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

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

REPORT OF KPMG INC., IN ITS CAPACITY AS PROPOSED MONITOR

November 6, 2023

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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

REPORT OF KPMG INC. IN ITS CAPACITY AS PROPOSED MONITOR

November 6, 2023

I. INTRODUCTION

1. Crown Crest Financial Corp. (“**CCFC**”), Simply Green Home Services Inc. (“**New Simply Green**”), Simply Green Home Services Corp. (“**Old Simply Green**”), Crown Crest Capital Management Corp. (“**CC Management Co**”), Crown Crest Funding Corp. (“**Trustee Co**”), and Crown Crest Capital Trust (“**CC Trust**” and collectively, the “**Simply Green Leasing Group**” or the “**Respondents**”) are a group of privately held companies with headquarters in Toronto, Ontario that operate a vertically integrated heating, ventilation and air conditioning (“**HVAC**”) equipment leasing and servicing business.

2. Peoples Trust Company (“**PTC**” or the “**Applicant**”) has advanced secured financing to the Simply Green Leasing Group and holds general security agreements from each of CCFC, New Simply Green, Old Simply Green, CC Management Co., Trustee Co and CC Trust pursuant to which PTC obtained a first ranking general security interest in all of the personal property, assets, and undertakings of the applicable grantor, as security for all indebtedness, liability and obligations of that grantor to PTC, including, without limitation, guarantee obligations and future indebtedness. PTC also holds certain rights as concurrent lessee pertaining to portfolios of consumer HVAC equipment leases originated or acquired by members of the Simply Green Leasing Group. As of September 30, 2023, PTC is owed approximately $39.7 million under the Loan Agreements (as defined herein) and has further exposure under the Concurrent Leases (as defined herein) in the amount of approximately $279.7 million.

3. KPMG Inc. (“**KPMG**” or the “**Proposed Monitor**”) understands that PTC intends to make an application (the “**Application**”) before the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) returnable on November 9, 2023, seeking an Initial Order (the “**Proposed Initial Order**”) pursuant to the *Companies’ Creditors Arrangement Act,* R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) in respect of the Respondents to, among other things:

   (a) obtain a stay of proceedings in respect of the Respondents until and including November 19, 2023;

(b) appoint KPMG as the monitor in respect of the Respondents as part of the proposed CCAA proceeding, with the powers set out in the Proposed Initial Order;

(c) approve the appointment of HWS Consulting Inc. ("**HWS**"), acting through Josef Prosperi and others, to act as the Chief Restructuring Officer (the "**Proposed CRO**") of the Respondents pursuant to an engagement letter to be entered into in advance of the Application date, and authorizing the Proposed CRO to exercise and perform the powers, responsibilities and duties set out therein;

(d) approve the terms of an interim financing facility (the "**DIP Facility**") to be provided by PTC to the Respondents in order to finance the Respondents' working capital requirements and restructuring costs, pursuant to a DIP facility term sheet to be entered into by the Proposed CRO, on behalf of the Respondents (the "**DIP Term Sheet**"); and

(e) approve the charges in the Proposed Initial Order.

4. The Proposed Monitor understands the primary purpose of the CCAA proceedings is to ensure the Simply Green Leasing Group has the necessary working capital and liquidity to continue operations while providing an opportunity to explore restructuring options under the CCAA under the supervision of the Proposed CRO and the Proposed Monitor, that would seek to maximize creditor and stakeholder recoveries.

II. PURPOSE OF REPORT

5. This report (the "**Report**") has been prepared by KPMG as the Proposed Monitor of the Respondents in the CCAA proceedings. The purpose of the Report is to provide the Court with information pertaining to:

(a) KPMG's qualifications to act as Monitor of the Respondents (in such capacity, the "**Monitor**");

(b) limited background information in respect of operations, financial position and creditors of the Simply Green Leasing Group, based on information currently available to the Proposed Monitor;

(c) the cash flow projections for the Simply Green Leasing Group (the "**Cash Flow Forecast**") for the period from November 6, 2023 to February 3, 2024 (the "**Forecast Period**");

(d) summarize the key terms of the proposed DIP Term Sheet to be made available to the Respondents from PTC in the maximum principal amount of $15 million;

(e) the appointment of the Proposed CRO;

(f) the charges proposed in the Proposed Initial Order; and

(g) the Proposed Initial Order and proposed additional powers of the Proposed Monitor thereunder.

III. TERMS OF REFERENCE

6. In preparing this Report, KPMG has relied solely on information and documents provided to it by the Simply Green Leasing Group and PTC, and their respective advisors, including unaudited, draft and/or internal financial information, financial projections prepared by the Simply Green Leasing Group, discussions with management of the Simply Green Leasing Group, discussions with PTC executives, and affidavits of the Respondents' executives (collectively, the "**Information**"). In accordance with industry practice, except as otherwise described in the Report, KPMG has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. However, KPMG has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards ("**GAAS**") pursuant to the *Chartered Professional Accountant of Canada Handbook* and, as such, KPMG expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.

7. Capitalized terms used but not defined in this Report are defined in the Affidavit of Mr. Michael Lombard of PTC sworn November 6, 2023 (the "**Lombard Affidavit**"), filed by the Applicant as part of its materials in support of the Application and the Proposed Initial Order. This Report should be read in conjunction with the Lombard Affidavit, as certain

information contained in the Lombard Affidavit has not been included herein in order to avoid unnecessary duplication.

8. Future orientated financial information contained in the Cash Flow Forecast is based on the Simply Green Leasing Group's estimates and assumptions regarding future events. Actual results will vary from the information presented even if the hypothetical assumptions occur, and variations may be material. Accordingly, the Proposed Monitor expresses no assurance as to whether the Cash Flow Forecast will be achieved.

9. If the Proposed Initial Order is granted, and KPMG is appointed as Monitor, KPMG will make available all Court documents and other material documents pertaining to the CCAA proceedings on its website at www.kpmg.com/ca/simplygreen. In addition, KPMG has arranged for a toll-free hotline 1-833-668-6400 and an email address simplygreen@kpmg.ca through which creditors of the Respondents or other interested parties can make inquires related to the CCAA proceedings.

10. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.

IV. KPMG'S QUALIFICATIONS TO ACT AS MONITOR

11. KPMG is a trustee within the meaning of section 2(1) of the *Bankruptcy and Insolvency Act*. Further, KPMG is not subject to any of the restrictions on who may be appointed as Monitor set out in section 11.7(2) of the CCAA.

12. KPMG has experience acting as CCAA monitor and other court-officer capacities in insolvency proceedings. The senior professional personnel at KPMG with primary carriage of this matter are certified Chartered Insolvency and Restructuring Professionals and Licensed Insolvency Trustees and have acted in insolvency matters of similar nature and scale across Canada.

