COURT FILE NUMBER	**2201-07148**
COURT	**COURT OF KING'S BENCH OF ALBERTA**
JUDICIAL CENTRE	**CALGARY**
PLAINTIFF	**PRIVATE DEBT PARTNERS SENIOR OPPORTUNITIES FUND GP INC. carrying on business as PRIVATE DEBT PARTNERS**
DEFENDANTS	**HOME SOLUTIONS CORPORATION**
DOCUMENT	**RECEIVER'S SECOND REPORT TO COURT NOVEMBER 1, 2024**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

RECEIVER
Grant Thornton Limited
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Calgary, Alberta
T2P 0B2

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RECEIVER'S COUNSEL
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INTRODUCTION AND BACKGROUND

1. On June 28, 2022, on application by Private Debt Partners Senior Opportunities Fund GP Inc. (carrying on business as Private Debt Partners) ("**PDP**"), the Court of King's Bench of Alberta (the "**Court**") issued an order (the "**Receivership Order**") appointing Grant Thornton Limited as the receiver and manager (in such capacities, the "**Receiver**") of all of the assets, undertakings, and properties of Home Solutions Corporation ("**HSC**" or the "**Company**"), excluding the Company's Current Assets (as defined in the Receivership Order) (collectively, the "**HSC Assets**"). A copy of the Receivership Order is attached hereto as **Appendix "1"**.

2. Prior to the Receivership Order being granted, on May 20, 2022, HSC filed an assignment in bankruptcy pursuant to section 49 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") whereby MNP Ltd. was appointed as the Licensed Insolvency Trustee in the bankruptcy proceedings ("**Trustee**").

3. Prior to the assignment in bankruptcy, HSC operated as a manufacturer and supplier of materials for closets and glassware for commercial and residential clients in the construction industry. HSC operated out of the following leased facilities:

   (a) A manufacturing facility consisting of two (2) adjacent buildings located at 11550 and 11510 40 Street SW in Calgary, Alberta; and

   (b) A satellite sales office and warehouse located at 110 – 91 Street SW in Edmonton, Alberta.

PURPOSE OF THIS SECOND REPORT

4. The purpose of this Second report of the Receiver (this "**Second Report**") is to provide this Honourable Court with information regarding:

   (a) An update on matters of importance that have arisen since the Receiver's First Report dated August 10, 2022, ("**First Report**");

   (b) The Receiver's application for approval of:

      (i) The Receiver's activities, including the Estimated Final SRD (as defined below);

      (ii) An Estimated Final Distribution (as defined below);

      (iii) The Receiver's application for its discharge; and,

      (iv) The professional fees and disbursements of the Receiver, and those of its counsel, MLT Aikins LLP ("**MLT**");

   (c) To obtain advice and direction related the Canada Revenue Agency ("**CRA**") deemed trust claim ("**Deemed Trust Claim**"), as it is enforceable upon the receivership and bankruptcy estates; and,

   (d) Such further and other relief as counsel may advise and this Honourable Court may permit.

RESTRICTIONS AND TERMS OF REFERENCE

5. In preparing this Second Report, the Receiver has relied upon unaudited and certain audited financial information, the Company's books and records, certain financial information obtained by third parties, and discussions with various individuals (collectively, the "**Information**"). The Information has not been audited by the Receiver as to its accuracy or completeness, nor has it necessarily been prepared in accordance with Generally Accepted Accounting Principles or International Financial Reporting Standards and the reader is therefore cautioned that this Second Report may not disclose all significant matters about the Company.

6. This Second Report has been prepared for the use of this Court to provide general information and an update relating to the receivership proceedings for the purpose of assisting the Court in making

a determination as to whether to approve the relief sought. This Second Report should not be relied on for any other purpose. The Receiver will not assume responsibility or liability for losses incurred as a result of the circulation, publication, reproduction, or use of this Second Report contrary to the provisions of this paragraph.

7. A copy of this Second Report and other relevant documents with respect to these receivership proceedings are available on the Receiver's website at www.DoaneGrantThornton.ca/HomeSolutions.

8. Capitalized terms not defined in this Second Report have the meanings ascribed to them in the Receivership Order, the First Report and/or the affidavit of Jeffrey Deacon sworn June 20, 2022 (the "**Deacon Affidavit**").

9. Additional background on the Company and the events leading up to the Receivership Order are contained in the Deacon Affidavit and the application materials filed by PDP.

10. All references to dollars are in Canadian currency unless otherwise noted.

REALIZATION OF ASSETS

Conclusion of Auction

11. On September 15, 2022, the Receiver advised PDP that the auction related to all the HSC Assets had closed. Thereafter, the Receiver received net funds of $851,787 and liaised with GD Auctions and the landlord of the Calgary Premises ("**Landlord**") to:

    (a) Negotiate an end to the access agreement ("**Access Agreement**") that the Receiver had previously negotiated for the Calgary Premises (which housed the HSC Assets) to reduce carrying costs;

    (b) Negotiate a settlement between the Landlord and GD Auctions to ensure that further costs would not be borne by the receivership estate due to a dispute related to the additional amount of time required to remove certain assets (i.e. glass furnace that was built into the HSC Premises), which was completed on October 31, 2022; and,

    (c) Make final payments to the Landlord and facilitate a payment from GD Auctions due to the additional time required to remove the HSC Assets.

12. The various activities and negotiations related to the Landlord and Auctioneer concluded on January 6, 2023.

Summit Assets

13. The Summit Asset Transaction was completed on August 23, 2024, with a net receipt of $78,532, representing the equity interest that HSC owned in the Summit Assets.

