

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

**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., 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

**MOTION RECORD OF THE MONITOR
(Second Stay Extension, DIP Amendment and Other Relief)**

- 2 -

May 1, 2024

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

PEOPLES TRUST COMPANY

Applicant

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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

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

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

B E T W E E N:

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

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- and -

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Respondents

**NOTICE OF MOTION
(Stay Extension and Other Relief)**

KPMG Inc., in its capacity as Monitor, will make a Motion to the Honourable Justice Conway on Tuesday, May 7, 2024 at 10:00 a.m., or as soon after that time as the Motion can be heard.

PROPOSED METHOD OF HEARING: The Motion is to be heard

[] In writing under subrule 37.12.1(1);

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- In writing as an opposed motion under subrule 37.12.1(4);
- In person;
- By telephone conference;
- By video conference.

at the following location

<https://ca01web.zoom.us/j/61474879934?pwd=NDQvb3ZKRkN0b3hpTWNPU1RaaWt0QT09#success>

THE MOTION IS FOR:

1. An Order, substantially in the form of the draft order included in the Motion Record, among other things:
 - (a) abridging the time for, and validating service of, this Notice of Motion and supporting materials such that the motion is properly returnable on May 7, 2024 and dispensing with further service thereof;
 - (b) extending the Stay Period (defined below) until and including September 27, 2024;
 - (c) approving the First DIP Amendment (defined below) and amending paragraph 39 of the ARIO to increase the approved borrowings under the DIP Facility from \$15,000,000 to \$21,000,000; and
 - (d) approving the Work Fee and Cost Reductions Fee (both defined below); and

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2. Such further and other Relief as to this Honourable Court may seem just.

THE GROUNDS FOR THE MOTION ARE:¹

Background to the CCAA Proceedings

1. On November 9, 2023 (the “**Filing Date**”), on the application of Peoples Trust Company (“**PTC**”), the Honourable Madam Justice Conway of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) issued an order (the “**Initial Order**”) granting Crown Crest Financial Corp., Simply Green Home Services Inc., Simply Green Home Services Corp., Crown Crest Capital Management Corp., Crown Crest Funding Corp., and Crown Crest Capital Trust (collectively, the “**Crown Crest Leasing Group**” or the “**Debtors**”) protection pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), and appointing KPMG Inc. (“**KPMG**”) as the Monitor of the Crown Crest Leasing Group (the “**Monitor**”);

2. The Initial Order, among other things:

- (a) approved the appointment of HWS Consulting Inc. (“**HWS**”), acting through Josef Proseri and others, to act as the Chief Restructuring Officer (the “**CRO**”) of the Debtors pursuant to an engagement letter dated November 8, 2023 (the “**CRO Engagement Letter**”);

¹ Capitalized terms not otherwise defined have the meanings given to them in the Third Report of the Monitor dated May 1, 2024 (the “**Third Report**”).

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- (b) approved the terms of an interim financing facility (the “**DIP Facility**”), with a maximum principal amount of \$15 million, provided by PTC (in such capacity, the “**DIP Lender**”) to the Debtors, pursuant to a DIP facility term sheet dated November 9, 2023 (the “**DIP Term Sheet**”), and ordered that borrowings under the DIP Facility did not exceed \$1.1 million unless otherwise ordered by the Court; and
 - (c) provided the Debtors with a stay of proceedings until November 19, 2023 (the “**Stay Period**”);
- 3. On November 17, 2023, the Court issued the Amended and Restated Initial Order (the “**ARIO**”), which incorporated certain amendments to the Initial Order granted on the Filing Date, including extending the Stay Period to February 10, 2024. The ARIO authorized the increase of the maximum borrowings under the DIP Facility to \$10 million;
- 4. On February 5, 2024, the Court issued an Order (the “**Stay Extension Order**”), among other things, (a) extending the stay of proceedings to and including May 10, 2024 (the “**Stay Period**”); and (b) increasing the maximum borrowings permitted under the DIP Facility to \$15 million;
- 5. The Debtors, under the stewardship of the CRO and the supervision of the Monitor, stabilized the Debtors’ business following the commencement of these CCAA proceedings and have been conducting operations in the ordinary course;

Stay Extension

6. The current stay of proceedings expires on May 10, 2024. The Monitor, for and on behalf of the Debtors, is seeking an extension of the Stay Period until and including September 27, 2024;