13. Should the Court grant the Proposed Initial Order, KPMG has consented to act as Monitor. Furthermore, the Proposed Monitor has retained Osler, Hoskin & Harcourt LLP ("**Osler**") to act as its independent counsel in these proceedings.

14. KPMG LLP, an affiliate of the Proposed Monitor, was retained by Gowling WLG (Canada) LLP, on behalf of PTC, pursuant to an engagement letter dated on August 8, 2023, to provide financial advisory services to PTC in respect of the Simply Green Leasing Group (the "**Prior Engagement**"). During that time, KPMG developed a preliminary understanding of the financial and operational challenges of the Simply Green Leasing Group, which knowledge will assist KPMG to fulfil its duties as Monitor.

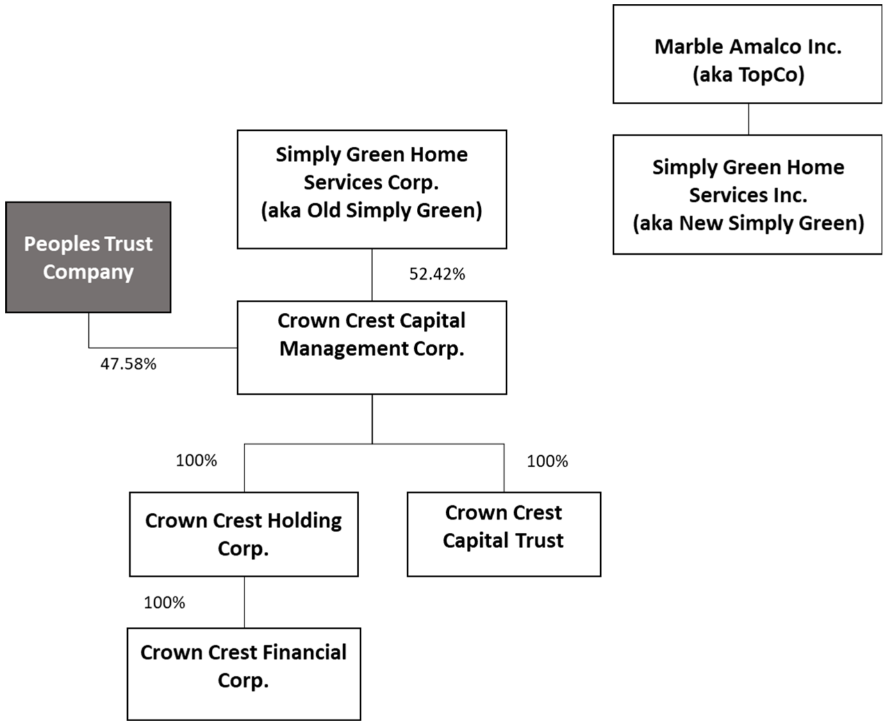
15. The Simply Green Leasing Group consented to the Prior Engagement and agreed that it would not assert any objection to the appointment of KPMG by the Court to act as CCAA monitor based on any claim of conflict related to the Prior Engagement. As a formal matter, PTC and KPMG LLP will terminate the Prior Engagement upon the entry of the Proposed Initial Order.

V. BACKGROUND

16. Detailed information with respect to Simply Green Leasing Group's business, operations and causes of insolvency are set out extensively in the Lombard Affidavit. The Proposed Monitor has reviewed the Lombard Affidavit and believes, based on the Information available to it, that it provides a fair and sufficient summary of the business and affairs of the Simply Green Leasing Group and the causes of its insolvency. The information contained in this Report represents a summary of the background to the proposed CCAA proceedings.

Corporate Structure and Business

17. As noted in the Lombard Affidavit, each of the Respondents are incorporated under the *Business Corporations Act* (Ontario). An organizational chart for the Respondents is included in the Lombard Affidavit and set forth below:



18. As noted above, Old Simply Green is the direct and/or indirect parent of each of the Respondents, except for New Simply Green, which is a subsidiary of Marble Amalco Inc ("**Marble Amalco**"). CC Trust is a special purpose funding trust that holds pools of equipment leases originated by other entities in the Respondents' group. CC Trustee is the trustee of CC Trust and CC Management Co is the beneficiary and administrator of the Trust.

19. The Respondents are in the business of renting and servicing heating, ventilation and air conditioning ("**HVAC**") and energy conservation equipment to retail consumers including hot water heaters, furnaces, heat pumps, air conditioners, boilers, air filtration systems and other related products. The equipment lease portfolio owned by the Simply Green Leasing Group is spread across Canada, with the majority of the equipment leases concentrated in Ontario. The Respondents operate the business from a leased premise located at 2225 Sheppard Ave East in Toronto, Ontario ("**Sheppard Office**"), which is the registered corporate office for each of the Respondents.

20. The business of the Simply Green Leasing Group commenced in 2013 under Old Simply Green and was focused primarily on originating leases for home comfort equipment, which involved customers entering into a term lease for new HVAC equipment, typically for ten (10) years, with lease buyout rights. Customers generally did not pay an upfront cost for acquisition and installation, but rather pay a monthly fee for the duration of the lease period. Old Simply Green would then sell the leases (and the underlying payment stream) to a financing partner.

21. The leases generally provided that the customer was not responsible for any normal course repairs to the underlying equipment over the life of the lease, except if the customer exercised their lease buyout right in which case the customer would become the outright owner of the equipment (with no further payment obligations) but would forego any further entitlement to servicing.

22. The Proposed Monitor understands that in 2015 the business model of the Simply Green Leasing Group shifted from solely lease origination to include financing of new HVAC equipment sales, as well as customer support and repair and maintenance services. While some leases continued to be originated by Old Simply Green, the Proposed Monitor understands the majority of new leases were acquired from third parties by the Simply Green Leasing Group.

23. Since 2015, the Simply Green Leasing Group has grown through acquisition of numerous portfolios of equipment leases originated by third parties, either by purchasing the equipment leases themselves or by acquiring companies' that held pools of equipment leases. These transactions have been a significant driver of the growth of the Simply Green Leasing Group, which currently services approximately 84,000 consumer equipment leases.

2020 Reorganization

24. As noted in the Lombard Affidavit, the Simply Green Leasing Group reorganized its corporate structure on or about October 13, 2020, in tandem with the formation of 2775996 Ontario Inc. ("**277**"), to acquire adjacent consumer lending businesses. As part of the

reorganization (the "**2020 Reorganization**"), the following changes were made to the Respondents corporate structure:

(a) 277, the predecessor to Marble Amalco, was incorporated to facilitate the aforementioned acquisitions;

(b) Old Simply Green amended its name from "Simply Green Home Services Inc." to its current name of "Simply Green Home Services Corp."; and,

(c) New Simply Green was incorporated as 2775153 Ontario Inc., a subsidiary of 277, and thereafter changed its name to "Simply Green Home Services Inc.", the former name of Old Simply Green.

