

Clerk's Stamp:

COURT FILE NUMBER	2501-13057
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	IN THE MATTER OF THE <i>COMPANIES' CREDITORS ARRANGEMENT ACT</i> , RSC 1985, c C-36, as amended. AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 2345137 ALBERTA LTD., 2351497 ALBERTA LTD., 2497902 ALBERTA LTD., SUMMIT S AUTO LTD., SUMMIT V AUTO LTD., MK AUTO K-M LTD., 2437342 ALBERTA LTD., 1972207 ALBERTA LTD., 1175104 B.C. LTD., 1262113 B.C. LTD., 1272986 B.C. LTD., 2412170 ALBERTA LTD. and 2416326 ALBERA LTD.
DOCUMENT	<u>AFFIDAVIT</u>
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	DENTONS CANADA LLP 15th Floor, Bankers Court 850-2nd Street SW, Calgary, Alberta T2P 0R8 Attn: John Regush Telephone: (403) 268-7086 Facsimile: (403) 268-3100 File Number: 127469-1820

AFFIDAVIT OF AMANDA BEZNER

Sworn on January 8, 2026

I, Amanda Bezner, of the City of Toronto, in the Province of Ontario, **SWEAR AND SAY THAT:**

1. I am a Senior Manager for The Toronto-Dominion Bank ("TD" or the "**Bank**") in the Special Account Management group, creditor of 2412170 Alberta Ltd. operating as Westcastle Chevrolet Buick GMC ("**Westcastle**") and 2416326 Alberta Ltd. ("**2416 AB**", collectively with Westcastle the "**Debtors**") and, as such, have personal knowledge of the matters hereinafter deposed to, except where stated to be based upon information and belief. Where that knowledge is based on information or belief, I have stated the source of that information and verily believe it to be true.

2. I have reviewed business records of TD relevant to the application and have satisfied myself that I am possessed of sufficient information and knowledge to swear this Affidavit on behalf of TD.
3. This affidavit is sworn in support of an Order for distribution of funds of the Debtors to TD.

The Debtors

4. The Debtors were involved in the operation of an automobile dealership in Pincher Creek, Alberta, operating as and known as Westcastle Chevrolet Buick GMC. More particularly, Westcastle was the operating entity for the dealership and 2416 AB owned real estate used for the operations of the dealership. The Bank extended credit to the Debtors, as detailed below.
5. A copy of an Alberta Corporate Registration System Corporate/Non-Profit Search for Westcastle is attached as **Exhibit "1"**.
6. A copy of an Alberta Corporate Registration System Corporate/Non-Profit Search for 2416 AB is attached as attached as **Exhibit "2"**.

Credit Facilities provided to the Debtors by TD and Related Security

7. TD extended credit facilities to the Debtors pursuant to an Automotive Lending Agreement, dated July 5, 2022, amended by amending agreements dated September 13, 2022, October 13, 2022, July 26, 2023, July 25, 2024 and June 2, 2025 (as amended, the "**Loan Agreement**"). Copies of the Automotive Lending Agreement and amendments are attached as **Exhibit "3"**.
8. The Loan Agreement makes available:
 - (a) to Westcastle as borrower:
 - (i) a demand operating line facility in the amount of \$500,000, with interest accruing on prime rate based loans at TD's prime rate of interest plus 0.500% per annum;
 - (ii) a demand floor plan facility in the amount of \$4,500,000, with interest accruing on prime rate based loans at TD's prime rate of interest minus 0.50% per annum, plus an additional bulge limit; and
 - (iii) ancillary facilities in the amount of \$70,000, with various interest rates as stipulated in the Loan Agreement (collectively, the "**Westcastle Facilities**"); and
 - (b) to 2416 AB as borrower:
 - (i) a reducing term loan facility in the amount of \$2,175,000, with interest accruing on prime rate based loans at TD's prime rate of interest plus 0.250% per annum;

- (ii) a reducing term loan facility in the amount of \$205,000, with interest accruing on prime rate based loans at TD's prime rate of interest plus 1.000% per annum; and
 - (iii) a reducing term loan facility in the amount of \$500,000, with interest accruing on prime rate based loans at TD's prime rate of interest plus 1.000% per annum (collectively, the "**2416 AB Facilities**" and together with the Westcastle Facilities, the "**Facilities**" and each a "**Facility**").
- 9. TD advanced funds to the Debtors from time to time pursuant to the Facilities.
- 10. Each of the Debtors guaranteed the obligations of the other to TD. More particularly:
 - (a) Westcastle provided TD with an unlimited guarantee of all debts and liabilities of 2416 AB to TD, including interest and costs on a solicitor and own client basis, pursuant to a Guarantee dated July 26, 2022 (the "**Westcastle Guarantee**"); and
 - (b) 2416 AB provided TD an unlimited guarantee of all debts and liabilities of Westcastle to TD, including interest and costs on a solicitor and own client basis, pursuant to a Guarantee dated July 26, 2022 (the "**2416 AB Guarantee**").

Copies of the Westcastle Guarantee and 2416 AB Guarantee (collectively, the "**Guarantees**") are attached as **Exhibit "4"** and **Exhibit "5"**, respectively.

11. The Debtors granted security to TD including but not limited to the following (collectively, the "**Debtor Security**"):
 - (a) a security interest in all of Westcastle's present and after-acquired personal and real property pursuant to a General Security Agreement dated July 26, 2022, a copy of which is attached as **Exhibit "6"**;
 - (b) a security interest in all of 2416 AB's present and after-acquired personal and real property pursuant to a General Security Agreement dated July 26, 2022, a copy of which is attached as **Exhibit "7"**;
 - (c) a mortgage dated July 26, 2022 (the "**Mortgage**") granted by 2416 AB in favour of TD in the principal amount of \$2,900,000, charging the lands legally described as:

PLAN 9311234
BLOCK 4
LOT 6
EXCEPTING THEREOUT ALL MINES AND MINERALS
AREA: 0.932 HECTARES (2.3 ACRES) MORE OR LESS

(the “**Lot 6**”)

A copy of the Mortgage is attached as **Exhibit “8”**;

- (d) an assignment of rents and leases, dated July 26, 2022, granted by 2416 AB in favour of TD in respect of Lot 6, a copy of which is attached as **Exhibit “9”**; and
 - (e) a landlord’s waiver, dated July 26, 2022, granted by 2416 AB as landlord to Westcastle, a copy of which is attached as **Exhibit “10”**.
12. Various postponement and assignments of claims against the Debtors were also granted in favour of TD by other parties.
 13. Copies of searches of the Alberta Personal Property Registry made in the name of Westcastle and 2416 AB are attached as **Exhibit “11”** and **Exhibit “12”**, respectively.
 14. A copy of a certificate of title in respect of Lot 6 is attached as **Exhibit “13”**.
 15. A copy of a certificate of title in respect of the property legally described as Plan 9311234 Block 4 Lot 5 excepting thereout all mines and minerals is attached as **Exhibit “14”**.

Other Claims against the Debtors

(a) Blake Tibbo / Great North Auto and Financing

16. I am aware that Blake Tibbo / Great North Auto and Financing (collectively “**Great North**”) asserts a claim against Westcastle.
17. Attached as **Exhibit “15”** is a copy of a Shareholder Loan & Equity Agreement, which was provided to TD’s financial advisor FTI Consulting Canada, Inc. by Don Liddell on October 29, 2025.

(b) The Loan Store

18. I am aware that “The Loan Store” (“**The Loan Store**”) asserts a claim against Westcastle and 2416 AB.
19. I have only become aware of this asserted claim recently. Prior to December 16, 2025, I was not aware that The Loan Store asserted any claim against either of the Debtors.

20. I understand that my counsel requested documentation concerning the alleged claims of The Loan Store and was provided with a Loan Agreement dated April 3, 2023 by counsel to Westcastle, a copy of which is attached as **Exhibit "16"**.
21. A copy of an Alberta Trade Name / Partnership Search for "The Loan Store" and a Corporate Registration System Corporate/Non-Profit Search for "1292709 Alberta Ltd." are attached as **Exhibit "17"**.

Indebtedness owing to TD

22. TD issued demands and Notices of Intention to Enforce Security pursuant to the *Bankruptcy and Insolvency Act* on the Debtors by correspondence dated September 12, 2025. A copy of this correspondence is attached as **Exhibit "18"**.
23. As of January 8, 2026, the Debtors are indebted to TD in the amount of \$7,791,547.24. This amount, plus all outstanding and further accruing interest, fees and costs (including legal costs on a solicitor and its own client basis up to the payout date and to address the Claim Reserve) are collectively referred to as the "**Indebtedness**".
24. Presently, certain amounts have been paid to TD by GM and Royal Bank of Canada ("**RBC**"), who I understand financed a transaction concerning a sale of the Debtors' assets, including:
 - (a) \$310,595 received from RBC;
 - (b) \$2,966,956.65 received from GM; and
 - (c) \$164,013.15 received from GM.
25. TD has not applied these amounts against the Indebtedness, pending obtaining further clarity on the status of the closing of the transaction concerning the Debtors' assets.
26. I understand that that the Monitor in these proceedings is seeking an Order that would approve a distribution to TD in an amount sufficient to repay the Indebtedness and in an amount sufficient to establish a Claim Reserve to address potential claims to those funds.
27. I verily believe that it will be necessary for TD to engage legal counsel, and possibly other professional advisors, to address all matters associated with the Claim Reserve.

28. I verily believe that it is fair and reasonable to set aside the amount of \$50,000.00 as part of the repayment of the Indebtedness to address these potential future costs and expenses relating to the Claim Reserve.

SWORN by video conference by Amanda)
Bezner of the City of Toronto in the Province of)
Ontario, before me at the City of Toronto in the)
Province of Ontario on January 8, 2026 in)
accordance with O. Reg. 432/20, Administering)
Oath or Declaration Remotely.)
)
)

DocuSigned by:
Sarah Lam

716DC5FB63604ED...

Commissioner for Taking Affidavits in the
Province of Ontario
Sarah Lam (LSO #87304S)

Signed by:
Amanda Bezner

6CB3EC0DD99F48B...

Amanda Bezner

This is Exhibit 1 to the Affidavit
of Amanda Bezner sworn before me
this 8th day of January, 2026.

Sarah Lam

A Commissioner for Taking Affidavits, etc.

Government of Alberta ■ Corporation/Non-Profit Search

Corporate Registration System

Date of Search: 2025/12/31
Time of Search: 10:52 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD
Service Request Number: 46161400
Customer Reference Number:

Corporate Access Number: 2024121705
Business Number: 744625302
Legal Entity Name: 2412170 ALBERTA LTD.

Legal Entity Status: Active
Alberta Corporation Type: Numbered Alberta Corporation
Registration Date: 2022/03/02 YYYY/MM/DD

Registered Office:
Street: 10621 124 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T5N1S5

Records Address:
Street: 10621 124 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T5N1S5

Email Address: INFO@JOMHALAW.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
JOMHA	AHMED			10621 124 STREET	EDMONTON	ALBERTA	T5N1S5	INFO@JOMHALAW.COM

Directors:

Last Name: KOCH
First Name: MICHAEL

Street/Box Number: 2034 CRANBROOK STREET NORTH
City: CRANBROOK
Province: BRITISH COLUMBIA
Postal Code: V1C3T1

Voting Shareholders:

Legal Entity Name: MK AUTO K-M LTD.
Corporate Access Number: 2019727839
Street: 2034 CRANBROOK STREET NW
City: CRANBROOK
Province: BRITISH COLUMBIA
Postal Code: V1C3T1
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE ELECTRONIC ATTACHMENT
Share Transfers Restrictions: SEE ELECTRONIC ATTACHMENT
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: NONE

Associated Registrations under the Partnership Act:

Trade Partner Name	Registration Number
WESTCASTLE CHEVROLET BUICK GMC	TN24406142

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2025	2025/10/21

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2022/03/02	Incorporate Alberta Corporation
2022/03/02	Update Business Number Legal Entity
2022/04/18	Change Director / Shareholder
2022/06/22	Name/Structure Change Alberta Corporation
2025/10/21	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2022/03/02
Restrictions on Share Transfers	ELECTRONIC	2022/03/02
Share Structure	ELECTRONIC	2022/06/22

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



This is Exhibit 2 to the Affidavit
of Amanda Bezner sworn before me
this 8th day of January, 2026.

Sarah Lam

A Commissioner for Taking Affidavits, etc.

Government of Alberta ■ Corporation/Non-Profit Search

Corporate Registration System

Date of Search: 2025/12/31
Time of Search: 10:52 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD
Service Request Number: 46161403
Customer Reference Number:

Corporate Access Number: 2024163269
Business Number: 740181607
Legal Entity Name: 2416326 ALBERTA LTD.

Legal Entity Status: Active
Alberta Corporation Type: Numbered Alberta Corporation
Registration Date: 2022/03/17 YYYY/MM/DD

Registered Office:
Street: 10621 124 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T5N1S5

Records Address:
Street: 10621 124 STREET
City: EDMONTON
Province: ALBERTA
Postal Code: T5N1S5

Email Address: INFO@JOMHALAW.COM

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
JOMHA	AHMED			10621 124 STREET	EDMONTON	ALBERTA	T5N1S5	INFO@JOMHALAW.COM

Directors:

Last Name: KOCH
First Name: MICHAEL

Street/Box Number: 2034 CRANBROOK STREET NORTH
City: CRANBROOK
Province: BRITISH COLUMBIA
Postal Code: V1C3T1

Voting Shareholders:

Last Name: MK AUTO K-M LTD.
First Name: MIKE
Middle Name: KOCH
Street: 2034 CRANBROOK STREET N
City: CRANBROOK
Province: BRITISH COLUMBIA
Postal Code: V1C3T1
Percent Of Voting Shares: 100

Details From Current Articles:

The information in this legal entity table supersedes equivalent electronic attachments

Share Structure: SEE ELECTRONIC ATTACHMENT
Share Transfers Restrictions: SEE ELECTRONIC ATTACHMENT
Min Number Of Directors: 1
Max Number Of Directors: 7
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: NONE

Other Information:

Last Annual Return Filed:

File Year	Date Filed (YYYY/MM/DD)
2025	2025/10/21

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2022/03/17	Incorporate Alberta Corporation
2022/03/17	Update Business Number Legal Entity

2025/10/21	Enter Annual Returns for Alberta and Extra-Provincial Corp.
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Attachments:

Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2022/03/17
Restrictions on Share Transfers	ELECTRONIC	2022/03/17

The Registrar of Corporations certifies that, as of the date of this search, the above information is an accurate reproduction of data contained in the official public records of Corporate Registry.