7. The extension of the Stay Period will allow additional time for the Monitor to continue working with counsel of record in the proposed class action commenced against certain of the Debtors, and the Court if necessary, to agree upon a path forward to resolve the issues raised in the litigation, including a potential mediation which could be held in the summer of 2024;

8. The extension of the Stay Period will provide the Monitor with the opportunity to develop a sale and investment solicitation process in respect of the Debtors and their business and property, in consultation with the CRO and the DIP Lender, and seek this Court's approval of same;

9. The Debtors, under the stewardship of the CRO and supervision of the Monitor, are acting in good faith and with due diligence;

10. The Monitor is not aware of any party opposed to an extension of the Stay Period; and

11. The Updated Cash Flow Forecast reflects that the Debtors are projected to have sufficient funding to continue to operate in the normal course through the proposed stay extension period;

DIP Financing

12. Total borrowings under the DIP Facility since the Filing Date were \$9 million as at April 20, 2024;

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13. On May 1, 2024, the DIP Lender and the Debtors entered into an amendment (the “**First DIP Amendment**”) to the DIP Term Sheet, which amended the following provisions to the DIP Term Sheet:

- (a) Maximum Availability – increased from \$15 million to \$21 million; and
- (b) Maturity Date – extended from May 8, 2024 to September 28, 2024, or such later date as the DIP Lender in its sole and absolute discretion may agree to in writing;

14. The Monitor, for and on behalf of the Debtors, is seeking approval of the First DIP Amendment and to amend paragraph 39 of the ARIO to authorize borrowing under the DIP Facility of up to \$21 million to account for the projected funding required for the Forecast Period;

15. The DIP Lender’s Charge will continue to secure all obligations outstanding under the DIP Facility;

16. The Monitor is of the view that the First DIP Amendment and proposed amendment to the ARIO to increase authorized borrowings under the DIP Facility is reasonable and necessary in the circumstances, as the Debtors require the liquidity to operate during the Forecast Period;

CRO Engagement Letter

17. HWS, for and on behalf of the Debtors, PTC and the Monitor acknowledged and agreed to an amendment to the CRO Engagement Letter dated February 22, 2024 (the “**First CRO Amendment**”), which, in accordance with the Stay Extension Order, increased the monthly fee payable to HWS (the “**Work Fee**”) from \$40,000 per month to \$65,000 per month for the period from February 2024 to May 2024;

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18. The Monitor understands the CRO and PTC have now agreed to an additional one-time fee (the “**Cost Reductions Fee**”) for the CRO based upon the successful reduction of operating costs in the Debtors’ CCAA proceedings in the amount of \$150,000, which will be paid to the CRO in two payments of \$75,000 on July 1, 2024 and August 1, 2024, subject to the provision by the CRO of evidence substantiating costs savings in relation to the operation of the Respondents acceptable to the DIP Lender and the Monitor;

19. The parties are in the process of entering into a second amendment to the CRO Engagement Letter (the “**Second CRO Amendment**”), which will (i) fix the Work Fee at \$65,000 per month from June to September 2024 and (ii) amend the provisions relating to reimbursement of out-of-pocket expenses to exclude legal fees incurred by the CRO;

20. The Monitor, for and on behalf of the Debtors, is seeking approval of the Work Fee and Cost Reductions Fee. The Monitor was consulted with respect to the Cost Reductions Fee and the Second CRO Amendment, and is supportive of same as, in the Monitor’s view, the CRO’s total remuneration is generally comparable with compensation paid to other chief restructuring officers in similar cases;

Oher Grounds

21. Section 11 of the CCAA and the statutory, inherent and equitable jurisdiction of this Court;

22. Rules 1.04, 1.05, 2.03, 3.02, 16 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended, and section 106 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
and

23. Such further and other grounds as counsel may advise and this Honourable Court may deem just.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion:

1. The Third Report of the Monitor dated May 1, 2024;
2. The affidavit of Josef Prospero sworn April 30, 2024; and
3. Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

May 1, 2024

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Counsel to KPMG Inc., in its capacity as
Monitor

TO: **THE SERVICE 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., 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

NOTICE OF MOTION

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TAB 2

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

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., CROWN CREST FUNDING
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HOME SERVICES CORP., AND CROWN CREST CAPITAL TRUST**