25. As part of the 2020 Reorganization, the non-portfolio assets of Old Simply Green, including all employees and operational assets required to operate the business, excluding intellectual property and intellectual property rights ("**IP**"), were transferred to New Simply Green. As a result, all new equipment leases were originated by New Simply Green and no new equipment leases were originated or otherwise transferred to Old Simply Green.

26. Further concurrently with the closing, New Simply Green and Old Simply Green, with PTC's consent, entered into: (i) an IP licencing agreement, allowing New Simply Green to use the IP assets, including the branding and trademarks when originating new contracts; and (ii) a sub-servicing agreement pursuant to which New Simply Green agreed to perform and fulfill all servicing activities previously performed by Old Simply Green in relation to the existing equipment leases held by it, CC Trust and CCFC as at the time of the 2020 Reorganization (the "**Sub-Servicing Agreement**").

27. Pursuant to the Sub-Servicing Agreement, 277 (now Marble Amalco) granted a guarantee in favour of PTC to guarantee the performance and fulfilment of the obligations by New Simply Green thereunder, and indemnifying PTC from any loss, damage, suit, cost or other proceeding arising from the failure of New Simply Green to perform its obligations under the Sub-Servicing Agreement.

Financial Position

28. Included in the Lombard Affidavit are copies of the audited consolidated financial statements for Old Simply Green for the fifteen-month period ending December 31, 2022 (the "**2022 Audited Financial Statements**"). The 2022 Audited Financial Statements cover each of the Respondents other than New Simply Green (the Companies included in the 2022 Audited Financial Statements, the "**Old Simply Green FS Entities**").

29. According to the 2022 Audited Financial Statements, as at December 31, 2022, the Old Simply Green FS Entities had total consolidated assets with a net book value of approximately $256.4 million. The majority of these consolidated assets are comprised of "finance receivables", which the Proposed Monitor understands to be the net book value of equipment lease payments owing to the Old Simply Green FS Entities. The 2022 Audited Financial Statements further provide that as of December 31, 2022, the Old Simply Green FS Entities had total liabilities in the amount of approximately $312.3 million, including secured debt in the amount of $255.8 million.

30. The most recent unaudited financial statements provided to PTC for New Simply Green are for the quarterly period ending March 31, 2023 (the "**New Simply Green March 2023 FS**"). The New Simply Green March 2023 FS, a copy of which is attached to the Lombard Affidavit, indicates that New Simply Green had total assets in the amount of approximately $61.3 million, primarily comprised of finance receivables in the amount of approximately $55.6 million, and liabilities of approximately $90.9 million (including secured debt in the amount of approximately $55.4 million).

Employees

31. Based on discussions with management, the Proposed Monitor understands that the Simply Green Leasing Group has between 70 to 80 full time employees, including management and executives, all based in Toronto and working from the Sheppard Office.

32. Based on the Information reviewed to date, the Proposed Monitor understands the Respondents' employees do not benefit from a company-backed pension plan, are not represented by a union and are not subject to a collective bargaining agreement

PTC Indebtedness

33. PTC is the principal source of secured financing for the Respondents. Specifically, the Respondents have entered into three warehouse loan agreements and secured debenture facilities with PTC (collectively, the "**Loan Agreements**"). They have also entered into a number of concurrent leases (the "**Concurrent Leases**") which PTC has certain rights pertaining to the underlying rents payable for specific portfolios of consumer rental agreements (the "**Concurrent Lease Agreements**").

34. As noted earlier in this Report, PTC has a first ranking general security interest in all of the personal property, assets, and undertakings in each of CCFC, New Simply Green, Old Simply Green, CC Management Co., Trustee Co and CC Trust. Further, under each of the Concurrent Lease Agreements, PTC has been granted a security interest in the underlying rented assets, including without limitation all amounts owed to or received by the applicable lessor, and all of the lessor's right, title and interest, in and to all collections in respect of the remaining term of the equipment lease agreements.

35. As at September 30, 2023, PTC is owed approximately $39.7 million under the Loan Agreements and has further exposure under the Concurrent Lease Agreements in the amount of approximately $279.7 million. PTC was granted various general security agreements and guarantees pertaining to the Loan Agreements and Concurrent Lease Agreements, as detailed and appended to the Lombard Affidavit.

36. The Loan Agreements currently in place between the respondents and PTC are described in the below chart:

#	Borrower	Authorized Amount of Facility	Outstanding Balance (1)	Accrued Interest (1)	Title and Date of Agreement	Name of Facility
1	CC Trustee in its capacity as trustee of CC Trust	$5,500,000	$2,167,832	$22,315	Fourth Amended and Restated Warehouse Line of Credit Agreement dated January 1, 2023	**Warehouse 1**
2	CC Trustee in its capacity as trustee of CC Trust	$20,514,800	$12,495,271	$136,389	Third Amended and Restated Warehouse Line of Credit Agreement dated January 1, 2023	**Warehouse 4**
3	New Simply Green	$25,000,000	$17,846,112	$191,881	Second Amended and Restated Warehouse Line of Credit Agreement dated January 1, 2023	**Warehouse 5**
4	Old Simply Green	$10,000,000	$6,806,717	$70,903	Debenture dated January 19, 2018	**Debenture 1**
	Total	**$61,014,800**	**$39,315,932**	**$421,489**		

(1) As at September 30, 2023

37. As noted in the Lombard Affidavit, 277 (now Marble Amalco) granted a guarantee in favour of PTC of the obligations, liability and indebtedness of New Simply Green under Warehouse 5.

38. The Concurrent Lease Agreements currently in effect between the Respondents and PTC are described in the below chart:

#	Concurrent Lessor and Servicer	Title and Date of Agreement
1	CCFC	Fourth Amended and Restated Concurrent Lease dated June 30, 2021
2	CC Trustee in its capacity as trustee of CC Trust	Concurrent Lease Agreement dated May 29, 2019
3	New Simply Green	Second Amended and Restated Concurrent Lease dated November 1, 2021
4	CC Trustee in its capacity as trustee of CC Trust	Second Amended and Restated Concurrent Lease Agreement dated April 15, 2019
5	CC Trustee in its capacity as trustee of CC Trust	Third Amended and Restated Concurrent Lease Agreement dated April 15, 2019

39. At present, the Proposed Monitor has not received a security opinion from its independent counsel, Osler, on the validity and enforceability of PTC's security interest as against the

Respondents but intends to request such review be completed prior to the Comeback Hearing, should the Proposed Initial Order be issued.

