

111. Mr. Krimker used the corporate defendants as a puppet, a sham and mere façade acting as his agent in carrying out the wrongful conduct particularized herein.

112. Further, Mr. Krimker engaged in unfair practices personally, knowing of the companies'

improper practices, yet continuing to authorize, and condone the use of illegal Consumer Agreements.

113. As the directing mind of the corporate defendants, Mr. Krimker engaged in unfair practices in his capacity as a director and officer and is thus jointly and severally liable with the corporate defendants pursuant to s. 18(12) of the *Consumer Protection Act*.

#### **E. REMEDIES**

114. As a result of the conduct pleaded above, Ms. Bonnick and the other class members have suffered loss and damage in an amount to be determined at trial.

115. The Consumer Agreements were not made in accordance with the *Consumer Protection Act* and are not binding on Ms. Bonnick and the other class members.

116. The Consumer Agreements resulted from unfair practices for which Ms. Bonnick and other class members are entitled to remedies under s. 18 and at law.

117. Ms. Bonnick and other class members are entitled to rescission of the Consumer Agreements.

118. Further, Ms. Bonnick and the other class members seek their damages for, amongst other things, the amounts by which the class members' payment under the Consumer Agreements exceed the value that the goods or services have to the class members, the registration of undisclosed amounts on title, all amounts paid to remove the security interests from title, damage to their credit, and all of their out of pocket and inconvenience damages.

119. It is in the interests of justice to waive any notice requirements under the *Consumer Protection Act*, particularly as the defendants and their affiliated suppliers concealed the actual

state of affairs from the class members.

120. In the alternative to damages, Ms. Bonnick and the other class members claim the remedy of disgorgement of the profits generated by the defendants as a result of the wrongful conduct particularized herein.

121. Disgorgement is appropriate for the following reasons, among others:

- (1) the defendants made profits as a result of slander of title and breaches of the *Consumer Protection Act*;
- (2) the defendants made profits in such a manner that the defendants cannot in good conscience retain it;
- (3) the integrity of the marketplace would be undermined if the defendants were to profit from the wrongful conduct;
- (4) absent the wrongful conduct, class members would not have entered into the Consumer Agreements, and the defendants would never have received profits arising from the Consumer Agreements; and
- (5) disgorgement of profits retained by the defendants would serve a compensatory purpose.

#### **Interlocutory and permanent injunction**

122. The impugned conduct is ongoing.

123. The impugned conduct is causing irreparable harm to Ontario consumers. The defendants should be enjoined from engaging in the impugned conduct until the resolution of this action on its merits.

124. Further, the defendants should be permanently enjoined from engaging in the conduct

particularized herein.

125. Mr. Krimker's conduct is sufficiently likely to occur or recur in the future that it is not only appropriate, but necessary, for the Court to exercise its equitable jurisdiction to grant an injunction. In the context of the consumer market at issue, no other alternative will provide reasonably sufficient protection against the threat of the continued occurrence of the impugned wrong. Absent an injunction, nothing stops Mr. Krimker from continuing to incorporate companies to repeat the same conduct at issue in this action.

### **Unjust enrichment**

126. The defendants have been unjustly enriched to the extent that they have charged and retained unlawful fees, interest and other amounts under the Consumer Agreements.

127. The class members suffered a deprivation corresponding to the defendants' enrichment.

128. The Consumer Agreements being unenforceable, there is no juristic reason for the defendants' enrichment and the class members' corresponding deprivation.

129. Accordingly, the class members are entitled to restitution.

### **Punitive damages**

130. Due to the egregious nature of the defendants' conduct, including, without limiting the generality of the foregoing, registering exorbitant undisclosed amounts on consumers' homes in order to obtain illegal profits at the expense of consumers, Ms. Bonnicks and the other class members are entitled to recover aggravated, punitive, and exemplary damages.

131. The wrongful conduct particularized here was willful, deliberate, high-handed, outrageous,

callous and in contemptuous disregard of consumer rights and interests.

132. The defendants have callously taken advantage of consumers' vulnerabilities to trap consumers in a scheme that threatened to deprive them of their homes.

133. Further, Ms. Bonnick and the other class members are entitled to punitive damages under the *Consumer Protection Act* and at common law to relieve the defendants of their wrongful profits made while flouting the law.

#### **F. FRAUDULENT CONCEALMENT**

134. The defendants willfully concealed the unlawfulness of the Consumer Agreements from Ms. Bonnick and the class members. Ms. Bonnick and the class members plead and rely on the doctrine of fraudulent concealment to assert that any applicable statute of limitation has been tolled by the defendants' knowledge, concealment and denial of facts which prevented the class from discovering their cause of action.

135. Mr. Krimker continues to actively conceal the identity of the companies, other than the presently known and named corporate defendants, that he has used to encumber class members' home titles to demand exorbitant payout fees as ransom.

136. In addition, Ms. Bonnick and the class members could not reasonably have known that loss or damage had occurred, that it was caused or contributed to by acts of the defendants, or that a court proceeding would be an appropriate means to seek to remedy the injury until this action was filed.

137. Ms. Bonnick and the class members plead and rely on and the *Limitations Act, 2002*, SO 2002, c 24, Sched B, s. 5 and on the doctrines of postponement and discoverability to postpone the

running of the limitation period until the date on which this action is commenced.

138. Ms. Bonnick and the other class members also plead and rely on the *Reopening Ontario (A Flexible Response to COVID-19) Act, 2020*, SO 2020, c 17, O Reg 73/20 to suspend the running of the limitation period from March 16, 2020, to September 13, 2020.

(Date of issue) July 7, 2021  
m

**SOTOS LLP**  
180 Dundas Street West  
Suite 1200  
Toronto ON M5G 1Z8

David Sterns (LSO# 36274J)  
dsterns@sotos.ca  
Mohsen Seddigh (LSO#70744I)  
mseddigh@sotos.ca

Tel: 416-977-0007

Fax: 416-977-0717

Lawyers for the Plaintiffs

**ALGA ADINA BONNICK et al.**  
**Plaintiffs**

-and-

**LAWRENCE KRIMKER et al.**  
**Defendants**

**Court File No. CV-21-00665193-00CP**

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
Proceeding commenced at TORONTO

Proceeding under the *Class Proceedings Act, 1992*

**AMENDED FRESH AS AMENDED**  
**STATEMENT OF CLAIM**

**SOTOS LLP**  
180 Dundas Street West  
Suite 1200  
Toronto ON M5G 1Z8

**David Sterns (LSO# 36274J)**  
dsterns@sotos.ca  
**Mohsen Seddigh (LSO#70744I)**  
mseddigh@sotos.ca

Tel: 416-977-0007  
Fax: 416-977-0717

Lawyers for the Plaintiffs

**This is Exhibit "X"**  
**to the Affidavit of Michael Lombard sworn**  
**remotely before me on November 6, 2023**

DocuSigned by:

*Katherine Yurkovich*

BE136400C72D4E9

---

A commissioner for taking affidavits

# Simply Green Home Services Corp.

[formerly Simply Green Home Services Inc.]

**Consolidated financial statements**

**For the 15-month period ended December 31, 2022**



# Independent auditor's report

To the Shareholders of  
**Simply Green Home Services Corp.**

## Opinion

We have audited the consolidated financial statements of **Simply Green Home Services Corp.** [formerly Simply Green Home Services Inc.] [the "Company"], which comprise the consolidated balance sheet as at December 31, 2022, and the consolidated statement of deficit, consolidated statement of income and consolidated statement of cash flows for the 15-month period then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2022 and its consolidated results of operations and its consolidated cash flows for the 15-month period then ended in accordance with Canadian accounting standards for private enterprises.

## Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

## Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.



As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Vancouver, Canada  
July 17, 2023

*Ernst & Young LLP*

Chartered Professional Accountants

## Simply Green Home Services Corp.

[formerly Simply Green Home Services Inc.]

### Consolidated balance sheet

As at

	December 31, 2022	September 30, 2021
	\$	\$
<b>Assets</b>		
Cash and cash equivalents	5,163,226	9,521,020
Accounts receivable <i>[note 11]</i>	21,722,231	19,240,852
Finance receivable <i>[notes 4 and 9]</i>	224,914,260	260,584,919
Reserve receivable <i>[note 5]</i>	691,685	967,634
Prepaid expenses and other assets	451,082	238,627
Property and equipment, net	120,411	246,672
Prepaid warranty, net	216,383	323,605
Intangible assets, net <i>[note 6]</i>	827,234	1,466,458
Goodwill	2,275,463	2,275,463
	<b>256,381,975</b>	<b>294,865,250</b>
<b>Liabilities and deficiency</b>		
<b>Liabilities</b>		
Accounts payable <i>[note 11]</i>	12,964,867	2,857,995
Accrued liabilities	8,155,054	8,413,967
Income taxes payable	472,303	2,204,228
Sales taxes payable	615,913	454,777
Secured finance payable <i>[note 9]</i>	255,768,251	305,192,553
Loans payable <i>[note 8]</i>	24,404,533	31,394,190
Unearned revenue	2,944,702	2,928,862
Due to related parties, net <i>[note 7]</i>	415,348	415,348
Service liability	6,553,025	7,445,400
<b>Total liabilities</b>	<b>312,293,996</b>	<b>361,307,320</b>
Contingencies <i>[note 13]</i>		
<b>Deficiency</b>		
Capital stock <i>[note 10]</i>	1,978,837	1,978,837
Deficit	(45,071,375)	(49,956,923)
<b>Total shareholders' deficiency</b>	<b>(43,092,538)</b>	<b>(47,978,086)</b>
Non-controlling interest	(12,819,483)	(18,463,984)
<b>Total deficiency</b>	<b>(55,912,021)</b>	<b>(66,442,070)</b>
	<b>256,381,975</b>	<b>294,865,250</b>

See accompanying notes

On behalf of the Board:

**Simply Green Home Services Corp.**

[formerly Simply Green Home Services Inc.]

**Consolidated statement of income**

	15-month period ended December 31, 2022 \$	Year ended September 30, 2021 \$
<b>Revenue</b>		
HVAC sales and rental	—	646,148
LED sales and retrofit	2,073,272	1,828,602
Finance lease	41,659,697	40,800,862
Other	8,972,297	9,309,093
	<b>52,705,266</b>	<b>52,584,705</b>
<b>Expenses</b>		
Cost of sales	1,606,584	2,307,363
Salaries and benefits <i>[note 11]</i>	4,382,626	5,077,970
Advertising and promotion	18,361	199,591
Service	3,539,374	2,227,033
General and administrative	1,131,837	529,228
Telecommunications <i>[note 11]</i>	323,623	394,895
Provision for impairment of finance receivable <i>[note 4]</i>	2,318,744	1,039,672
Professional fees	898,571	577,920
Occupancy costs <i>[note 11]</i>	195,000	187,807
Credit adjudication	409,731	641,509
Vehicle, travel and selling	81,292	110,870
	<b>14,905,743</b>	<b>13,293,858</b>
Income before the undernoted items	<b>37,799,523</b>	<b>39,290,847</b>
<b>Other expenses</b>		
Interest, financing fees and bank charges <i>[notes 7, 8 and 9]</i>	26,402,642	26,150,086
Transaction-related professional fees	—	536,827
Amortization	872,708	814,718
Income before income taxes	10,524,173	11,789,216
Provision for (recovery of) income taxes <i>[note 12]</i>	(5,876)	498
<b>Net income for the period</b>	<b>10,530,049</b>	<b>11,788,718</b>
<b>Attributable to</b>		
Non-controlling interest	5,644,501	5,494,410
Owners	4,885,548	6,294,308
	<b>10,530,049</b>	<b>11,788,718</b>

See accompanying notes

**Simply Green Home Services Corp.**

[formerly Simply Green Home Services Inc.]

**Consolidated statement of deficit**

	<b>15-month period ended December 31, 2022 \$</b>	<b>Year ended September 30, 2021 \$</b>
<b>Deficit, beginning of period</b>	<b>(49,956,923)</b>	(52,821,838)
Net income attributable to shareholders	<b>4,885,548</b>	6,294,308
Dividends paid	—	(3,450,742)
Disposition of subsidiary to related party	—	21,349
<b>Deficit, end of period</b>	<b>(45,071,375)</b>	(49,956,923)

*See accompanying notes*

**Simply Green Home Services Corp.**  
[formerly Simply Green Home Services Inc.]

**Consolidated statement of cash flows**

	15-month period ended December 31, 2022 \$	Year ended September 30, 2021 \$
<b>Operating activities</b>		
Net income for the period	10,530,049	11,788,718
Add items not involving cash		
Amortization of property and equipment	126,261	121,778
Amortization of prepaid warranty	107,223	85,778
Amortization of intangible assets	639,224	607,162
Amortization of financing fees	4,477,980	3,854,247
	<u>15,880,737</u>	<u>16,457,683</u>
Net change in non-cash working capital balances related to operations	40,653,409	48,237,610
<b>Cash provided by operating activities</b>	<u>56,534,146</u>	<u>64,695,293</u>
<b>Investing activities</b>		
Disposition of subsidiary <i>[note 15]</i>	—	(1,940,806)
Disposition of property and equipment	—	1,334,589
Purchases of property and equipment	—	(10,841)
Addition of intangible assets	—	(98,190)
Acquisition of finance receivable	—	(24,517,357)
<b>Cash used in investing activities</b>	<u>—</u>	<u>(25,232,605)</u>
<b>Financing activities</b>		
Repayment of loans payable	(7,031,631)	(16,483,550)
Advances of secured finance payable	1,324,944	43,980,354
Repayment of secured finance payable	(55,143,517)	(66,130,726)
Repayment of advances to related parties, net	—	611,246
Dividends paid	—	(3,450,742)
Financing fees paid	(41,736)	(1,303,310)
<b>Cash used in financing activities</b>	<u>(60,891,940)</u>	<u>(42,776,728)</u>
<b>Net decrease in cash during the period</b>	<u>(4,357,794)</u>	<u>(3,314,040)</u>
Cash and cash equivalents, beginning of period	9,521,020	12,835,060
<b>Cash and cash equivalents, end of period</b>	<u>5,163,226</u>	<u>9,521,020</u>

See accompanying notes

**Simply Green Home Services Corp.**  
[formerly Simply Green Home Services Inc.]

## **Notes to consolidated financial statements**

For the 15-month period ended December 31, 2022

### **1. Nature of operations**

Simply Green Home Services Inc. [the “Company”] was incorporated on July 13, 2013 under the laws of the Province of Ontario for the purpose of direct sales, servicing and rental of heating, ventilation and air conditioning [“HVAC”] equipment and the sale, installation and retrofit of light-emitting diode [“LED”] lighting equipment, plus related operations. On October 9, 2020, the Company was renamed Simply Green Home Services Corp.

On October 7, 2022, the shareholders ratified a change of fiscal year end from September 30 to December 31 effective the current fiscal year to align the reporting period with other entities under common control. As a result of this change in year-end, the current figures are presented for a 15-month period.

### **2. Summary of significant accounting policies**

#### **Basis of presentation**

The consolidated financial statements have been prepared in accordance with Canadian accounting standards for private enterprises [“ASPE”].

The Company has presented a non-classified consolidated balance sheet as it provides more meaningful and relevant information.

#### **Use of significant accounting estimates**

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of these consolidated financial statements and the reported amounts of revenue and expenses during the period. On an ongoing basis, management evaluates its judgments and estimates in relation to items that require accounting judgments and estimates. Management uses experience and other factors it believes to be reasonable as the basis for its judgments and estimates. Actual results could differ from those estimates. Revisions to accounting estimates are recognized in the period in which the estimate is revised if it affects current and future periods. Significant estimates include provision for doubtful accounts on accounts receivable and finance receivable, the recoverability of long-lived assets and goodwill, the provision for future equipment service costs and certain accrued liabilities.

#### **Principles of consolidation**

The Company consolidates all its subsidiaries, which are entities over which it has the continuing power to determine the strategic operating, investing and financing policies without the co-operation of others. The consolidated financial statements include the accounts of the Company and the following subsidiaries:

<b>Name</b>	<b>Ownership</b>
2773442 Ontario Inc.	100%
Crown Crest Billing Corp.	100%
Crown Crest Capital Management Corp.	52%
Crown Crest Capital Trust	—
Crown Crest Capital II Trust	—

**Simply Green Home Services Corp.**  
[formerly Simply Green Home Services Inc.]

**Notes to consolidated financial statements**

For the 15-month period ended December 31, 2022

<b>Name</b>	<b>Ownership</b>
Crown Crest Financial Corp.	100% by Crown Crest Holding Corp.
Crown Crest Holding Corp.	100% by Crown Crest Capital Management Corp.
Simply LED Lighting Solutions Inc.	100%
Simply Metering Solutions Inc.	100%
Simply Green Home Services (Ontario) Inc.	100%
Saveonhotwater.ca Inc.	100%
Simply Green Home Services Ltd.	100%
Simply Safire SPV Inc.	100%
Simply Green Home Services (RNC) Inc.	100% by Simply Green Home Services (Ontario) Inc.
Simply Green Home Services LLC.	100% by Simply Green Home Services Ltd.
Utilebill Home Services Inc.	100%

The operations of the following subsidiaries were also consolidated until they were transferred to a related party on October 13, 2020 [note 15]:

Crown Crest USA, LLC  
Simply Green Home Services (BC) Inc.  
Simply Green Home Services (SK) Inc.  
Simply Green Home Services (MB) Inc.  
Simply Green Home Services (Alberta) Inc.  
Simply Green Retail Services Inc.  
Simply Green USA, LLC  
Simply Holdings USA, LLC

The operations of Simply Group Financial Corp. ["SGFC"] were consolidated until it was transferred to a related party on January 25, 2021 [note 15].

The Company has control over Crown Crest Capital Trust and Crown Crest Capital II Trust by acting as their administrative agent and is entitled to receive any residual income.

All intercompany transactions and balances are eliminated upon consolidation.

**Revenue recognition**

HVAC sales are recognized at the inception of the contract as the present value of the minimum payments, computed at the interest rate implicit in the rental contract with the offsetting receivable recorded as finance receivable. A provision for equipment servicing is recognized as a liability. Finance income is recorded over the life of the rental contract as the difference between the total contractual or estimated minimum payments, net of discounts at time of sale, and the aggregate of their present values.

LED service and installation revenue is recognized when the service is provided, the sales price is fixed or determinable and collection is reasonably assured. The Company follows the completed contract method, and any costs associated with unbilled work are recorded within prepaid expenses and other assets on the consolidated

**Simply Green Home Services Corp.**  
[formerly Simply Green Home Services Inc.]

**Notes to consolidated financial statements**

For the 15-month period ended December 31, 2022

balance sheet. Deposits received in advance from customers for services yet to be performed are recognized as unearned revenue and amortized into income as services are provided.

**Cash and cash equivalents**

Cash equivalents include highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. An investment normally qualifies as a cash equivalent when it has a short maturity of approximately three months or less from the date of acquisition.

**Long-lived assets**

Long-lived assets include property and equipment, prepaid warranty and intangible assets subject to amortization. Long-lived assets are measured and amortized as described in the applicable accounting policies.

The Company performs impairment testing on long-lived assets held for use whenever events or changes in circumstances indicate the carrying amount of an asset or group of assets may not be recoverable. The carrying amount of a long-lived asset is not recoverable if the carrying amount exceeds the sum of the undiscounted future cash flows from its use and disposal. If the carrying amount is not recoverable, impairment is then measured as the amount by which the asset's carrying amount exceeds its fair value. Fair value is measured using wholesale market values. Any impairment is included in net income for the period.

**Property and equipment**

Property and equipment are initially recorded at cost less accumulated amortization. Amortization is provided using the straight-line method at rates intended to amortize the cost of assets over their estimated useful lives as follows:

Leasehold improvements	5 years
------------------------	---------

**Prepaid warranty**

As part of a prior financing agreement, whereby the Company sold the installed equipment leased by its customers to a consumer financing company, the Company was required to purchase equipment servicing warranties on the equipment. The purchased warranties are used to provide for the service of the underlying equipment. The warranties are amortized on a straight-line basis over 10 years, which represents the term of the warranty coverage.