PEOPLES TRUST COMPANY

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**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

AFFIDAVIT OF JOSEF PROSPERI
(Sworn April 30, 2024)

I, Josef Prospero of the City of Creemore, in the Province of Ontario, MAKE OATH AND SAY AS FOLLOWS:

I. INTRODUCTION

1. I am the principal of HWS Consulting Inc. (“HWS”), Chief Restructuring Officer of the Respondents (in such capacity, the “CRO”) pursuant to the initial order granted by the Honourable Justice Conway on November 9, 2023 (the “Initial Order”). As such, I have personal knowledge of the matters to which I herein depose, except where I have obtained information from others or where the information is stated to be based on information and belief. Where I have obtained information from others, I have stated the source of my information and, in all such cases, believe such information to be true.

II. BACKGROUND OF THE CCAA PROCEEDINGS

2. The Applicant applied for urgent relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, C. C-36, as amended (the “**CCAA**”) in respect of the Respondents, on the basis, among other things, of the significant near-term liquidity challenges of the Respondents. The Initial Order, a copy of which is attached to this Affidavit at **Exhibit “A”**, *inter alia*, granted the following relief:

- (a) an initial stay of proceedings for 10 days (the “**Stay of Proceedings**”), with a return date set for November 17, 2023;
- (b) an administration charge of \$250,000.00 (the “**Administration Charge**”);
- (c) authorization for the Respondents to obtain and borrow up to \$1,100,000 under the DIP Facility (as defined in the Initial Order);
- (d) the appointment of the CRO; and
- (e) the appointment of KPMG Inc. as an officer of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) to monitor the business and financial affairs of the Respondents (in such capacity, the “**Monitor**”).

3. On November 17, 2023, the Court granted an amended and restated initial order (the “**Amended and Restated Initial Order**”) which, *inter alia*:

- (a) increased the Administration Charge to \$1,500,000;
- (b) authorized the Respondents to borrow up to \$10,000,000 under the DIP Facility; and
- (c) extended the Stay of Proceedings to February 10, 2024.

4. A copy of the Amended and Restated Initial Order is attached hereto at **Exhibit “B”**.

5. On February 5, 2024, the Court granted an order (the “**February Order**”) which, *inter alia*:

- (a) extended the Stay of Proceedings to May 10, 2024;
 - (b) authorized the Respondents to borrow up to \$15,000,000 under the DIP Facility;
and
 - (c) approved an increase in the Work Fee (as defined below) payable to the CRO from \$40,000 per month to \$65,000 per month.
6. A copy of the February Order is attached hereto at **Exhibit “C”**.

III. RELIEF SOUGHT

Extension of the Stay of Proceedings

7. The current Stay of Proceedings expires on May 10, 2024. I have sworn this affidavit in support of the Monitor’s request for an extension of the Stay of Proceedings to September 27, 2024. Based on the revised cash flow forecast to be attached to the third report of the Monitor in these proceedings filed in connection with the pending motion, assuming the Respondents will continue to have access to the DIP Facility established by the Applicant, the Respondents will have sufficient liquidity to cover their expenses during the proposed stay extension period.

8. The extension of the Stay of Proceedings is necessary and appropriate in the circumstances in order to allow the Respondents, the CRO and the Monitor the opportunity to:

- (a) continue the implementation of a global data review project, including a systematic review of all leases and related documentation in the Respondents’ lease portfolios, and the regularization of electronic records reflecting such leases and related documentation;
- (b) continue to hold discussions with the plaintiffs’ counsel of record in the class action proceedings to work towards a potential mediation and determine a mutually agreed upon path forward;
- (c) continue developing relationships with industry groups in order to address the impact of newly enacted consumer protection legislation;

- (d) develop an understanding of the requirements of an eventual sale and investment solicitation process (“SISP”), including an understanding of the market conditions affecting the performance and value of the Respondents’ assets;
- (e) continue the implementation of cost-cutting operational initiatives;
- (f) continue analysis of ongoing litigation; and
- (g) continue engaging with key stakeholders.

9. While the initial phase of these CCAA proceedings focussed on the stabilization of the business, the CRO and Monitor have more recently been focussed on data collection and regularization, negotiations with class action plaintiffs’ counsel, and the timing of a potential SISP.