This is Exhibit 3 to the Affidavit
of Amanda Bezner sworn before me
this 8th day of January, 2026.

Sarah Lam

A Commissioner for Taking Affidavits, etc.



Western Automotive Centre
421 7th Avenue SW, 10th Floor TDCT Tower
Calgary, Alberta
T2P 4K9

Telephone No.: 250-470-2095

July 5, 2022

2412170 ALBERTA LTD.
2032 Cranbrook Street N
Cranbrook, BC
V1C 3T1

Attention: Mr. Michael J Koch

We are pleased to offer the Borrowers the following credit facility (the "**Facilities**", and each a "**Facility**"), subject to the following terms and conditions of this letter agreement (inclusive of Schedule "A" attached hereto, this "**Automotive Lending Agreement**" or this "**Agreement**").

ARTICLE GT

OVERVIEW AND GENERAL TERMS

BORROWER(S)

Each of the entities listed below (collectively, the "**Borrowers**", and each one a "**Borrower**")

Borrower A	2412170 Alberta Ltd.
Borrower B	2416326 Alberta Ltd.

GUARANTOR(S)

Each of the persons and/or entities listed below (collectively, the "**Guarantors**", and each one a "**Guarantor**")

Guarantor A	2412170 Alberta Ltd.
Guarantor B	2416326 Alberta Ltd.

LENDER

The Toronto-Dominion Bank (the "**Bank**")

FACILITY SUMMARY

Subject to the terms and conditions of this Agreement, the Bank hereby establishes the following facilities:

Facility	Article	Facility Type	Credit Limit	Borrower(s)
1	Article GT	Demand Operating Line Facility	\$250,000	Borrower A
2	Article FPF	Demand Floor Plan Facility (Combined New/Used Vehicles)	\$4,500,000 (the " Total Floor Plan Limit "), subject to the sub limits set forth in Article FPF.	Borrower A

3	Article AF	Ancillary Facilities	\$70,000	Borrower A
4	Article GT	Reducing Term Loan Facility	\$2,175,000.00	Borrower B
5	Article GT	Reducing Term Loan Facility	\$205,000	Borrower B
6	Article GT	Reducing Term Loan Facility	\$500,000	Borrower B

Enumerated items below refer to the corresponding Facility number described above.

**PURPOSE /
USE OF PROCEEDS**

1. To finance working capital and general corporate purposes.
2. To finance Qualifying Vehicles in accordance with Article FPF.
3. To finance day to day operational expenses via Business Visa Card(s).
4. To finance the acquisition of real property located at 1100 Waterton Avenue, Pincher Creek, Alberta, the "Subject Property".
5. To assist in the financing of the acquisition of real property located at 1100 Waterton Avenue, Pincher Creek, Alberta, the "Subject Property".
6. To finance the acquisition of the assets and goodwill from Vendor of Westcastle Motors.

**CONTRACTUAL TERM /
TENOR**

1. Uncommitted, made available at the Bank's discretion.
2. Uncommitted, made available at the Bank's discretion.
3. Uncommitted, made available at the Bank's discretion.
4. Committed for up to 5 years from date of advance.
5. Committed for up to 5 years from date of advance.
6. Committed for up to 5 years from date of advance.

**RATE TERM (FIXED
RATE TERM LOAN)**

4. Fixed rate: 6 month, 1-5 years but never to exceed the Contractual Term Maturity Date. Floating rate: No term.
5. Fixed rate: 6 month, 1-5 years but never to exceed the Contractual Term Maturity Date. Floating rate: No term
6. Fixed rate: 6 month, 1-5 years but never to exceed the Contractual Term Maturity Date. Floating rate: No term

**AVAILABILITY /
DRAWDOWN**

Subject to the terms of this Agreement, drawdowns under the Facilities shall be made available as follows:

1. On a revolving basis.
2. On a revolving basis, in accordance with Article FPF.
3. On a revolving basis.
4. Single draw prior to December 31, 2022, after which time, any amount not drawn is cancelled.
5. Single draw prior to December 31, 2022 closing, after which time, any amount not drawn is cancelled.
6. Single draw prior to December 31, 2022 closing, after which time, any amount not drawn is cancelled.

REPAYMENTS

1. Repayable on demand.
2. Repayable on demand. See additional terms in Article FPF
3. Repayable on demand.
4. The drawdown will be repaid in equal monthly payments effecting a 20 year amortization. All amounts outstanding will be repaid on or before the Contractual Term Maturity Date. The details of repayment and interest rate applicable to such drawdown will be set out in the Rate and Payment Terms Notice applicable to that drawdown. Any amounts repaid may not be reborrowed.
5. The drawdown will be repaid in equal monthly payments effecting a 7 year amortization. All amounts outstanding will be repaid on or before the Contractual Term Maturity Date. The details of repayment and interest rate applicable to such drawdown will be set out in the Rate and Payment Terms Notice applicable to that drawdown. Any amounts repaid may not be reborrowed.
6. The drawdown will be repaid in equal monthly payments effecting a 7 year amortization. All amounts outstanding will be repaid on or before the Contractual Term Maturity Date. The details of repayment and interest rate applicable to such drawdown will be set out in the Rate and Payment Terms Notice applicable to that drawdown. Any amounts repaid may not be reborrowed.

PREPAYMENTS

1. Advances may be prepaid in accordance with Schedule "A".
2. Advances may be prepaid in accordance with Schedule "A".
3. N/A
4. The Borrower has the option of selecting the 10% Prepayment Option for Fixed Rate Loans, according to which this Facility may be prepaid in accordance with Section 4(a) and 4(b) of Schedule "A". If the Borrower does not select the 10% Prepayment Option, this Facility may be prepaid in accordance with Section 4(c) of Schedule "A".
5. The Borrower has the option of selecting the 10% Prepayment Option for Fixed Rate Loans, according to which this Facility may be prepaid in accordance with Section 4(a) and 4(b) of Schedule "A". If the Borrower does not select the 10% Prepayment Option, this Facility may be prepaid in accordance with Section 4(c) of Schedule "A".
6. The Borrower has the option of selecting the 10% Prepayment Option for Fixed Rate Loans, according to which this Facility may be prepaid in accordance with Section 4(a) and 4(b) of Schedule "A". If the Borrower does not select the 10% Prepayment Option, this Facility may be prepaid in accordance with Section 4(c) of Schedule "A".

ADDITIONAL TERMS

Overdrafts.

Borrower A will have access to Prime Based Loans under the Demand Operating Line Facility by way of overdraft from current account number [Redacted] at branch [Redacted] (the "Current Account") up to the Credit Limit or any sublimit thereunder, if applicable.

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will and will ensure that its subsidiaries and each of the Guarantors will observe the following covenants (in addition covenants and conditions contained in any Articles and Schedules attached hereto):

FINANCIAL COVENANTS

- (a) **Liquidity:** Minimum Current Ratio of 1.05:1.00, tested monthly based on the financial statements of 2412170 Alberta Ltd. for the 12 consecutive months following closing. Thereafter, current ratio to be a minimum of 1.10:1.00.

- (b) **Leverage:** Maximum Debt to Tangible Net Worth ratio of 7.50:1.00, tested monthly based on the combined financial statements of 2412170 Alberta Ltd. and 2416326 Alberta Ltd.
- (c) **Coverage:** Minimum Debt Service Coverage ratio of 120%, tested annually based on the combined financial statements of 2412170 Alberta Ltd. and 2416326 Alberta Ltd.

EBITDA – unfinanced CAPEX – Cash Taxes – Net Distributions
scheduled principal repayments + interest expense

"Net Distributions" are defined as but not limited to dividends, change in preferred share redemption, and +/- shareholder loans. Net distributions not to be less than zero in determining Debt Service Coverage.

REPORTING COVENANTS

The Borrower(s) shall provide the following reporting all in a form acceptable to the Bank.

Monthly:

- (a) Monthly dealership operating statements for each Borrower/Guarantor which is a dealership within 20 days of each month end. The Borrower shall use commercially reasonable efforts to provide the Bank with monthly dealer operating statements using the data portal service approved by the Bank and operated through Crowe LLP (or such other operator as the Bank may designate in its sole discretion from time to time).

Annually:

- (b) Annual review engagement financial statement for: 2412170 Alberta Ltd. within 120 days of each fiscal year end.
- (c) Annual compilation engagement financial statements for: 2416326 Alberta Ltd. within 120 days of each fiscal year end.
- (d) Updated insurance certificate(s) covering fire, business and liability policies confirming TD as first loss payee and additional insured each year.
- (e) Confirmation of payment of property taxes for the Subject Property each year.

Other:

- (f) Other reasonable reporting requested by the Bank from time to time.

POSITIVE COVENANTS

- (a) Each of the Standard Positive Covenants set out in Schedule "A".
- (b) The Borrower shall pay all fees including but not limited to legal and documentation fees and expenses incurred by the Bank in connection with the preparation of this Agreement and the Bank Security, Bank's out of pocket expenses, as well as the expenses of the Bank in connection with the enforcement of its rights, whether or not this Agreement is executed or any amounts are advanced hereunder.
- (c) Each of the Positive Covenants set out in Article FPF.

NEGATIVE COVENANTS

- (a) Each of the Standard Negative Covenants set out in Schedule "A".
- (b) The Borrower will not assign, pledge, charge or otherwise encumber any of its property except in favour of the Bank or as otherwise permitted under this Agreement.
- (c) The Borrower will not create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, hypothec, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to any of its assets or undertakings, now owned or hereafter acquired, except the following permitted liens (collectively, the **"Permitted Liens"**):
 - i. "Purchase Money Security Interests" in equipment which Purchase Money Security Interests exist on the date of this Agreement (**"Existing PMSIs"**) which are known to the Bank and all future Purchase Money Security Interests on equipment acquired to replace the equipment under Existing PMSIs, provided that the cost of such replacement equipment may not exceed the cost of the equipment subject to the Existing PMSIs by more than 10%.
- (d) Ensure that Distributions (including but not limited to dividends, related party loan principal or interest payments, and related party bonuses) are not made unless all covenants and conditions are in compliance on a pre and post payment basis. Bank to be provided with pre and post payment covenant calculations upon request.
- (e) Each of the Negative Covenants set out in Article FPF.

REPRESENTATIONS AND WARRANTIES

All representations and warranties shall be deemed to be continually repeated on and as of the date on which they are so repeated so long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect. The Borrower makes the following representations and warranties:

- (a) Each of the Standard Representations and Warranties set out in Schedule "A".
- (b) Borrower(s) are in good standing with their dealer sales and service agreement(s) and, for certainty, are not on financial hold or in default with any party including existing lenders.

EVENTS OF DEFAULT

The Bank may accelerate the payment of principal and interest under any Facility and cancel any portion of any Facility hereunder, at any time after the occurrence of any one of the following:

- (a) The occurrence of any one of the Standard Events of Default contained in Schedule "A".

The occurrence of an Event of Default is not a precondition to the Bank's right to accelerate repayment and cancel the availability of any amounts outstanding under any uncommitted credit facilities.

INTEREST RATES

1. Advances shall bear interest and fees as follows:

- Prime Rate Based Loans: Prime Rate + 0.500% per annum
- L/C's: As advised by the Bank at the time of issuance of the L/C

2. Advances shall bear interest and fees as follows:

- Prime Rate Based Loans: Prime Rate – 0.750% per annum

4. Advances shall bear interest and fees as follows:

- Prime Rate Based Loans: Prime Rate + 0.250% per annum
- Fixed Rate Loans: as determined by the Bank, in its sole discretion, for the term duration selected by the Borrower.

5. Advances shall bear interest and fees as follows:

- Prime Rate Based Loans: Prime Rate + 1.000% per annum
- Fixed Rate Loans: as determined by the Bank, in its sole discretion, for the term duration selected by the Borrower.

6. Advances shall bear interest and fees as follows:

- Prime Rate Based Loans: Prime Rate + 1.000% per annum
- Fixed Rate Loans: as determined by the Bank, in its sole discretion, for the term duration selected by the Borrower.

Interest on the Demand Floor Plan Facility accrues from the Loan Post Date, is calculated daily and is payable monthly in arrears on the 1st day of the month.

All other interest payments on amounts drawn under the Facilities will be made in accordance with Schedule "A" unless otherwise stated in this Agreement or in the Rate and Payment Terms Notice applicable for a particular drawdown. Information on interest rate and fee definitions, interest rate calculations and payment is set out in Schedule "A".

FEES

Refer to Article F and Section 18 of Schedule "A".

BANK SECURITY

Unless expressly waived in writing by the Bank, each of the following guarantees (each provider of which is a "**Guarantor**", notwithstanding its omission from any "GUARANTOR(S)" section above) and security shall be provided (collectively, the "**Bank Security**"), and such Bank Security shall, unless otherwise indicated, support all present and future indebtedness and liability of the Borrowers and the grantor of the Bank Security to the Bank, including without limitation, indebtedness and liability under any guarantees, foreign exchange contracts, cash management products, and derivative contracts, and such Bank Security shall be on the Bank's standard form, supported by resolutions and solicitor's opinion, all acceptable to the Bank, and the security forming such Bank Security shall be registered against the relevant grantor in first position in favour of the Bank:

(a) General Security Agreements ("**GSA**") from 2412170 Alberta Ltd. and 2416326 Alberta Ltd. representing a first ranking charge on all present and after acquired personal

property, including without limitation all equipment, with Schedule "B" (Floor Plan) Additional Terms and Conditions to GSA.