**Intangible assets**

Definite-life intangible assets are amortized on a straight-line basis over their estimated useful lives as follows:

Customer relationships – renewals	10 years
Customer relationships – builders	10 years
Warranty contracts	10 years
Brand	5 years
Software	3 years

## **Notes to consolidated financial statements**

For the 15-month period ended December 31, 2022

### **Loans payable**

Loans payable are initially measured at fair value, net of transaction costs and financing fees. They are subsequently measured at amortized cost. Transaction costs and financing fees are amortized on a straight-line basis. With respect to the convertible debentures, the Company has elected to allocate 100% of the proceeds, net of transaction costs and financing fees, to the liability component of the instrument.

### **Income taxes**

The Company accounts for income taxes using the taxes payable method. Under this method, only current income tax assets and liabilities are recorded to the extent they are unpaid or recoverable. In addition, the benefit relating to a tax loss incurred in the current period and carried back to prior years is recognized as an asset. Current income tax assets and liabilities are measured using substantively enacted tax rates and laws expected to apply when the tax liabilities or assets are to be either settled or realized.

### **Financial instruments**

The Company initially records a financial instrument at its fair value, except for a related party transaction, which is recorded at the carrying or exchange amount depending on the circumstances.

The Company recognizes its transaction costs in net income in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption. Subsequently, the Company measures all financial instruments at amortized cost.

The secured finance payable balance is amortized over a period of up to 15 years using a constant rate of return and is adjusted for early termination of related finance receivable balances.

As at each consolidated balance sheet date, the Company assesses whether there are any indications that a financial asset measured at amortized cost may be impaired. If there is an indication of impairment, the Company determines if a significant adverse change has occurred during the period in the expected timing or amount of future cash flows from the asset. If there is a significant adverse change, then the Company reduces the carrying amount of the asset to the highest of the following:

- The present value of the cash flows expected to be generated by holding the asset, discounted using a current market rate of interest appropriate to the asset;
- The amount that could be realized by selling the asset as at the consolidated balance sheet date; and
- The amount the Company expects to realize by exercising its rights to any collateral held to secure repayment of the asset, net of all costs necessary to exercise those rights.

A previously recognized impairment loss is reversed to the extent that the improvement can be related to an event occurring after the impairment was recognized.

**Simply Green Home Services Corp.**  
[formerly Simply Green Home Services Inc.]

## **Notes to consolidated financial statements**

For the 15-month period ended December 31, 2022

### **Goodwill**

Goodwill is recorded at the excess of the purchase price of an acquired subsidiary over the fair value of the net assets acquired. Goodwill is not amortized.

Management tests for impairment whenever events or changes in circumstances indicate that the carrying amount of the reporting unit to which the goodwill is assigned may exceed its fair value. When the carrying amount of the reporting unit, including goodwill, exceeds its fair value, an impairment loss is recognized for this excess.

### **Interest in joint arrangements**

A jointly controlled enterprise is a joint arrangement that involves the establishment of a corporation, partnership or other enterprise in which each investor has an interest. The enterprise operates in the same way as other enterprises, except that a contractual arrangement between the investors establishes joint control over the economic activity of the enterprise. The Company has a 50% investment in HCSI Home Comfort Inc. ["HCSI"], a jointly controlled enterprise, and has accounted for the investment using the equity method.

## **3. Changes in accounting policies**

### **Financial instruments in a related party transaction, risk disclosure and other amendments**

Effective October 1, 2021, the Company adopted the amendments to Section 3856, *Financial Instruments*, of Part II of the *CPA Canada Handbook – Accounting*, ["Section 3856" or the "standard"] issued by the Canadian Accounting Standards Board.

Under the amended standard, the measurement of related party financial instruments is now incorporated into Section 3856 as opposed to Section 3840, *Related Party Transactions* ["Section 3840"]. Consequently, related party transactions are initially measured at cost, with the exception of equity or debt instruments quoted in an active market, debt instruments when the inputs significant to the determination of the fair value of the instrument are observable, or derivative contracts, which are initially measured at fair value. Cost under the amended standard is determined based on whether the financial instrument has repayment terms. The amendments also require that the subsequent measurement of related party financial instruments be based on how the entity initially measured the instrument, provide guidance on how to measure an impairment of a debt and equity instrument in a related party transaction measured at cost, and require an entity to recognize forgiveness of a related party financial asset in either equity or net income depending on whether or not the original transaction giving rise to the financial asset was in the normal course of business. Additionally, the standard requires entities to prepare financial instrument disclosures using entity-specific information, and significant consequential amendments were made to Section 3840 to clarify that Section 3840 does not apply to related party financial instruments.

The Company adopted the amendments to Section 3856 retrospectively. There was no impact of the adoption of the amendments to Section 3856 on the consolidated financial statements of the Company for the year ended September 30, 2021.

**Simply Green Home Services Corp.**  
[formerly Simply Green Home Services Inc.]

**Notes to consolidated financial statements**

For the 15-month period ended December 31, 2022

**4. Finance receivable**

	<b>December 31, 2022</b>	<b>September 30, 2021</b>
	\$	\$
Total minimum payments under finance contracts with an average implicit rate of 13.04% [2021 – 13.01%]	<b>401,838,147</b>	496,114,819
Unearned interest on finance contracts	<b>(173,105,530)</b>	(232,528,147)
Impairment allowance	<b>(3,818,357)</b>	(3,001,753)
	<b>224,914,260</b>	260,584,919

For the 15-month period ended December 31, 2022, the Company recognized an accounting provision for the impairment of the finance receivable of \$2,318,744 [year ended September 30, 2021 – \$1,039,672].

**5. Reserve receivable**

The Company finances certain eligible rental contracts, for which the amount received by the Company is subject to a reserve of 3-4% of the outstanding balance. The reserve is available to lenders as security for any losses on finance receivables pledged as described in note 8. Any reserve exceeding 3-4% of the amortized balance is released to the Company.

**6. Intangible assets**

	<b>December 31, 2022</b>			<b>September 30, 2021</b>
	<b>Cost</b>	<b>Accumulated amortization</b>	<b>Net book value</b>	<b>Net book value</b>
	\$	\$	\$	\$
Customer relationships – renewals	<b>830,430</b>	<b>498,258</b>	<b>332,172</b>	435,976
Customer relationships – builders	<b>177,000</b>	<b>106,200</b>	<b>70,800</b>	92,925
Brand	<b>600,000</b>	<b>600,000</b>	—	30,000
Software	<b>1,592,128</b>	<b>1,297,841</b>	<b>294,287</b>	736,965
Warranty contracts	<b>324,938</b>	<b>194,963</b>	<b>129,975</b>	170,592
	<b>3,524,496</b>	<b>2,697,262</b>	<b>827,234</b>	1,466,458

**Simply Green Home Services Corp.**  
[formerly Simply Green Home Services Inc.]

**Notes to consolidated financial statements**

For the 15-month period ended December 31, 2022

**7. Due to/from related parties**

	<b>December 31, 2022</b>	<b>September 30, 2021</b>
	\$	\$
Due to shareholders of the Company, bearing interest between prime plus 6.05% and 10% per annum, due on demand, secured by a general security agreement over the assets of the Company that are subordinated to the creditors as described in note 8	<b>2,733,242</b>	2,733,242
Due from shareholders of the Company, non-interest bearing, due on demand	<b>(2,317,894)</b>	(2,317,894)
	<b>415,348</b>	415,348

For the 15-month period ended December 31, 2022, interest incurred on amounts due to shareholders amounted to \$304,624 [year ended September 30, 2021 – \$355,993] and is included in interest, financing fees and bank charges on the consolidated statement of income.

These transactions were conducted in the normal course of operations and measured at the exchange amount, which is the amount of consideration established and agreed to by the shareholders.

**8. Loans payable**

	<b>December 31, 2022</b>	<b>September 30, 2021</b>
	\$	\$
Peoples Trust Company warehouse line of credit #1 [i]	<b>2,642,584</b>	645,476
Peoples Trust Company warehouse line of credit #2 [ii]	<b>14,452,114</b>	17,569,669
Peoples Trust Company term loan [iii]	<b>7,309,835</b>	8,358,048
Greypoint Capital Inc. warehouse line of credit [iv]	—	4,862,971
	<b>24,404,533</b>	31,436,164
Less financing fees	—	41,974
	<b>24,404,533</b>	31,394,190

[i] On December 1, 2016, the Company entered into a \$30,000,000 revolving line of credit pursuant to a Warehouse Line of Credit Agreement with Peoples Trust Company, which is secured by select finance receivables of the Company. The maximum authorized limit of the facility as at December 31, 2022 is \$5,500,000. The facility has an interest rate of Bank of Montreal ["BMO"] prime plus 5.3% per annum and matures July 31, 2023.

[ii] On May 29, 2019, the Company entered into a \$25,400,000 revolving line of credit pursuant to a Warehouse Line of Credit Agreement with Peoples Trust Company, which is secured by select finance receivables of the

**Simply Green Home Services Corp.**  
[formerly Simply Green Home Services Inc.]

**Notes to consolidated financial statements**

For the 15-month period ended December 31, 2022

Company. The maximum authorized limit of the facility as at December 31, 2022 is \$19,514,800. The facility has an interest rate of BMO prime plus 6.05% per annum and matures July 31, 2023.

[iii] On January 19, 2018, the Company issued a \$10,000,000 convertible debenture to Peoples Trust Company. The debenture has an interest rate of BMO prime plus 5.3% per annum. The debenture offered conversion rights, which expired on June 30, 2019, at which point the debenture converted to a five-year term loan, with principal amortized over 10 years.

[iv] On August 22, 2019, the Company entered into a \$15,000,000 revolving line of credit pursuant to a Warehouse Line of Credit Agreement with Greypoint Capital Inc., which is secured by select finance receivables of the Company. The facility has an interest rate equal to 7.25% plus the greater of [a] 1%; or [b] Canadian Dollar Offered Rate. The facility matured on August 22, 2021, but was extended to January 31, 2022. The facility was subsequently repaid in full on January 26, 2022.

The above warehouse lines of credit are amortized over the term of the underlying receivables, to a maximum of 10 years.

As at December 31, 2022, included in finance receivable is \$15,303,871 [September 30, 2021 – \$20,470,370] of assets pledged as security for the loans payable above.

For the 15-month period ended December 31, 2022, interest incurred on loans payable during the period amounted to \$3,418,724 [year ended September 30, 2021 – \$3,743,014] and is included in interest, financing fees and bank charges on the consolidated statement of income.

Principal repayments on loans payable until maturity are as follows:

	\$
2023	17,794,309
2024	6,610,224
	<u>24,404,533</u>

**Simply Green Home Services Corp.**  
[formerly Simply Green Home Services Inc.]

**Notes to consolidated financial statements**

For the 15-month period ended December 31, 2022

**9. Secured finance payable**

Secured finance payable represents liabilities assumed in the transfer of certain finance receivable contracts that did not qualify for derecognition as follows:

	<b>December 31, 2022</b>	<b>September 30, 2021</b>
	\$	\$
Concurrent leases repayable in blended monthly instalments based on the BMO prime rate in effect at the inception of the agreement [after five years, prime rate is updated to the rate in effect at that time] plus a spread dependent on the lessee's creditworthiness at inception of the agreement. Effective rates range between 4.75% and 5.65%. If options to extend the lease agreement are exercised, interest rates will be based on the BMO prime rate at the time of exercise plus a spread dependent on the lessee's creditworthiness. These agreements are designed to have outstanding liabilities approach zero by the end of the lease term. However, in the event there is a balance outstanding by the end of the lease agreement, that balance is due the day immediately following the last scheduled payment date of the related lease.	<b>257,526,382</b>	311,344,955
	<b>257,526,382</b>	311,344,955
Less financing fees	<b>1,758,131</b>	6,152,402
	<b>255,768,251</b>	305,192,553

The secured finance payable is repayable as the payments on the related finance contracts are collected. Interest incurred on secured finance payable for the 15-month period ended December 31, 2022, amounted to \$21,763,810 [year ended September 30, 2021 – \$21,193,027] and is included in interest, financing fees and bank charges on the consolidated statement of income.

As at December 31, 2022, included in finance receivable is \$190,716,191 [September 30, 2021 – \$236,374,510] of transferred assets relating to the secured finance payable above. These transferred finance receivables are held as security for the related secured finance payable.

**Simply Green Home Services Corp.**  
[formerly Simply Green Home Services Inc.]

**Notes to consolidated financial statements**

For the 15-month period ended December 31, 2022

**10. Capital stock**

**Issued**

	<b>December 31, 2022</b>	<b>September 30, 2021</b>
	\$	\$
710,625 common shares	7	7
94,750 Class A common shares	1	1
142,125 Class B common shares	2	2
20,000 Class C common shares	—	—
7,500 Class D common shares	—	—
40,000 Class E common shares	1	1
5,000 Class F common shares	—	—
5,000 Class G common shares	—	—
5,000 Class H common shares	—	—
2,034,709 Class A special shares	<b>1,978,825</b>	1,978,825
367,813 Class B special shares	<b>1</b>	1
	<b><u>1,978,837</u></b>	<b><u>1,978,837</u></b>

Common and Class A special shares are entitled to one vote per share. All other classes are not entitled to voting rights.

An unlimited number of shares of each class are authorized.

Holders of Class A special shares are entitled to cumulative dividends at a rate equivalent to the Company's prime lending rate upon the amount of paid-up capital associated with the shares. This entitlement is in preference to all other classes of shares and equated to nil as at December 31, 2022 [September 30, 2021 – nil].

Holders of Class B special shares are entitled to non-cumulative dividends at a rate equivalent to the Company's prime lending rate upon the amount of paid-up capital associated with the shares. This entitlement is in preference to all classes of shares, aside from Class A special, and equated to nil in as at December 31, 2022 [September 30, 2021 – nil].

**11. Related party transactions**

Included in salaries and benefits expense, telecommunications and occupancy costs is \$3,897,749 [year ended September 30, 2021 – \$4,808,702], \$322,605 [year ended September 30, 2021 – \$243,025] and \$195,000 [year ended September 30, 2021 – \$150,443], respectively, paid to a company under common control for services rendered.

The Company owns 50% of HCSI, a joint arrangement that originates new finance leases. This joint arrangement is accounted for using the equity method. For the 15-month period ended December 31, 2022, the Company acquired nil [year ended September 30, 2021 – \$498,277] of finance receivables from HCSI under an ongoing

**Simply Green Home Services Corp.**  
[formerly Simply Green Home Services Inc.]

**Notes to consolidated financial statements**

For the 15-month period ended December 31, 2022

assignment agreement. These receivables are subject to a repurchase right by HCSI following 10 years of customer payments; therefore, the receivables are amortized over that period.

Included in accounts receivable as at December 31, 2022 is \$5,052,662 [September 30, 2021 – \$6,475,202] from HCSI for expenses incurred on behalf of HCSI.

Included in accounts payable as at December 31, 2022 is \$12,407,708 [September 30, 2021 – \$2,338,430] due to a company under common control.

All accounts receivable from related parties are non-interest bearing, unsecured and have no specified terms of repayment.

These transactions were conducted in the normal course of operations and measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

**12. Income taxes**

The provision for (recovery of) income taxes amount on pre-tax income differs from the provision for (recovery of) amount that would arise using the combined Canadian federal and provincial statutory tax rate of 26.5%, as a result of the following items:

	<b>15-month period ended December 31, 2022</b>	<b>Year ended September 30, 2021</b>
	\$	\$
Provision for (recovery of) income taxes at the combined federal and provincial tax rate	<b>2,788,906</b>	3,124,143
Adjustment to income tax resulting from		
Non-deductible expenses	<b>911</b>	4,870
Taxable income arising from intercompany dividends	—	(680,074)
Utilization of non-capital loss not previously recognized	—	(151,617)
Other	<b>(2,795,693)</b>	(2,296,824)
<b>Provision for (recovery of) income taxes</b>	<b>(5,876)</b>	498

The Company has \$13,875,025 [September 30, 2021 – \$12,781,664] in non-capital loss carryforwards available as at December 31, 2022. The losses may be carried forward to reduce taxable income in future years. The non-capital losses expire between 2035 and 2042.

**Simply Green Home Services Corp.**  
[formerly Simply Green Home Services Inc.]

## Notes to consolidated financial statements

For the 15-month period ended December 31, 2022

### 13. Contingencies

During the normal course of business, various proceedings and threats of claims are instituted by and against the Company. Management believes that any claims or settlements will not have a significant effect on the consolidated balance sheet as at December 31, 2022 or on the consolidated statement of income for the period then ended. In management's opinion, if a settlement is likely and measurable, the estimated amount has been accrued in these consolidated financial statements. If the Company incurs any additional losses as a result of these claims, that loss would be recorded in the year it is probable and estimable.

A class action lawsuit has been proposed against the Company but has not been certified and cannot proceed as a representative lawsuit unless common issues are certified. Given that the class action is not certified and that the Company intends to vigorously defend such certification, it is not determinable whether there could be an adverse outcome. No amounts have been accrued in respect to this lawsuit.

### 14. Financial instruments and risk management

The following table shows the carrying amounts of the indicated financial assets:

	December 31, 2022	September 30, 2021
	\$	\$
Financial assets measured at amortized cost		
Cash and cash equivalents	5,163,226	9,521,020
Accounts receivable	21,722,231	19,240,852
Finance receivable	224,914,260	260,584,919
Reserve receivable	691,685	967,634
	<b>252,491,402</b>	<b>290,314,425</b>
Financial liabilities measured at amortized cost		
Accounts payable	12,964,867	2,857,995
Accrued liabilities	8,155,054	8,413,967
Secured finance payable	255,768,251	305,192,553
Loans payable	24,404,533	31,394,190
Due to related parties, net	415,348	415,348
	<b>301,708,053</b>	<b>348,274,053</b>

### Risks and uncertainties

The Company is exposed to risks of varying degrees of significance that could affect its ability to achieve its strategic objectives for growth. The main objectives of the Company's risk management process are to ensure that risks are properly identified and the capital base is adequate in relation to these risks. The principal financial risks to which the Company is exposed are described below.

**Simply Green Home Services Corp.**  
[formerly Simply Green Home Services Inc.]

## **Notes to consolidated financial statements**

For the 15-month period ended December 31, 2022

### *Credit risk*

The Company is exposed to credit risk in the event of non-payment by its customers for their accounts receivable, finance receivable and reserve receivable. The Company believes the risk is mitigated by the diversification of its customer base and its credit-granting procedures.

### *Interest rate risk*

The Company is exposed to interest rate risk on finance receivable, loans payable and certain amounts due to related parties.

### *Liquidity risk*

The Company is subject to liquidity risk. The Company's objective in managing liquidity risk is to maintain sufficient readily available sources of funding in order to meet its liquidity requirements at any point in time. The Company attempts to achieve this through managing cash from operations and through the availability of funding from committed credit facilities.

## **15. Dispositions to related parties**

On October 13, 2020, the Company entered into an Asset Purchase Agreement with Simply Green Home Services Inc. ["SGHS Inc."], a newly formed corporation under common control, but not owned by the Company. This agreement resulted in the sale of the following assets by the Company to SGHS Inc., for total consideration of \$533,321. This transaction was not in the normal course of business and is not supported by independent evidence and therefore is measured at the carrying amount.

[i] All issued and outstanding shares of the following subsidiaries:

- [a] Simply Green Home Services (BC) Inc.;
- [b] Simply Green Home Services (AB) Inc.;
- [c] Simply Green Home Services (SK) Inc.;
- [d] Simply Green Home Services (MB) Inc.;
- [e] Simply Holdings USA, LLC;
- [f] Crown Crest USA, LLC;
- [g] Simply Green USA, LLC; and
- [h] Simply Green Retail Services Inc.

[ii] Tangible assets:

- [a] All furniture and equipment;
- [b] All computers, telephones and related equipment;
- [c] All inventory, other than inventory related to pre-existing finance receivables; and
- [d] All vehicles.

[iii] Certain assigned contracts required to operate an HVAC sales and rental business.

**Simply Green Home Services Corp.**  
[formerly Simply Green Home Services Inc.]

**Notes to consolidated financial statements**

For the 15-month period ended December 31, 2022

On October 13, 2020, the Company entered into an Intellectual Property License Agreement with SGHS Inc. This agreement allows SGHS Inc. to use the Company's intellectual property for the purposes of operating an HVAC sales and rental business, in exchange for 7.5% of the pre-tax operating income earned while operating the business. No payments were received under this agreement in 2022.