IV. UPDATE ON THE STATUS OF THE CCAA PROCEEDINGS

Activities of the Respondents and CRO

10. The Respondents have acted and continue to act in good faith and with due diligence in these CCAA proceedings. Since the February Order was granted, the activities of the Respondents and the CRO include:

- (a) developing and initiating a project plan for the global data review project, which will serve as a key precursor to any SISP;
- (b) successfully developing and implementing certain cost-saving initiatives which have assisted the Respondents in operating within the cash flow projections;
- (c) re-aligning internal resources after the implementation of the cost saving initiatives to allow same to continue to carry through operations with minimal disruption to customer service, collection and billing;
- (d) addressing active litigation matters, including engaging with counsel of record in the proposed class action proceeding; and
- (e) corresponding with potential purchasers or assignees for the Debtors’ residential new construction business segment.

Update to the Engagement Letter of the CRO

11. HWS was engaged as CRO pursuant to an engagement letter dated November 8, 2023 (the “**Engagement Letter**”), which was subsequently amended by an engagement amendment letter dated February 22, 2024 (the “**Engagement Amendment Letter**”), certain terms of which were approved by the February Order. A copy of the Engagement Amendment Letter is attached hereto at **Exhibit “D”**.

12. Further to discussions between the CRO, the Monitor, the Applicant, and their respective counsel, the CRO and the Applicant have agreed, in consultation with the Monitor, to further amend the Engagement Letter to reflect the extension of the Stay of Proceedings, should the extension be granted, and the CRO’s compensation for successfully implementing the cost-cutting initiatives discussed above.

13. The parties have agreed to maintain the Work Fee (as defined in the Engagement Letter) at \$65,000 per month from June to September, 2024 and to confer upon the CRO a bonus payment of \$150,000, which shall be payable in two equal installments of \$75,000 on July 1, 2024 and August 1, 2024.

14. In addition, the CRO and the Applicant have agreed, in consultation with the Monitor, for greater certainty, that the CRO’s reasonable and documented out-of-pocket expenses, which are currently capped at a maximum of \$10,000 per month (unless prior written consent of the Monitor and the Applicant is obtained), shall not include legal fees incurred by the CRO in connection with these CCAA proceedings.

Conclusion

15. For the reasons set out herein, the CRO supports the Monitor’s request for an extension of the Stay of Proceedings to September 27, 2024 and the other ancillary relief.

16. I swear this Affidavit in support of a motion for the relief set out above, and for no improper purpose.

SWORN BEFORE ME by video conference
by Josef Prospero at the City of Toronto, in the
Province of Ontario, on April 30, 2024 in
accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



DocuSigned by:

Samantha Hans

402DBD39546546A...

Commissioner for Taking Affidavits
(or as may be)

Samantha Hans - LSO # 84737H

DocuSigned by:

EFD7D3439094440...

JOSEF PROSPERI

Attached is **Exhibit "A"**
referred to in the
Affidavit of Joseph Prospero
sworn before me
this 30th day of April, 2024

DocuSigned by:

Samantha Hans

402DBD39546546A...

Commissioner for taking Affidavits, etc.

Samantha Hans - LSO # 84737H

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

**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 affidavit of Katherine Yurkovich sworn November 9, 2023 (the “**Yurkovich 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 Katherine Yurkovich sworn November 6, 2023.

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 Respondents to carry on any business which the Respondents are 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 for and on behalf of the Respondents the engagement of the CRO;
- (j) assist the Respondents in complying with the terms of the DIP Agreement;
- (k) provide information to the DIP Lender regarding the Business and affairs of the Respondents in response to reasonable requests thereof;
- (l) apply to this Court, on its own behalf or on behalf of the Respondents, for any orders necessary or advisable to carry out its powers and obligations under this Order or any other Order of this Court in these proceedings, including for advice and directions with respect to any matter; and
- (m) 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, or any successor employer liabilities as provided for in section 11.8(1) of the CCAA.

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, under 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(1.2) and 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 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, 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, 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 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 A** to the Yurkovich 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 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, under 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, 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 as Exhibit C to the Yurkovich Affidavit.

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 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: kpmg.com/ca/crowncrest

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.

A handwritten signature in blue ink, appearing to read 'Conway J.', is written over a horizontal line.

