

**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 QM GP INC. AND HIGHPOINT
ENVIRONMENTAL SERVICES INC.**

Applicants

**MOTION RECORD OF THE APPLICANTS
(ARIO and SISP Approval Order)
(Returnable August 7, 2025)**

August 5, 2025

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TO: THE SERVICE LIST

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ENVIRONMENTAL SERVICES INC.**

Applicants

**SERVICE LIST
(as of August 5, 2025)**

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INDEX

TAB	DOCUMENT
1.	Notice of Motion dated August 5, 2025
2.	Affidavit of Agnieszka Barrett sworn August 5, 2025
	Exhibit "A" – Affidavit of Agnieszka Barrett sworn July 28, 2025 (Without Exhibits)
	Confidential Exhibit "B" – KERP Summary (Pending Sealing Order)
3.	Draft Amended and Restated Initial Order
4.	Blackline of Draft Amended and Restated Initial Order to Initial Order
5.	Blackline of Draft Initial Order to Model Order
6.	Draft SISP Approval Order

TAB 1

**ONTARIO
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**IN THE MATTER OF THE COMPANIES' CREDITORS
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Applicants

**NOTICE OF MOTION
(CCAA Comeback Hearing)**

QM GP Inc. and Highpoint Environmental Services Inc. (the "**Applicants**") will make a motion before Justice Steele of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") on **Thursday, August 7, 2025 at 9:00 a.m. (Eastern Time)**, or as soon after that time as the motion can be heard by judicial videoconference via Zoom at Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard:

☐ in writing under subrule 37.12.1 (1) because it is on consent, unopposed or made without notice;

☐ in writing as an opposed motion under subrule 37.12.1 (4);

☐ In person;

☐ By telephone conference;

☒ By video conference.

Zoom Link:

<https://ca01web.zoom.us/j/67927063702?pwd=c1Z2eFN3NXB1N0xOK0lYSWtCL2ZBZz09>

Meeting ID: 679 2706 3702

Passcode: 007287

THE MOTION IS FOR:

1. An amended and restated initial order (the “**ARIO**”) pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCA**”), substantially in the form attached hereto as **Tab 3** to the Motion Record, which amends and restates the initial order made by the Court in this proceeding on July 29, 2025 (the “**Initial Order**”) and, among other things:
 - (a) abridges the time for service of the motion and dispenses with service on any other person other than those served;
 - (b) extends the stay of proceedings from August 8, 2025 to November 7, 2025 (the “**Amended Stay Period**”);
 - (c) authorizes the Company to borrow up to \$14,000,000 under the debtor in possession financing (“**DIP Facility**”) provided pursuant to the interim financing term sheet (the “**DIP Term Sheet**”) between the Company and WeShall Investments Inc. (“**WeShall**” or the “**DIP Lender**”);
 - (d) approves a key employee retention plan (the “**KERP**”) and grants a charge (the “**KERP Charge**”) in the maximum amount of \$540,000 for the benefit of the KERP Participants (as defined below);
 - (e) increases the amount of the priority charges against the property of the Company as follows:

- i. the “**Administration Charge**”, which is security for the payment of the professional fees and disbursements incurred and to be incurred by Alvarez & Marsal Canada Inc. as monitor of the Applicants (in such capacity, the “**Monitor**”), counsel to the Monitor, and counsel to the Applicants, from \$400,000 to \$1,250,000;
 - ii. the “**DIP Lender’s Charge**”, which is security for the Company’s obligations under the DIP Term Sheet, from the maximum principal amount of \$3.3 million to \$14 million plus interest, fees and expenses;
- (f) maintains the amount of the “**Director’s Charge**”, which is security for the Company’s obligations to indemnify their directors and officers in respect of liabilities they may incur in such capacities during the CCAA proceedings, in the amount of \$3.6 million;
- (g) continues the stay of any person with recourse to performance bonds (“**Performance Bonds**”) from enforcing or calling on such bonds except with the written consent of the Company and the Monitor;
- (h) continues the stay of any proceeding or enforcement step taken against third parties that have provided an indemnity, guarantee, letter of credit, or similar obligation (collectively, the “**Third-Party Indemnity Obligations**”), on behalf of the Company, in respect to the Company’s obligations under any construction project contract, in favour of Intact Insurance Company (“**Intact**”) and Aviva Insurance Company of Canada (“**Aviva**”); and
- (i) seals Confidential Exhibit “F” (the “**Confidential Exhibit**”) to the affidavit of Agnieszka Barrett sworn August 5, 2025 (the “**Second Barrett Affidavit**”);

2. an order substantially in the form attached as **Tab 6** of this Motion Record (the “**SISP Approval Order**”) that, among other things, approves the sale and investment solicitation process attached as Schedule “A” to the SISP Approval Order (the “**SISP**”); and
3. such further and other relief as this Honourable Court deems just.

THE GROUNDS FOR THE MOTION ARE:

Overview of the Business

4. QM is a leading provider of environmental and industrial services in Canada, offering wide range of integrated services, including demolition and decommissioning, environmental remediation, hazardous material abatement, emergency management and response, waste and soil management, and water treatment (the “**Business**”).
5. Since its inception in 1985, and following a series of strategic mergers and acquisitions, including the 2016 acquisition by WeShall, the Company expanded its operations to over \$168,000,000 in annual revenue in 2024.
6. QM’s Business is supported by over 400 employees across Ontario, Manitoba, Saskatchewan, Alberta and British Columbia. The Company also relies on several vendors and third-party service providers, including specialized suppliers for equipment, construction materials, fuel and rental equipment that are critical to its Business.

Financial Difficulties and CCAA Proceeding

7. While the Company has successfully operated its Business for 40 years and is considered an industry leader, it has experienced significant financial and operational challenges in recent years that have resulted in a liquidity crisis.

8. These operational and financial challenges have included, among other things: (a) employee turnover and retention issues; (b) deficiencies in internal financial tracking and difficulties pursuing timely approval of change orders for out-of-scope work performed at the request of clients; (c) the transition to a new enterprise resource planning system, which caused temporary operational disruptions; (d) difficulties maintaining bonding support; (e) challenges managing and staying current on trade payables, resulting in supply disruptions; and (f) cash flow strain caused by unreleased project holdbacks.
9. After reviewing and considering its strategic options and alternatives, the Applicants, in consultation with their advisors, determined that it was necessary to seek critical relief under the CCAA to among other thing allow the Applicants to access interim financing to fund ongoing operations. Accordingly, on July 29, 2025, the Applicants sought and obtained the Initial Order under the CCAA that, among other things,
 - (a) declared that the Applicants are debtor companies to which the CCAA applies;
 - (b) appointed Alvarez & Marsal Canada Inc. as Monitor of the Applicants;
 - (c) granted a stay of proceedings up to August 8, 2025;
 - (d) extended the relief in the Initial Order to QM LP, QMF LP, TWT LP and Quantum Holdings LP (collectively, the **“Non-Applicant Related Parties”** together with the Applicants, the **“Company”**);
 - (e) approved the DIP Term Sheet between the Company and WeShall, pursuant to which the Company was permitted to borrow an initial amount of \$3,300,000 during the 10-day Initial Stay Period;
 - (f) granted the Administration Charge (to the maximum amount of \$400,000), the DIP

Lender's Charge (in the maximum amount \$3,300,000), and the Director's Charge to the maximum amount of \$3,600,000;

- (g) authorized the Applicants to continue to use the Cash Management System (as defined in the Initial Order);
 - (h) authorized the Company with consent of the Monitor to pay amounts owing for goods and/or services actually supplied to it prior to the date of the Initial Order;
 - (i) temporarily stayed any person with recourse to Performance Bonds from enforcing or calling on such bonds except with the written consent of the Company and the Monitor; and
 - (j) temporarily stayed the Third-Party Indemnity Obligations.
10. At the initial hearing, the Court also granted the Lien Regularization Order ("**LRO**") that, among other things:
- (a) stayed the rights of any person having a claim (a "**Lien Claim**") under the applicable provincial lien legislation ("**Provincial Lien Legislation**") in respect of the supply of labour, materials and/or services to certain continuing construction projects that have not been disclaimed, other than as permitted by the LRO;
 - (b) required that all persons who wish to assert a Lien Claim after July 29, 2025 in respect of a QM Project, whether in respect of materials and/or services supplied before or after July 29, 2025, deliver a notice in accordance with the LRO to the Monitor, counsel to the Monitor, and counsel to the Company, within the time frame prescribed by Provincial Lien Legislation; and

(c) granted a charge (the “**Lien Charge**”) against the applicable Company’s property in the applicable QM Project in respect of which a Lien Claim arises equivalent to, and only to the extent of, any security granted under Provincial Lien Legislation for such Lien Claim, as set out in and pursuant to the requirements of the LRO.

11. The continuation of the CCAA proceedings pursuant to the proposed ARIO is required to allow the Applicants to pursue further steps in pursuit of the goal of restructuring operationally and financially.
12. The Monitor supports the Applicants’ requested relief.

Extension of the Stay Period

13. The Initial Order granted a stay period to and including August 8, 2025 (the “**Initial Stay Period**”). The Applicants seek an extension of the Initial Stay Period to and including November 7, 2025. The extension of the Initial Stay Period is necessary and appropriate to allow the Applicants to continue implementing operational restructuring steps, to stabilize and preserve the Business, and to market or refinance certain real property and other assets.
14. The Applicants have acted and will continue to act with good faith and with due diligence.
15. Since the granting of the Initial Order, among other things, the Applicants have liaised with key stakeholders regarding the CCAA proceeding, continued to review its portfolio of projects, disclaimed certain uneconomical projects, and developed the SISP.
16. The cash flow statement prepared by the Applicants and reviewed by the Monitor (the “**Cash Flow Projection**”) demonstrates that the Applicants have sufficient liquidity to operate through the proposed Amended Stay Period (subject to obtaining the necessary

advances under the DIP Term Sheet).

17. The Monitor and DIP Lender are both supportive of the proposed extension of the Amended Stay Period.

Increased Borrowings under the DIP Term Sheet and Increased DIP Lender's Charge

18. The initial permitted borrowings under the DIP Term Sheet and the initial quantum of the DIP Lender's Charge granted in the Initial Order (\$3.3 million), were based on the needs of the Applicants for the 10-day Initial Stay Period.
19. The Applicants seek to increase the permitted borrowings under the DIP Term Sheet and the quantum of the DIP Lender's Charge to \$14 million, plus interest, fees, and costs. Such increase corresponds to the forecasted interim financing needs of the Applicants over the Amended Stay Period in accordance with the Cash Flow Projection.
20. The increased borrowings under the DIP Term Sheet are appropriate and necessary to permit the Applicants to maintain their operations and fund the costs of the CCAA proceeding, all of which is in the interest of stakeholders.
21. The Monitor supports the Applicants' request for an increase of the permitted borrowings and DIP Lender's Charge to the maximum principal amount of \$14 million.

Increased Amount of the Administration Charge

22. The Applicants seek to increase the Administration Charge from \$400,000 to \$1,250,000, which corresponds to the additional work to be undertaken by the Applicants' restructuring professionals during the Amended Stay Period, as reflected in the Cash Flow Projection.
23. The Administration Charge will allow the Applicants to have continuous access to critical

accounting and legal advice during the Amended Stay Period.

24. The Monitor and the DIP Lender support the increased quantum of the Administration Charge which is fair and reasonable in the circumstances.

Directors' Charge

25. The Company seeks to continue the Director's Charge in the amount of \$3,600,000 to secure the Company's obligations to indemnify their directors and officers in respect of liabilities they may incur in such capacities during the CCAA proceedings.
26. The Directors' Charge is proposed to rank subordinate to the Administration Charge and the DIP Lender's Charge, but in priority to the Lien Charge and KERP Charge.
27. The approval of the Directors' Charge is in the best interests of the Company and its stakeholders, as the restructuring efforts would be severely impaired without the involvement of the Company's directors and officers
28. The Monitor supports the approval of the Directors' Charge.

Continued Stay of Third-Party Indemnity Obligations

29. The Company seeks to continue the stay of any proceeding or enforcement steps that may be taken against third parties that have provided Third-Party Indemnity Obligations on behalf of the Company, in respect to the Company's obligations under any construction project contract in favour of Intact and Aviva.
30. The continuation of the stay is necessary to protect the status quo, avoid the cascading effect of enforcement upon indemnitors and guarantors, and to provide the Company with the breathing room to engage with its key stakeholders, including its sureties.

31. Importantly, the requested extension of the stay against Third-Party Indemnity Obligations is a necessary condition for the Company to access the full DIP Facility, which will allow the Company to maintain operations, continue the Continuing QM Projects and implement the SISP. Without access to subsequent advances under the DIP Facility, the Company will have insufficient liquidity to continue operating as a going concern.

Continued Stay on the Performance Bonds

32. The Company seeks to continue the stay of enforcement or calls on Performance Bonds, except with the Monitor's written consent or leave of the Court.
33. The Company is current in its obligations under the Continuing QM Projects and view these projects as critical to the restructuring.
34. To the Company's knowledge, there have been no defaults or breaches under the Performance Bonds. The requested stay is a preventative measure that is intended to prevent precipitous enforcement and provide stability to the Company as it restructures its Business.

Approval of the KERP

35. The Company seeks approval of (a) the KERP for certain senior and operational management employees who will be critical to the successful completion of the SISP and the CCAA proceedings (the "**KERP Participants**"); and (b) the granting of the KERP Charge in the amount of \$540,000 to secure the payments expected to become due to the KERP Participants.
36. Pursuant to the terms of the KERP, the KERP Participants will receive retention bonuses calculated as a percentage of their annual salary, totalling approximately \$540,000 in the

aggregate, which are payable in three milestones.

- 37. The KERP is designed to incentivize KERP Participants to continue their employment with the Company in order to continue the Business as a going concern and maximize value for all stakeholders through the proposed SISP.
- 38. The Monitor and the DIP Lender are both supportive of the proposed KERP and the KERP Charge.

Sealing of the Confidential Exhibit

- 39. The Applicants seek a sealing order over the Confidential Exhibit, being an overview of the KERP.
- 40. The Confidential Exhibit contains sensitive personal and compensation information that, if made public, would cause harm to the KERP Participants and could lead to disruption to the Company.
- 41. There are no reasonable alternative measures to achieve this objective. The benefits of the sealing provision outweigh any negative effects.
- 42. The Monitor and the DIP Lender are both supportive of the sealing of the Confidential Exhibit.

Approval of the SISP

- 43. The Applicants have developed a SISP in consultation with the Monitor, the DIP Lender, and the Bank of Nova Scotia.
- 44. The SISP is a critical step towards a successful restructuring of the Business. The SISP is designed to assist the Applicants to maximize the value of the Business by permitting it

to continue operating as a going concern while conducting a robust marketing and sale process.

45. The SISP contemplates a single-phase sale and investment solicitation process that will be administered by the Monitor. Bidders will have the opportunity to submit a bid in the form of either a purchase of the Company's property (a "**Sale Proposal**") or an investment in the Company or joint venture with the Company (an "**Investment Proposal**"). A Sale Proposal and Investment Proposal may be in respect of only some of the property and any such proposal will not be precluded from consideration as an acceptable bid.
46. The timeline of the SISP is approximately eleven weeks and anticipates closing a transaction by or before October 31, 2025. Specifically, the SISP contemplates the following key milestones and deadlines:

Milestone	Deadline
Commence solicitation of interest from parties, including delivering a teaser letter and non-disclosure agreement	As soon as practicable following the date of the SISP Approval Order and by no later than August 11, 2025.
Bid Deadline (submission of Bid)	September 25, 2025
Selection of the best bid (" Successful Bid ")	September 29, 2025
Sale Approval Motion	As soon as practicable after selection of Successful Bid, subject to availability of the Court
Outside Date for Closing	October 31, 2025

47. The deadlines in the SISP may be extended by the Monitor with the consent of the DIP Lender by up to two weeks in the event that additional time is needed to identify and close a transaction.

48. The timeline of the SISP was designed to balance the need to comprehensively market the Business, while also recognizing that an expeditious closing of a transaction is critical to preserve value given the Company's active projects, the imperative to retain key employees, and the necessity of maintaining essential relationships with customers, partners and suppliers.
49. The Applicants are of the view that a Court-supervised SISP under the CCAA will be the most cost-efficient and effective means of maximizing creditor recovery.
50. The SISP satisfies the criteria in s. 36 of the CCAA, which the Court considers in determining whether to approve a sale outside of the ordinary course of business.
51. The Monitor and DIP Lender are supportive of the SISP.

Other Grounds

52. The provisions of the CCAA and the inherent and equitable jurisdiction of this Honourable Court.
53. Section 137(2) of the *Courts of Justice Act*, RSO 1990, c C.43.
54. Rules 1.04, 2.01, 2.03, 3.02, 37 and 39 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194.
55. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE MOTION:

56. the Affidavit of Agnieszka Barrett, sworn July 28, 2025 and the exhibits annexed thereto;

57. the Second Barrett Affidavit and the exhibits annexed thereto;
58. the Pre-Filing Report of the Monitor dated July 28, 2025;
59. the First Report of the Monitor, to be filed; and
60. such further and other materials as counsel may advise and as this Honourable Court may permit.

August 5, 2025

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Lawyers for the Applicants

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

Court File No. CV-25-00748510-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
QM GP INC. AND HIGHPOINT ENVIRONMENTAL SERVICES INC.

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

Proceedings commenced at Toronto

**NOTICE OF MOTION
(CCAA COMEBACK HEARING)
(Returnable August 7, 2025)**

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TAB 2

**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 QM GP INC. AND HIGHPOINT
ENVIRONMENTAL SERVICES INC.**

Applicants

**AFFIDAVIT OF AGNIESZKA BARRETT
(Sworn August 5, 2025)**

I, **AGNIESZKA BARRETT**, of the City of Burlington, in the Province of Ontario, MAKE
OATH AND SAY:

1. I am the President and Chief Executive Officer of the Company. I have been in this role since May 2022. Together with the other members of management, I am responsible for overseeing the Company's operations, liquidity management and restructuring efforts. As such, I have knowledge of the matters set out below, except where otherwise stated. I have also reviewed the Company's books and records and have spoken with certain of the Company's directors and officers (the "**D&Os**") and/or employees, as necessary. Where I have relied on information from others, I state the source of such information and believe it to be true.

2. Capitalized terms used herein and not otherwise defined have the meaning ascribed to them in my affidavit sworn July 28, 2025 (the "**Initial Barrett Affidavit**"), a copy of which is attached (without Exhibits) hereto as **Exhibit "A"**, and I adopt the evidence therein in this affidavit unless otherwise indicated. All references to currency in this affidavit are references to Canadian dollars unless otherwise indicated.

3. On July 29, 2025 (the “**Filing Date**”), the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) granted an order (the “**Initial Order**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”), which, among other things:

- (a) declared that the Applicants are debtor companies to which the CCAA applies;
- (b) extended the benefits and protections afforded to the Applicants to the Non-Applicant Related Parties;
- (c) granted a stay of proceedings (the “**Stay**”) until and including August 8, 2025 (the “**Initial Stay Period**”);
- (d) approved the DIP Term Sheet entered into between the Company and WeShall Investments Inc. (the “**DIP Lender**”) and authorized the Company to borrow an initial amount of \$3,300,000 (the “**Initial Advance**”) under the DIP Facility;
- (e) granted the following priority charges:
 - (i) the Administration Charge (to the maximum amount of \$400,000);
 - (ii) the DIP Lender’s Charge (to the maximum amount of \$3,300,000, plus interest, fees and costs); and
 - (iii) the Directors’ Charge (to the maximum amount of \$3,600,000).
- (f) temporarily stayed any person with recourse to Performance Bonds from enforcing or calling on such bonds except with the written consent of the Company and the Monitor; and
- (g) temporarily stayed any proceeding or enforcement step taken against third parties that have provided Third Party Indemnity Obligations on behalf of the Company, in

respect to the Company's obligations under any construction project contract in favour of Intact Insurance Company ("**Intact**") and Aviva Insurance Company of Canada ("**Aviva**").

4. On July 29, 2025, the Court also granted the Lien Regularization Order which, among other things:

- (a) stayed the rights of any person having a Lien Claim under applicable Provincial Lien Legislation in respect of the supply of labour, materials and/or services for Continuing QM Projects that have not been disclaimed;
- (b) required that all persons who wish to assert a Lien Claim after the Filing Date in respect of a Continuing QM Project, whether in respect of materials and/or services supplied before or after the Filing Date, deliver a Lien Notice; and
- (c) granted the Lien Charge.

5. I swear this affidavit in support of the Company's motion seeking an Amended and Restated Initial Order (the "**ARIO**") to, among other things:

- (a) extend the Stay until and including November 7, 2025 (the "**Stay Period**");
- (b) continue the stay of proceedings against third parties in respect of Third-Party Indemnity Obligations (as defined below);
- (c) continue the stay of Performance Bond Claims during the Stay Period;
- (d) authorize the Company to borrow up to the principal amount of \$14,000,000 under the DIP Facility;

- (e) approve a key employee retention plan (the “**KERP**”) and grant a charge (the “**KERP Charge**”) for the benefit of the KERP Participants (as defined below);
- (f) approve the following priority charges:
 - (i) the Administration Charge (to a maximum amount of \$1,250,000);
 - (ii) the DIP Lender’s Charge (to a maximum amount of \$14,000,000, plus interest, fees and costs);
 - (iii) the Directors’ Charge (to a maximum amount of \$3,600,000);
 - (iv) the KERP Charge (to a maximum amount of \$540,000); and
- (g) seal the KERP Summary (as defined below) until further Order of this Court.

6. This affidavit is also sworn in support of the order in the form included at Tab 6 of the Motion Record (the “**SISP Approval Order**”) to approve a sale and investment solicitation process (the “**SISP**”) in the form attached as Schedule “A” to the proposed SISP Approval Order.

I. BACKGROUND OF THE CCAA PROCEEDINGS

7. The Initial Barrett Affidavit provides a detailed description of the Company’s Business (as defined below) and financial circumstances, the events leading to the CCAA Proceedings, the necessity for CCAA relief, and the Company’s intention to conduct a Court-approved SISP to secure a going concern transaction for the benefit of the Company and its stakeholders.

8. As described in the Initial Barrett Affidavit, the Company has operated for over 40 years and is a leading national provider of environmental and industrial services, offering a wide range of demolition, remediation and emergency response services across Canada, primarily in Ontario, Manitoba, Saskatchewan, Alberta and British Columbia.

9. The Company operates through two primary business segments (the “**Business**”): (a) the Environmental Services business, which includes emergency management and response, waste and soil management, and water treatment; and (b) the Construction business, which includes (i) demolition, decommissioning and hazardous material abatement services, and (ii) environmental remediation and reclamation services.

10. After inception in 1985, the Company progressively expanded its operations to over \$168,000,000 in annual revenue in 2024. More recently, the Company’s liquidity has been strained by operational and financial challenges, including, among other things: (a) employee turnover and retention issues, notably at the management level; (b) deficiencies in internal financial tracking and difficulties pursuing timely approval of change orders for out-of-scope work performed at the request of clients; (c) the transition to a new enterprise resource planning system, which caused temporary operational disruptions; (d) difficulties maintaining bonding support that limited the Company’s ability to pursue certain contracts; (e) challenges managing and staying current on trade payables, resulting in supply disruptions; and (f) cash flow strain caused by unreleased project holdbacks.

11. After reviewing and considering its strategic options and alternatives, the Company, in consultation with its advisors, determined that it was necessary to seek relief under the CCAA to, among other things, allow the Company to access interim financing to fund ongoing operations. Accordingly, on July 29, 2025, the Company commenced the CCAA Proceedings and the Court granted the Initial Order.

12. The Company’s complete Application Record in support of the initial CCAA filing, along with the Pre-Filing Report of A&M (then in its capacity as the Proposed Monitor), is available on the Monitor’s website at: <https://www.alvarezandmarsal.com/QME>.

13. The ability of the Company to continue is dependent on additional interim financing being available to it under the DIP Facility. The Initial Advance of \$3,300,000 was approved pursuant to the Initial Order. Further advances under the DIP Term Sheet are subject to conditions, including but not limited to: (a) the issuance of the ARIO; (b) the return for cancellation of a letter of credit (the “**Kingsdale LOC**”) issued by Kingsdale Partners Limited Partnership (“**Kingsdale**”) in favour of Intact; and (c) that no bonding company shall have further recourse to Kingsdale, the DIP Lender, or 2539593 Ontario Inc. (or another satisfactory arrangement shall have been agreed to between such bonding company and the DIP Lender).

14. As at the date of this affidavit, the Kingsdale LC has not been returned for cancellation. I am aware that the DIP Lender and Intact have been actively engaged in discussions in an attempt to reach a satisfactory arrangement on which the DIP Lender would be willing to waive such condition, however, as at the date of the swearing of this affidavit, no resolution has been reached.

15. Without interim funding, the Company will be forced to cease operations and terminate work on all Continuing QM Projects to the detriment of employees, customers, and project owners. I believe that the bonding companies and the Bank of Nova Scotia (“**BNS**”) (in light of outstanding letters of credit issued by BNS in respect of certain Continuing QM Projects) would face greater exposure if the Company does not complete the Continuing QM Projects.

16. If no resolution is reached with Intact that will satisfy or result in the DIP Lender waiving the conditions to further advances under the DIP Term Sheet by the time of the Comeback Hearing, the Company intends to seek a short extension of the stay of proceedings to allow the Company with the assistance of the Monitor to further consult with its key stakeholders, including Intact and BNS, to develop an alternative course of action.

II. ACTIVITIES SINCE THE INITIAL ORDER

17. Since the Initial Order was granted, the Company has been working in good faith and with due diligence to stabilize its Business and operations. With the assistance and guidance of the Monitor, these activities have included, among other things:

- (a) liaising with employees, vendors, customers, partners and other key stakeholder groups regarding the CCAA Proceedings and anticipated next steps;
- (b) continuing to review its portfolio of projects to determine cost to complete, completion status and forecast project profitability;
- (c) pausing and/or disclaiming projects that cannot be continued and completed in an economic and cash flow positive manner, including by delivering approximately 30 notices of disclaimer (the “**Disclaimer Notices**”) in accordance with section 32 in connection with projects, and an additional 60 Disclaimer Notices to the counterparties of supply agreements and purchase orders associated with those terminated projects;
- (d) developing the proposed SISP in consultation with the Monitor, the DIP Lender and BNS; and
- (e) continuing operations and continuing or restarting work on projects identified as Continuing QM Projects, and operating its emergency response business in the ordinary course.

A. Stakeholder Communications

18. The Monitor, the Company and the Company's counsel have had discussions and responded to inquiries regarding the CCAA Proceedings from the Company's stakeholders, including secured and unsecured creditors, employees, partners, suppliers, vendors, contractors and subcontractors. The Company has worked with the Monitor to develop a communications plan to ensure communications with stakeholders remain consistent.

19. Following the Initial Order being granted, the Company, with the assistance of the Monitor, initiated targeted communications to stakeholders, specifically construction project owners and suppliers, explaining the nature of the Initial Order and the CCAA Proceedings as well as the implications of the Initial Order on each particular stakeholder group.

20. On the Filing Date, the Company terminated approximately 40 hourly and salaried employees (the "**Terminated Employees**"). The majority of Terminated Employees are comprised of: (a) project level staff working on projects experiencing temporary work stoppages or that have been identified as Discontinued QM Projects; and (b) salaried employees who predominantly made up of office staff and a small group of regional project managers. Payroll and vacation obligations owed to the Terminated Employees have been or will be paid, however, the Company does not anticipate making severance or termination payments.

B. Expanded DIP Lender's Charge

21. The Initial Order granted a DIP Lender's Charge that primed BNS. The Company is seeking to extend the DIP Lender's Charge to the full commitment under the DIP Facility subject to the same priority.

22. The granting of the increased DIP Lender's Charge is a condition of the Company borrowing Subsequent Advances (as defined in the DIP Term Sheet) under the DIP Facility. Without access to the full DIP Facility, the Company will be unable to continue operating and will be forced into immediate liquidation.

23. As described in the Initial Barrett Affidavit, BNS and Intact both declined opportunities to provide interim financing prior to the commencement of CCAA Proceedings and the DIP Facility was the only interim funding available to the Company on the timeline required to meet the Company's working capital needs.

24. The Company's stakeholders will fare more poorly in a liquidation than if the Company continues as a going concern and completes work on Continuing QM Projects. Among other things, the letters of credit issued by BNS to Vale in the amount of \$2,440,000 and Ontario Power Generation in the amount of \$1,000,000 may be drawn, and BNS would incur losses on those letters of credit. The DIP Facility is specifically intended to assist the Company to continue as a going concern, which would eliminate BNS' exposure on those letters of credit entirely.

Stay of Third-Party Indemnity Obligations Including Kingsdale LC

25. As discussed in the Initial Barrett Affidavit, the Company's obligations under its surety bonds with Intact and Aviva are subject to various indemnities, guarantees and letters of credit provided by third parties on behalf of the Company (the "**Third-Party Indemnity Obligations**"). The Third-Party Indemnity Obligations include a Letter of Credit dated June 28, 2024 provided by Kingsdale on behalf of the Company in favour of Intact in the amount of \$5,000,000.

26. The DIP Term Sheet provides, as a condition to a Subsequent Advance, that on or before the ARIO is issued: (a) Intact must return the uncalled Kingsdale LC to Kingsdale for cancellation; and (b) no bonding companies that issued bonds for the Company or its project can pursue claims

against Kingsdale, the DIP Lender or 253 Ontario (the “**Subsequent Advance Conditions**” and each, a “**Subsequent Advance Condition**”).

27. At the hearing on July 29, 2025 (the “**Initial Hearing**”), the Court was advised that Intact had called on the Kingsdale LOC. Intact took the position that it was entitled to draw on the Kingsdale LOC and opposed a stay on any steps against third party entities with Third-Party Indemnity Obligation. During argument at the Initial Hearing, BNS informed the Court that it had not yet released funds to Intact pursuant to the draw under the Kingsdale LOC.

28. I am advised by counsel that the Court ultimately granted the stay of Third-Party Indemnity Obligations during the Initial Stay Period and determined that BNS should continue holding such funds pending the Comeback Hearing, where the Court will consider the issue on a more fulsome evidentiary record.