On January 25, 2021, the Company sold all issued and outstanding shares of SGFC to 2775996 Ontario Inc., a company under common control, for total consideration of \$100. This transaction was not in the normal course of business and is not supported by independent evidence and therefore is measured at the carrying amount. A summary of the SGFC balance sheet at the date of sale was as follows:

	\$
<b>Assets</b>	
Cash and cash equivalents	1,940,806
Reserve receivable	4,159,383
Finance receivable	62,934,478
	<u>69,034,667</u>
<b>Liabilities</b>	
Accounts payable	532,820
Balance due to related party	1,756,309
Due to shareholders, net	4,000,000
Loans payable	4,945,566
Secured finance payable	57,799,972
	<u>69,034,667</u>

**16. Comparative figures**

Certain reclassifications of 2021 amounts have been made to facilitate comparison with the current period. These reclassifications have no effect on net income for the year.

**This is Exhibit "Y"  
to the Affidavit of Michael Lombard sworn  
remotely before me on November 6, 2023**

DocuSigned by:

*Katherine Yurkovich*

BF186400C72D4F9  
A commissioner for taking affidavits

Simply Green Home Service Inc.  
Statement of Financial Position (Unaudited)

	<b>As at</b>
	<b>31-Mar-23</b>
	<b>\$</b>
<b>ASSETS</b>	
Cash	782,262
Cash reserves	849,806
Accounts receivable	694,058
Prepaid expenses	326,531
Finance receivable	55,581,278
Other assets	1,669,547
Property and equipment net	933,596
Intangible assets net	412,456
	<u>61,249,533</u>
<b>LIABILITIES</b>	
Accounts payable and accrued liabilities	5,234,513
Due to related parties	28,418,217
Lease obligations	546,338
Service liability	1,274,763
Secured borrowings	55,416,123
	<u>90,889,955</u>
<b>SHAREHOLDERS' EQUITY</b>	
Surplus (Deficit)	<u>(29,640,421)</u>
	<u>(29,640,421)</u>
	<u>61,249,533</u>

Simply Green Home Service Inc.  
Consolidated Statement of Comprehensive Loss  
(Unaudited)

	For the month ended 31-Mar-23	For the 3 month ended 31-Mar-23
	\$	\$
<b>CONSUMER FINANCE</b>		
<b>Financial income</b>		
Interest income	488,183	1,430,913
Non-interest income	3,322	40,564
	491,505	1,471,477
<b>Financial expenses</b>		
Interest expense	397,117	1,116,996
	397,117	1,116,996
<b>Net finance income before credit losses</b>	<b>94,388</b>	<b>354,481</b>
Revenue - HVAC	871,043	2,346,141
Costs of goods sold - HVAC	809,954	2,274,180
<b>Net HVAC income</b>	<b>61,089</b>	<b>71,961</b>
<b>Income (loss) before operating expenses</b>	<b>155,478</b>	<b>426,442</b>
<b>EXPENSES</b>		
Advertising and promotion	169,422	524,604
Credit and Adjudication expense	24,342	22,471
General and administrative	47,923	163,252
Information technology	131,287	410,970
Occupancy costs	38,030	112,851
Professional fees	17,269	41,841
Service expense	122,341	256,049
Vehicle travel and selling	18,556	94,318
Wages and employee benefits	469,950	1,490,463
	1,039,120	3,116,818
<b>Income (loss) before the undernoted</b>	<b>(883,642)</b>	<b>(2,690,377)</b>
Depreciation and amortization	51,836	151,857
Provision for credit losses	(30,368)	52,877
Other income (expenses)	20,474	16,227
<b>Income (Loss) before income taxes</b>	<b>(925,584)</b>	<b>(2,911,338)</b>
<b>NET INCOME (LOSS)</b>	<b>(925,584)</b>	<b>(2,911,338)</b>
<b>OTHER COMPREHENSIVE LOSS</b>		
<b>Comprehensive income / loss</b>	<b>(925,584)</b>	<b>(2,911,338)</b>



**Simply Green Home Services Inc.**  
**Statement of Financial Position (Unaudited)**

	As at Dec 31, 2022 \$	As at Dec 31, 2021 \$
<b>ASSETS</b>		
Cash	702,170	1,025,168
Cash reserves	782,671	1,063,862
Accounts receivable	1,086,939	755,395
Prepaid expenses	430,407	597,954
Finance receivable	52,059,297	31,011,742
Other assets	1,611,718	1,434,572
Property and equipment, net	1,005,437	1,586,702
Intangible assets, net	334,006	171,645
	<b>58,012,645</b>	<b>37,647,039</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	5,916,528	5,705,722
Due to related parties	25,188,643	14,144,904
Lease obligations	620,147	1,258,847
Service liability	1,232,636	784,827
Secured borrowings	51,783,784	31,552,144
	<b>84,741,738</b>	<b>53,446,443</b>
<b>SHAREHOLDERS' EQUITY</b>		
Deficit	(26,729,093)	(15,799,404)
	<b>(26,729,093)</b>	<b>(15,799,404)</b>
	<b>58,012,645</b>	<b>37,647,039</b>

**Simply Green Home Services Inc.**  
**Consolidated Statement of Comprehensive Loss (Unaudited)**

	For the 3 months ended <b>Dec 31, 2022</b> \$	For the year ended <b>Dec 31, 2022</b> \$	For the year ended <b>Dec 31, 2021</b> \$
<b>CONSUMER FINANCE</b>			
<b>Financial income</b>			
Interest income	1,313,380	4,387,233	1,700,154
	<b>1,313,380</b>	<b>4,387,233</b>	<b>1,700,154</b>
<b>Financial expenses</b>			
Interest expense	1,005,984	3,254,811	1,572,236
	<b>1,005,984</b>	<b>3,254,811</b>	<b>1,572,236</b>
<b>NET FINANCE INCOME BEFORE CREDIT LOSSES</b>	<b>307,396</b>	<b>1,132,422</b>	<b>127,918</b>
<b>HVAC SALES AND RENTAL</b>			
Revenue	4,063,423	15,360,369	19,859,767
Cost of goods sold	(3,636,169)	(13,399,635)	(16,407,142)
<b>NET HVAC INCOME</b>	<b>427,254</b>	<b>1,960,735</b>	<b>3,452,625</b>
<b>INCOME BEFORE OPERATING EXPENSES</b>	<b>734,650</b>	<b>3,093,157</b>	<b>3,580,543</b>
<b>EXPENSES</b>			
Advertising and promotion	332,387	1,217,979	4,127,852
General and administrative	226,860	1,093,085	1,006,474
Information technology	449,070	1,797,117	1,527,397
Occupancy costs	112,403	434,894	488,861
Professional fees	27,941	159,847	299,921
Service expense	184,697	845,724	959,893
Vehicle, travel and selling	214,599	861,170	611,621
Wages and employee benefits	2,024,703	6,732,445	6,785,649
	<b>3,572,659</b>	<b>13,142,262</b>	<b>15,807,669</b>
<b>LOSS BEFORE THE UNDERNOTED</b>	<b>(2,838,009)</b>	<b>(10,049,105)</b>	<b>(12,227,127)</b>
Amortization	(140,008)	(565,370)	(443,271)
Provision for credit losses	(85,758)	(434,313)	(216,654)
Other income (expenses)	118,465	179,553	173,027
Transaction-related expenses	(60,455)	(60,455)	(370,224)
<b>LOSS BEFORE INCOME TAXES</b>	<b>(3,005,765)</b>	<b>(10,929,689)</b>	<b>(13,084,249)</b>
<b>NET LOSS</b>	<b>(3,005,765)</b>	<b>(10,929,689)</b>	<b>(13,084,249)</b>

**This is Exhibit “Z”  
to the Affidavit of Michael Lombard sworn  
remotely before me on November 6, 2023**

DocuSigned by:  
*Katherine Yurkovich*

BE136400C72D4E9

---

A commissioner for taking affidavits

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

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT  
ACT*, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF CROWN CREST CAPITAL MANAGEMENT  
CORP., CROWN CREST FINANCIAL CORP., MARBLE AMALCO INC.,  
CROWN CREST FUNDING CORP., SIMPLY GREEN HOME SERVICES  
INC., SIMPLY GREEN HOME SERVICES CORP., AND CROWN CREST  
CAPITAL TRUST**

**PEOPLES TRUST COMPANY**

**Applicant**

**AND**

**CROWN CREST CAPITAL MANAGEMENT CORP., CROWN CREST  
FINANCIAL CORP., MARBLE AMALCO INC., CROWN CREST  
FUNDING CORP., SIMPLY GREEN HOME SERVICES INC., SIMPLY  
GREEN HOME SERVICES CORP., AND CROWN CREST CAPITAL  
TRUST**

**Respondents**

**CONSENT**

KPMG Inc. hereby consents to act as the Court-appointed Monitor in this proceeding should an Initial Order be granted by the Court.

Dated at Toronto this 28 day of October, 2023.

**KPMG INC.**



Per:

Name: Pritesh Patel

Title: Senior Vice President

**This is Exhibit "AA"  
to the Affidavit of Michael Lombard sworn  
remotely before me on November 6, 2023**

DocuSigned by:

*Katherine Yurkovich*

BF130400C72D4F8

---

A commissioner for taking affidavits

November 8, 2023

TO: Crown Crest Capital Management Corp.  
AND TO: Crown Crest Financial Corp.  
AND TO: Crown Crest Funding Corp.  
AND TO: Simply Green Home Services Inc.  
AND TO: Simply Green Home Services Corp.  
AND TO: Crown Crest Capital Trust

**Re: Engagement of HWS Consulting Inc. as Chief Restructuring Officer of Crown Crest Capital Management Corp., Crown Crest Financial Corp., Crown Crest Funding Corp., Simply Green Home Services Inc., Simply Green Home Services Corp., and Crown Crest Capital Trust (collectively, the “Simply Green Group” or the “Companies”)**

This letter agreement (“**Agreement**”) sets out the terms and conditions upon which HWS Consulting Inc. (“**HWS**”) has agreed to provide the services of Josef Prosperi (“**Prosperi**”) as an independent contractor to perform the duties below as Chief Restructuring Officer (“**CRO**”) of the Simply Green Group.

**1. Retention in CCAA Proceedings**

HWS has been made aware that the Companies may become the subject of proceedings (the “**Proceedings**”) pursuant to the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”). As part of the order granting relief to the Simply Green Group under the CCAA, reasonable efforts will be made by all parties involved to obtain the following, each in form and substance acceptable to HWS:

- (a) a Court order under the CCAA approving the Simply Green Group’s engagement of HWS as CRO under this Agreement (the “**Retention Order**”). Without limiting the foregoing, the Retention Order shall, without limitation: (i) approve the Simply Green Group’s retention of HWS and the appointment of the CRO; (ii) approve payment and/or reimbursement of the Fees and Expenses set forth in this Agreement, including, without limitation, from the proceeds of any transaction(s); (iii) approve the indemnification provisions of this Agreement; (iv) provide that the applicable Fees and Expenses set forth in this Agreement shall not be compromised or reduced in any restructuring plan or bankruptcy; and (v) secure the applicable Fees and Expenses set forth in this Agreement in a Court-ordered charge. In so requesting an order authorizing the retention of HWS under the CCAA, it is recognized that HWS through Prosperi possesses the capabilities and experience that will inure to the benefit of the Companies and their lenders, debtors, employees and customers, and that all such stakeholders will derive substantial benefit from that experience and expertise. As such, the structure and amount of the fees agreed with HWS are deemed reasonable regardless of the hours to be expended by HWS professionals in the performance of the services contemplated herein;

- (b) without limiting the further indemnity provisions of this Agreement and approval by the Court thereof, a Court order limiting liability of HWS and Prosperi from all claims, damages and losses (the “**Indemnity Order**”); and
- (c) in any reorganization or liquidation plan, any settlement or other document addressing releases and/or exculpation, and any order on any of the foregoing, the Simply Green Group shall use reasonable efforts to obtain typical and customary releases (both from the Simply Green Group and from third parties) and exculpation provisions releasing, waiving, and forever discharging HWS and its officers, directors, managers, members, partners, employees and agents, and any other persons controlling HWS from any and all claims, obligations, suits, judgments, damages, demands, debts, rights, causes of action, and liabilities related to the Companies or the engagement described in this Agreement, in each instance to the fullest extent permitted by law (the “**Release Provisions**”).

HWS acknowledges that the draft Initial Order included in the application materials delivered by PTC (defined below) satisfies the requirements for the Retention Order and the Indemnity Order.

The Simply Green Group will take any reasonable actions as HWS requests to assist HWS in obtaining approval and payment of the Fees and Expenses as may be necessary in the circumstances.

If any of the Retention Order, Indemnity Order, or Release Provisions, in each case in form and substance reasonably satisfactory to HWS, are not obtained as part of the Proceedings, HWS shall not be required to serve as the CRO during the Proceedings, and HWS reserves all rights with respect to any unpaid fees and expenses.

All amounts due to HWS under this Agreement that arise after the commencement of the Proceedings, including, without limitation, all applicable fees and expenses and any payments due in connection with the indemnification provisions of this Agreement, shall be entitled to priority and protection through a Court-ordered charge granted under the CCAA.

## 2. **Reporting Relationship**

The CRO shall be appointed pursuant to an Order of the Court in the CCAA Proceedings, as an officer of the Court, as the “Chief Restructuring Officer” of the Simply Green Group. The CRO shall not be required to provide any consultative or other services to, nor be accountable to, any of the Simply Green Group, its officers, board of directors, special committee as may exist or be formed in the course of the restructuring, or any other affiliates thereof. For further clarity, the CRO shall be accountable only to the Court in the performance of the Duties (as defined below) and not to any other party, subject to the terms hereof.

In discharging its duties as set out in Section 3 below, the CRO will communicate and collaborate, as appropriate, with the Simply Green Group and any of its officers, employees, financial and legal advisors, Peoples Trust Company (both as significant stakeholder in the Simply Green Group and as applicant in commencing the Proceedings (“**PTC**”) and as debtor-in-possession lender to the Simply Green Group under the DIP Term Sheet between the Simply Green Group and PTC dated as of November 9, 2023 (the “**DIP Lender**”) and the court-appointed Monitor in the Proceedings (the “**Monitor**”). All of the Companies shall provide such assistance to the CRO as the CRO

requires in the discharge of its duties. For greater certainty, the CRO will not have an employment relationship with the Companies and as above, will not be accountable to the Companies in any fashion.

### 3. **Specific Duties**

The CRO shall have the following duties and responsibility for the following activities (the “**Duties**”), which are to be performed in accordance with and subject to this Agreement and in consultation with the Simply Green Group’s applicable financial and legal advisors, the Monitor, and PTC and the DIP Lender, subject to ongoing supervision and direction from the Court, and subject to the terms of any Court order in the Proceedings:

- overseeing the day-to-day management of the Business and Property (as those terms are defined in the Retention Order) and exercise all consent rights and matters of discretion reserved to the Simply Green Group under such Retention Order, including, without limitation, being designated as the responsible person and/or an authorized signatory on any matters, including bank accounts of Simply Green Group;
- entering into agreements or instruments for and on behalf of the Simply Green Group and not in its personal capacity;
- assisting PTC, the DIP Lender and the Monitor, in developing, for consideration by the Court, and implementing, a plan or plans for any financial and operational restructuring in respect of the Simply Green Group, which may involve, *inter alia*, a consensual restructuring involving relevant stakeholders of the Simply Green Group and/or a sales and investment solicitation process in respect of all or parts of the Simply Green Group’s businesses and assets and/or another restructuring process (the “**Restructuring**”);
- answering information inquiries of PTC and the DIP Lender and/or the Monitor, and communicating and coordinating with the foregoing in connection with the Restructuring or Proceedings;
- engaging, together with PTC, the DIP Lender and/or the Monitor, in negotiations with the Simply Green Group’s lenders, creditors, class action plaintiff(s), stakeholders and any other interested parties, as necessary or desirable in connection with the Restructuring including, without limitation, suppliers, creditors, customers, and potential purchasers and investors;
- assisting, together with PTC, the DIP Lender and/or the Monitor, as applicable, with communications in connection with the Restructuring, whether between the Simply Green Group and its stakeholders or with the media, as appropriate;
- attending Court hearings in the Proceedings and, to the extent reasonably requested by PTC or the Monitor, providing affidavits, as appropriate, in the Proceedings, and providing direction in relation to issues as and when necessary in the Proceedings;

- managing, directing and implementing the Simply Green Group's consultations with and reporting obligations to customers;
- working with the Monitor in the preparation and timely delivery of critical financial information or other reporting required by applicable law, the DIP Lender or Court order;
- approving all material cash disbursements, in accordance with the Cash Flow Forecast and the Court orders in the Proceedings, as and if reasonably needed, in order to preserve value of the assets of the Simply Green Group;
- retaining or terminating employees or contractors of the Simply Green Group;
- taking such actions as may be required pursuant to the Court's orders; and
- providing such other services relating to or to facilitate the Restructuring and the above matters as appropriate.

Notwithstanding anything to the contrary herein, HWS acknowledges and agrees that certain motions, applications, or other documents filed with the Court in the Proceedings for and on behalf of the Simply Green Group may be filed by PTC, in its capacity as applicant in the Proceedings, or the Monitor, pursuant to the powers granted to the Monitor in a Court order in the Proceedings; provided that, nothing herein shall limit the CRO's abilities to, with the written consent of the Monitor, bring motions, as appropriate, or, without the consent of the Monitor, seek advice and direction from the Court with respect to the exercise of its Duties, or any other matter contemplated herein.

#### **4. Information**

The Simply Green Group represents and warrants to HWS, and will use its reasonable commercial efforts to ensure, that all information provided to HWS, directly or indirectly, orally or in writing, in connection with the HWS engagement hereunder will be accurate and complete in all material respects, will not be misleading in any material way and will not omit to state any material fact that is necessary to make such information not misleading in light of the circumstances in which it was provided.

Subject to its professional judgment, HWS shall be under no obligation to verify independently any information provided to or otherwise obtained by it. Subject to its professional judgment, HWS shall also be under no obligation to determine whether there have been any changes in such information or to investigate any change in such information occurring after the date any of the same were provided to or obtained by HWS.

#### **5. Fees and Expenses**

HWS' compensation for services referred to above will be as follows:

- (a) For the first three (3) months of the engagement, commencing on the date of the Retention Order, a fee of \$40,000 per month shall be due and owing, with the first payment to be made by wire as soon as reasonably possible after said date;

- (b) For each subsequent month of the engagement after the first three (3) months, a fee in an amount to be agreed upon by HWS, the Monitor, PTC and the DIP Lender and approved by the Court, which shall be due and owing on the first business day of each such month (together with the fee for the three (3) months of the engagement, the “**Work Fee**”);
- (c) In the event the Proceedings advance to a stage where a Restructuring Transaction (as defined below) is to be pursued, a fee (the “**Success Fee**”) in an amount to be agreed upon by HWS, the Monitor, PTC and the DIP Lender and approved by the Court, which shall be earned upon the closing of such Restructuring Transaction.

As used herein, the term “**Restructuring Transaction**” shall mean any one or more of the following:

- (a) any merger, consolidation, reorganization, recapitalization, financing, refinancing, business combination or other transaction pursuant to which the Companies (or control thereof) is acquired by, or combined with, any person, group of persons, partnership, corporation or other entity (an “**Acquirer**”) and approved by the Court;
- (b) any acquisition, directly or indirectly, by one or more Acquirers (or by one or more persons acting together with an Acquirer pursuant to a written agreement or otherwise), through a credit bid or otherwise, whether in a single transaction, multiple transactions or a series of transactions, of any outstanding or newly-issued shares of any of the Companies’ capital stock or any securities convertible into, or options, warrants or other rights to acquire, such capital stock or other equity securities of any of the Companies for the purpose of effecting a recapitalization, reorganization or change of control of the Companies on terms approved by the Court; and
- (c) a Plan of Arrangement promulgated pursuant to the CCAA and approved by the requisite number and percentage of creditors and approved by the Court.