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
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Lawyers for Peoples Trust Company, the Applicant

Attached is **Exhibit “B”**
referred to in the
Affidavit of Joseph Prospero
sworn before me
this 30th day of April, 2024

DocuSigned by:
Samantha Hans
402DBD39546546A...

Commissioner for taking Affidavits, etc.

Samantha Hans - LSO # 84737H

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

| | | |
|-----------------------------|---|------------------------------|
| THE HONOURABLE MADAM |) | FRIDAY, THE 17TH |
| |) | |
| 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

AMENDED AND RESTATED INITIAL ORDER

(Amending Initial Order dated November 9, 2023)

THIS MOTION, made by Peoples Trust Company (“**PTC**” or the “**Applicant**”), for an order amending and restating the initial order of Justice Conway issued on November 9, 2023 (the “**Initial Order**”) 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 affidavit of Katherine Yurkovich sworn November 9, 2023 and the Exhibits thereto (the “**Yurkovich Affidavit**”), the affidavit of Michael Lombard sworn November 15, 2023 and the Exhibits thereto, the consent of KPMG Inc. (“**KPMG**” or the “**Monitor**”) to act as Monitor; the pre-filing report of KPMG dated November 7, 2023 (the “**Pre-Filing Report**”) and the first report of KPMG, to be filed (the “**First Report**”), each in KPMG’s capacity as 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 motion, 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 Katherine Yurkovich sworn November 16, 2023.

SERVICE

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

APPLICATION

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

PLAN OF ARRANGEMENT

3. **THIS COURT ORDERS** that the Respondents 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

4. **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.

5. **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.

6. **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 and subject to availability under and in an accordance with the Definitive Documents (as hereinafter defined):

- (a) all outstanding and future wages, salaries, employee and pension benefits, commissions, 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;
- (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; and
- (c) amounts owing for goods or services supplied to the Respondents prior to the date of this Order by third-party suppliers or service providers, up to a maximum aggregate amount of \$750,000, if, in the opinion of the CRO (as hereinafter defined), such supplier or service provider is critical to the Business and the ongoing operations of the Respondents.

7. **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.

8. **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.

9. **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.

10. **THIS COURT ORDERS** that, except as specifically permitted herein and in the Definitive Documents, 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.

RESTRUCTURING

11. **THIS COURT ORDERS** that the Respondents, shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents, have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of the Respondents' business or operations, and to dispose of redundant or non material assets not exceeding \$250,000 in any one transaction or \$2 million in the aggregate;
- (b) terminate the employment of such of the Respondents' employees or temporarily lay off such of the Respondents' employees as it deems appropriate;
- (c) pursue all avenues of refinancing of the Respondents' Business or Property, in whole or in part, subject to prior approval of this Court being obtained before any materials refinancing,

all of the foregoing to permit the the Respondents, to proceed with an orderly restructuring of the Business (the "**Restructuring**").

12. **THIS COURT ORDERS** that the Respondents shall provide each of the relevant landlords with notice of the Respondents' 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 applicable Respondent'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 CRO, on behalf of the applicable Respondent, or by further Order of this Court upon application by the CRO, on behalf

of the applicable Respondent, on at least two (2) days notice to such landlord and any such secured creditors. If the Respondents disclaim 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 of the lease shall be without prejudice to the CRO's claim, on behalf of the applicable Respondent, to the fixtures in dispute.

13. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the CRO and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, 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 any of the Respondents 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 RESPONDENTS OR THE PROPERTY

14. **THIS COURT ORDERS** that until and including February 10, 2024 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

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 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 Respondents to carry on any business which the Respondents are 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

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 Respondents, except with the written consent of the Respondents and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

17. **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

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 Respondents. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

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 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

20. **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.

21. **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 Definitive Documents;
- (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 6-7 above;
- (c) 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;
- (d) 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;
- (e) 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;
- (f) advise the Respondents in their development of a Plan and any amendments to a Plan;
- (g) assist the CRO, to the extent required by the CRO, with the holding and administering of creditors' or shareholders' meetings for voting on a Plan;
- (h) 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;
- (i) 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;
 - (j) give notice pursuant to the CRO Engagement Letter (as defined below) terminating for and on behalf of the Respondents the engagement of the CRO;
 - (k) assist the Respondents in complying with the terms of the Definitive Documents;
 - (l) provide information to the DIP Lender regarding the Business and affairs of the Respondents in response to reasonable requests thereof;
 - (m) apply to this Court, on its own behalf or on behalf of the Respondents, for any orders necessary or advisable to carry out its powers and obligations under this Order or any other Order of this Court in these proceedings, including for advice and directions with respect to any matter; and
 - (n) perform such other duties as are required by this Order or by this Court from time to time.