- (b) Continuing Collateral Mortgage, representing a first charge, on real property located at 1100 Waterton Avenue, Pincher Creek, AB in the principal amount of \$2,900,000, beneficially owned by and registered by 2416326 Alberta Ltd.
- (c) Assignment of Fire, Business and Liability Insurance with the Bank named as first loss payee. The Bank to be named as loss payee for all assets of the Borrower, including without limitation, any Vehicles. Vehicle insurance to be in a sufficient amount to be equal to or greater than the Credit Limit, will include coverage for potential Hail damage, or as may otherwise be specified by the Bank. Borrower Liability Insurance Policy minimums to be determined to cover vicarious liability exposure, with amounts acceptable to the Bank. Assignment of Fire Insurance to include coverage over the Subject Property.
- (d) General Assignment of Rents and Leases representing a first charge from 2412170 Alberta Ltd.
- (e) Power of Attorney.
- (f) Assignment of Manufacturer Credits from the OEM.
- (g) Dealer Payment Authorization to the Manufacturer.
- (h) Postponement and Assignment of Creditor's Claim executed by Michael J Koch, Donald Edward Liddell, 2412170 Alberta Ltd. and 2416326 Alberta Ltd.
- (i) Unlimited Guarantee of Advances executed by 2412170 Alberta Ltd. in support of 2416326 Alberta Ltd.
- (j) Unlimited Guarantee of Advances executed by 2416326 Alberta Ltd. in support of 2412170 Alberta Ltd.
- (k) Landlord's Waiver for 1100 Waterton Avenue, Pincher Creek, AB from 2416326 Alberta Ltd. (landlord).
- (l) Such additional agreements set out in Article DPP, Article BA, Article DTT and/or Article AAT (as applicable).
- (m) Such other Bank Security as the Bank may require from time to time.

**CONDITIONS
PRECEDENT TO
EFFECTIVENESS
OF AGREEMENT**

The effectiveness of this Agreement is subject to and conditional upon the satisfaction of the following conditions precedent (unless waived in writing by the Bank):

- (a) The Standard Disbursement Conditions contained in Schedule "A", including provision of all Bank Security in form acceptable to the Bank and its counsel.
- (b) The Bank has received all fees and expenses payable under this Agreement including but not limited to legal expenses for counsel.
- (c) The representations and warranties contained in this Agreement are true and correct.
- (d) Delivery to the Bank of the following, all of which must be in form and substance satisfactory to the Bank:

- (i) A copy of the Borrower's current dealership agreement with the OEM (the **"Sales and Services Agreement"**).
- (ii) A copy of the Borrower's current and in force motor vehicle dealer license with the provincial regulator of motor vehicle dealers.
- (iii) A copy of the repurchase agreement for vehicle and parts inventory between the Bank and the OEM (if not in the Sales and Services Agreement).
- (e) Satisfactory completion and provision of the Bank's environmental questionnaire for operating premises of the Borrowers.
- (f) Satisfactory review and provision of lease agreements for operating premises of the Borrowers.
- (g) Provision of copies of all shareholder loan(s) and corresponding security documents, if applicable.
- (h) Provision of copies of the HST (GST) or other tax registration numbers of the Borrowers and any applicable PST registration numbers.
- (i) Executed copy of the Pre-Authorize Debit (PAD) agreement for Electronic Funds Transfer (EFT).

DISBURSEMENT CONDITIONS

The obligation of the Bank to permit any drawdown under any Facility hereunder is subject to the following drawdown conditions (unless waived in writing by the Bank):

- (a) All of the Conditions Precedent to Effectiveness of Agreement set out above.
- (b) Satisfactory environmental site visit to be completed by the Bank;
- (c) Transmittal letter from EDI, on a best-efforts basis.
- (d) Transmittal letter from Colliers International Realty Advisors Inc.
- (e) OEM approval, in form satisfactory to the Bank.
- (f) Confirmation of equity injection to close transaction(s), in form satisfactory to the Bank.
- (g) Executed purchase and sale agreement, in form satisfactory to the Bank.
- (h) Confirmation of no event of default and covenant compliance at closing, based on updated opening balance sheet, if applicable.
- (i) New and Used inventory listing(s) for takeover audit.
- (j) With respect to any Advance under the Demand Floor Plan Facility, each of the Disbursement Conditions set out in Article FPF.

**REPAYMENT AND
REDUCTION OF
UNCOMMITTED
FACILITIES**

If the Bank demands repayment for any uncommitted loan facility, the Borrower will pay to the Bank all amounts outstanding, including without limitation, the amount of all unmatured B/As and CDOR Loans and the amount of all drawn and undrawn L/Gs and L/Cs. All costs to the Bank and all loss suffered by the Bank in re-employing the amounts so repaid will be paid by the Borrower.

**SCHEDULE "A" -
STANDARD
TERMS AND
CONDITIONS**

Schedule "A" sets out the Standard Terms and Conditions ("**Standard Terms and Conditions**") which apply to any Facility made available under this Agreement. The Standard Terms and Conditions, including the defined terms set out therein, form part of this Agreement, unless any Article forming part of this Agreement states specifically that one or more of the Standard Terms and Conditions do not apply or are modified.

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ARTICLE FPF**DEMAND FLOOR PLAN TERMS****AVAILABILITY /
DRAWDOWN -
ADDITIONAL TERMS**

- (a) Subject to any increases under any New Vehicle Bulge Limit, the borrowings made available under this Facility shall not exceed the Total Floor Plan Limit, which such Total Floor Plan Limit shall be comprised of the following sub limits:
- (i) a New Vehicle credit limit of \$4,500,000, up to 100% of the Total Floor Plan Limit (the "**New Vehicle Credit Limit**").
 - (ii) a Used Vehicle credit limit of \$1,575,000, up to 35% of the Total Floor Plan Limit (the "**Used Vehicle Credit Limit**").
- (b) The New Vehicle Bulge Limit shall be an amount equal to \$1,500,000 at any time outstanding (the "**New Vehicle Bulge Limit**"). Drawdowns under the New Vehicle Bulge Limit shall not exceed 120 days in aggregate in a calendar year. The New Vehicle Bulge Limit is subject to change or cancellation by the Bank at any time.
- (c) Delayed Payment Program credit availability shall not exceed 25% of the Total Floor Plan Limit (not including any New Vehicle Bulge Limit).
- (d) Demonstrator Vehicles and Service Loaner Vehicles shall not exceed 15% of the Total Floor Plan Limit (not including any New Vehicle Bulge Limit).
- (e) No Advance shall be made for the financing of a Used Vehicle, Demonstrator Vehicle or Service Loaner Vehicle if such Vehicle exceeds 7 prior model years.

**ADVANCE RATE /
REPAYMENTS /
CURTAILMENTS**

Without limiting the demand nature of this Facility, the following conditions shall apply with respect to the making of Advances under this Facility and repayments thereof:

Vehicle Type	Advance Rate	Repayment on Disposition or Loss	Curtailments
New Vehicles	100% of the New Vehicle's Wholesale Invoice Cost	Current Balance of the applicable Vehicle to be repaid within 7 Business Days of its sold date. Except that, repayment of Advances in connection with Fleet Sales under a Bank approved Delayed Payment Program to be made in an amount equal to the Current Balance of the applicable Vehicles within the earlier of (i) Bank approved extended terms or (ii) 2 Business Days from the receipt of Proceeds.	10% per month starting at month 15; until the Vehicle loan is fully repaid. Except that, curtailments for Initial Takeover Vehicle of previous model year to be 10% per month starting at month 12, until Vehicle loan is fully repaid; and for Initial Takeover Vehicle that is two model years or older to be 10% per month starting at month 6, until Vehicle loan is fully repaid.
Demonstrator & Service Loaner Vehicles	100% of the Vehicle's Wholesale Invoice Cost	Current Balance of the applicable Vehicle to be repaid within 7 Business Days of its sold date.	5% per month starting at month 6. Remaining invoice balance payable at the end of the 18 th month following the Loan Post Date.
Used Vehicles & Auction Vehicles	Used Vehicles (other than Auction Vehicles): 90% of the Used Black Book Value of the applicable Vehicle	Current Balance of the applicable Vehicle to be repaid within 7 Business Days of sold date.	5% per month starting at month 9, until the Vehicle loan is fully repaid.

	Auction Vehicles: 100% of the Auction Invoice Cost of the applicable Vehicle Combined amount outstanding limited to the Used Vehicle Credit Limit		
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DEFINED TERMS

"Auction Invoice Cost" means the auction invoice price of the subject Auction Vehicle, including freight, auction fees and HST/GST or applicable provincial taxes.

"Auction Vehicle" means a Used Vehicle purchased at auction.

"Bulk Account Agreement" means the bulk account terms and conditions contained in Article BA or as previously agreed and documented between the Bank and the Borrower.

"Current Balance" means the current loan balance outstanding on a Qualifying Vehicle inclusive of any freight, HST/GST or applicable provincial taxes and all other taxes.

"Curtailments" means the consecutive monthly repayments to be made to the Bank on a Qualifying Vehicle following the Loan Post Date, expressed as a percentage of the original loan advance for such Qualifying Vehicle.

"Delayed Payment Plan Agreement" means the delayed payment plan terms and conditions contained in Article DPP.

"Demonstrator Vehicle" means a Qualifying Vehicle to be used as a demonstrator vehicle in accordance with customary practice for dealership operations and which such vehicle has been transferred to "Demonstrator Status" within 180 days from the Loan Post Date for such Qualifying Vehicle.

"Fleet Sales" means a sale of Vehicles on delayed payment terms in accordance with the Delayed Payment Plan Agreement approved by the Bank.

"Initial Takeover Vehicle" means a Qualifying Vehicle with less than 1,000 kilometers (calculated as at the time an Advance is made on such Qualifying Vehicle to repay the related indebtedness owing by the Borrower under their floor plan financing with any other floor plan lender), that has not been sold or registered to another owner.

"Loan Post Date" means the date on which an Advance is made on a Qualifying Vehicle.

"New Vehicle" means, for the purposes of this Article, a current or previous model year Qualifying Vehicle with less than 1,000 kilometers (calculated as at the time an Advance is made on such Qualifying Vehicle), that has not been sold or registered to another owner.

"Proceeds" means all property in any form derived directly or indirectly from any use or dealing with the Collateral (as defined in the applicable GSA or other Bank Security) or that indemnifies or compensates for Collateral destroyed or damaged.

"Qualifying Vehicle" means, for the purposes of this Article, any motor vehicles determined by the Bank from time to time in its sole discretion as qualifying for financing with proceeds from an Advance under this Facility.

"Service Loaner Vehicle" means a Qualifying Vehicle to be used as a service loaner in accordance with customary practice for dealership operations and which such vehicle has been transferred to "Service Loaner Status" within 180 days from the Loan Post Date for such Qualifying Vehicle.

"Total Floor Plan Limit" has the meaning given to such term in Article GT.

"Used Vehicle" means any Qualifying Vehicle that has been previously sold or registered to another owner.

"Used Black Book Value" means the "clean" Wholesale Black Book value of the subject Qualifying Vehicle.

"Wholesale Invoice Cost" means, for the purposes of this Article, the wholesale invoice cost of the subject Qualifying Vehicle, including freight and shipping costs and HST/GST or applicable provincial taxes.

So long as any amount remains outstanding and unpaid under this Agreement, or so long as any commitment under this Agreement remains in effect, the Borrower will and will ensure that its subsidiaries and each of the Guarantors will observe the following covenants:

**POSITIVE
COVENANTS**

- (a) The Bank shall have the right to inspect the Vehicles and records of the Borrower at any time and without advance notice. The Bank will conduct random audits including both a physical inventory audit of all Vehicles financed under the Facilities, including New Vehicles, Demonstrator Vehicles, Service Loaner Vehicles and Used Vehicles and the books and records of the Borrower including for all amounts that may rank in priority to the Bank, such as employee wages and source deductions. A schedule will be determined wherein audits are to be completed as determined by the Bank from time to time. The Borrower is to provide ownership registration forms for Demonstrator Vehicles, Service Loaner Vehicles and Used Vehicles. Costs of performing additional audits due to a change in the risk profile of the Borrower (as determined by the Bank acting reasonably in its sole discretion) shall be for the account of the Borrower.
- (b) The Borrower to notify the Bank immediately of any notice issued by the OEM to the Borrower to terminate the Sales and Services Agreement.
- (c) The Borrower to advise the Bank immediately of notice issued in the event that the OEM decides to replace the Borrower.
- (d) The Borrower will operate bank accounts solely with the Bank at all times that this Agreement is in effect or any amount is owed to the Bank hereunder.
- (e) The Borrower to advise the Bank immediately when the Borrower moves a New Vehicle to Demonstrator Vehicle, Service Loaner Vehicle, delayed payment plan (DPP), or Used Vehicle status.
- (f) The Borrower to advise the Bank immediately if the Borrower is placed on 'Prior Approval' by the OEM.
- (g) The Borrower to advise the Bank immediately if the Borrower is in an 'Out of Trust' position under their floor plan financing with the Bank or any other floor plan lender.
- (h) The Borrower to advise the Bank immediately if their franchise agreement has been revoked by the OEM.
- (i) The Borrower acknowledges that the Bank may use the services of third party floor plan audit and risk management service providers. These service providers will assist the Bank and the Borrower in providing wholesale floor plan accounting, risk management systems and related floor plan solutions using a secure on-line portal accessible through: Internet Explorer 8, Firefox 3, or Google Chrome 4 or like browsers as upgraded from time to time.

**NEGATIVE
COVENANTS**

- (a) The Borrower will not incur any other floor plan finance indebtedness or liabilities for any Vehicles without the prior written consent of the Bank or as permitted under Permitted Liens.

- (b) Without limiting any of the obligations of the Borrower under the Bank Security, except as expressly permitted herein, the Borrower will not transport or relocate any Vehicle financed hereunder outside of Canada, whether for the purpose of selling such Vehicle or for any other purpose, without the prior written consent of the Bank.

**DISBURSEMENT
CONDITIONS**

The obligation of the Bank to permit any drawdown hereunder is subject to the following drawdown conditions (unless waived in writing by the Bank):

N/A

**WHOLESALE
BULK PLAN**

Excess cash can be placed in a wholesale bulk offset account where interest earned on the deposit can be netted against the interest payable under this Facility, as detailed in the Bulk Account Terms.

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ARTICLE AF

ANCILLARY FACILITIES TERMS

**ANCILLARY
FACILITIES**

As at the date of this Agreement, the following uncommitted ancillary products are made available to the Borrower(s) and shall be secured by the Bank Security. These products may be subject to other agreements.

1. TD Visa Business card (or cards) issued by the Bank from time to time
2. Various cash management and day-to-day banking products and services provided from time to time.

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ARTICLE F

FEES

**UP FRONT
FEES**

N/A

**MONTHLY
FEES**

\$150 per month

ANNUAL REVIEW FEE

\$2,500 per annum

**ADMINISTRATIVE /
AUDIT FEES**

The Borrower shall pay to the Bank the following fees from time to time:

Reporting related fees:

- \$350 late reporting fee per occurrence and monthly thereafter until required reporting is delivered
- \$25 per monthly dealer operating statement that is manually entered by the Bank. Borrower may upload their monthly operating statements into the Bank's system at no cost

Audit fees:

Costs of performing additional audits due to a change in the risk profile of the Borrower(s) (as determined by the Bank acting reasonably in its sole discretion) shall be for the account of the Borrower.