HWS shall be entitled to a Work Fee for a minimum period of two (2) months if this Agreement is terminated (other than as a result of a default by HWS hereunder) before a Restructuring Transaction. HWS acknowledges that the Simply Green Group may require the services of HWS after a Restructuring Transaction is completed and HWS agrees to provide such services on terms as shall be agreed upon by HWS and the Simply Green Group when and if necessary.

Any Success Fee which has been agreed to in writing and approved by the Court will be payable upon the earlier of: (i) the termination of this engagement by the Simply Green Group (or the Monitor on its behalf) other than as a result of a breach of the Agreement by HWS; and (ii) the completion of a Restructuring Transaction.

The Success Fee described herein will be earned and payable in accordance with this Agreement if any Restructuring Transaction is completed or implemented (as the case may be) during the term of this engagement or within a period of six (6) months following the termination of this Agreement under items (i) and (ii) in the immediately preceding paragraph.

In addition to the foregoing, the Simply Green Group shall reimburse HWS for its reasonable and documented out-of-pocket expenses, including, but not limited to, legal fees, travel and communications expenses, courier charges and accommodation expenses incurred in carrying out this engagement, to a maximum of \$10,000 per month. Any such expenses in excess of \$10,000 in a month may only be incurred by HWS with the prior written consent of the Monitor and the DIP Lender. Such reimbursable expenses will be payable promptly following receipt by the Simply Green Group of HWS' invoices.

All or part of the foregoing may be subject to federal Harmonized Sales Tax ("HST"). Where such tax is applicable, an additional amount equal to the amount of tax owing thereon will be charged to and payable by the Simply Green Group, in addition to the fees of HWS. HWS shall provide its HST registration number to the Simply Green Group promptly after execution of this Agreement.

## 6. Other Services

If HWS is requested to perform services in addition to those described above or to provide services of individuals other than Prosperi, then the terms and conditions relating to such services will be outlined in a separate agreement, on terms acceptable to the Monitor and the DIP Lender, and the fees for such services will be in addition to the fees payable hereunder and will be commercially reasonable and negotiated separately and in good faith. Such separate agreement shall be approved by the Court.

## 7. Indemnity

The Simply Green Group agrees to indemnify and hold harmless HWS and Prosperi (the "**Indemnity**") in accordance with the provisions of this Section. The Indemnity shall be in addition to and not in substitution for any other indemnification right that HWS may have.

Prosperi will be afforded, to the extent possible and available, all of the rights and privileges under the Companies' by-laws and that Prosperi will be considered an "Insured Person" (or similar) in any of the Simply Green Group's directors & officers liability insurance policies. In connection with this Agreement, the Simply Green Group agrees to indemnify and hold harmless HWS and Prosperi from and against any and all losses, expenses, claims, actions, damages and liabilities, joint or several, including the aggregate amount paid in reasonable settlement of any actions, suits, proceedings, investigations or claims and the reasonable fees and expenses of legal counsel on a solicitor and its or his own client basis ("**Losses**") that may be incurred in advising with respect to and/or defending any action, suit, proceeding, investigation or claim that may be made or threatened against either of HWS or Prosperi or in enforcing this indemnity to which HWS and/or Prosperi may become subject to or otherwise involved in any capacity insofar as the Losses relate to, are caused by, result from, arise in respect of or are based upon, directly or indirectly, this engagement; provided that the Simply Green Group shall not be required to indemnify HWS or Prosperi for such Losses to the extent any such Losses are determined by a Court of competent jurisdiction in a final judgment that has become non-appealable to have resulted from the bad faith, gross negligence or wilful misconduct of HWS or Prosperi. The Simply Green Group also agrees that HWS and Prosperi shall not have any liability (whether directly or indirectly in contract or tort or otherwise) to the Simply Green Group or any person asserting claims on behalf of or in right of the Simply Green Group for or in connection with this engagement except to the extent any losses, expenses, claims, actions, damages or liabilities incurred by the Simply Green Group

are determined by a Court of competent jurisdiction in a final judgment that has become non-appealable to have resulted from the gross negligence or wilful misconduct of HWS or Prosperi. The Simply Green Group will not, without HWS and/or Prosperi's written consent, settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any action, suit, proceeding, investigation or claim in respect of which indemnification may be sought hereunder (whether or not HWS and/or Prosperi is a party thereto) unless such settlement, compromise, consent or termination includes a release of HWS and Prosperi from any liabilities arising out of such action, suit, proceeding, investigation or claim. This indemnity can only be varied by the mutual agreement of the Simply Green Group, HWS and Prosperi.

Promptly after receiving notice of any action, suit, proceeding or claim against either of HWS or Prosperi or receipt of notice of the commencement of any investigation which is based, directly or indirectly, upon any matter in respect of which indemnification may be sought in accordance with the terms of this Agreement from the Simply Green Group, HWS and/or Prosperi will notify the Simply Green Group in writing of the particulars thereof. The omission to notify the Simply Green Group shall not relieve the Simply Green Group of any liability which the Simply Green Group may have to either of HWS and/or Prosperi (a) if the Simply Green Group had actual notice of such action, suit, proceeding or claim, or (b) unless and only to the extent such failure results in the forfeiture by the Simply Green Group of substantial rights and defences.

HWS and Prosperi may retain counsel (one law firm) to separately represent it or him in the defence of a claim, which shall be at the expense of the Simply Green Group on a solicitor and its or his own client basis if (i) the Simply Green Group does not assume the defence of a claim, (ii) the Simply Green Group agrees to separate representation or (iii) HWS and/or Prosperi is advised by legal counsel that additional defences are available to HWS and/or Prosperi which make representation by the same counsel inappropriate.

#### **8. Survival of Terms and Termination**

This engagement shall take effect upon the execution of this Agreement and may be terminated by a written notice to that effect upon not less than ten (10) days' written notice to that effect, provided that the obligation of the Simply Green Group to indemnify HWS, to pay any amounts due to HWS pursuant to this Agreement, including fees, expenses and tax, shall survive the completion of the HWS engagement hereunder or other termination of this Agreement. HWS acknowledges and agrees that this engagement may be terminated by the Monitor, for and on behalf of the Simply Green Group, pursuant to the powers granted to the Monitor in a Court order in the Proceedings.

#### **9. Confidentiality**

It is HWS' policy to hold in confidence the affairs of its clients. Therefore, HWS will not use any information disclosed to it by or on behalf of the Simply Green Group that would reasonably be expected to be treated as confidential in connection with the services to be provided hereunder and will not disclose such confidential information to any third party or to any of its affiliates, employees or advisors and will not use or make available to the Simply Green Group confidential information that HWS has obtained from any other client or that HWS may have developed or obtained in connection with its other activities.

#### **10. Other Activity**

The Simply Green Group acknowledges that Prosperi serves as a director of a number of other corporations which are not directly competitive with the Simply Green Group and that HWS provides services to other clients, including, on occasion, in the role as chief restructuring officer. HWS confirms that these other activities will not interfere with the ability of HWS or Prosperi to provide the services contemplated by this Agreement.

## 11. Other Matters

This Agreement will enure to the benefit of and be binding upon HWS and its successors and assigns. This Agreement shall be governed by and construed in accordance the laws of the Province of Ontario and HWS hereby irrevocably attorns to the jurisdiction of the Courts of the Province of Ontario. All financial references in this Agreement are denominated in Canadian dollars. If any provision hereof shall be determined to be invalid or unenforceable in any respect, such determination shall not affect such provision in any other respect or any other provision hereof. Headings are used for convenience of reference only and shall not affect the interpretation hereof. This Agreement may not be assigned by HWS.

HWS confirms and agrees that, insofar as may be relevant to the services, transactions and other matters contemplated in this Agreement, it shall not, and shall ensure that its directors, officers, employees, affiliates, agents, representatives and any other person who performs services for or on its behalf shall not, offer, give or agree to give, or request, accept or agree to accept, from any person or entity, whether for itself or on behalf of another, any gift, payment, consideration or benefit of any kind which constitutes an illegal or corrupt practice under the laws of any jurisdiction relevant to this Agreement.

*Compliance with Laws:* In connection with the services, transactions and other matters contemplated by this Agreement, HWS and its personnel shall comply with all applicable Canadian laws, rules and regulations.

### Notices

All notices or other communications under this letter shall be in writing and e-mailed or delivered by personal delivery

if to HWS or Prosperi:

HWS Consulting Inc.  
90 Allstate Parkway, Suite 600  
Markham, ON  
L3R 6H3

Attention: Josef Prosperi  
Email: [jprosperi04@gmail.com](mailto:jprosperi04@gmail.com)

Notices and communications shall be effective when e-mailed or delivered as the case may be or, if such day is not a business day, on the first business day thereafter.

By signing and returning the attached duplicate copy of the letter the undersigned acknowledges it will thereupon become a binding agreement. Prosperi's acknowledgement below is provided to confirm his personal understanding of the terms of this Agreement. This Agreement may be executed in counterparts and delivered by email or telecopy.

Yours very truly,

**HWS Consulting Inc.**

by: \_\_\_\_\_  
**Josef Prosperi, President**

**ACKNOWLEDGED AND AGREED BY:**

\_\_\_\_\_  
**Josef Prosperi**

**SIMPLY GREEN HOME SERVICES CORP.;**  
**SIMPLY GREEN HOME SERVICES INC.;**  
**CROWN CREST CAPITAL MANAGEMENT**  
**CORP.;**  
**CROWN CREST FUNDING CORP.;**  
**CROWN CREST FINANCIAL CORP.;** and  
**CROWN CREST CAPITAL TRUST**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**This is Exhibit “BB”  
to the Affidavit of Michael Lombard sworn  
remotely before me on November 6, 2023**

DocuSigned by:  
*Katherine Yurkovich*

RF136400C72D4E9

---

A commissioner for taking affidavits

## Contact

[www.linkedin.com/in/joe-prosperi-83117428](https://www.linkedin.com/in/joe-prosperi-83117428) (LinkedIn)

## Top Skills

Business Strategy  
Private Equity  
Venture Capital

# Joe Prosperi

Co-founder and Director, Capital Health Partners  
Canada

## Summary

An experienced private equity investment professional with a diverse and broad range of Board level relationships with leading North American companies across a range of industries

---

## Experience

Capital Health Partners  
Co-founder and Director  
July 2023 - Present (5 months)  
Toronto, Ontario, Canada

Medical Pharmacies Group Limited  
10 years 8 months  
Chief Financial Officer  
January 2021 - October 2023 (2 years 10 months)

Chief Restructuring Officer  
January 2019 - October 2023 (4 years 10 months)  
Toronto, Ontario, Canada

Member Board Of Directors  
March 2013 - April 2020 (7 years 2 months)

Clearspring Capital Partners  
Partner  
May 2013 - January 2019 (5 years 9 months)  
Investment Management

Beringer Capital  
Managing Director  
September 2009 - April 2013 (3 years 8 months)

Ontario Teachers' Pension Plan  
Managing Director

March 1999 - July 2009 (10 years 5 months)

Toronto, Ontario, Canada

One of initial members of Teachers Private Capital that built a small team based in Toronto to a global platform of broadly diversified private equity investments

### CTV Globemedia

Member Board Of Directors

June 2007 - April 2009 (1 year 11 months)

Toronto, Ontario, Canada

Chair of Compensation Committee

### GNC

Member Board Of Directors

May 2007 - April 2009 (2 years)

Pittsburgh, Pennsylvania, United States

Member of Audit Committee

### SERTA MATTRESS CO

Member Board Of Directors

May 2005 - April 2009 (4 years)

Chicago, Illinois, United States

### Osprey Media Group Inc

Member Board Of Directors

June 2001 - June 2008 (7 years 1 month)

Markham, Ontario, Canada

Member of Compensation Committee

### Trimac Transportation

Member Board Of Directors

May 2001 - April 2008 (7 years)

Member of Compensation Committee and Audit Committee

---

## Education

### McGill University

Master of Business Administration - MBA, Accounting and

Finance · (1996 - 1998)

ICD - Rotman Directors Education Program (DEP)  
· (2005)

Wilfrid Laurier University  
Bachelor of Arts - BA, Economics

**This is Exhibit "CC"  
to the Affidavit of Michael Lombard sworn  
remotely before me on November 6, 2023**

DocuSigned by:  
*Katherine Yurkovich*  
BF136400C72D4F9...

---

A commissioner for taking affidavits

## DIP FACILITY TERM SHEET

**Dated: As of November 9, 2023**

**WHEREAS** the Borrowers (as defined below) are parties to various financing arrangements with Peoples Trust Company (“**PTC**” or the “**DIP Lender**” as defined below, as the context dictates), as lender;

**AND WHEREAS** the Borrowers require and PTC is willing to provide it with further loans to fund the Borrowers restructuring efforts pursuant to a debtor-in-possession financing in the context of insolvency proceedings under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) (the “**CCAA Proceedings**”) under the jurisdiction of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”);

**AND WHEREAS**, subject to the terms and conditions contained herein (this “**Agreement**”), the parties hereto have agreed to the terms and conditions set out below;

**NOW THEREFORE**, the parties, in consideration of the foregoing and the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged), agree as follows:

- 1. DEFINITIONS** Capitalized terms used but not otherwise defined herein shall have the meanings given to them on **Schedule “A”** hereto.
- 2. BORROWERS** Simply Green Home Services Corp., Crown Crest Capital Management Corp., Crown Crest Funding Corp. in both its personal capacity and in its capacity as trustee of the Crown Crest Capital Trust, Crown Crest Financial Corp., Simply Green Home Services Inc. (the “**Borrowers**”, and each a “**Borrower**”).
- 3. GUARANTORS** Each Borrower (in accordance with Section “Borrowers’ Guarantee” below) and Marble Amalco Inc. (collectively, the “**Guarantors**”).  
  
The Guarantors hereby guarantee in favour of the DIP Lender the payment and performance of all Obligations of the Borrowers under or in connection with the DIP Facility.
- 4. DIP LENDER** Peoples Trust Company.
- 5. JOINT AND SEVERAL** Each of the Borrowers agree, acknowledge and confirm that, at their specific request, the DIP Facility has been made available to all of them, and, in each case, that each individual Borrower’s ability to drawdown the full amount available for DIP Advances under the DIP Facility is not restricted, except as specifically provided for in this Agreement. All covenants, agreements and obligations of the Borrowers contained in this Agreement relating to or in connection with the DIP Facility shall be joint and several covenants, agreements and obligations of each of the Borrowers as co-borrowers, and each of the Borrowers shall be jointly and severally liable for and obligated to repay all Obligations under the DIP Facility, in each case without the necessity of restating the words

“jointly and severally” or “joint and several” in respect thereof. Such joint and several liability is independent of the duties, obligations and liabilities of each other Borrower. Each of the Borrowers waives all benefits of discussion and division among the Borrowers, and each of the Borrowers acknowledges and confirms that the DIP Lender shall have no obligation to pursue any other Borrower, as the case may be, or any Guarantor for all or any part of the Obligations under the DIP Facility before it can recover all such Obligations from it. Each Borrower acknowledges and confirms that it is fully responsible for all such Obligations even though it may not have requested a single DIP Advance.

Each of the Borrower’s liability for payment of the DIP Facility shall be a primary obligation, shall be absolute and unconditional, and shall constitute full recourse obligations of each of the Borrowers, enforceable against each of them to the full extent of their respective assets and properties. Each of the Borrowers expressly waives any right to require the DIP Lender to marshal assets in favour of any Borrower or any other Person or to proceed against any other Borrower or any collateral provided by any Person, and agrees that the DIP Lender may proceed against any Borrower or any collateral in such order as it shall determine in its sole and absolute discretion. To the extent permitted by law, any release or discharge, by operation of law, of any Borrower from the performance or observance of any obligation, covenant or agreement contained in this Agreement shall not diminish or impair the liability of any other Borrower in any respect. Each of the Borrowers unconditionally and irrevocably waives each and every defense, right to discharge, compensation and setoff of any nature which, by statute or under principles of suretyship, guaranty or otherwise, would operate to impair or diminish in any way the obligation of any Borrower under this Agreement, and acknowledges that such waiver is by this reference incorporated into each security agreement, collateral assignment, pledge and/or other document from each Borrower now or later securing the DIP Facility, and acknowledges that as of the date of this Agreement no such defense or setoff exists. Each of the Borrowers waives any and all rights (whether by subrogation, indemnity, reimbursement, or otherwise) to recover from any other Borrower any amounts paid or the value of any Property given by such Borrower pursuant to this Agreement or otherwise until the DIP Facility are irrevocably paid in full in cash.

**6. BORROWER’S  
GUARANTEE**

To the maximum extent permitted by Applicable Law and to the extent that a Borrower is deemed a guarantor, each Borrower unconditionally and absolutely, guarantees payment when due, whether by stated maturity, demand, acceleration or otherwise, of the Obligations and all existing and future indebtedness owing hereunder or in connection with the DIP Facility owed by each other Borrower and expressly waives

any and all defenses now or hereafter arising or asserted by reason of (a) any extension, modification, forbearance, compromise, settlement or variation of any of the terms of the Obligations and the said indebtedness, (b) the discharge or release of any liability of any other Borrower or any other Person now or hereafter liable on the Obligations and the said indebtedness, by reason of bankruptcy or insolvency laws or otherwise, (c) the acceptance or release by the DIP Lender of any collateral, security or other guaranty from any Borrower or any other Person, or any settlement, compromise or extension with respect to any such collateral, security or other guaranty, (d) the avoidance, invalidity or unenforceability of any collateral, security or other guaranty from any Borrower or any other Person, (e) any failure to give any notice, demand, notice of dishonor, protest, presentment or non-payment, or any other notice, (f) any failure to comply with any Applicable Law in connection with any enforcement of any right or remedy against any collateral, security or other guarantee from any Borrower or any other Person, or (g) any action or inaction of the DIP Lender in any insolvency proceeding involving any Borrower or any other Person.

**7. DIP FACILITY**

A non-revolving loan (the “**DIP Facility**”) up to the maximum principal amount of **\$15,000,000.00** (the “**Maximum Amount**”) including an initial advance in an amount of **\$1,100,000.00** (the “**Initial Advance**”).

**8. CURRENCY**

The currency of the DIP Facility shall be Canadian Dollars.

**9. MATURITY DATE**

Unless accelerated by an Event of Default, the DIP Facility shall be paid in full in cash on the date (the “**Maturity Date**”) which is the earliest of:

(a) the date that is one hundred and eighty (180) days from the date of the Initial Advance (or such later date as the DIP Lender in its sole and absolute discretion may agree to in writing with the Borrowers, acting reasonably);

(b) the closing of any sale, lease or other type of transfer transaction of any nature or kind in respect of any and all of the Obligors and/or their respective assets outside of the ordinary course of business;

(c) the date on which (i) the stay of proceedings under the CCAA Proceedings is lifted without the consent of the DIP Lender, or (ii) the CCAA Proceedings are terminated for any reason;

(d) the implementation of a plan of compromise or arrangement within the CCAA Proceedings (a “**Plan**”) which

has been approved by the requisite majorities of the Obligors' creditors and by an order entered by the Court; or

(e) the conversion of the CCAA Proceedings into a proceeding under the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") or into a receivership under the BIA or applicable provincial statute.

The Maturity Date shall be accelerated upon the occurrence of an Event of Default.

The DIP Lender's commitment in respect of the DIP Facility shall expire on the Maturity Date and all amounts outstanding under the DIP Facility including accrued Interest and Legal Fees (collectively, the "**Obligations**") shall be repaid in full on the Maturity Date without the DIP Lender being required to make demand upon the Borrowers or to give notice that the DIP Facility has expired and the Obligations are due and payable.

## 10. AVAILABILITY

Subject to the terms and conditions set forth in this Agreement, the Initial Order and the Restated Initial Order, the DIP Lender will make loans (the "**DIP Advances**"), to the Borrowers under the DIP Facility in an aggregate principal amount not to exceed the Maximum Amount, as follows:

(a) Initial Advance: subject to the provisions hereunder under the heading **CONDITIONS PRECEDENT TO THE DISBURSEMENT OF INITIAL ADVANCE**, upon the issuance of the Initial Order by the Court and the appointment of KPMG Inc. as Monitor therein, the amount of the Initial Advance, or such other lesser amount as may be approved by the Initial Order, will be advanced by the DIP Lender to Simply Green Home Services Inc., on behalf of the Borrowers, including itself, for the purpose of financing the Borrowers' operating requirements and restructuring costs in accordance with the Initial Cash Flow Projections.