22. **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.

23. **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, or any successor employer liabilities as provided for in section 11.8(1) of the CCAA.

24. **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, under 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(1.2) and 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.

25. **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 or the Respondents 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 or the Respondents, as applicable, may agree.

26. **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.

27. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and counsel to the Applicant and counsel to the CRO 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, 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

28. **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.

29. **THIS COURT ORDERS** that the Monitor, the CRO, 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 \$1.5 million 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 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 45 and 47 hereof.

APPOINTMENT OF CRO

30. **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 A** to the Yurkovich 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.

31. **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.

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

33. **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.

34. **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 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, under 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.

35. **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.

36. **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.

37. **THIS COURT ORDERS** that, to the extent required by the Monitor or the DIP Lender, 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.

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

DIP FINANCING

39. **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 \$10,000,000 unless permitted by further Order of this Court.

40. **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 as **Exhibit C** to the Yurkovich Affidavit.

41. **THIS COURT ORDERS** that the Respondents are 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.

42. **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 45 and 47 hereof.

43. **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 Respondents 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.

44. **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 Respondents under the BIA, with respect to any advances made under the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

45. **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 \$1.5 million); and

Second – DIP Lender's Charge (to the maximum amount of the Obligations (as defined under the DIP Agreement)).

46. **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.

47. **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.

48. **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 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.

49. **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 Respondents, 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 Respondents entering into the DIP Agreement or the Definitive Documents, 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.

50. **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

51. **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 any Respondent 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.

52. **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: kpmg.com/ca/crowncrest

53. **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.

54. **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

55. **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.

56. **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.

57. **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 Respondents, 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.

58. **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.

59. **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.

60. **THIS COURT ORDERS** that the Initial Order is hereby amended and restated pursuant to this Order, and 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

AMENDED AND RESTATED 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)
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Thomas Gertner (67756S)
thomas.gertner@gowlingwlg.com

Tel: (416) 862-7525

Lawyers for Peoples Trust Company, the Applicant

Attached is **Exhibit “C”**
referred to in the
Affidavit of Joseph Prospero
sworn before me
this 30th day of April, 2024

DocuSigned by:

Samantha Hans

402DBD39546546A...

Commissioner for taking Affidavits, etc.

Samantha Hans - LSO # 84737H



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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE
JUSTICE CONWAY

)
)
)

MONDAY, THE 5TH
DAY OF FEBRUARY, 2024

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

**ORDER
(Stay Extension and Other Relief)**

THIS MOTION, made by KPMG Inc., in its capacity as Court-appointed monitor of the Respondents (in such capacity, the "**Monitor**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order, among other things, extending the Stay Period (as defined in the Amended and Restated Initial Order made in

- 2 -

these CCAA proceedings dated November 17, 2023, the “**ARIO**”), was heard by videoconference on February 5, 2024.

ON READING the Motion Record of the Monitor, the Second Report of the Monitor dated January 29, 2024 (the “**Second Report**”) and the affidavit of Josef Prospero sworn January 29, 2024, and on hearing the submissions of counsel for the Monitor, counsel for the Applicant, counsel for HWS Consulting Inc., Chief Restructuring Officer of the Respondents (the “**CRO**”), and those other parties present, no one else appearing although duly served as appears from the Affidavit of Service of Marleigh Dick affirmed February 1, 2024,

SERVICE

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

STAY EXTENSION

2. **THIS COURT ORDERS** that the Stay Period is hereby extended until and including May 10, 2024.

DIP FINANCING

3. **THIS COURT ORDERS** that paragraph 39 of the ARIO is hereby amended by replacing the reference to “\$10,000,000” to “\$15,000,000” such that, after giving effect to such amendment, paragraph 39 of the ARIO shall provide as follows:

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 \$15,000,000 unless permitted by further Order of this Court.