CRA DEEMED TRUST CLAIM

14. In November 2022, the CRA advised the Receiver that CRA was working with the Trustee to complete a trust exam and that according to CRA's records the potential source deduction liability would be between $250,000 and $300,000. The Trustee advised the Receiver of the Deemed Trust Claim in February 2023.

15. CRA filed a claim with the Trustee on July 11, 2023, for $318,116. This claim was amended to $284,027 on September 6, 2024, to adjust for certain penalties and interest and to reflect a reduction to the employer portions of withholdings. The Trustee forwarded the claims to the Receiver.

16. Until February 2023 the Trustee advised that it was investigating the Deemed Trust Claim further upon advice from Andrew Davidson ("**Mr. Davidson**") the former director of HSC who claimed that HSC did make payments to the CRA and therefore the Deemed Trust Claim was incorrect.

17. The Deemed Trust Claim relates specifically to payroll remittances from January 1, 2020, to August 31, 2020. After August 31, 2020, the Receiver was told that HSC used a payroll service provider ("**ADP**").

18. In February 2023, the Trustee advised that it was abandoning its efforts to review the Deemed Trust Claim as there were insufficient funds in the bankruptcy estate to continue. Accordingly, at this point the Receiver had to continue investigations of the Deemed Trust Claim.

19. On February 12, 2023, the Receiver spoke with a representative from CRA who advised that to continue its review of the Deemed Trust Claim considering Mr. Davison's arguments, the CRA would require:

    (a) The HSC payroll journal from January 1, 2020, to August 31, 2020; and,

    (b) The bank statements of HSC from January 1, 2020, to April 30, 2020, and April 1, 2022, to May 31, 2022 (or date of bankruptcy),

20. The Receiver requested information from the Trustee and was provided with certain Company records ("**Records**"). Additionally, the Receiver obtained bank statements for HSC account 5419809 ("**541 Account**") for January 1, 2020, to March 31, 2022 ("**HSC 541 Bank Statements**") from the Toronto Dominion Bank ("**TD**").

21. The Receiver reviewed the Records and the HSC 541 Bank Statements, and would note the following:

(a) The Records contained certain information on payroll remittances however did not provide any substantive responses to the CRA queries;

(b) In 2020 HSC made remittances of $580,605;

(c) After August 27, 2023, HSC engaged ADP to carry out payroll processing including payroll remittances to CRA. The Receiver was able to confirm that $666,404 was paid by ADP in 2020;

(d) Total payroll remittances due to CRA for 2020 were $1,580,555; and,

(e) The outstanding unpaid amount is $333,546.

22. Subsequently on June 30, 2023, the CRA advised the Receiver that the Deemed Trust Claim would not be further adjusted, and the Receiver would be required to make payment to CRA of any residual funds in the receivership estate.

23. On June 13, 2023, Mr. Davidson's counsel, Bennett Jones LLP ("**Bennett Jones**") contacted the Receiver to assist with the Receiver discussing directly with Mr. Davidson his position as to the Deemed Trust Claim.

24. The Receiver thereafter had numerous discussions with Mr. Davidson, Lee Stanford ("**Mr. Stanford**") the former external accountant of HSC and John Banfield ("**Mr. Banfield**") the former controller of HSC and obtained the following information:

(a) Two additional bank accounts were identified:

(i) HSC account 7336266 denominated in US dollars ("**733 Account**");

(ii) Simple Spaces (Edmonton) Ltd. ("**SSL**") account 5259935 ("**525 Account**"), related to a related entity that Mr. Davidson advised may have made payments to CRA as related to the Deemed Trust Claim; and,

(b) Mr. Banfield recalled that approximately $360,000 was owed to the CRA for payroll remittances prior to HSC engaging ADP.

25. The Receiver requested 733 Account and 525 Account ("**HSC 733 Bank Statements**" and "**SSL 525 Bank Statements**" respectively,) from TD and its counsel McCarthy Tetrault LLP ("**McCarthy**")

in November of 2023. Further follow up requests were made periodically until August 2024.

26. MLT subsequently requested the HSC 733 Bank Statements and the SSL 525 Bank Statements from Mcarthy, and these were provided on September 11, 2024.

27. Upon review of the relevant bank statements, the receiver determined that $24,110 was paid from the 525 Account between July 15, 2019, and December 16, 2019, in respect of CRA remittances. This payment predates the Deemed Trust Claim. No relevant payments were made from the 733 Account.

28. No further evidence has been provided by either the Trustee or Mr. Davidson and the Receiver is of the opinion that CRA has correctly calculated the Deemed Trust Claim.

29. As a result of the outstanding Deemed Trust Claim, MLT has not completed a review of the PDP security as the CRA Deemed Trust Claim has priority over the PDP security. As set out herein, the proposed distribution seeks the Court's direction to distribute funds to the CRA pursuant to its Deemed Trust Claim.

Temporary Wage Subsidy Claim

30. In discussions with CRA and the Trustee, the Receiver discovered that HSC applied for the Temporary Wage Subsidy Program ("**TWS**") which was related to the Canada Emergency Wage Subsidy ("**CEWS**") application s that were submitted to the CRA on May 11, 2020, and June 1, 2020, respectively.

31. The Receiver had made this application to attempt to collect approximately $25,000 to offset the Deemed Trust Claim. However, the CRA rejected the Receiver's further application, citing that the specific information as provided by the Receiver related to the payroll journals of HSC, bank statements and CRA forms were insufficient.

32. As no further information was available, the Receiver abandoned its efforts to further the claim related to TWS.

Administrative Agreement

33. The Receiver also received an Administrative Agreement from CRA on January 17, 2024, ("**Administrative Agreement**") that would allow the Receiver to make payment of its reasonable

fees and expenses in priority to the Deemed Trust Claim.