(b) Subsequent Advances: subject to the provisions hereunder under the heading **CONDITIONS PRECEDENT TO THE DISBURSEMENT OF DIP ADVANCES (OTHER THAN THE INITIAL ADVANCE)**, and except as may be otherwise agreed in writing by the CRO, the Monitor and the DIP Lender, any further DIP Advances under the DIP Facility (each an "**Additional Advance**") shall be made available to Simply Green Home Services Inc., on behalf of the Borrowers, including itself, by the DIP Lender until the Maturity Date in accordance with the then applicable Cash Flow Projections approved by the DIP Lender in its sole and absolute discretion, from time to time, subject to duly issued orders of the Court.

Unless otherwise agreed to in writing in advance by the DIP Lender in its sole and absolute direction, each Additional Advance shall be made by the DIP Lender to the Borrowers as

soon as practicable (and in any event within five (5) Business Days) after delivery to the DIP Lender of a drawdown certificate executed by the CRO for and on behalf of the Borrowers certifying, *inter alia*, that (i) the advance corresponds with the then applicable Updated Cash Flow Projections for the one week period commencing the Monday following the date of the drawdown certificate, (ii) that there is no Default or Event of Default that has occurred and is continuing, and (iii) that the Borrowers are in compliance with the DIP Credit Documentation and the Restated Initial Order.

Notwithstanding the foregoing, the CRO for and on behalf of the Borrowers shall not be required to submit a drawdown certificate to obtain the Initial Advance, the full amount of which shall be made available to Simply Green Home Services Inc., on behalf of the Borrowers, including itself, by the DIP Lender immediately upon the satisfaction of the conditions precedent listed under the heading **CONDITIONS PRECEDENT TO THE DISBURSEMENT OF INITIAL ADVANCE** hereunder being satisfied by the Borrowers or otherwise waived by the DIP Lender in its sole and absolute discretion.

The Additional Advances shall be permitted to exceed the amount forecasted in the Cash Flow Projections ("**Permitted variance for Advances**") on the following basis: (a) for the first eight weeks immediately following the making of the Restated Initial Order, each Additional Advance shall be permitted to exceed the amount forecasted in the Cash Flow Projections on a weekly basis up to a maximum of 20%; (b) thereafter shall be permitted to exceed the amount forecasted in the Cash Flow Projections on a weekly basis up to a maximum of 15% and not more than 10% of the amount forecasted in the Cash Flow Projections on a cumulative basis ; and (c) in no event shall the cumulative DIP Advances exceed the Maximum Amount.

## 11. ACCOUNT

All DIP Advances shall be deposited into an account acceptable to the Monitor, the CRO and the DIP Lender and withdrawn to pay contemplated expenses under the then applicable Cash Flow Projections and otherwise in accordance with the terms hereof.

## 12. USE OF PROCEEDS AND CASH FLOW PROJECTIONS

The Initial Advance under the DIP Facility shall be used in accordance with the 13 week cash flow projections attached herewith as **Schedule "B"** (the "**Initial Cash Flow Projections**"), which have been prepared by the Monitor for and on behalf of the Borrowers.

The Initial Cash Flow Projections shall be:

(a) updated as of the date of the Restated Initial Order with a revised 13 week cash flow (the "**First Updated Cash Flow Projection**"); and

(b) upon the expiry of the First Updated Cash Flow Projection and each replacement 13 week cash flow thereafter, each shall be updated, in each instance, with a further 13 week cash flow projection (each an “**Updated Cash Flow Projection**” and collectively the “**Updated Cash Flow Projections**”). The Initial Cash Flow Projections together with the Updated Cash Flow Projections shall hereinafter be referred to in the aggregate as the “**Cash Flow Projections**” and individually a “**Cash Flow Projection**”.

Each Updated Cash Flow Projection shall be in form and substance acceptable to the DIP Lender, acting in its sole and absolute discretion, and shall be approved by the DIP Lender in writing.

Where the Obligors, the CRO and/or the Monitor request the amendment of any then applicable Cash Flow Projection any such amendment shall be in form and substance acceptable to the DIP Lender in its sole and absolute discretion and approved by the DIP Lender in writing.

Any Additional Advances shall be used in accordance with the then applicable Cash Flow Projection, in each case, to fund working capital and general corporate needs of the Obligors during, and costs and expenses incurred by the Obligors in connection with, the CCAA Proceedings.

No proceeds of the DIP Advances may be used for any purpose other than in accordance with the Cash Flow Projections except with the prior written consent of the DIP Lender, acting in its sole and absolute discretion.

### **13. INTEREST RATE**

Interest (“**Interest**”) on the principal outstanding amount of the DIP Advances (including the compounded interest referenced below) from the date each such DIP Advance is made (or, in the case of the compounded interest referenced below, the date that such interest is compounded), both before and after maturity, demand, default, or judgment until payment in full at a rate of nine and one half percent (9.5%) per annum, compounded and calculated weekly, shall accrue and be added to the principal amount of the DIP Advances on the first day of each month.

All interest shall be calculated on the basis of a 365-day (or 366 day, as applicable) year, in each case for the actual number of days elapsed in the period during which it accrues.

All payments under or in respect of the DIP Facility shall be made free and clear of any withholding, set-off or other deduction.

If any provision hereof or the DIP Credit Documentation would obligate the Obligors to make any payment of interest or other amount payable to the DIP Lender in an amount or calculated

at a rate which would be prohibited by law or would result in receipt by the DIP Lender of interest at a criminal rate (as construed under the *Criminal Code* (Canada)) then, notwithstanding that provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or result in a receipt by the DIP Lender of interest at a criminal rate.

**14. FEES**

The Borrowers shall pay a commitment fee in the amount of **\$150,000.00** (the “**Fee**”), **\$50,000.00** of which shall be fully earned upon the execution of this Agreement and shall be paid from the Initial Advance and the balance of which shall be fully earned upon the issuance of the Restated Initial Order and paid from the first Additional Advance following the date of the Restated Initial Order. For certainty, the Fee shall be secured by the DIP Lender’s Charge.

**15. COSTS AND EXPENSES**

The Borrowers shall pay, on a bi-weekly basis, all reasonable and documented costs and expenses of the DIP Lender, and all reasonable and documented fees, expenses and disbursements of outside counsel, appraisers, field auditors, and any financial consultant, related to or in connection with the CCAA Proceedings, including, without limitation, reasonable and documented costs and expenses incurred by the DIP Lender in connection with the enforcement of any of the rights and remedies available hereunder.

**16. DIP SECURITY**

All Obligations of the Obligors under or in connection with the DIP Facility and any of the DIP Credit Documentation shall be secured by a Court Ordered Charge on all present and after-acquired personal and real, tangible or intangible property of the Obligors, in each case of any kind or nature whatsoever and wheresoever situated (the “**DIP Lender’s Charge**”) without the need for any further loan or security documentation or any filings or registrations in any public register or system.

**17. CONTINUED PAYMENT OF INTEREST UNDER FACILITIES**

At all times after the Restated Initial Order, each applicable Obligor hereby agrees that any and all interest and fees due and payable and/or accruing under debt credit facilities, as the case may be, listed on Schedule “C” hereto (each a “**Facility Payment**” and collectively the “**Facility Payments**”) shall be paid in accordance with the terms and conditions thereof and in the ordinary course by each such Obligor.

**18. CONDITIONS PRECEDENT TO THE DISBURSEMENT OF INITIAL ADVANCE**

The DIP Lender’s obligation to make the Initial Advance hereunder is subject to, and conditional upon, the satisfaction of all of the following conditions precedent:

- a) PTC’s application for the issuance of an initial order under the CCAA (in form and substance satisfactory to the DIP Lender, acting reasonably, the “**Initial Order**”)

shall have been brought before the Court no later than November 3, 2023;

- b) the form of Initial Order shall be in form and substance satisfactory to the DIP Lender, in its sole and absolute discretion;
- c) Marble Amalco Inc. shall have authorized, executed and delivered to the DIP Lender a guarantee of all of the obligations of the Borrowers under this Agreement;
- d) KPMG Inc. shall have been appointed as the Monitor pursuant to the Initial Order;
- e) a chief restructuring officer (the "CRO"), acceptable to the DIP Lender in its sole and absolute discretion, shall be appointed as CRO of each of the Borrowers pursuant to the Initial Order on such terms and with such powers and responsibilities as are acceptable to the DIP Lender in its sole and absolute discretion;
- f) the Initial Order (i) shall have been issued by the Court authorizing and approving the Initial Advance under the DIP Facility and granting the DIP Lender's Charge in respect of the Initial Advance, and (ii) shall be in full force and effect and shall have not been stayed, reversed, vacated, rescinded, modified or amended in any respect adversely affecting the DIP Lender, unless otherwise agreed by the DIP Lender, acting reasonably;
- g) except to the extent not permitted by the CCAA, the DIP Lender's Charge shall have priority over all Liens granted by the Obligors against any of the undertakings, property or assets of the Obligors (collectively, the "Property") except for an administrative charge on the Property in an aggregate amount not to exceed \$250,000 under the Initial Order, which amount shall be increased to \$1,500,000 under the Restated Initial Order (the "**Administrative Charge**"); and
- h) the Initial Cash Flow Projections shall be acceptable to the DIP Lender, in its reasonable discretion.

**19. CONDITIONS PRECEDENT TO THE DISBURSEMENT OF DIP ADVANCES (OTHER THAN THE INITIAL ADVANCE)**

The DIP Lender's obligation to make any Additional Advances hereunder is subject to, and conditional upon, the satisfaction of all of the following conditions precedent:

- a) PTC's application for the Restated Initial Order shall be brought before the Court no later than November 10, 2023, on notice to such parties as are acceptable to the DIP Lender, acting reasonably;

- b) an order amending and restating the Initial Order, in form and substance acceptable to the DIP Lender, in its sole and absolute discretion, shall have been issued by the Court authorizing and approving the increase to the DIP Facility and granting the DIP Lender's Charge (the "**Restated Initial Order**") and the Restated Initial Order shall be in full force and effect and shall have not been stayed, reversed, vacated, rescinded, modified or amended in any respect adversely affecting the DIP Lender, unless otherwise agreed by the DIP Lender, acting reasonably;
- c) the DIP Lender's Charge shall have priority over all Liens granted by the Obligors against any of the undertaking, property or assets of the Obligors except for the Administrative Charge;
- d) all amounts requested for a particular Additional Advance shall be consistent with the Updated Cash Flow Projections for the applicable period, or otherwise expressly agreed by the DIP Lender in advance;
- e) following the issuance of the Restated Initial Order, each Facility Payment due shall have been paid in full;
- f) the Obligors shall have confirmed in writing to the DIP Lender that, subject to the Initial Order or the Restated Initial Order, as applicable, the transactions contemplated by this Agreement and the other DIP Credit Documentation (i) are within the powers of the Obligors, (ii) constitute legal, valid and binding obligations of the Obligors, and (iii) do not require the consent or approval of, registration or filing with, or any other action by, any governmental authority, other than filings which may be made to register or otherwise record the DIP Lender's Charge or any security granted pursuant to the DIP Credit Documentation; and
- g) no Default or Event of Default shall have occurred and be continuing.

Each of the Obligors agrees to indemnify and hold harmless the DIP Lender, its officers, directors, employees, representatives, advisors, solicitors and agents (collectively, the "**Indemnified Persons**") from and against any and all actions, lawsuits, proceedings (including any investigations or inquiries), claims, losses, damages, liabilities or expenses of any kind or nature whatsoever which may be incurred by or suited against or involve any of the Indemnified Persons as a result of, in connection with or in any way related to the DIP Facility, this Agreement, or the DIP Credit Documentation, except to the extent that such actions, lawsuits, proceedings,

claims, losses, damages, liabilities or expenses result from the gross negligence or willful misconduct of such Indemnified Persons.

**20. INTENTIONALLY  
DELETED**

Intentionally Deleted.

**21. AFFIRMATIVE  
COVENANTS**

Each of the Obligors covenants and agrees to do the following:

- a) comply with the Cash Flow Projections, including making payments when scheduled to be made in accordance with the Cash Flow Projections, and their reporting and other obligations to deliver financial information to the DIP Lender hereunder; provided that, such reporting and financial information shall be prepared and delivered under the supervision of the Monitor;
- b) allow the DIP Lender, its designated representatives and financial advisors full access to the operations, books and records of the Obligors on reasonable notice and during normal business hours and cause management thereof to fully cooperate with any advisors to the DIP Lender;
- c) use the proceeds of the DIP Facility only for the purposes set out herein;
- d) comply with the provisions of the Court orders made in the CCAA Proceedings;
- e) provide the DIP Lender with draft copies of all motions, applications, proposed orders or other material or documents that any of them intends to file within the CCAA Proceedings at least three (3) days prior to any service of such materials or, where it is not practically possible to do so at least three days prior to any such service, as soon as possible prior to such service;
- f) maintain all licenses required for the operation of their business in good standing;
- g) any Court orders issued in the CCAA Proceedings shall be in a form satisfactory to the DIP Lender, in its sole and absolute discretion;
- h) subject to any Court ordered limitations and appropriate confidentiality restrictions to the extent the DIP Lender participates in any future sale and investment solicitation process in respect of the Obligors as a bidder, use all reasonable efforts to keep the DIP Lender apprised on a timely basis of all developments with respect to the business and affairs

of the Obligors and with respect any such sale and investment solicitation process;

- i) deliver to the DIP Lender the First Updated Cash Flow Projection concurrently with granting of the Restated Initial Order and thereafter each successive replacement Updated Cash Flow Projection immediately upon expiry of the First Updated Cash Flow Projection and each replacement thereof, as the case may be;
- j) deliver to the DIP Lender by no later than 5:00 p.m. (Toronto time) on Thursday of each week (or, if an applicable Thursday is not a Business Day, the following Business Day), a reconciliation of actual cash flow of the Obligors compared to the then applicable Cash Flow Projections) including applicable bank reconciliations;
- k) maintain all insurance with respect to the Property in existence as of the date hereof;
- l) forthwith notify the DIP Lender of any event or circumstance that, with the passage of time, may constitute an Event of Default;
- m) forthwith notify the DIP Lender of the occurrence of any Event of Default, or of any event or circumstance that may constitute a material adverse change from the Cash Flow Projections;
- n) duly and punctually pay or cause to be paid to the DIP Lender all principal and interest payable by it under this Agreement and under any other DIP Credit Documentation on the dates, at the places and in the amounts and manner set forth herein;
- o) comply in all respects with all Applicable Laws, including (i) conducting its business operations in each jurisdiction in which each such business is being carried on, and (ii) paying when due its obligations for payroll, employee source deductions, sales taxes, and value added taxes; and
- p) comply in all material respects with their obligations under the DIP Credit Documentation.

## **22. NEGATIVE COVENANTS**

Each of the Obligors covenants and agrees not to do the following, other than with the prior written consent of the DIP Lender acting in its sole and unfettered discretion:

- a) sell, assign, transfer, lease or otherwise dispose of all or any part of its assets, tangible or intangible, outside the ordinary course of business, except for the

disposition of any obsolete equipment or other assets or as permitted under the Initial Order or Restated Initial Order, or pursuant to any sale and investment solicitation process approved in the CCAA Proceedings;

- b) make any payment of principal or interest in respect of existing (pre-filing date) indebtedness except for the Facility Payments and except as contemplated by the Cash Flow Projections or as permitted under the Initial Order or Restated Initial Order, or declare or pay any dividends;
- c) create or permit to exist indebtedness for borrowed money other than existing (pre-filing date) debt, debt contemplated by this DIP Facility and post-filing trade payables incurred in the ordinary course of business;
- d) create or permit to exist any Liens on any of the Property other than Permitted Liens;
- e) enter into or agree to enter into any investments (other than cash equivalents) or acquisitions of any kind, direct or indirect, in any business;
- f) assume or otherwise agree to be bound by any contingent liabilities or provide any guarantee or financial assistance to any Person;
- g) transfer, distribute, lend or otherwise provide any funds (whether arising from DIP Advances or otherwise) to any Affiliate unless such Affiliate is an Obligor;
- h) enter into any amalgamation, reorganization, liquidation, dissolution, winding-up, merger or other transaction or series of transactions whereby, directly or indirectly, all or any significant portion of the undertaking, property or assets of any Obligor would become the property of any other Person or Persons unless authorized by the DIP Lender;
- i) other than the Court Ordered Charges, seek or support a motion by another party to provide to a third party a charge upon any Property (including, without limitation, a critical supplier's charge) without the prior consent of the DIP Lender;
- j) amend or seek to amend the Initial Order or the Restated Initial Order;

- k) terminate or repudiate any agreement with the DIP Lender, solely in its capacity as lender under the DIP Facility;
- l) seek or obtain any order from the Court that materially adversely affects the DIP Lender, except with the prior written consent of the DIP Lender acting in its sole and absolute discretion; and
- m) disclaim any lease or agreement pursuant to section 32 of the CCAA, which is material to the business and operations of the Borrowers.

### 23. EVENTS OF DEFAULT

The occurrence of any one or more of the following events shall constitute an event of default ("**Event of Default**") under this Agreement:

- a) failure of the Borrowers to pay principal or interest when due under this Agreement or any other DIP Credit Documentation;
- b) following the issuance of the Restated Initial Order, failure to make any Facility Payment when due;
- c) any other breach by any Obligor in the observance or performance of any provision, covenant (affirmative or negative) or agreement contained in this Agreement, provided, that, in the case of a breach of any affirmative covenant, such breach remains unremedied for longer than three (3) Business Days following receipt of notice thereof;
- d) if the CRO is not appointed pursuant to the Restated Initial Order on such terms and with such powers and responsibilities as are acceptable to the DIP Lender in its sole and absolute discretion;
- e) if KPMG Inc. ceases to serve as Monitor;
- f) if the CRO is terminated or resigns once appointed;
- g) if the Borrowers fail to cooperate with the CRO once appointed;
- h) if the total cumulative disbursements and receipts pursuant to the Cash Flow Projections are: (i) at any time during the first 8 weeks of the CCAA Proceedings, greater than 20% of (the cumulative budget confirmed in the applicable Cash Flow Projections; and (ii) thereafter, greater than 15% off the cumulative budget confirmed in the applicable Cash Flow Projections, in each case measured on a weekly basis;

- i) (i) any order shall be entered reversing, amending, varying, supplementing, staying, vacating or otherwise modifying in any respect in a manner materially affecting the DIP Lender without the prior written consent of the DIP Lender, (ii) either the Initial Order or the Restated Initial Order shall cease to be in full force and effect in a manner that has a material adverse effect on the interests of the DIP Lender, or (iii) any Borrower shall fail to comply in any material respect that has an adverse effect on the interests of the DIP Lender with any order granted by the Court in the CCAA Proceedings;
- j) this Agreement or any other DIP Credit Documentation shall cease to be effective or shall be contested by an Obligor;
- k) any order is issued by the Court (or any other court of competent jurisdiction) that materially adversely affects the DIP Lender;
- l) the CCAA Proceedings are terminated or converted to bankruptcy proceeding or any order is granted by the Court (or any court of competent jurisdiction) granting relief from the stay of proceedings during the CCAA Proceedings (as extended from time to time until the Maturity Date), unless agreed by the DIP Lender, acting reasonably;
- m) any Plan is filed or sanctioned by the Court in a form and in substance that is not acceptable to the DIP Lender if such Plan does not either provide for the repayment of the obligations, in their entirety, including compounded interest added to the principal, under the DIP Facility in full by the Maturity Date;
- n) any of the Obligors makes any material payments of any kind not permitted by this Agreement, the Cash Flow Projections or any order of the Court;
- o) DIP Advances exceed the Permitted Variance for DIP Advances; and/or
- p) borrowings under the DIP Facility exceed the Maximum Amount.