CRO WORK FEE

4. **THIS COURT ORDERS** that the Work Fee (as defined in the Second Report) payable to the CRO pursuant to and in accordance with the CRO Engagement Letter (as defined in the ARIO) of \$65,000 per month, for four (4) months commencing in February 2024, is hereby approved.

GENERAL

5. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

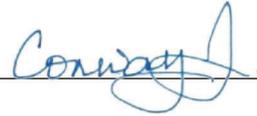
6. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicant, the Respondents, the Monitor and their respective agents in carrying out 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, 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 Applicant, the Respondents and the Monitor and their respective agents in carrying out the terms of this Order.

7. **THIS COURT ORDERS** that each of the Applicant, the Respondents and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or

- 4 -

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.

8. **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 or filing.

A handwritten signature in blue ink, appearing to read 'Conway J.', is written over a horizontal line.

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

ORDER
(Stay Extension and Other Relief)

OSLER, HOSKIN & HARCOURT LLP

100 King Street West
1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto ON M5X 1B8

Marc Wasserman (LSO# 44066M)

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Shawn T. Irving (LSO# 50035U)

Tel: 416.862.4733

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Martino Calvaruso (LSO# 57359Q)

Tel: 416.862.6665

Email: mcalvaruso@osler.com

Counsel to KPMG Inc., in its capacity as Monitor

Attached is **Exhibit “D”**
referred to in the
Affidavit of Joseph Prospero
sworn before me
this 30th day of April, 2024

DocuSigned by:
Samantha Hans
402DBD39546546A...

Commissioner for taking Affidavits, etc.

Samantha Hans - LSO # 84737H

HWS Consulting Inc. – Engagement Letter Amendment

February 22, 2024

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”)

Pursuant to the terms and conditions of a letter agreement dated November 8, 2023 (the “**Engagement Letter**”), HWS Consulting Inc. (“**HWS**”) agreed to provide the services of Josef Prosperi as an independent contractor to perform certain duties as Chief Restructuring Officer (the “**CRO**”) of the Simply Green Group. In accordance with the Initial Order and the Amended and Restated Initial Order, dated November 9, 2023 and November 17, 2023, respectively, the Companies became the subject of proceedings under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”), within which KPMG Inc. was appointed as monitor of the Simply Green Group (in such capacity, the “**Monitor**”).

Capitalized terms used herein shall have the same meaning ascribed to them in the Engagement Letter unless otherwise defined.

Pursuant to section 5(b) of the of the Engagement Letter, the CRO is entitled to compensation after the first three (3) months of the engagement in an amount to be agreed upon by HWS, the Monitor, and PTC, in its capacity as Applicant and DIP Lender, (collectively, the “**Parties**”) and approved by the Court.

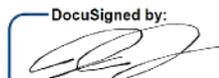
The Parties agree that the Work Fee shall be \$65,000 per month for each of the months of February, March, April and May, 2024 (the “**Extension Period**”). Pursuant to the terms of the Engagement Letter, such compensation shall be due and owing on the first business day of each month during the Extension Period. The Court approved the Work Fee for the Extension Period pursuant to an Order granted on February 5, 2024.

In addition to the amendment to the Work Fee contained herein, HWS and PTC, in its capacity as Applicant and DIP Lender, have held discussions regarding both a Success Fee, as referred to in the Engagement Letter, and a fee based upon the successful reduction of operating costs in the CCAA proceedings. During the Extension Period, HWS and PTC, in its capacity as Applicant and DIP Lender, agree to negotiate in good faith, in consultation with the Monitor, and work towards a satisfactory agreement regarding these fee arrangements.

Notwithstanding the amendments contained herein, all other terms of the Engagement Letter shall continue to remain in effect.

Yours truly,

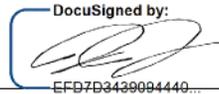
HWS Consulting Inc.