29. I believe that Intact will be in a significantly better position if the Company can access the DIP Facility and continue its restructuring efforts. For example, with access to the DIP Facility, the Company intends to use these funds to complete 17 Intact bonded projects, thereby reducing Intact’s exposure under those bonds.

30. The Company is in ongoing discussions with the DIP Lender about terms on which the DIP Lender would be willing to advancing the remaining amounts under the DIP Facility if the Kingsdale LOC is not returned for cancellation. However, at this time, the DIP Lender has not committed to continue funding unless the Kingsdale LOC is returned for cancellation, in order to meet the Subsequent Advance Condition in the DIP Term Sheet. The Company is not aware of any settlement between Kingsdale and Intact, or between the DIP Lender and Intact, that would waive or satisfy that Subsequent Advance Condition in the DIP Term Sheet, although I understand from counsel and the Monitor that the parties continue to discuss these matters.

C. Evaluation of Construction Projects

31. Since the Initial Order was granted, the Company, in close consultation with the Monitor, has continued its project analysis to identify Continuing QM Projects, Discontinued QM Projects, and projects requiring temporary work stoppages or renegotiation of contract terms. To support this ongoing review process, the Company has engaged Lakeland Consulting Inc., a consultant with expertise in contract management, claims management, and estimation and surveying, to assist the Company

32. As indicated in the Initial Barrett Affidavit, one of the purposes of these CCAA Proceedings is to allow the Company to disclaim certain contracts that it has identified, in consultation with the Monitor, as unprofitable or otherwise unfavourable for the Company to continue. Accordingly, on July 31, 2025, the Company issued approximately 30 Disclaimer Notices related to Discontinued QM Projects and 60 Disclaimer Notices to parties with purchase orders (collectively, “**Disclaimed Contracts**”).

33. The Company and the Monitor have had, and continue to have, discussions with certain counterparties affected by the Disclaimed Contracts or temporary work stoppages to explore potential solutions. The Company has indicated its willingness to discuss the possibility of continuing work on certain affected projects, provided that such projects can be completed on a financially viable basis. In some cases, the Company would consider time and materials arrangements or other mutually acceptable terms.

34. I am advised by counsel that the Company has not received any objections to the Disclaimer Notices as of the date of this affidavit.

III. THE AMENDED AND RESTATED INITIAL ORDER

35. As described in the Initial Barrett Affidavit, the relief sought under the Initial Order was limited to provide the Company with the stability and breathing room required to continue operations in the ordinary course during the Initial Stay Period.

36. The Company now seeks this Court's approval of the ARIO. The relief sought in the ARIO will allow the Company to continue operating the emergency response business in the normal course, identify and perform work on the Continuing QM Projects (which are construction projects that are subject to profitable contracts), and pursue a comprehensive restructuring transaction through a SISP. The proposed ARIO is necessary to allow the Company to take further steps in pursuit of a successful financial and operational restructuring for the benefit of the Company and its stakeholders generally.

A. Stay Extension

37. The Stay under the Initial Order will expire at the end of the Initial Stay Period, being August 8, 2025. Pursuant to the proposed ARIO, the Company seeks to extend the Initial Stay Period until and including November 7, 2025.

38. As set out above, since the Initial Order was granted, the Company has engaged with several stakeholder groups, including project owners, suppliers, employees, BNS, Intact and Aviva.

39. The Company has acted and is continuing to act in good faith and with due diligence in these CCAA Proceedings.

40. I am advised by the Monitor that it will be appending the longer-term cash flow forecast referenced in the Initial Barrett Affidavit (the "**Cash Flow Forecast**") to its First Report, to be filed.

The Cash Flow Forecast projects that the Company will require incremental financing of approximately \$10,700,000 for the 13-week period ending November 7, 2025 (incremental to the Initial Advance under the DIP Term Sheet of \$3,300,000). The Cash Flow Forecast also demonstrates that if the ARIO is granted, and with access to the full DIP Facility, the Company will have sufficient liquidity to operate through the proposed Stay Period.

41. The Monitor supports the proposed extension of the Stay Period. Subject to a resolution being reached regarding the Company's access to Subsequent Advances under the DIP Facility, the DIP Lender has advised that it also supports the proposed extension of the Stay Period.

B. Continued Stay of Third-Party Indemnity Obligations

42. The Company seeks a continuation of the stay on proceedings and enforcement steps that may be taken against third parties that have provided Third-Party Indemnity Obligations on behalf of the Company in respect of the Company's obligations under any construction project contract in favour of Intact and Aviva.

43. The Company believes a continuation of the stay is necessary to protect the status quo, avoid the cascading effect of enforcement upon indemnitors and guarantors, and to provide the Company with the breathing room to engage with its key stakeholders, including the sureties, while focusing on its restructuring efforts and implementing the SISP.

44. The Stay remains necessary for the Company to potentially access the full amount available under the DIP facility while the parties continue to work to see if a resolution can be reached that will result in WeShall agreeing to advance the balance of the DIP Facility. Access to the balance of the DIP Facility will be necessary for the Company to fund the restructuring proceedings, maintain operations, continue the Continuing QM Projects and implement the SISP for the benefit of the Company and its stakeholders generally.

C. Continued Stay on the Performance Bonds

45. The Company seeks to continue the stay of enforcement or calls on the Performance Bonds during the Stay Period, except with the written consent of the Monitor, or with leave of this Court.

46. The Company remains of the view that it is in compliance with its obligations on the Continuing QM Projects and a critical part of the planned restructuring is the continuation of those projects.

47. The Company is unaware of any breach or default of any of the Performance Bonds and have not been notified of any default under the Performance Bonds. As such, the stay on the enforcement of Performance Bonds is a preventative measure that is intended to provide stability to the Company as it restructures its Business. In particular, any disruption to the Continuing QM Projects would detrimentally impact the ongoing operations and funding of the Company.

48. In such circumstances, the stay on Performance Bonds is intended to prevent precipitous enforcement steps and to facilitate discussions and proper arrangements with contractual counterparties, as necessary, to maintain the going concern nature of the Company and its operations.

D. Increased Administration Charge

49. The Company seeks an increase in the Administration Charge from \$400,000 to the maximum amount of \$1,250,000. The increased quantum of the Administration Charge corresponds to the anticipated fees of the restructuring professionals during the proposed Stay Period, which is reflected in the Cash Flow Forecast.

50. The Administration Charge ranks in first priority to all encumbrances and charges over the Property. I understand that the Monitor and, subject to a resolution being reached regarding the Company's access to Subsequent Advances under the DIP Facility, the DIP Lender support the increased quantum of the Administration Charge.

E. Increased DIP Facility and DIP Lender's Charge

51. The initial permitted borrowings under the DIP Term Sheet, and the initial quantum of the DIP Lender's Charge granted in the Initial Order, were based on the needs of the Company during the Initial Stay Period. The Company seeks to increase the permitted borrowings under the DIP Term Sheet from \$3,300,000 to \$14,000,000 and an increase to the DIP Lender's Charge to cover all amounts thereunder.

52. As set out in the Initial Barrett Affidavit and the Pre-Filing Report, the Cash Flow Forecast indicates that the Company will require an additional draw up to \$10,700,000 (\$14,000,000 in the aggregate) under the DIP Term Sheet in order to maintain operations and fund these CCAA Proceedings.

53. Accordingly, the Company's access to additional critical financing under the DIP Facility is appropriate and necessary to permit the Company to continue operations and develop and implement the SISP.

54. The DIP Lender's Charge is subordinated to the Administration Charge but ranks ahead of the Directors' Charge.

55. I understand the Monitor supports the Company's request to access the full amount under the DIP Facility and the corresponding increase to, and priority of, the DIP Lender's Charge.

Subject to a resolution being reached regarding the Company's access to Subsequent Advances under the DIP Facility, the DIP Lender has advised that it also supports this relief.

F. Directors' Charge

56. The Company seeks to maintain the amount of the Directors' Charge during the Stay Period to the maximum amount of \$3,600,000. The Directors' Charge ranks subordinate to the Administration Charge and the DIP Lender's Charge.

57. As described in the Initial Barrett Affidavit, the Company accrues certain amounts that constitute director liabilities if unpaid, including payroll taxes and source deductions, as well as accrued wages.

58. I understand from the other D&Os that they are concerned about their exposure. Accordingly, I verily believe that the Company's D&Os would likely not remain in office without adequate indemnity.

59. A loss of the Company's D&Os would significantly impair the Company's Business and ability to restructure in the CCAA Proceedings. I am advised by the Monitor that it supports approval of the Directors' Charge being maintained during the proposed Stay Period.

IV. SISP APPROVAL ORDER¹

60. The Company is also seeking the SISP Approval Order to authorize the Monitor, in consultation with the Company, the DIP Lender, and BNS, to undertake the SISP to solicit binding offers (each, a "**Bid**") for a sale, recapitalization, refinancing, restructuring or other strategic transaction in respect of some or all of the Company's property, assets and undertakings

¹ Capitalized terms used in this section that are not otherwise defined herein have the meaning given to such terms in the SISP.

(including customer and project-related contracts, the **“Property”**) and/or its Business (a **“Transaction”**) on an “as is, where is” basis.

61. The proposed SISP contemplates a Monitor-led process with an approximately 11-week timeline and an outside closing date of October 31, 2025 (the **“Outside Date”**). The deadlines in the SISP may be changed by the Monitor, in its discretion, by up to two weeks without Court approval, provided that the DIP Lender and BNS have provided their prior written consent.

62. The proposed SISP contemplates the following key milestones and deadlines:

Milestone	Deadline
Commence solicitation of interest from parties, including delivering a Teaser Letter and NDA (each as defined below)	As soon as practicable following the date of the SISP Approval Order and by no later than August 11, 2025.
Bid Deadline (submission of Bid)	September 25, 2025
Selection of Successful Bid	September 29, 2025
Sale Approval Motion	As soon as practicable after selection of Successful Bid, subject to availability of the Court
Outside Date for Closing	October 31, 2025

63. The proposed milestones will provide adequate time for the Monitor, in consultation with the Company, the DIP Lender, and BNS, to broadly canvass the market for a value-maximizing Transaction. These timelines appropriately balance the need to comprehensively market the Business, while also recognizing that an expeditious closing of a Transaction is critical to preserve value given the Company’s active projects, the imperative to retain key employees, and the necessity of maintaining essential relationships with customers, partners and suppliers.

Sale or Investment Opportunities

64. Bidders will have the opportunity to submit a Bid in the form of either (a) an offer to acquire all or part of the Property (a **"Sale Proposal"**); or (b) an investment in the Company or joint venture with the Company (an **"Investment Proposal"**). Sale Proposals and Investment Proposals may be in respect of either all of the Business or individual assets and/or Business units, and any such proposals will not be precluded from consideration as an acceptable Bid.

Insider / Secured Creditor Bids

65. Any (a) secured lender of the Company (a **"Secured Creditor"**) shall have the right (subject to the terms of this SISP) to credit bid their secured debt against the assets secured thereby up to the full face value of such Secured Creditor's claims; and (b) any indirect shareholder, unitholder, equity holder, director, officer or senior management of the Company (each an **"Insider"**) may, subject in all respects to such Insider's compliance with the SISP Procedures (including being designated as a Qualified Bidder), make a Bid pursuant to the SISP, provided that the Insider or Secured Creditor, as applicable, provide written notice to the Monitor of its intention to participate no later than 5:00 p.m. Eastern Time (Toronto) on August 29, 2025.

66. Until an Insider or Secured Creditor irrevocably confirm in writing to the Monitor that it will not submit a Bid in the SISP, the Monitor shall not share any information with respect to the SISP with such Insider or Secured Creditor until after August 29, 2025. If an Insider or Secured Creditor provides notice to the Monitor that it intends to participate in the SISP, the Monitor shall not share any information with respect to the SISP with such Insider or Secured Creditor and shall not be required to consult with such Insider or Secured Creditor, nor shall such Insider or Secured Creditor have any consent rights with respect to the conduct of the SISP.

Solicitation of Bids

67. The Monitor, with the assistance of the Company, will solicit Bids from Interested Parties for Sale Proposals and Investment Proposals. Any Interested Party who wishes to participate in the SISP must deliver an executed NDA to the Monitor and, if requested by the Monitor, certain other information that the Monitor may require to assess the Interested Party's financial and other capabilities to consummate a Transaction.

68. If the Monitor, in consultation with the Company, determines that an Interested Party is a Qualified Bidder, it will provide it with a copy of the confidential information memorandum describing the opportunity and access to the virtual data room.

Bid Submissions

69. Bidders must submit their Bids by email to the Monitor by no later than September 25, 2025 at 5:00 p.m. Eastern Time (Toronto) (the "**Bid Deadline**").

70. In order to be considered a Qualified Bid, the Bid must meet the criteria provided in the SISP Procedures (the "**Bid Criteria**"), a non-exhaustive summary of which is provided below. Each Qualified Bid must:

- (a) be received by the Bid Deadline;
- (b) be binding and irrevocable until the earlier of (i) October 31, 2025, and (ii) closing of the Successful Bid;
- (c) be subject to Court approval;
- (d) include a refundable cash deposit;

- (e) include certain acknowledgements, representations, information, evidence and/or commitment letters, as applicable;
- (f) not be conditional on the outcome of unperformed due diligence or financing;
- (g) not include a break-up fee, termination fee or expense reimbursement; and
- (h) contemplate a closing on or before the Outside Date.

71. In addition to the Bid Criteria provided in paragraph 31 of the SISP:

- (a) a Sale Proposal will only be considered a “**Qualified Purchase Bid**” if it complies with the additional criteria set out in the SISP Procedures, which require, among other things, (i) the inclusion of a duly authorized and executed purchase and sale agreement, (ii) a detailed listing of the Property to be included in the Sale Proposal, (iii) details of the proposed number of employees of the Company that will become employees of the Qualified Bidder, and (iv) includes certain acknowledgements and representations; and
- (b) an Investment Proposal will only be considered a “**Qualified Investment Bid**” if it complies with the additional criteria set out in the SISP Procedures, which require, among other things, (i) duly authorized and executed binding definitive documentation, and (ii) a description of the type and amount of consideration.

Selection of Successful Bidders

72. Following the Bid Deadline, the Monitor, in consultation with the Company, the DIP Lender and BNS, will review and assess the Qualified Purchase Bids and Qualified Investment Bids based on, among other things, the criteria set out in the SISP Procedures.

73. The Monitor, in consultation with the Company, the DIP Lender and BNS, may then choose to accept the highest or otherwise best Bid (the “**Successful Bid**”) and take such steps as are necessary to finalize and complete a definitive agreement for the Successful Bid.

74. The SISP also provides the Monitor, in consultation with the Company, with the ability to select any Qualified Bid as a “**Backup Bid**”) and take such steps as are necessary to finalize and complete an agreement for such Backup Bid. In the event that a closing does not occur of the Successful Bid, the Backup Bid shall become the Successful Bid upon confirmation of the Monitor.

Back-Stop Credit Bid

75. The SISP Procedures are designed to permit consultation with the DIP Lender and BNS during the SISP. Pursuant to the SISP Procedures, the DIP Lender may elect to submit a back-stop credit bid (the “**Back-Stop Credit Bid**”) at any time up to the date that is four (4) days following the Bid Deadline pursuant to which the DIP Lender or a nominee thereof will, subject to Court approval, agree to acquire all or any portion of the Property and Business, and which Back-Stop Credit Bid shall in all other respects comply with the terms related to Insider and Secured Creditor Bids.

76. If the DIP Lender elects to submit a Back-Stop Credit Bid, which may include a Sale Proposal or Investment Proposal or such other Transaction as may be agreed among the DIP Lender, the Monitor and the Company, subject to Court Approval.

77. Any such Back-Stop Credit Bid shall be (a) deemed the Successful Bid if no other Bid or combination of non-overlapping Bids is received by the Bid Deadline that satisfies amounts in priority to the DIP Lender and repays the obligations owed to the DIP Lender in full in cash on closing; (b) designated the Successful Bid if the Monitor, in consultation with BNS, otherwise determines the Back-Stop Credit Bid is the best Bid notwithstanding any other Bids submitted

with higher stated value; and (c) available for acceptance by the Monitor as a Successful Bid until the earlier of the date such Back-Stop Credit Bid is revoked by the DIP Lender in writing (on not less than three (3) business days prior written notice to the Monitor and the Company; it being understood that the Back-Stop Credit Bid may not be revoked following acceptance by the Monitor) or an alternative Successful Bid or Backup Bid is closed and repays the obligations owed to the DIP Lender in full in cash on closing.

78. No deposit shall be required to be submitted with any Back-Stop Credit Bid by the DIP Lender.

79. No Bid(s) shall be declared the Successful Bid under the SISP if the DIP Lender has submitted a Back-Stop Credit Bid (and such Back-Stop Credit Bid has not been revoked in accordance with paragraph 41 of the SISP Procedures) unless such Bid(s) repay the obligations owed to the DIP Lender in full in cash on closing or are otherwise acceptable to the DIP Lender in its sole and absolute discretion.

Approval Motion

80. After a definitive agreement for a Successful Bid has been finalized, the Company shall apply to the Court as soon as reasonably practicable for approval of the Successful Bid (an **“Approval Motion”**).

81. An Approval Motion will be held on a date to be scheduled by the Court and is to be heard as soon as possible following the selection of a Successful Bid subject to Court availability.

SISP Approval Order

82. I am advised by counsel and the Monitor that the SISP was designed to ensure that the market is canvassed in an efficient manner, while also being broad and flexible enough to solicit Bids for all or any portion of the Property.

83. Based on the above, I am of the view that the SISP Approval Order is in the best interests of the Company and its stakeholders generally. The SISP is supported by, and was developed in close consultation with, the DIP Lender and the Monitor. I believe that the proposed SISP will ensure the market is canvassed in an efficient manner.

V. KERP APPROVAL

84. The Company seeks approval of (a) the KERP for approximately 30 senior and operational management employees who will be critical to the successful completion of the SISP and the CCAA Proceedings (the “**KERP Participants**”); and (b) the granting of the KERP Charge to secure the payments expected to become due to the KERP Participants.

85. The Company, with the assistance of the Monitor, has developed the KERP in order to facilitate and encourage the continued participation of KERP Participants during these CCAA Proceedings.

86. Pursuant to the terms of the KERP, the KERP Participants will receive retention bonuses calculated as a percentage of their annual salary, totalling approximately \$540,000 in the aggregate, which are payable in three milestones on the following dates (the “**Payment Dates**”):

(a) 25% paid August 31, 2025;

(b) 25% paid October 15, 2025; and

- (c) 50% paid the date that is the earliest of: (a) November 7, 2025; or (b) the completion of the successful transaction(s) under the SISF or completion of the CCAA Proceedings, whichever is earlier.

87. If any KERP Participant is advised that their services are no longer required prior to any of the above Payment Dates, such KERP Participant shall be entitled to their entire KERP payment as part of their final pay.

88. The ARIO provides for a KERP Charge over the Property in an amount not to exceed \$540,000 in favour of the KERP Participants.

89. I am advised by the Monitor that it supports the approval of the proposed KERP and the granting of the KERP Charge.

90. The KERP was designed to incentivize KERP Participants to continue their employment with the Company in order to continue the business as a going concern and maximize value for all stakeholders through the proposed SISF.

91. If the proposed KERP is not approved, I believe it is likely that certain of the KERP Participants would pursue other employment opportunities.

92. The KERP Participants are part of the Company's senior and operational management and are critical to the Company's operations. The KERP Participants are responsible for, among other things, overseeing management of the Business, managing cash flows, communicating with the Company's stakeholders, and management and supervision of the Continuing QM Projects.

93. The KERP Participants therefore have distinct and crucial roles in order for the Company to continue operations in the ordinary course. I believe the KERP Participants each have significant roles that will contribute to the Company's operational success through these CCAA

Proceedings. Additionally, the KERP Participants will be critical to advancing the proposed SISP, as they will be required to respond to due diligence requests related to the Company and the Business and provide assistance to the Monitor as it carries out the SISP. Accordingly, I believe retention of the KERP Participants is vital to the Company's restructuring activities.

94. In addition, finding alternative, qualified individuals will be challenging, disruptive, costly, and time consuming for the Company, particularly given the KERP Participants' institutional knowledge of the Business.

95. Attached hereto as **Confidential Exhibit "B"** is a copy of an overview of the KERP (the "**KERP Summary**") which contains details of, among other things, (a) the maximum aggregate amount payable under the KERP; (b) the average payout per KERP Participant; (c) minimum and maximum payment amounts under the KERP; (d) percentages of the maximum amount that each KERP Participant can receive under the KERP relative to their salary; and (e) the KERP Participants, their general roles, and compensation and personal information.

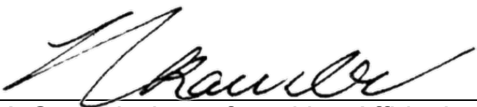
96. The Company is seeking an order sealing the KERP Summary, as it contains sensitive personal and compensation information, which I believe may cause harm to the KERP Participants and could lead to disruption to the Company if such information became public.

97. The Monitor and the DIP Lender are both supportive of the proposed KERP, the KERP Charge, and the sealing of the KERP Summary.


VI. CONCLUSION

98. I swear this affidavit in support of the Company’s motion seeking the ARIO, the SISP Approval Order and certain other relief and for no other or improper purpose.

SWORN REMOTELY by Agnieszka)
Barrett stated as being located in the City)
of Toronto, in the Province of Ontario,)
before me at the City of Toronto, in the)
Province of Ontario, this 5th day of August,)
2025, in accordance with O. Reg 431/20,)
Administering Oath or Declaration)
Remotely.)



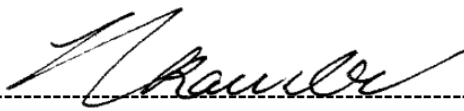
A Commissioner for taking Affidavits.

Signed by:

B22D0C6C1FB345B...

AGNIESZKA BARRETT

Natasha Rambaran | LSO #80200N

THIS IS **EXHIBIT “A”** REFERRED TO IN THE AFFIDAVIT OF **AGNIESZKA BARRETT** SWORN REMOTELY BY **AGNIESZKA BARRETT** STATED AS BEING LOCATED IN THE CITY OF BURLINGTON BEFORE ME AT THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO THIS 5TH DAY OF AUGUST 2025, IN ACCORDANCE WITH O. REG 431/20, *ADMINISTERING OATH OR DECLARATION REMOTELY.*



A COMMISSIONER FOR TAKING AFFIDAVITS

NATASHA RAMBARAN
LSO # 80200N

Court File No.

**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 QM GP INC. AND HIGHPOINT
ENVIRONMENTAL SERVICES INC.**

Applicants

**AFFIDAVIT OF AGNIESZKA BARRETT
(Sworn July 28, 2025)**

I, **AGNIESZKA BARRETT**, of the City of Burlington, in the Province of Ontario, MAKE OATH AND SAY:

1. This affidavit is made in support of an application by QM GP Inc. ("**QM GP**") and Highpoint Environmental Services Inc. ("**Highpoint**") (together, the "**Applicants**") before the Ontario Superior Court of Justice (Commercial List) (the "**Court**") to commence restructuring proceedings under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**" and the proceedings thereunder, the "**CCAA Proceedings**").
2. The Applicants seek to extend the relief sought on this application to its limited partnership affiliates, QM LP, QMF LP ("**QMF**"), TWT LP ("**TWT**") and Quantum Holdings LP ("**Quantum Holdings**") (collectively, the "**Non-Applicant Related Parties**"). The Non-Applicant Related Parties play a critical role in the Business (as defined below) and are deeply integrated with the Applicants, sharing common ownership, management and operational ties. Together, the Applicants and the Non-Applicant Related Parties are defined herein as "**QM**" or the "**Company**".
3. I am the President and Chief Executive Officer of QM. I have been in this role since May 2022. Together with the other members of management, I am responsible for overseeing the Company's operations, liquidity management and restructuring efforts. As such, I have knowledge of the matters set out below, except where otherwise stated. I have also reviewed the Company's books and records and have spoken with certain of the Company's directors and officers (the "**D&Os**") and/or employees, as necessary. Where I have relied on information from others, I state the source of such information and believe it to be true.

4. All references to currency in this affidavit are references to Canadian dollars unless otherwise indicated.

5. I swear this affidavit in support of QM's application for an order (the "**Initial Order**"), substantially in the form of the draft order at Tab 3 of the Application Record to, among other things:

- (a) abridge the time for serving the Notice of Application and Application Record and dispense with further service thereof;
- (b) declare that QM GP and Highpoint are each a "debtor company" to which the CCAA applies;
- (c) declare that the benefits and protections afforded to the Applicants under the Initial Order are extended to the Non-Applicant Related Parties;
- (d) stay all proceedings and remedies taken or that might be taken in respect of the Company, the Monitor (as defined below), or the D&Os, or affecting the Company's assets, undertakings and property (the "**Property**") or its business (the "**Business**") (the "**Stay**"), except as otherwise set forth in the Initial Order, for an initial period of ten (10) days (the "**Initial Stay Period**");
- (e) grant the Company continued and uninterrupted access to the Bank Accounts (as defined below), with the associated banks not having the power to restrict the Company's right in any way in respect of the Bank Accounts associated with the Cash Management System (as defined below);
- (f) appoint Alvarez & Marsal Canada Inc. ("**A&M**" or the "**Proposed Monitor**") as an officer of the Court in the CCAA Proceedings to monitor the Property, Business and affairs of the Company (if appointed in such capacity, the "**Monitor**");
- (g) authorize the Company to pay amounts owing for goods and/or services actually supplied to it prior to the date of the Initial Order if, in the opinion of the Company, with the consent of the Monitor, such payments are necessary or desirable to avoid disruption to the operations of the Business or the Property of the Company during the CCAA Proceedings;

- (h) approve an interim financing loan agreement (the “**DIP Term Sheet**”) entered into between the Company and WeShall Investments Inc. (“**WeShall**” or the “**DIP Lender**”), pursuant to which the DIP Lender has agreed to advance to the Company the principal amount of \$14,000,000 (the “**DIP Facility**”), which will be made available to the Company during these CCAA Proceedings, of which an initial amount of \$3,300,000 will be advanced to the Company during the Initial Stay Period (the “**Initial Advance**”);
- (i) grant the following priority charges against the Property:
 - (i) an “**Administration Charge**” against the Property in the initial amount of \$750,000, as security for the payment of the professional fees and disbursements incurred and to be incurred by the Proposed Monitor, counsel to the Proposed Monitor and counsel to the Company in connection with the CCAA Proceedings;
 - (ii) a “**DIP Lender’s Charge**” against the Property as security for the Company’s obligations under the DIP Term Sheet in the maximum principal amount of \$3,300,000 plus fees and interest;
 - (iii) a “**Directors’ Charge**” against the Property in the initial amount of \$3,600,000 in favour of the D&Os as security for the Company’s obligation to indemnify such D&Os for obligations and liabilities they may incur in such capacities after the commencement of the CCAA Proceedings, except to the extent that such obligation or liability was incurred as a result of a D&O’s gross negligence or wilful misconduct;
- (j) stay any person with recourse to performance bonds on the Continuing QM Projects (as defined below) (collectively, the “**Performance Bonds**”), including any person named as an owner or obligee under such bond, from enforcing or calling on the Performance Bond except with the written consent of the Company and the Monitor; and
- (k) stay any proceeding or enforcement step taken against third parties that have provided an indemnity, guarantee, letter of credit, or similar obligation (collectively, the “**Third-Party Indemnity Obligations**”), on behalf of the Company, in respect

to the Company's obligations under any construction project contract, in favour of Intact Insurance Company ("**Intact**") and Aviva Insurance Company of Canada ("**Aviva**").

6. The Company also seeks an order (the "**Lien Regularization Order**") substantially in the form of the draft order included at Tab 5 of the Application Record to, among other things:

- (a) stay the rights of any person (a "**Lien Claimant**") having a claim (a "**Lien Claim**") under certain provincial lien legislation (as set out in Schedule "A" of the Lien Regularization Order, "**Provincial Lien Legislation**") in respect of the supply of labour, materials and/or services to certain continuing construction projects that have not been disclaimed pursuant to the CCAA (as set out in Schedule "B" of the Lien Regularization Order, the "**Continuing QM Projects**") to: (i) serve or register a Lien Claim, (ii) preserve or perfect a Lien Claim, or (iii) assert any trust claim against a direct or indirect payor of the Company, other than as permitted by the Lien Regularization Order;
- (b) require that all persons who wishes to assert a Lien Claim after the date of filing these CCAA Proceedings (the "**Filing Date**") in respect of a Continuing QM Project (an "**Asserting Lien Claimant**"), whether in respect of materials and/or services supplied before or after the Filing Date, deliver a notice (a "**Lien Notice**") in accordance with the Lien Regularization Order to the Monitor, counsel to the Monitor, and counsel to the Company, within the time frame prescribed by Provincial Lien Legislation; and
- (c) grant a charge (the "**Lien Charge**") against the Company's property in the applicable Continuing QM Project in respect of which a Lien Claim arises equivalent to, and only to the extent of, any security granted under Provincial Lien Legislation for such Lien Claim, as set out in and pursuant to the requirements of the Lien Regularization Order.

7. If the proposed Initial Order is granted, the Company intends to return to Court on August 7, 2025 (the "**Comeback Hearing**") to seek approval of an amended and restated Initial Order (the "**ARIO**") to, among other things:

- (a) extend the Stay;

- (b) authorize the Company to borrow up to \$14,000,000 under the DIP Term Sheet;
- (c) increase the quantum of each of the Administration Charge, the DIP Lender's Charge and the Directors' Charges;
- (d) approve a key employee retention plan (the "**KERP**") and grant a court-ordered charge against funds held by the Monitor for the benefit of certain key employee with respect to their entitlements under the KERP; and
- (e) seek such other relief as may be required to advance the Company's restructuring.

I. OVERVIEW

8. QM has established itself as a national industry leader in environmental and industrial services over the past 40 years. The Company offers a wide range of integrated services, including demolition and decommissioning, environmental remediation, hazardous material abatement, emergency management and response, waste and soil management, and water treatment. With over 400 employees across the country, it is one of the few Canadian companies that provides nation-wide coverage in this industry.