## **24. REMEDIES**

Upon the occurrence and continuance of an Event of Default, subject to the DIP Credit Documentation, the DIP Lender may, upon written notice to the Borrowers and the Monitor:

- a) terminate the DIP Facility;
- b) on prior written notice to the Obligors and the service list of no less than four (4) Business Days, apply to the

Court for the appointment of an interim receiver or a receiver and manager of the Property or for the appointment of a trustee in bankruptcy of the Obligors;

- c) exercise the powers and rights of a secured party under any legislation; and
- d) exercise all such other rights and remedies under the DIP Credit Documentation and Orders of the Court in the CCAA Proceedings.

**25. DIP LENDER APPROVALS**

All consents of the DIP Lender hereunder shall be in its sole and absolute discretion and shall be in writing. Any consent, approval, instruction or other expression of the DIP Lender to be delivered in writing may be delivered by any written instrument, including by way of electronic mail.

**26. FURTHER ASSURANCES**

The Obligors shall at their expense, from time to time do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits, reports and opinions) and things as the DIP Lender may reasonably request for the purpose of giving effect to this Agreement and the DIP Lender's Charge, perfecting, protecting and maintaining the Liens created by the DIP Lender's Charge or establishing compliance with the representations, warranties and conditions of this Agreement or any other DIP Credit Documentation.

**27. ENTIRE AGREEMENT**

This Agreement, including the Schedules hereto and the DIP Credit Documentation, constitutes the entire agreement between the parties relating to the subject matter hereof. To the extent that there is any inconsistency between this Agreement and any of the other DIP Credit Documentation, this Agreement shall govern. Neither this Agreement nor any other DIP Credit Documentation, nor any terms hereof or thereof, may be amended, unless such amendment is in writing signed by the Obligors and the DIP Lender.

**28. AMENDMENTS, WAIVERS, ETC.**

No waiver or delay on the part of the DIP Lender in exercising any right or privilege hereunder or under any other DIP Credit Documentation will operate as a waiver hereof or thereof unless made in writing and signed by an authorized officer of the DIP Lender. Any consent to be provided by the DIP Lender shall be granted or withheld solely in its capacity, and having regard to its interests, as DIP Lender.

**29. ASSIGNMENT**

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. The Obligors may not assign their rights and obligations under this Agreement without the written consent of the DIP Lender. The DIP Lender's rights and obligations under this Agreement are fully assignable, to an Affiliate of the DIP Lender without the consent of (but with prior

notice to) the Obligors. In addition, the DIP Lender's rights and obligations under this Agreement are assignable, with the consent of the Obligors, acting reasonably, before an Event of Default to any other entity, and are freely assignable, without the consent of the Obligors (but with prior notice to), after an Event of Default has occurred and is continuing. Each of the Obligors hereby consents to the disclosure of any confidential information in respect of the Borrowers to any potential assignee provided such potential assignee agrees in writing to keep such information confidential. A copy of all notices delivered pursuant to this section shall be delivered promptly to the Monitor.

**30. SEVERABILITY**

Any provision in any DIP Credit Documentation which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof and thereof or affecting the validity or enforceability of such provision in any other jurisdiction.

**31. PRESS RELEASES**

The Borrowers shall not issue any press releases or other public disclosure, other than Court documents approved in the manner set out herein, naming the DIP Lender without its prior approval, acting reasonably, unless the Borrowers are required to do so by applicable securities laws or other Applicable Law.

**32. COUNTERPARTS AND  
FACSIMILE SIGNATURES**

This Agreement may be executed in any number of counterparts and by facsimile or e-mail transmission, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this Agreement by signing any counterpart of it.

**33. NOTICES**

Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by electronic mail to the attention of the person as set forth below:

In the case of the DIP Lender:

**Peoples Trust Company**  
95 Wellington Street West, Suite 1310  
Toronto, ON, M5J 2N7

Attention: Michael Lombard  
Email: [michaell@peopletrust.com](mailto:michaell@peopletrust.com) /  
[anneb@peoplesgroup.com](mailto:anneb@peoplesgroup.com)

With a copy to:

**Gowling WLG (Canada) LLP**  
1 First Canadian Place  
100 King Street West, Suite 1600  
Toronto, ON M5X 1G5

Attention: David F.W. Cohen  
Email: [david.cohen@gowlingwlg.com](mailto:david.cohen@gowlingwlg.com); /  
[clifton.prophet@gowlingwlg.com](mailto:clifton.prophet@gowlingwlg.com) /  
[thomas.gertner@gowlingwlg.com](mailto:thomas.gertner@gowlingwlg.com)

In the case of the CRO on behalf of the Obligors:

**Simply Green Home Services Corp,  
Simply Green Home Services Inc.,  
Crown Crest Capital Management Corp.,  
Crown Crest Funding Corp. as trustee of the Crown  
Crest Capital Trust,  
Crown Crest Financial Corp., and**

2225 Sheppard Ave E Suite 800  
Toronto, ON M2J 5C2

Attention: Joseph Proseri  
Email: [jproseri04@gmail.com](mailto:jproseri04@gmail.com)

In either case, with a copy to the Monitor:

**KPMG Inc.**  
Bay Adelaide Centre  
333 Bay Street, Suite 4600  
Toronto, Ontario  
M5H 2S5

Attention: Huey Lee / Pritesh Patel  
Email: [hueylee@kpmg.ca](mailto:hueylee@kpmg.ca) / [pritchpatel@kpmg.ca](mailto:pritchpatel@kpmg.ca)

In either case, with a copy to the Monitor's counsel:

**Osler Hoskin & Harcourt LLP**  
First Canadian Place, 100, 1 King St W  
Suite 6200,  
Toronto, ON M5X 1B8

Attention: Marc Wasserman / Martino Calvaruso  
Email : [mwasserman@osler.com](mailto:mwasserman@osler.com) / [mcalvaruso@osler.com](mailto:mcalvaruso@osler.com)

#### **34. GOVERNING LAW AND JURISDICTION**

This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each of the Obligors irrevocably submits to the non-exclusive courts of the Province of Ontario, waives any objections on the ground of venue or forum *non conveniens* or any similar grounds, and

consents to service of process by mail or in any other manner permitted by relevant law.

**35. NO LIABILITY**

In carrying out the terms of this Agreement and the other DIP Credit Documentation and in taking any action or inaction hereunder or thereunder on its own behalf or for and on behalf of the Obligors (including, for certainty, in executing this Agreement and any other DIP Credit Documentation for and on behalf of the Obligors), (i) the Monitor and the CRO shall benefit from all the protections given to it by the CCAA, including the Initial Order, the Restated Initial Order and any other Order in the CCAA Proceedings, and as an officer of the Court, including the stay of proceedings granted in the CCAA Proceedings, in its favour; and (ii) the Monitor and the CRO shall incur no liability or obligation whatsoever, including with respect to any losses, claims, damages, indemnities or other liabilities or obligations, of any nature or kind, to any Person, except to the extent the foregoing directly result from the gross negligence or wilful misconduct on its part. No reference to "Obligor" herein shall be interpreted to include the Monitor, in its personal or corporate capacity.

**[REMAINDER OF PAGE INTENTIONALLY BLANK]**

**IN WITNESS HEREOF**, the parties hereby execute this Agreement as of the date first written above.

**SIMPLY GREEN HOME SERVICES CORP.;**  
**SIMPLY GREEN HOME SERVICES INC.;**  
**CROWN CREST CAPITAL MANAGEMENT**  
**CORP.;**  
**CROWN CREST FUNDING CORP. IN BOTH**  
**ITS PERSONAL CAPACITY AND IN ITS**  
**CAPACITY AS TRUSTEE OF THE CROWN**  
**CREST CAPITAL TRUST; and**  
**CROWN CREST FINANCIAL CORP;**

**BY JOSEPH PROSPERI, SOLELY IN HIS**  
**CAPACITY AS COURT-APPOINTED CHIEF**  
**RESTRUCTURING OFFICER OF EACH OF**  
**THE ABOVE AND NOT IN HIS PERSONAL**  
**CAPACITY, PURSUANT TO THE**  
**AUTHORITY GRANTED BY THE INITIAL**  
**ORDER OF THE ONTARIO SUPERIOR**  
**COURT OF JUSTICE (COMMERCIAL LIST)**  
**DATED NOVEMBER \_\_\_\_\_, 2023**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

**PEOPLES TRUST COMPANY**

By: \_\_\_\_\_  
Name:  
Title:

By: \_\_\_\_\_  
Name:  
Title:

ACKNOWLEDGED AND AGREED AS OF \_\_\_\_\_ BY:

**SIMPLY GREEN HOME SERVICES CORP.;**  
**SIMPLY GREEN HOME SERVICES INC.;**  
**CROWN CREST CAPITAL MANAGEMENT**  
**CORP.;**  
**CROWN CREST FUNDING CORP. IN BOTH**  
**IN ITS PERSONAL CAPACITY AND ITS**  
**CAPACITY AS TRUSTEE OF THE CROWN**  
**CREST CAPITAL TRUST; and**  
**CROWN CREST FINANCIAL CORP.**

**BY KPMG INC., SOLELY IN ITS CAPACITY**  
**AS COURT-APPOINTED MONITOR OF**  
**EACH OF THE ABOVE AND NOT IN ITS**  
**PERSONAL CAPACITY, PURSUANT TO THE**  
**AUTHORITY GRANTED BY THE INITIAL**  
**ORDER OF THE ONTARIO SUPERIOR**  
**COURT OF JUSTICE (COMMERCIAL LIST)**  
**DATED NOVEMBER \_\_\_\_\_, 2023**

By: \_\_\_\_\_  
Name:  
Title:

**MARBLE AMALCO INC.**

By: \_\_\_\_\_  
Name:  
Title:

## SCHEDULE "A"

### Additional Definitions

**"Affiliate"** means, in respect of any Person at any date, (a) any corporation, company, limited liability company, association, joint venture or other business entity of which securities, membership interests or other ownership interests representing fifty percent (50%) or more of the voting power of all equity interests are owned or held, directly or indirectly, by such Person, (b) any partnership, limited liability company or joint venture wherein the general partner, managing partner or operator is, directly or indirectly, such Person, or (c) any other Person that is otherwise directly or indirectly controlled by such Person.

**"Applicable Laws"** means all federal, provincial, municipal and local laws, statutes, regulations, codes, acts, permits, licenses, ordinances, orders, by-laws, guidelines, notices, protocols, policies, directions and rules and regulations, including those of any governmental or other public authority, which may now, or at any time hereafter, govern, be applicable to or enforceable against or in respect of the Obligors, the operation of their business or their property, as the case maybe.

**"Business Day"** means a day on which banks in Toronto, Ontario are open for business.

**"Court Ordered Charges"** means the Administrative Charge and the DIP Lender's Charge.

**"Default"** means any Event of Default or any condition or event which, after notice or lapse of time or both, would constitute an Event of Default.

**"DIP Credit Documentation"** means this Agreement, the orders of the Court approving it and any other definitive documentation in respect of the DIP Facility that are in form and substance satisfactory to the DIP Lender.

**"Legal Fees"** means all reasonable and documented legal fees that the DIP Lender will have to pay to its legal counsel in connection with any and all tasks related to this Agreement, the orders of the Court, the DIP Facility or the DIP Credit Documentation.

**"Liens"** means all mortgages, pledges, charges, encumbrances, hypothecs, liens and security interests of any kind or nature whatsoever.

**"Monitor"** means KPMG Inc.

**"Obligors"** means the Borrowers and the Guarantors.

**"Permitted Liens"** means (i) the Court Ordered Charges, and (ii) liens, if any, in respect of amounts payable by an Obligor for wages, vacation pay, deductions, sales tax, excise tax, tax payable pursuant to Part IX of the *Excise Tax Act* (Canada), income tax and workers compensation claims.

**"Person"** means an individual, partnership, corporation (including a business trust), joint venture, limited liability company or other entity, or governmental authority.

**"Plan"** means the implementation of a plan of compromise or arrangement within the CCAA proceedings which has been approved by the requisite majorities of the Borrowers' creditors and by order entered by the Court and by the DIP Lender.

**SCHEDULE "B"**

**Initial Cash Flow Projections**

(see attached)

## **SCHEDULE "C"**

### **Debt Credit Facilities**

1. Convertible Debenture in the principal amount of \$10,000,000 issued by Simply Green Home Services Corp., as guaranteed by Crown Crest Financial Corp., dated January 19, 2018.
2. Warehouse Agreement between Simply Green Home Services Inc., as borrower, 2775996 Ontario Inc., as guarantor, and PTC, as lender, dated April 21, 2021.
3. Third Amended and Restated Warehouse Agreement between Crown Crest Funding Corp. in its capacity as trustee of Crown Crest Capital Trust, as borrower, Crown Crest Capital Management Corp., as guarantor, and PTC, as lender, dated January 1, 2023.
4. Fourth Amended and Restated Warehouse Agreement between Crown Crest Funding Corp. in its capacity as trustee of Crown Crest Capital Trust, as borrower, Crown Crest Capital Management Corp., as guarantor, and PTC, as lender, dated January 1, 2023.
5. Fifth Amended and Restated Convertible Debenture in the principal amount of \$1,467,162.88 issued by Simply Green Home Services Corp., as guaranteed by Crown Crest Financial Corp., dated June 23, 2020

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT*  
*ACT*, R.S.C. 1985, c.C-36 AS AMENDED

Court File No.

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF CROWN CREST CAPITAL MANAGEMENT CORP.,  
CROWN CREST FINANCIAL CORP., CROWN CREST FUNDING CORP.,  
SIMPLY GREEN HOME SERVICES INC., SIMPLY GREEN HOME  
SERVICES CORP., AND CROWN CREST CAPITAL TRUST

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

Proceeding commenced at Toronto

**AFFIDAVIT OF MICHAEL LOMBARD**  
**(Sworn November 6, 2023)**

**GOWLING WLG (CANADA) LLP**

Barristers & Solicitors  
1 First Canadian Place  
100 King Street West, Suite 1600  
Toronto ON M5X 1G5

David F.W. Cohen (33195Q)  
[david.cohen@gowlingwlg.com](mailto:david.cohen@gowlingwlg.com)

Clifton P. Prophet (34845K)  
[clifton.prophet@gowlingwlg.com](mailto:clifton.prophet@gowlingwlg.com)

Thomas Gertner (67756S)  
[thomas.gertner@gowlingwlg.com](mailto:thomas.gertner@gowlingwlg.com)

Tel: (416) 862-7525

Lawyers for Peoples Trust Company, the Applicant

# **TAB 3**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**THE HONOURABLE MADAM                    )                                            **THURSDAY, THE 9TH**  
                                                          )                                              
**JUSTICE B. CONWAY                        )                                            **DAY OF NOVEMBER, 2023******

**IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF CROWN CREST CAPITAL  
MANAGEMENT CORP., CROWN CREST FINANCIAL  
CORP., CROWN CREST FUNDING CORP., SIMPLY  
GREEN HOME SERVICES INC., SIMPLY GREEN HOME  
SERVICES CORP., AND CROWN CREST CAPITAL TRUST**

**PEOPLES TRUST COMPANY**

**Applicant**

**AND**

**CROWN CREST CAPITAL MANAGEMENT CORP.,  
CROWN CREST FINANCIAL CORP., CROWN CREST  
FUNDING CORP., SIMPLY GREEN HOME SERVICES  
INC., SIMPLY GREEN HOME SERVICES CORP., AND  
CROWN CREST CAPITAL TRUST**

**Respondents**

**INITIAL ORDER**

**THIS APPLICATION**, made by Peoples Trust Company (“**PTC**” or the “**Applicant**”), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) was heard this day at 330 University Avenue, Toronto, Ontario via videoconference.

**ON READING** the affidavit of Michael Lombard sworn November 6, 2023 and the Exhibits thereto (the “**Lombard Affidavit**”), the consent of KPMG Inc. (“**KPMG**” or the “**Monitor**”) to act as Monitor; the pre-filing report of KPMG (the “**Pre-Filing Report**”) in its capacity as proposed Monitor of Crown Crest Capital Management Corp., Crown Crest Financial Corp., Crown Crest Funding Corp., Simply Green Home Services Inc., Simply Green Home Services Corp., and Crown Crest Capital Trust (collectively, the “**Respondents**”), and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice of this application, and on hearing the submissions of counsel for PTC, counsel for the Respondents, counsel for KPMG, and those other parties listed on the counsel slip, no other party although duly served as appears from the affidavit of service of [NAME] sworn [DATE],

#### **SERVICE**

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

#### **APPLICATION**

2. **THIS COURT ORDERS AND DECLARES** that the Respondents are companies to which the CCAA applies.

#### **POSSESSION OF PROPERTY AND OPERATIONS**

3. **THIS COURT ORDERS** that the Respondents shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”). Subject to further Order of this Court, the Respondents shall continue to carry on business in a manner consistent with the preservation of their business (the “**Business**”) and Property. The Respondents are authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively “**Assistants**”) currently retained or

employed by them, with liberty to retain such further Assistants with the consent of Monitor, as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

4. **THIS COURT ORDERS** that, the Respondents shall be entitled to continue to utilize the central cash management system currently in place or replace it with another substantially similar central cash management system with the consent of the Monitor (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Respondents of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Respondents, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

5. **THIS COURT ORDERS** that, the Respondents shall be entitled but not required to pay the following advances or expenses whether incurred prior to or after this Order, with the consent of the Monitor:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the Respondents in respect of these proceedings, at their standard rates and charges.

6. **THIS COURT ORDERS** that except as otherwise provided to the contrary herein, the Respondents shall be entitled but not required to, with the consent of the Monitor, pay all reasonable expenses incurred by the Respondents in carrying on the Business in the ordinary

course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance, maintenance and security services; and
- (b) payment for goods or services actually supplied to the Respondents following the date of this Order.

7. **THIS COURT ORDERS** that the Respondents shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Respondents in connection with the sale of goods and services by the Respondents, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Respondents.

8. **THIS COURT ORDERS** that until a real property lease is disclaimed or resiliated in accordance with the CCAA, the Respondents shall, with the consent of the Monitor, pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts

payable to the landlord under the lease) or as otherwise may be negotiated between the Respondents and the landlord from time to time ("**Rent**") with the consent of the Monitor, for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

9. **THIS COURT ORDERS** that, except as specifically permitted herein and in the DIP Agreement, the Respondents are hereby directed, until further Order of this Court:

(a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Respondents to any of its creditors as of this date;

(b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and

(c) to not grant credit or incur liabilities except in the ordinary course of the Business.

#### **NO PROCEEDINGS AGAINST THE RESPONDENTS OR THE PROPERTY**

10. **THIS COURT ORDERS** that until and including November 19, 2023 or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Respondents, the Monitor or the CRO (as defined below), or affecting the Business or the Property, except with the written consent of the Respondents and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Respondents or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

11. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Respondents, the Monitor or the CRO (defined below), or affecting the Business or the Property,

are hereby stayed and suspended except with the written consent of the Respondents and the Monitor, or leave of this Court, provided that nothing in this Order shall:

- (a) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on;
- (b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA;
- (c) prevent the filing of any registration to preserve or perfect a security interest; or
- (d) prevent the registration of a claim for lien.

#### **NO INTERFERENCE WITH RIGHTS**

12. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Respondents, except with the written consent of the Respondents and the Monitor, or leave of this Court.

#### **CONTINUATION OF SERVICES**

13. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Respondents or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, call center services, collections services, equipment warranty and repair services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Respondents, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Respondents, and that the Respondents shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Respondents in accordance with normal payment practices of the Respondents or such other practices as may be agreed upon by the

supplier or service provider and each of the Respondents and the Monitor, or as may be ordered by this Court.

#### **NON-DEROGATION OF RIGHTS**

14. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Respondents. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

#### **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

15. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Respondents with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Respondents whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Respondents, if one is filed, is sanctioned by this Court or is refused by the creditors of the Respondents or this Court.