Other Creditors

40. As noted in the Lombard Affidavit, the Respondents have a limited number of other creditors with registered security interests in the applicable personal property security registries, which primarily appear to relate to leasing and/or financing of vehicles. One of the registrations is from Greypoint Capital Inc. relating to a warehouse loan agreement entered into with Old Simply Green, which was reportedly repaid in full on January 26, 2022, according to the 2022 Audited Financial Statements.

41. As per the 2022 Audited Financial Statements, the Old Simply Green FS Entities had unsecured creditors in the amount of approximately $13 million, substantially all of which is due to a company under common control. Based on the Information received, the Proposed Monitor understands this balance may have increased to approximately $18.7 million as at June 30, 2023.

42. As per the New Simply Green March 2023 FS, New Simply Green has unsecured creditors and accrued liabilities in the amount of approximately $5.2 million. The Proposed Monitor does not have a further breakdown of this balance.

43. Based on the Information received and reviewed to date, the Proposed Monitor is not aware of any arrears of employee related amounts, required remittances of employee withholdings, and/or sales taxes (HST and PST), other than potentially accrued amounts since the date of the last payment/remittance. The Proposed Monitor intends to confirm the above following issuance of the Proposed Initial Order.

VI. CASH FLOW FORECAST

44. The Proposed Monitor has prepared the Cash Flow Forecast for the purpose of projecting the estimated liquidity needs of the Simply Green Leasing Group during the Forecast Period. A copy of the Cash Flow Forecast, accompanying notes and a report containing prescribed representations regarding the preparation of the Cash Flow Forecast are attached hereto as **Appendix "A"**.

45. The Cash Flow Forecast has been prepared by the Proposed Monitor on a conservative basis using probable and hypothetical assumptions set out in the notes to the Cash Flow Forecast.

46. The Cash Flow Forecast has been prepared by the Proposed Monitor without consulting with the Respondents, based on financial information and financial models provided by the Respondents in the Prior Engagement. This financial information included a monthly cash flow forecast (the "**SG Monthly Model**") prepared using a lease schedule and opening loan balances as at May 31, 2023 and was based on assumptions as it relates to cash generation from lease agreements, operating expenses, debt servicing costs and flow-through payments to PTC.

47. The Proposed Monitor has updated opening loan balances from information provided to it by the Applicant and made assumptions regarding the timing of intra-month receipts and disbursements based on certain available information in the SG Monthly Model, and the Proposed Monitor's prior experience in similar situations. The Proposed Monitor notes that given the dated nature of the SG Monthly Model and the fact that a number of assumptions as it relates to the timing of intra-month receipts and disbursements have not been corroborated by the Respondents, actual results may differ from the Cash Flow Forecast and such variances may be material.

48. The Proposed Monitor has had no access to the Respondents' banking information and therefore has made the conservative assumption, for the purpose of the Cash Flow Forecast, that the Respondents have nil cash on hand as at November 6, 2023. This assumption is consistent with the presentation of cash flows included in the SG Monthly Model.

49. Forecast operating cash receipts over the Forecast Period total approximately $16.4 million primarily related to the collection of monthly payments from the customers of the Simply Green Leasing Group.

50. Forecast operating disbursements over the Forecast Period total approximately $8.5 million and primarily consist of payroll ($2.5 million), costs associated with the technical servicing (call-outs, repairs and maintenance) of the portfolio ($1.8 million), professional fees ($1.4 million) and other general and administration expenses (third party call centre, billing costs, IT, etc.).

51. The Cash Flow Forecast assumes that the Respondents service interest expense of the Loan Agreements and remit amounts required under the Concurrent Lease Agreements upon receipt of an opinion from its independent counsel, Osler, that PTC's security interest is valid and enforceable, which opinion is anticipated to be completed prior to the Comeback Hearing (as defined below). Over the Forecast Period (but not during the first 2 weeks), a total of approximately $16 million will be paid to PTC to service debts owing under the Loan Agreements, in respect of the cash flows arising from the Concurrent Lease Agreements and the commitment fee for the proposed DIP Facility.

52. Net negative cash flow is forecast to be approximately $1.1 million over the first 2 weeks (i.e. up to the date of the Comeback Hearing) and approximately $8.2 million over the Forecast Period.

53. Accordingly, the Respondents will be required to draw on the proposed DIP Facility, as defined below, immediately upon issuance of the Proposed Initial Order in order to have sufficient funds to satisfy its projected uses of cash to the date of the Comeback Hearing. Beyond the date of the Comeback Hearing, the Respondents will also require additional amounts from the DIP Facility to continue to operate the business in the normal course.

54. The Cash Flow Forecast projects borrowings under the DIP Facility in the amount of $1.1 million prior to the date of the Comeback Hearing and $8.2 million over the Forecast Period.

55. As evidenced by the Cash Flow Forecast, without access to urgent interim financing, the Respondents lack sufficient liquidity to maintain operations. The DIP Facility will provide the Respondents with sufficient funding during the Forecast Period to ensure continued operations during the proposed CCAA proceedings.

56. The Proposed Monitor notes that the Cash Flow Forecast has been prepared solely for the purpose described above, and readers are cautioned that it may not be appropriate for other purposes.

VII. PROPOSED DIP FACILITY

57. As noted above, based on the Cash Flow Forecast, the Respondents will require urgent interim financing in order to maintain sufficient liquidity to continue operations, during these CCAA proceedings.

58. Under the DIP Term Sheet to be entered into by the CRO, on behalf of the Respondents, subject to this Court's prior approval in the Proposed Initial Order, PTC (in such capacity, the "**DIP Lender**") has agreed to extend an interim senior secured, super-priority financing facility (the "**DIP Facility**") to the Respondents in the maximum principal amount of $15 million. PTC has advised the Proposed Monitor that its willingness to provide such financing is predicated on the Court making the Proposed Initial Order, including the proposed DIP Lender's Charge.