**EXCESS MONITORING
FEE**

The Borrower shall pay, at the Bank's discretion, an Excess Monitoring Fee of \$350 each time that the Demand Operating Line Facility Credit Limit is exceeded, payable in the currency of the Demand Operating Line Facility. Any extension of credit above the Demand Operating Line Facility Credit Limit will be at the Bank's sole and absolute discretion.

DISCHARGE FEE

In addition to the applicable government fee for registering the discharge of a collateral mortgage charge, the Borrower shall pay \$75.00 to prepare the documents needed to register each collateral mortgage discharge.

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ARTICLE DPP

DELAYED PAYMENT PLAN (DPP)

DEFINITIONS

In this Article DPP, the following capitalized terms shall have the following meanings:

"Borrower" means, collectively, the Borrower(s) under the Demand Floor Plan Facility (and, as applicable, each such Borrower, as the context requires).

DPP TERMS

The Borrower hereby agrees with the Bank as follows:

1. The Borrower may from time to time request a delay in payment for one or more Vehicles financed under the Demand Floor Plan Facility by electronically submitting to the Bank a duly completed delayed payment plan request (each a **"DPP Request"**) using the Bank's Apak Group Inc. Wholesale Floorplan System (the **"WFS"**) no later than five (5) Business Days after the Borrower's delivery of the Vehicles to the purchaser. Each DPP Request submitted by the Borrower shall be subject to the provisions of this Article DPP and the DPP Guidelines (the **"Guidelines"**) issued by the Bank from time to time in connection with Bank's DPP Program and which may be accessible using the WFS. The Bank may change the Guidelines at any time without notice to the Borrower and the Borrower agrees to comply with any such amended Guidelines. The Bank will consider each DPP Request on a case by case basis in its sole discretion. Initial delayed payment terms cannot exceed forty-five (45) days from the date of delivery. A payment delay of greater than forty-five (45) days will only be approved by the Bank, in its sole discretion, on an exception basis. The Bank agrees to notify the Borrower of any DPP Request which is declined using the WFS in accordance with the Guidelines.
2. The Borrower hereby assigns to the Bank and grants to and in favour of the Bank a security interest in all of the Borrower's right, title and interest in and to the account receivable owned by the Borrower and arising out of the sale and delivery of the Vehicles described in a DPP Request. This Bank Security shall be in addition to and not in substitution for any other Bank Security held by the Bank, now or in the future.
3. The Borrower represents and warrants that the Borrower and the purchaser named in the DPP Request are solvent and will remain so until purchase price of the Vehicles is paid in full; that the applicable account receivable is genuine and in all things what it purports to be and is a certain, liquidated claim and undisputed debt owing to the Borrower and to the Borrower alone (which will become due on the date noted in the DPP Request) arising from the bona fide sale and delivery of the Vehicle(s) described therein; that the corresponding debt has not been previously assigned by the Borrower; that there are no defences, set-offs or counter claims to the liability of the purchaser thereon; that the Bank will receive payment of such debt in full on or before the due date thereof as set forth in the DPP Request; that proper entries have been made on the Borrower's books disclosing the absolute assignment of such debt to the Bank; that the Borrower will not hereafter assign or compromise the applicable account receivable, or (except upon payment in full and with the consent of the Bank) release the purchaser or do any other act or thing which would tend to or would render the assigned account receivable less valuable or valueless.
4. The Borrower covenants and agrees with the Bank that: (a) the specific assignment herein contained shall constitute continuing security to the Bank for all present and future debts, liabilities and obligations whatsoever of the Borrower now or hereafter owed by the Borrower to the Bank, (b) it shall obtain from the purchaser any consent to this assignment which may be necessary, and (c) it shall from time to time, promptly upon being requested to do so by the Bank make, execute, and deliver to purchaser and where appropriate, record or file, any and all such other and further assignments, instruments of further assurance, certificates or other documents as may, in the opinion of the Bank be necessary or desirable in order to effectuate, complete, perfect, continue or preserve all the ownership interest and other rights of the Bank given or intended to be given by this assignment.
5. The Borrower agrees to collect this account as the Bank's agent, accepting only cash, EFT payments or certified funds to apply thereon. The Borrower promises to receive all payments made by purchaser to the Borrower in trust for the Bank and to keep the purchaser's payments apart from all other funds or items (when requested by the Bank) and to transmit the same to the Bank immediately upon receipt. The Borrower agrees that the Bank may elect at any time to notify the purchaser of this assignment and revoke the authority of the Borrower to collect the same. If the Bank receives at any time any cheques, drafts, money orders or other instruments or orders for money payable to the Borrower, the

Borrower agrees the Bank may apply these items toward the satisfaction of said debt. The Bank is irrevocably appointed attorney-in-fact for the Borrower to endorse each such instrument with the Borrower's name and collect the same.

6. The Bank may cancel the terms and conditions pertaining to the delayed payment arrangement contained in this Article DPP or any other delayed payment arrangement between the Borrower and the Bank at any time in its sole discretion on written notice to the Borrower in which case the Borrower must immediately pay the Bank the amount owing under the Facility attributable to any Vehicles in question for which delayed payment has been approved by the Bank, with interest to the date of payment.
7. Any agreement by the Bank to delay payment does not in any way affect the Borrower's obligation under this Agreement to repay the amount owing under the Facility or Facilities attributable to the Vehicles in question regardless of whether or not the Borrower collects payment for the Vehicles from its purchaser within the period of the delay, or at all.
8. The Borrower must repay the amount owing under the Facility or Facilities attributable to the particular Vehicles in question for which delayed payment has been approved by the Bank immediately upon the earlier of: (i) demand by the Bank; (ii) termination of any delayed payment arrangement or as provided for under section 6 above; or (iii) within two (2) Business Days of the Borrower's receipt of payment for the Vehicles from the purchaser, whether or not the delay approved by the Bank has expired.
9. The Borrower must pay interest on the amount owing under the Facility or Facilities attributable to each Vehicle at the rate established under the terms of this Agreement until the Borrower pays that amount to the Bank, irrespective of any delay in payment that is approved by the Bank.
10. The Borrower shall, when requested by the Bank, provide the Bank with annual forecasts for each purchaser of its anticipated volume and timing of requests to delay payment for Vehicles, and must provide the Bank with any updated forecast that it prepares.
11. The Borrower must permit the Bank or its agents to inspect the Borrower's records relating to any Vehicles for which the Borrower has requested delayed payment from time to time. For greater clarity, this right of inspection shall apply in respect of Vehicles under any existing DPP Request or in respect of paid-out Vehicles which were previously subject to a DPP Request.
12. The terms and conditions of this Article DPP replaces any previous arrangements or agreements concerning the same subject that have been delivered by the Borrower to the Bank.

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ARTICLE DTT

DEALER TRADE TERMS

DEFINITIONS

In this Article DTT, the following capitalized terms shall have the following meanings:

"Borrower" means, collectively, the Borrower(s) under the Demand Floor Plan Facility (and, as applicable, each such Borrower, as the context requires).

"Purchase Agreement" means the agreement of purchase and sale entered into by the Borrower, as a selling dealer or as a buying dealer, which such agreement governs the purchase and sale of Vehicle(s).

"Transactions" means, collectively, the purchase and sale transactions entered into by the Borrower with other dealers from time to time for the purchase and/or sale of Vehicles which, in each case, have been financed by the Bank.

"User Guide" means the user guide related to the WFS, as amended from time to time.

"WFS" means the Bank's Apak Group Inc. Wholesale Finance System, which the Borrower has agreed to use to facilitate the payment of Vehicles sold pursuant to a Purchase Agreement and to abide by the terms and conditions governing the use thereof as may be set forth in the related User Guide.

DEALER TRADE TERMS

The Borrower hereby agrees with the Bank as follows:

1. The Bank, subject to the provisions outlined below, consents to the purchase and sale of Vehicles (which are subject to a Purchase Agreement in each case) from time to time by the Borrower using the WFS.
2. Provisions applicable where Borrower is a Selling Dealer:
 - (a) Where the Borrower is a selling dealer (a **"Selling Dealer"**), it shall follow the procedures for a Selling Dealer set forth in the User Guide to the WFS.
 - (b) As a Selling Dealer, the Borrower shall only enter into Purchase Agreement with a dealer who is a Bank authorized "Buying Dealer" participating in the WFS.
 - (c) As a Selling Dealer, the Borrower can only sell Vehicles which are deemed eligible by the Bank for such purchase and sale using the WFS.
 - (d) The selling price for each Vehicle (as set forth in the Purchase Agreement) shall not exceed the unpaid principal sum (inclusive of all applicable taxes) owing by the Borrower to the Bank under the applicable Facility for such Vehicle.
 - (e) Once the Bank has confirmed that the Buying Dealer is eligible to purchase the Vehicle under the WFS (and that the Vehicle is eligible for purchase), the Bank will drawdown under the Buying Dealer's facility with the Bank in an amount equal to the unpaid principal sum (inclusive of all applicable taxes) owing by the Selling Dealer for such Vehicle and will apply such amounts to repay the related indebtedness owing by the Selling Dealer to the Bank under the Selling Dealer's applicable Facility. Upon drawdown and application of the proceeds referred to above, all right title and interest in and to the Vehicle(s) shall pass from the Selling Dealer to the Buying Dealer and the Vehicle(s) shall become subject to the Bank's security provided to it by the Buying Dealer.

- (f) As a Selling Dealer, the Borrower represents and warrants to the Bank and the Buying Dealer that the sale of the Vehicle(s) will occur free and clear of any security interest or encumbrance (except for the security interest held by the Bank) and that the Borrower will remain liable for all indebtedness it has incurred in respect of the Vehicle(s) until such indebtedness is fully repaid.

3. Provisions applicable where Borrower is a Buying Dealer:

- (a) Where the Borrower is a buying dealer (a “**Buying Dealer**”), it shall follow the procedures for a Buying Dealer set forth in the User Guide to the WFS.
- (b) As a Buying Dealer, the Borrower shall only enter into a Purchase Agreement with a dealer who is an authorized “Selling Dealer” participating in the WFS.
- (c) As a Buying Dealer, the Borrower shall only purchase Vehicles which are deemed eligible by the Bank for such purchase and sale using the WFS.
- (d) The purchase price for each Vehicle (as set forth in the Purchase Agreement) shall not exceed the principal sum (inclusive of all applicable taxes) owing by the Selling Dealer to the Bank under its applicable facility for such Vehicle.
- (e) Once the Bank has confirmed that the Selling Dealer is eligible to sell the Vehicle under the WFS (and that the Vehicle is eligible for purchase), the Bank will drawdown under the Buying Dealer’s Facility with the Bank in an amount equal to the principal sum (inclusive of all applicable taxes) owing by the Selling Dealer to the Bank and the Buying Dealer irrevocably directs the Bank to apply such amount to repay the related indebtedness owing by the Selling Dealer to the Bank under Selling Dealer’s applicable facility. All such drawdowns shall be subject to the terms of the Buying Dealer’s Demand Operating Facility Agreement, Automotive Lending Agreement, or similar loan agreement with the Bank.
- (f) Upon drawdown and application of the proceeds referred to above, all right title and interest in and to the Vehicle(s) shall pass from the Selling Dealer to the Buying Dealer and the Vehicle(s) shall become subject to the Bank’s security provided to it by the Buying Dealer.

4. Provisions applicable to Dealer Group Transactions:

Where the Borrower is a member of a “Dealer Group” (the membership of which is recorded on the WFS), an authorized representative of the Borrower shall be permitted to represent both the Selling Dealer and the Buying Dealer in a Transaction facilitated through the WFS.

5. By using the WFS to facilitate the purchase and sale of Vehicles, the Borrower (whether it is acting as Selling Dealer or Buying Dealer), represents, warrants, covenants and agrees as follows:

- (i) each purchase and sale transaction is a legal, valid and bona fide transaction, in all respects governed by the terms of the Purchase Agreement (except with respect to payment of the related purchase price for the Transaction which shall be governed by the terms of this Article DTT).
- (ii) each Transaction is in full compliance with all applicable laws regulating the sale of Vehicles between the parties.
- (iii) the Borrower (and not the Bank) shall be responsible for the payment, collection and remittance of all applicable taxes (relating to the purchase and sale of Vehicles) to the applicable governmental taxing authorities in accordance its respective roles and responsibilities as buyer or seller, as the case may be.

- (iv) all Transaction information provided by the Borrower to the Bank using the WFS is true, complete and accurate in all material respects.
 - (v) the Bank shall be entitled to rely on all such Transaction information and instructions received through the WFS and that the Borrower ratifies and confirms and agrees to be bound by all such Transaction instructions received by the Bank through the WFS sent by or on behalf of the Borrower.
 - (vi) in order to facilitate a Transaction (or proposed Transaction), the Bank is expressly authorized to collect, use, maintain and disclose information relating to the original Vehicle purchase price, the timing and amount of curtailment payments, and the amount of outstanding indebtedness owing on a Vehicle to any other dealer using the WFS.
- 6. The Borrower agrees to permit the Bank or its agents to inspect the Borrower's records relating to any Transaction during the Borrower's normal operating hours.
 - 7. The Borrower agrees to indemnify and save harmless the Bank from and against all claims, damages, losses, causes of action, liabilities and obligations incurred or suffered by the Bank as a result of or in any way related to a Transaction facilitated through the WFS.
 - 8. The Bank's records relating to a Transaction as retained by the WFS or otherwise shall be deemed for all purposes to be conclusive and binding on the Borrower.
 - 9. This Article DTT replaces any previous arrangements or agreements concerning the same subject that have been delivered by the Borrower to the Bank.
 - 10. The Bank may terminate or suspend the operation of the provisions of this Article DTT at any time without notice to the Borrower.

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ARTICLE BA

BULK ACCOUNT TERMS

DEFINITIONS

In this Article BA, the following capitalized terms shall have the following meanings:

"Borrower" means, collectively, the Borrower(s) under the Demand Floor Plan Facility (and, as applicable, each such Borrower, as the context requires).

"Credit Agreements" means, collectively, this Agreement and the Bank Security.

"Surplus Funds" means surplus funds of the Borrower from time to time available to it and which the Borrower desires to apply against the then outstanding loans and obligations owing to the Bank under the Demand Floor Plan Facility.