9. Specializing in complex, large-scale private and public infrastructure projects throughout Canada, the Company plays a material role in contributing to public health and safety, environmental protection, the development of infrastructure, and the restoration and continued use of Canadian land.

10. The Company's clientele includes federal, provincial and municipal government agencies, Crown corporations, public utilities, and public and private companies operating in the construction, transportation, mining, energy, government facilities, real estate, institutional, healthcare, agriculture, retail, and ports and harbours sectors.

11. After inception in 1985, the Company expanded its operations to over \$168,000,000 in annual revenue in 2024. While the Company has successfully operated its Business for 40 years and is considered an industry leader, it has experienced significant financial and operational challenges in recent years that have resulted in a liquidity crisis.

12. These operational and financial challenges have included, among other things: (a) employee turnover and retention issues, notably at the management level; (b) deficiencies in internal financial tracking and difficulties pursuing timely change orders for out-of-scope work performed at the request of clients; (c) the transition to a new enterprise resource planning (“**ERP**”) system over the past year, which caused temporary operational disruptions; (d) difficulties maintaining bonding support, limiting the Company’s ability to pursue certain contracts; (e) challenges managing and staying current on trade payables, resulting in supply disruptions; and (f) cash flow strain caused by unreleased project holdbacks.

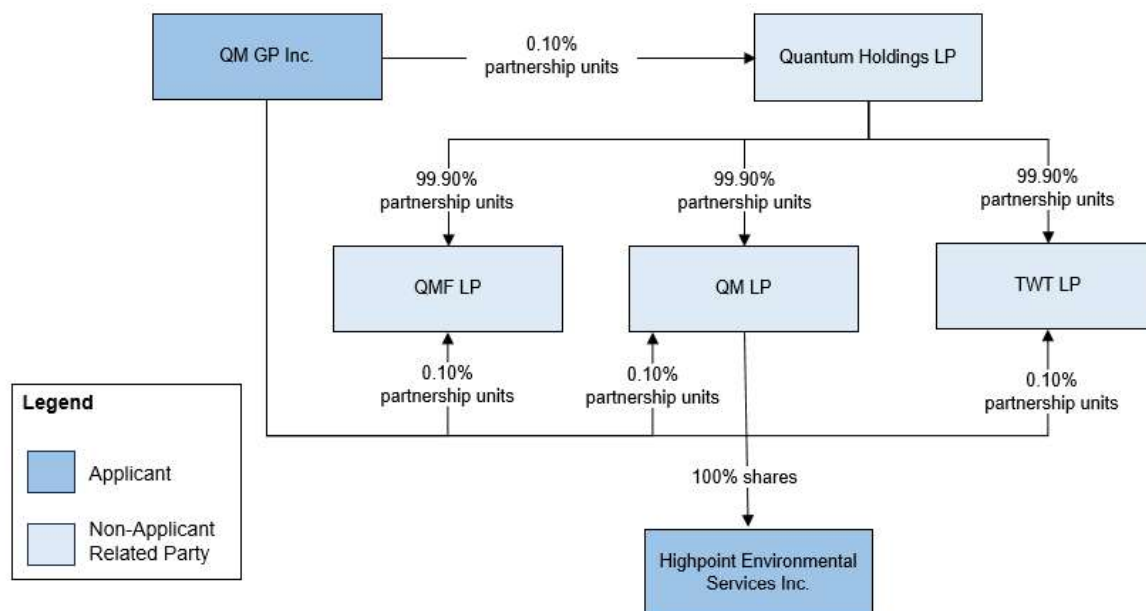
13. These working capital and liquidity issues have caused a strain on the borrowing base under the Company’s Credit Agreement (as defined below) with the Bank of Nova Scotia (“**BNS**”), which has resulted in the Company being unable to pay its obligations in the ordinary course. This has exacerbated the Company’s challenges in maintaining and staying current on trade payables and has recently resulted in significant disruptions on a number of active project sites due to suppliers and vendors refusing to provide services until payments are made. As such, the Company requires an immediate capital injection to address its critical liquidity shortfall.

14. Over the past several weeks, the Company, with the assistance of the Proposed Monitor, has been actively consulting with its key stakeholders, including: (a) WeShall, the proposed DIP Lender; (b) BNS, the Company’s senior secured creditor; (c) Intact, the Company’s current bonding surety; and (d) Aviva, the Company’s prior bonding surety, regarding the Company’s Business and financial challenges to explore the options and alternatives available to it. Following these discussions, the Company believes commencing these CCAA Proceedings represents the best alternative available to it to preserve the Business as a going concern and maximize value.

15. The CCAA Proceedings will allow the Company to, among other things: (a) access the DIP Facility to ensure operations can continue in the ordinary course; (b) complete the Continuing QM Projects and preserve the going concern value of its Business; (c) disclaim certain unprofitable project contracts (the “**Discontinued QM Contracts**”); (d) sell redundant equipment and/or materials; and (e) develop and implement a sale and investment solicitation process (the “**SISP**”) or other strategic restructuring solution with the ultimate goal of continuing the Business as a going concern and to maximize value for the benefit of its employees, partners, creditors, suppliers, and other stakeholders.

II. CORPORATE STRUCTURE

16. QM is comprised of several corporate entities and limited partnerships registered in Ontario, Manitoba and Saskatchewan. A copy of the Company's corporate organization chart is attached hereto as **Exhibit "A"**. A simplified organizational chart showing each of the Applicants and Non-Applicant Related Parties is set out below:



17. QM GP and Quantum Holdings are the parent companies to the Non-Applicant Related Parties. QM GP and Quantum Holdings are controlled by two investors: (a) WeShall, a Toronto-based private equity firm incorporated pursuant to the *Business Corporations Act* (Ontario) (the "**OBCA**"), which holds (i) 90% of the common shares of QM GP, and (ii) 89.9% of the partner shares in Quantum Holdings; and (b) 2539593 Ontario Inc. ("**253 Ontario**"), a corporation incorporated pursuant to the OBCA, which holds (i) 10% of the common shares in QM GP, and (ii) 10% of the partnership units of Quantum Holdings. QM GP holds the remaining 0.10% partnership units in Quantum Holdings.

18. QM's Business operates across Canada and primarily in Ontario, Manitoba, Saskatchewan, Alberta and British Columbia. Each of the Applicants and the Non-Applicant Related Parties are described below.

A. The Applicants

QM GP

19. QM GP is wholly owned by WeShall and 253 Ontario. QM GP was incorporated on March 10, 2016 pursuant to the OBCA and has a registered office at 5035 South Service Road, 2nd Floor, Burlington, Ontario.

20. QM GP is the general partner to each of the Non-Applicant Related Parties (as defined below). QM GP is also a guarantor under the BNS Facilities (as defined below). A copy of the corporate profile report for QM GP dated June 30, 2025 is attached hereto as **Exhibit “B”**.

Highpoint

21. Highpoint is a corporation incorporated pursuant to the OBCA with a registered head office at 265 Bartley Drive, Toronto, Ontario.

22. Highpoint is a guarantor under the BNS Facilities (as defined below). A copy of the corporate profile report for Highpoint dated June 30, 2025 is attached hereto as **Exhibit “C”**.

B. The Non-Applicant Related Parties

Quantum Holdings

23. Quantum Holdings is a limited partnership registered on March 15, 2016 pursuant to *The Partnership Act* (Manitoba) with a registered mailing address at 360 Main Street, 30th Floor, Winnipeg, Manitoba.

24. WeShall, 253 Ontario and QM GP hold all of the partnership units in Quantum Holdings. QM GP is the general partner of Quantum Holdings.

25. Quantum Holdings is a limited partner to QM LP, QMF and TWT, holding 99.90% of the partnership units in each. Quantum Holdings also operates as a holding company for the other QM entities.

26. Quantum Holdings, by its general partner QM GP, is a lessee to leased premises in Delta, British Columbia, which are used as office space and for environmental engineering operations, warehousing and yard storage.

27. Quantum Holdings is a guarantor under the BNS Facilities (as defined below). A copy of the corporate profile report for Quantum Holdings dated July 2, 2025 is attached hereto as **Exhibit “D”**.

QM LP

28. QM LP is a limited partnership registered on March 15, 2016 pursuant to *The Partnership Act* (Manitoba) with a registered place of business at 5035 South Service Road, Burlington, Ontario.

29. Quantum Holdings and QM GP hold all of the partnership units in QM LP. QM GP is the general partner of QM LP. QM LP is the primary operating entity of QM and, among other things: (a) is the borrower under the BNS Facilities (as defined below); (b) is the lessee, by its general partner QM GP, to all but one of the Company’s real property leases across Ontario, Manitoba, Saskatchewan and British Columbia; (c) holds a 49-50% interest in each of the Company’s joint ventures (“**JVs**”); and (d) owns 100% of the shares in Highpoint. A copy of the corporate profile report for QM LP dated July 2, 2025 is attached hereto as **Exhibit “E”**.

QMF

30. QMF is a limited partnership registered on March 15, 2016 pursuant to *The Partnership Act* (Manitoba) with a registered place of business at 3580 Laird Road, Unit 1, Mississauga, Ontario.

31. QM GP is the general partner of QMF, which operates as a holding company and holds certain equipment and vehicles that are critical to the Company’s operations.

32. QMF is a guarantor under the BNS Facilities (as defined below). A copy of the corporate profile report for QMF dated July 2, 2025 is attached hereto as **Exhibit “F”**.

TWT

33. TWT is a limited partnership registered on March 15, 2016 pursuant to *The Partnership Act* (Manitoba) with a registered place of business at 3580 Laird Road, Unit 1, Mississauga, Ontario.

34. QM GP is the general partner of TWT, which holds certain licensed facilities that are critical to the Company's operations, including a waste transfer facility located at 735 Strathearne Avenue, Hamilton, Ontario (the "**Waste Transfer Facility**").

35. TWT is a guarantor under the BNS Facilities (as defined below). A copy of the corporate profile report for TWT dated July 2, 2025 is attached hereto as **Exhibit "G"**.

Joint Ventures

36. The Company's organizational structure also includes incorporated and limited partnership JV entities. In addition to the JV entities, the Company has entered into several contractual JV arrangements, which are described in more detail below.

III. BUSINESS AND OPERATIONS

A. Environmental and Industrial Services Industry

37. The environmental and industrial services industry encompasses a variety of specialized and integrated services that contribute to the development of private and public infrastructure, public health and safety, environmental protection, and the restoration and continued use of Canadian land. These services include, among other things, demolition and decommissioning, environmental remediation, hazardous material abatement, emergency management and response, waste and soil management, and water treatment.

38. Companies operating in this industry must adhere to comprehensive environmental and regulatory standards, which often involve obtaining and maintaining various licenses, permits, and certifications, including environmental compliance approvals, hazardous waste transportation and disposal permits, occupational health and safety certifications, and licenses for operating treatment facilities and specialized equipment.

39. The environmental and industrial services industry is also integrated with the construction sector and operational complexity is also heightened given the statutory requirements under provincial construction legislation, particularly those involving project holdbacks, construction liens, bonding obligations and subcontractor arrangements.

40. Further, companies operating in this industry rely heavily on trade suppliers for specialized goods and services, which can lead to operational vulnerabilities such as supply chain disruptions and cost fluctuations.

B. History of the Company

41. Over the last 40 years, the Company has grown substantially to become one of Canada's leading providers of environmental and industrial services. The Company's growth has been driven, in part, by a series of mergers and acquisitions over the last two decades, which expanded the Company's geographic scope and service capabilities.

42. QM's origins trace back to 1985 with the establishment of Thomson Metals & Disposal, a metal recycling and technology services company. This was followed by the establishment of: (a) Quantum Environmental Group, an environmental services company, in 1992; (b) Echelon Response, an emergency response services provider, in 1997; and (c) Murray Demolition, a demolition and decommissioning company, in 2002 (collectively, the "**Predecessor Companies**"). The Predecessor Companies operated independently until 2007, when they merged to form Quantum Murray, an integrated company combining each of the Predecessor Companies' business operations. In September 2011, Quantum Murray was acquired by Tuckamore Capital Management Inc., a Toronto-based private equity firm. Subsequently, in 2016, WeShall and QM LP acquired Quantum Murray to establish QM.

43. Following the 2016 acquisition, WeShall developed and implemented a growth strategy for the Company focused on, among other things, improving operational efficiencies, enhancing financial and project management controls, and hiring new management (the "**Growth Strategy**"). WeShall also arranged a new bonding facility for the Company with Aviva Insurance Company of Canada ("**Aviva**") in 2016 and helped the Company secure additional financing with BNS in 2022 and 2023. As part of its Growth Strategy, QM acquired Highpoint in 2022, an environmental services company specializing in demolition and abatement services, to expand its capabilities in the Greater Toronto Area.

44. The implementation of the Growth Strategy contributed to the Company's gross annual revenue increasing from over \$96,000,000 in 2016, the year WeShall acquired the Company, to over \$181,000,000 in 2022.

45. Today, QM operates as a full-service provider with over 400 employees across multiple offices nationwide. QM has been involved in some of the most significant environmental remediation projects in Canadian history.

C. The Company's Business

46. QM operates through two primary business segments: (a) "**Environmental Services**", which includes emergency management and response, waste and soil management, and water treatment; and (b) "**Construction**", which includes (i) demolition, decommissioning and hazardous material abatement services (the "**Demolition**"), and (ii) environmental remediation and reclamation services (the "**Remediation**").

47. The Company is currently working on approximately 250 projects. In addition to its active and awarded projects, there are several other projects that are planned or are in the process of being tendered by the Company.

D. Employees

48. QM's Business is supported by over 400 employees across Ontario, Manitoba, Saskatchewan, Alberta and British Columbia. The Company's workforce is comprised of a qualified and skilled team of labourers, engineers, estimators, project managers, site supervisors, and health and safety experts, who have worked on some of Canada's most complex environmental and industrial services projects. Many of the Company's employees have specialized knowledge in geology, engineering, environmental compliance and project management.

49. The breakdown of the Company's employees by province is as follows:

Category	Province					Total
	ON	MB	SK	AB	BC	
Full Time	106	1	14	29	87	237

Category	Province					Total
	ON	MB	SK	AB	BC	
Unionized	127	--	--	--	12	139
Casual	26	4	5	1	6	42
Total Employees	259	5	19	30	105	418

50. Approximately 21% and 64% of the Company's employees work in the Environmental Services and Construction segments, respectively. The remaining 15% of employees are part of the Company's corporate department.

51. In an effort to continue as a going concern, on the Filing Date, QM is planning an immediate headcount reduction, including the termination of approximately 40 employees. These employees consist of both hourly and salaried employees. The majority of the hourly employees are project level staff currently working on active projects that are either being paused or are Discontinued QM Contracts, while the salaried employees are predominantly made up of office staff and a small group of regional project managers. All payroll and vacation obligations relating to the planned terminations will be paid, however no severance or termination payments are anticipated.

Unionized Employees

52. QM employs approximately 140 unionized employees, consisting of highly skilled trades and labourers. The Company is party to the following collective agreements (collectively, the "**Collective Agreements**") with different unions in Ontario and British Columbia:

- (a) the British Columbia & Yukon Territory Hazardous Materials Abatement Collective Agreement between the Hazardous Materials Association of BC and the International Union of Painters & Allied Trades, District Council 38. This agreement covers the period from May 1, 2024 to April 30, 2027 and governs employees in British Columbia who are employed as hazardous materials workers and journeypersons;

- (b) the Provincial Collective Agreement (the “**IUPAT Collective Agreement**”) between the Ontario Painting Contractors Association, the Acoustical Association Ontario, the Interior Systems Contractors Association of Ontario, and the International Union of Painters and Allied Trades and its Ontario Council. The IUPAT Collective Agreement was in effect from May 1, 2022 to April 30, 2025, and governs various classifications of employees in Ontario, including:
 - (i) certified and unregistered journeypersons, apprentices, apprentice helpers, paperhangers, decorators, sandblasters, water blasters, vacuum operators, spray applicators, swing stage operators and forepersons;
 - (ii) drywall finishers and plasterers, fireproofing applicators, acoustical sprayers, hazardous materials workers, sprayed polyurethane applicators, exterior insulated finishing system applicators, exterior stucco applicators, air/vapour barrier workers, their respective apprentices, or trainees, and working foremen; and
 - (iii) employees engaged in floor laying;
- (c) the Collective Agreement with the Laborers’ International Union of North America, Local 837. This agreement remains in effect until February 28, 2026, and governs all employees in Burlington and Hamilton, Ontario except non-working supervisors, office and sales staff, dispatchers, and individuals above the rank of non-working supervisor; and
- (d) the Provincial Demolition Collective Agreement (the “**Demolition Collective Agreement**”) between the Ontario Association of Demolition Contractors Inc. and the Laborers’ International Union of North America, including its Ontario Provincial District Council and affiliated Local Unions 183, 493, 506, 527, 607, 625, 837, 1036, 1059 and 1089. The Demolition Collective Agreement covers the period from May 1, 2022 to April 30, 2025, and governs employees in Ontario engaged in the wrecking industry.

53. The Company is in the process of reviewing and renegotiating the IUPAT Collective Agreement and the Demolition Collective Agreement, each which have reached the end of their

respective terms. These negotiations remain ongoing and are being conducted in good faith with the relevant unions and employee representatives.

54. The Company adheres to the requirements set out within the Collective Agreements, including payment terms and contributions to any benefit and pension plans provided for therein.

Non-Unionized Employee Benefits

55. The Company maintains several employee benefit plans administered by Manulife and Equitable Life for its 290 non-unionized employees, including:

- (a) a Group Registered Retirement Savings Plan administered by Manulife;
- (b) a Deferred Profit-Sharing Plan administered by Manulife; and
- (c) a group insurance and health benefits plan administered by Equitable Life, which includes, among other benefits: (i) employer-funded contributions to health and taxable spending accounts, and (ii) basic life, accidental death and dismemberment and long-term disability coverage.

56. The structure, funding and benefit levels for each benefits plan vary depending on employee classification and eligibility.

57. The Company also offers several employer-funded wellness programs as part of its employee benefits. These include the Employee and Family Assistance Program and the WorldCare remote second medical opinion service, both administered through Equitable Life. These programs are available to eligible employees and their dependents while actively employed, and provide access to confidential counselling, support services, and medical specialists for complex or life-threatening conditions.

E. Leased Real Property

58. The Company operates its Business out of the following leased premises in Ontario, Manitoba, Saskatchewan, Alberta and British Columbia:

- (a) *5035 South Service Road, Burlington, Ontario*: These premises are leased by QM LP and consist solely of office space that functions as the Company's corporate head office;

- (b) *735 Strathearne Avenue, Hamilton, Ontario*: These premises are leased by TWT and consist of (i) office space that functions as the Hamilton regional office, and (ii) the Waste Transfer Facility;
- (c) *5155 Spectrum Way, Building #8, Mississauga, Ontario*: These premises are subleased by QM LP and consist of a building used for office space and warehousing facilities;
- (d) *1459 Dawson Road, Units 4 and 6, Winnipeg, Manitoba*: These premises are leased by QM LP and consist of office space that functions as the Winnipeg regional office;
- (e) *818 – 48th Street East, Saskatoon, Saskatchewan*: These premises are leased by QM LP and consists of office space and a waste receiving site;
- (f) *506 – 24 Avenue, Nisku, Alberta*: These premises are leased by QM LP and consist solely of office space that functions as the Nisku regional office;
- (g) *1707 Cliveden Avenue, Delta, British Columbia*: These premises are leased by QM LP and consist of (i) office space that functions as the Delta regional corporate office, and (ii) a warehouse and yard storage; and
- (h) *2940 Jutland Road, Unit 110, Victoria, British Columbia*: These premises are leased by QM LP and consists solely of office space that functions as the Victoria regional office.

F. Suppliers

59. The Company relies heavily on several vendors and third-party service providers across Ontario, Manitoba, Saskatchewan, Alberta and British Columbia to operate the Business. In addition to typical vendors and suppliers, the Company has several specialized suppliers for equipment, construction materials, fuel and rental equipment that are critical to its Business.

60. The Company is not current on certain of its trade payables, some of which are significantly in arrears, which has recently resulted in disruptions on a number of active project sites due to suppliers and vendors refusing to provide services until payments are made. Any continued interruption of services from these third parties, either because they are unable to

provide services to the Company or refuse to do so because of unpaid pre-filing amounts owed to them, may prevent the Company from operating in the ordinary course.

G. Indigenous Relations & Partnerships

61. QM places a strong emphasis on developing and maintaining its collaborative relations with local Indigenous groups and peoples across Canada through meaningful community engagement and partnerships.

62. In collaboration with various Indigenous groups and organizations, QM has developed and offered various programs to facilitate meaningful engagement with Indigenous communities and peoples, including: (a) QM's Indigenous Competency Program, an eight-week specialized training program designed to create opportunities for unemployed and underemployed Indigenous youth and young adults in Southern Ontario; (b) QM's Indigenous Inclusion and Capacity Building and the Partnerships with Purpose Programs, which have resulted in over 750 Indigenous peoples receiving training across Canada in the fields of remediation, demolition, hazardous materials abatement and handling, and emergency response and management, many of which have subsequently been hired by QM or other employers in the industry; and (c) the Advanced Business Match program, which allows QM to work collaboratively with Indigenous communities, companies and organizations to create opportunities for business, training and employment.

63. Overall, workers from Indigenous populations have provided up to 70% of on-site labour on QM projects collectively exceeding \$150,000,000 in contract value.

64. QM has also entered into several JVs with Indigenous groups and corporations across the country, including:

- (a) Cambium Indigenous Professional Services (CIPS) Inc. ("**CIPS**"), an Indigenous-owned consulting and technical services organization headquartered on the Curve Lake First Nation. Pursuant to a Shareholders' Agreement dated November 2, 2022 and the incorporation of the CIPS/QM Inc. ("**CIPS/QM**"), CIPS and QM have joint ventured on various demolition, decommissioning and environmental remediation projects in Ontario, Alberta and British Columbia;
- (b) Biigtigong Dbenjgan Ltd. ("**BD**"), an organization wholly owned by Biigtigong Nishnaabeg (formerly the Ojibways of the Pic River First Nation) on the northern

shore of Lake Superior. Pursuant to a Joint Venture Agreement dated April 6, 2022 and the incorporation of DB/QM JV Inc., BD and QM have historically joint ventured on remediation projects;

- (c) Points Athabasca, an Indigenous-owned civil, earthworks and industrial contracting company in the Athabasca Basin region of Saskatchewan. Pursuant to a Limited Partnership Agreement dated November 29, 2018 and the registration of QM Points Contracting LP ("**QM Points LP**"), Points Athabasca and QM have joint ventured on the Langley Bay Tailings Project; and
- (d) Six Nations of the Grand River Development Corporation ("**SNGRDC**"), a community economic development corporation established by the Six Nations of the Grand River, the largest First Nations reserve in Canada. Pursuant to the Joint Venture Term Sheet dated October 21, 2021, SNGRDC and QM have joint ventured on environmental decommissioning projects for the Ontario Power Generation.

H. Licenses and Certifications

65. In connection with its Business, the Company holds several licenses, certifications and permits that allow it to conduct specific operations.

66. QM has Certificate of Recognition ("**COR**") accreditation in seven provinces granted by the Canadian Federation of Construction Safety Associations. COR is a national accreditation that verifies full implementation of an employer's Occupational Health and Safety Management System. To maintain COR accreditation, QM must pass annual health and safety audits which requires every employee and contractor to have an active role in meeting regulatory requirements and complying with its Health and Safety Program. COR is often required as a condition of contract by the public and private sector across Canada and is one of the highest provincial safety standards.

67. The Company also maintains various Environmental Compliance Approvals from the Ministry of the Environment in the application of specific treatment technologies and processes for contaminated properties, including in-situ chemical oxidation, in-situ thermal treatment, mobile water treatment, mobile bioremediation, stabilization/solidification, and mobile waste and soil screening.

I. Cash Management System

68. The Company uses a centralized cash management system (the “**Cash Management System**”) in the ordinary course of business to, among other things, collect funds and pay expenses associated with its Business and operations.

69. The Cash Management System is administered from the Company's head office in Burlington, Ontario, and is comprised of the BNS Accounts and the JV Accounts (each as defined below) (together, the “**Bank Accounts**”).

BNS Accounts

70. The Bank Accounts associated with the Cash Management include the following accounts held with BNS (collectively, the “**BNS Accounts**”):

- (a) one Canadian dollar operating account used to receive customer collections and process outgoing wires, cheque payments, pre-authorized debits and ACH payments for disbursements to vendors and taxing authorities (the “**Primary Account**”);
- (b) one US dollar operating account used to receive customer collections and process outgoing wires and cheques for those receipts and disbursements made in USD. This account is typically funded by customer collections or by funds received from the Primary Account;
- (c) one payroll account used to fund all payroll related disbursements. The Company uses Dayforce (formerly known as Ceridian), a human capital management software, to process certain executive level payrolls, with all other payroll disbursements being performed in-house. This payroll account is funded from either the Primary Account or historically from the Company's revolving facility with BNS (the “**Revolver**”); and
- (d) four additional Canadian dollar operating accounts used to receive collections and fund select disbursements for certain of the Company's projects. These project accounts are funded from customer collections and typically hold a relatively de

minimis balance, with any excess amounts being deposited into the Primary Account.

71. As discussed further below, on a daily or weekly basis, as dictated by its liquidity position and cash needs, the Company historically would either draw funds from the Revolver to the Primary Account to fund disbursements or pay down the Revolver balance with excess funds collected in the Primary Account.

72. The Company also has several corporate credit cards with BNS, which are used for on-site personnel, travel costs, smaller project costs, and corporate and miscellaneous expenses. Historically, the Company had a credit card limit of up to \$300,000. However, shortly before commencing these CCAA Proceedings, BNS reduced this limit to Nil and has required the Company to carry a pre-funded balance in order to continue to use the credit cards.

73. The Company seeks Court approval to continue using its existing Cash Management System in substantially the same manner as before the commencement of the CCAA Proceedings. Given the scale and nature of the Company's operations and the volume of transactions that are processed daily within the Cash Management System, the Proposed Monitor is of the view that the continued use of the existing Cash Management System is required and appropriate during these CCAA Proceedings. For clarity, the Company is not seeking the extension of any further credit from BNS as part of the continuation of the Cash Management System.

JV Accounts

74. In addition to the Cash Management System and BNS Accounts described above, QM maintains five bank accounts dedicated to specific JV projects, or for JVs that cover multiple projects (the "**JV Accounts**"). The JV Accounts receive funds from individual project customers and disburse funds to QM and its JV partners in accordance with the terms of the applicable JV agreement. Certain of the JV Accounts are subject to conditions, such as requiring multiple signatory approvals to release funds or specifying a minimum account balance.

J. Project Analysis

75. The Company, with the assistance of the Proposed Monitor, is currently reviewing its backlog of approximately 250 active projects to determine costs, completion status and projected

profitability. The Company expects this analysis to be mostly complete, with the majority of viable Continuing QM Projects identified by the Comeback Hearing.

The Big 7 Projects

76. Based on its preliminary review, the Company has identified seven key projects (the “**Big 7 Projects**”) that are expected to collectively contribute approximately \$37,000,000 of future revenue. The Big 7 Projects were identified based on their scale, strategic importance and projected profitability. The Big 7 Projects are summarized as follows:

- (a) **Langley Bay Tailings Project.** This project is located near Uranium City, Saskatchewan and involves large-scale environmental remediation work to be completed QM Points LP. The percentage of completion (“**POC**”) for this project is approximately 70%, and the gross contract value is \$20,800,000. However, continued operations are at risk due to the Company’s inability to make certain necessary payments for fuel and equipment repairs. QM Points LP has indicated that further worker transport flights will be suspended unless these payments are made forthwith;
- (b) **EVR Harmer Complex Demolition Project.** Located near Sparwood, British Columbia, this project involves demolition and environmental remediation at a former coal processing facility situated at a remote mountain-top site. The POC for this project is approximately 82%, and the gross contract value is \$13,500,000. However, work on the project has largely paused due to unresolved payment and pre-payment obligations to a landfill operator and third-party trucking company;
- (c) **The Couchiching First Nation Soil Remediation Project.** This project relates to the remediation of a former logging camp site on a First Nations reserve near Fort Frances, Ontario. The POC for this project is approximately 55%, and the gross contract value is \$19,200,000;
- (d) **The Union Bay Coal Pile Remediation Project.** This project involves environmental remediation and site restoration work in Union Bay, British Columbia. The POC for this project is approximately 50%, and the gross contract value is \$16,900,000;

- (e) **The Endako TP2 Spillway Construction Project.** This project involves the construction of a spillway and related earthworks at a mountain-based mine site in British Columbia. The POC for this project is approximately 95%, and the gross contract value is \$21,500,000;
- (f) **The Copper Stack Demolition EPC Project.** This project involves demolition of a copper smelter stack located at an active mine site operated by Vale Canada Ltd. ("**Vale**") near Sudbury, Ontario. The POC for this project is approximately 75%, and the gross contract value is \$13,400,000. Work on the project has ceased due to a current engineering issue, to which the parties are currently in discussions to resolve; and
- (g) **The Port Lands Project.** This long-term project encompasses several sub-projects involving demolition, excavation, hazardous material abatement and construction as part of Toronto's Port Lands revitalization, a multi-phased initiative to transform the former Don River delta into a thriving waterfront community. While most sub-projects have been completed in full, some minimal work remains on five sub-projects, with additional change order and future related projects potentially available to the Company. The Company's recent cash flow constraints have limited its ability to fund these outstanding sub-projects, prompting some contractors to threaten work stoppages. The current gross contract value of the Port Lands project in total is \$232,000,000.

77. The Big 7 Projects are largely well advanced from a POC perspective. Accordingly, future profit on these projects primarily depends on completing the remaining work on each project to unlock substantial accounts receivable and holdback value.

78. The Initial Advance under the DIP Facility will provide the funding necessary for the Company to fund work on the Big 7 Projects during the Initial Stay Period should the Company determine that they are Continuing QM Projects.