#### **APPOINTMENT OF MONITOR**

16. **THIS COURT ORDERS** that KPMG Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Respondents with the powers and obligations set out in the CCAA or set forth herein and that the Respondents and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Respondents pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

17. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Respondents' receipts and disbursements, Business and dealings with the Property and, among other things, ensure all disbursements are consistent with the Cash Flow Statements (as defined in Pre-Filing Report), as amended from time to time, and subject to the variances permitted in the DIP Agreement;
- (b) exercise the consent rights set out in the Order in its sole discretion including without limitation the right to consent to any agreement, transaction payment or transfer referenced in paragraphs 5-6 above;
- (c) notify or otherwise contact, whether orally or in writing, customers of the Respondents, to advise of the commencement of these proceedings, and the continued obligation of such customers to make payments to the Respondents under existing agreements with, or otherwise assigned to, the Respondents;
- (d) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (e) assist the Respondents, to the extent required by the Respondents or the DIP Lender (as defined below), in its dissemination, to the DIP Lender and its counsel on a weekly basis of financial and other information as agreed to between the Respondents and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;
- (f) advise the Respondents in its preparation of the cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis, but not less than weekly, or as otherwise agreed to by the DIP Lender;
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the

Respondents, to the extent that is necessary to adequately assess the Respondents' business and financial affairs or to perform its duties arising under this Order;

- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (i) give notice pursuant to the CRO Engagement Letter (as defined below) terminating the said engagement and the CRO (also as defined below);
- (j) assist the Respondents in complying with the terms of the DIP Agreement (as defined below);
- (k) provide information to the DIP Lender regarding the Business and affairs of the Respondents in response to reasonable requests thereof; and
- (l) perform such other duties as are required by this Order or by this Court from time to time.

18. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

19. **THIS COURT ORDERS** that all employees of the Respondents shall remain employees of the Respondents until such time as the employment of such employees is terminated. Nothing in this Order shall cause the Monitor to be liable for any employee-related liabilities or duties, including, without limitation, wages, severance pay, termination pay, vacation pay and pension, retirement or benefit amounts.

20. **THIS COURT ORDERS** that nothing herein contained and nothing done by the Monitor in carrying out its duties hereunder shall result in, or be deemed to result in, the Monitor being an employer, successor employer, responsible person, operator, officer, director, employee receiver, trustee, assignee, liquidator, administrator, legal representative, receiver-manager or agent of the Respondents, in each case, within the meaning of any statute, regulation or rule of law, or equity,

for any purpose whatsoever. Without limiting the foregoing, the Monitor shall not, as a result of this Order, or anything done pursuant to this Order, be deemed to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation, provided further however, if the Monitor is nevertheless found to be in possession of any Property, then the Monitor shall be deemed to be a person who has been lawfully appointed to take or has lawfully taken, possession or control of such Property for the purposes of section 14.06(1.1)(c) of the BIA (as defined below) and shall be entitled to the benefits and protections in relation to the Respondents and such Property as provided in s. 14.06(2) of the BIA to a "trustee" in relation to an insolvent person and its property. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

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

22. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save

and except for any gross negligence or wilful misconduct on its part and the Monitor shall not have any liability with respect to losses, claims, damages, indemnities or liabilities, of any nature or kind, to any Person from and after the date of this Order, except to the extent such losses, claims, damages or liabilities directly result from the gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

23. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and counsel to the Applicant and counsel to the CRO (defined below) shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and the CRO shall be paid its fees in accordance with the CRO Engagement Letter (defined below), by the Respondents as part of the costs of these proceedings. The Respondents are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a weekly basis and, in addition, the Respondents are hereby authorized to pay to the Monitor, counsel to the Monitor, counsel to the Applicant reasonable retainers to be held by them as security for payment of their respective fees and disbursements outstanding from time to time

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

25. **THIS COURT ORDERS** that the Monitor, the CRO (defined below), counsel to the Monitor, counsel to the CRO, and the Applicant's counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$250,000 as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, and in the case of the CRO, as set out in the CRO Engagement Letter (defined below) both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 41 and 43 hereof.

#### **APPOINTMENT OF CRO**

26. **THIS COURT ORDERS** that the agreement dated as of November 8, 2023 pursuant to which the Respondents have engaged HWS Consulting Inc. to act as Chief Restructuring Officer

(the “**CRO**”) through the services of Joe Prosperi and other employees or agents of HWS Consulting Inc., a copy of which is attached as **Exhibit AA** to the Lombard Affidavit as may be amended by the parties thereto with the consent of the Monitor and the Applicant (the “**CRO Engagement Letter**”), and the appointment of the CRO pursuant to the terms thereof, are hereby approved, including, without limitation, the payment of the fees and expenses contemplated thereby.

27. **THIS COURT ORDERS** that, during the Stay Period, the CRO is authorized to oversee the Business and the Property, and otherwise exercise and perform the powers, responsibilities and duties as described in the CRO Engagement Letter, which shall include the exercise of all consent rights and matters of discretion reserved to the Respondents under the terms of this Order, together with such other powers, responsibilities and duties as may be agreed upon by the CRO, the Monitor and the Applicant (collectively, the “**CRO Powers**”). For the avoidance of doubt, the CRO Powers shall include the authority to enter agreements or instruments on behalf of the Respondents. In exercising the CRO Powers, the CRO shall be deemed to be acting for and on behalf of the Respondents and not its personal or corporate capacity.

28. **THIS COURT ORDERS** that the CRO shall not be, or deemed to be a director, officer or employee of the Respondents.

29. **THIS COURT ORDERS** that all employees of the Respondents shall remain employees of the Respondents until such time as the employment of such employees is terminated. Nothing in this Order shall cause the CRO to be liable for any employee-related liabilities or duties, including, without limitation, wages, severance pay, termination pay, vacation pay and pension, retirement or benefit amounts.

30. **THIS COURT ORDERS** that nothing herein contained and nothing done by the CRO in carrying out its duties hereunder shall result in, or be deemed to result in, the CRO being an employer, successor employer, responsible person, operator, officer, director, employee receiver, trustee, assignee, liquidator, administrator, legal representative, receiver-manager or agent of the Respondents, in each case, within the meaning of any statute, regulation or rule of law, or equity, for any purpose whatsoever. Without limiting the foregoing, the CRO shall not, as a result of this Order, or anything done pursuant to this Order, be deemed to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the

Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the CRO from any duty to report or make disclosure imposed by applicable Environmental Legislation, provided further however, if the CRO is nevertheless found to be in possession of any Property, then the CRO shall be deemed to be a person who has been lawfully appointed to take or has lawfully taken, possession or control of such Property for the purposes of section 14.06(1.1)(c) of the BIA (as defined below) and shall be entitled to the benefits and protections in relation to the Respondents and such Property as provided in s. 14.06(2) of the BIA to a "trustee" in relation to an insolvent person and its property. The CRO shall not, as a result of this Order or anything done in pursuance of the CRO's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

31. **THIS COURT ORDERS** that the CRO shall not have any liability with respect to any losses, claims, damages or liabilities, of any nature or kind, to any Person from and after the date of this Order except to the extent such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct on the part of the CRO, provided further that in no event shall the liability of the CRO exceed the quantum of the fees paid to the CRO.

32. **THIS COURT ORDERS** that the obligations of the Respondents to the CRO pursuant to the CRO Engagement Letter shall be treated as unaffected and may not be compromised in any Plan or proposal filed under the BIA in respect of the Respondents.

33. **THIS COURT ORDERS** that, to the extent required by the Monitor or the DIP Lender (as defined below), the CRO shall assist with the timely dissemination of financial and other information to the DIP Lender, its counsel, and the financial advisor to the DIP Lender of such information reasonably requested by the DIP Lender.

34. **THIS COURT ORDERS** that the Respondents shall not make any payment or transfer of money, without the consent of the CRO.

#### **DIP FINANCING**

35. **THIS COURT ORDERS** that the Respondents are hereby authorized and empowered to obtain and borrow under a credit facility from the Applicant (in such capacity, the "**DIP Lender**") in order to finance the Respondents' working capital requirements and restructuring costs, provided that borrowings under such credit facility shall not exceed \$1,100,000.00 in the initial 10-day period unless permitted by further Order of this Court.

36. **THIS COURT ORDERS THAT** such credit facility shall be on the terms and subject to the conditions set forth in the DIP Facility Term Sheet between the Respondents and the DIP Lender dated as of November 9, 2023 (the "**DIP Agreement**"), filed.

37. **THIS COURT ORDERS** that the CRO, on behalf of the Respondents, is hereby authorized and directed to execute and deliver the DIP Agreement, any drawdown notices under the DIP Agreement, and such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the DIP Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Respondents are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Agreement and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

38. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Property, which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs 41 and 43 hereof.

39. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;

- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender may immediately exercise any and all of its rights and remedies against the Respondents or the Property under or pursuant to the DIP Agreement, Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Respondents and set off and/or consolidate any amounts owing by the DIP Lender to the Respondents against the obligations of the Respondents to the DIP Lender under the DIP Agreement, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the Respondents; and
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Respondents or the Property.

40. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Respondents under the CCAA, or any proposal filed by the Applicant under the BIA, with respect to any advances made under the Definitive Documents.

#### **VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER**

41. **THIS COURT ORDERS** that the priorities of the Administration Charge and the DIP Lender's Charge, as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$250,000); and

Second – DIP Lender's Charge (to the maximum amount of \$1,100,000).

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

43. **THIS COURT ORDERS** that each of the Administration Charge and the DIP Lender's Charge (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

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

45. **THIS COURT ORDERS** that the Administration Charge, the DIP Agreement, the Definitive Documents and the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by:

- (a) the pendency of these proceedings and the declarations of insolvency made herein;
- (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications;
- (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
- (d) the provisions of any federal or provincial statutes; or
- (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:
  - (i) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Agreement or the Definitive

Documents shall create or be deemed to constitute a breach by the Respondents of any Agreement to which it is a party;

- (ii) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the DIP Agreement, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (iii) the payments made by the Respondents pursuant to this Order, the DIP Agreement or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

46. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Respondents' interest in such real property leases.

#### **SERVICE AND NOTICE**

47. **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in Globe and Mail (National Edition) a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than \$1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

48. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: [www.kpmg.com/ca/simplygreen](http://www.kpmg.com/ca/simplygreen).

49. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Respondents and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Respondents' creditors or other interested parties at their respective addresses as last shown on the records of the Respondents and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

50. **THIS COURT ORDERS** that the Applicant, the Respondents and the Monitor and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding true copies thereof by electronic message to the Respondents' creditors or other interested parties and their advisors. Any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SORS/DORS).

## **GENERAL**

51. **THIS COURT ORDERS** that the Respondents or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

52. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Respondents, the Business or the Property.

53. **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 Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Respondents and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this

Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Respondents and the Monitor and their respective agents in carrying out the terms of this Order.

54. **THIS COURT ORDERS** that each of the Applicant, the Respondents and the Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

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

56. **THIS COURT 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 the need for entry and filing.

---

IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c.C-36 ASA AMENDED

Court File No. CV-23-00709183-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF CROWN CREST CAPITAL MANAGEMENT  
CORP., CROWN CREST FINANCIAL CORP., MARBLE AMALCO  
INC., CROWN CREST FUNDING CORP., SIMPLY GREEN HOME  
SERVICES INC., SIMPLY GREEN HOME SERVICES CORP., AND  
CROWN CREST CAPITAL TRUST

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**INITIAL ORDER**

**GOWLING WLG (CANADA) LLP**  
1 First Canadian Place  
100 King Street West, Suite 1600  
Toronto ON M5X 1G5

**David F.W. Cohen (33195Q)**  
[david.cohen@gowlingwlg.com](mailto:david.cohen@gowlingwlg.com)

**Clifton P. Prophet (34845K)**  
[clifton.prophet@gowlingwlg.com](mailto:clifton.prophet@gowlingwlg.com)

**Thomas Gertner (67756S)**  
[thomas.gertner@gowlingwlg.com](mailto:thomas.gertner@gowlingwlg.com)

Tel: (416) 862-7525

Lawyers for Peoples Trust Company, the Applicant

# **TAB 4**

Court File No. — CV-23-00709183-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE — MADAM ) ~~WEEKDAY~~ THURSDAY, THE # 9TH  
JUSTICE — B. CONWAY ) DAY OF ~~MONTH~~ NOVEMBER,  
20YR 2023

IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF ~~[APPLICANT'S NAME]~~ (the  
"Applicant") CROWN CREST CAPITAL MANAGEMENT  
CORP., CROWN CREST FINANCIAL CORP., CROWN  
CREST FUNDING CORP., SIMPLY GREEN HOME  
SERVICES INC., SIMPLY GREEN HOME SERVICES  
CORP., AND CROWN CREST CAPITAL TRUST

PEOPLES TRUST COMPANY

Applicant

AND

CROWN CREST CAPITAL MANAGEMENT CORP.,  
CROWN CREST FINANCIAL CORP., CROWN CREST  
FUNDING CORP., SIMPLY GREEN HOME SERVICES  
INC., SIMPLY GREEN HOME SERVICES CORP., AND  
CROWN CREST CAPITAL TRUST

Respondents

INITIAL ORDER

**THIS APPLICATION**, made by Peoples Trust Company (“PTC” or the “Applicant”), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “CCAA”) was heard this day at 330 University Avenue, Toronto, Ontario via videoconference.

**ON READING** the affidavit of [NAME]Michael Lombard sworn [DATE]November 6, 2023 and the Exhibits thereto (the “Lombard Affidavit”), the consent of KPMG Inc. (“KPMG” or the “Monitor”) to act as Monitor; the pre-filing report of KPMG (the “Pre-Filing Report”) in its capacity as proposed Monitor of Crown Crest Capital Management Corp., Crown Crest Financial Corp., Crown Crest Funding Corp., Simply Green Home Services Inc., Simply Green Home Services Corp., and Crown Crest Capital Trust (collectively, the “Respondents”), and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice of this application, and on hearing the submissions of counsel for [NAMES], no one appearing for [NAME]<sup>1</sup>PTC, counsel for the Respondents, counsel for KPMG, and those other parties listed on the counsel slip, no other party although duly served as appears from the affidavit of service of [NAME] sworn [DATE] ~~and on reading the consent of [MONITOR’S NAME] to act as the Monitor,~~

## **SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated<sup>2</sup> so that this Application is properly returnable today and hereby dispenses with further service thereof.

## **APPLICATION**

2. **THIS COURT ORDERS AND DECLARES** that the ~~Applicant is a company~~Respondents are companies to which the CCAA applies.

---

<sup>1</sup>~~Include names of secured creditors or other persons who must be served before certain relief in this model Order may be granted. See, for example, CCAA Sections 11.2(1), 11.3(1), 11.4(1), 11.51(1), 11.52(1), 32(1), 32(3), 33(2) and 36(2).~~

<sup>2</sup>~~If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.~~

## **PLAN OF ARRANGEMENT**

~~3. THIS COURT ORDERS that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan").~~

## **POSSESSION OF PROPERTY AND OPERATIONS**

3. ~~4.~~ **THIS COURT ORDERS** that the ~~Applicant~~Respondents shall remain in possession and control of ~~its~~their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "**Property**"). Subject to further Order of this Court, the ~~Applicant~~Respondents shall continue to carry on business in a manner consistent with the preservation of ~~its~~their business (the "**Business**") and Property. The ~~Applicant is~~Respondents are authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by ~~it~~them, with liberty to retain such further Assistants with the consent of Monitor, as ~~it deems~~they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

4. ~~5.~~ **THIS COURT ORDERS** that, the ~~Applicant~~Respondents shall be entitled to continue to utilize the central cash management system<sup>3</sup> currently in place ~~as described in the Affidavit of [NAME] sworn [DATE]~~ or replace it with another substantially similar central cash management system with the consent of the Monitor (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the ~~Applicant~~Respondents of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the

---

~~<sup>3</sup>This provision should only be utilized where necessary, in view of the fact that central cash management systems often operate in a manner that consolidates the cash of applicant companies. Specific attention should be paid to cross border and inter company transfers of cash.~~

ApplicantRespondents, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.}

5. ~~6.~~ **THIS COURT ORDERS** that, the ApplicantRespondents shall be entitled but not required to pay the following advances or expenses whether incurred prior to or after this Order, with the consent of the Monitor:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the ApplicantRespondents in respect of these proceedings, at their standard rates and charges.

6. ~~7.~~ **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the ApplicantRespondents shall be entitled but not required to, with the consent of the Monitor, pay all reasonable expenses incurred by the ApplicantRespondents in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance ~~(including directors and officers insurance)~~, maintenance and security services; and
- (b) payment for goods or services actually supplied to the ApplicantRespondents following the date of this Order.

7. ~~8.~~ **THIS COURT ORDERS** that the ~~Applicant~~Respondents shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the ~~Applicant~~Respondents in connection with the sale of goods and services by the ~~Applicant~~Respondents, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order;<sup>4</sup> and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the ~~Applicant~~Respondents.

8. ~~9.~~ **THIS COURT ORDERS** that until a real property lease is disclaimed ~~for~~ resiliated<sup>4</sup> in accordance with the CCAA, the ~~Applicant~~Respondents shall, with the consent of the Monitor, pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the ~~Applicant~~Respondents and the landlord from time to time ("**Rent**") with the consent of the Monitor, for the period commencing from and including the date of this Order, twice-monthly in

---

<sup>4</sup> ~~The term "resiliate" should remain if there are leased premises in the Province of Quebec, but can otherwise be removed.~~

equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

9. ~~10.~~ **THIS COURT ORDERS** that, except as specifically permitted herein and in the DIP Agreement, the ~~Applicant is~~Respondents are hereby directed, until further Order of this Court:

- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the ~~Applicant~~Respondents to any of its creditors as of this date;
- (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and
- (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

## **RESTRUCTURING**

~~11. — THIS COURT ORDERS that the Applicant shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as hereinafter defined), have the right to:~~

- ~~(a) — permanently or temporarily cease, downsize or shut down any of its business or operations, [and to dispose of redundant or non-material assets not exceeding \$● in any one transaction or \$● in the aggregate]<sup>5</sup>~~
- ~~(b) — [terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate]; and~~
- ~~(c) — pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,~~

---

<sup>5</sup>Section 36 of the amended CCAA does not seem to contemplate a pre-approved power to sell (see subsection 36(3)) and moreover requires notice (subsection 36(2)) and evidence (subsection 36(7)) that may not have occurred or be available at the initial CCAA hearing.

~~all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the "Restructuring").~~

~~12. THIS COURT ORDERS that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days notice to such landlord and any such secured creditors. If the Applicant disclaims ~~[or resiliates]~~ the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer ~~[or resiliation]~~ of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.~~

~~13. THIS COURT ORDERS that if a notice of disclaimer ~~[or resiliation]~~ is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer ~~[or resiliation]~~, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer ~~[or resiliation]~~, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.~~

## **NO PROCEEDINGS AGAINST THE APPLICANTRESPONDENTS OR THE PROPERTY**

~~10.~~ **14. THIS COURT ORDERS** that until and including ~~[DATE — MAX. 30 DAYS]~~, November 19, 2023 or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process in any court or tribunal (each, a "Proceeding") shall be

commenced or continued against or in respect of the ~~Applicant~~Respondents, the Monitor or the ~~Monitor~~CRO (as defined below), or affecting the Business or the Property, except with the written consent of the ~~Applicant~~Respondents and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the ~~Applicant~~Respondents or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

## **NO EXERCISE OF RIGHTS OR REMEDIES**

11. ~~15.~~ **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the ~~Applicant~~Respondents, the Monitor or the ~~Monitor~~CRO (defined below), or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the ~~Applicant~~Respondents and the Monitor, or leave of this Court, provided that nothing in this Order shall :

- (~~i~~a) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on;
- (~~ii~~b) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA;
- (~~iii~~c) prevent the filing of any registration to preserve or perfect a security interest; or
- (~~iv~~d) prevent the registration of a claim for lien.

## **NO INTERFERENCE WITH RIGHTS**

12. ~~16.~~ **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the ~~Applicant~~Respondents, except with the written consent of the ~~Applicant~~Respondents and the Monitor, or leave of this Court.

## CONTINUATION OF SERVICES

13. ~~17.~~ **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the ~~Applicant~~Respondents or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, call center services, collections services, equipment warranty and repair services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the ~~Applicant~~Respondents, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the ~~Applicant~~Respondents, and that the ~~Applicant~~Respondents shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the ~~Applicant~~Respondents in accordance with normal payment practices of the ~~Applicant~~Respondents or such other practices as may be agreed upon by the supplier or service provider and each of the ~~Applicant~~Respondents and the Monitor, or as may be ordered by this Court.