**BULK ACCOUNT
TERMS**

The Borrower hereby agrees with the Bank as follows:

11. The Bank shall establish for the Borrower a separate account into which the Borrower may from time to time deposit Surplus Funds (the **"Bulk Account"**). Each deposit of Surplus Funds to the Bulk Account shall be in an amount of not less than \$5,000. The aggregate of all Surplus Funds deposited to the Bulk Account by the Borrower shall not at any one time exceed 25% of the aggregate Total Floor Plan Limit. The Borrower shall contact the Bank to effect any transaction in connection with the Bulk Account.
12. The Bank may without notice to or consent of the Borrower, automatically transfer monies from the Bulk Account to the Borrower's general operating deposit account should the amount of Surplus Funds on deposit in the Bulk Account be in excess of 25% of the aggregate Total Floor Plan Limit.
13. Surplus Funds deposited to the Bulk Account will accrue interest at a rate of Prime less 75 basis points, unless otherwise determined by the Bank and confirmed in writing to the Borrower. Accrued interest on Surplus Funds in the Bulk Account will be offset against interest payable by the Borrower to the Bank under the Demand Floor Plan Facility provided that, if the amount of accrued interest earned on the Bulk Account exceeds the amount of interest payable thereunder, no net interest amount will be paid by the Bank. The Bank will issue a standard T5 for interest earned on the Bulk Account.
14. Interest is calculated on the monthly average credit balance (the sum of the daily closing account balances for a month divided by the number of days in that month) and, subject to section 3 above, interest is paid monthly.
15. The terms and conditions of this Article BA may be terminated by the Borrower or the Bank on not less than thirty (30) days' prior written notice. The Bulk Account will also be subject to the terms and conditions of the Business Services Master Agreement or the Business Banking Services Agreement (whichever is applicable) executed by the Borrower with the Bank.

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ARTICLE AAT

ADESA AUCTION TERMS

DEFINITIONS

In this Article AAT, the following capitalized terms shall have the following meanings:

"Adesa" means, collectively, Adesa Auctions Canada Corporation and its affiliated entities.

"Auction Services Option" means the auction services option set out in Section 2 of this Article AAT.

"Borrower" means, collectively, the Borrower(s) under the Demand Floor Plan Facility (and, as applicable, each such Borrower, as the context requires).

AUCTION TERMS

The Borrower hereby agrees with the Bank as follows:

1. **Used Vehicle Credit Limit:** Total borrowings under the applicable Facility (whether by conventional drawdowns or by way of the Auction Services Option) shall at no time exceed the Used Vehicle Credit Limit.
2. Auction Services Option:
 - (a) At the Borrower's request, the Bank will confirm to Adesa (and the Borrower) the total dollar amount of available credit (the **"Sale Day Credit"**) under the Borrower's Used Vehicle Credit Limit which the Bank is prepared to make available to finance the Borrower's purchase of Used Vehicles through Adesa on a particular auction sale day (an **"Auction Day"**);
 - (b) Subject to the terms of this Agreement and the Borrower's agreements with Adesa (and Adesa's policies and procedures thereunder) the Borrower shall be permitted to purchase Used Vehicles on any particular Auction Day in an amount up to the Sale Day Credit, provided, however, at no time shall the amounts then outstanding under the applicable Facility plus the Sale Day Credit exceed the Used Vehicle Credit Limit;
 - (c) The Bank does not assume any of the Borrower's obligations and liabilities to and in favour of Adesa and/or the seller under the Borrower's agreements with Adesa, the seller, or otherwise in respect of such Used Vehicles and all such obligations and liabilities shall be for the account of the Borrower only;
 - (d) Within two (2) Business Days following the applicable Auction Day, Adesa will provide the Bank with a written report (the **"Floor Plan Report"**) which details the Used Vehicles purchased by the Borrower through Adesa on the applicable Auction Days. The Floor Plan Report will provide a full description of the Auction Vehicles purchased by the Borrower as well as setting out the total purchase price, specifying all applicable taxes, fees and costs payable by the Borrower in connection with such purchases. The total of such amounts being herein referred to as the **"Total Payment Amount"** which shall be paid by the Bank to Adesa on the Borrower's behalf;
 - (e) Within one (1) Business Day of the Bank's receipt of the Floor Plan Report, the Borrower irrevocably and unconditionally authorizes and directs the Bank to advance to Adesa (on the Borrower's behalf) the Total Payment Amount set out therein;
 - (f) The Bank shall be entitled to assume (without further enquiry or investigation on the Bank's part) the accuracy of all information related to the Auction Vehicles as set forth in Floor Plan Report, including, without limitation, the year, make, model, colour, VIN and reported kilometers, the Borrower's legal name, the total sale price of each Auction

Vehicle, applicable taxes, and the administration fees and all other costs and charges assessed by Adesa and payable by the Borrower in connection with such vehicles;

- (g) The Bank's payment of the Total Payment Amount to Adesa on behalf of the Borrower shall be deemed to be a drawdown by the Borrower under the applicable Facility.
- 3. Qualifying Used Vehicles: Each Auction Vehicle purchased by the Borrower under the Auction Services Option must meet all of the following criteria (in addition to any criteria set forth elsewhere in this Agreement):
 - (a) The eligibility criteria for a New Vehicle, Used Vehicle, Demonstrator Vehicle or Service Loaner Vehicle, as applicable, as a Qualifying Vehicle in accordance with Article FPF; and
 - (b) Vehicle title is not branded as salvage.
- 4. The Bank's Additional Rights: In addition to any other rights and remedies provided elsewhere in this Agreement or the Bank Security, the Bank shall have the right at any time (whether the Borrower is in default under its agreements with the Bank or not) to:
 - (a) inspect each Auction Vehicle purchased by the Borrower under the Auction Services Option at the specific Adesa auction facility or otherwise; and
 - (b) in the Bank's sole discretion, request that Adesa retain possession and control of all such Auction Vehicles at Adesa premises and not release such vehicles to the Borrower unless and until agreed to by the Bank.
- 5. Consent to Disclose Information: In connection with the establishment, maintenance, operation and participation of the Borrower in the Auction Services Option, the Borrower expressly authorizes the Bank to receive from and disclose to Adesa (and all representatives of Adesa) any and all information (including credit and financial information) required in the Bank's sole determination to allow the Bank, the Borrower and Adesa to perform their roles and responsibilities under the Auction Service Option. Without limiting the generality of the foregoing, the Bank may disclose to Adesa the terms and conditions of this Agreement, the authorized credit limits and amounts of available credit thereunder, any decision by the Bank to not make further advances under or terminate or not renew any Facility described in the Agreement, and any information related to the Bank's decision to terminate the Borrower's participation in the Auction Services Option, or to enforce any of the Bank's security or other remedies against the Borrower.
- 6. Borrower's Specific Representations, Warranties and Covenants: The Borrower makes the following specific representations, warranties and covenants in favour of the Bank which shall be continually repeated on each Advance under the Auction Services Option:
 - (a) The Borrower is in compliance with all auction policies, procedures and agreements established from time to time by Adesa and which may apply to the Auction Services Option;
 - (b) The Borrower's auction privileges with Adesa are in good standing and have not been suspended;
 - (c) All Auction Vehicles described in any Demand Floor Plan Report delivered to the Bank by Adesa shall represent valid bona fide purchases of Used Vehicles by the Borrower from the sellers thereof through the services of Adesa in full compliance with the Borrower's obligations to the Bank under this Agreement;
 - (d) All Auction Vehicles purchased by the Borrower under the Auction Services Option shall at all times be at the Borrower's sole risk and liability regardless of whether they are located on Adesa premises. The Borrower will ensure that all Auction

Vehicles purchased under the Auction Services Option will at all times be fully insured in accordance with the "Assignment of Fire, Business and Liability Insurance" requirements of this Agreement.

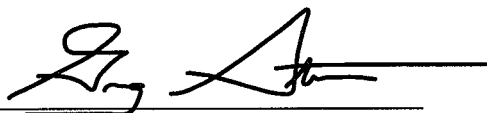
7. **Modification and Termination:** The Bank reserves the right to modify or terminate the arrangements set out in this Article AAT at any time in its sole discretion with notice to the Borrower.
8. **Paramountcy:** In the event of any inconsistency between the provisions of this Article AAT and any other provisions in this Agreement, the provisions of this Article AAT shall prevail.

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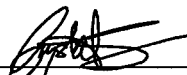
We ask that if you wish to accept this offer of financing, please do so by signing and returning the attached duplicate copy of this letter to the undersigned. This offer will expire if not accepted in writing and received by the Bank on or before **15, July 2022**

Yours truly,

THE TORONTO-DOMINION BANK

A handwritten signature in black ink, appearing to be 'Greg Stevens', written over a horizontal line.

Greg Stevens
Senior Relationship Manager

A handwritten signature in black ink, appearing to be 'Crystal Springinatic', written over a horizontal line.

Crystal Springinatic
Senior Manger Commercial Credit

TO THE TORONTO-DOMINION BANK:

Each of the undersigned hereby accepts the foregoing offer this 7 day of July, 2022.
Each of the undersigned confirms that, except as may be set out above, no Facility detailed herein shall be used by or on behalf of any third party.

THE BORROWER(S):

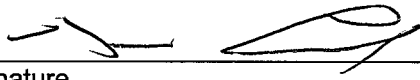
2412170 Alberta Ltd.



Signature

Michael Koch

Print Name & Position
PRESIDENT



Signature

Donald Liddell, CFO

Print Name & Position

2416326 Alberta Ltd.



Signature

Michael Koch

Print Name & Position
PRESIDENT



Signature

Donald Liddell, CFO

Print Name & Position

cc. Guarantor(s)

The Bank is providing the Guarantor(s) with a copy of this letter as a courtesy only. The delivery of a copy of this letter does not create any obligation of the Bank to provide the Guarantor(s) with notice of any changes to any Facility, including without limitation, changes to the terms and conditions, increases or decreases in the amount of any Facility, the establishment of new credit facilities or otherwise. The Bank may, or may not, at its option, provide the Guarantor(s) with such information, provided that the Bank will provide such information upon the written request of the Guarantor.

SCHEDULE "A"

STANDARD TERMS AND CONDITIONS

1. INTEREST RATE DEFINITIONS

Prime Rate means the rate of interest per annum (based on a 365 day year) established and reported by the Bank to the Bank of Canada from time to time as the reference rate of interest for determination of interest rates that the Bank charges to customers of varying degrees of creditworthiness in Canada for Canadian dollar loans made by it in Canada.

The Stamping Fee rate per annum for CAD B/As is based on a 365 day year and the Stamping Fee is calculated on the Face Amount of each B/A presented to the Bank for acceptance. The Stamping Fee rate per annum for USD B/As is based on a 360 day year and the Stamping Fee is calculated on the Face Amount of each B/A presented to the Bank for acceptance.

CDOR means, for any day, the annual rate for B/As denominated in Canadian Dollars for a specified term that appears on the Reuters Screen CDOR Page as of 10:00 a.m. (Toronto time) on such day (or, if such day is not a Business Day, then on the immediately preceding Business Day).

USBR means the rate of interest per annum (based on a 365 day year) established by the Bank from time to time as the reference rate of interest for the determination of interest rates that the Bank charges to customers of varying degrees of creditworthiness for US dollar loans made by it in Canada.

Interest rates will never be less than zero. If Prime Rate, CDOR, USBR or any other applicable base rate changes, resulting in a variable or floating annual interest rate that is a negative number, the interest rate will be 0.00%. Notwithstanding the foregoing, if a Floating Rate Loan with an interest rate based on CDOR has been hedged in its entirety with an interest rate swap with the Bank (the "Swap") and the Swap does not include a negative interest rate floor, the foregoing restriction on CDOR never being less than 0.00% shall not apply. However, for purposes of certainty, if the Swap is subsequently terminated or novated the restriction on CDOR never being less than 0.00% shall apply.

Any interest rate based on a period less than a year expressed as an annual rate for the purposes of the Interest Act (Canada) is equivalent to such determined rate multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the period upon which it was based.

2. INTEREST CALCULATION AND PAYMENT

Interest on Prime Based Loans and USBR Loans is calculated daily (including February 29 in a leap year) and payable monthly in arrears based on the number of days the subject loan is outstanding unless otherwise provided in the Rate and Payment Terms Notice. Interest is charged on February 29 in a leap year.

The Stamping Fee is calculated based on the amount and the term of the B/A and is payable upon acceptance by the Bank of the B/A. The net proceeds received by the Borrower on a B/A advance will be equal to the Face Amount of the B/A discounted at the Bank's then prevailing B/A discount rate for CAD B/As or USD B/As as the case may be, for the specified term of the B/A less the B/A Stamping Fee. If the B/A discount rate (or the rate used to determine the B/A discount rate) is less than zero, it shall instead be deemed to be zero for purposes of this Agreement.

Interest on CDOR Loans is calculated and payable on the earlier of contract maturity or quarterly in arrears, for the number of days in the CDOR interest period.

L/C and L/G fees are payable at the time set out in the Letter of Credit Indemnity Agreement applicable to the issued L/C or L/G.

Interest on Fixed Rate Term Loans is compounded monthly and payable monthly in arrears unless otherwise provided in the Rate and Payment Terms Notice.

Interest is payable both before and after maturity or demand, default and judgment.

Each payment under this Agreement shall be applied first in payment of costs and expenses, then interest and fees and the balance, if any, shall be applied in reduction of principal.

For loans not secured by real (immovable) property, all overdue amounts of principal and interest and all amounts outstanding in excess of the relevant Credit Limit shall bear interest from the date on which the same became due or from when the excess was incurred, as the case may be, until the date of payment or until the date the excess is repaid at the Bank's standard rate charged from time to time for overdrafts, or such lower interest rate if the Bank agrees to a lower interest rate in writing. Nothing in this clause shall be deemed to authorize the Borrower to incur loans in excess of the applicable Credit Limit or any sublimit thereto applicable to such Borrower.

If any provision of this Agreement would oblige the Borrower to make any payment of interest or other amount payable to the Bank in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by the Bank of "interest" at a "criminal rate" (as such terms are construed under the Criminal Code (Canada)), then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by applicable law or so result in a receipt by the Bank of "interest" at a "criminal rate", such adjustment to be effected, to the extent necessary (but only to the extent necessary), as follows: first, by reducing the amount or rate of interest, and, thereafter, by reducing any fees, commissions, costs, expenses, premiums and other amounts required to be paid to the Bank which would constitute interest for purposes of section 347 of the Criminal Code (Canada).