79. During the proposed Initial Stay Period, the Company intends to continue working with the Proposed Monitor to identify additional Continuing QM Projects that may be financially viable and beneficial for the Company to continue. The Company, with the assistance of the Proposed Monitor, hopes to have the project review and profitability analysis mostly completed by the return

of the Comeback Hearing. However, given the sheer number of projects under review, the Company expects this will be an evolving and iterative process.

80. The Company intends to disclaim Discontinued QM Contracts, which are contracts where the cost to complete exceeds any remaining amounts payable. As a result of a disclaimer, each counterparty to a Discontinued QM Contract may be eligible to make a claim on any performance bond, as applicable. To avoid disruption to the projects, it is open to the counterparty to enter into a separate completion contract with the Company under any performance bond if desirable.

IV. THE COMPANY'S ASSETS AND LIABILITIES

81. As of May 31, 2025, the consolidated value of the Company's liabilities exceeds the value of its assets by approximately \$12,500,000. A copy of the most recent unaudited consolidated financial statements (the "**Unaudited FS**") prepared by QM are attached hereto as **Exhibit "H"**.

A. Assets of the Company

82. The Unaudited FS shows that as of May 31, 2025, the Company had consolidated assets with a book value of approximately \$85,300,000.

Asset Type	Book Value
Accounts Receivable	\$41,044,000
Inventory	\$1,155,000
Cost and Estimated Earnings in Excess of Billings on Uncompleted Contracts	\$14,680,000
Prepaid Expenses	\$1,879,000
Advances to Related Parties	\$1,630,000
Capital Assets	\$20,597,000
Investments in Jointly Controlled Enterprises	\$4,330,000
Total	\$85,314,000

B. Liabilities of the Company

83. The Unaudited FS demonstrate that as of May 31, 2025, the Company had consolidated liabilities with a book value of approximately \$97,800,000.

84. The liabilities of QM as of May 31, 2025, as demonstrated by the Unaudited FS, are as follows:

Liabilities	Book Value
Bank Indebtedness	\$7,089,000
Accounts Payable and Accrued Liabilities	\$49,657,000
Billings in Excess of Cost and Estimated Earnings on Uncompleted Contracts	\$5,029,000
Income Tax	\$5,000
Advances from Related Parties	\$7,385,000
Current Portion of Long-Term Debt	\$900,000
Current Portion of Note Payable	\$667,000
Current Portion of Capital Lease Obligations	\$3,343,000
Long-Term Debt	\$15,975,000
Note Payable	\$2,000,000
Obligations under Capital Leases	\$5,742,000
Total	\$97,794,000

V. THE INDEBTEDNESS OF THE COMPANY

A. Secured Liabilities

85. The Company's primary secured creditors are BNS and various equipment financing companies. As of the date of this affidavit, the Company owes approximately \$29,175,000 to BNS and has an incremental \$5,100,000 of outstanding letters of credit. The Company also owes approximately \$9,000,000 to various equipment financing companies.

BNS Facilities and Related Obligations

86. BNS is the senior secured creditor of the Company pursuant to a Credit Agreement dated June 6, 2023 (the "**Initial Credit Agreement**", together with the Amendments (as defined below), the "**Credit Agreement**") between: (a) QM LP, as borrower (the "**Borrower**"); (b) QMF, TWT, Quantum Holdings, QM GP and Highpoint, as guarantors (the "**Guarantors**" together with QM LP as borrower, the "**Loan Parties**"); and (c) BNS, as lender. The Initial Credit Agreement replaced an existing Commitment Letter dated November 4, 2022 (the "**Commitment Letter**") entered into between BNS, QM LP and the Guarantors. A copy of the Initial Credit Agreement is attached hereto as **Exhibit "I"**. A copy of the Commitment Letter is attached hereto as **Exhibit "J"**.

87. The Initial Credit Agreement required Aviva to enter into an intercreditor agreement with BNS as a condition precedent to the advance of funds from BNS to the Borrower. As such, Aviva, as subordinated creditor, and BNS, as senior lender, entered into the Intercreditor Agreement dated June 6, 2023 (the "**Intercreditor Agreement**"). A copy of the Intercreditor Agreement is attached hereto as **Exhibit "K"**.

88. The Initial Credit Agreement was subsequently amended by the following amending agreements (collectively, the "**Amendments**"):

- (a) the First Amendment to the Credit Agreement dated December 11, 2023, a copy of which is attached hereto as **Exhibit "L"**;
- (b) the Second Amendment to the Credit Agreement dated June 14, 2024, a copy of which is attached hereto as **Exhibit "M"**;

- (c) the Third Amendment to the Credit Agreement dated June 26, 2024, a copy of which is attached hereto as **Exhibit “N”**; and
- (d) the Fourth Amendment to the Credit Agreement dated September 18, 2024, a copy of which is attached hereto as **Exhibit “O”**.

89. Pursuant to the Credit Agreement (as amended), BNS agreed to make the following facilities (collectively, the **“BNS Facilities”**) available to QM:

- (a) the Revolver to be used for permitted acquisitions, to repay existing indebtedness and for general working capital and general corporate requirements. The material terms of the Revolver are as follows:
 - (i) *Maximum Principal Amount*: \$25,000,000 (subject to a borrowing base calculation);
 - (ii) *Interest*: Payable based on the Canadian Prime Rate, the US Base Rate or Federal Funds Effective Rate, as applicable, or the Term SOFR Reference Rate, each plus the applicable margin (or if using Bankers' Acceptances in Canadian Dollars, the BA Stamping Fee based on the applicable margin);
 - (iii) *Maturity*: the earlier of (A) three years from June 6, 2023 or such later date as determined by the parties, and (B) the date on which the BNS Facilities are terminated in accordance with the Credit Agreement;
- (b) a non-revolving term facility (the **“Term Facility”**) to be used to refinance the existing debt under the Commitment Letter, to finance a distribution payable to WeShall and 253 Ontario, and to finance certain permitted acquisitions and investments. The material terms of the Term Facility are as follows:
 - (i) *Maximum Principal Amount*: \$17,775,000;
 - (ii) *Interest*: Payable based on the Canadian Prime Rate (or if using Bankers' Acceptances in Canadian Dollars, the BA Stamping Fee based on the applicable margin);

(iii) *Maturity*: the earlier of (A) the date which is three years from June 6, 2023 or such later date as determined by the parties, and (B) the date on which the BNS Facilities are terminated in accordance with the Credit Agreement; and

(c) certain corporate credit cards facilities.

90. The Loan Parties provided the following security in favour of BNS pursuant to the Credit Agreement:

- (a) guarantees from each of the Guarantors guaranteeing due payment and performance of the Borrower;
- (b) limited recourse and pledge agreements made by 253 Ontario and WeShall in favour of BNS;
- (c) general security agreements from each of the Guarantors granting BNS a security interest in all present and after acquired personal property (subject to certain excluded collateral); and
- (d) assignment of insurance policies from the Loan Parties.

91. The personal property registries in Ontario and Manitoba, as applicable, confirm that BNS is a registered secured creditor over the personal property of the Company. Copies of the personal property security searches for QM GP in Ontario and Manitoba are attached hereto as **Exhibit "P"**. The personal property security search for Highpoint in Ontario is attached hereto as **Exhibit "Q"**. Copies of the personal property searches for each of the Non-Applicant Related Parties in Ontario and Manitoba are attached hereto as **Exhibit "R"**.

Equipment Leases

92. The Company's Business operations require equipment and vehicles, including, among other things, heavy-duty and light-duty trucks, tractors, excavators, loaders and impact crushers. Most of the Company's equipment and vehicles are encumbered by capital leases registered in the applicable provincial personal property security registries.

93. The counterparties to these leases are various equipment and vehicle financing companies.

Taxes and Payroll Obligations

94. To the best of my knowledge, the Company has upcoming tax obligations for HST/GST and PST in the amount of approximately \$1,300,000 and arrears payable for Ontario employer health tax in the amount of approximately \$250,000. The Company intends to pay these amounts using the Initial Advance under the DIP Facility, if approved.

95. Wages continue to accrue in the normal course between weekly and bi-weekly pay periods. Group benefits are paid up to and including July 31, 2025. Amounts owed for the Group RRSP are paid up to and including between July 18 to July 25, 2025, with the next pay period being August 1, 2025.

B. Unsecured Obligations of the Company

Intercompany and Related Party Loans

96. In January 2025, WeShall advanced a loan in the amount of \$6,700,000 to QM LP pursuant to a Demand Promissory Note dated January 30, 2025 (the “**Promissory Note**”). The Promissory Note bears interest at the BNS prime rate in effect until the full and final repayment of the principal amount. Interest is calculated monthly and payable in arrears on the date of any prepayment or repayment.

Trade Payables

97. The Company has significant arrears owing to third-party suppliers, many of whom are critical to the ongoing operations of the Company. As at July 14, 2025, the Company had over \$44,600,000 of accounts payable and accrued liabilities.

Litigation

98. The Company has ongoing litigation involving both claims it is advancing and defending, as well as contingent liabilities related to defensive actions and associated legal costs. The Company’s significant litigation proceedings include:

- (a) an action commenced by QM against Geosyntec Consultants International, Inc./Savron ("**Geosyntec**") seeking \$3,000,000 in damages for breach of contract, negligence and unjust enrichment. Geosyntec has counterclaimed for approximately \$835,000 plus demobilization costs;
- (b) an action by HW Imperium Inc. ("**HW**") against QM seeking damages of approximately \$500,000 for alleged unpaid invoices. QM has filed a defence and counterclaim in the amount of \$550,000 for damages arising from HW's failure to perform its obligations;
- (c) an action by Ferme Avicole Major Limited seeking special damages of \$300,000 and general damages of \$100,000 for alleged damage to its property emergency response services provided by the Company for Avian Flu. This action is being defended by the Company's prior insurer, Northbridge General Insurance Company; and
- (d) arbitration of a claim by the Government of Manitoba (the "**Manitoba Government**") against the Company. While this matter has settled, there are payments that remain outstanding from the Company to the Manitoba Government, which is the beneficiary of a letter of credit issued by QM as security for part of the remaining payment.

C. Bonded Obligations

99. Certain of the Company's ongoing projects are bonded either by its current surety, Intact, or its prior surety, Aviva (the "**Bonded Projects**"). A summary of the Company's current Bonded Projects is attached hereto as **Exhibit "S"**.

100. I am advised by counsel that, although BNS is the senior secured lender of the Company, Intact and Aviva may be trust claimants with priority to any funds payable to the Company on the Bonded Projects, as they may be subrogated to the position of the Lien Claimants for any amounts paid by them on the Bonded Projects.

Aviva Bonds

101. The Company's former bond surety was Aviva. The bonding facilities with Aviva were provided pursuant to:

- (a) a Master Surety Agreement dated March 16, 2016 between QM GP, Quantum Holdings, QM LP, QMF and TWT, as indemnitors, and Aviva, as surety (the "**Aviva Master Surety Agreement**"). A copy of the Aviva Master Surety Agreement is attached hereto as **Exhibit "T"**;
- (b) an Adhesion of Additional Party to Master Surety Agreement dated July 24, 2017 between Alberta Chain & Rigging Inc. and Aviva, a copy of which is attached hereto as **Exhibit "U"**;
- (c) an Amended and Restated Adhesion of Additional Party to Master Surety Agreement dated July 11, 2019 (the "**KSS Indemnity**") between Aviva and KSS Holdco Inc. ("**KSS**"), a predecessor by amalgamation to WeShall. The KSS Indemnity replaced the Adhesion of Additional Party to Master Surety Agreement dated May 18, 2017 between Aviva and KSS. Pursuant to the KSS Indemnity, KSS agreed to be bound by the Aviva Master Surety Agreement and provided a limited indemnity up to \$8,000,000. A copy of the KSS Indemnity is attached hereto as **Exhibit "V"**;
- (d) an Adhesion of Additional Party to Master Surety Agreement dated July 12, 2019 between QM Points LP and Aviva, a copy of which is attached hereto as **Exhibit "W"**; and
- (e) a Bond Facility Agreement dated November 17, 2020 between QM LP and Aviva (the "**Aviva Bond Facility Agreement**"), which amended and restated all previous commitments issued by Aviva to QM. Pursuant to the Aviva Bond Facility Agreement, Aviva agreed to provide a bond facility for contract surety performance bonds, labour & material payment bonds, maintenance bonds, bid bonds and agreements to bond with a single contract limit of \$20,000,000 and an aggregate program limit of \$150,000,000. A copy of the Aviva Bond Facility Agreement is attached hereto as **Exhibit "X"**.

102. The Personal Property Registry in Manitoba confirms that Aviva is a registered secured creditor over the personal property of QM. A copy of the Personal Property Registry Confirmation Statement is attached hereto as **Exhibit “Y”**.

The Need to Secure a New Bonding Surety

103. In 2023, QM was forced to secure a new bonding surety following a project dispute with the Manitoba Government, which strained the Company’s relationship with Aviva.

104. In 2016, the Manitoba Government and QM LP entered into a construction contract (the **“RM Construction Contract”**) for certain remediation work to be performed at the Ruttan Mine site in Manitoba (the **“Ruttan Mine Project”**). After entering into the RM Construction Contract, the Company became aware of fundamental design deficiencies that rendered its performance on the Ruttan Mine Project impractical. Accordingly, the Company ceased work and departed the site, which triggered arbitration proceedings (the **“Manitoba Arbitration”**).

105. Between September and November 2021, the Right Honourable Beverley McLachlin, as arbitrator, presided over the oral hearings for the Manitoba Arbitration and, in March 2022, issued an arbitration award in favour of the Manitoba Government (the **“Arbitration Award”**).

106. Throughout the Manitoba Arbitration proceedings, Aviva advocated for a settlement between the Company and the Manitoba Government, but no settlement was entered into and the Company continued with the Manitoba Arbitration.

107. Although Aviva did not explicitly cite this dispute as the reason, it subsequently ceased bonding all new Company projects. Given that performance and payment bonds are essential for projects of the Company's scale, this cessation created a critical business challenge, and the Company had to turn to Intact as a new bonding surety provider to maintain operations and fulfill contractual obligations.

Intact Bonds

108. In 2023, the Company transitioned to a bonding facility with Intact. The bonding facility with Intact is currently governed by:

- (a) a General Application and Indemnity Agreement dated May 3, 2024 by QM GP, Quantum Holdings, QM LP, QMF, TWT, Highpoint and QM Points LP, as

indemnitors (the “**QM Indemnitors**”), in favour of Intact, as surety (the “**Intact Indemnity Agreement**”). A copy of the Intact Indemnity Agreement is attached hereto as **Exhibit “Z”**;

- (b) a Terms and Conditions Agreement dated June 13, 2024 (the “**Intact Bonding Agreement**”) entered into between QM LP and Intact, pursuant to which Intact agreed to provide a bonding facility with a single project size of \$25,000,000 and an aggregate program of \$150,000,000. A copy of the Intact Bonding Agreement is attached hereto as **Exhibit “AA”**; and
- (c) a Capital Retention Agreement dated June 28, 2024 between the QM Indemnitors, WeShall and 253 Ontario, as indemnitors (collectively, the “**Indemnitors**”), and Intact, as surety (the “**Capital Retention Agreement**”), pursuant to which the Indemnitors agreed to certain capital retention requirements. A copy of the Capital Retention Agreement is attached hereto as **Exhibit “BB”**.

109. As part of the Intact Bonding Agreement, Intact holds a Letter of Credit provided by Kingsdale Partners Limited (“**Kingsdale**”) on behalf of QM in favour of Intact dated June 28, 2024 in the amount of \$5,000,000 (the “**Kingsdale LOC**”). A copy of the Kingsdale LOC is attached hereto as **Exhibit “CC”**.

110. In addition to the above, the Company, CIPS/QM and Intact are parties the General Application and Indemnity Agreement dated June 9, 2023, which relates to a project-specific joint venture, a copy of which is attached as **Exhibit “DD”**.

VI. FINANCIAL DIFFICULTIES AND NEED FOR CCAA PROTECTION

A. Financial Challenges Facing the Company

111. As described above, the Company substantially expanded its Business in recent years, generating over \$168,000,000 in gross revenue in 2024.

112. However, over the past year, the Company’s liquidity has been severely strained, in part, due to the nature of the Company’s Business, which requires significant up-front capital investment. In addition, the Company’s liquidity crisis has been exacerbated by the cumulative effect of several operational and financial challenges. Inaccurate forecasting and deficient project-

level tracking led to inaccurate project cost estimations and difficulties pursuing and obtaining appropriate change orders for out-of-scope work performed by the Company at the request of clients. These factors, among others, have eroded the Company's profitability and revenue realization.

113. The Company's most significant financial and operational challenges relate to the following issues:

- (a) **Employee Turnover and Retention:** The Company has faced difficulties retaining employees, notably at the management level, which has hindered project oversight, disrupted continuity in Business segments and departments, and hampered strategic planning efforts;
- (b) **Financial Reporting and Forecasting Limitations:** Deficiencies in internal financial tracking and project profitability forecasting have impaired the Company's margins and revenue. For instance, prior internal financial tracking practices relied heavily on work-in-progress ("**WIP**") accounting, and certain project costs were not captured in WIP. This resulted in inaccurate project profitability forecasting and overstated EBITDA projections;
- (c) **ERP Transition:** In 2024, the Company implemented a new ERP system, which caused temporary disruptions that impacted operational efficiency and contributed to certain of the financial tracking and forecasting deficiencies described above;
- (d) **Unexpected Project Costs:** The Company incurred unexpected costs on several large projects without pre-authorizing change orders, which have impacted margins and profitability;
- (e) **Bonding Support:** The Company faced challenges maintaining bonding support, which limited its ability to pursue and/or complete certain contracts in a timely manner;
- (f) **Trade Payables and Supply Disruptions:** The Company owes significant pre-filing amounts to certain critical suppliers and vendors. Several of these vendors and suppliers have either threatened to suspend or have already suspended the supply of goods and services essential to the Company's operations. These supply

disruptions have impaired, and will continue to impair, the Company's ability to operate and complete projects efficiently;

- (g) **Statutory Holdbacks:** The Company's cash flow is negatively affected by the statutory holdback regime under the *Construction Act*, which mandates the withholding of a portion of invoiced amounts for a specified period. This practice causes delays in payment for completed work, leading to timing mismatches between incurred costs and revenue collection. In particular, the Company's demolition and remediation services are usually provided early on in a project's lifecycle, which means the Company is required to wait for a long period until substantial completion, when the holdback is released. As a result, the Company faces significant and ongoing pressure on its working capital; and
- (h) **Project Oversight:** Deficiencies in project oversight, including inaccurate cost-tracking systems and invoicing delays and failures to timely pursue change orders for out-of-scope work performed at the request of clients, have affected billing cycles and further delayed or impaired revenue realization and contributed to the financial reporting issues described above.

114. As a result of these factors, the Company, as of the date of this Affidavit and in the weeks leading up to the Filing Date, has been in an over-advance position relative to its borrowing base under the Credit Agreement with the result that it has no borrowing availability. This is a contributing reason for the liquidity constraints currently impacting the Business.

B. The Company is Insolvent

115. Given that the Company no longer has access to further availability under the Credit Agreement, the Company is facing a liquidity crisis and is currently unable to meet its obligations as they generally become due. Without imminent relief, including the Stay and the ability to access the DIP Facility, the Company will not be able to continue as a going concern.

116. The Company's assets, including its equipment, accounts receivable and future contracts, cannot be easily liquidated without significant diminishment of value and disruption to the Business. Further, the value of certain key assets such as future contracts and accounts receivable are likely to be significantly impaired or have no value if the Company is unable to continue operating as a going concern.

117. In the weeks leading up to this filing, in an effort to resolve its imminent liquidity crisis, the Company has been in ongoing discussions with BNS, WeShall, Intact and Aviva. In the course of these discussions, BNS advised the Company that it was unwilling to extend further credit to the Company, while WeShall advised that it was only willing to provide the Company with additional financing in the form of the DIP Facility with the benefit of a Court ordered super-priority charge.

118. Similarly, while Intact is funding the portion of accounts payable that it is legally obligated to pay under the Bonded Projects, it is not sufficient for the Company to operate in the ordinary course outside the benefit of CCAA protection. Further, Intact recently demanded that the QM Indemnitors and QM Points LP provide credit support in the amount of \$12,500,000 in the form of cash, letters of credit, or otherwise.

C. Purpose of the CCAA Proceedings

119. After reviewing and considering the Company's strategic options and alternatives, the Company, with the assistance of its advisors, has determined that it is in the best interests of the Company and its stakeholders to seek relief under the CCAA.

120. The CCAA Proceedings are the only viable means for the Company to preserve and maximize value for its stakeholders, while providing the stability and liquidity necessary to continue operating as a going concern and pursue a comprehensive restructuring transaction through a SISP.

121. I believe that the commencement of these CCAA Proceedings is in the best interests of the Company and its stakeholders for the following reasons, among others:

- (a) the Applicants and the Non-Applicant Related Parties are insolvent and are unable to meet their obligations as they generally become due;
- (b) the Applicants and the Non-Applicant Related Parties require the protection of the CCAA and the assistance of restructuring professionals to develop a strategic restructuring solution, as well as the breathing room to do so;
- (c) without the protections of the CCAA, creditors are likely to take enforcement steps against the Company, which will disrupt the operation of the Business and negatively impact the Company's current projects;

- (d) the Applicants and the Non-Applicant Related Parties require immediate interim financing, which would not otherwise be available on reasonable terms and in a timely manner without the accompanying Court-ordered Charges that are available under the CCAA; and
- (e) the involvement of a Court-appointed Monitor under the CCAA will lend stability and assurance to the Company's stakeholders, including its employees, suppliers, customers and lenders.

122. If the requested relief is granted under the CCAA, the Company intends to work with the Proposed Monitor to develop and implement a comprehensive operational and financial restructuring solution with appropriate milestones for such restructuring.

D. Cash Flow Forecast

123. With the assistance of the Proposed Monitor, the Company has prepared an initial two-week cash flow forecast to determine the amount of funding required to finance its operations during the Stay Period (the "**Cash Flow Forecast**"). I understand that the Cash Flow Forecast will be attached to the pre-filing report of the Proposed Monitor (the "**Pre-Filing Report**").

124. The Cash Flow Forecast demonstrates that QM is in critical need of interim financing in the amount of \$3,300,000 to continue operating in the ordinary course during the Initial Stay Period. The Company, with the assistance of the Proposed Monitor, has also prepared a longer-term cash flow forecast which projects that QM will require incremental financing of approximately \$10,700,000 for the 13-week period following the Comeback Hearing.

125. The Cash Flow Forecast also demonstrates that if the Initial Order is granted and the DIP Facility approved, the Company will have sufficient liquidity to meet its ordinary course obligations during the Initial Stay Period until the Comeback Hearing.

VII. RELIEF SOUGHT

126. At the initial hearing, the Company will seek the minimum relief necessary to continue operations through to the Comeback Hearing, at which time expanded relief will be sought.

A. Non-Applicant Related Parties

127. The Applicants seek to extend the relief sought in the Initial Order to the Non-Applicant Related Parties.

128. QM LP is the core operating entity of the Company. Together, QM LP and the other Non-Applicant Related Parties form a critical part of the Business and are deeply integrated into the Company, sharing common ownership, management and operational ties. In addition, the Non-Applicant Related Parties are guarantors under the BNS Facilities and indemnitors to the bonding facilities with Intact and Aviva. Several of the Non-Applicant Related Parties also hold key licenses, certifications and permits, real property leases, specialized equipment and other assets critical to the Company's Business and operations.

129. Enforcement actions against the Non-Applicant Related Parties during these CCAA Proceedings would be detrimental to the Company and its stakeholders. Such actions would destabilize current operations and impede any going-concern transaction involving the Business. Given the Non-Applicant Related Parties' integral role in QM's operations, proceedings against them would drain the Company's limited resources, divert the attention of management and detract from its restructuring efforts. Therefore, extending the relief sought in the Initial Order to the Non-Applicant Related Parties is both necessary and appropriate in the circumstances.

130. I understand that the Proposed Monitor supports extending the benefits and protections in the proposed Initial Order to the Non-Applicant Related Parties.

B. Stay

131. The Company requires the Stay, including in respect of secured parties, to prevent creditors from taking enforcement steps. The intention of the Stay is to provide the Company with the necessary breathing room to preserve the status quo and pursue a viable restructuring plan and complete its ongoing construction projects.

132. In the absence of the Stay, the Company will be unable to complete the Continuing QM Projects. The business interruption and resumption costs for the Company's customers would be substantial and would inevitably have a negative effect on its own customers' business and stakeholders.

133. The Initial Stay Period is also critical to maximizing the realization of the Business for creditors and stakeholders and avoiding the destruction of value that would result from a shut-down of operations.

134. The Cash Flow Forecast demonstrates that, with access to the DIP Facility, the Company will have sufficient cash to operate over the Initial Stay Period. In the meantime, the Company continues to work with due diligence and in good faith to complete a successful restructuring.

C. Cash Management System

135. The Company's continued and uninterrupted access to the Cash Management System and the Bank Accounts associated thereunder are critical to its ongoing Business. If the Company's access to the Bank Accounts is blocked or restricted, the Company will not be able to operate in the normal course.

136. The Company therefore requests that it be granted continued access with full authority to manage the Bank Accounts associated with the Cash Management System under the supervision of the Monitor.

D. Appointment of the Monitor

137. The Company seeks appointment of A&M as Monitor. In the weeks leading up to the filing, A&M has been reviewing the Company's finances and operations and assisting with considering options to address its operational and financial challenges.

138. A&M has consented to act as Monitor, subject to this Court's approval. I understand the consent of A&M will be attached to the Pre-Filing Report.

139. I am advised by counsel that A&M is a licensed insolvency trustee within the meaning of section 2 of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") and is not precluded from acting as Monitor as a result of any restrictions under subsection 11.7(2) of the CCAA.

E. Payment of Pre-Filing Amounts

140. The Company is seeking authorization to pay, with the written approval of the Proposed Monitor, amounts owing to the Company's suppliers for critical goods or services actually supplied to the Company prior to the filing date if, in the opinion of the Company and the Proposed Monitor,

such payment is necessary to maintain the uninterrupted operations of the Business. These payments are reflected in the Cash Flow Forecast.

141. The Company relies heavily on contractors who provide specialized construction services. These contractors are necessary to the uninterrupted operation of the Business. Given the technical and specialized nature of the Company's operations, there are few vendors who can supply some of the specific services that the Company requires at a reasonable cost and in a timely manner.

142. Due to its cash flow pressures, the Company has failed to pay some of its critical suppliers for services provided prior to the filing of the CCAA Proceedings. The Company believes it is necessary to pay certain pre-filing amounts owed to critical suppliers to maintain their services and ensure the continuance of work on Continuing QM Projects in the normal course notwithstanding the Stay. The continuance of work on the Continuing QM Projects and the ongoing supply of critical goods and/or services are essential for the Company to maintain the value of its current and future receivables.

F. Approval of DIP Facility

143. The Cash Flow Forecast demonstrates that the Company requires interim financing to meet ordinary course of business expenses and to fund the CCAA Proceedings during the Initial Stay Period.

144. The Company has secured debtor-in-possession ("**DIP**") financing from the DIP Lender to fund the Company's operational and restructuring expenses during the restructuring period, subject to various terms and conditions as described in the DIP Term Sheet. I understand a copy of the DIP Term Sheet will be attached to the Pre-Filing Report.

145. Currently, BNS and Intact have declined to provide DIP financing to the Company. As such, the DIP Term Sheet represents the best and only available interim financing arrangement that could be arranged by the Company within the time frame needed to meet its cash flow needs. The Company does not believe it can obtain financing from any source except on a super-priority basis.

146. The key terms and conditions of the DIP Term Sheet are as follows:¹

- (a) the DIP Lender is WeShall;
- (b) a maximum loan amount of \$14,000,000, with an Initial Advance up to a principal amount of \$3,300,000;
- (c) interest accruing at a rate of 14% per annum, compounded and calculated monthly;
- (d) a maturity date the earliest of: (i) November 14, 2025 (or such later date as the DIP Lender may agree to), (ii) the closing of a Court approved transaction for substantially all of the assets or shares/units in one or more of the Credit Parties, (iii) the implementation of a Court-approved plan in the CCAA Proceedings, (iv) the refinancing of the DIP Facility upon the written consent of the DIP Lender, (v) the date on which the CCAA Proceedings are terminated or converted into a proceeding under the *Bankruptcy and Insolvency Act* (Canada), or the Stay expires without extension, (vi) the payment in full of the obligations owing to the DIP Lender (vii) the occurrence of an Event of Default; and (viii) the DIP Lender giving notice to the Borrower of the occurrence of an event of default;
- (e) a commitment fee of 1.5% of (i) the Initial Advance, which shall be fully earned upon Court approval of the DIP Term Sheet and the Initial Advance, and (ii) the maximum principal amount of the DIP Facility less the amount of the Initial Advance, which shall be fully earned upon Court approval of the maximum principal amount of the DIP Facility.

147. The DIP Facility is expected to provide sufficient liquidity to allow the Company to operate and meet its obligations during the pendency of the CCAA Proceedings. I am advised that the Proposed Monitor has reviewed the terms and supports approval of the DIP Term Sheet.

¹ Capitalized terms used in this paragraph that are not otherwise defined herein have the meaning given to such terms in the DIP Term Sheet.

G. Charges

148. The Company seeks the following Court-ordered charges in the proposed Initial Order: (a) an Administration Charge; (b) a DIP Lender's Charge; (c) a Directors' Charge; and (d) a Lien Charge (collectively, the "**Charges**"). The Company proposes that each of the Charges constitute a charge on the Property. The Company further propose that the Charges rank in priority to all other Encumbrances (as defined in the Initial Order).

Proposed Ranking of the Charges

149. The proposed ranking of the Charges in the Initial Order is as follows:

First – the Administration Charge (to the maximum amount of \$750,000);

Second – the DIP Lender's Charge (to the maximum amount of \$3,330,000);

Third – the Directors' Charge (to the maximum amount of \$3,600,000); and

Fourth – the Lien Charge.

150. The proposed quantum of the Charges is limited to relief that is reasonably necessary for the continued operations of the Company in the ordinary course of business during the Initial Stay Period. At the Comeback Hearing, the Company will be seeking approval of a proposed ARIO to, among other things, increase the quantum of the Charges in order to cover the Company's needs throughout these CCAA Proceedings.