Advice and Direction

34. The Deemed Trust Claim is enforceable by CRA upon both the bankruptcy estate and the receivership estate. Accordingly, the Receiver discussed with the Trustee apportioning the Deemed Trust Claim as between the respective estates based on the quantum of assets recovered in each.

35. The Receiver began these discussions in March 2023. In June 2023, the Trustee advised that it did not agree with the apportionment and intended itself to resolve the Deemed Trust Claim matter by providing the CRA with HSC's uncollected Accounts Receivable ("**AR**").

36. The Receiver believes that the Deemed Trust Claim should be apportioned between the two estates to ensure the claim is equitably resolved.

37. Based on the information provided by the Trustee the Receiver calculates the apportionment - excluding professional fees but including all direct costs of realization - as follows:

Bankruptcy Estate			***Receivership Estate***		
Realization		**Amount**	**Realization**		**Amount**
Accounts Receivable	$	186,373	Sale of Assets- Summit	$	78,532
Expense Reimbursement		51,752	Sale of Assets- GD Auctions		851,788
Cash		34,369			
Misc. Receipts		26			
Total		**272,520**	**Total**		**930,320**
Costs of Realization		**Amount**	**Costs of Realization**		**Amount**
Rent		107,267	Rent		202,498
Utilities		26,367	Utilities		47,766
Insurance		12,338	Insurance		5,800
Contractor Fees		9,654	Auctioneers Commission/ Expenses		180,927
IT Services		5,110	Storage		1,800
Repairs and Maintanence		1,470	Repairs and Maintanence		6,722
			Outside Consulting		5,000
			Disposal Costs		21,999
			Cleanup Costs		29,860
Total		**162,206**	**Total**		**502,371**
Net Realization		**110,314**	**Net Realization**		**427,949**

Bankruptcy Estate Net Realization	$	110,314
Receivership Net Realization	$	427,949
Total Realizations (Bankruptcy and Receivership)	$	538,263
% Bankruptcy		20%
% Receivership		80%
Total Deemed Trust Claim	$	284,027
Apportionment to Receivership Estate	$	225,818
Apportionment to Bankruptcy Estate	$	58,210

38. If the Deemed Trust Claim is apportioned as above, the receivership estate would be responsible for 80% of the Deemed Trust Claim ($225,818), while the bankruptcy estate would be responsible for the remaining 20% of the Deemed Trust Claim ($58,210).

39. The Receiver acknowledges that the CRA can collect the Deemed Trust Claim as it sees fit upon either estate; accordingly, and absent an agreement with the Trustee as to an equitable apportionment, the Receiver intends to pay all residual funds in the receivership estate to CRA, subject to the Receiver's Charge and the Administrative Agreement.

40. To avoid ongoing argument with the Trustee, the Receiver requests advice and direction from this Honourable Court on the apportionment of the Deemed Trust Claim, after hearing further from the CRA and the Trustee, related to their respective positions.

RECEIVER'S ACTIVITIES

41. In addition to those activities undertaken above, the Receiver has conducted the following activities in relation to its appointment:

    (a) Attend to emails and phone calls from creditors, customers, and other stakeholders of HSC;

    (b) Provide information to PDP as requested;

    (c) Repayment of the Receiver's Certificate with interest;

    (d) Gathering further information from third parties as required;

    (e) Provide the Records and facilitate back-up copies of all hard drives as requested by Bennett Jones pursuant to an Order dated June 16, 2023, attached to this Second Report as **Appendix "2**";

    (f) Preparing the statutory reporting requirements required by subsection 246(2) of the BIA and filing them with the Office of the Superintendent of Bankruptcy ("**OSB**");

    (g) General administration as related to the receivership estates; and,

    (h) Preparing this Second Report.

ESTIMATED FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS

42. An Estimated Final Statement of Receipts and Disbursements as at October 31, 2024 ("**Estimated Final SRD**"), has been prepared and is attached as **Appendix "3"**.

43. As of October 29, 2024, the estate balance is $164,857 and is held in the Receiver's trust accounts.

44. After payment of outstanding invoices for professional fees, required disbursements and the Completion Estimate (as defined below), the Receiver proposes to make the following estimated final distribution, subject to the Deemed Trust Claim:

    (a) $ 145,977 distribution to CRA (the "**Estimated Final Distribution**").

PROFESSIONAL FEES

45. The Receiver's fees from June 20, 2022, to May 31, 2024, are $146,497, plus disbursements of $343, plus GST of $7,342 for a total of $154,181.

46. MLT's fees from July 4, 2022, to August 31, 2024, are $23,912, plus disbursements of $1,476 plus GST of $1,247 for a total of $26,634.