3. DRAWDOWN PROVISIONS

Prime Based and USBR Loans

There is no minimum amount of drawdown by way of Prime Based Loans and USBR Loans, except as stated in this Agreement. The Borrower shall provide the Bank with 3 Business Days' notice of a requested Prime Based Loan or USBR Loan over \$1,000,000.

B/As

The Borrower shall advise the Bank of the requested term or maturity date for B/As issued hereunder. The Bank shall have the discretion to restrict the term or maturity dates of B/As. In no event shall the term of the B/A exceed the Contractual Term Maturity Date or Maturity Date, as applicable. Except as otherwise stated in this Agreement, the minimum amount of a drawdown by way of B/As is \$1,000,000 and in multiples of \$100,000 thereafter. The Borrower shall provide the Bank with 3 Business Days' notice of a requested B/A drawdown.

The Borrower shall pay to the Bank the full amount of the B/A at the maturity date of the B/A.

The Borrower appoints the Bank as its attorney to and authorizes the Bank to (i) complete, sign, endorse, negotiate and deliver B/As on behalf of the Borrower in handwritten form, or by facsimile or mechanical signature or otherwise, (ii) accept such B/As, and (iii) purchase, discount, and/or negotiate B/As.

CDOR

The Borrower shall advise the Bank of the requested CDOR contract maturity or interest period. The Bank shall have the discretion to restrict the CDOR contract maturity. In no event shall the term of the CDOR contract exceed the Contractual Term Maturity Date or Maturity Date, as applicable. Except as otherwise stated in this Agreement, the minimum amount of a drawdown by way of a CDOR Loan is \$1,000,000, and shall be in multiples of \$100,000 thereafter. The Borrower will provide the Bank with 3 Business Days' notice of a requested CDOR Loan.

L/C and/or L/G

The Bank shall have the discretion to restrict the maturity date of L/Gs or L/Cs.

B/A and CDOR - Conversion

Any portion of any B/A or CDOR Loan that is not repaid, rolled over or converted in accordance with the applicable notice requirements hereunder shall be converted by the Bank to a Prime Based Loan effective as of the maturity date of the B/A or the last day in the interest period of the CDOR contract, as applicable. The Bank may charge interest on the amount of the Prime Based Loan at the rate of 115% of the rate applicable to Prime Based Loans for the 3 Business Day period immediately following such maturity. Thereafter, the rate shall revert to the rate applicable to Prime Based Loans.

B/A and CDOR – Market Disruption

If the Bank determines, in its sole discretion, that a normal market in Canada for the purchase and sale of B/As or the making of CDOR Loans does not exist, any right of the Borrower to request a drawdown under the applicable borrowing option shall be suspended until the Bank advises otherwise. Any drawdown request for B/As or CDOR Loans, as applicable,

during the suspension period shall be deemed to be a drawdown notice requesting a Prime Based Loan in an equivalent amount.

Cash Management

The Bank may, and the Borrower hereby authorizes the Bank to, drawdown under any Facility hereunder to satisfy any obligations of the Borrower to the Bank in connection with any cash management service provided by the Bank to the Borrower. The Bank may drawdown under any Facility hereunder even if the drawdown results in amounts outstanding in excess of the Credit Limit of such Facility.

Notice

Prior to each drawdown under a Fixed Rate Term Loan and at least 10 days prior to the maturity of each Rate Term, the Borrower will advise the Bank of its selection of drawdown options from those made available by the Bank. The Bank will, after each drawdown, other than drawdowns by way of BA or CDOR Loan or under the operating loan, send a Rate and Payment Terms Notice to the Borrower.

4. PREPAYMENT

Fixed Rate Term Loans

10% Prepayment Option Chosen.

- (a) Once, each calendar year, ("Year"), the Borrower may, provided that an Event of Default has not occurred, prepay in one lump sum, an amount of principal outstanding under a Fixed Rate Term Loan not exceeding 10% of the original amount of the Fixed Rate Term Loan, upon payment of all interest accrued to the date of prepayment without paying any prepayment charge. If the prepayment privilege is not used in one Year, it cannot be carried forward and used in a later Year.
- (b) Provided that an Event of Default has not occurred, the Borrower may prepay more than 10% of the original amount of a Fixed Rate Term Loan in any Year, upon payment of all interest accrued to the date of prepayment and an amount equal to the greater of:
 - (i) three months' interest on the amount of the prepayment (the amount of prepayment is the amount of prepayment exceeding the 10% limit described in Section 4(a)) using the interest rate applicable to the Fixed Rate Term Loan being prepaid; and
 - (ii) the Yield Maintenance, being the difference between:
 - a. the current outstanding principal balance of the Fixed Rate Term Loan; and
 - b. the sum of the present values as of the date of the prepayment of the future payments to be made on the Fixed Rate Term Loan until the last day of a Rate Term, plus the present value of the principal amount of the Fixed Rate Term Loan that would have been due on the maturity of the Rate Term, when discounted at the Government of Canada bond yield rate with a term which has the closest maturity to the unexpired term of the Fixed Rate Term Loan.

10% Prepayment Option Not Chosen.

- (c) The Borrower may, provided that an Event of Default has not occurred, prepay all or any part of the principal then outstanding under a Fixed Rate Term Loan upon payment of all interest accrued to the date of prepayment and an amount equal to the greater of:
 - (i) three months' interest on the amount of the prepayment using the interest rate applicable to the Fixed Rate Term Loan being prepaid; and
 - (ii) the Yield Maintenance, being the difference between:
 - a. the current outstanding principal balance of the Fixed Rate Term Loan; and

- b. the sum of the present values as of the date of the prepayment of the future payments to be made on the Fixed Rate Term Loan until the last day of the Rate Term, plus the present value of the principal amount of the Fixed Rate Term Loan that would have been due on the maturity of the Rate Term when discounted at the Government of Canada bond yield rate with a term which has the closest maturity to the unexpired term of the Fixed Rate Term Loan.

Floating Rate Term Loans

The Borrower may prepay the whole or any part of the principal outstanding under a Floating Rate Term Loan, at any time without the payment of prepayment charges.

5. STANDARD DISBURSEMENT CONDITIONS

The obligation of the Bank to permit any drawdowns hereunder at any time is subject to the following conditions precedent:

- (a) The Bank shall have received the following documents which shall be in form and substance satisfactory to the Bank:
 - (i) A copy of a duly executed resolution of the Board of Directors of the Borrower empowering the Borrower to enter into this Agreement;
 - (ii) A copy of any necessary government approvals authorizing the Borrower to enter into this Agreement;
 - (iii) All of the Bank Security and supporting resolutions and solicitors' letter of opinion required hereunder;
 - (iv) The Borrower's compliance certificate certifying compliance with all terms and conditions hereunder;
 - (v) All operation of account and trust account documentation; and
 - (vi) For drawdowns under the Facility by way of L/C or L/G, the Bank's standard form Letter of Credit Indemnity Agreement
- (b) The representations and warranties contained in this Agreement are true and correct.
- (c) No event has occurred and is continuing which constitutes an Event of Default or would constitute an Event of Default, but for the requirement that notice be given or time elapse or both.
- (d) The Bank has received the arrangement fee payable hereunder (if any) and the Borrower has paid all legal and other expenses incurred by the Bank in connection with the Agreement or the Bank Security.

6. STANDARD REPRESENTATIONS AND WARRANTIES

The Borrower hereby represents and warrants, which representations and warranties shall be deemed to be continually repeated so long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, that:

- (a) The Borrower is a duly incorporated corporation, a limited partnership, partnership, or sole proprietorship, duly organized, validly existing and in good standing under the laws of the jurisdiction where the Branch/Centre is located and each other jurisdiction where the Borrower has property or assets or carries on business and the Borrower has adequate corporate power and authority to carry on its business, own property, borrow monies and enter into agreements therefore, execute and deliver the Agreement, the Bank Security, and documents required hereunder, and observe and perform the terms and provisions of this Agreement.
- (b) There are no laws, statutes or regulations applicable to or binding upon the Borrower and no provisions in its charter documents or in any by-laws, resolutions, contracts, agreements, or arrangements which would be contravened, breached, violated as a result of the execution, delivery, performance, observance, of any terms of this Agreement.
- (c) No Event of Default has occurred nor has any event occurred which, with the passage of time or the giving of notice, would constitute an Event of Default under this Agreement or which would constitute a default under any other agreement.
- (d) There are no actions, suits or proceedings, including appeals or applications for review, or any knowledge of pending actions, suits, or proceedings against the Borrower and its subsidiaries, before any court or administrative agency which would result in any material adverse change in the property, assets, financial condition, business or operations of the Borrower.

- (e) All material authorizations, approvals, consents, licenses, exemptions, filings, registrations and other requirements of governmental, judicial and public bodies and authorities required to carry on its business have been or will be obtained or effected and are or will be in full force and effect.
- (f) The financial statements and forecasts delivered to the Bank fairly present the present financial position of the Borrower, and have been prepared by the Borrower and its auditors in accordance with the International Financial Reporting Standards or GAAP for Private Enterprises.
- (g) All of the remittances required to be made by the Borrower to the federal government and all provincial and municipal governments have been made, are currently up to date and there are no outstanding arrears. Without limiting the foregoing, all employee source deductions (including income taxes, Employment Insurance and Canada Pension Plan), sales taxes (both provincial and federal), corporate income taxes, corporate capital taxes, payroll taxes and workers' compensation dues are currently paid and up to date.
- (h) If the Bank Security includes a charge on real (immovable) property, the Borrower or Guarantor, as applicable, is the legal and beneficial owner of the real (immovable) property with good and marketable title in fee simple thereto (absolute ownership), free from all easements, servitudes, rights-of-way, agreements, restrictions, mortgages, hypothecs, liens, executions and other encumbrances, save and except for those approved by the Bank in writing.
- (i) All information that the Borrower has provided to the Bank is accurate and complete respecting, where applicable:
 - (i) the names of the Borrower's directors and the names and addresses of the Borrower's beneficial owners;
 - (ii) the names and addresses of the Borrower's trustees, known beneficiaries and/or settlors; and
 - (iii) the Borrower's ownership, control and structure.

7. STANDARD POSITIVE COVENANTS

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will, and will ensure that its subsidiaries and each of the Guarantors will:

- (a) Pay all amounts of principal, interest and fees on the dates, times and place specified herein, under the Rate and Payment Terms Notice, and under any other agreement between the Bank and the Borrower.
- (b) Advise the Bank of any change in the amount and the terms of any credit arrangement made with other lenders or any action taken by another lender to recover amounts outstanding with such other lender.
- (c) Advise promptly after the happening of any event which will result in a material adverse change in the financial condition, business, operations, or prospects of the Borrower or the occurrence of any Event of Default or default under this Agreement or under any other agreement for borrowed money.
- (d) Do all things necessary to maintain in good standing its corporate existence and preserve and keep all material agreements, rights, franchises, licenses, operations, contracts or other arrangements in full force and effect.
- (e) Take all necessary actions to ensure that the Bank Security and its obligations hereunder will rank ahead of all other indebtedness of and all other security granted by the Borrower.
- (f) Pay all taxes, assessments and government charges unless such taxes, assessments, or charges are being contested in good faith and appropriate reserves shall be made with funds set aside in a separate trust fund.
- (g) Provide the Bank with information and financial data as it may request from time to time, including, without limitation, such updated information and/or additional supporting information as the Bank may require with respect to any or all the matters in the Borrower's representation and warranty in Section 6(i).
- (h) Maintain property, plant and equipment in good repair and working condition.
- (i) Inform the Bank of any actual or probable litigation and furnish the Bank with copies of details of any litigation or other proceedings, which might affect the financial condition, business, operations, or prospects of the Borrower.

- (j) Provide such additional security and documentation as may be required from time to time by the Bank or its solicitors.
- (k) Continue to carry on the business currently being carried on by the Borrower its subsidiaries and each of the Guarantors at the date hereof.
- (l) Maintain adequate insurance on all of its assets, undertakings, and business risks.
- (m) Permit the Bank or its authorized representatives full and reasonable access to its premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom.
- (n) Comply with all applicable laws.

8. STANDARD NEGATIVE COVENANTS

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will not and will ensure that its subsidiaries and each of the Guarantors will not:

- (a) Create, incur, assume, or suffer to exist, any mortgage, hypothec, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to any of its assets or undertakings, now owned or hereafter acquired, except for those Permitted Liens, if any, set out in this Agreement.
- (b) Create, incur, assume or suffer to exist any other indebtedness for borrowed money (except for (i) indebtedness resulting from Permitted Liens, if any, and (ii) any indebtedness expressly permitted under Article GT) or guarantee or act as surety or agree to indemnify the debts of any other Person.
- (c) Merge or consolidate with any other Person, or acquire all or substantially all of the shares, assets or business of any other Person.
- (d) Sell, lease, assign, transfer, convey or otherwise dispose of any of its now owned or hereafter acquired assets (including, without limitation, shares of stock and indebtedness of subsidiaries, receivables and leasehold interests), except for inventory disposed of in the ordinary course of business.
- (e) Terminate or enter into a surrender of any lease of any property mortgaged or hypothecated under the Bank Security.
- (f) Cease to carry on the business currently being carried on by each of the Borrower, its subsidiaries, and the Guarantors at the date hereof.
- (g) Permit any change of ownership or change in the capital structure of the Borrower.

9. ENVIRONMENTAL

The Borrower represents and warrants (which representation and warranty shall continue throughout the term of this Agreement) that the business of the Borrower, its subsidiaries and each of the Guarantors is being operated in compliance with applicable laws and regulations respecting the discharge, omission, spill or disposal of any hazardous materials and that any and all enforcement actions in respect thereto have been clearly conveyed to the Bank.

The Borrower shall, at the request of the Bank from time to time, and at the Borrower's expense, obtain and provide to the Bank an environmental audit or inspection report of the property from auditors or inspectors acceptable to the Bank.

The Borrower hereby indemnifies the Bank, its officers, directors, employees, agents and shareholders, and agrees to hold each of them harmless from all loss, claims, damages and expenses (including legal and audit expenses) which may be suffered or incurred in connection with the indebtedness under this Agreement or in connection with the Bank Security.