Administration Charge

151. The Company is seeking an Administration Charge on the Property in the maximum amount of \$750,000 during the Initial Stay Period. The Company will seek an increase to the quantum of the Administration Charge at the Comeback Hearing.

152. to secure the fees and disbursements incurred in connection with services rendered to the Company, both before and after the commencement of the CCAA Proceedings by: (a) the Proposed Monitor; (b) counsel to the Proposed Monitor, Goodmans LLP; and (b) counsel to the Company, Reconstruct LLP.

153. The Administration Charge is proposed to rank in priority to all other Encumbrances (as defined in the Initial Order) and Charges.

154. The Company requires the expertise, knowledge, and continued participation of the proposed beneficiaries of the Administration Charge during these CCAA Proceedings in order to complete a successful restructuring. Each of the beneficiaries of the Administration Charge will have a critical and distinct role in the Company's restructuring.

155. The Company has worked with the Proposed Monitor to estimate the quantum of the Administration Charge. The Proposed Monitor has advised that it believes the Administration Charge is reasonable and appropriate in the circumstances given the services to be provided by the beneficiaries of the Administration Charge and the complexities of the CCAA Proceedings.

DIP Lender's Charge

156. The DIP Lender requires all obligations under the DIP Term Sheet to be secured by the DIP Lender's Charge. The DIP Lender's Charge will secure all the funds advanced to the Company under the DIP Facility.

157. The amount of the DIP Lender's Charge requested is necessary and limited to what is reasonably necessary for the continued operations of the Business in the ordinary course of business during the Initial Stay Period. As demonstrated in the Cash Flow Forecast, given the Company's liquidity situation, it will require the Initial Advance under the DIP Facility to continue operating in the ordinary course during the Initial Stay Period.

158. The Proposed Monitor has advised that it is supportive of the proposed DIP Lender's Charge and the quantum thereof.

Directors' Charge

159. To ensure the ongoing stability of the Company's Business during the CCAA Proceedings, the Company requires the active and committed involvement of its D&Os, who manage the Business and commercial activities of the Company. The D&Os have considerable institutional knowledge and valuable experience. They have long-standing relationships with the Company's suppliers, employees, and other stakeholders, as well as knowledge gained throughout the growth of the Business that cannot be replicated or easily replaced.

160. The D&Os have indicated, however, that due to the potential personal exposure associated with certain liabilities where D&Os may be liable, they cannot continue their service with the Company unless the Initial Order provides for the Directors' Charge.

161. The Company maintains directors' and officers' liability insurance (the "**D&O Insurance**") for the D&Os, which provides up to \$5,000,000 in directors' and officers' liability coverage. It is uncertain whether all claims for which the D&Os may be personally liable will be covered by the D&O Insurance given the exclusions provided for under the policy, and potential coverage positions that may be taken by the insurer. It is also uncertain whether the amount of coverage provided by the D&O Insurance will be sufficient to adequately protect the D&Os from liability and to incentivize the D&Os to continue their service with the Company in the circumstances of the proposed CCAA Proceedings.

162. The proposed Initial Order contemplates the establishment of the Directors' Charge on the Property in the amount of \$3,600,000 to protect the D&Os against obligations and liabilities they may incur as directors and officers of the Company after the commencement of the CCAA Proceedings, except to the extent that the obligation or liability is incurred as a result of a D&Os gross negligence or wilful misconduct. The Company will seek to amend the quantum of the Directors' Charge at the Comeback Hearing under the proposed ARIO.

163. The initial quantum of the Directors' Charge sought was calculated based on potential sources of D&O liability during the Initial Stay Period, and includes provisions for sales tax, employee wages and source deductions, accrued vacation outstanding as of the Filing Date, union dues, employee benefits and other similar amounts, and employee terminations.

164. The Company worked with the Proposed Monitor in determining the proposed quantum of the Directors' Charge and believes that the Directors' Charge is reasonable and appropriate in the circumstances. The Directors' Charge is proposed to rank after the Administration Charge and the DIP Lender's Charge, but ahead of the Lien Charge and other Encumbrances.

165. The Proposed Monitor has advised that it is supportive of the proposed Directors' Charge and the quantum thereof.

Lien Charge

166. The Company also seeks a Lien Charge against the applicable Company's Property in the applicable Continuing QM Project in respect of which a Lien Claim arises equivalent to, and only to the extent of, any security granted under Provincial Lien Legislation for such Lien Claim, as set out in and pursuant to the requirements of the Lien Regularization Order. The Lien Regularization Order is discussed in further detail below.

H. Stay of Performance Bonds

167. The Company seeks a stay of enforcement or calls on the Performance Bonds, except with the written consent of the Monitor, or with leave of this Court.

168. The Company believes that it is in compliance with its obligations on the Continuing QM Projects and a critical part of the planned restructuring is the continuation of those projects.

169. The Company is unaware of any breach or default of any of the Performance Bonds and have not been notified of any default under the Performance Bonds. As such, the stay on the enforcement of Performance Bonds is a preventative measure that is intended to provide stability to the Company as it restructures its Business. In particular, any disruption to the Continuing QM Projects would detrimentally impact the ongoing operations and funding of QM to the detriment of the Company and its stakeholders.

170. The CCAA Proceedings and the DIP Facility are intended to ensure that the Company continues to perform its obligations on the Continuing QM Projects. In such circumstances, the stay on Performance Bonds is intended to prevent precipitous enforcement steps and to facilitate discussions and proper arrangements with contractual counterparties, as necessary, to maintain the going concern nature of the Company and its operations.

I. Stay of Third-Party Indemnity Obligations

171. The Company's obligations in respect of its surety bonds are indemnified and guaranteed by the Applicants, the Non-Applicant Related Parties and various third-party entities.

172. During the Initial Stay Period, the Company seeks to stay proceedings and enforcement steps taken against third parties that have provided Third-Party Indemnity Obligations on behalf

of the Company in respect of the Company's obligations under any construction project contract in favour of Intact and Aviva.

173. Specifically, the Company seeks to extend the stay to proceedings and enforcement steps against WeShall, 253 Ontario, Kingsdale, KSS, Alberta Chain & Rigging Inc., QM Points LP, TS LP, CIPS/QM or CIPS, with respect to the Third-Party Indemnity Obligations they have provided on behalf of the Company in favour of Intact and Aviva.

174. The Company believes this stay is necessary to protect the status quo, avoid the cascading effect of enforcement upon indemnitors and guarantors, and to provide the Company with the breathing room to engage with its key stakeholders, including the sureties. Further, this stay against Third-Party Indemnity Obligations is necessary for the Company to access critical financing under the DIP Facility to fund the restructuring proceedings and the Continuing QM Projects.

J. Lien Regularization Order

175. QM is party to agreements with other construction counterparties, including trades, subtrades, and suppliers, who may or may not be in a position to register liens against the projects on which the Company is working, and the Company's interests in the proceeds of those projects. The Company seeks to streamline the process through which certain Lien Claimants may assert their rights and interests as against the Company in the Lien Regularization Order.

176. I understand that, in certain circumstances, the Provincial Lien Legislation may give rise to the ability of certain parties to register liens in respect of projects, or to give notice of a lien in the case of projects involving government or municipal property. The Company regularly deals with such liens in the ordinary course of business. In certain situations, the Company may also have to register its own liens for non-payment of accounts and/or services provided (including potentially for accounts and/or services provided after the Filing Date).

177. The proposed Lien Regularization Order provides a centralized process whereby Lien Claimants can assert their Lien Claims and benefit from a Court-ordered Lien Charge which replicates the protection Lien Claimants are entitled to under the Provincial Lien Legislation, without the operational disruption caused by piecemeal registration of liens and requirement to comply with the procedures following the registration of a lien. In particular, the proposed Lien Regularization Order, among other things:

- (a) stays the rights of Lien Claimants with Lien Claims under the Provincial Lien Legislation in respect of the supply of labour, materials and/or services on Continuing QM Projects that have not been disclaimed pursuant to section 32 of the CCAA to: (i) serve or register a Lien Claim, (ii) preserve or perfect a Lien Claim, or (iii) assert any trust claim against a direct or indirect payor of any of the Companies, other than as permitted by the Lien Regularization Order;
- (b) requires that Asserting Lien Claimants who wish to assert a Lien Claim after the Filing Date in respect of a Continuing QM Project, whether in respect of materials and/or services supplied before or after the Filing Date, deliver a Lien Notice in accordance with the Lien Regularization Order to the Monitor, counsel to the Monitor, and counsel to the Company, within the time frame prescribed by Provincial Lien Legislation; and
- (c) grants the Lien Charge.

178. Lien registrations against the Continuing QM Projects may disrupt or delay the flow of funds to the Company or from the Company's customers to their other providers. Any potential for non-payment, delay in payment, or exercise of set-off rights by the Company's customers due to the actual or threatened registration of liens will expose the Company to additional short-term liquidity risks that could jeopardize its restructuring efforts.

179. In addition, having to take procedural steps on each lien to lift the Stay to allow Lien Claimants to comply with limitation periods under the Provincial Lien Legislation or discharge liens filed against the Continuing QM Projects would distract from and potentially disrupt the Company's restructuring efforts while putting a further strain on the Company's financial and operational resources.

180. The terms of the proposed Lien Regularization Order sought by the Company are intended to provide the Company and its stakeholders with appropriate protections and flexibility to: (a) support the Company's flow of funds; (b) minimize disruption to the Company's restructuring efforts; and (c) ensure that the rights of current and potential Lien Claimants are recognized.

181. While the Company, with the assistance of the Proposed Monitor, is still reviewing its active list of projects, as of the Filing Date, it has identified approximately 30 potential Lien

Claimants with Continuing QM Projects that may have the ability to assert Lien Claims in respect of such projects.

182. I understand that the Proposed Monitor supports the granting of the Lien Regularization Order. As of the date hereof, there are no outstanding liens on the Bonded Projects that have not been bonded off already.

VIII. CONCLUSION

183. I swear this affidavit in support of the Company’s requested relief and for no other or improper purpose.

SWORN REMOTELY by Agnieszka)
Barrett stated as being located in the City)
of Toronto, in the Province of Ontario,)
before me at the City of Toronto, in the)
Province of Ontario, this 28th day of July,)
2025, in accordance with O. Reg 431/20,)
Administering Oath or Declaration)
Remotely.)

Signed by:)
)
C9F914CF34094F5...)

A Commissioner for taking Affidavits.)

Signed by:)
)
B22D0C6C1FB345B...)

AGNIESZKA BARRETT

Natasha Rambaran | LSO #80200N

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

Court File No.

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF QM
GP INC. AND HIGHPOINT ENVIRONMENTAL SERVICES INC.**

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

Proceedings commenced at Toronto

AFFIDAVIT OF AGNIESZKA BARRETT
(Sworn July 28, 2025)

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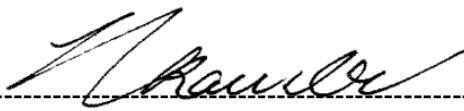
Natasha Rambaran LSO No. 80200N

nrambaran@reconllp.com

Tel: 416.587.1439

Lawyers for the Applicants

THIS IS **CONFIDENTIAL EXHIBIT "B"** REFERRED TO IN THE
AFFIDAVIT OF **AGNIESZKA BARRETT** SWORN REMOTELY
BY **AGNIESZKA BARRETT** STATED AS BEING LOCATED IN
THE CITY OF BURLINGTON BEFORE ME AT THE CITY OF
TORONTO, IN THE PROVINCE OF ONTARIO THIS 5TH DAY OF
AUGUST 2025, IN ACCORDANCE WITH O. REG 431/20,
ADMINISTERING OATH OR DECLARATION REMOTELY.



A COMMISSIONER FOR TAKING AFFIDAVITS

NATASHA RAMBARAN
LSO # 80200N

CONFIDENTIAL EXHIBIT "B"
PENDING SEALING ORDER

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF QM
GP INC. AND HIGHPOINT ENVIRONMENTAL SERVICES INC.

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

Proceedings commenced at Toronto

AFFIDAVIT OF AGNIESZKA BARRETT
(Sworn August 5, 2025)

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Tel: 416.587.1439

Lawyers for the Applicants

TAB 3

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

THE HONOURABLE)	THURSDAY, THE 7 TH
)	
MADAM JUSTICE STEELE)	DAY OF AUGUST, 2025

**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 QM GP INC. AND HIGHPOINT
ENVIRONMENTAL SERVICES INC.**

Applicants

AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by QM GP Inc. and Highpoint Environmental Services Inc. (the "**Applicants**" together with the Non-Applicant Related Parties (as defined below), the "**Company**"), pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") was heard this day by judicial videoconference via Zoom.

ON READING the Notice of Application, the Affidavit of Agnieszka Barrett sworn July 28, 2025 and the Exhibits thereto (the "**Initial Barrett Affidavit**"), the Notice of Motion of the Applicants dated August 5, 2025, the Affidavit of Agnieszka Barrett sworn August 5, 2025 and the Exhibits thereto (the "**Second Barrett Affidavit**"), the Affidavit of Daniel Cameron sworn July 28, 2025 and the Exhibits thereto, the consent of Alvarez & Marsal Canada Inc. ("**A&M**") to act as the Court-appointed monitor of the Applicants (in such capacity, the "**Monitor**"), the Pre-Filing Report of A&M dated July 28, 2025 (the "**Pre-Filing Report**"), as the proposed monitor, and the First Report of the Monitor dated August 5, 2025 (the "**First Report**"), and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for WeShall Investments Inc. ("**WeShall**" or the "**DIP Lender**"), counsel for The Bank of Nova Scotia ("**BNS**"), counsel for Aviva

Insurance Company of Canada, counsel for Intact Insurance Company and such other parties as listed on the Participant Information Form, with no one appearing for any other person although duly served as appears from the affidavit of service of Alina Stoica, sworn August 5, 2025, filed,

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 Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. **THIS COURT ORDERS** that each Applicant is a company to which the CCAA applies. Although not Applicants, QM LP, QMF LP, TWT LP and Quantum Holdings LP (collectively, the “**Non-Applicant Related Parties**”), together with the Applicants, shall enjoy all the benefits of the protections and authorizations provided in this Order and be subject to its terms.

PLAN OF ARRANGEMENT

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

POSSESSION OF PROPERTY AND OPERATIONS

4. **THIS COURT ORDERS** that the Company shall remain in possession and control of its 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 Company shall continue to carry on business in a manner consistent with the preservation of its business (the “**Business**”) and Property. The Company is authorized and empowered to continue to retain and employ the employees, consultants, contractors, agents, experts, accountants, counsel and such other persons (collectively “**Assistants**”) currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. **THIS COURT ORDERS** that the Company shall be entitled to continue to utilize the central cash management system currently in place as described in the Initial Barrett Affidavit or replace it with another substantially similar central cash management system (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 Company 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 defined below) other than the Company, 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 any Plan under the CCAA with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. **THIS COURT ORDERS** that, subject to the Initial DIP Budget and the DIP Budget (each as defined in the DIP Term Sheet), the Company shall be entitled but not required to pay the following expenses whether incurred prior to or after July 29, 2025 (the “**Filing Date**”):

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the Filing Date, 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 Company in respect of these proceedings, at their standard rates and charges; and
- (c) with the consent of the Monitor, amounts owing for materials, goods or services actually supplied to the Company prior to the Filing Date if, in the opinion of the Company, such payment is necessary or desirable to avoid disruption to the operations of the Business or the Property of the Company during the CCAA proceedings.

7. **THIS COURT ORDERS** that, subject to the Initial DIP Budget and the DIP Budget, except as otherwise provided to the contrary herein, the Company shall be entitled but not required to pay all reasonable expenses incurred by the Company in carrying on the Business in the ordinary

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

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

8. **THIS COURT ORDERS** that the Company 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) income taxes, and (iv) all other amounts related to such deductions or employee wages payable for periods following the Filing Date, and that are of a kind that could be subject to a demand under the statutory provisions specified in Paragraphs 6(3)(a) through (c) of the CCAA.
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Company in connection with the sale of goods and services by the Company, but only where such Sales Taxes are accrued or collected after the Filing Date, or where such Sales Taxes were accrued or collected prior to the Filing Date but not required to be remitted until on or after the Filing Date; 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 Company.

9. **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Company shall 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 Company and the landlord from time to time ("**Rent**"), for the period commencing from and including the Filing Date, monthly on the first 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 Filing Date shall also be paid.

10. **THIS COURT ORDERS** that, except as specifically permitted herein, the Company is 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 Company to any of their creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

11. **THIS COURT ORDERS** that the Company with the consent of the Monitor and in consultation with the DIP Lender and BNS shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as defined below), have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its Business or operations, and to dispose of redundant or non-material assets not exceeding \$250,000 in any one transaction or \$500,000 in the aggregate;
- (b) disclaim such of its arrangements or agreements of any nature whatsoever with whomever, whether oral or written, as such Company deems appropriate, in accordance with Section 32 of the CCAA;
- (c) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (d) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

all of the foregoing to permit the Company to proceed with an orderly restructuring of the Business (the “**Restructuring**”).

12. **THIS COURT ORDERS** that the Company shall provide each of the relevant landlords with notice of the relevant Company’s intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes such Company’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 relevant Company, or by further Order of this Court upon application by the Company on at least two (2) days’ notice to such landlord and any such secured creditors. If the Company disclaims 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 Company’s claim to the fixtures in dispute.

13. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then: (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Company 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 the Company 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 COMPANY OR THE PROPERTY

14. **THIS COURT ORDERS** that until and including November 7, 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**”), including without limiting the generality of the foregoing, any adjudication process pursuant to Part II.1 of the *Construction Act* (Ontario) or similar provisions in the other Provincial Lien Legislation (as defined in the Lien Regularization Order dated as of the Filing Date, as amended and restated from time to time, the “**Lien Regularization Order**”),

shall be commenced or continued against or in respect of the Company, the Monitor or any of their respective employees, advisors (including counsel) or other representatives acting in such capacities, or affecting the Business or the Property, except with the written consent of the Company and the Monitor, or with leave of this Court, and any and all Proceedings currently underway against or in respect of the Company or its employees, advisors (including counsel) or other representatives acting in such capacities, or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO PROCEEDINGS RELATED TO THIRD-PARTY INDEMNITY OBLIGATIONS

15. **THIS COURT ORDERS** that, during the Stay Period, no Proceeding shall be commenced or continued, or enforcement step taken, or demand, call or request for payment made, against third parties that have provided an indemnity, guarantee, letter of credit, or similar obligation (collectively, the “**Third-Party Indemnity Obligations**”), on behalf of the Company in respect to the Company’s obligations under any construction project contract, in favour of Intact Insurance Company or Aviva Insurance Company of Canada. For greater certainty, and without limiting the generality of the foregoing, no Proceeding or enforcement step shall be taken against WeShall, 2539593 Ontario Inc., Kingsdale Partners Limited, KSS Holdco Inc., Alberta Chain & Rigging Inc., QM Points Contracting LP, TS LP, CIPS/QM Inc. or Cambium Indigenous Professional Services (CIPS) Inc., with respect to the Third-Party Indemnity Obligations during the Stay Period. During the Stay Period, the status quo with respect to the demand from Intact Insurance Company under Standby Letter of Credit No. OSB91888TOR shall be maintained pending further Order of this Court, BNS shall accordingly not be required to make payment to Intact pursuant to the demand, and BNS shall have no liability to any person for non-payment of that amount in accordance with this Order.

NO EXERCISE OF RIGHTS OR REMEDIES

16. **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 Company, the Monitor, or their respective employees, advisors (including counsel) or other representatives acting in such capacities, or affecting the Business or the Property, including without limiting the generality of the foregoing: (a) any rights arising out of or in connection with the prompt payment deadlines or a notice of non-payment under the Provincial Lien Legislation;

and (b) any rights in connection with a determination under the Provincial Lien Legislation, are hereby stayed and suspended except with the written consent of the Company and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Company to carry on any business which it is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, and (iii) subject to the terms of the Lien Regularization Order, prevent the filing of any registration to preserve or perfect a security interest.

NO INTERFERENCE WITH RIGHTS

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

PRE-FILING VS POST-FILING SET-OFF

18. **THIS COURT ORDERS** that, no Person shall be entitled to set off any amounts that (a) are or may become due to the Company in respect of obligations arising prior to the Filing Date with any amounts that are or may become due from the Company in respect of obligations arising on or after the Filing Date; or (b) are or may become due from the Company in respect of obligations arising prior to the Filing Date with any amounts that are or may become due to the Company in respect of obligations arising on or after the Filing Date, in each case without the consent of the Company and the Monitor, or leave of this Court, provided that nothing in this Order shall prejudice any arguments any Person may want to make in seeking leave of the Court or following the granting of such leave.

CONTINUATION OF SERVICES

19. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Company or statutory or regulatory mandates for the supply of materials, goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, benefit services, insurance, transportation services, utility, or other services to the Business or the Company or exercising any other remedy provided under the agreements or arrangements, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, suspending or terminating the

supply of such goods or services as may be required by the Company, and that the Company 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 Filing Date are paid by the applicable Company entity in accordance with normal payment practices of the applicable Company entity or such other practices as may be agreed upon by the supplier or service provider and the applicable Company entity and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

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

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

21. **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 Company with respect to any claim against the directors or officers that arose before the Filing Date and that relates to any obligations of the Company 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 Company, if one is filed, is sanctioned by this Court or is refused by the creditors of the Company or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

22. **THIS COURT ORDERS** that the Company shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Company after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

23. **THIS COURT ORDERS** that the directors and officers of the Company shall be entitled to the benefit of and are hereby granted a charge (the “**Directors’ Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$3,600,000, as security for the indemnity provided in paragraph 22 of this Order. The Directors’ Charge shall have the priority set out in paragraphs 44 and 46 herein.

24. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors’ Charge; and (b) the Company’s directors and officers shall only be entitled to the benefit of the Directors’ Charge to the extent that they do not have coverage under any directors’ and officers’ insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 22 of this Order.

STAY OF PERFORMANCE BONDS

25. **THIS COURT ORDERS** that during the Stay Period, no Person, holding a Performance Bond (as defined in the Initial Barrett Affidavit), including any Person named as an owner or obligee under such bond, shall be permitted to enforce and/or call on the Performance Bond (“**Performance Bond Claim**”), except with the written consent of the Company and the Monitor, or with leave of this Court, and any and all Performance Bond Claims currently under way against or in respect of the Company or affecting the Business or Property are hereby stayed and suspended pending further Order of this Court.

APPOINTMENT OF MONITOR

26. **THIS COURT ORDERS** that A&M is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Company with the powers and obligations set out in the CCAA or set forth herein and that the Company and its shareholders, officers, directors and Assistants shall advise the Monitor of all material steps taken by the Company 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.

27. **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 Company's receipts and disbursements, Business and dealings with the Property and, among other things, review all disbursements for consistency with the Cash Flow Statements (as defined in Pre-Filing Report), as amended from time to time, and subject to the variances permitted in the DIP Term Sheet (as defined below);
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Company to the extent required, in its dissemination, to the DIP Lender and its counsel, on a timely basis of financial and other information as agreed to between the Company and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender, and any such financial and other information provided to the DIP Lender shall also be provided concurrently to BNS;
- (d) advise the Company in its preparation of the Company's cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and BNS and their respective counsel on a periodic basis;
- (e) assist the Company in identifying, for the purposes of the Lien Regularization Order, all continuing projects to be included in Schedule "A" to the Lien Regularization Order (the "**LRO Schedule**"), and to update such LRO Schedule as appropriate without the need for further approval of this Court, provided that the Monitor shall post on the Monitor's Website the updated LRO Schedule;
- (f) advise the Company in its development of the Plan and any amendments to the Plan;
- (g) assist the Company, to the extent required by the Company, with the holding and administering of creditors' or shareholders' meetings for voting on the 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 Company, to the extent that is necessary to adequately assess the Company's 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; and
- (j) perform such other duties as are required by this Order or by this Court from time to time.

28. **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.

29. **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Environmental Protection Act* (Ontario), the *Ontario Water Resources Act*, or the *Occupational Health and Safety Act* (Ontario) and regulations thereunder or any similar legislation or regulation of Canada or a Province or Territory thereof (collectively, 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. 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.

30. **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Company and the DIP Lender with information provided by the Company 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 Company 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 Company may agree.

31. **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, its directors, officers, employees, counsel and other representatives acting in such capacities shall incur no liability or obligation as a result of the Monitor's appointment or the carrying out by it of the provisions of this Order, save and except for any 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.

ADMINISTRATION CHARGE

32. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Company shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on, or subsequent to the Filing Date as part of the costs of these proceedings. The Company is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Company on a weekly basis or as otherwise agreed among the parties.

33. **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 Ontario Superior Court of Justice (Commercial List).

34. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and counsel to the Company 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 \$1,250,000, unless permitted by further Order of this Court, as security for their professional fees and disbursements incurred at their standard rates and charges, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 44 and 46 hereof.

DIP FINANCING

35. **THIS COURT ORDERS** that the Company is hereby authorized and empowered to obtain and borrow a super-priority, debtor-in-possession credit facility in a principal amount up to \$14,000,000 (the "**DIP Facility**") from the DIP Lender in order to finance the Company's working capital requirements and other general corporate purposes and capital expenditures.

36. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in DIP Term Sheet between the Company and the DIP Lender dated as of July 28, 2025 (the “**DIP Term Sheet**”), which is attached as Appendix “B” to the Pre-Filing Report.

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

38. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the “**DIP Lender’s Charge**”) on the Property, which DIP Lender’s Charge shall not secure an obligation that exists before the Filing Date. The DIP Lender’s Charge shall have the priority set out in paragraphs 44 and 46 hereof.

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

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender’s Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender’s Charge, the DIP Lender, may cease making advances to the Company and set off and/or consolidate any amounts owing by the DIP Lender to the Company against the obligations of the Company to the DIP Lender under the DIP Term Sheet, the Definitive Documents or the DIP Lender’s Charge and, upon seven (7) days’ notice to the Company and the Monitor, may, with leave of the Court to be sought on notice to the Service List (as defined in paragraph 52 herein), exercise any and all of its other rights and remedies against the Company or the Property under or pursuant to the DIP Term Sheet, Definitive Documents and the DIP Lender’s Charge, including without limitation, 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 Company and for the appointment of a trustee in bankruptcy of the Company; 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 Company or the Property.

40. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any Plan filed by the Company under the CCAA with respect to any advances made under the Definitive Documents.

KEY EMPLOYEE RETENTION PLAN

41. **THIS COURT ORDERS** that the Key Employee Retention Plan (the “**KERP**”), as described in the Second Barrett Affidavit and the First Report, is hereby approved and the Company is authorized to make payments contemplated thereunder in accordance with the terms and conditions of the KERP.

42. **THIS COURT ORDERS** that payments made by the Company pursuant to the KERP do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

43. **THIS COURT ORDERS** that the key employees referred to in the KERP (the **Key Employees**) shall be entitled to the benefit of and are hereby granted a charge on the Property, which charge shall not exceed an aggregate amount of \$540,000 (the “**KERP Charge**”), as security for amounts payable to the Key Employees pursuant to the KERP. The KERP Charge shall have the priority set out in paragraphs 44 and 46 herein.

VALIDITY AND PRIORITY OF CHARGES

44. **THIS COURT ORDERS** that the priorities of the Directors’ Charge, the Administration Charge, the Lien Charge (as defined in the Lien Regularization Order) and the DIP Lender’s Charge (collectively, the “**Charges**”), as among them, shall be as follows:

- (a) **First** – Administration Charge (to the maximum amount of \$1,250,000);
- (b) **Second** – DIP Lender’s Charge (to the maximum principal amount of \$14,000,000 plus interest, fees, and costs);

- (c) **Third** – Directors’ Charge (to the maximum amount of \$3,600,000);
- (d) **Fourth** – the KERP Charge (to the maximum amount of \$540,000); and
- (e) **Fifth** – Lien Charge (only as against the property described in paragraph 11 of the Lien Regularization Order).

Notwithstanding anything contained in this Order, none of the Charges shall rank in priority to BNS in respect of cash collateral pledged as security in favour of BNS for credit card liabilities arising from and after July 29, 2025.

45. **THIS COURT ORDERS** that the filing, registration or perfection of 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.

46. **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, holdbacks, trusts (including deemed trusts), liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, “**Encumbrances**”) in favour of any Person. For greater certainty, (a) the Charges shall rank in priority to any Person’s interest over the Property pursuant to the Provincial Lien Legislation, provided that the Company’s Property shall not include any accounts receivable under disclaimed project contracts that are subject to a trust under the Provincial Lien Legislation, and (b) the Property charged by the Lien Charge is as described in the LRO.

47. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Company shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Company also obtains the prior written consent of the Monitor and the beneficiaries of the applicable Charges (collectively, the “**Chargees**”), or further Order of this Court.

48. **THIS COURT ORDERS** that the Charges, the DIP Term Sheet, and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) or receivership order(s) issued pursuant to the BIA or otherwise, or any bankruptcy order or receivership 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, other than as set out in paragraph 46 above; 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 Company, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Company of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Company entering into the DIP Term Sheet, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Company pursuant to this Order, the DIP Term Sheet 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.

49. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the applicable Applicant or Non-Applicant Related Party's interest in such real property leases.

SERVICE AND NOTICE

50. **THIS COURT ORDERS** that the Monitor shall (a) without delay, publish in *The Globe and Mail (National Edition)* a notice containing the information prescribed under the CCAA; (b) within five (5) days after the Filing Date, (i) make this Order publicly available in the manner prescribed under the CCAA, (ii) send, in the prescribed manner or by electronic message to the email addresses as last shown in the Company's records, a notice to every known creditor who has a claim against the Company of more than \$1,000, and (iii) 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.

51. **THIS COURT ORDERS** that the service and electronic service of documents in this proceeding made in accordance with the Consolidated Civil Provincial Practice Direction and the Consolidated Practice Direction for the Toronto Region (collectively, the “**Practice Directions**”) (each which can be found on the Ontario Superior Court of Justice website at <https://www.ontariocourts.ca/scj/filing-procedures/provincial/> and https://www.ontariocourts.ca/scj/practice_directions/consolidated-practice-direction-toronto-region/) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure*, RRO 1990, Reg 194 (the “**Rules**”), this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules. Subject to Rule 3.01(d) of the Rules and the applicable Practice Directions, service of documents in accordance with the Practice Directions will be effective on transmission. This Court further orders that a case website for this proceeding shall be established with the following URL: www.alvarezandmarsal.com/QME (the “**Monitor’s Website**”).