59. Principal terms of the DIP Term Sheet, a copy of which is attached as Exhibit "CC" to the Lombard Affidavit, include, without limitation, the following:

Basic Provisions	Description
Maximum Availability	$15,000,000
Borrowers	Each of the entities within the Simply Green Leasing Group
Interest rate	9.5% per annum, compounded and calculated weekly

Additional consideration	Commitment fee 1% of the Maximum Availability (the "**Commitment Fee**"), one-third of which shall be earned upon execution of the DIP Term Sheet and the balance upon issuance of the Restated Initial Order.
Expenses	Borrowers shall pay all fees and expenses of the DIP Lender related to the DIP Term Sheet incurred by the DIP Lender in connection with the CCAA proceedings.
Maturity date	Earliest of: (a) 180 days from the date of Initial Advance; (b) the date on which stay of proceedings under CCAA is lifted without consent of DIP Lender or CCAA proceedings terminated; (c) implementation of a plan of compromise or arrangement within the CCAA proceedings; (d) the conversion of the CCAA Proceedings to a proceeding under the BIA; and (e) the occurrence of an Event of Default.
Security	DIP Facility will be secured by a super priority charge (the "**DIP Lender's Charge**") on all present and after-acquired personal and real, tangible or intangible property of the Borrowers (the "**Property**"), granted in favour of the DIP Lender for all advances made to the Respondents subsequent to the date of the Initial Order.
Continued Payment of Interest	At all times after the Restated Initial Order, the Borrowers agree that any and all interest and fees due and payable and/or accruing under Loan Agreements, and payments and remittances required to be paid under the Concurrent Lease Payments, shall be paid in the ordinary course, subject to receipt of an opinion from the Monitor's independent counsel, Osler, that PTC's security interest as against the Respondents is valid and enforceable.
Conditions Precedent to Initial Advance	Conditions precedent to the Initial Advance include but are not limited to: (a) the Proposed Initial Order be made and in full force and effect, in form and substance acceptable to the DIP Lender; (b) KPMG be appointed as the Monitor; (c) appointment of the Proposed CRO; and (d) granting of the DIP Lender's Charge, which shall be subordinate only to the Administration Charge.
Events of Default	A number of Events of Default, including but not limited to: (a) KPMG ceases to be Monitor; (b) the Proposed CRO is terminated or resigns, or the Borrowers fail to cooperate with the Proposed CRO, once appointed; or (c) the Borrowers permit negative variances with respect to cumulative receipts and cumulative disbursements in the Cash Flow Forecast (or any subsequent updated forecast) that (i) at any time during the first 8 weeks of the CCAA proceedings exceed 20%; and (ii) thereafter exceed 15%, in each case measured on a weekly basis.

60. Based on the Cash Flow Forecast, the amount that would be required to be drawn in the first ten days is $1.1 million (the “**Initial Advance**”), which would be used, together with cash flows from operations, to fund the following expenses:

(a) Operating costs ($1.1 million), primarily related to estimated costs for technical servicing of customer equipment, customer collections, call centre, etc.

(b) Payroll and Benefits ($0.4 million), related to payment of salary and wages for existing employees of the Simply Green Leasing Group;

(c) Professional Fees ($0.4 million), primarily to provide retainers to the Applicant’s counsel, the Proposed Monitor and its counsel, and payment of the first Work Fee (as defined herein) to the Proposed CRO;

(d) Rent and Utilities ($0.2 million); and

(e) the Commitment Fee.

61. In order to provide the Respondents with the liquidity required to fund the operations during the CCAA proceedings, the Applicant is seeking the approval of the DIP Term Sheet and that, until the Comeback Hearing, the Respondents be permitted to draw no more than $1.1 million to fund the expenditures noted above in the first ten days, subject to compliance with the terms of the DIP Term Sheet. The Initial Advance shall be advanced by the DIP Lender to New Simply Green for and on behalf of itself and the Respondents. The amounts are contemplated to be funded under and secured by the DIP Lender's Charge.

62. The Proposed Monitor notes the amount required to be drawn in the first ten days represents approximately 7% of the total availability under the DIP Facility. The Cash Flow Forecast has been reviewed by the DIP Lender, which consents to the proposed Initial Advance amount and the use of proceeds to sustain operations of the Respondents until the Comeback Hearing.

63. When reviewing the reasonableness of the DIP Term Sheet, KPMG considered the factors set out in Section 11.2 of the CCAA and notes the following:

(a) Based on the Information available to the Proposed Monitor, the Respondents have a critical and immediate need for interim financing. Without access to the DIP Facility, based on the Cash Flow Forecast, the Respondents will be unable to maintain their operations and advance the restructuring process during the Forecast Period. The DIP Facility will allow the Respondents to continue to operate, including funding payroll along with customer and technical servicing;

(b) the Proposed Monitor believes that approval of the DIP Facility is in the best interests of the Respondents' stakeholders and will advance the Respondents' restructuring process. The Proposed Monitor does not believe that creditors of the Respondents will be prejudiced as a result of the approval of the DIP Facility – to the contrary, they will benefit from it as it will allow the business to continue to operate, which will enhance value versus the alternative, which is the discontinuation of operations and the potential liquidation of the Respondents' assets;

(c) on the application for the Proposed Initial Order, the Applicant is seeking approval to advance and secure only the amounts funded under the Initial Advance, which are those amounts required to sustain the business until the Comeback Hearing; and

(d) the Proposed Monitor compared the terms of the DIP Facility to other DIP facilities approved by Canadian courts in CCAA proceedings commenced in 2023. Based on the Proposed Monitor's review, the cost of the proposed DIP Facility is within the ranges of similar facilities approved by the Court and other Canadian courts in CCAA proceedings (particularly given the recent increases in interest rates), a comparison of which is attached hereto as **Appendix "B"**.

VIII. APPOINTMENT OF THE CRO

64. Prior to the date of the Application, the Respondents intend to enter into an agreement with HWS, using the services of Mr. Josef Prosperi and others, to act as the Proposed CRO in respect of each of the Respondents (the "**CRO Agreement**"). A copy of the CRO Agreement is attached as Exhibit "AA" to the Lombard Affidavit.

65. Mr. Prosperi is a well-respected director and executive, who has extensive experience in special situations, including acting as an interim leader in assignments of an urgent or critical nature.

66. The key services to be provided by the Proposed CRO include but are not limited to:

(a) overseeing the day-to-day management of, and exercise all consent rights and matters of discretion reserved to, the Simply Green Leasing Group, including being designated as the responsible person and/or an authorized signatory on any matters, including bank accounts of the Simply Green Leasing Group;

(b) entering into agreements or instruments for and on behalf of the Simply Green Leasing Group;

(c) assisting PTC, the DIP Lender and the Proposed Monitor, in developing, for consideration by the Court, and implementing, a plan or plans for any financial and operational restructuring in respect of the Simply Green Leasing Group;

(d) answering information inquiries of PTC and the DIP Lender and/or the Proposed Monitor, and communicating and coordinating with the foregoing in connection with the CCAA proceedings;

(e) managing, directing and implementing the Simply Green Leasing Group's consultations with and reporting obligations to customers;

(f) working with the Proposed Monitor in the preparation and timely delivery of critical financial information or other reporting required by applicable law, the DIP Lender or Court order;

(g) approving all material cash disbursements, in accordance with the Cash Flow Forecast and the Court orders in these CCAA proceedings, as and if reasonably needed, in order to preserve value of the assets of the Simply Green Leasing Group; and

(h) retaining or terminating employees or contractors of the Simply Green Leasing Group.