10. STANDARD EVENTS OF DEFAULT

The Bank may accelerate the payment of principal and interest under any committed credit facility hereunder and cancel any undrawn portion of any committed credit facility hereunder, at any time after the occurrence of any one of the following Events of Default:

- (a) Non-payment of principal outstanding under this Agreement when due or non-payment of interest or fees outstanding under this Agreement within 3 Business Days of when due.
- (b) If any representation, warranty or statement made hereunder or made in connection with the execution and delivery of this Agreement or the Bank Security is false or misleading at any time.
- (c) If any representation or warranty made or information provided by any Guarantor to the Bank from time to time, including without limitation, under or in connection with the Personal Financial Statement and Privacy Agreement provided by such Guarantor, is false or misleading at any time.
- (d) If there is a breach or non-performance or non-observance of any term or condition of this Agreement or the Bank Security and, if such default is capable of being remedied, the default continues unremedied for 5 Business Days after the occurrence.
- (e) If the Borrower, any one of its subsidiaries, or, if any of the Guarantors makes a general assignment for the benefit of creditors, files or presents a petition, makes a proposal or commits any act of bankruptcy, or if any action is taken for the winding up, liquidation or the appointment of a liquidator, trustee in bankruptcy, custodian, curator, sequestrator, receiver or any other officer with similar powers or if a judgment or order shall be entered by any court approving a petition for reorganization, arrangement or composition of or in respect of the Borrower, any of its subsidiaries, or any of the Guarantors or if the Borrower, any of its subsidiaries, or any of the Guarantors is insolvent or declared bankrupt.
- (f) If there exists a voluntary or involuntary suspension of business of the Borrower, any of its subsidiaries, or any of the Guarantors.
- (g) If action is taken by an encumbrancer against the Borrower, any of its subsidiaries, or any of the Guarantors to take possession of property or enforce proceedings against any assets.
- (h) If any final judgment for the payment of monies is made against the Borrower, any of its subsidiaries, or any of the Guarantors and it is not discharged within 30 days from the imposition of such judgment.
- (i) If there exists an event, the effect of which with lapse of time or the giving of notice, will constitute a default, an event of default, an event of termination or similar event under any other agreement for borrowed money in excess of the Cross Default Threshold entered into by the Borrower, any of its subsidiaries, or any of the Guarantors.
- (j) If the Borrower, any one of its subsidiaries, or any of the Guarantors default under any other present or future agreement with the Bank or any of the Bank's subsidiaries, including without limitation, any other loan agreement, forward foreign exchange transactions, interest rate and currency and/or commodity swaps.
- (k) If the Bank Security is not enforceable or if any party to the Bank Security shall dispute or deny any liability or any of its obligations under the Bank Security, or if any Guarantor terminates a guarantee in respect of future advances.
- (l) If, in the Bank's determination, a material adverse change occurs in the financial condition, business operations or prospects of the Borrower, any of the Borrower's subsidiaries, or any of the Guarantors.
- (m) If the Borrower or a Guarantor is an individual, the Borrower or such Guarantor dies or is found by a court to be incapable of managing his or her affairs.

11. ACCELERATION

If the Bank accelerates the payment of principal and interest hereunder, the Borrower shall immediately pay to the Bank all amounts outstanding hereunder, including without limitation, the amount of unmatured B/As and CDOR Loans and the amount of all drawn and undrawn L/Gs and L/Cs. All cost to the Bank of unwinding CDOR Loans and all loss suffered by the Bank in re-employing amounts repaid will be paid by the Borrower.

The Bank may demand the payment of principal and interest under any loan made in connection with an Advance under an uncommitted Facility hereunder and cancel any undrawn portion of any such loan, at any time whether or not an Event of Default has occurred.

12. INDEMNITY

The Borrower agrees to indemnify the Bank from and against any and all claims, losses and liabilities arising or resulting from this Agreement. USD loans must be repaid with USD and CAD loans must be repaid with CAD and the Borrower shall indemnify the Bank for any loss suffered by the Bank if USD loans are repaid with CAD or vice versa, whether such payment is made pursuant to an order of a court or otherwise. In no event will the Bank be liable to the Borrower for any direct, indirect or consequential damages arising in connection with this Agreement.

13. TAXATION ON PAYMENTS

All payments made by the Borrower to the Bank will be made free and clear of all present and future taxes (excluding the Bank's income taxes), withholdings or deductions of whatever nature. If these taxes, withholdings or deductions are required by applicable law and are made, the Borrower, shall, as a separate and independent obligation, pay to the Bank all additional amounts as shall fully indemnify the Bank from any such taxes, withholdings or deductions.

14. REPRESENTATION

No representation or warranty or other statement made by the Bank concerning any of the Facilities shall be binding on the Bank unless made by it in writing as a specific amendment to this Agreement.

15. BANK MAY CHANGE AGREEMENT

- (a) The Bank may, from time to time, unilaterally change the provisions of this Agreement where (i) the provisions of the Agreement relate to a loan made in connection with an Advance under an uncommitted Facility hereunder, including changing or adding fees that may be charged in connection therewith, or (ii) such change is for the benefit of the Borrower, or made at the Borrower's request, including without limitation, decreases to fees or interest payable hereunder or (iii) where such change makes compliance with this Agreement less onerous to the Borrower, including without limitation, release of security. These changes can be made by the Bank providing written notice to the Borrower of such changes in the form of a specific waiver or a document constituting an amending agreement. The Borrower is not required to execute such waiver or amending agreement, unless the Bank requests the Borrower to sign such waiver or amending agreement. A change in the Prime Rate and USBR is not an amendment to the terms of this Agreement that requires notification to be provided to the Borrower.
- (b) Changes to the Agreement, other than as described in a) above, including changes to covenants and fees payable by the Borrower, are required to be agreed to by the Bank and the Borrower in writing, by the Bank and the Borrower each signing an amending agreement.
- (c) The Bank is not required to notify a Guarantor of any change in the Agreement, including any increase in the Credit Limit.

16. METHOD OF COMMUNICATION

The Bank may communicate with the Borrowers by ordinary, uninsured mail or other means, including hand delivery, electronic mail or facsimile transmission. Mailed information is deemed to be received by the relevant Borrower five days after mailing. Delivered information is deemed to be received when sent. Messages sent by facsimile are deemed to be received when the Bank receives a fax confirmation.

17. ADDED COST

If the introduction of or any change in any present or future law, regulation, treaty, official or unofficial directive, or regulatory requirement, (whether or not having the force of law) or in the interpretation or application thereof, relates to:

- (i) the imposition or exemption of taxation of payments due to the Bank or on reserves or deemed reserves in respect of the undrawn portion of any Facility or loan made available hereunder; or,
- (ii) any reserve, special deposit, regulatory or similar requirement against assets, deposits, or loans or other acquisition of funds for loans by the Bank; or,
- (iii) the amount of capital required or expected to be maintained by the Bank as a result of the existence of the advances or the commitment made hereunder;

and the result of such occurrence is, in the sole determination of the Bank, to increase the cost of the Bank or to reduce the income received or receivable by the Bank hereunder, the Borrower shall, on demand by the Bank, pay to the Bank that amount which the Bank estimates will compensate it for such additional cost or reduction in income and the Bank's estimate shall be conclusive, absent manifest error.

18. EXPENSES

The Borrower shall pay, within 5 Business Days following notification, all fees and expenses (including but not limited to all legal fees) incurred by the Bank in connection with the preparation, registration, ongoing administration, and discharge of this Agreement and the Bank Security and with the enforcement of the Bank's rights and remedies under this Agreement and the Bank Security whether or not any amounts are advanced under the Agreement. These fees and expenses shall include, but not be limited to, any outside counsel fees and expenses, and any in-house legal fees and expenses (if in-house counsel are used), and any outside professional advisory fees and expenses, and any registration, renewal and discharge fees in connection with the Bank Security, including but not limited to, as applicable, land registry, intellectual property registry, Personal Property Security Act, and Le Registre des droits personnels et réels mobiliers fees as established by the applicable federal, provincial and/or territorial government(s) from time to time. The Borrower shall pay interest on unpaid amounts due pursuant to this paragraph at the All-In Rate plus 2% per annum.

Without limiting the generality of Section 26, the Bank or the Bank's agent, is authorized to debit any of the Borrower's accounts with the amount of the fees and expenses owed by the Borrower hereunder, including and registration, renewal and discharge fee in connection with the Bank Security, even if that debiting creates an overdraft in any such account. If there are insufficient funds in the Borrower's accounts to reimburse the Bank or its agent for payment of the fees and expenses owed by the Borrower hereunder, the amount debited to the Borrower's accounts shall be deemed to be a Prime Based Loan under the Facility determined by the Bank.

The Borrower will, if requested by the Bank, sign a Pre-Authorized Payment Authorization in a format acceptable to the Bank to permit the Bank's agent to debit the Borrower's accounts as contemplated in this Section.

19. NON WAIVER

Any failure by the Bank to object to or take action with respect to a breach of this Agreement or any Bank Security or upon the occurrence of an Event of Default shall not constitute a waiver of the Bank's right to take action at a later date on that breach. No course of conduct by the Bank will give rise to any reasonable expectation which is in any way inconsistent with the terms and conditions of this Agreement and the Bank Security or the Bank's rights thereunder.

20. EVIDENCE OF INDEBTEDNESS

The Bank shall record on its records the amount of all loans made hereunder, payments made in respect thereto, and all other amounts becoming due to the Bank under this Agreement. The Bank's records constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Bank pursuant to this Agreement.

The Borrower will sign the Letter of Credit Indemnity Agreement for all L/Cs and L/Gs issued by the Bank.

With respect to chattel mortgages taken as Bank Security, this Agreement is the Promissory Note referred to in same chattel mortgage, and the indebtedness incurred hereunder is the true indebtedness secured by the chattel mortgage.

21. ENTIRE AGREEMENTS

This Agreement, and if applicable, the Letter of Credit Indemnity Agreement and any Master Conditional Sale Agreement constitute the entire agreements between the parties hereto concerning the matters addressed in this Agreement and such other documents entered into by the parties in connection with this Agreement and supersede any prior agreements, declarations, representations and understandings, both written and verbal, in respect of the subject matter hereof.

22. NON-MERGER

Notwithstanding the execution, delivery or registration of the Bank Security and notwithstanding any advances made pursuant thereto, this Agreement shall continue to be valid, binding and enforceable and shall not merge as a result thereof. Any default under this Agreement shall constitute concurrent default under the Bank Security. Any default under the Bank Security shall constitute concurrent default under this Agreement. In the event of an inconsistency between the terms of this Agreement and the terms of the Bank Security, the terms of this Agreement shall prevail and the inclusion of any term in the Bank Security that is not dealt with in this Agreement shall not be an inconsistency.

23. ASSIGNMENT

The Bank may assign or grant participation in all or part of this Agreement or in any loan made hereunder without notice to and without the Borrower's consent.

The Borrower may not assign or transfer all or any part of its rights or obligations under this Agreement.

24. RELEASE OF INFORMATION

The Borrower hereby irrevocably authorizes and directs the Borrower's accountant, (the "**Accountant**") to deliver all financial statements and other financial information concerning the Borrower to the Bank and agrees that the Bank and the Accountant may communicate directly with each other.

25. FX CLOSE OUT

The Borrower hereby acknowledges and agrees that in the event any of the following occur: (i) Default by the Borrower under any forward foreign exchange contract ("**FX Contract**"); (ii) Default by the Borrower in payment of monies owing by it to anyone, including the Bank; (iii) Default in the performance of any other obligation of the Borrower under any agreement to which it is subject; or (iv) the Borrower is adjudged to be or voluntarily becomes bankrupt or insolvent or admits in writing to its inability to pay its debts as they come due or has a receiver appointed over its assets, the Bank shall be entitled without advance notice to the Borrower to close out and terminate all of the outstanding FX Contracts entered into hereunder, using normal commercial practices employed by the Bank, to determine the gain or loss for each terminated FX contract. The Bank shall then be entitled to calculate a net termination value for all of the terminated FX Contracts which shall be the net sum of all the losses and gains arising from the termination of the FX Contracts which net sum shall be the "**Close Out Value**" of the terminated FX Contracts. The Borrower acknowledges that it shall be required to forthwith pay any positive Close Out Value owing to the Bank and the Bank shall be required to pay any negative Close Out Value owing to the Borrower, subject to any rights of set-off to which the Bank is entitled or subject.

26. SET-OFF

In addition to and not in limitation of any rights now or hereafter granted under applicable law, the Bank may at any time and from time to time without notice to the Borrower or any other Person, any notice being expressly waived by the Borrower, set-off and compensate and apply any and all deposits, general or special, time or demand, provisional or final, matured or unmatured, in any currency, and any other indebtedness or amount payable by the Bank (irrespective of the place of payment or booking office of the obligation), to or for the credit of or for the Borrower's account, including without limitation, any amount owed by the Bank to the Borrower under any FX Contract or other treasury or derivative product, against and on account of the indebtedness and liability under this Agreement notwithstanding that any of them are contingent or unmatured or in a different currency than the indebtedness and liability under this Agreement.

When applying a deposit or other obligation in a different currency than the indebtedness and liability under this Agreement to the indebtedness and liability under this Agreement, the Bank will convert the deposit or other obligation to the currency of the indebtedness and liability under this Agreement using the exchange rate determined by the Bank at the time of the conversion.

27. SEVERABILITY

In the event any one or more of the provisions of this Agreement shall for any reason, including under any applicable statute or rule of law, be held to be invalid, illegal or unenforceable, that part will be severed from this Agreement and will not affect the enforceability of the remaining provisions of this Agreement, which shall remain in full force and effect.

28. CONSENT TO DISCLOSE INFORMATION

In connection with the establishment, maintenance and operation of the Facilities (including repurchase agreements with the OEMs of the Borrower), the Borrower hereby authorizes the Bank to receive from and disclose to any of the OEMs of the Borrower (including such OEMs' affiliates and captive finance companies), upon their reasonable written request or as the Bank may deem necessary and appropriate, any and all information (including credit and financial information, such as credit limits, balances outstanding, payment history, security details) about the Facilities and any information related to the Bank's decision, if applicable, to enforce any of its security or other remedies, or to terminate or not renew any of the Facilities or any portion thereof.