52. **THIS COURT ORDERS** that the Monitor shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in these proceedings (the “**Service List**”). The Monitor shall post the Service List, as may be updated from time to time, on the Monitor’s Website, provided that the Monitor shall have no liability in respect of the accuracy of or the timeliness of making any changes to the Service List.

53. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Practice Directions or the CCAA and the regulations thereunder is not practicable, the Company, the Monitor and their respective counsel and agents are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission or electronic message to the Company’s creditors or other interested parties at their respective addresses (including e-mail addresses) as last shown in the books and records of the Company and that any such service or distribution shall be deemed to be received on the earlier of: (a) the date of forwarding thereof, if sent by electronic message on or prior to 5:00 p.m. Eastern Time (Toronto) (or the next business day following the date of forwarding thereof if sent on a non-business day); (b) the next business day following the date of forwarding thereof, if sent by courier, personal delivery, facsimile transmission or electronic message sent

after 5:00 p.m. Eastern Time (Toronto); or (c) on the third business day following the date of forwarding thereof, if sent by ordinary mail.

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

55. **THIS COURT ORDERS** that any interested party wishing to object to the relief sought in a motion brought by the Company or the Monitor in these CCAA proceedings shall, subject to further order of this Court, provide the Service List in these proceedings with responding motion materials or a written notice (including by email) stating its objection to the motion and the grounds for such objection by no later than 5:00 p.m. Eastern Time (Toronto) on the date that is two (2) days prior to the date such motion is returnable (the "**Objection Deadline**"). The Monitor shall have the ability to extend the Objection Deadline after consultation with the Applicants.

GENERAL

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

57. **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 Company, the Business, or the Property.

58. **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 Company, 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 Company 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 Company and the Monitor and their respective agents in carrying out the terms of this Order.

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

60. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Time (Toronto) on the date of this Order without any need for entry and filing.

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

Court File No. CV-25-00748510-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF QM GP INC.
AND HIGHPOINT ENVIRONMENTAL SERVICES INC.

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

Proceedings commenced at *Toronto*

AMENDED AND RESTATED INITIAL ORDER

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Lawyers for the Applicants

TAB 4

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

THE HONOURABLE)	TUESDAY <u>THURSDAY</u> , THE 29TH <u>7TH</u>
)	
<u>MADAM</u> JUSTICE STEELE)	DAY OF JULY <u>AUGUST</u> , 2025

**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 QM GP INC. AND HIGHPOINT
ENVIRONMENTAL SERVICES INC.**

Applicants

AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by QM GP Inc. and Highpoint Environmental Services Inc. (the "**Applicants**" together with the Non-Applicant Related Parties (as defined below), the "**Company**"), pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") was heard this day by judicial videoconference via Zoom.

ON READING the Notice of Application, the Affidavit of Agnieszka Barrett sworn July 28, 2025 and the Exhibits thereto (the "**Initial Barrett Affidavit**"), the Notice of Motion of the Applicants dated August 5, 2025, the Affidavit of Agnieszka Barrett sworn August 5, 2025 and the Exhibits thereto (the "Second Barrett Affidavit"), the Affidavit of Daniel Cameron sworn July 28, 2025 and the Exhibits thereto, the consent of Alvarez & Marsal Canada Inc. ("A&M") to act as the Court-appointed monitor of the Applicants (in such capacity, the "Monitor"), the ~~pre-filing report~~Pre-Filing Report of A&M dated July 28, 2025 (the "Pre-Filing Report"), as the proposed monitor, and the First Report of the Monitor dated August 7, 2025 (the "First Report"), and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for WeShall Investments Inc. ("**WeShall**" or the "**DIP Lender**"), counsel for

The Bank of Nova Scotia ("**BNS**"), counsel for Aviva Insurance Company of Canada, counsel for Intact Insurance Company and such other parties as listed on the Participant Information Form, with no one appearing for any other person although duly served as appears from the affidavit of service of Alina Stoica, sworn ~~July 28~~August 5, 2025, filed,

SERVICE

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

APPLICATION

2. **THIS COURT ORDERS** that each Applicant is a company to which the CCAA applies. Although not Applicants, QM LP, QMF LP, TWT LP and Quantum Holdings LP (collectively, the "**Non-Applicant Related Parties**"), together with the Applicants, shall enjoy all the benefits of the protections and authorizations provided in this Order and be subject to its terms.

PLAN OF ARRANGEMENT

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

POSSESSION OF PROPERTY AND OPERATIONS

4. ~~3.~~ **THIS COURT ORDERS** that the Company shall remain in possession and control of its 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 Company shall continue to carry on business in a manner consistent with the preservation of its business (the "**Business**") and Property. The Company is authorized and empowered to continue to retain and employ the employees, consultants, contractors, agents, experts, accountants, counsel and such other persons (collectively "**Assistants**") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. ~~4.~~ **THIS COURT ORDERS** that the Company shall be entitled to continue to utilize the central cash management system currently in place as described in the Initial Barrett Affidavit or replace it with another substantially similar central cash management system (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 Company 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 defined below) other than the Company, 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 any ~~plan of arrangement or compromise~~ Plan under the CCAA with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. ~~5.~~ **THIS COURT ORDERS** that, subject to the Initial DIP Budget and the DIP Budget (each as defined in the DIP Term Sheet), the Company shall be entitled but not required to pay the following expenses whether incurred prior to or after ~~this Order~~ July 29, 2025 (the “Filing Date”):

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the ~~date of this Order~~ Filing Date, 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 Company in respect of these proceedings, at their standard rates and charges; and
- (c) with the consent of the Monitor, amounts owing for materials, goods or services actually supplied to the Company prior to the ~~date of this Order to a maximum aggregate amount of \$500,000 with the consent of the Monitor and to a further maximum aggregate amount of \$500,000 with the consent of the Monitor and of BNS~~ Filing Date if, in the opinion of the Company, such payment is necessary or

desirable to avoid disruption to the operations of the Business or the Property of the Company during the CCAA proceedings.

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

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

8. ~~7.~~ **THIS COURT ORDERS** that the Company 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) income taxes, and (iv) all other amounts related to such deductions or employee wages payable for periods following the ~~date of this Order~~Filing Date, and that are of a kind that could be subject to a demand under the statutory provisions specified in ~~subsections~~Paragraphs 6(3)(a) through (c) of the CCAA.
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Company in connection with the sale of goods and services by the Company, but only where such Sales Taxes are accrued or collected after the ~~date of this Order~~Filing Date, or where such Sales Taxes were accrued or collected prior to the Filing Date but not required to be remitted until on or after the Filing Date; 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 Company.

9. ~~8.~~ **THIS COURT ORDERS** that until a real property lease is disclaimed in accordance with the CCAA, the Company shall 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 Company and the landlord from time to time (“Rent”), for the period commencing from and including the ~~date of this Order~~ Filing Date, monthly on the first 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~~ Filing Date shall also be paid.

10. ~~9.~~ **THIS COURT ORDERS** that, except as specifically permitted herein, the Company is 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 Company to any of their creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

11. ~~10.~~ **THIS COURT ORDERS** that the Company with the consent of the Monitor and in consultation with the DIP Lender and BNS shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as defined below), have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its Business or operations, and to dispose of redundant or non-material assets not exceeding \$250,000 in any one transaction or \$500,000 in the aggregate;

- (b) disclaim such of its arrangements or agreements of any nature whatsoever with whomever, whether oral or written, as such Company deems appropriate, in accordance with Section 32 of the CCAA; ~~and~~
- (c) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate; and
- (d) pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing.

all of the foregoing to permit the Company to proceed with an orderly restructuring of the Business (the “**Restructuring**”).

12. ~~11.~~ **THIS COURT ORDERS** that the Company shall provide each of the relevant landlords with notice of the relevant Company’s intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes such Company’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 relevant Company, or by further Order of this Court upon application by the Company on at least two (2) days’ notice to such landlord and any such secured creditors. If the Company disclaims 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 Company’s claim to the fixtures in dispute.

13. ~~12.~~ **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 Company 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 the Company 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 COMPANY OR THE PROPERTY

14. ~~13.~~ **THIS COURT ORDERS** that until and including ~~August 8~~November 7, 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**”), including without limiting the generality of the foregoing, any adjudication process pursuant to Part II.1 of the *Construction Act* (Ontario) or similar provisions in the other Provincial Lien Legislation (as defined in the Lien Regularization Order dated as of the ~~date of this Order~~Filing Date, as amended and restated from time to time, the “**Lien Regularization Order**”), shall be commenced or continued against or in respect of the Company, the Monitor or any of their respective employees, advisors (including counsel) or other representatives acting in such capacities, or affecting the Business or the Property, except with the written consent of the Company and the Monitor, or with leave of this Court, and any and all Proceedings currently underway against or in respect of the Company or its employees, advisors (including counsel) or other representatives acting in such capacities, or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO PROCEEDINGS RELATED TO THIRD-PARTY INDEMNITY OBLIGATIONS

15. ~~14.~~ **THIS COURT ORDERS** that, during the ~~Initial~~ Stay Period, no Proceeding shall be commenced or continued, or enforcement step taken, or demand, call or request for payment made, against third parties that have provided an indemnity, guarantee, letter of credit, or similar obligation (collectively, the “**Third-Party Indemnity Obligations**”), on behalf of the Company in respect to the Company’s obligations under any construction project contract, in favour of Intact Insurance Company or Aviva Insurance Company of Canada. For greater certainty, and without limiting the generality of the foregoing, no Proceeding or enforcement step shall be taken against WeShall, 2539593 Ontario Inc., Kingsdale Partners Limited, KSS Holdco Inc., Alberta Chain & Rigging Inc., QM Points Contracting LP, TS LP, CIPS/QM Inc. or Cambium Indigenous Professional Services (CIPS) Inc., with respect to the Third-Party Indemnity Obligations during the Stay Period. During the ~~Initial~~ Stay Period, the status quo with respect to the demand from Intact Insurance Company under Standby Letter of Credit No. OSB91888TOR shall be maintained pending further Order of this Court, ~~the Bank of Nova~~

~~Scotia~~BNS shall accordingly not be required to make payment to Intact pursuant to the demand, and ~~Bank of Nova Scotia~~BNS shall have no liability to any person for non-payment of that amount in accordance with this Order.

NO EXERCISE OF RIGHTS OR REMEDIES

16. ~~15.~~ **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the Company, the Monitor, or their respective employees, advisors (including counsel) or other representatives acting in such capacities, or affecting the Business or the Property, including without limiting the generality of the foregoing: (a) any rights arising out of or in connection with the prompt payment deadlines or a notice of non-payment under the Provincial Lien Legislation; and (b) any rights in connection with a determination under the Provincial Lien Legislation, are hereby stayed and suspended except with the written consent of the Company and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Company to carry on any business which it is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, and (iii) subject to the terms of the Lien Regularization Order, prevent the filing of any registration to preserve or perfect a security interest.

NO INTERFERENCE WITH RIGHTS

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

PRE-FILING VS POST-FILING SET-OFF

18. ~~17.~~ **THIS COURT ORDERS** that, no Person shall be entitled to set off any amounts that (a) are or may become due to the Company in respect of obligations arising prior to the ~~date hereof~~Filing Date with any amounts that are or may become due from the Company in respect of obligations arising on or after the ~~date of this Order~~Filing Date; or (b) are or may become due from the Company in respect of obligations arising prior to the ~~date hereof~~Filing Date with any

amounts that are or may become due to the Company in respect of obligations arising on or after the ~~date of this Order~~Filing Date, in each case without the consent of the Company and the Monitor, or leave of this Court, provided that nothing in this Order shall prejudice any arguments any Person may want to make in seeking leave of the Court or following the granting of such leave.

CONTINUATION OF SERVICES

19. ~~18.~~ **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Company or statutory or regulatory mandates for the supply of materials, goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, benefit services, insurance, transportation services, utility, or other services to the Business or the Company or exercising any other remedy provided under the agreements or arrangements, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the Company, and that the Company 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~~Filing Date are paid by the applicable Company entity in accordance with normal payment practices of the applicable Company entity or such other practices as may be agreed upon by the supplier or service provider and the applicable Company entity and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

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

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

21. ~~20.~~ **THIS COURT ORDERS** that during the Stay Period, and except as permitted by ~~subsection~~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 Company with respect to any claim against the directors or officers that arose before the ~~date hereof~~Filing Date and that relates to any obligations of the Company 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 Company, if one is filed, is sanctioned by this Court or is refused by the creditors of the Company or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

22. ~~21.~~ **THIS COURT ORDERS** that the Company shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Company after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

23. ~~22.~~ **THIS COURT ORDERS** that the directors and officers of the Company shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$3,600,000, as security for the indemnity provided in paragraph ~~21~~22 of this Order. The Directors' Charge shall have the priority set out in paragraphs ~~40~~44 and ~~42~~46 herein.

24. ~~23.~~ **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and (b) the Company's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph ~~21~~22 of this Order.

STAY OF PERFORMANCE BONDS

25. ~~24.~~ **THIS COURT ORDERS** that during the Stay Period, no Person, holding a Performance Bond (as defined in the Initial Barrett Affidavit), including any Person named as an

owner or obligee under such bond, shall be permitted to enforce and/or call on the Performance Bond ("**Performance Bond Claim**"), except with the written consent of the Company and the Monitor, or with leave of this Court, and any and all Performance Bond Claims currently under way against or in respect of the Company or affecting the Business or Property are hereby stayed and suspended pending further Order of this Court.

APPOINTMENT OF MONITOR

26. ~~25.~~ **THIS COURT ORDERS** that A&M is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Company with the powers and obligations set out in the CCAA or set forth herein and that the Company and its shareholders, officers, directors and Assistants shall advise the Monitor of all material steps taken by the Company 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.

27. ~~26.~~ **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 Company's receipts and disbursements, Business and dealings with the Property and, among other things, review all disbursements for consistency with the Cash Flow Statements (as defined in Pre-Filing Report), as amended from time to time, and subject to the variances permitted in the DIP Term Sheet (as defined below);
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Company to the extent required, in its dissemination, to the DIP Lender and its counsel, on a timely basis of financial and other information as agreed to between the Company and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP

Lender, and any such financial and other information provided to the DIP Lender shall also be provided concurrently to BNS;

- (d) advise the Company in its preparation of the Company's cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and BNS and their respective counsel on a periodic basis;
- (e) assist the Company in identifying, for the purposes of the Lien Regularization Order, all continuing projects to be included in Schedule "A" to the Lien Regularization Order (the "LRO Schedule"), and to update such LRO Schedule as appropriate without the need for further approval of this Court, provided that the Monitor shall post on the Monitor's Website the updated LRO Schedule;
- (f) advise the Company in its development of the Plan and any amendments to the Plan;
- (g) assist the Company, to the extent required by the Company, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (h) ~~(e)~~ 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 Company, to the extent that is necessary to adequately assess the Company's Business and financial affairs or to perform its duties arising under this Order;
- (i) ~~(f)~~ 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; and
- (j) ~~(g)~~ perform such other duties as are required by this Order or by this Court from time to time.

28. ~~27.~~ **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.

29. ~~28.~~ **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Environmental Protection Act* (Ontario), the *Ontario Water Resources Act*, or the *Occupational Health and Safety Act* (Ontario) and regulations thereunder or any similar legislation or regulation of Canada or a Province or Territory thereof (collectively, 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. 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.

30. ~~29.~~ **THIS COURT ORDERS** that the Monitor shall provide any creditor of the Company and the DIP Lender with information provided by the Company 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 Company 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 Company may agree.

31. ~~30.~~ **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, its directors, officers, employees, counsel and other representatives acting in such capacities shall incur no liability or obligation as a result of the Monitor's appointment or the carrying out by it of the provisions of this Order, save and except for any 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.

ADMINISTRATION CHARGE

32. ~~31.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Company shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on, or subsequent to the ~~date of this Order~~ Filing Date as part of the costs of these proceedings. The Company is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Company on a weekly basis or as otherwise agreed among the parties.

33. ~~32.~~ **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 Ontario Superior Court of Justice (Commercial List).

34. ~~33.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and counsel to the Company 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 ~~\$400,000~~ 1,250,000, unless permitted by further Order of this Court, as security for their professional fees and disbursements incurred at their standard rates and charges, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs ~~40~~ 44 and ~~42~~ 46 hereof.

DIP FINANCING

35. ~~34.~~ **THIS COURT ORDERS** that the Company is hereby authorized and empowered to obtain and borrow a super-priority, debtor-in-possession credit facility in a principal amount up to \$14,000,000 (the “**DIP Facility**”) from the DIP Lender in order to finance the Company’s working capital requirements and other general corporate purposes and capital expenditures, ~~provided that borrowings under such credit facility shall not exceed an initial advance in a principal amount up to \$3,300,000, unless permitted by further Order of this Court.~~

36. ~~35.~~ **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in DIP Term Sheet between the Company and the DIP Lender dated as

of July 28, 2025 (the “**DIP Term Sheet**”), which is attached as Appendix “B” to the Pre-Filing Report.

37. ~~36.~~ **THIS COURT ORDERS** that the Company is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the “**Definitive Documents**”), as are contemplated by the DIP Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Company is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the DIP Term Sheet and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

38. ~~37.~~ **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the “**DIP Lender’s Charge**”) on the Property, which DIP Lender’s Charge shall not secure an obligation that exists before ~~this Order is made~~ the Filing Date. The DIP Lender’s Charge shall have the priority set out in paragraphs ~~40~~44 and ~~42~~46 hereof.

39. ~~38.~~ **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 cease making advances to the Company and set off and/or consolidate any amounts owing by the DIP Lender to the Company against the obligations of the Company to the DIP Lender under the DIP Term Sheet, the Definitive Documents or the DIP Lender’s Charge and, upon seven (7) days’ notice to the Company and the Monitor, may, with leave of the Court to be sought on notice to the ~~service list~~ Service List (as defined in paragraph 52 herein), exercise any and all of its other rights and remedies against the Company or the Property under or pursuant to the DIP Term Sheet, Definitive Documents and the DIP Lender’s Charge, including without limitation, 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 Company and for the appointment of a trustee in bankruptcy of the Company; 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 Company or the Property.

40. ~~39.~~ **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any ~~plan of arrangement or compromise~~ Plan filed by the Company under the CCAA with respect to any advances made under the Definitive Documents.

KEY EMPLOYEE RETENTION PLAN

41. **THIS COURT ORDERS** that the Key Employee Retention Plan (the “**KERP**”), as described in the Second Barrett Affidavit and the First Report, is hereby approved and the Company is authorized to make payments contemplated thereunder in accordance with the terms and conditions of the KERP.

42. **THIS COURT ORDERS** that payments made by the Company pursuant to the KERP do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

43. **THIS COURT ORDERS** that the key employees referred to in the KERP (the **Key Employees**) shall be entitled to the benefit of and are hereby granted a charge on the Property, which charge shall not exceed an aggregate amount of \$540,000 (the “**KERP Charge**”), as security for amounts payable to the Key Employees pursuant to the KERP. The KERP Charge shall have the priority set out in paragraphs 44 and 46 herein.

VALIDITY AND PRIORITY OF CHARGES

44. ~~40.~~ **THIS COURT ORDERS** that the priorities of the Directors’ Charge, the Administration Charge, the Lien Charge (as defined in the Lien Regularization Order) and the DIP Lender’s Charge (collectively, the “**Charges**”), as among them, shall be as follows:

- (a) **First** – Administration Charge (to the maximum amount of \$~~400,000~~ 1,250,000);

- (b) **Second** – DIP Lender's Charge (to the maximum principal amount of \$~~3,300,000~~
~~million~~14,000,000 plus interest, fees, and costs);
- (c) **Third** – Directors' Charge (to the maximum amount of \$3,600,000); ~~and~~
- (d) **Fourth** – the KERP Charge (to the maximum amount of \$540,000); ~~and~~
- (e) ~~(d)~~ ~~**Fourth**~~**Fifth** – Lien Charge (only as against the property described in paragraph 11 of the Lien Regularization Order).

Notwithstanding anything contained in this Order, none of the Charges shall rank in priority to BNS in respect of cash collateral pledged as security in favour of BNS for credit card liabilities arising from and after ~~the date hereof~~ July 29, 2025.

45. ~~41.~~ **THIS COURT ORDERS** that the filing, registration or perfection of 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.

46. ~~42.~~ **THIS COURT ORDERS** that each of the Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, holdbacks, trusts (including deemed trusts), liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person ~~except for a Person with a properly perfected Encumbrance on the Property who did not receive notice of the Application. The Company shall be entitled, on a subsequent motion on notice to those Persons likely to be affected thereby, to seek priority of the Charges ahead of any Encumbrances of which the Charges have not obtained priority pursuant to this Order.~~ For greater certainty, (a) the Charges shall rank in priority to any Person's interest over the Property pursuant to the Provincial Lien Legislation, provided that the Company's Property shall not include any accounts receivable under disclaimed project contracts that are subject to a trust under the Provincial Lien Legislation, and (b) the Property charged by the Lien Charge is as described in the LRO.

47. ~~43.~~ **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Company shall not grant any Encumbrances over any

Property that rank in priority to, or *pari passu* with, any of the Charges, unless the Company also obtains the prior written consent of the Monitor and the beneficiaries of the applicable Charges (collectively, the “**Chargees**”), or further Order of this Court.

48. ~~44.~~ **THIS COURT ORDERS** that the Charges, the DIP Term Sheet, and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the Chargees and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) or receivership order(s) issued pursuant to the BIA or otherwise, or any bankruptcy order or receivership 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, other than as set out in paragraph ~~42~~46 above; 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 Company, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the DIP Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the Company of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Company entering into the DIP Term Sheet, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Company pursuant to this Order, the DIP Term Sheet 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.

49. ~~45.~~ **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the applicable Applicant or Non-Applicant Related Party's interest in such real property leases.

SERVICE AND NOTICE

50. ~~46.~~ **THIS COURT ORDERS** that the Monitor shall (a) without delay, publish in *The Globe and Mail* (*National Post* ~~Edition~~) a notice containing the information prescribed under the CCAA; (b) within five (5) days after the ~~date of this Order~~ Filing Date, (i) make this Order publicly available in the manner prescribed under the CCAA, (ii) send, in the prescribed manner or by electronic message to the ~~e-mail~~ email addresses as last shown in the Company's records, a notice to every known creditor who has a claim against the Company of more than \$1,000, and (iii) 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.

51. ~~47.~~ **THIS COURT ORDERS** that the service and electronic service of documents in this proceeding made in accordance with the Consolidated Civil Provincial Practice Direction and the Consolidated Practice Direction for the Toronto Region (collectively, the "**Practice Directions**") (each which can be found on the Ontario Superior Court of Justice website at <https://www.ontariocourts.ca/scj/filing-procedures/provincial/> and https://www.ontariocourts.ca/scj/practice_directions/consolidated-practice-direction-toronto-region/) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure*, RRO 1990, Reg 194 (the "**Rules**"), this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules. Subject to Rule 3.01(d) of the Rules and the applicable Practice Directions, service of documents in accordance with the Practice Directions will be effective on transmission. This Court further orders that a case website for this proceeding shall be established with the following URL: www.alvarezandmarsal.com/QME (the "**Monitor's Website**").

52. ~~48.~~ **THIS COURT ORDERS** that the Monitor shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in these proceedings (the "**Service List**"). The Monitor shall post the Service List, as may be updated from time to time, on the Monitor's Website, provided that the Monitor shall have no liability in respect of the accuracy of or the timeliness of making any changes to the Service List.

53. ~~49.~~ **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Practice Directions or the CCAA and the regulations thereunder is not practicable, the Company, the Monitor and their respective counsel and agents are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission or electronic message to the Company's creditors or other interested parties at their respective addresses (including e-mail addresses) as last shown in the books and records of the Company and that any such service or distribution shall be deemed to be received on the earlier of: (a) the date of forwarding thereof, if sent by electronic message on or prior to 5:00 p.m. Eastern Time (Toronto) (or the next business day following the date of forwarding thereof if sent on a non-business day); (b) the next business day following the date of forwarding thereof, if sent by courier, personal delivery, facsimile transmission or electronic message sent after 5:00 p.m. Eastern Time (Toronto); or (c) on the third business day following the date of forwarding thereof, if sent by ordinary mail.

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

55. ~~51.~~ **THIS COURT ORDERS** that any interested party wishing to object to the relief sought in a motion brought by the Company or the Monitor in these CCAA proceedings shall, subject to further order of this Court, provide the ~~service list~~ [Service List](#) in these proceedings with responding motion materials or a written notice (including by ~~e-mail~~ [email](#)) stating its objection to the motion and the grounds for such objection by no later than 5:00 p.m. Eastern Time (Toronto) on the date that is two (2) days prior to the date such motion is returnable (the "**Objection Deadline**"). The Monitor shall have the ability to extend the Objection Deadline after consultation with the Applicants.

COMEBACK DATE

~~52. THIS COURT ORDERS that the comeback motion shall be heard by a judge of the Ontario Superior Court of Justice (Commercial List) on August 7, 2025 at 9:00 a.m. Eastern Time (Toronto).~~

GENERAL

56. ~~53.~~ **THIS COURT ORDERS** that the Company or the Monitor may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.

57. ~~54.~~ **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 Company, the Business, or the Property.

58. ~~55.~~ **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 Company, 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 Company 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 Company and the Monitor and their respective agents in carrying out the terms of this Order.

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

~~57. THIS COURT ORDERS that any interested party (including the Company 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; provided, however, that the Chargees shall be entitled to rely on this Order as granted and on the Charges and priorities set forth in paragraphs 40 and 42~~

~~hereof with respect to any fees, expenses and disbursements incurred, as applicable, until the date this Order may be amended, varied or stayed.~~

60. ~~58.~~ **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Time (Toronto) on the date of this Order without any need for entry and filing.

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

Court File No.
[CV-25-00748510-00CL](#)

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF QM GP INC.
AND HIGHPOINT ENVIRONMENTAL SERVICES INC.

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

Proceedings commenced at *Toronto*

[AMENDED AND RESTATED](#) INITIAL ORDER

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Lawyers for the Applicants

TAB 5

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

THE HONOURABLE ~~—~~) ~~WEEKDAY~~THURSDAY, THE #7TH
)
MADAM JUSTICE ~~—~~STEELE) DAY OF ~~MONTH~~AUGUST, ~~20YR~~2025

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

~~AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF [APPLICANT'S NAME] (the "Applicant")~~

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 QM GP INC. AND HIGHPOINT
ENVIRONMENTAL SERVICES INC.

Applicants

AMENDED AND RESTATED INITIAL ORDER

THIS APPLICATION, made by ~~the Applicant~~QM GP Inc. and Highpoint Environmental Services Inc. (the "Applicants" together with the Non-Applicant Related Parties (as defined below), the "Company"), pursuant to the ~~Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended~~ (Canada) (the ~~"CCAA"~~"CCAA") was heard this day ~~at 330 University Avenue, Toronto, Ontario~~by judicial videoconference via Zoom.

~~ON READING the affidavit of [NAME] sworn [DATE] and the Exhibits thereto, and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for [NAMES], no one~~

~~appearing for [NAME][†] although duly served as appears from the affidavit of service of [NAME] sworn [DATE] and on reading the consent of [MONITOR'S NAME] to act as the Monitor;~~

ON READING the Notice of Application, the Affidavit of Agnieszka Barrett sworn July 28, 2025 and the Exhibits thereto (the “Initial Barrett Affidavit”), the Notice of Motion of the Applicants dated August 5, 2025, the Affidavit of Agnieszka Barrett sworn August 5, 2025 and the Exhibits thereto (the “Second Barrett Affidavit”), the Affidavit of Daniel Cameron sworn July 28, 2025 and the Exhibits thereto, the consent of Alvarez & Marsal Canada Inc. (“A&M”) to act as the Court-appointed monitor of the Applicants (in such capacity, the “Monitor”), the Pre-Filing Report of A&M dated July 28, 2025 (the “Pre-Filing Report”), as the proposed monitor, and the First Report of the Monitor dated August ●, 2025 (the “First Report”), and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, counsel for WeShall Investments Inc. (“WeShall” or the “DIP Lender”), counsel for The Bank of Nova Scotia (“BNS”), counsel for Aviva Insurance Company of Canada, counsel for Intact Insurance Company and such other parties as listed on the Participant Information Form, with no one appearing for any other person although duly served as appears from the affidavit of service of Alina Stoica, sworn August 5, 2025, filed,

SERVICE

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

1. **THIS COURT ORDERS** that the time for service of the Notice of ~~Application~~Motion and the ~~Application~~Motion Record is hereby abridged and validated² so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. **THIS COURT ORDERS** ~~AND DECLARES~~ that ~~the~~each Applicant is a company to which the CCAA applies. Although not Applicants, QM LP, QMF LP, TWT LP and Quantum Holdings LP (collectively, the “Non-Applicant Related Parties”), together with the Applicants, shall enjoy all the benefits of the protections and authorizations provided in this Order and be subject to its terms.

PLAN OF ARRANGEMENT

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

POSSESSION OF PROPERTY AND OPERATIONS

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

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

5. **[THIS COURT ORDERS** that the ~~Applicant~~Company shall be entitled to continue to utilize the central cash management system³ currently in place as described in the Initial Barrett Affidavit of [NAME] sworn [DATE] or replace it with another substantially similar central cash management system (the **"Cash Management System"**) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the ~~Applicant~~Company 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 below) other than the ~~Applicant~~Company, 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 any~~ Plan under the CCAA with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.]