67. The CRO Agreement provides for the following fees to be paid to the Proposed CRO in respect of the engagement:

(a) For the first three months of the engagement, commencing on the date of the Initial Order, a fee of $40,000 per month;

(b) For each subsequent month of the engagement after the first three (3) months, a fee in an amount to be agreed upon by HWS, the Monitor, PTC and the DIP Lender and approved by the Court (together with the fee for the first three (3) months of the engagement, the "**Work Fee**"); and

(c) in the event the CCAA proceedings advance to a stage where a Restructuring Transaction (as defined in the CRO Agreement) is to be pursued, a fee (the "**Success Fee**") in an amount to be agreed upon by HWS, the Monitor, PTC and the DIP Lender, and approved by the Court, which shall be earned upon the closing of such Restructuring Transaction.

68. The Proposed Initial Order contemplates, among other things, in respect of the Proposed CRO:

(a) confirmation of the Proposed CRO appointment;

(b) approval of the CRO Agreement, including the fees and expenses contemplated therein;

(c) the Respondents shall not make any payment or transfer without the consent of the CRO;

(d) approval of the indemnification provisions of the CRO Agreement, including, but not limited to, limiting liability of HWS and Mr. Prosperi from all claims, damages and losses, save and except for any gross negligence or willful misconduct; and

(e) the CRO Agreement may be terminated by the Monitor, for and on behalf of the Simply Green Leasing Group, pursuant to the powers granted to the Monitor in the Proposed Initial Order.

69. As noted in the Lombard Affidavit, the directors and officers of the Simply Green Leasing Group will be resigning or have indicated they intend to resign in connection with the Application and as such, the appointment of the Proposed CRO is necessary and appropriate in the circumstances. While senior management of the Simply Green Leasing Group have agreed to continue, in a consulting capacity, to support the Proposed CRO through a transition period, the Proposed CRO appointment will vest significantly all of the powers of management of the Respondents in the CRO.

70. The Proposed Monitor has reviewed the CRO Agreement and is supportive of the appointment of the Proposed CRO. Further, the Proposed Monitor understands the Applicant is supportive of the CRO appointment.

IX. PROPOSED COURT ORDERED CHARGES

71. The Proposed Initial Order provides for two priority charges (collectively the "**Proposed Charges**") on the current and future assets, undertakings and properties of the Respondents wherever located, including all proceeds thereof, that rank in the following order:

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

(g) Second, the DIP Lender's Charge (to the maximum amount of $1.1 million);

72. Each of the Proposed Charges are described in more detail below.

Administration Charge

73. The Proposed Initial Order provides a charge for the ten-day period prior to the Comeback Hearing on all Property of the Respondents in favour of the Proposed Monitor, counsel to the Proposed Monitor, the Proposed CRO and its counsel, and the Applicant's counsel, as security for their respective fees and disbursements incurred in respect of the Application in the aggregate amount of $250,000 (the "**Administration Charge**").

74. The Proposed Monitor is of the view that the Administration Charge is reasonable and appropriate in the circumstances, having considered, among other things:

(a) the work completed to date in preparation for these CCAA proceedings by the Proposed CRO, the Proposed Monitor, the Proposed Monitor's counsel and the Applicant's counsel has been material and without any retainers or payments made;

(b) the size of the court-ordered charge is comparable to other insolvency proceedings; and

(c) the amount of the Administration Charge is limited to an amount necessary to ensure the beneficiaries of the Administration Charge have adequate protection to the date of the Comeback Hearing.

DIP Lender's Charge

75. As described above, PTC has agreed to provide a DIP Facility in the maximum amount of $15 million to fund the Respondents' working capital, payments to PTC under the Loan Agreements and the Concurrent Lease Agreements, and for general corporate purposes, including legal and other professional costs associated with these CCAA proceedings. For the short-term forecast period up to the Comeback Hearing, the Respondents are expected to require $1.1 million of DIP funding to make all necessary payments. The Proposed Monitor understands that PTC is only prepared to provide the DIP Facility if all advances thereunder are secured by a Court-approved priority charge on the Property.

76. The Proposed Initial Order provides a charge for the ten-day period prior to the Comeback Hearing on all Property of the Respondents in favour of PTC in the aggregate amount of $1.1 million (the "**DIP Lender's Charge**").

77. The purpose of the proposed DIP Lender's Charge is to secure the DIP Facility and provide PTC with priority over all other liens on the Property of the Respondents other than the Administration Charge.

78. The Proposed Monitor is of the view that the amount of the DIP Lender's Charge is reasonable in the circumstances and required as the Respondents urgently need liquidity to operate during these CCAA proceedings. The amount of the DIP Lender's Charge is limited to an amount necessary to ensure PTC has adequate security to the date of the Comeback Hearing and is supported by the Cash Flow Forecast.

X. COMEBACK HEARING

79. Should the Court grant the Proposed Initial Order, the Proposed Monitor understands that the Applicant intends to bring a motion returnable within the ten (10) day stay period (the "**Comeback Hearing**") seeking, among other relief:

(a) increases to the Administration Charge and the DIP Lender's Charge; and

(b) an extension of the stay of proceedings established by the Proposed Initial Order.

80. Should the Court grant the Proposed Initial Order, KPMG (in its then capacity as Monitor) will report to the Court in connection with the Comeback Hearing and any other relief sought by the Applicant.

All of which is respectfully submitted this 6th day of November 2023.

KPMG Inc.
In its capacity as Proposed Monitor of
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
And not in its personal or corporate capacity

Per:

____
Pritesh Patel
CIRP, LIT
Senior Vice President

____
Huey Lee
CIRP, LIT
Senior Vice President

Appendix “A”

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

(collectively the "Simply Green Leasing Group" or the "Respondents")

REPORT ON CASH FLOW STATEMENT
(paragraph 10(2)(b) of the CCAA)

The Proposed Monitor has developed the assumptions and prepared the attached statement of projected cash flow for and on behalf of the Respondents as of the 6th day of November 2023, consisting of the period from November 6, 2023, to February 3, 2024 (the '**Cash Flow Forecast**").

To the best knowledge of KPMG Inc, in its capacity as proposed monitor of the Respondents, the hypothetical assumptions are reasonable and consistent with the purpose of the Cash Flow Forecast described in the notes therein and provide a reasonable basis for the Cash Flow Forecast. All such assumptions are disclosed in the notes therein.

Since the Cash Flow Forecast in based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The Cash Flow Forecast has been prepared solely for the purpose described in the notes therein, using the probable and hypothetical assumptions set out therein. Consequently, readers are cautioned that the Cash Flow Forecast may not be appropriate for other purposes.

Dated at Toronto, in the Province of Ontario, this 6th day of November 2023.