47. A summary of the accounts rendered by the Receiver and its legal counsel are found in the table below:

Grant Thornton Limited

Invoice No.	Date Invoiced to	Fees	Disbursements	GST	Total
LSON-8309	30-Jun-22	9,016	-	451	9,467
LSON-8360	31-Jul-22	37,919	56	1,899	39,873
LSON-8441	31-Aug-22	31,763	139	1,595	33,497
LSON-8493	30-Sep-22	11,526	82	580	12,189
LSON-8594	31-Oct-22	9,146	35	459	9,640
LSON-8652	30-Nov-22	7,030	30	353	7,413
LSON-8684	31-Dec-22	3,281	-	164	3,445
LSON-8753	31-Jan-23	2,831	-	142	2,973
LSON-8913	31-Mar-23	10,194	-	510	10,704
LSON- 9059	31-May-23	2,921		146	3,067
LSON-9405	30-Sep-23	12,625	-	631	13,256
LSON-9754	31-Jan-24	7,543	-	377	7,920
LSON-10168	31-May-24	702	-	35	738
	Total	**146,497**	**343**	**7,342**	**154,181**

MLT Aikins LLP

Invoice No.	Date Invoiced to	Fees	Disbursements	GST	Total
6312387	31-Aug-22	11,212	386	580	12,178
6348915	31-Jan-23	3,440	1,072	203	4,715
6382375	30-Jun-23	5,327	17	267	5,611
6491469	31-Aug-24	3,933	1	197	4,130
	Total	**23,912**	**1,476**	**1,247**	**26,634**

48. The Receiver estimates its professional fees and those of its counsel to complete the administration of the Receiverships to be $18,880 (the "**Completion Estimate**") as indicated in the Estimated Final SRD.

49. Detailed accounts are available for review by the Court upon request. These fees constitute fees of the professionals involved in this matter, at their ordinary rates multiplied by actual time spent on this matter.

50. It is the Receiver's opinion that the fees and disbursements of the Receiver and MLT accurately reflect the work done by the Receiver, and on behalf of the Receiver by MLT, in connection with

the receivership and the administration of the receivership for the periods in which they were incurred.

51. It is the Receiver's opinion that the fees and disbursements of MLT are fair and reasonable and justified in the circumstances. The Receiver recommends approval of MLT's accounts by this Court.

CONCLUSION AND RECOMMENDATION

52. For the reasons set out above, the Receiver is of the view that the relief requested is reasonable and appropriate in the circumstances and respectfully recommends that this Court issue the Orders granting the Receiver's requested relief.

53. The Receiver expects that it will be able to complete the statutory tasks and final administration of the Receivership within two months of the application for discharge.

54. As the Receiver expects to have completed its obligations under the Receivership Order shortly, and in an effort to limit future costs of administering the Receivership estates, the Receiver is seeking a discharge from its duties. The discharge will be conditional upon the fulfilment of its duties at which time it will file a Discharge Certificate, in the form attached to the form of Order being sought.

55. The Receiver requests that this Honourable Court approve an order:

   (a) Approving and ratifying the actions, conduct, and activities of the Receiver, as set out in this Second Report;

   (b) Approving the Estimated Final SRD, as set out in this Second Report;

   (c) Approving the professional fees and disbursements of the Receiver, and those of its legal counsel, MLT, plus the Completion Estimates, as set out in the Second Report;

   (d) Approving the estimated professional fees and disbursements to close of the Receiver, and those of its legal counsel, MLT, as set out in the Estimated Final SRD;

   (e) Approving the Estimated Final Distribution;

   (f) Declaring that the Receiver has duly and properly discharged its duties, responsibilities, and obligations as Receiver;

   (g) Discharge of the Receiver upon filing of the Discharge Certificate; and

(h) Empowering the Receiver, notwithstanding its discharge, to perform any act necessary or incidental to the conclusion of the Receivership, and approving the Completion Estimate in respect thereof; and,

(i) Granting such further and other relief, advice, and directions as counsel may advise and this Honourable Court deem just and appropriate.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 1st day of November 2024.

GRANT THORNTON LIMITED,
solely in its capacity as the Court-appointed receiver and manager of
Home Solutions Corporation and not in its personal or corporate capacity

Per:

Neil Honess, PhD, CIRP, LIT Senior Vice President	Par Zilka, CIRP, LIT Manager

Appendix 1

COURT FILE NUMBER	2201-07148
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	**PRIVATE DEBT PARTNERS SENIOR OPPORTUNITIES FUND GP INC. carrying on business as PRIVATE DEBT PARTNERS**
RESPONDENT	**HOME SOLUTIONS CORPORATION**
DOCUMENT	**RECEIVERSHIP ORDER**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MILLER THOMSON LLP 3000, 700 - 9th Avenue S.W. Calgary, AB, Canada T2P 3V4 Attention: Nicole T. Taylor-Smith Telephone: 403.298.2401 Fax: 403.262.0007 E-mail: ntaylorsmith@millerthomson.com File No.: 0252261.0002

Clerk's Stamp

JUDICIAL CENTRE OF CALGARY
FILED DIGITALLY
2201 07148
Jul 7, 2022
10:13 AM
CLERK OF THE COURT

DATE ON WHICH ORDER WAS PRONOUNCED:	June 28, 2022
NAME OF JUDGE WHO MADE THIS ORDER:	The Honourable Justice D.B. Nixon
LOCATION OF HEARING:	Calgary, Alberta

UPON the application of Private Debt Partners Senior Opportunities Fund GP Inc. carrying on business as Private Debt Partners ("**PDP**") in respect of Home Solutions Corporation (the "**Debtor**"); AND UPON having read the Originating Application, the Affidavit of Jeffrey Deacon; and the Affidavit of Service of Faith McNeil, filed; AND UPON reading the consent of Grant Thornton Limited to act as interim receiver and receiver and manager (the "**Receiver**") of the Debtor, filed; AND UPON being advised that the Debtor made an assignment in bankruptcy on May 20, 2022 and that MNP Ltd. (the "**Trustee**") was appointed Licensed Insolvency Trustee for the bankrupt estate; AND UPON hearing counsel for PDP, counsel for the Trustee, counsel for The Toronto-Dominion Bank, counsel for the proposed Receiver and any other counsel or other interested parties present; AND UPON being advised that PDP is seeking to exclude the Debtor's Inventory and Accounts Receivable (as such terms are defined in the attached Schedule "B") (the "**Current Assets**") from this application;

