



**THIS MOTION**, made by KPMG Inc. (“**KPMG**”), in its capacity as Court-appointed monitor of the Respondents (the “**Monitor**”), pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), for an order, *inter alia*, further amending and restating the Amended and Restated Initial Order of this Court dated November 17, 2023 (the “**ARIO**”) was heard by videoconference on June 2, 2025.

**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 to act as Monitor; the pre-filing report of KPMG dated November 7, 2023 (the “**Pre-Filing Report**”), the first report of the Monitor dated November 16, 2023, and the joint report of KPMG Inc. dated May 26, 2025, delivered in its capacities 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 (the “**Initial Respondents**”), Proposal Trustee (as defined below) and proposed Monitor of HCSI Home Comfort Inc. and HCSI Home Comfort 2 Inc. (the “**Joint Report**”), the affidavit of Josef Prospero sworn May 26, 2025, and the Supplement to the Joint Report dated May 30, 2025, and on being advised that KPMG was appointed as the proposal trustee (the “**Proposal Trustee**”) in the proceedings commenced by HCSI Home Comfort Inc. and HCSI Home Comfort 2 Inc. by the filing of notices of intention to make a proposal under the *Bankruptcy and Insolvency Act*, RSC 85, c. B-3, as amended (the “**BIA**”) bearing court file number BK-25-03226766-0031 and estate/court file no. 31-3226766, and court file number BK-25-03226764-0031 and estate/court file no. 31-3226764, respectively (together, the “**NOI Proceedings**”) and on being advised 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 Peoples Trust Company (“**PTC**” or the “**Applicant**”), counsel for the Respondents, counsel for KPMG, counsel for the CRO (as defined below), 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 and the affidavit of service of Marleigh Dick sworn May 27, 2025.

## **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.

## **INTERPRETATION**

2. **THIS COURT ORDERS** that references in this Order to the “date of this Order”, the “date hereof” or similar phrases shall refer to the date of the Initial Order of this Court that was granted in these CCAA proceedings, being November 9, 2023; provided however that, notwithstanding the foregoing, references in this Order to the “date of this Order”, the “date hereof” or similar phrases that relate to HCSI Home Comfort Inc. and HCSI Home Comfort 2 Inc. (the “**Additional Respondents**”) shall refer to the date of this Order, being June 2, 2025.

## **APPLICATION**

3. **THIS COURT ORDERS** that the Initial Respondents and the Additional Respondents (collectively with the Initial Respondents, the “**Respondents**”) are companies to which the CCAA applies.

4. **THIS COURT ORDERS** that effective as of the date of this Order, the NOI Proceedings are hereby taken up and continued under the CCAA and consolidated with the within proceeding and that, as of such date, the provisions of Part III of the BIA shall have no further application to the Additional Respondents; provided that, (a) any and all steps, actions, agreements and procedures validly taken, done or entered into by the Additional Respondents or the Proposal Trustee during the NOI Proceedings shall remain valid and binding, except to the extent the Charges (as defined below) are continued or amended pursuant to this Order; and (b) nothing herein shall affect, vary, derogate from, limit or amend, and KPMG and its counsel shall continue to have the benefit of, any and all of the rights, approvals and protections in favour of the Proposal Trustee and its counsel at law or pursuant to the BIA or any Order of this Court.

5. **THIS COURT ORDERS** that the consolidation of proceedings effected pursuant to this Order is for administrative purposes only and shall not effect a consolidation of the assets and property of the Respondents for any purpose including, without limitation, for the purposes of any

plan or plans of arrangement that may hereafter be proposed. Unless otherwise expressly provided in this Order, the Respondents are hereby directed to continue to maintain their separate property and assets.

## **PLAN OF ARRANGEMENT**

6. **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**

7. **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.

8. **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.

9. **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 CCAA 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.

10. **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.

11. **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.

12. **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.

13. **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**

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

15. **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.

