



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-25-00748510-00CL

DATE: January 29, 2026

NO. ON LIST: 6

TITLE OF PROCEEDING: QM GP INC. et al

BEFORE: JUSTICE KIMMEL

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Natasha Rambaran	Counsel for the Applicant	nrambaran@reconllp.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Chris Armstrong	Counsel for the Monitor	carmstrong@goodmans.ca
Erik Axell		eaxell@goodmans.ca
Raymond Cho	Monitor	raymond.cho@alvarezandmarsal.com
Brendan Carr	Counsel for Lien Claimant – Donalco Western Inc.	brendan@carrdefir.com
Ashley Landesman	Counsel for Lien claimants, Summit Access Solutions Inc.	alandesman@weirfoulds.com

Cristina Fulop	Counsel for Eastern Construction Company Limited.	cristina.fulop@ca.dlapiper.com
Alexis Di Pasquale-Qaqish	Counsel for Ontario Trucking and Disposal Ltd. a.k.a. Ontario Trucking & Disposal Ltd.	alexis@fridmar.com

ENDORSEMENT OF JUSTICE KIMMEL:

- [1] On July 29, 2025, QM GP Inc. and Highpoint Environmental Services Inc. (collectively, the "Initial Applicants") obtained an initial order (the "Initial Order") under *the Companies' Creditors Arrangements Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") that appointed Alvarez & Marsal Canada Inc. ("A&M") as Monitor of the Initial Applicants.
- [2] Various orders have been made since then in these CCAA proceedings.
- [3] Capitalized terms not otherwise defined in this endorsement shall have the meanings ascribed to them in the Monitor's factum filed for this motion.
- [4] The Monitor brings this motion for: (a) an order (the "LCRO"), among other things, establishing a procedure for resolving Lien Claims asserted in Lien Notices delivered pursuant to the Lien Regularization Order (the "LRO") of this Court dated July 29, 2025; and (b) an order (the "Stay Extension Order") extending the stay period to and including April 30, 2026 (the "Stay Period").
- [5] At the outset of this proceeding, the Court granted the LRO to establish a streamlined process pursuant to which Lien Claimants could deliver Lien Notices to the Monitor to assert a Lien Claim. To date, the Monitor has received approximately 195 Lien Notices relating to approximately 70 Continuing QM Projects. The Lien Claims are currently estimated to be approximately \$20 million, pending the Monitor's ongoing review. The Monitor and Monitor's counsel continue to receive additional Lien Notices; however, only a relatively small number of Lien Notices have been received since the closing of the QM Transaction.
- [6] As was contemplated by the LRO, the Monitor has determined it is appropriate at this time to seek approval of the proposed LCRO to: (i) establish a Claims Bar Date for the filing of Lien Notices; and (ii) provide a mechanism to determine the validity, amount and/or status of Lien Claims (each a "Proven Lien Claim"), including any disputed Lien Notices. The proposed LCRO will enable the Monitor to progress the LRO Claims Process, in turn assisting in crystallizing the pool of Proven Lien Claims and facilitating the Applicant's ability to consider and make potential distributions to creditors.
- [7] At this time, the Monitor is not calling for any claims other than Lien Claims. The only other known potential secured claims to the Transaction Proceeds are certain secured indemnity claims that may be held by Intact and/or Aviva in connection with bonding provided to QM Group on certain of its projects. Based on the significant amounts that Intact has previously indicated may be owing to it, together with the quantum of the filed Lien Claims, the Monitor anticipates there will be no value for unsecured creditors of the QM Group. The Monitor intends to work with Intact and Aviva to review and quantify their secured claims (if any) in the coming weeks.
- [8] Section 11 of the CCAA provides the statutory basis for the Court to approve the claims resolution process contemplated by the proposed LCRO. Section 11 confers a broad jurisdiction on the Court and permits the Court to make any order that it considers appropriate in the circumstances. Courts have routinely granted claims procedure orders and approve adjudication mechanisms for the resolution of disputed claims,

including construction lien claims, in Court-supervised restructuring proceedings: see *Keb Hana Bank v. Mizrahi Commercial (The One) LP et al.* (9 August 2024), Ont Sup Ct J [Commercial List] CV-23-00707839-00CL (Lien Claims Resolution Order); *Cerruti Investments Inc. v. 2616766 Ontario Limited* (9 September 2025), Ont Sup Ct J [Commercial List] CV-25-00738703-00CL (Construction Lien Claims Procedure Order) and *Clarkson Road Holdings Inc., et al.* (11 September 2025) Ont Sup Ct J [Commercial List] CV- 24-00719589-00CL (Claims Procedure Order).

- [9] The Claims Bar Date is reasonable given that the Lien Claimants have already had almost 6 months to deliver a Lien Notice since the granting of the LRO.
- [10] As detailed in the Third Report, the Monitor is hopeful that it will be able to resolve any Disputed Lien Claims on a consensual basis. However, following the Claims Bar Date and its review of all Lien Claims, if the Monitor determines that the appointment of a Claims Officer is necessary, it will bring a motion to the Court seeking such an appointment.
- [11] An extension of the Stay Period is required to support this process, as well as ongoing consideration of a proposed allocation of the proceeds from the two Court-approved transactions, a means of addressing remaining secured creditor claims and relevant priorities, and developing an appropriate mechanism for distributions to creditors.
- [12] Two court approved transactions recently closed, one on October 31, 2025 and one on November 4, 2025. As a result, the Monitor is currently holding approximately \$3.4 million on behalf of ResidualCo (excluding approximately \$623,000 of Holdback funds). On the closing of the QM Transaction, by operation of the RVO, each of QM Vendors emerged from the CCAA Proceedings, and ResidualCo became the sole remaining Applicant in the CCAA Proceedings. This cash balance is projected to provide sufficient liquidity to fund the remaining costs of the CCAA Proceedings.
- [13] The Stay Period currently expires on January 30, 2026. The Monitor is requesting an extension of the Stay Period to and including April 30, 2026. The three-month extension of the Stay Period is necessary to (i) provide time for the Monitor to advance the review and resolution of Lien Claims following the Claims Bar Date and complete the LRO Claims Process; and (ii) provide stability and certainty to enable the Monitor to facilitate the wind-down of the CCAA Proceedings, including continuing to review matters relating to the allocation of the Transaction Proceeds, addressing the claims of Intact and Aviva and developing an appropriate mechanism for distributions to creditors.
- [14] Pursuant to subsection 11.02(3) of the CCAA, the Court may grant an extension of a stay of proceedings where: (a) circumstances exist that make the order appropriate; and (b) the debtor company satisfies the Court that it has acted, and is acting, in good faith and with due diligence.
- [15] The extension of the Stay Period in the circumstances summarized above and in more detail in the Monitor's factum and Third Report. I am satisfied that the Applicant, with the assistance and oversight of the Monitor and the remaining applicant continue to act in good faith and with due diligence.



Jessica Kimmel

Date: Jan 29, 2026