AND UPON counsel for the Trustee advising the Court that the Debtor's estate has incurred certain expenses including for rent, insurance and repair and maintenance costs associated with the Debtor's equipment and advising the Court that it was the Trustee's understanding that an agreement was reached between the Trustee and PDP prior to the within application whereby PDP would repay a portion of such costs either directly or from the proceeds of the receivership proceedings by no later than July 29, 2022 and that the Trustee would disclaim its interest in certain of the Debtor's real property leases immediately upon the within receivership order being granted; AND UPON being advised by counsel for PDP that the agreement could not be confirmed because instructions could not be obtained prior to the hearing of the application (the "**Cost Allocation Issue**");

IT IS HEREBY ORDERED AND DECLARED THAT:

Service

1. The time for service of the notice of application for this order (the "**Order**") is hereby abridged and deemed good and sufficient and this application is properly returnable today, service of the Originating Application and Affidavit of Jeffrey Deacon on the service list, in the manner described in the Affidavit of Service of Faith McNeil, is good and sufficient, and no other persons other than those listed in on the service list attached as an exhibit to the Affidavit of Service of Faith McNeil are entitled to service of the Originating Application and Affidavit of Jeffrey Deacon.

Appointment

2. Pursuant to section 65(7) of the *Personal Property Security Act*, R.S.A. 2000, c.P-7, section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the "**BIA**"), and section 13(2) of the *Judicature Act*, R.S.A. 2000, c.J-2, Grant Thornton Limited is hereby appointed Receiver, without security, of all of the Debtor's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof excluding the Current Assets (the "**Property**").

Receiver's Powers

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

   (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

   (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

   (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

(d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

(e) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;

(f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor in respect of the Property and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;

(g) to settle, extend or compromise any indebtedness owing to or by the Debtor in respect of the Property;

(h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

(i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;

(j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;

(k) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:

(i) without the approval of this Court in respect of any transaction not exceeding $250,000, provided that the aggregate consideration for all such transactions does not exceed $2,000,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 60(8) of the *Personal Property Security Act*, R.S.A. 2000, c. P-7 or any other similar legislation in any other province or territory shall not be required.

(m) to apply for any vesting order or other orders (including, without limitation, confidentiality or sealing orders) necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(o) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property, and when submitted by the Receiver for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, or any other similar government authority, notwithstanding Section 191 of the *Land Titles Act*, RSA 2000, c. L-4, or the provisions of any other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles shall accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver of the Debtor and not in its personal capacity;

(p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

(q) to enter into agreements with the Trustee, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

(r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

(s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtor, and without interference from any other Person (as defined below). For greater certainty, none of the powers set out in this paragraph 3 or any other provisions or paragraphs of this Receivership Order shall: (i) empower or authorize the Receiver to take any actions, steps, or exercise any of the aforementioned powers, over or with respect to the Current Assets or any of the Debtor's corresponding rights, title, remedies, or interests, in any way or manner; or, (ii) prejudice, affect, stay, or impair, any of the rights, remedies, or actions of The Toronto-Dominion Bank or the Trustee, associated with the pursuit, enforcement, collection, or exercise of any rights, remedies, or interests of The Toronto-Dominion Bank with respect to, in, concerning, or otherwise related to, the Current Assets.

Duty to Provide Access and Co-operation to the Receiver

4. (i) The Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.

5. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph or in paragraph [6] of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.

6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names, and account numbers that may be required to gain access to the information.

7. For greater certainty, the Trustee or a consultant engaged by the Trustee will retain possession and control of any Records that are stored or otherwise contained on a computer, smartphone or other electronic system of information storage, until such time as access is determined, at the sole discretion of the Trustee acting reasonably, to be no longer required by the Trustee for the administration of the bankrupt estate. The Trustee shall provide unfettered access to such Records to the Receiver for the purpose of allowing the Receiver to recover and copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in

its discretion deems necessary or desirable for the administration of the Receivership. Neither the Trustee nor the Receiver shall alter, erase, modify or destroy any Records without the prior written consent of the other.

No Proceedings Against the Receiver

8. No proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

No Proceedings Against the Debtor or Property

9. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph; and (ii) affect a Regulatory Body's investigation in respect of the debtor or an action, suit or proceeding that is taken in respect of the debtor by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. "Regulatory Body" means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a Province.

No Exercise of Rights of Remedies

10. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Debtor or the Receiver or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided, however, that nothing in this Order shall:

    (a) empower the Debtor to carry on any business that the Debtor is not lawfully entitled to carry on;

    (b) prevent the filing of any registration to preserve or perfect a security interest;

    (c) prevent the registration of a claim for lien; or

    (d) exempt the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment.

11. Nothing in this Order shall prevent any party from taking an action against the Debtor where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Receiver at the first available opportunity.

No Interference with the Receiver

12. No Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, except with the written consent of the Debtor and the Receiver, or leave of this Court.

Continuation of Services

13. All persons having:

    (a) statutory or regulatory mandates for the supply of goods and/or services; or

    (b) oral or written agreements or arrangements with the Debtor, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Debtor

    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 Debtor or exercising any other remedy provided under such agreements or arrangements. The Debtor 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 usual prices or charges for all such goods or services received after the date of this Order are paid by the Debtor in accordance with the payment practices of the Debtor, or such other practices as may be agreed upon by the supplier or service provider and each of the Debtor and the Receiver, or as may be ordered by this Court.

Receiver to Hold Funds

14. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part excluding the Current Assets, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

Employees

15. Subject to employees' rights to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under

sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47 ("**WEPPA**").

16. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act,* S.C. 2000, c. 5, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

Limitation on Environmental Liabilities

17. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:

    (i) before the Receiver's appointment; or

    (ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.

    (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.

    (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,

    (i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:

        (A) complies with the order, or

        (B) on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;

(ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by,

(A) the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or

(B) the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or

(iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

Limitation on the Receiver's Liability

18. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, Section 14.06, 81.4(5) or 81.6(3) of the BIA.

Receiver's Accounts

19. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to the benefits of and are hereby granted a charge (the "**Receiver's Charge**") on the Property, which charge shall not exceed an aggregate amount of $100,000.00, as security for their professional fees and disbursements incurred at the normal rates and charges of the Receiver and such counsel, both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) and 88 of the BIA.

20. The Receiver and its legal counsel shall pass their accounts from time to time.

21. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

Funding of the Receivership

22. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or

desirable, provided that the outstanding principal amount does not exceed $200,000 (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges set out in sections 14.06(7), 81.4(4) and 81.6(2) and 88 of the BIA.

23. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

24. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

25. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a pari passu basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

26. The Receiver shall be allowed to repay any amounts borrowed by way of Receiver's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

Allocation

27. Any interested party may apply to this Court on notice to any other party likely to be affected, for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the various assets comprising the Property.

General

28. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. Notwithstanding Rule 6.11 of *the Alberta Rules of Court,* unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Receiver's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.

30. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

31. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction to give

effect to this Order and to assist the Receiver and its 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 Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.

32. The Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and that the Receiver 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.

33. The Plaintiff shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis, including legal costs on a solicitor-client full indemnity basis, to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

34. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

35. The Trustee may apply to this Court to seek an Order determining the Cost Allocation Issue on notice to PDP, the Receiver, The Toronto-Dominion Bank, and any other party likely to be affected by the Cost Allocation Issue.

36. In the event that a dispute arises with respect to the priority of any claim to the Property, the Receiver or any other interested party may apply to the Court for advice and directions or determination of the issue on notice to PDP, the Receiver and any other party likely to be affected.

Filing

37. This Order is issued and shall be filed in Court of Queen's Bench Action No. 2201-07148, and Court of Queen's Bench in Bankruptcy Action No. 25-2832314, which actions are not consolidated. All further proceedings shall be taken in both actions unless otherwise ordered.

38. The Receiver shall establish and maintain a website in respect of these proceedings at https://www.grantthornton.ca/en/service/advisory/creditor-updates/#Home-Solutions-Corporation (the "**Receiver's Website**") and shall post there as soon as practicable:

    (a) all materials prescribed by statue or regulation to be made publically available; and

    (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.

39. Service of this Order shall be deemed good and sufficient by:

    (a) serving the same on:

        (i) persons listed on the service list created in these proceedings or otherwise served with notice of these proceedings;

        (ii) any other person served with notice of the application for this Order;

        (iii) any other parties attending or represented at the application for this Order; and

    (b) posting a copy of this Order on the Receiver's Website

    and service on any other person is hereby dispensed with.

40. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

Justice of the Court of Queen's Bench of Alberta

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. ____________________

AMOUNT $ ____________________

1. THIS IS TO CERTIFY that **Grant Thornton Limited**, the interim receiver and receiver and manager (the "**Receiver**") of all of the assets, undertakings and properties of **Home Solutions Corporation** appointed by Order of the Court of Queen's Bench of Alberta and Court of Queen's Bench of Alberta in Bankruptcy and Insolvency (collectively, the "Court") dated the **28th** day of **June, 2022** (the "**Order**") made in action numbers **[●]**, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of **[$]**, being part of the total principal sum of **[$]** that the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded **[daily] [monthly not in advance on the ● day of each month]** after the date hereof at a notional rate per annum equal to the rate of **[●]** per cent above the prime commercial lending rate of Bank of **[●]** from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at **[●]**.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _______ day of ______________, 20__.

Grant Thornton Limited, solely in its capacity as Receiver of the Property (as defined in the Order), and not in its personal capacity

Per: ____________________________
Name:
Title:

SCHEDULE "B"
DEFINITION OF ACCOUNTS RECEIVABLE AND INVENTORY

"Accounts Receivable" means all debts, accounts, claims, demands, monies and choses in action which are now or which may at any time hereafter be due, owing to or accruing due to or owned by the Debtor, together with all books, records, documents, papers and electronically recorded data and any other documents or information of any kind which in any way evidences or relates to any or all of the said debts, accounts, claims, demands, monies and choses in action, provided that the term "Accounts Receivable" herein shall not include any proceeds from the sale, disposition or realization of the personal property of the Debtor other than Inventory;

"Inventory" means goods that are (i) held by the Debtor for sale or lease, or have been leased by the Debtor, (ii) that are to be furnished by the Debtor or have been furnished by the Debtor under a contract of service, (iii) that are raw materials or work in progress of the Debtor, or (iv) are materials used or consumed in the Debtor's business;

Appendix 2

I hereby certify this to be a true copy of
the original Order
Dated this 21 day of June, 2023

for Clerk of the Court

Clerk's Stamp

BANKRUPTCY AND INSOLVENCY
FILED
by Email
Jun 21, 2023
Calgary
FAILLITE ET INSOLVABILITE