KPMG Inc.
In its capacity as Proposed Monitor of the Simply Green Leasing Group
And not in its personal or corporate capacity

Pritesh Patel, CIRP, LIT
Senior Vice President

The Simply Green Leasing Group
Weekly Cash Flow Forecast
In C$; unaudited

	Notes	Forecast 1 11-Nov-23	Forecast 2 18-Nov-23	Forecast 3 25-Nov-23	Forecast 4 2-Dec-23	Forecast 5 9-Dec-23	Forecast 6 16-Dec-23	Forecast 7 23-Dec-23	Forecast 8 30-Dec-23	Forecast 9 6-Jan-24	Forecast 10 13-Jan-24	Forecast 11 20-Jan-24	Forecast 12 27-Jan-24	Forecast 13 3-Feb-24	Total
	1														
Receipts															
Customer receipts	2	614,191	458,812	960,535	1,621,455	648,185	2,632,632	876,718	633,387	1,705,684	2,658,112	901,709	962,559	1,704,272	16,378,253
Total customer receipts		**614,191**	**458,812**	**960,535**	**1,621,455**	**648,185**	**2,632,632**	**876,718**	**633,387**	**1,705,684**	**2,658,112**	**901,709**	**962,559**	**1,704,272**	**16,378,253**
Operating disbursements															
Technical servicing	3	554,420	110,884	110,884	88,444	88,444	88,444	88,444	88,444	110,225	110,225	110,225	110,225	109,922	1,769,231
Billing cost	4	62,532	5,616	7,357	56,324	9,633	3,744	4,615	6,357	57,052	10,484	5,616	7,359	56,908	293,598
Other variable costs		11,695	11,695	11,695	9,349	9,349	9,349	9,349	9,349	11,676	11,676	11,676	11,676	11,667	140,201
Third-party call centre	5	220,629	-	-	99,128	-	-	-	-	98,834	-	-	-	98,539	517,130
General & administrative	6	55,799	30,656	30,656	58,048	24,525	24,525	24,525	24,525	64,179	30,656	30,656	30,656	64,179	493,585
Rent and utilities	7	162,650	-	-	102,729	-	-	-	-	104,783	-	-	-	104,783	474,946
Payroll	8	-	359,616	-	359,616	-	298,448	667,032	298,448	-	-	267,865	-	267,865	2,518,890
Professional fees	9	376,855	41,746	124,952	51,980	124,952	41,746	124,952	-	176,932	-	166,698	-	176,932	1,407,745
Tax remittances	10	-	-	-	-	-	-	-	406,721	-	-	-	-	493,458	900,179
Total operating disbursements		1,444,580	560,213	285,544	825,618	256,903	466,256	918,917	833,844	623,682	163,041	592,736	159,916	1,384,254	8,515,505
Net operating cash flow		**(830,389)**	**(101,401)**	**674,991**	**795,838**	**391,283**	**2,166,376**	**(42,199)**	**(200,457)**	**1,082,002**	**2,495,071**	**308,973**	**802,643**	**320,018**	**7,862,748**
Debt servicing	11	50,000	100,000	2,544,938	3,460,067	-	-	570,793	1,526,991	3,443,792	-	569,018	354,640	3,421,761	16,042,001
Net cash flow		**(880,389)**	**(201,401)**	**(1,869,948)**	**(2,664,230)**	**391,283**	**2,166,376**	**(612,992)**	**(1,727,448)**	**(2,361,790)**	**2,495,071**	**(260,045)**	**448,003**	**(3,101,744)**	**(8,179,253)**
Opening cash	12	-	19,611	18,210	48,263	84,033	475,316	2,641,692	2,028,699	301,251	39,461	2,534,532	2,274,487	2,722,491	-
Net cash flow		(880,389)	(201,401)	(1,869,948)	(2,664,230)	391,283	2,166,376	(612,992)	(1,727,448)	(2,361,790)	2,495,071	(260,045)	448,003	(3,101,744)	(8,179,253)
DIP funding	13	900,000	200,000	1,900,000	2,700,000	-	-	-	-	2,100,000	-	-	-	380,000	8,180,000
Ending Cash		19,611	18,210	48,263	84,033	475,316	2,641,692	2,028,699	301,251	39,461	2,534,532	2,274,487	2,722,491	747	747

Simply Green Leasing Group
13-Week Cash Flow Forecast
Notes and Summary of Assumptions

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 (collectively the "Simply Green Leasing Group" or the "Respondents")

Disclaimer

In preparing this cash flow forecast (the "**Cash Flow Forecast**"), KPMG Inc. (the **"Proposed Monitor"**) has relied upon unaudited financial information and has not attempted to further verify the accuracy or completeness of such information. Since the Cash Flow Forecast is based on assumptions about future events and conditions that are not ascertainable, the actual results achieved during the Cash Flow Forecast period will vary from the Cash Flow Forecast, even if the assumptions materialize, and such variations may be material. There is no representation, warranty, or other assurance that any of the estimates, forecasts or projections will be realized.

The Cash Flow Forecast has been prepared by the Proposed Monitor without consulting with the Respondents, based on the SG Monthly Model provided by the Respondents in the Prior Engagement. This financial information included a monthly cash flow forecast prepared using a lease schedule and opening loan balances as at May 31, 2023 and was based on assumptions as it relates to cash generation from lease agreements, operating expenses, debt servicing costs and flow-through payments to PTC.

The Proposed Monitor has updated opening loan balances from information provided to it by the Applicant and made assumptions regarding the timing of intra-month receipts and disbursements based on certain available information in the SG Monthly Model, and the Proposed Monitor's prior experience in similar situations. The Proposed Monitor notes that given the dated nature of the SG Monthly Model and the fact that a number of assumptions as it relates to the timing of intra-month receipts and disbursements have not been corroborated by the Respondents, actual results may differ from the Cash Flow Forecast and such variances may be material.

The Cash Flow Forecast is presented in Canadian dollars. All defined terms that are not otherwise defined herein are to have the same meaning ascribed to them in the Report of the Proposed Monitor dated November 6, 2023.

Note 1 Purpose of the Cash Flow Forecast

The purpose of the Cash Flow Forecast is to present the estimated cash receipts and disbursements of the Respondents for the period from November 6, 2023 to February 3, 2024 (the "**Forecast Period**"). The Cash Flow Forecast has been prepared by the Proposed Monitor without consulting the Simply Green Leasing Group**.** Readers are cautioned that this information may not be appropriate or relied upon for any other purpose.

Note 2 Customer Receipts

The Proposed Monitor has assumed customer receipts collected from the Respondents' approximately 84,000 lease agreements as follows:

i. Flow-through collections from customers invoiced by Enbridge Inc. ("**Enbridge**") (~23% of the portfolio) on 30-day terms;
ii. Pre-authorized payments from customers (~48% of the portfolio) on the 10th of each month. The Proposed Monitor has assumed a delay in certain collections (~10%) due to non-sufficient customer funds which are ultimately collected in the following two weeks; and
iii. The remainder of the portfolio (~29%) is collected direct from customers (i.e. credit cards etc.) and assumed to be collected progressively through the month.