6. **THIS COURT ORDERS** that ~~the Applicant~~, subject to the Initial DIP Budget and the DIP Budget (each as defined in the DIP Term Sheet), the Company shall be entitled but not required to pay the following expenses whether incurred prior to or after ~~this Order~~ July 29, 2025 (the "Filing Date"):

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the ~~date of this Order~~ Filing Date, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; ~~and~~

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

(b) the fees and disbursements of any Assistants retained or employed by the ~~Applicant~~Company in respect of these proceedings, at their standard rates and charges; and

(c) with the consent of the Monitor, amounts owing for materials, goods or services actually supplied to the Company prior to the Filing Date if, in the opinion of the Company, such payment is necessary or desirable to avoid disruption to the operations of the Business or the Property of the Company during the CCAA proceedings.

7. **THIS COURT ORDERS** that, subject to the Initial DIP Budget and the DIP Budget, except as otherwise provided to the contrary herein, the ~~Applicant~~Company shall be entitled but not required to pay all reasonable expenses incurred by the ~~Applicant~~Company in carrying on the Business in the ordinary course after ~~this Order~~the Filing Date, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

(a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors' and officers' insurance), maintenance and security services; and

(b) payment for materials, goods or services actually supplied to the ~~Applicant~~Company following the ~~date of this Order~~Filing Date.

8. **THIS COURT ORDERS** that the ~~Applicant~~Company 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;~~income taxes, and (iv) all other amounts related to such deductions or employee wages payable for periods following the

Filing Date, and that are of a kind that could be subject to a demand under the statutory provisions specified in Paragraphs 6(3)(a) through (c) of the CCAA.

- (b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the Applicant Company in connection with the sale of goods and services by the Applicant Company, but only where such Sales Taxes are accrued or collected after the ~~date of this Order~~ Filing Date, or where such Sales Taxes were accrued or collected prior to the ~~date of this Order~~ Filing Date but not required to be remitted until on or after the ~~date of this Order~~ Filing Date; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant Company.

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

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

10. **THIS COURT ORDERS** that, except as specifically permitted herein, the ~~Applicant~~Company is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the ~~Applicant~~Company to any of ~~its~~their creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

RESTRUCTURING

11. **THIS COURT ORDERS** that the ~~Applicant~~Company with the consent of the Monitor and in consultation with the DIP Lender and BNS shall, subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents (as ~~hereinafter~~ defined below), have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its ~~business~~Business or operations, ~~and~~ to dispose of redundant or non-material assets not exceeding \$~~•~~250,000 in any one transaction or \$~~•~~500,000 in the aggregate⁵;
- (b) disclaim such of its arrangements or agreements of any nature whatsoever with whomever, whether oral or written, as such Company deems appropriate, in accordance with Section 32 of the CCAA;
- (c) ~~(b)~~ ~~terminate~~ the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate~~};~~ and
- (d) ~~(c)~~ pursue all avenues of refinancing of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing,

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

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

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

13. **THIS COURT ORDERS** that if a notice of disclaimer ~~{or resiliation}~~ is delivered pursuant to Section 32 of the CCAA, then: (a) during the notice period prior to the effective time of the disclaimer ~~{or resiliation}~~, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the ~~Applicant~~Company and the Monitor 24 hours' prior written notice; and (b) at the effective time of the disclaimer ~~{or resiliation}~~, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the ~~Applicant~~Company 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 ~~APPLICANT~~COMPANY OR THE PROPERTY

14. **THIS COURT ORDERS** that until and including ~~{DATE—MAX. 30 DAYS}~~November 7, 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"~~), including without limiting the generality of the foregoing, any adjudication process pursuant to Part II.1 of the Construction Act (Ontario) or similar provisions in the other Provincial Lien Legislation (as defined in the Lien Regularization Order dated as of the Filing Date, as amended and restated from time to time, the "Lien Regularization Order"), shall be commenced or continued against or in respect of the ~~Applicant or~~ Company, the Monitor or any of their respective employees, advisors (including counsel) or other representatives acting in such capacities, or affecting the Business or the Property, except with the written consent of the ~~Applicant~~ Company and the Monitor, or with leave of this Court, and any and all Proceedings currently ~~under way~~ underway against or in respect of the ~~Applicant~~ Company or its employees, advisors (including counsel) or other representatives acting in such capacities, or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO PROCEEDINGS RELATED TO THIRD-PARTY INDEMNITY OBLIGATIONS

15. THIS COURT ORDERS that, during the Stay Period, no Proceeding shall be commenced or continued, or enforcement step taken, or demand, call or request for payment made, against third parties that have provided an indemnity, guarantee, letter of credit, or similar obligation (collectively, the **"Third-Party Indemnity Obligations"**), on behalf of the Company in respect to the Company's obligations under any construction project contract, in favour of Intact Insurance Company or Aviva Insurance Company of Canada. For greater certainty, and without limiting the generality of the foregoing, no Proceeding or enforcement step shall be taken against WeShall, 2539593 Ontario Inc., Kingsdale Partners Limited, KSS Holdco Inc., Alberta Chain & Rigging Inc., QM Points Contracting LP, TS LP, CIPS/QM Inc. or Cambium Indigenous Professional Services (CIPS) Inc., with respect to the Third-Party Indemnity Obligations during the Stay Period. During the Stay Period, the status quo with respect to the demand from Intact Insurance Company under Standby Letter of Credit No. OSB91888TOR shall be maintained pending further Order of this Court, BNS shall accordingly not be required to make payment to Intact pursuant to the demand, and BNS shall have no liability to any person for non-payment of that amount in accordance with this Order.

NO EXERCISE OF RIGHTS OR REMEDIES

16. ~~15.~~ THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the

foregoing, collectively being "Persons" and each being a "Person") against or in respect of the ~~Applicant or~~ Company, the Monitor, or their respective employees, advisors (including counsel) or other representatives acting in such capacities, or affecting the Business or the Property, including without limiting the generality of the foregoing: (a) any rights arising out of or in connection with the prompt payment deadlines or a notice of non-payment under the Provincial Lien Legislation; and (b) any rights in connection with a determination under the Provincial Lien Legislation, are hereby stayed and suspended except with the written consent of the ~~Applicant~~ Company and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the ~~Applicant~~ Company to carry on any business which ~~the Applicant~~ it is not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, and (iii) subject to the terms of the Lien Regularization Order, prevent the filing of any registration to preserve or perfect a security interest, ~~or (iv) prevent the registration of a claim for lien~~.

NO INTERFERENCE WITH RIGHTS

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

PRE-FILING VS POST-FILING SET-OFF

18. **THIS COURT ORDERS** that, no Person shall be entitled to set off any amounts that (a) are or may become due to the Company in respect of obligations arising prior to the Filing Date with any amounts that are or may become due from the Company in respect of obligations arising on or after the Filing Date; or (b) are or may become due from the Company in respect of obligations arising prior to the Filing Date with any amounts that are or may become due to the Company in respect of obligations arising on or after the Filing Date, in each case without the consent of the Company and the Monitor, or leave of this Court, provided that nothing in this Order shall prejudice any arguments any Person may want to make in seeking leave of the Court or following the granting of such leave.

CONTINUATION OF SERVICES

19. ~~17.~~ **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the ~~Applicant~~Company or statutory or regulatory mandates for the supply of materials, goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, benefit services, insurance, transportation services, utility, or other services to the Business or the ~~Applicant~~Company or exercising any other remedy provided under the agreements or arrangements, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, suspending or terminating the supply of such goods or services as may be required by the ~~Applicant~~Company, and that the ~~Applicant~~Company 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~~Filing Date are paid by the ~~Applicant~~applicable Company entity in accordance with normal payment practices of the ~~Applicant~~applicable Company entity or such other practices as may be agreed upon by the supplier or service provider and ~~each of the Applicant~~the applicable Company entity and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

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

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

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

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

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

22. ~~20.~~ **THIS COURT ORDERS** that the ~~Applicant~~Company shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the ~~Applicant~~Company after the commencement of the within proceedings,⁷ except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the ~~director's or officer's~~director's or officer's gross negligence or wilful misconduct.

23. ~~21.~~ **THIS COURT ORDERS** that the directors and officers of the ~~Applicant~~Company shall be entitled to the benefit of and are hereby granted a charge (the "Directors' Charge")⁸ on the Property, which charge shall not exceed an aggregate amount of \$~~3,600,000~~3,600,000, as security for the indemnity provided in paragraph ~~{20}~~22 of this Order. The Directors' Charge shall have the priority set out in paragraphs ~~{38}~~44 and ~~{40}~~46 herein.

⁷ ~~The broad indemnity language from Section 11.51 of the CCAA has been imported into this paragraph. The granting of the indemnity (whether or not secured by a Directors' Charge), and the scope of the indemnity, are discretionary matters that should be addressed with the Court.~~

⁸ ~~Section 11.51(3) provides that the Court may not make this security/charging order if in the Court's opinion the Applicant could obtain adequate indemnification insurance for the director or officer at a reasonable cost.~~

24. ~~22.~~ **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and (b) the ~~Applicant's~~Company's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph ~~20~~22 of this Order.

STAY OF PERFORMANCE BONDS

25. **THIS COURT ORDERS** that during the Stay Period, no Person, holding a Performance Bond (as defined in the Initial Barrett Affidavit), including any Person named as an owner or obligee under such bond, shall be permitted to enforce and/or call on the Performance Bond ("Performance Bond Claim"), except with the written consent of the Company and the Monitor, or with leave of this Court, and any and all Performance Bond Claims currently under way against or in respect of the Company or affecting the Business or Property are hereby stayed and suspended pending further Order of this Court.

APPOINTMENT OF MONITOR

26. ~~23.~~ **THIS COURT ORDERS** that ~~[MONITOR'S NAME]~~A&M is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the ~~Applicant~~Company with the powers and obligations set out in the CCAA or set forth herein and that the ~~Applicant~~Company and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the ~~Applicant~~Company 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~~Monitor's functions.

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

- (a) monitor the ~~Applicant's~~Company's receipts and disbursements; Business and dealings with the Property and, among other things, review all disbursements for consistency with the Cash Flow Statements (as defined in Pre-Filing Report), as

amended from time to time, and subject to the variances permitted in the DIP Term Sheet (as defined below);

- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the ~~Applicant~~Company to the extent required ~~by the Applicant~~, in its dissemination, to the DIP Lender and its counsel, on a ~~[TIME INTERVAL]~~timely basis of financial and other information as agreed to between the ~~Applicant~~Company and the DIP Lender which may be used in these proceedings including reporting on a basis to be agreed with the DIP Lender, and any such financial and other information provided to the DIP Lender shall also be provided concurrently to BNS;
- (d) advise the ~~Applicant~~Company in its preparation of the ~~Applicant's~~Company's cash flow statements and reporting required by the DIP Lender, which information shall be reviewed with the Monitor and delivered to the DIP Lender and ~~its~~BNS and their respective counsel on a periodic basis, ~~but not less than [TIME INTERVAL], or as otherwise agreed to by the DIP Lender;~~
- (e) assist the Company in identifying, for the purposes of the Lien Regularization Order, all continuing projects to be included in Schedule "A" to the Lien Regularization Order (the "LRO Schedule"), and to update such LRO Schedule as appropriate without the need for further approval of this Court, provided that the Monitor shall post on the Monitor's Website the updated LRO Schedule;
- (f) ~~(e)~~ advise the ~~Applicant~~Company in its development of the Plan and any amendments to the Plan;
- (g) ~~(f)~~ assist the ~~Applicant~~Company, to the extent required by the ~~Applicant~~Company, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;

- (h) ~~(g)~~ have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the ~~Applicant~~Company, to the extent that is necessary to adequately assess the ~~Applicant's business~~Company's Business and financial affairs or to perform its duties arising under this Order;
- (i) ~~(h)~~ be at liberty to engage independent legal counsel or such other ~~persons~~Persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (j) ~~(i)~~ perform such other duties as are required by this Order or by this Court from time to time.

28. ~~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.

29. ~~26.~~ **THIS COURT ORDERS** that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, ~~"Possession"~~) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the ~~Ontario~~ *Environmental Protection Act*; (Ontario), the *Ontario Water Resources Act*, or the ~~Ontario~~ *Occupational Health and Safety Act* (Ontario) and regulations thereunder ~~(the "or any similar legislation or regulation of Canada or a Province or Territory thereof (collectively, 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. The Monitor shall not, as a result of this Order or anything done in pursuance of the ~~Monitor's~~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.

30. ~~27.~~ **THIS COURT ORDERS** ~~that~~ that the Monitor shall provide any creditor of the ~~Applicant~~Company and the DIP Lender with information provided by the ~~Applicant~~Company 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~~Company 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~~Company may agree.

31. ~~28.~~ **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor, its directors, officers, employees, counsel and other representatives acting in such capacities shall incur no liability or obligation as a result of ~~its~~the Monitor's appointment or the carrying out by it of the provisions of this Order, save and except for any 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.

ADMINISTRATION CHARGE

32. ~~29.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the ~~Applicant~~Company shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, ~~by the Applicant~~whether incurred prior to, on, or subsequent to the Filing Date as part of the costs of these proceedings. The ~~Applicant~~Company is hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the ~~Applicant on a [TIME INTERVAL] basis and, in addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicant, retainers in the amount[s] of \$●-[, respectively,] to be held by them as security for payment of their respective fees and disbursements outstanding from time to time~~Company on a weekly basis or as otherwise agreed among the parties.

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

34. ~~31.~~ **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, ~~if any, and the Applicant's~~ counsel to the Company 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 \$●1,250,000, unless permitted by further Order of this Court, as security for their professional fees and disbursements incurred at ~~the~~their standard rates and charges ~~of the Monitor and such counsel~~, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs ~~[38]~~44 and ~~[40]~~46 hereof.

DIP FINANCING

35. ~~32.~~ **THIS COURT ORDERS** that the ~~Applicant~~Company is hereby authorized and empowered to obtain and borrow ~~under a~~ super-priority, debtor-in-possession credit facility ~~from [DIP LENDER'S NAME] (the "in a principal amount up to \$14,000,000 (the "DIP Facility") from the DIP Lender") in order to finance the ~~Applicant's~~Company's working capital requirements and other general corporate purposes and capital expenditures, ~~provided that borrowings under such credit facility shall not exceed \$● unless permitted by further Order of this Court.~~~~

36. ~~33.~~ **THIS COURT ORDERS** ~~THAT~~that such credit facility shall be on the terms and subject to the conditions set forth in ~~the commitment letter~~DIP Term Sheet between the ~~Applicant~~Company and the DIP Lender dated as of ~~[DATE] (the "Commitment Letter");~~ filed July 28, 2025 (the "DIP Term Sheet"), which is attached as Appendix "B" to the Pre-Filing Report.

37. ~~34.~~ **THIS COURT ORDERS** that the ~~Applicant~~Company is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the

"Definitive Documents"), as are contemplated by the ~~Commitment Letter~~ DIP Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the ~~Applicant~~ Company is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the ~~Commitment Letter~~ DIP Term Sheet and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

38. ~~35.~~ **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "DIP Lender's Charge") on the Property, which ~~DIP Lender's~~ Lender's Charge shall not secure an obligation that exists before ~~this Order is made~~ the Filing Date. The DIP Lender's Charge shall have the priority set out in paragraphs ~~{38}~~ 44 and ~~{40}~~ 46 hereof.

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

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, ~~upon 7 days notice to the Applicant and the Monitor, may exercise any and all of its rights and remedies against the Applicant or the Property under or pursuant to the Commitment Letter, Definitive Documents and the DIP Lender's Charge, including without limitation, to~~ may cease making advances to the ~~Applicant~~ Company and set off and/or consolidate any amounts owing by the DIP Lender to the ~~Applicant~~ Company against the obligations of the ~~Applicant~~ Company to the DIP Lender under the ~~Commitment Letter~~ DIP Term Sheet, the Definitive Documents or the DIP Lender's Charge; and, upon seven (7) days' notice to the Company and the Monitor, may, with leave of the Court to be sought on notice to the Service List (as defined in paragraph 52 herein), exercise any and all of its other rights and remedies against the Company or the Property under or pursuant to the DIP Term Sheet, Definitive Documents and the DIP Lender's Charge, including without limitation, to make demand, accelerate payment and give other notices, or to apply to this

Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the ~~Applicant~~Company and for the appointment of a trustee in bankruptcy of the ~~Applicant~~Company; and

- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the ~~Applicant~~Company or the Property.

40. ~~37.~~ **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any ~~plan of arrangement or compromise~~Plan filed by the ~~Applicant~~Company under the CCAA, ~~or any proposal filed by the Applicant under the Bankruptcy and Insolvency Act of Canada (the "BIA")~~, with respect to any advances made under the Definitive Documents.

KEY EMPLOYEE RETENTION PLAN

41. **THIS COURT ORDERS** that the Key Employee Retention Plan (the "**KERP**"), as described in the Second Barrett Affidavit and the First Report, is hereby approved and the Company is authorized to make payments contemplated thereunder in accordance with the terms and conditions of the KERP.

42. **THIS COURT ORDERS** that payments made by the Company pursuant to the KERP do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

43. **THIS COURT ORDERS** that the key employees referred to in the KERP (the **Key Employees**) shall be entitled to the benefit of and are hereby granted a charge on the Property, which charge shall not exceed an aggregate amount of \$540,000 (the "**KERP Charge**"), as security for amounts payable to the Key Employees pursuant to the KERP. The KERP Charge shall have the priority set out in paragraphs 44 and 46 herein.

VALIDITY AND PRIORITY OF CHARGES ~~CREATED BY THIS ORDER~~

44. ~~38.~~ **THIS COURT ORDERS** that the priorities of the Directors' Charge, the Administration Charge, the Lien Charge (as defined in the Lien Regularization Order) and the DIP Lender's Charge (collectively, the "**Charges**"), as among them, shall be as follows⁹:

~~⁹The ranking of these Charges is for illustration purposes only, and is not meant to be determinative. This ranking may be subject to negotiation, and should be tailored to the circumstances of the case before the Court. Similarly,~~

- (a) **First** – Administration Charge (to the maximum amount of \$●1,250,000);
- (b) **Second** – DIP Lender's Charge; (to the maximum principal amount of \$14,000,000 plus interest, fees, and costs);
- (c) **Third** – Directors' Charge (to the maximum amount of \$●3,600,000);
- (d) **Fourth** – the KERP Charge (to the maximum amount of \$540,000); and
- (e) **Fifth** – Lien Charge (only as against the property described in paragraph 11 of the Lien Regularization Order).

Notwithstanding anything contained in this Order, none of the Charges shall rank in priority to BNS in respect of cash collateral pledged as security in favour of BNS for credit card liabilities arising from and after July 29, 2025.

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

46. ~~40.~~ **THIS COURT ORDERS** that each of the ~~Directors' Charge, the Administration Charge and the DIP Lender's Charge (all as constituted and defined herein)~~ shall Charges shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, holdbacks, trusts (including deemed trusts), liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "Encumbrances") in favour of any Person. For greater certainty, (a) the Charges shall rank in priority to any Person's interest over the Property pursuant to the Provincial Lien Legislation, provided that the Company's Property

~~may be subject to negotiation, and should be tailored to the circumstances of the case before the Court. Similarly, the quantum and caps applicable to the Charges should be considered in each case. Please also note that the CCAA now permits Charges in favour of critical suppliers and others, which should also be incorporated into this Order (and the rankings, above), where appropriate.~~

shall not include any accounts receivable under disclaimed project contracts that are subject to a trust under the Provincial Lien Legislation, and (b) the Property charged by the Lien Charge is as described in the LRO.

47. ~~41.~~ **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the ~~Applicant~~Company shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the ~~Directors' Charge, the Administration Charge or the DIP Lender's Charge~~Charges, unless the ~~Applicant~~Company also obtains the prior written consent of the Monitor, ~~the DIP Lender~~ and the beneficiaries of the ~~Directors' Charge and the Administration Charge~~applicable Charges (collectively, the "Chargees"), or further Order of this Court.

48. ~~42.~~ **THIS COURT ORDERS** that the ~~Directors' Charge, the Administration Charge, the Commitment Letter, Charges, the DIP Term Sheet, and~~ the Definitive Documents ~~and the DIP Lender's Charge~~ shall not be rendered invalid or unenforceable and the rights and remedies of the ~~chargees entitled to the benefit of the Charges (collectively, the "Chargees")~~ and/or the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) or receivership order(s) issued pursuant to the BIA or otherwise, or any bankruptcy order or receivership 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, other than as set out in paragraph 46 above; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the ~~Applicant~~Company, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the ~~Commitment Letter~~DIP Term Sheet or the Definitive Documents shall create or be deemed to constitute a breach by the ~~Applicant~~Company of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the

~~Applicant~~Company entering into the ~~Commitment Letter~~DIP Term Sheet, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and

- (c) the payments made by the ~~Applicant~~Company pursuant to this Order, the ~~Commitment Letter~~DIP Term Sheet 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.

49. ~~43.~~ **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the ~~Applicant's~~applicable Applicant or Non-Applicant Related Party's interest in such real property leases.

SERVICE AND NOTICE

50. ~~44.~~ **THIS COURT ORDERS** that the Monitor shall (~~i~~a) without delay, publish in ~~[newspapers specified by the Court]~~The Globe and Mail (National Edition) a notice containing the information prescribed under the CCAA; (~~ii~~b) within five (5) days after the ~~date of this Order~~Filing Date, (~~A~~i) make this Order publicly available in the manner prescribed under the CCAA, (~~B~~ii) send, in the prescribed manner or by electronic message to the email addresses as last shown in the Company's records, a notice to every known creditor who has a claim against the ~~Applicant~~Company of more than \$~~1000~~1,000, and (~~C~~iii) 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.

51. ~~45.~~ **THIS COURT ORDERS** that the ~~E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the~~service and electronic service of documents in this proceeding made in accordance with the ~~Protocol~~(Consolidated Civil Provincial Practice Direction and the Consolidated Practice Direction for the Toronto Region (collectively, the "Practice Directions") (each which can be found on the ~~Commercial List website~~at http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/Ontario

Superior Court of Justice website at <https://www.ontariocourts.ca/scj/filing-procedures/provincial/> and https://www.ontariocourts.ca/scj/practice_directions/consolidated-practice-direction-toronto-region/) shall be valid and effective service. Subject to Rule 17.05 of the Rules of Civil Procedure, RRO 1990, Reg 194 (the “Rules”), 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~~ and the applicable Practice Directions, service of documents in accordance with the ~~Protocol~~ Practice Directions will be effective on transmission. This Court further orders that a ~~Case Website~~ case website for this proceeding shall be established ~~in accordance with the Protocol with~~ the following URL ~~“<@>”~~: www.alvarezandmarsal.com/QME (the “**Monitor’s Website**”).

52. **THIS COURT ORDERS** that the Monitor shall create, maintain and update as necessary a list of all Persons appearing in person or by counsel in these proceedings (the “**Service List**”). The Monitor shall post the Service List, as may be updated from time to time, on the Monitor’s Website, provided that the Monitor shall have no liability in respect of the accuracy of or the timeliness of making any changes to the Service List.

53. ~~46.—~~ **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the ~~Protocol~~ Practice Directions or the CCAA and the regulations thereunder is not practicable, the ~~Applicant and Company~~, the Monitor and their respective counsel and agents are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding ~~true~~ copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission or electronic message to the ~~Applicant’s Company’s~~ creditors or other interested parties at their respective addresses (including e-mail addresses) as last shown ~~on~~ in the books and records of the ~~Applicant Company~~ and that any such service or distribution ~~by courier, personal delivery or facsimile transmission~~ shall be deemed to be received on the earlier of: (a) the date of forwarding thereof, if sent by electronic message on or prior to 5:00 p.m. Eastern Time (Toronto) (or the next business day following the date of forwarding thereof if sent on a non-business day); (b) the next business day following the date of forwarding thereof, or if sent by ordinary mail, courier, personal delivery, facsimile transmission or electronic message sent

after 5:00 p.m. Eastern Time (Toronto); or (c) on the third business day ~~after mailing~~ following the date of forwarding thereof, if sent by ordinary mail.

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

55. **THIS COURT ORDERS** that any interested party wishing to object to the relief sought in a motion brought by the Company or the Monitor in these CCAA proceedings shall, subject to further order of this Court, provide the Service List in these proceedings with responding motion materials or a written notice (including by email) stating its objection to the motion and the grounds for such objection by no later than 5:00 p.m. Eastern Time (Toronto) on the date that is two (2) days prior to the date such motion is returnable (the "**Objection Deadline**"). The Monitor shall have the ability to extend the Objection Deadline after consultation with the Applicants.

GENERAL

56. ~~47.~~ **THIS COURT ORDERS** that the ~~Applicant~~ Company or the Monitor may from time to time apply to this Court for advice and directions in the discharge of ~~its~~ their powers and duties hereunder.

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

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

bodies are hereby respectfully requested to make such orders and to provide such assistance to the ~~Applicant~~Company and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the ~~Applicant~~Company and the Monitor and their respective agents in carrying out the terms of this Order.

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

~~51. THIS COURT ORDERS that any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.~~

60. ~~52.~~ **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern ~~Standard/Daylight~~-Time (Toronto) on the date of this Order without any need for entry and filing.

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

Court File No.
CV-25-00748510-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF QM GP INC.
AND HIGHPOINT ENVIRONMENTAL SERVICES INC.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

AMENDED AND RESTATED INITIAL ORDER

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- 27 -

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TAB 6

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

THE HONOURABLE)	THURSDAY, THE 7 TH
)	
MADAM JUSTICE STEELE)	DAY OF AUGUST, 2025

**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 QM GP INC. AND HIGHPOINT
ENVIRONMENTAL SERVICES INC.**

Applicants

SISP APPROVAL ORDER

THIS MOTION, made by QM GP Inc. and Highpoint Environmental Services Inc. (the "**Applicants**") and together with the Non-Applicant Related Parties (as defined in the Amended and Restated Initial Order granted August 7, 2025), the "**Company**") pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") for an order, among other things, approving the sale and investment solicitation process in the form attached hereto as Schedule "A" (the "**SISP**") and certain related relief, was heard this day by judicial videoconference.

ON READING the Notice of Motion of the Applicants dated August 5, 2025, the Affidavit of Agnieszka Barrett sworn August 5, 2025 and the Exhibits thereto, the First Report of Alvarez & Marsal Canada Inc. in its capacity as Court-appointed monitor of the Company (the "**Monitor**"), and on hearing the submissions of counsel for the Applicants, the Monitor, WeShall Investments Inc., The Bank of Nova Scotia, Aviva Insurance Company of Canada, Intact Insurance Company and such other parties as listed on the Participant Information Form, with no one appearing for any other person although duly served as appears from the affidavit of service of Natasha Rambaran sworn August 5, 2025, filed,

SERVICE AND DEFINITIONS

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

SALE AND INVESTMENT SOLICITATION PROCESS

3. **THIS COURT ORDERS** that the SISP attached hereto as Schedule "A" is hereby approved and the Monitor and the Company are hereby authorized and directed to implement the SISP pursuant to the terms thereof. The Monitor and the Company are hereby authorized and directed to take any and all actions as may be necessary or desirable to implement and carry out the SISP in accordance with its terms and this Order.
4. **THIS COURT ORDERS** that the Monitor, the Company, and their respective affiliates, partners, directors, officers, employees, legal advisors, representatives, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with, or as a result of, the SISP, except to the extent of losses, claims, damages or liabilities that arise or result from the gross negligence or wilful misconduct of any such person (with respect to such person alone), in performing their obligations under the SISP, as determined by a final order of this Court that is not subject to appeal or other review.
5. **THIS COURT ORDERS** that, pursuant to subsection 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS), the Monitor, the Company and their respective counsel, are hereby authorized and permitted to send, or cause or permit to be sent, commercial electronic messages to an electronic address of prospective bidders or offerors and to their advisors, or any interested party that the Monitor, the Company, or their respective counsel consider appropriate, but only to the extent required to provide information with respect to the SISP in these proceedings.
6. **THIS COURT ORDERS** that in overseeing and conducting the SISP, the Monitor shall have all of the benefits and protections granted to it under the CCAA and any other Order of this Court in the within proceeding, and notwithstanding anything contained herein or in the SISP,

the Monitor shall not take possession of the Property or be deemed to take possession of the Property.

PROTECTION OF PERSONAL INFORMATION

7. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 and any similar legislation in any other applicable jurisdictions, the Monitor, the Company and their respective advisors are hereby authorized and permitted to disclose and transfer to prospective SISP participants that are parties to a non-disclosure agreement (each, a “**Participant**”) and their respective advisors, personal information of identifiable individuals (“**Personal Information**”), records pertaining to the Company’s past and current employees, and information on specific customers, but only to the extent required to negotiate or attempt to complete a Transaction. Each Participant to whom any Personal Information is disclosed shall maintain and protect the privacy of such Personal Information and limit the use of such information to its evaluation of a Transaction, and if it does not complete a Transaction, shall return all such information to the Monitor or the Company, or, in the alternative, destroy all such information and provide confirmation of its destruction if requested by the Monitor or the Company. Any Successful Bidder(s) shall maintain and protect the privacy of such Personal Information and, upon the closing of the Transaction(s) contemplated in the Successful Bid(s), shall be entitled to use the Personal Information provided to it that is related to the Business and/or Property acquired pursuant to the SISP in a manner that is in all material respects identical to the prior use of such Personal Information by the Company, and shall return all other Personal Information to the Monitor or the Company, or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Monitor or the Company.

GENERAL

8. **THIS COURT ORDERS** that the Company or the Monitor may from time to time apply to this Court to amend, vary or supplement this Order or for advice and directions in the discharge of their powers and duties under the SISP.

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

10. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States of America or

in any other foreign jurisdiction, to give effect to this Order and to assist the Company, 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 Company 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 Company and the Monitor and their respective agents in carrying out the terms of this Order.

11. **THIS COURT ORDERS** that each of the Company 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.

12. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Time (Toronto) on the date of this Order without any need for entry and filing.