COURT FILE NO.	25-2832314 / B201 832314
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
MATTER	IN THE MATTER OF THE BANKRUPTCY OF HOME SOLUTIONS CORPORATION
APPLICANTS	ANDREW DAVIDSON AND JODY DAVIDSON
RESPONDENT	HOME SOLUTIONS CORPORATION, BY ITS TRUSTEE IN BANKRUPTCY, MNP LTD., AND GRANT THORNTON LIMITED, IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF HOME SOLUTIONS CORPORATION
DOCUMENT	**ORDER**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**BENNETT JONES LLP** Barristers and Solicitors 4500 Bankers Hall East 855 – 2nd Street SW Calgary, Alberta T2P 4K7 Attention: Chris Simard / Kelsey Meyer / Adam Williams Telephone No.: (403) 298-4485 / 3323 / 3307 Fax No.: (403) 265-7219 Client File No.: 94214.1

DATE ON WHICH ORDER WAS PRONOUNCED: Friday, June 16, 2023

LOCATION OF HEARING OR TRIAL: Calgary, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice C. M. Jones

UPON THE APPLICATION OF Andrew Davidson and Jody Davidson (collectively, the "**Applicants**"); AND UPON reading the Affidavit of Andrew Davidson, sworn May 31, 2023; AND UPON hearing counsel for the Applicants; AND UPON hearing from counsel for MNP Ltd. (the "**Trustee**"), in its capacity as Trustee of Home Solutions Corporation (the "**Bankrupt**"); AND UPON hearing from counsel for Grant Thornton Limited (the "**Receiver**"), in its capacity as Receiver of the Bankrupt; AND UPON being advised that there are creditors who have proven claims against the Bankrupt's estate, including the Applicants (collectively, the "**Creditors**"); AND UPON the Trustee having refused to take proceedings as against Private Debt Partners Senior Opportunities Fund GP Inc., carrying on business as Private Debt Partners, which may also be known as "PDP Senior Opportunities GP Inc.", "PDP Senior Direct Lending GP Inc.", "PDP Opportunities Carried Interest GP Inc.", "Private Debt Partners GP LLC", "Private Debt Partners Inc.", "Private Debt Partners LP", "Private Debt Partners Senior Direct Lending Fund LP", or "Private Debt Partners Senior Opportunities Fund LP" ("**PDP**") and Jeffrey Deacon;

IT IS ORDERED AND DECLARED THAT:

1. Andrew Davidson is hereby declared an unsecured creditor of the Bankrupt;

2. Jody Davidson is hereby declared an unsecured creditor of the Bankrupt;

3. Pursuant to section 38 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the "***BIA***"):

    (a) The Applicants and any other Participating Creditors (as defined below) are authorized to proceed in the place of the Trustee, and prosecute proceedings on behalf of the estate of the Bankrupt in their own names, for their own benefit and at their own expense (as further described below) as against PDP and Jeffrey Deacon (the "**Proceedings**");

    (b) The Trustee shall assign to the Applicants and any other Participating Creditors all its right, title and interest in the Proceedings, and shall transfer and make available to the Applicants and any other Participating Creditors all books and documents of the Bankrupt that are in the Trustee's possession which concern or relate to the Proceedings (collectively, the "**Records**"). Such assignment shall vest in the Applicants and such other Participating Creditors all right, title and interest which the Trustee has, had or shall have in the subject matter of the Proceedings by virtue of its office as Trustee of the Bankrupt;

(c) The Applicants are permitted to take such steps as are necessary to prosecute the Proceedings, including filing a statement of claim;

(d) All benefits derived from the Proceedings, together with any costs awarded in relation to the same, shall belong:

(i) to the extent of their respective claims against the Bankrupt and costs of the Proceedings, *pro rata* according to the amount of their respective claims against the Bankrupt in relation to the claims of the Applicants and all Participating Creditors, exclusively to:

(A) the Applicants; and

(B) any other creditors who, within seven days after service of this Order, agree to contribute *pro rata* according to the amount of their respective claims in relation to those of the Applicants and other Participating Creditors, to the expense and risk of prosecuting the proceedings, and who within seven days of service of this Order, signify their agreement in writing and provide an address for service, including the name of the creditor and a mailing address, email address and telephone number for that creditor ("**Address for Service**"), to:

Bennett Jones LLP
4500 Bankers Hall East
855 – 2nd Street SW
Calgary, Alberta T2P 4K7
Attention: Chris Simard / Kelsey Meyer / Adam Williams
simardc@bennettjones.com / meyerk@bennettjones.com / williamsa@bennettjones.com

(the "**Participating Creditors**" and each, a "**Participating Creditor**"); and

(ii) to the extent of any surplus in excess of:

(A) the claims of the Applicants and the Participating Creditors as against the Bankrupt; and

(B) costs of the Proceedings incurred by the Applicants and the Participating Creditors, including Legal Expenses and Costs (each as defined below);

to the estate of the Bankrupt;

(e) Each Participating Creditor shall be responsible for and shall pay:

(i) that Participating Creditor's *pro rata* share of any account for legal fees, disbursements, and other charges incurred by the Applicants and by the Participating Creditors in pursuing the Proceedings ("**Legal Expenses**") duly issued to that Participating Creditor, within 30 days of receipt of an invoice for the same at the Address for Service provided by the Participating Creditor; and

(ii) that Participating Creditor's *pro rata* share of any court-ordered award of costs or other monetary settlement agreed upon by or on behalf of the Applicants and the Participating Creditors in relation to the Proceedings ("**Costs**") within 10 days of receipt of notice of the same at the Address for Service provided by the Participating Creditor;

(f) Any failure by any Participating Creditor to pay its *pro rata* share of the Legal Expenses or the Costs as required pursuant to this Order shall entitle the Applicants to apply to have that Participating Creditor removed from the Proceedings and to be no longer entitled to the benefits derived from same. Upon the granting of such an Order:

(i) the said Participating Creditor shall no longer be a Participating Creditor and shall be deemed a "**Removed Creditor**"; and