There is an assumed allowance for doubtful debts of 9.65% based on historical information previously provided by the Respondents.

Other customer receipts include customer buyouts (ranging from 0.26% to 0.35% of the total portfolio per month), end of term customer sales, equipment upgrades and renewals and commissions on RNC Leases.

Note 3 Technical Servicing

Technical servicing is assumed to be required on 1.3% of the portfolio each month at an average cost of $310 per call out based on historical information previously provided by the Respondents. The average cost includes the cost of the third-party subcontractor for the repairs and maintenance, and any supplier cost for replacement parts. Cash disbursements associated with this expense are assumed to be cash on delivery ("**COD**").

Note 4 Billing Costs

Billing costs are assumed to be incurred at the contractual rates as detailed in the financial information previously provided by the Respondents (i.e., Enbridge collection fees, bank charges, invoice costs etc.) on a consistent cadence as customer receipts (see note 2).

Note 5 Third Party Call Centre

The Proposed Monitor understands the Respondents outsource all initial customer service queries to a third-party call centre, who refer any escalations to the in-house customer service team. Costs are based on historical financial information previously provided by the Respondents and are assumed to be paid monthly in advance.

Note 6 General and Administration

General and administration costs include monthly insurance premiums, customer settlements, certain fixed IT and telecommunications expenses and other miscellaneous office costs and are assumed to be paid COD.

Note 7 Rent and Utilities

These disbursements represent payments for rent for all office, warehouse and storage space that the Proposed Monitor understands the Respondents have agreements with. The Proposed Monitor has assumed a 15% gross up on rent for utility and other associated costs.

Note 8 Payroll

The Proposed Monitor has assumed payroll expenses include salaries and wages, payroll taxes and remittances, and employee benefits paid to the Respondents' employees. Payroll expenses are forecasted based on current headcount levels and assumed to be paid semi-monthly on the 15th and the 30th or 31st of each month.

Note 9 Professional Fees

Includes professional fees of (i) the Proposed Monitor, counsel to the Proposed Monitor, counsel to the Applicant primarily in connection with the CCAA proceedings and the Chief Restructuring Officer; and (ii) general other legal and professional fees.

Note 10 Tax Remittances

The Proposed Monitor understands the Respondents collects / disburses various taxes including Retail Sales Tax ("**RST**") and employee source deductions ("**Source Deductions**"). The Proposed Monitor has assumed all receipts and applicable disbursements are gross of RST at this time and has forecasted the remittance of RST on a monthly basis starting December 2023. The Proposed Monitor has assumed Source Deductions are remitted through payroll.

Note 11 Debt Servicing

The Cash Flow Forecast assumes that the Respondents continue to service interest expense of the Loan Agreements and remit amounts required under the Concurrent Lease Agreements upon receipt of a security opinion on the validity and enforceability of PTC's security interest. We have assumed this opinion is provided after the Comeback Hearing. Assumed interest rates in the Cash Flow Forecast are as follows:

Facility	Entity	Interest Rate
WH #1	Crown Crest Capital Trust.	Prime +5.3%
WH #4	Crown Crest Capital Trust.	Prime +6.05%
WH #5	Simply Green Home Services Inc.	Prime +5.3%
CLA facility	Crown Crest Capital Trust.	Prime +1.3%
CLA facility	Simply Green Home Services Inc.	Greater of: a) 4.5% b) Prime +1.3%
DIP	The Companies	9.50%
Debenture	Simply Green Home Services Inc.	Prime +5.3%

In addition, subject to receipt of a security opinion on the validity and enforceability of PTC's security interest, the Proposed Monitor has assumed the Respondents remit any losses triggered on the movement of leases from the WH to CLA facilities based on historical financial information provided by the Respondents.

Note 12 Opening Cash Balances

The Proposed Monitor has had no access to the Respondents' banking information and therefore has made the conservative assumption, for the purpose of the Cash Flow Forecast, that the Respondents have nil cash on hand as at November 6, 2023. This assumption is consistent with the presentation of cash flows included in the SG Monthly Model.

Note 13 Debtor-in-possession ("DIP") Financing

The Cash Flow Forecast reflects scheduled advances under the DIP Facility, as follows:

- **First Advance $0.9 million**: to be advanced by no later than November 9, 2023; and
- **Subsequent Advances: $7.3 million**: to be advanced as per the terms of the DIP Facility.

The interest rate on the principal outstanding amount of the DIP advances is 9.5% and is assumed to be accrued, compounding monthly. DIP fees are assumed to be paid within the first 10 days of the CCAA filing date in accordance with the terms of the DIP Facility and total $150,000.

Appendix “B”

APPENDIX B - DIP LOAN ANALYSIS AS AT AUGUST 21, 2023

Debtor	Lender	Trustee	Filing Date	Jurisdiction	Commitment ($MM)	Interest Rate
Phoena Holdings Inc. et al	Cortland Credit Lending Corporation	EY	April 4, 2023	Ontario	3.10	26.70%
J.W. Carr Holdings Ltd. et al.	MGB Investments Ltd.	EY	April 20, 2023	Alberta	2.70	12.00%
GreenSpace Brands Inc.	Pivot Financial I Limited Partnership Inc.	PwC	April 6, 2023	Ontario	2.60	14.00%
Donmar Properties Ltd. and 10058984 Manitoba Ltd.	Morcourt Properties Ltd.	EY	April 18, 2023	Manitoba	0.76	8.00%
Rambler Metals and Mining Canada Inc. and 1948565 Ontario Inc.	RMM Debt Limited Partnership	Grant Thornton	February 27, 2023	Newfoundland	US 5.0	17.00%
LoyaltyOne Co. (dba AIR MILES®)	BMO	KSV	March 10, 2023	Ontario	US 70.0	14.25%
Dynamic Technologies Inc. et al.	Promising Experts Limited	FTI	March 9, 2023	Alberta	2.60	12.00%
Tehama Inc.	14667913 Canada Inc.	Deloitte	January 20, 2023	Ontario	0.50	5.00%
Forex Inc. et al.	Les Placements Al-Vi Inc.	PwC	February 7, 2023	Quebec	10.63	10.00%
Acerus Pharmaceuticals Corporation et al.	First Generation Capital Inc.	EY	January 26, 2023	Ontario	7.00	8.00%

MIN	**5%**
MAX	**27%**
AVERAGE	**13%**

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

Court File No. ●

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CROWN CREST CAPITAL MANAGEMENT CORP., CROWN CREST FINANCIAL CORP., 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

PRE-FILING REPORT OF THE PROPOSED MONITOR

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