Schedule “A”
Sale and Investment Solicitation Process

[*See attached.*]

Schedule “A”

Sale Investment Solicitation Process Procedures for the business and/or assets of QM GP, Highpoint Environmental Services Inc., QM LP, QMF LP, TWT LP and Quantum Holdings LP (collectively, the “Company”)

Overview of the Company

1. The Company is an industry leader in environmental and industrial services, providing a range of demolition, remediation and emergency response services (the “**Business**”). The Company operates across Canada, primarily in Ontario, Manitoba, Saskatchewan, Alberta and British Columbia.
2. The Company’s business lines include its construction business, which provides demolition, decommissioning and remediation services on construction projects, and its emergency response business, which provides environmental cleanup, waste management and remediation services to customers. Customers of the emergency response business include municipalities, institutions and government agencies.
3. On July 29, 2025, the Company sought and obtained protection pursuant to the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the “**CCAA**”) and was granted an Initial Order by the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), as may be amended, restated, or modified from time to time (the “**Initial Order**”). The Initial Order, among other things, appointed Alvarez & Marsal Canada Inc. as monitor of the Company (the “**Monitor**”), approved an interim financing facility from WeShall Investments Inc. (the “**DIP Lender**”) and granted a charge over all the Company’s property, assets, and undertaking (collectively, the “**Property**”).
4. On August 7, 2025, the Court granted an order (the “**SISP Approval Order**”): (i) authorizing the Monitor, in consultation with the Company, to undertake a sale and investment solicitation process (“**SISP**”) to solicit offers for a sale, recapitalization, refinancing, restructuring or other strategic transaction in respect of some or all of the Property and/or its Business (a “**Transaction**”). The Property includes customer and project-related contracts.
5. Among other things, the SISP Approval Order approved the procedures set out in this Schedule (the “**SISP Procedures**”) for the solicitation of formal binding offers for a Transaction. A copy of the SISP Approval Order is available on the Monitor’s website at: <https://www.alvarezandmarsal.com/QME> (the “**Monitor’s Website**”).

Objectives and Commencement of the SISP

6. The SISP is intended to solicit interest in and opportunities for one or more Transactions in respect of the Company’s assets, its Business and/or its individual Business units, including but not limited to the: (i) construction business, and the individual construction project contracts included therein, (ii) emergency response business, (iii) Hamilton waste transfer station, and (iv) other assets and/or groups of assets.

For greater clarity, offers are being solicited for investment and partnership in the Business, the acquisition of assets, the acquisition of equity interests pursuant to a reverse vesting Transaction, and any other Transaction that Interested Parties (as defined below) wish to propose.

7. Any Transaction consummated pursuant to the SISP will be on an "as is, where is" basis and without surviving representations or warranties of any kind, nature, or description by the Monitor, the Company, or any of their respective directors, officers, agents, advisors, or other representatives unless otherwise agreed in a definitive agreement.
8. All of the Company's right, title, and interest in and to any of its Property sold pursuant to any Transaction(s) contemplated herein will be sold free and clear of all liens, security interests, mortgages, charges, and other encumbrances, except those expressly assumed by a purchaser, pursuant to a Court order approving such Transaction.
9. These SISP Procedures contemplate reasonable consultation with and/or approval of the DIP Lender and The Bank of Nova Scotia ("**BNS**") at various stages. Any such consultation is subject to the terms of the SISP governing the participation of Insiders and Secured Creditors (each as defined below) in the SISP. The DIP Lender and BNS shall keep all confidential information disclosed to it and the content of all consultations strictly confidential.
10. For greater certainty, the Company and the Monitor are entitled to provide the DIP Lender and, subject to compliance with paragraph 28, BNS, the details of and/or copies of the Bids (each as defined below) received and shall be entitled to consult with the DIP Lender and BNS in respect of such Bids.

Timeline

11. The following table sets out the key milestones and deadlines under the SISP, which milestones and deadlines may be extended, condensed or amended by the Monitor, in its discretion, by up to two (2) weeks without Court approval, provided that the DIP Lender and BNS have provided their prior written consent, or the Court authorizes such change. All references to time shall be Eastern Time.¹

Milestone	Deadline
Commence solicitation of interest from parties, including delivering a Teaser Letter and NDA (each as defined below)	As soon as practicable following the date of the SISP Approval Order and by no later than August 11, 2025.
Bid Deadline (submission of Bid)	September 25, 2025
Selection of Successful Bid	September 29, 2025
Sale Approval Motion	As soon as practicable after selection of Successful Bid, subject to availability of the Court
Outside Date for Closing	October 31, 2025

¹ Any provisions of the interim financing facility relating to the milestones and deadlines in the SISP may only be modified or waived with the consent of the DIP Lender.

Any extensions or amendments shall be communicated to all Bidders in writing and posted on the Monitor's Website.

Solicitation of Interest: Notice of the SISP

12. The Monitor, with the assistance the Company, shall prepare:
 - (a) a list of potential buyers ("**Interested Parties**");
 - (b) an initial offering summary ("**Teaser Letter**");
 - (c) a form of non-disclosure agreement ("**NDA**");
 - (d) a confidential information memorandum describing the opportunity ("**CIM**"); and
 - (e) a virtual data room (the "**Data Room**"), which shall include a form of asset purchase agreement ("**Template APA**") and form of subscription agreement ("**Template Subscription Agreement**").
13. The Monitor, with the assistance of the Company, will manage and participate in all communications with Interested Parties, Qualified Bidders, and any Successful Bidders (each as defined herein and collectively, "**Bidders**" and each, a "**Bidder**"), prior to and after receipt of Bids. This shall include contacting prospective Bidders and providing them with the Teaser Letter and NDA, and following the execution of the NDA, providing the CIM, access to the Data Room, facilitating requests for tours of the project sites and Business locations, managing the process of addressing diligence requests and answering inquiries, coordinating management presentations, soliciting and tracking Bids, and reviewing and negotiating Transaction documentation.
14. The Monitor will send the Teaser Letter and the form of NDA to all Interested Parties and will send them to any other person who requests a copy of the Teaser Letter and NDA, or who is identified by the Company, the DIP Lender, BNS or the Monitor as an Interested Party, as soon as reasonably practicable following such request or identification, as applicable.
15. The Monitor will post the SISP Procedures and Teaser Letter on the Monitor's Website by no later than August 11, 2025.

Sale or Investment Opportunities

16. Interested Parties will have the opportunity to submit a bid (each a "**Bid**") in the form of either a Sale Proposal or an Investment Proposal (each as defined below). Sale Proposals and Investment Proposals may be in respect of either: (i) all of the Business, or (ii) individual assets and/or Business units (as described above in paragraph 6), and any such proposal will not be precluded from consideration as an acceptable Bid.
17. In the event of an offer to acquire all or part of the Property (a "**Sale Proposal**"), all of the Company's relevant right, title, and interest in and to the Property may be acquired pursuant to an approval and vesting order of the Court, including pursuant to a reverse vesting order if necessary and appropriate, free and clear of all pledges, liens, security interests, charges, options, hypothecs, mortgages, and interest thereon, except to the extent otherwise set forth in a definitive purchase agreement executed with a Successful Bidder.

18. An offer of any of a broad range of executable Transaction alternatives (restructuring, recapitalization, and/or refinancing, including a payout or assumption of the indebtedness owing to the DIP Lender or any other Secured Creditor) including but not limited to an investment in the Company or joint venture with the Company (an “**Investment Proposal**”) for any or all of the Business, may be implemented pursuant to plan of arrangement, or any other Transaction structure as may be appropriate.

Solicitation of Bids

19. The Monitor, with the assistance of the Company, will solicit Bids from Interested Parties for Sale Proposals and Investment Proposals.
20. Any Interested Party who wishes to participate in the SISP must provide to the Monitor:
- (a) an executed NDA, and if requested by the Monitor, a letter setting forth the identity of the Interested Party, the contact information for such Interested Party, and full disclosure of the direct and indirect principals of the Interested Party, including equity holders and sponsors; and
 - (b) if the Monitor considers it necessary, such form of financial or other disclosure that allows the Monitor to make a reasonable determination as to the Interested Party's financial and other capabilities to consummate a Transaction.
21. Any Interested Party that: (i) has delivered an executed NDA; and (ii) has provided the Monitor with satisfactory evidence of its capability (based on the availability of financing, its experience, and other relevant considerations) to be able to consummate a Transaction pursuant to the SISP, will be determined by the Monitor, in consultation with the Company, to be a “**Qualified Bidder**”.
22. The Monitor will provide each Qualified Bidder with a copy of the CIM and access to the Data Room. Qualified Bidders must rely solely on their own independent review, investigation, and/or inspection of all information and of the Business and/or Property in connection with their participation in the SISP and any Transaction they enter into with the Company. The Company, the Monitor, and their respective directors, officers, agents, and advisors make no representation or warranty whatsoever as to the information (including, without limitation, with respect to its accuracy or completeness): (i) contained in the CIM or the Data Room; (ii) provided through the due diligence process or otherwise made available pursuant to the SISP; or (iii) otherwise made available to a Qualified Bidder except to the extent contemplated in any definitive documentation duly executed and delivered by the Successful Bidder (as defined below) and the Company, and approved by the Court.
23. At any time during the SISP, the Monitor, with the consent of the DIP Lender and BNS, may, in its reasonable business judgment, eliminate a Qualified Bidder from the SISP, in which case such party will no longer be a Qualified Bidder for the purposes of the SISP.
24. The Monitor shall afford each Qualified Bidder such access to applicable due diligence materials and information pertaining to the Business and Property of the Company as the Monitor deems appropriate in its reasonable business judgment. Due diligence access may include management presentations, access to the Data Room, on-site inspections, and other matters which a Qualified Bidder may reasonably request and which the Monitor, in consultation with the Company, deems appropriate. The Monitor shall not be obligated to furnish any information relating to the Business or the Property to any person

other than to Qualified Bidders. For the avoidance of doubt, selected due diligence materials may be withheld from certain Qualified Bidders during the SISP, if the Monitor, in consultation with the Company, determines such information to represent proprietary or sensitive competitive information related to the Business and/or the Property of the Company that should not be provided to that Qualified Bidder.

Insider / Secured Creditor Bids

25. In order to protect the integrity of the SISP:

- (a) any secured lender of the Company (a “**Secured Creditor**”) shall have the right (subject to the terms of this SISP) to credit bid (a “**Secured Creditor Bid**”) their secured debt against the assets secured thereby up to the full face value of such Secured Creditor’s claims, including principal, interest and any other obligations owing to such Secured Creditor; provided that any such Secured Creditor shall be required to: (a) pay in full in cash, or assume (with the consent of the holder of the priority claim), any obligations of the Company in priority to its secured debt; and (b) pay appropriate consideration for any assets of the Company which are contemplated to be acquired and that are not subject to such Secured Creditor’s security; and
- (b) any direct or indirect shareholder, unitholder, equity holder, director, officer or senior management of the Company (each an “**Insider**”) may, subject in all respects to such Insider’s compliance with the SISP Procedures (including being designated as a Qualified Bidder), make a Bid pursuant to the SISP

in each case, provided that the Insider or Secured Creditor, as applicable, provides written notice to the Monitor no later than 5:00 p.m. on August 29, 2025 that the Insider or Secured Creditor intends to participate in the SISP as a Bidder. Notwithstanding the foregoing, the DIP Lender is not required to declare its intention to submit a Back-Stop Credit Bid (as defined below) and the absence of any such declaration shall not restrict the DIP Lender from proceeding with a Back-Stop Credit Bid in accordance with these SISP Procedures.

- 26. For the avoidance of doubt, with the exception of a Back-Stop Credit Bid submitted by the DIP Lender in accordance with paragraphs 25, **Error! Reference source not found.** and **Error! Reference source not found.**, all Bids by Insiders and Secured Creditors shall be submitted by the Bid Deadline (as defined below).
- 27. Any and all communications (including, among other things, emails, letters, meetings and conversations) between any Insider or Secured Creditor and any Qualified Bidder shall be subject to the Monitor’s direct supervision.
- 28. Notwithstanding any term of these SISP Procedures: (i) until such time as an Insider or Secured Creditor, as the case may be, irrevocably confirms in writing to the Monitor that it will not submit a Bid in the SISP (excluding, in the case of the DIP Lender, a Back-Stop Credit Bid), the Monitor shall not share any information with respect to the SISP (including, without limitation, any Bids submitted therein) with such Insider or Secured Creditor until after August 29, 2025; and (ii) if an Insider or Secured Creditor provides notice to the Monitor in accordance with paragraph 25 that it intends to participate in the SISP, the Monitor shall not share any information with respect to the SISP (including, without limitation, any Bids submitted therein) with such Insider or Secured Creditor and shall not be required to consult with such Insider or Secured Creditor, nor shall such Insider or Secured Creditor have any consent rights with respect to the conduct of the SISP.

Submission of Bids

29. Bidders that wish to make a Bid pursuant to the SISP must submit such Bid by email such that it is received by the Monitor at the email address specified on Appendix "A" hereto not later than 5:00 p.m. on September 25, 2025 (the "**Bid Deadline**").
30. In order to be considered a "**Qualified Bid**", the Bid shall meet the following criteria (collectively, the "**Bid Criteria**"):
- (a) be binding and irrevocable until the earlier of: (i) October 31, 2025, which date may be extended by the Monitor in consultation with the Company and with the consent of the DIP Lender (the "**Outside Date**"), and (ii) closing of the Successful Bid;
 - (b) it is accompanied by a letter setting forth:
 - (i) the identity of the Bidder and full disclosure of any entities and/or individuals that control the Bidder, and/or the beneficial owner (if any) with the power, directly or indirectly, to cause the direction of the management and policies of the Bidder;
 - (ii) a specific indication of the sources of debt and/or equity capital/financing for the Transaction (as applicable), and evidence of the sources of financing of the purchase price or other consideration, , and financial information that would allow the Monitor, in consultation with the Company, to make a reasonable determination as to the Bidder's financial capabilities to consummate the Transaction;
 - (iii) the proposed treatment of stakeholders; and
 - (iv) such other information as reasonably requested by the Monitor in consultation with the Company;
 - (c) it includes evidence, in form and substance reasonably satisfactory to the Monitor of authorization and approval from the Bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery, and closing of the Bid;
 - (d) include a refundable cash deposit in the form of a wire transfer (to a bank account specified by the Monitor, or such other form of deposit as is acceptable to the Monitor), payable to the Monitor in trust, in an amount equal to no less than 10% of the purchase price contemplated by the Bid payable upon submission of the Bid, and in respect of a the Bid selected as a Successful Bid, a further amount as directed by the Monitor with the consent of the DIP Lender, acting reasonably, upon selection of the Bid as a Successful Bid (together, the amounts being the "**Deposit**"). All Deposits submitted by Bidders who did not submit the Successful Bid shall be returned, without interest, as soon as practicable following the date on which any such offers are rejected hereunder. Deposit submitted with the Successful Bid shall be dealt with in accordance with the definitive agreement executed by such Successful Bidder and the Company;
 - (e) include acknowledgments and representations of the Bidder that: (i) it has had an opportunity to conduct any and all due diligence regarding the Business and/or Property, the Company, or otherwise, prior to making its Bid; (ii) it has relied solely

upon its own independent review, investigation, and/or inspection of the Business and/or Property (including, without limitation, any documents in connection therewith) in making its Bid; and (iii) it did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether express, implied, statutory, or otherwise, regarding the Business and/or Property or the Company or the completeness of any information provided in connection therewith, except as expressly contemplated in any definitive documentation duly executed by the Successful Bidder and the Company and approved by the Court;

- (f) include a description of any desired arrangements with respect to transition services that may be required from the Company in connection with the Transaction, including funding for same;
 - (g) it is not conditional on: (i) the outcome of unperformed due diligence by the Qualified Bidder; and/or (ii) obtaining any financing, and includes an acknowledgement and representation that the Qualified Bidder has had an opportunity to conduct any and all required due diligence prior to making its Sale Proposal;
 - (h) it does not include any request for a break-up fee, termination fee, expense reimbursement or similar type of payment;
 - (i) it includes evidence, in form and substance reasonably satisfactory to the Monitor, of compliance or anticipated compliance with any and all applicable regulatory approvals (including, if applicable, anti-trust regulatory approval), the anticipated time frame for such compliance, and any anticipated impediments for obtaining such approvals;
 - (j) if the Qualified Bidder is an entity formed for the purpose of the Transaction, the Bid shall contain an equity or debt commitment letter from the parent entity or sponsor for the full amount of the proposed consideration, in form and substance satisfactory to the Monitor, that names the Company as a third-party beneficiary of any such commitment letter, with recourse by the Company against such parent entity or sponsor;
 - (k) be governed by the laws of the Province of Ontario and the laws of Canada applicable therein;
 - (l) be received by the Bid Deadline;
 - (m) it shall be subject to approval of the Court ("**Court Approval**");
 - (n) contemplate closing the Transaction set out therein on or before the Outside Date; and
 - (o) it contains other information reasonably requested by the Monitor in consultation with the Company and the DIP Lender.
31. In addition to the Bid Criteria set out at paragraph 30 above, a Sale Proposal submitted by a Bidder will be considered a "**Qualified Purchase Bid**" only if the Sale Proposal complies with all of the following:
- (a) it includes a duly authorized and executed purchase and sale agreement, together

with a markup outlining and highlighting all proposed changes from the Template APA or Template Subscription Agreement, specifying the purchase price, expressed in Canadian dollars, including the cash component thereof and/or the liabilities to be assumed by the Bidder (the "**Purchase Price**"), together with all exhibits and schedules thereto, and such ancillary agreements as may be required by the Bidder with all exhibits and schedules thereto (or term sheets that describe the material terms and provisions of such ancillary agreements) and such ancillary agreements;

- (b) it contains a detailed listing and description of the Property to be included in the Sale Proposal, and a detailed listing of the Property to be excluded from the Sale Proposal (if any), as well as the value and breakdown of the allocation of the Purchase Price;
 - (c) it contains details of the proposed number of employees of the Company who will become employees of the Qualified Bidder, and the proposed terms and conditions of employment to be offered to those employees; and
 - (d) it includes an acknowledgement and representation that the Qualified Bidder will assume the obligations of the Company under executory contracts, unexpired leases, and licenses proposed to be assigned (and clearly identifies the particular contracts, leases, and licenses of the Company, as applicable, that the Qualified Bidder does not wish to assume, or alternatively wishes to assume); contains full details of the Bidder's proposal for the treatment of related cure costs; and specifies which such assumptions are a condition of closing.
32. In addition to the Bid Criteria set out at paragraph 30 above, an Investment Proposal submitted by a Qualified Bidder will be considered a "**Qualified Investment Bid**" only if the Investment Proposal complies with all of the following:
- (a) it includes duly authorized and executed binding definitive documentation setting out the terms and conditions of the proposed Transaction, including the aggregate amount of the proposed equity and/or debt investment, and details regarding the proposed equity and/or debt structure of the Company, if applicable, following completion of the proposed Transaction; and
 - (b) it includes a description of the type and amount of consideration, including equity, if any, to be allocated to secured creditors, unsecured creditors, and equity holders of the Company.
33. For greater certainty, Sale Proposals and Investment Proposals may be submitted in respect of only a part or parts of the Business or Property, and such proposal(s) shall constitute a Qualified Bid if it satisfies the requirements in paragraphs 30 and 31 or 32 herein, as applicable.
34. The Monitor, in consultation with the Company and the DIP Lender, may amend, modify or waive compliance with any one or more of the requirements specified in paragraphs 30, 31, or 32, as applicable, and deem any non-compliant Bid to be a Qualified Bid if in the Monitor's view, in consultation with the Company and DIP Lender, such Bid will enhance the competitiveness of the SISP and increase the opportunity to maximize value under the SISP.

Selection of Successful Bidders

35. Following the Bid Deadline, the Monitor, in consultation with the Company, the DIP Lender and BNS, will determine if each Bid delivered meets the Bid Criteria, provided that each Bid may be negotiated among the Monitor, in consultation with the Company, and the applicable Bidder, and may be amended, modified, or varied to improve such Bid as a result of such negotiations. The Monitor shall be under no obligation to negotiate identical terms with, or extend identical terms to, each Bidder. For greater certainty, the Monitor shall be entitled at any time to seek to clarify the terms of a Bid, and the Monitor may accept a revised and/or clarified Bid, provided that the initial Bid was received prior to the Bid Deadline.
36. The Monitor, in consultation with the Company, the DIP Lender and BNS, will review and assess Qualified Purchase Bids and will review and assess the following, among other things:
- (a) the Purchase Price and net value of the Bid (including all assumed liabilities and other obligations to be performed by the Bidder) and the proposed allocation of the Purchase Price among the applicable Property;
 - (b) the firm, irrevocable commitment for financing the Transaction, or other evidence of ability to consummate the Sale Proposal;
 - (c) the claims, if any, likely to be created against the Company by the Transaction contemplated by the Sale Proposal, relative to alternatives available to the Company;
 - (d) the estimated number of employees of the Company that will be offered post-closing employment and the material terms and conditions of same;
 - (e) the nature and amount of debt and other liabilities to be assumed or acquired by the Bidder;
 - (f) the proposed revisions to the Template APA or the Template Subscription Agreement, as applicable, and the terms of the proposed sale Transaction documents;
 - (g) the Property included in or excluded from the Sale Proposal, and the Transaction costs and risks associated with closing multiple Transactions versus a single sale Transaction for all or substantially all of the Property;
 - (h) any transition services required from the Company post-closing, and any related restructuring costs;
 - (i) the planned treatment of stakeholders; and
 - (j) other factors affecting the speed, certainty, and value of the Sale Proposal (including any regulatory approvals and other conditions required to close the Sale Proposal by the Outside Date), including the likelihood of closing the Sale Proposal on or before the Outside Date.
37. The Monitor, in consultation with the Company, the DIP Lender and BNS, will review Qualified Investment Bids and will review and assess the following, among other things:

- (a) the type and amount of consideration, including equity, if any, to be allocated to secured creditors, unsecured creditors, and equity holders of the Company, and the planned treatment of such persons under the proposed Investment Proposal;
 - (b) the firm, irrevocable commitment for financing the investment, or other evidence of ability to consummate the Investment Proposal;
 - (c) the cost, risks, and timing associated with obtaining the approval of the Transaction;
 - (d) the estimated number of employees of the Company that will remain with the Company post-closing, and any proposed measures associated with their continued employment;
 - (e) the transition services required from the Company post-closing, and any related tasks;
 - (f) the planned treatment of stakeholders; and
 - (g) other factors affecting the speed, certainty, and value of the Investment Proposal (including any regulatory approval and other conditions required to close the Investment Proposal), including the likelihood of closing the Investment Proposal on or before the Outside Date.
38. The Monitor in consultation with the Company, the DIP Lender and BNS, shall determine which Qualified Bid (or any combination of Qualified Bids, as applicable) is the highest or otherwise best Qualified Bid, and may choose to accept such Qualified Bid(s) (in which case, such Qualified Bid(s) shall be the "**Successful Bid**" and the Bidder(s) making the Successful Bid shall be the "**Successful Bidder**") and take such steps as are necessary to finalize and complete a definitive agreement for the Successful Bid with the Successful Bidder and seek Court Approval. For greater certainty, the Monitor, may accept a combination of non-overlapping Qualified Bids and in such case the applicable Bidders will become "**Successful Bidders**".
39. The Monitor, in consultation with the Company, DIP Lender and BNS, may at any time:
- (a) reject any Bid that is: (i) inadequate or insufficient; and/or (ii) not in conformity with the requirements of the CCAA, the SISP Procedures, or any orders of the Court applicable to the Company;
 - (b) accept Bids not in conformity with the SISP Procedures that are, in the Monitor's view, in the best interest of the Company and its stakeholders;
 - (c) extend the Bid Deadline in accordance with these SISP Procedures; and/or
 - (d) reject all Bids.

Backup Bid

40. In the event a Successful Bid is accepted in accordance with paragraph 38, the Monitor in consultation with the Company may also select any Qualified Bid as the "**Backup Bid**" (the Bidder of such Backup Bid, the "**Backup Bidder**") and take such steps as are necessary to finalize and complete an agreement for the Backup Bid with the Backup Bidder. In the event the closing does not occur of the Successful Bid accepted in accordance with paragraphs 38 or **Error! Reference source not found.**, the Backup Bid shall, upon confirmation of the Monitor, become the Successful Bid and be dealt with as such in accordance with the SISP Procedures.

Back-Stop Credit Bid by DIP Lender

41. The DIP Lender may elect to submit a back-stop credit bid (a **"Back-Stop Credit Bid"**) at any time up to the date that is four (4) days following the Bid Deadline pursuant to which the DIP Lender or a nominee thereof will, subject to Court Approval, agree to acquire all or any portion of the Property and Business, and which Back-Stop Credit Bid shall in all other respects comply with the terms set out in paragraph 25(a) herein. If the DIP Lender elects to submit a Back-Stop Credit Bid in accordance with this paragraph, such Back-Stop Credit Bid shall be (i) deemed the Successful Bid if no other Bid or combination of non-overlapping Bids is received by the Bid Deadline that satisfies amounts in priority to the DIP Lender and repays the obligations owed to the DIP Lender in full in cash on closing; (ii) designated the Successful Bid if the Monitor otherwise determines the Back-Stop Credit Bid is the best bid notwithstanding any other Bids submitted with higher stated value; and (iii) available for acceptance by the Monitor as a Successful Bid until the earlier of the date such Back-Stop Credit Bid is revoked by the DIP Lender in writing (on not less than three (3) business days prior written notice to the Monitor and the Company; it being understood that the Back-Stop Credit Bid may not be revoked following acceptance by the Monitor) or an alternative Successful Bid or Backup Bid is closed and repays the obligations owed to the DIP Lender in full in cash on closing. No deposit shall be required to be submitted with any Back-Stop Credit Bid by the DIP Lender. For greater clarity, a Back-Stop Credit Bid by the DIP Lender may include a Sale Proposal or an Investment Proposal or such other Transaction as may be agreed among the DIP Lender, the Monitor and the Company, subject to Court Approval.
42. No Bid(s) shall be declared the Successful Bid hereunder if the DIP Lender has submitted a Back-Stop Credit Bid (and such Back-Stop Credit Bid has not been revoked in accordance with paragraph 41 herein) unless such Bid(s) repay the obligations owed to the DIP Lender in full in cash on closing or are otherwise acceptable to the DIP Lender in its sole and absolute discretion.

Approval Motion

43. After a definitive agreement(s) in respect of a Successful Bid has been finalized in accordance with the SISP Procedures, the Company shall apply to the Court as soon as reasonably practicable for Court Approval of such Successful Bid and authorizing the Company to enter into any and all necessary agreements with respect to such Successful Bid and to undertake such other actions as may be necessary or appropriate to give effect to such Successful Bid, including for the approval of any plans of arrangement pursuant to the CCAA or plans of arrangement pursuant to applicable corporate statutes (an **"Approval Motion"**).
44. An Approval Motion will be held on a date to be scheduled by the Court and to be heard as soon as possible following selection of a Successful Bid, subject to Court availability. With the consent of the Monitor and the Successful Bidder(s), and in consultation with the DIP Lender, the Approval Motion may be adjourned or rescheduled by the Company without further notice, by an announcement of the adjourned date at the Approval Motion or with notice to the service list of the CCAA proceedings prior to the Approval Motion. The Companies will consult with the Monitor, the DIP Lender, BNS and the Successful Bidder(s) regarding the motion material to be filed by the Companies for the Approval Motion.

45. All Bids (other than the Successful Bid and any Backup Bid, as the case may be) will be deemed rejected at 11:59 p.m. on the day following Court Approval of a Transaction relating to the same Business and/or Property that is the subject of the Bid. Any Backup Bid will be deemed rejected upon closing of the Successful Bid.

Supervision of the SISP

46. Subject to any consultation rights and other similar rights provided for herein, the Monitor, in consultation with the Company, will conduct the SISP in the manner set out herein and in the SISP Approval Order. All discussions or inquiries to the Company regarding the SISP shall be directed to the Monitor.
47. Other than as specifically set forth in a definitive agreement between the Company and a Successful Bidder, the SISP does not, and will not be interpreted to, create any contractual or other legal relationship among the Company, the Monitor, any Interested Party, Bidder, the Successful Bidder, or any other party.

Further Orders

48. At any time during the SISP, the Company or the Monitor may apply to the Court for advice and directions on any aspect of this SISP, including, but not limited to, the continuation or termination of the SISP, or with respect to the discharge of its powers and duties hereunder.

Additional Terms

49. The Monitor, in consultation with the Company and with the consent of the DIP Lender and BNS or authorization of the Court, may make any modification to the SISP it considers appropriate in the circumstances and, where it considers such modification to be material, it may seek Court approval of such modification on notice to the service list in the CCAA proceedings. The extension of any date in the SISP by up to two (2) weeks and in accordance with the terms herein shall not be considered material.
50. The Monitor, in its business judgement, shall be entitled to facilitate discussions and negotiations between Bidders and/or Bidders and stakeholders in order to facilitate the objectives of this SISP, provided that a representative of the Monitor shall be entitled to participate in all such discussions and negotiations. In no circumstance shall Bidders communicate with one another or stakeholders of the Company regarding the SISP or a Transaction without the prior written consent of the Monitor.
51. The Monitor may, with the consent of the DIP Lender and BNS, terminate the SISP in relation to all or any part of the Business or Property, including if no Qualified Bids are received by the Bid Deadline.
52. Neither the Company nor the Monitor shall be liable for any claim for a brokerage commission, finder's fee, or like payment in respect of the consummation of any Transaction consummated under the SISP.
53. The Monitor shall be permitted, in its discretion, to provide general updates and information in respect of the SISP to any creditor (each a "**Creditor**") and its legal and financial advisors, if applicable, on a confidential basis, upon: (a) the irrevocable confirmation in writing from such Creditor that it will not submit any Bid in the SISP; and

(b) such Creditor executing a confidentiality agreement or undertaking with the Company in form and substance satisfactory to the Company and the Monitor.

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Appendix "A"

Contact Information

Monitor

Alvarez & Marsal Canada Inc.

Attn:

- **Josh Nevsky & Skylar Rushton**

Email: jnevsky@alvarezandmarsal.com, srushton@alvarezandmarsal.com

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

Court File No. CV-25-00748510-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF QM GP INC.
AND HIGHPOINT ENVIRONMENTAL SERVICES INC.

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

Proceedings commenced at Toronto

SISP APPROVAL ORDER

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

Court File No. CV-25-00748510-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT
OF QM GP INC. AND HIGHPOINT ENVIRONMENTAL SERVICES INC.

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

Proceedings commenced at Toronto

**MOTION RECORD OF THE
APPLICANTS
(ARIO and SISP Approval Order)
(Returnable August 7, 2025)**

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