(ii) the Removed Creditor's *pro rata* share of the Legal Expenses or Costs that remain outstanding shall be paid by the Applicants and by the Participating

Creditors, in accordance with their *pro rata* shares thereof, re-determined in relation to the removal of the Removed Creditor, within the periods of time set out in paragraph 3(e) hereof;

(g) If any creditor fails to provide notice of participation as set out in paragraph 3(d)(i)(B) hereof, that creditor shall thereafter be excluded from participating in the Proceedings or receiving the benefits derived therefrom;

(h) All benefits derived by the Applicants and the Participating Creditors from the Proceedings, together with any costs awarded to the Applicants and the Participating Creditors in relation to the same, shall be paid in the following priority:

(i) First, to Bennett Jones LLP, to the extent that any account for Legal Expenses remains outstanding;

(ii) Second, divided between the Applicants and the Participating Creditors, *pro rata* according to the respective amounts of their claims and any Legal Expenses and Costs incurred by them, in addition to any dividends that they may be entitled to out of the Bankrupt's other assets; and

(iii) Third, to the Estate of the Bankrupt.

(i) The Trustee shall provide the Applicants with, and the Applicants are entitled to receive, a list of the names and addresses of all Creditors who have filed claims against the Bankrupt's estate with the Trustee (the "**Creditor Service List**") within four days of the service of this Order, and the proofs of claims filed with the Trustee (the "**Claims**") within four days of receipt of a request by the Applicants for the same, and the Trustee shall not incur any liability as a result of disclosing the Creditor Service List or the Claims to the Applicants;

(j) The Proceedings shall be prosecuted by Bennett Jones LLP, counsel to the Applicants;

(k) Bennett Jones LLP is authorized to receive instructions with respect to the Proceedings from the Applicants, who, in turn, shall:

(i) consult, to the extent practical and reasonable, with the Participating Creditors with respect to instructions provided to Bennett Jones LLP with respect to the Proceedings (which consultations shall be subject to litigation privilege) and consider such consultations in providing instructions to Bennett Jones LLP; and

(ii) not have any liability to the Participating Creditors as a result of the instructions provided to Bennett Jones LLP, provided the Applicants act reasonably and are not negligent in providing such instructions;

(l) Notwithstanding paragraph 3(k)(i) hereof, to the extent that PDP, Deacon, or either of them become a Participating Creditor in accordance with paragraph 3(d)(i)(B) hereof, the Applicants shall not have any obligation to consult with PDP or Deacon with respect to instructions provided to Bennett Jones LLP with respect to the Proceedings;

(m) Service upon the creditors who have proven claims against the Bankrupt shall be good and sufficient upon serving this Order to the addresses listed on the Creditor Service List. This Order shall be deemed to have been served five days after the Order is sent.

4. Within one month of the granting of this Order, the Receiver shall provide to counsel for the Applicants true copies of all books and records of the Bankrupt that concern or relate to the Proceedings. The Receiver shall not incur any liability as a result of disclosing the said books and records to counsel for the Applicants. If any disbursements are incurred by the Receiver arising from the copying and delivering of the said books and records to counsel for the Applicants, those disbursements shall be paid by the Applicants.

5. With respect to any personal information about an identifiable individual that is disclosed by the Trustee or by the Receiver to the Applicants pursuant to this Order, the Applicants shall maintain and protect the privacy of such information and limit the use of such

information to prosecuting the Proceedings. Upon the conclusion of the Proceedings, or if the Applicants discontinue the Proceedings before their final conclusion, the Applicants shall return all such confidential information to the Receiver, or in the alternative, destroy all such information. If the Applicants are legally compelled to produce such confidential information with the Court, the Applicants will notify both the Trustee and the Receiver to advise which documents will be disclosed and will only furnish the portion of confidential information they are legally compelled to disclose. Upon such disclosure, the Applicants will take reasonable steps to protect the confidentiality of such personal information.

J.C.K.B.A. or Clerk of the Court

Appendix 3

IN THE MATTER OF THE RECEIVERSHIP OF
HOME SOLUTIONS CORPORATION
ESTIMATED FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS DATED OCTOBER 29, 2024

Receipts		
Sale of Assets	$	851,788
Receivers Certificate Funding (PDP)		118,000
Sale of Vehicles (Summit Fleet)		78,532
Interest		8,561
GST Collected		3,927
Total Receipts	**$**	**1,060,808**
Disbursements		
Occupation Rent	$	202,498
Auctioneer's Commissions and Expenses		184,343
Receiver's Fees and Costs		146,839
Repayment of Receiver's Certificate (Including Interest)		120,389
Property Taxes		75,906
Disposal Costs and Cleanup		51,859
Utilities		47,766
Receiver's Counsel - Legal Fees		25,388
GST Paid		20,967
Repairs & Maintenance		6,722
Insurance		5,800
Consulting fees		6,951
Ascend license fee (Software)		275
Bank charges		175
OR Fees		73
Total Disbursements	**$**	**895,950**
Estate Balance (October 29, 2024)	**$**	**164,857**
Completion Estimate (Professional Fees)		
Estimated Receiver's Fees and Disbursements to Close		10,500
Estimated Legal Fees and Disbursements to Close		8,380
Total Completion Estimate (Professional Fees)	**$**	**18,880**
Estimated Estate Balance After Completion Estimate	**$**	**145,977**
Estimated Distributions to Secured Creditors		
Estimated Funds to CRA (Deemed Trust Claim)		*145,977*
Estimated Funds to PDP (Secured Creditor)		*-*
Final Estate balance	**$**	**-**