## NON-DEROGATION OF RIGHTS

14. ~~18.~~ **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the ~~Applicant~~Respondents. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.<sup>6</sup>

---

<sup>6</sup> ~~This non-derogation provision has acquired more significance due to the recent amendments to the CCAA, since a number of actions or steps cannot be stayed, or the stay is subject to certain limits and restrictions. See, for example, CCAA Sections 11.01, 11.04, 11.06, 11.07, 11.08, 11.1(2) and 11.5(1).~~

## PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

15. ~~19.~~ **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the ~~Applicant~~Respondents with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the ~~Applicant~~Respondents whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the ~~Applicant~~Respondents, if one is filed, is sanctioned by this Court or is refused by the creditors of the ~~Applicant~~Respondents or this Court.

### ~~DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE~~

~~20. — THIS COURT ORDERS that the Applicant shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Applicant after the commencement of the within proceedings,<sup>7</sup> except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.~~

~~21. — THIS COURT ORDERS that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "Directors' Charge")<sup>8</sup> on the Property, which charge shall not exceed an aggregate amount of \$●, as security for the indemnity provided in paragraph [20] of this Order. The Directors' Charge shall have the priority set out in paragraphs [38] and [40] herein.~~

---

<sup>7</sup> The broad indemnity language from Section 11.51 of the CCAA has been imported into this paragraph. The granting of the indemnity (whether or not secured by a Directors' Charge), and the scope of the indemnity, are discretionary matters that should be addressed with the Court.

<sup>8</sup> Section 11.51(3) provides that the Court may not make this security/charging order if in the Court's opinion the Applicant could obtain adequate indemnification insurance for the director or officer at a reasonable cost.

~~22. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph [20] of this Order.~~

## APPOINTMENT OF MONITOR

16. ~~23.~~ THIS COURT ORDERS that ~~[MONITOR'S NAME]~~ KPMG Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Applicant Respondents with the powers and obligations set out in the CCAA or set forth herein and that the Applicant Respondents and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant Respondents pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

17. ~~24.~~ THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant's Respondents' receipts and disbursements, Business and dealings with the Property and, among other things, ensure all disbursements are consistent with the Cash Flow Statements (as defined in Pre-Filing Report), as amended from time to time, and subject to the variances permitted in the DIP Agreement;
- (b) exercise the consent rights set out in the Order in its sole discretion including without limitation the right to consent to any agreement, transaction payment or transfer referenced in paragraphs 5-6 above;
- (c) notify or otherwise contact, whether orally or in writing, customers of the Respondents, to advise of the commencement of these proceedings, and the continued obligation of such customers to make payments to the Respondents under existing agreements with, or otherwise assigned to, the Respondents;

- (d) ~~(b)~~ report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (e) ~~(e)~~ assist the Applicant Respondents, to the extent required by the Applicant Respondents or the DIP Lender (as defined below), in its dissemination, to the DIP Lender and its counsel on a ~~[TIME INTERVAL]~~ weekly basis of financial and other information as agreed to between the Applicant Respondents and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender;
- (f) ~~(d)~~ advise the Applicant Respondents in its preparation of the Applicant's cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and its counsel on a periodic basis, but not less than ~~[TIME INTERVAL]~~ weekly, or as otherwise agreed to by the DIP Lender;
- ~~(e) — advise the Applicant in its development of the Plan and any amendments to the Plan;~~
- ~~(f) — assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;~~
- (g) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Applicant Respondents, to the extent that is necessary to adequately assess the Applicant's Respondents' business and financial affairs or to perform its duties arising under this Order;
- (h) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (i) give notice pursuant to the CRO Engagement Letter (as defined below) terminating the said engagement and the CRO (also as defined below);

- (j) assist the Respondents in complying with the terms of the DIP Agreement (as defined below);
- (k) provide information to the DIP Lender regarding the Business and affairs of the Respondents in response to reasonable requests thereof; and
- (l) ~~(i)~~ perform such other duties as are required by this Order or by this Court from time to time.

18. ~~25.~~ **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

19. **THIS COURT ORDERS** that all employees of the Respondents shall remain employees of the Respondents until such time as the employment of such employees is terminated. Nothing in this Order shall cause the Monitor to be liable for any employee-related liabilities or duties, including, without limitation, wages, severance pay, termination pay, vacation pay and pension, retirement or benefit amounts.

20. ~~26.~~ **THIS COURT ORDERS** that nothing herein contained ~~shall require~~ and nothing done by the Monitor in carrying out its duties hereunder shall result in, or be deemed to result in, the Monitor being an employer, successor employer, responsible person, operator, officer, director, employee receiver, trustee, assignee, liquidator, administrator, legal representative, receiver-manager or agent of the Respondents, in each case, within the meaning of any statute, regulation or rule of law, or equity, for any purpose whatsoever. Without limiting the foregoing, the Monitor shall not, as a result of this Order, or anything done pursuant to this Order, be deemed to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario*

*Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation, provided further however, if the Monitor is nevertheless found to be in possession of any Property, then the Monitor shall be deemed to be a person who has been lawfully appointed to take or has lawfully taken, possession or control of such Property for the purposes of section 14.06(1.1)(c) of the BIA (as defined below) and shall be entitled to the benefits and protections in relation to the Respondents and such Property as provided in s. 14.06(2) of the BIA to a "trustee" in relation to an insolvent person and its property. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

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

22. ~~28.~~ **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part and the Monitor shall not have any liability with respect to losses, claims, damages, indemnities or liabilities, of any nature or kind, to any Person from and after the date of this Order, except to the extent such losses, claims, damages or liabilities directly result from the gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

23. ~~29.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and counsel to the Applicant and counsel to the CRO (defined below) shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and the CRO shall be paid its fees in accordance with the CRO Engagement Letter (defined below), by the ~~Applicant~~Respondents as part of the costs of these proceedings. The ~~Applicant is~~Respondents are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicant on a ~~[TIME INTERVAL]~~weekly basis and, in addition, the ~~Applicant is~~Respondents are hereby authorized to pay to the Monitor, counsel to the Monitor, ~~and~~ counsel to the Applicant, reasonable retainers ~~in the amount[s] of \$●[-, respectively,]~~ to be held by them as security for payment of their respective fees and disbursements outstanding from time to time

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

25. ~~31.~~ **THIS COURT ORDERS** that the Monitor, the CRO (defined below), counsel to the Monitor, ~~if any~~counsel to the CRO, and the Applicant's counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property, which charge shall not exceed an aggregate amount of \$●, 250,000 as security for their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, and in the case of the CRO, as set out in the CRO Engagement Letter (defined below) both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs ~~{38}~~41 and ~~{40}~~43 hereof.

### APPOINTMENT OF CRO

26. **THIS COURT ORDERS** that the agreement dated as of November 8, 2023 pursuant to which the Respondents have engaged HWS Consulting Inc. to act as Chief Restructuring Officer (the "CRO") through the services of Joe Prosperi and other employees or agents of HWS Consulting Inc., a copy of which is attached as Exhibit AA to the Lombard Affidavit as may be amended by the parties thereto with the consent of the Monitor and the Applicant (the "CRO Engagement Letter"), and the appointment of the CRO pursuant to the terms thereof, are hereby

approved, including, without limitation, the payment of the fees and expenses contemplated thereby.

27. **THIS COURT ORDERS** that, during the Stay Period, the CRO is authorized to oversee the Business and the Property, and otherwise exercise and perform the powers, responsibilities and duties as described in the CRO Engagement Letter, which shall include the exercise of all consent rights and matters of discretion reserved to the Respondents under the terms of this Order, together with such other powers, responsibilities and duties as may be agreed upon by the CRO, the Monitor and the Applicant (collectively, the “CRO Powers”). For the avoidance of doubt, the CRO Powers shall include the authority to enter agreements or instruments on behalf of the Respondents. In exercising the CRO Powers, the CRO shall be deemed to be acting for and on behalf of the Respondents and not its personal or corporate capacity.

28. **THIS COURT ORDERS** that the CRO shall not be, or deemed to be a director, officer or employee of the Respondents.

29. **THIS COURT ORDERS** that all employees of the Respondents shall remain employees of the Respondents until such time as the employment of such employees is terminated. Nothing in this Order shall cause the CRO to be liable for any employee-related liabilities or duties, including, without limitation, wages, severance pay, termination pay, vacation pay and pension, retirement or benefit amounts.

30. **THIS COURT ORDERS** that nothing herein contained and nothing done by the CRO in carrying out its duties hereunder shall result in, or be deemed to result in, the CRO being an employer, successor employer, responsible person, operator, officer, director, employee receiver, trustee, assignee, liquidator, administrator, legal representative, receiver-manager or agent of the Respondents, in each case, within the meaning of any statute, regulation or rule of law, or equity, for any purpose whatsoever. Without limiting the foregoing, the CRO shall not, as a result of this Order, or anything done pursuant to this Order, be deemed to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement,

remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the CRO from any duty to report or make disclosure imposed by applicable Environmental Legislation, provided further however, if the CRO is nevertheless found to be in possession of any Property, then the CRO shall be deemed to be a person who has been lawfully appointed to take or has lawfully taken, possession or control of such Property for the purposes of section 14.06(1.1)(c) of the BIA (as defined below) and shall be entitled to the benefits and protections in relation to the Respondents and such Property as provided in s. 14.06(2) of the BIA to a "trustee" in relation to an insolvent person and its property. The CRO shall not, as a result of this Order or anything done in pursuance of the CRO's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

31. **THIS COURT ORDERS** that the CRO shall not have any liability with respect to any losses, claims, damages or liabilities, of any nature or kind, to any Person from and after the date of this Order except to the extent such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct on the part of the CRO, provided further that in no event shall the liability of the CRO exceed the quantum of the fees paid to the CRO.

32. **THIS COURT ORDERS** that the obligations of the Respondents to the CRO pursuant to the CRO Engagement Letter shall be treated as unaffected and may not be compromised in any Plan or proposal filed under the BIA in respect of the Respondents.

33. **THIS COURT ORDERS** that, to the extent required by the Monitor or the DIP Lender (as defined below), the CRO shall assist with the timely dissemination of financial and other information to the DIP Lender, its counsel, and the financial advisor to the DIP Lender of such information reasonably requested by the DIP Lender.

34. **THIS COURT ORDERS** that the Respondents shall not make any payment or transfer of money, without the consent of the CRO.

## DIP FINANCING

35. ~~32.~~ **THIS COURT ORDERS** that the ~~Applicant is~~ Respondents are hereby authorized and empowered to obtain and borrow under a credit facility from ~~[DIP LENDER'S NAME]~~ (the Applicant (in such capacity, the "DIP Lender")) in order to finance the ~~Applicant's~~ Respondents' working capital requirements and ~~other general corporate purposes and capital expenditures~~ restructuring costs, provided that borrowings under such credit facility shall not exceed \$~~1,100,000.00~~ 1,100,000.00 in the initial 10-day period unless permitted by further Order of this Court.

36. ~~33.~~ **THIS COURT ORDERS THAT** such credit facility shall be on the terms and subject to the conditions set forth in the ~~commitment letter~~ DIP Facility Term Sheet between the ~~Applicant~~ Respondents and the DIP Lender dated as of ~~[DATE]~~ November 9, 2023 (the "~~Commitment Letter~~ DIP Agreement"), filed.

37. ~~34.~~ **THIS COURT ORDERS** that the ~~Applicant~~ CRO, on behalf of the Respondents, is hereby authorized and ~~empowered~~ directed to execute and deliver the DIP Agreement, any drawdown notices under the DIP Agreement, and such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**"), as are contemplated by the ~~Commitment Letter~~ DIP Agreement or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the ~~Applicant is~~ Respondents are hereby authorized and directed to pay and perform all of ~~its~~ their indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the ~~Commitment Letter~~ DIP Agreement and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

38. ~~35.~~ **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on the Property, which DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs ~~38~~ 41 and ~~40~~ 43 hereof.

39. ~~36.~~ **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, ~~upon 90 days notice to the Applicant and the Monitor,~~ may immediately exercise any and all of its rights and remedies against the ~~Applicant~~Respondents or the Property under or pursuant to the ~~Commitment Letter~~DIP Agreement, Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the ~~Applicant~~Respondents and set off and/or consolidate any amounts owing by the DIP Lender to the ~~Applicant~~Respondents against the obligations of the ~~Applicant~~Respondents to the DIP Lender under the ~~Commitment Letter~~DIP Agreement, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Applicant and for the appointment of a trustee in bankruptcy of the ~~Applicant~~Respondents; and
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the ~~Applicant~~Respondents or the Property.

40. ~~37.~~ **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the ~~Applicant~~Respondents under the CCAA, or any proposal filed by the Applicant under the ~~Bankruptcy and Insolvency Act of Canada (the "BIA")~~, with respect to any advances made under the Definitive Documents.

#### **VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER**

41. ~~38.~~ **THIS COURT ORDERS** that the priorities of ~~the Directors' Charge,~~ the Administration Charge and the DIP Lender's Charge, as among them, shall be as follows<sup>9</sup>:

---

<sup>9</sup>~~The ranking of these Charges is for illustration purposes only, and is not meant to be determinative. This ranking may be subject to negotiation, and should be tailored to the circumstances of the case before the Court. Similarly,~~

First ~~—~~ Administration Charge (to the maximum amount of \$●250,000); and

Second ~~—~~ DIP Lender's Charge; ~~and~~

~~Third—Directors' Charge~~ (to the maximum amount of \$●1,100,000).

42. ~~39.~~ **THIS COURT ORDERS** that the filing, registration or perfection of ~~the Directors' Charge,~~ the Administration Charge or the DIP Lender's Charge (collectively, the "Charges") shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

43. ~~40.~~ **THIS COURT ORDERS** that each of ~~the Directors' Charge,~~ the Administration Charge and the DIP Lender's Charge (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "Encumbrances") in favour of any Person.

44. ~~41.~~ **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the ~~Applicant~~Respondents shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the ~~Directors' Charge,~~ the Administration Charge or the DIP Lender's Charge, unless the ~~Applicant~~Respondents also obtains the prior written consent of the Monitor, the DIP Lender and the beneficiaries of ~~the Directors' Charge and~~ the Administration Charge, or further Order of this Court.

45. ~~42.~~ **THIS COURT ORDERS** that the ~~Directors' Charge, the~~ Administration Charge, the ~~Commitment Letter~~DIP Agreement, the Definitive Documents and the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees

---

~~may be subject to negotiation, and should be tailored to the circumstances of the case before the Court. Similarly, the quantum and caps applicable to the Charges should be considered in each case. Please also note that the CCAA now permits Charges in favour of critical suppliers and others, which should also be incorporated into this Order (and the rankings, above), where appropriate.~~

entitled to the benefit of the Charges (collectively, the "**Chargees**") and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by :

- (a) the pendency of these proceedings and the declarations of insolvency made herein;
- (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications;
- (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA;
- (d) the provisions of any federal or provincial statutes; or
- (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (i) ~~(a)~~ neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the ~~Commitment Letter~~DIP Agreement or the Definitive Documents shall create or be deemed to constitute a breach by the ~~Applicant~~Respondents of any Agreement to which it is a party;
- (ii) ~~(b)~~ none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Applicant entering into the ~~Commitment Letter~~DIP Agreement, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (iii) ~~(c)~~ the payments made by the ~~Applicant~~Respondents pursuant to this Order, the ~~Commitment Letter~~DIP Agreement or the Definitive Documents, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

46. ~~43.~~ **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the ~~Applicant's~~Respondents' interest in such real property leases.

## SERVICE AND NOTICE

47. ~~44.~~ **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in ~~[newspapers specified by the Court]~~ [Globe and Mail \(National Edition\)](#) a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Applicant of more than \$1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

48. ~~45.~~ **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL ~~“@”~~: [www.kpmg.com/ca/simplygreen](http://www.kpmg.com/ca/simplygreen).

49. ~~46.~~ **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the ~~Applicant~~ [Respondents](#) and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the ~~Applicant's~~ [Respondents'](#) creditors or other interested parties at their respective addresses as last shown on the records of the ~~Applicant~~ [Respondents](#) and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

50. **THIS COURT ORDERS** that the Applicant, the Respondents and the Monitor and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding true copies thereof by electronic message to the Respondents' creditors or other interested parties and their advisors. Any such distribution or service shall be deemed to be in satisfaction of a legal or judicial obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SORS/DORS).

## GENERAL

51. ~~47.~~ **THIS COURT ORDERS** that the ~~Applicant~~Respondents or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

52. ~~48.~~ **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the ~~Applicant~~Respondents, the Business or the Property.

53. ~~49.~~ **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 Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the ~~Applicant~~Respondents and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the ~~Applicant~~Respondents and the Monitor and their respective agents in carrying out the terms of this Order.

54. ~~50.~~ **THIS COURT ORDERS** that each of the Applicant, the Respondents and the Monitor be at liberty and ~~is~~are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

55. ~~51.~~ **THIS COURT ORDERS** that any interested party (including the Applicant, the Respondents and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

56. ~~52.~~ **THIS COURT 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 the need for entry and filing.

---

IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c.C-36 ASA AMENDED

Court File No. CV-23-00709183-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF CROWN CREST CAPITAL MANAGEMENT  
CORP., CROWN CREST FINANCIAL CORP., MARBLE AMALCO  
INC., CROWN CREST FUNDING CORP., SIMPLY GREEN HOME  
SERVICES INC., SIMPLY GREEN HOME SERVICES CORP., AND  
CROWN CREST CAPITAL TRUST

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

Proceeding commenced at Toronto

INITIAL ORDER

GOWLING WLG (CANADA) LLP

1 First Canadian Place  
100 King Street West, Suite 1600  
Toronto ON M5X 1G5

David F.W. Cohen (33195Q)  
david.cohen@gowlingwlg.com

Clifton P. Prophet (34845K)  
clifton.prophet@gowlingwlg.com

Thomas Gertner (67756S)  
thomas.gertner@gowlingwlg.com

Tel: (416) 862-7525

Lawyers for Peoples Trust Company, the Applicant



Document comparison by Workshare Compare on November 6, 2023 5:05:35 PM

Input:	
Document 1 ID	file://C:\Users\Yurkovik\AppData\Local\Temp\Workshare\wtemp59fc\intitial-order-CCAA-EN (2)20.doc
Description	intitial-order-CCAA-EN (2)20
Document 2 ID	iManage://gowlingwlg-mobility-ca.imatech.com/active_ca/59285193/13
Description	#59285193v13<gowlingwlg-mobility-ca.imatech.com> - Simply Green - Draft Initial Order
Rendering set	Firm Standard

Legend:	
<u>Insertion</u>	
<del>Deletion</del>	
<del>Moved from</del>	
<u>Moved to</u>	
Style change	
Format change	
<del>Moved deletion</del>	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

<b>Statistics:</b>	
	Count
Insertions	288
Deletions	272
Moved from	0
Moved to	0
Style changes	0
Format changes	0
Total changes	560

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT*  
ACT, R.S.C. 1985, c.C-36 AS AMENDED**

Court File No. CV-23-00709183-00CL

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF CROWN CREST CAPITAL MANAGEMENT CORP.,  
CROWN CREST FINANCIAL CORP., CROWN CREST FUNDING CORP.,  
SIMPLY GREEN HOME SERVICES INC., SIMPLY GREEN HOME  
SERVICES CORP., AND CROWN CREST CAPITAL TRUST**

---

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**  
Proceeding commenced at Toronto

---

**APPLICATION RECORD**

---

**GOWLING WLG (CANADA) LLP**  
1 First Canadian Place  
100 King Street West, Suite 1600  
Toronto ON M5X 1G5  
Tel: (416) 862-7525

**David F.W. Cohen (33195Q)**  
[david.cohen@gowlingwlg.com](mailto:david.cohen@gowlingwlg.com)

**Clifton P. Prophet (34845K)**  
[clifton.prophet@gowlingwlg.com](mailto:clifton.prophet@gowlingwlg.com)

**Thomas Gertner (67756S)**  
[thomas.gertner@gowlingwlg.com](mailto:thomas.gertner@gowlingwlg.com)

---

**Lawyers for Peoples Trust Company, the Applicant**

---