DocuSigned by:

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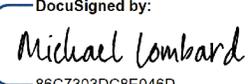
Josef Prosperi, President

ACKNOWLEDGED AND AGREED BY:

HWS Consulting Inc. in its capacity as CRO 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 and not in its personal or corporate capacity

By: 
Name: Josef Proseri
Title: President

Peoples Trust Company in its corporate capacity and in its capacity as debtor-in-possession lender to 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

By: 
Name: Michael Lombard
Title: Chief Credit Officer

KPMG Inc. in its capacity as 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 and not in its personal or corporate capacity

By: 
Name: Pritesh Patel
Title: Senior Vice-President

By:
Name: _____
Title: _____

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**

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings commenced at Toronto

AFFIDAVIT OF JOSEF PROSPERI

AIRD & BERLIS LLP

Barristers and Solicitors
Brookfield Place
181 Bay Street
Suite 1800
Toronto, ON M5J 2T9

**Steven Graff (LSO# 31871V)
Miranda Spence (LSO# 60621M)
Samantha Hans (LSO# 84737H)**

Tel: 416.863.1500
Fax: 416.863.1515

Lawyers for the CRO

TAB 3

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

| | | |
|----------------|---|------------------|
| THE HONOURABLE |) | TUESDAY, THE 7TH |
| |) | |
| JUSTICE CONWAY |) | DAY OF MAY, 2024 |

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

ORDER

(Second Stay Extension, DIP Amendment and Other Relief)

THIS MOTION, made by KPMG Inc., in its capacity as Court-appointed monitor of the Respondents (in such capacity, the “**Monitor**”), pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), for an order, among other things, extending the Stay Period (as defined in the Amended and Restated Initial Order made in

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these CCAA proceedings dated November 17, 2023, the “**ARIO**”), was heard by videoconference on May 7, 2024.

ON READING the Motion Record of the Monitor, the Third Report of the Monitor dated May 1, 2024 (the “**Third Report**”) and the affidavit of Josef Prospero sworn April 30, 2024, and on hearing the submissions of counsel for the Monitor, counsel for the Applicant, counsel for HWS Consulting Inc., Chief Restructuring Officer of the Respondents (the “**CRO**”), and those other parties present, no one else appearing although duly served as appears from the Affidavit of Service of Marleigh Dick affirmed ●, 2024,

SERVICE AND DEFINITIONS

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

STAY EXTENSION

3. **THIS COURT ORDERS** that the Stay Period is hereby extended until and including September 27, 2024.

FIRST DIP AMENDMENT

4. **THIS COURT ORDERS** that paragraph 39 of the ARIO, as amended by the Stay Extension Order granted by this Court in these CCAA proceedings on February 5, 2024, is hereby

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amended by replacing the reference to “\$15,000,000” to “\$21,000,000” such that, after giving effect to such amendment, paragraph 39 of the ARIO shall provide as follows:

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 \$21,000,000 unless permitted by further Order of this Court.

5. **THIS COURT ORDERS** that the First DIP Amendment is hereby approved, and that the Respondents are hereby authorized and empowered to enter into the First DIP Amendment, *nunc pro tunc*, subject to such minor amendments as may be acceptable to the Respondents, in consultation with the Monitor, and the Applicant.

6. **THIS COURT ORDERS** that all references to “DIP Agreement” in the ARIO shall be deemed to be references to the DIP Agreement as amended by the First DIP Amendment.

CRO FEES

7. **THIS COURT ORDERS** that the Work Fee of \$65,000 per month payable to the CRO by the Respondents pursuant to and in accordance with the CRO Engagement Letter (as defined in the ARIO), as amended, for four (4) months commencing in June 2024, is hereby approved.

8. **THIS COURT ORDERS** that the Cost Reductions Fee of \$150,000 payable to the CRO by the Respondents pursuant to and in accordance with the CRO Engagement Letter, as amended, in two payments of \$75,000 on July 1, 2024 and August 1, 2024, subject to the provision by the

CRO of evidence substantiating costs savings in relation to the operation of the Respondents acceptable to the DIP Lender and the Monitor, is hereby approved.

GENERAL

9. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

10. **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 Respondents, 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, 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 Applicant, the Respondents and the Monitor and their respective agents in carrying out the terms of this Order.

11. **THIS COURT ORDERS** that each of the Applicant, the Respondents and the Monitor be at liberty and is 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.

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12. **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 or filing.

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

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

PROCEEDING COMMENCED AT TORONTO

**ORDER
(Second Stay Extension, DIP Amendment and Other Relief)**

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Counsel to KPMG Inc., in its capacity as Monitor

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

PROCEEDING COMMENCED AT TORONTO

MOTION RECORD

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