16. **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**

17. **THIS COURT ORDERS** that until and including October 31, 2025 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**

18. **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**

19. **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**

20. **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**

21. **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**

22. **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**

23. **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.

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

- (a) monitor the 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 9-10 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 these CCAA proceedings;
- (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 CCAA 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 CCAA 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.

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

26. **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.

27. **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.

28. **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.

29. **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.

30. **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 CCAA 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

31. **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.

32. **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 CCAA proceedings excluding the Success Fee (as defined in the CRO Engagement Letter) payable thereunder. The Administration Charge shall have the priority set out in paragraphs 56 and 58 hereof.

### **APPOINTMENT OF CRO**

33. **THIS COURT ORDERS** that the agreement dated as of November 8, 2023, pursuant to which HWS Consulting Inc. was engaged 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 of the Respondents pursuant to the terms thereof, are hereby approved, including, without limitation, the payment of the fees and expenses contemplated thereby.

34. **THIS COURT ORDERS** that (a) the CRO Work Fee of \$65,000 per month payable to the CRO by the Respondents pursuant to and in accordance with the CRO Engagement Letter, is hereby approved, *nunc pro tunc*; and (b) the Success Fee set out in the CRO Engagement Letter is hereby approved.

35. **THIS COURT ORDERS** that the Confidential Appendix “R” to the Joint Report containing the Fifth CRO Amendment (as defined in the Joint Report) is hereby sealed pending further Order of the Court.

36. **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**”). The CRO Powers shall include the authority to enter agreements or instruments on behalf of the Respondents, to the exclusion of all others, including transaction agreements in connection with any sale and investment solicitation process in these CCAA proceedings, and authorizing corporate filings on behalf of the Respondents and

identifying the CRO as a director or officer of the Respondents for the limited purpose of such filing, if required. 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.

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

38. **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.

39. **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.

40. **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.

41. **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.

42. **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.

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

## **DIP FINANCING**

44. **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 \$38,600,000 unless permitted by further Order of this Court.

45. **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 Initial Respondents and the DIP Lender dated as of November 9, 2023 (the “**DIP Agreement**”), filed as **Exhibit C** to the Yurkovich Affidavit, as amended by the First DIP Amendment, the Second DIP Amendment, the Third DIP Amendment, the Fourth DIP Amendment, and the Fifth DIP Amendment (all as defined in the Joint Report).

46. **THIS COURT ORDERS** that the Fifth DIP Amendment is hereby approved, and that the Initial Respondents are hereby authorized and empowered to enter into the Fifth DIP Amendment, *nunc pro tunc*. The Respondents shall be further authorized and empowered to execute a joinder and amendment to the DIP Agreement, substantially in the form attached as Appendix “Q” to the Joint Report, to add the Additional Respondents as obligors thereunder subject to the terms of this Order (the “**DIP Joinder**”). References to “Respondents” in this DIP Financing section shall only include the Additional Respondents from and after their execution of the DIP Joinder.

47. **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.

48. **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; provided that, notwithstanding anything to the contrary herein, in respect of the Additional Respondents and their respective Property, the DIP Lender’s Charge shall only secure the Obligations (as defined under the DIP Agreement) incurred by the Respondents from and after June 2, 2025. The DIP Lender’s Charge shall have the priority set out in paragraphs 56 and 58 hereof.

49. **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.

50. **THIS COURT ORDERS** that the DIP Lender shall be treated as unaffected in any Plan or any proposal filed by the Respondents under the BIA, with respect to any advances made under the Definitive Documents.

#### **APPOINTMENT OF SALES AGENT**

51. **THIS COURT ORDERS** that the agreement dated as of April 28, 2025, engaging Canadian Imperial Bank of Commerce (the "**Sales Agent**") as sales agent in these CCAA proceedings, a redacted copy of which is attached as Appendix "L" to the Joint Report (the "**CIBC Engagement Letter**"), and the retention of the Sales Agent pursuant to the terms thereof, is hereby ratified and approved, *nunc pro tunc*, and the Respondents are authorized and directed to make the payments contemplated thereunder when earned and payable in accordance with the terms and conditions of the CIBC Engagement Letter.

