



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-23-00709183-00CL

DATE: 25-SEP-2024

NO. ON LIST: 4

TITLE OF PROCEEDING: PEOPLES TRUST COMPANY v. CROWN CREST CAPITAL
MANAGEMENT CORP. et al.
BEFORE: JUSTICE CONWAY

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Shawn Irving	KPMG INC., The Monitor	sirving@osler.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Clifton P. Prophet	PEOPLES TRUST COMPANY	clifton.prophet@gowlingwlg.com
Miranda Spence	Chief Restructuring Officer	mspence@airdberlis.com
Samantha Hans		shans@airdberlis.com
David T. Ullmann	Class Action Plaintiffs	dullmann@blaney.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info

ENDORSEMENT OF JUSTICE CONWAY:

- [1] **All defined terms used in this Endorsement shall, unless otherwise defined, have the meanings ascribed to them in the Factum of the Monitor dated September 23, 2024.**
- [2] The Monitor brings this motion, for and on behalf of the Debtors, for an order extending the Stay Period until and including January 31, 2025; approval of the Second DIP Amendment and increase of the DIP borrowing limit to \$25 million (from \$21 million); approval of the Third CRO Amendment to the CRO Engagement Letter; approval of the reports and activities of the Monitor; and approval of the fees of the Monitor and its counsel.
- [3] The motion is unopposed. It is supported by Peoples Trust Company, the DIP lender.
- [4] Counsel for the Monitor updated the court on the events that have transpired, all as set out in its Fourth Report, and in particular the August Mediation on the Bonnick action.
- [5] I am satisfied that the relief sought should be granted. The Stay Period is extended to January 25, 2025. The Debtors, under the stewardship of the CRO and supervision of the Monitor, are acting in good faith and with due diligence. The extension will not materially prejudice any creditor of the Debtors as 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 extension period. In addition, the extension will allow additional time for the Monitor to facilitate discussions with the parties to the Bonnick Action and to continue to advance the development of the SISP. I approve the stay extension.
- [6] The Second DIP Amendment, which increases the borrowing limit from \$21 million to \$25 million, is approved. The Updated Cash Flow Forecast supports the need for this additional liquidity during the Forecast Period.
- [7] The Third CRO Amendment is approved. It continues the engagement of the CRO at the existing Work Fee of \$65,000 per month, to January 2025.
- [8] The Reports and activities of the Monitor are approved, as are the accounts of the Monitor and its counsel.
- [9] I reiterate my earlier endorsements that although I consider it clear from the orders I have signed, the court makes no comment with respect to any practices or operations that may be the subject matter of any litigation.
- [10] Order to go as signed by me and attached to this Endorsement. This order is effective from today's date and is enforceable without the need for entry and filing.