52. **THIS COURT ORDERS** that the Sales Agent shall be entitled to the benefit of and is hereby granted a charge (the "**Sales Agent Charge**") on the Property, which charge shall not exceed \$3.5 million, as security for all amounts due to be paid to the Sales Agent pursuant to the CIBC Engagement Letter. The Sales Agent Charge shall have the priority set out in paragraph 56 herein.

53. **THIS COURT ORDERS** that the Sales Agent, its affiliates, partners, directors, employees, agents and controlling persons shall incur no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind whatsoever, to any person in connection with or as a result of the Sales Agent's engagement by the Respondents pursuant to the CIBC Engagement Letter, or the carrying out of the provisions of the CIBC Engagement Letter, save and except for any gross negligence or wilful misconduct on its part.

54. **THIS COURT ORDERS** that the obligations of the Respondents to the Sales Agent pursuant to the CIBC 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, and no such Plan or proposal shall be sought for approval that does not provide for the payment of all amounts due to the Sales Agent pursuant to the CIBC Engagement Letter.

55. **THIS COURT ORDERS** that the Confidential Appendix "M" to the Joint Report containing the unredacted CIBC Engagement Letter is hereby sealed pending further Order of the Court.

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

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

First – Administration Charge (to the maximum amount of \$1.5 million);

Second – DIP Lender's Charge (to the maximum amount of the Obligations, subject to paragraph 48 hereof); and

Third – Sales Agent Charge (to the maximum amount of \$3.5 million).

57. **THIS COURT ORDERS** that the filing, registration or perfection of the Administration Charge, the DIP Lender's Charge or the Sales Agent 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.

58. **THIS COURT ORDERS** that each of the Charges (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.

59. **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 Charges, unless the Respondents also obtains the prior written consent of the Monitor, the DIP Lender, the Sales Agent and the beneficiaries of the Administration Charge, or further Order of this Court.

60. **THIS COURT ORDERS** that the Charges, the DIP Agreement and the Definitive Documents 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 CCAA 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.

61. **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.

#### **KEY EMPLOYEE RETENTION PLAN**

62. **THIS COURT ORDERS** that the Key Employee Retention Plan (the "**KERP**"), as described in the Joint Report and attached as Confidential Appendix "O" thereto (the "**Confidential KERP Appendix**"), is hereby approved and the Respondents are authorized to make payments contemplated thereunder in accordance with the terms and conditions of the KERP.

63. **THIS COURT ORDERS** that the Confidential KERP Appendix at Confidential Appendix "O" to the Joint Report shall be and is hereby sealed, kept confidential, and shall not form part of the public record, pending further order of this Court.

#### **SERVICE AND NOTICE**

64. **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.

65. **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](http://kpmg.com/ca/crowncrest)

66. **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 CCAA 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.

67. **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 CCAA 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**

68. **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.

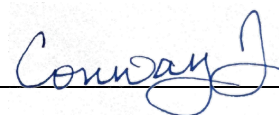
69. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Respondents, the Business or the Property.

70. **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.

71. **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 these CCAA proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

72. **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.

73. **THIS COURT ORDERS** that the ARIO 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.

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 AS AMENDED

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF CROWN CREST CAPITAL MANAGEMENT  
CORP., CROWN CREST FINANCIAL CORP., CROWN CREST  
FUNDING CORP., SIMPLY GREEN HOME SERVICES INC., SIMPLY  
GREEN HOME SERVICES CORP., CROWN CREST CAPITAL TRUST,  
HCSI HOME COMFORT INC. and HCSI HOME COMFORT 2 INC.

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

Proceeding commenced at Toronto

**SECOND AMENDED AND RESTATED INITIAL ORDER**

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Lawyers for KPMG Inc., in its capacity as Monitor