29. MISCELLANEOUS

- (i) The Borrower has received a signed copy of this Agreement;
- (ii) If more than one Person, firm or corporation signs this Agreement as the Borrower, each party is jointly and severally and solidarily liable hereunder, and the Bank may require payment of all amounts payable under this

Agreement from any one of them, or a portion from each, but the Bank is released from any of its obligations by performing that obligation to any one of them;

- (iii) Accounting terms will (to the extent not defined in this Agreement) be interpreted in accordance with accounting principles established from time to time by the Canadian Institute of Chartered Accountants (or any successor) consistently applied, and all financial statements and information provided to the Bank will be prepared in accordance with those principles;
- (iv) This Agreement is governed by the law of the Province or Territory where the Branch/Centre is located;
- (v) Unless stated otherwise, all amounts referred to herein are in Canadian dollars.
- (vi) If the Borrower qualifies as an Eligible Enterprise and the facility/ies hereunder are not secured by a mortgage on real property, the Borrower has the right to cancel this Agreement without incurring a cancellation charge until the end of the third Business Day after the day on which this Agreement is entered into and may be entitled to the refund of certain fees other than (i) any amounts related to the use of the product or service prior to its cancellation; and (ii) any expense that the Bank has reasonably incurred in providing the product or service. Eligible Enterprise, as defined in the Bank Act, means a business with authorized credit of less than CAD\$1,000,000, fewer than 500 employees and annual revenues of less than CAD\$50,000,000.

30. CUSTOMER RESOLUTION PROCESS

Tell us about your problem or concern in the way that is most convenient for you. You may contact a Customer Service Representative at your Branch or Business Unit that handles your account, call us toll free at 1-833-259-5980, contact us by mail at Customer Service, TD Centre, P.O. Box 193, Toronto, Ontario, M5K 1H6, by fax at 1-877-983-2932 or by e-mail at customer.service@td.com. As a next step, if your concern remains unresolved, the Manager will offer to elevate your problem to a representative of the Senior Management Office. Alternatively, if you prefer to elevate the problem yourself, you may contact the Manager, or one of our telephone banking specialists at the toll-free number above, and they will assist you.

If your concern remains unresolved, you may contact the Senior Customer Complaints Office by email at td.scco@td.com, by mail at P.O. Box 1, TD Centre, Toronto, Ontario, M5K 1A2, or toll free at 1-888-361-0319. If your concern still remains unresolved, you may then contact the ADR Chambers Banking Ombuds Office (ADRBO) by mail at 31 Adelaide Street East, P.O. Box 1066, Toronto, Ontario, M5C 1K9 or telephone: 1-800-941-3655 or toll free fax: 1-877-307-5127 and at www.bankingombuds.ca or contact@bankingombuds.ca. For a more detailed overview please obtain a copy of our "If You Have a Problem or Concern" brochure from any branch or from our website at www.td.com.

Financial Consumer Agency of Canada (FCAC) - If you have a complaint regarding a potential violation of a consumer protection law, a public commitment, or an industry code of conduct, you can contact the FCAC in writing at: 6th Floor, Enterprise Building, 427 Laurier Ave. West, Ottawa, Ontario K1R 1B9. The FCAC can also be contacted by telephone at 1-866-461-3222 (en français 1-866-461-2232) or through its website at www.fcac-acfc.gc.ca. Please note that the FCAC does not become involved in matters of redress or compensation - all such requests must follow the process set out above.

31. CONSENT TO THE COLLECTION, USE AND/OR DISCLOSURE OF INFORMATION - INDIVIDUALS

In this Section, "you" and "your" means: (i) any individual, or that individual's authorized representative, who is the Borrower; (ii) any individual, or that individual's authorized representative, who has offered to provide a guarantee for any product or service offered by us to the Borrower; (iii) any individual who is a partner of the Borrower; and (iv) the signing authorities, as identified to us, of the Borrower. In this Section and in Section 32, the words "we", "us" and "our" mean TD Bank Group ("TD"). TD includes The Toronto-Dominion Bank and its world-wide affiliates, which provide deposit, investment, loan, securities, trust, insurance and other products or services. The word "Information" means financial, personal and other details about you, that you provide to us and we obtain from others outside our organization, including through the products and services that are provided by us to the Borrower. You agree that, at the time you request to begin a relationship with us and during the course of our relationship, we may share your Information within TD, and collect, use and disclose your Information as described in the Privacy Agreement separately provided to you and available at any TD Canada Trust branch or online at td.com, including for, but not limited to, the purposes of identifying you, providing you with ongoing service, helping us serve you better, protecting us both from fraud and error, complying with legal and regulatory requirements, and marketing products and services to you.

We may communicate with you for any of these purposes by telephone, fax, text messaging, or other electronic means, and automatic dialing-announcing device, at the numbers you have provided to us, or by ATM, internet, mail, email and other methods. If:

- a) there are changes to the signing authorities of the Borrower; or
- b) at the time of obtaining a product or service from us, the Borrower has indicated that the product or service will be used by or on behalf of a third party who is an individual; or
- c) at the time of obtaining a product or service from us, the Borrower, if a corporation, has any individual who owns or controls, directly or indirectly, 25 per cent or more of the shares of the corporation, or has any director, where such individual or director is not, as such time, either a signing authority of the corporation or a personal banking customer of TD; or
- d) at the time of obtaining a product or service from us, such Borrower, if other than a corporation, has any individual who owns or controls, directly or indirectly, 25 per cent or more of such Borrower, where such individual is not, at such time, either a signing authority of the Borrower or a personal banking customer of TD;

then the Borrower agrees to make such signing authorities and any such individual or director aware of the Privacy Agreement, advise them that they are subject to such agreement and inform them that a copy of such agreement is available at any TD Canada Trust branch or online at td.com. The definition of "you" in the Privacy Agreement shall be deemed to include any such individual or director. Notwithstanding the foregoing, c) and d) shall not apply where the Borrower is a public body, or a corporation that has minimum net assets of \$75 million on its last audited balance sheet and whose shares are traded on a Canadian stock exchange or a stock exchange that is prescribed by section 3201 of the Income Tax Regulations, as may be amended from time to time, and operates in a country that is a member of the Financial Action Task Force.

To understand how you can withdraw your consent, refer to the "Marketing Purposes" section of the Privacy Agreement or contact us at 1-866-567-8888.

32. CONSENT TO THE COLLECTION AND/OR DISCLOSURE OF INFORMATION – BORROWER (OTHER THAN AN INDIVIDUAL)

In addition to any rights the Bank may have regarding the collection and disclosure of the Borrower's information, the Borrower authorizes the Bank to obtain information about the Borrower from, and disclose information about the Borrower to, TD, other lenders, credit reporting or credit rating agencies, credit bureaus, auditors, governmental and regulatory authorities, references provided by the Borrower and any supplier, agent or other party that performs services for the Borrower or for the Bank.

33. DEFINITIONS

Capitalized Terms used in this Agreement shall have the following meanings:

"Advance" means a credit advance made by the Bank to the applicable Borrower under the applicable Facility.

"All-In Rate" means the greater of the interest rates that the Borrower pays for Floating Rate Loans or the highest fixed rate paid for Fixed Rate Term Loans.

"Agreement" has the meaning given to such term in Article GT.

"Auction Vehicle" shall mean a Used Vehicle purchased at auction.

"Bank Security" has the meaning given to such term in Article GT.

"Borrower" has the meaning given to such term in Article GT.

"Business Day" means any day (other than a Saturday or Sunday) that the Branch/Centre is open for business.

"Branch/Centre" means The Toronto-Dominion Bank branch or banking centre noted on the first page of Article GT, or such other branch or centre as may from time to time be designated by the Bank.

"CAPEX" means capital expenditures of a company as determined in accordance with GAAP or the applicable accounting policy agreed to by the Bank.

"Cash Taxes" means payments made during such period on account of income tax expenses.

"Contractual Term Maturity Date" means the last day of the Contractual Term period. If a specific Contractual Term period is not set out in Article GT but rather refers to a period of time up to which the Contractual Term Maturity Date can occur, the Bank and the Borrower must agree on a Contractual Term Maturity Date before first drawdown, which Contractual Term Maturity Date will be set out in the Rate and Payments Terms Notice.

"Cross Default Threshold" means the cross default threshold set out in Article GT. If no such cross default threshold is set out in Article GT it will be deemed to be zero.

"Current Ratio" shall consist of current assets less loans to shareholders, employees and any other related parties divided by current liabilities.

"Dealer In-House Line Rate" shall mean the fixed rate of interest determined by the Bank, in its sole discretion, at the time that an Advance by way of a Fixed Rate Term Loan is to be made under the Demand Lease Line Facility (as applicable). For certainty, any posted Dealer In-House Line Rates are subject to change.

"Debt" means the total indebtedness of the Borrower, including any guarantees made by the Borrower, less loans made by the shareholder(s) to the Borrower and postponed in favour of the Bank.

"Distributions" means, with respect to any Borrower, any cash payment or distribution by such Borrower of any management salaries, bonuses, dividends, repayment of notes, or other shareholder distributions.

"EBITDA" means earnings before interest, income taxes, depreciation, and amortization.

"Events of Default" means any of the events of default set forth in Article GT and in this Schedule "A" and an "Event of Default" means any one of them.

"Face Amount" means, in respect of:

- (i) a B/A, the amount payable to the holder thereof on its maturity;
- (ii) A L/C or L/G, the maximum amount payable to the beneficiary specified therein or any other Person to whom payments may be required to be made pursuant to such L/C or L/G.

"Fixed Rate Term Loan" means any drawdown in Canadian dollars under a Facility at an interest rate which is fixed for a Rate Term at such rate as is determined by the Bank at its sole discretion.

"Floating Rate Loan" means any loan drawn down, converted or extended under a Facility at an interest rate which is referenced to a variable rate of interest, such as the Prime Rate.

"Guarantors" or **"Sureties"** means, collectively, all persons and entities required to provide a guarantee pursuant to the terms of this Agreement, and **"Guarantor"** and/or **"Surety"** means any of them.

"GSA" has the meaning given to such term in Article GT.

"Inventory Value" means, at any time of determination, the total value (based on the lower of cost or market) of the Borrower's inventories that are subject to the Bank Security (other than (i) those inventories supplied by trade creditors who at that time have not been fully paid and would have a right to repossess all or part of such inventories if the Borrower were then either bankrupt or in receivership, (ii) those inventories comprising work in process and (iii) those inventories that the Bank may from time to time designate in its sole discretion) minus the total amount of any claims, liens or encumbrances on those inventories having or purporting to have priority over the Bank.

"Lease Agreement" shall mean the applicable lease agreement between the Borrower, as lessor, and the Lessee.

"Lessee" shall mean the lessee under the applicable Lease Agreement.

"Letter of Credit" or **"L/C"** means a documentary letter of credit or similar instrument in form and substance satisfactory to the Bank.

"Letter of Credit Indemnity Agreement" means the Bank's standard form Letter of Credit Indemnity Agreement.

"Letter of Guarantee" or *"L/G"* means a stand-by letter of guarantee or similar instrument in form and substance satisfactory to the Bank.

"Maturity Date" for a Facility, means the date on which all amounts outstanding under such Facility are due and payable to the Bank.

"New Vehicle" shall mean:

- (a) for the purposes of Article FPF, a current or previous model year Qualifying Vehicle with less than 1,000 kilometers (calculated as at the time such Vehicle became a Qualifying Vehicle), that has not been sold or registered to another owner;
- (b) for the purposes of Article LL (as applicable), a current or previous model year Qualifying Vehicle that has not been sold or registered to another owner; and
- (c) for the purposes of Article DR (as applicable), a Qualifying Vehicle that is a current or previous model new passenger car or light duty truck (up to 14,000 lbs.) and that has not been sold or registered to another owner.

"OEM" means an original equipment manufacturer.

"Permitted Liens" has the meaning given to such term in Article GT.

"Person" includes any individual, sole proprietorship, corporation, partnership, joint venture, trust, unincorporated association, association, institution, entity, party, or government (whether national, federal, provincial, state, municipal, city, county, or otherwise and including any instrumentality, division, agency, body, or department thereof).

"Qualifying Vehicle" shall mean:

- (a) for the purposes of Article FPF and Article DR (as applicable), any motor vehicles determined by the Bank from time to time in its sole discretion as qualifying for financing with proceeds from an Advance under the Demand Floor Plan Facility or the Demand Lease Line Facility (as applicable), respectively; and
- (b) for the purposes of Article LL (as applicable), any motor vehicle or truck (up to 14,000 lbs.) determined by the Bank from time to time in its sole discretion as qualifying for financing with proceeds from an Advance under the Demand Lease Line Facility (as applicable).

"Rate Term" means that period of time as selected by the Borrower from the options offered to it by the Bank, during which a Fixed Rate Term Loan will bear a particular interest rate. If no Rate Term is selected, the Borrower will be deemed to have selected a Rate Term of 1 year.

"Rate and Payment Terms Notice" means the written notice sent by the Bank to the Borrower setting out the interest rate and payment terms for a particular drawdown.

"Tangible Net Worth" of a company shall consist of shareholder's equity plus loans made by the shareholders to the company that are fully postponed in favour of the Bank, less loans to its shareholders, employees and other related parties and less intangible assets including without limitation, goodwill, research and development, franchises, patents and trademarks.

"Total Floor Plan Limit" has the meaning given to such term in Article GT.

"USD" or *"USD Equivalent"* means, on any date, the equivalent amount in United States Dollars after giving effect to a conversion of a specified amount of Canadian Dollars to United States Dollars at the exchange rate determined by the Bank at the time of the conversion.

"Used Vehicle" means any Qualifying Vehicle that has been previously sold or registered to another owner.

"Vehicle(s)" means the vehicle inventory acquired by the Borrower for sale, lease or rental and financed by the Bank.



Western Automotive Centre
421 7th Ave. S.W. 10th Floor TDCT Tower
Calgary, Alberta
T2P 4K9

Telephone No.: 250-470-3095

September 13, 2022

2412170 Alberta Ltd.

2032 Cranbrook Street N
Cranbrook, BC
V1C 3T1

Attention: Mr. Michael J Koch

AUTOMOTIVE LENDING AGREEMENT AMENDMENT

The following amending agreement (the "**Amending Agreement**") amends the terms and conditions of the credit facilities (the "**Facilities**") provided to the Borrower(s) pursuant to the Automotive Lending Agreement dated July 5th 2022 (the "**Agreement**"). Capitalized terms used in this Amending Agreement but not defined herein shall have the respective meanings given to them in the Agreement.

BORROWER(S) 2412170 ALBERTA LTD. (A)
2416326 ALBERTA LTD. (B)

[(the "**Borrower**" / the "**Borrowers**", and each a "**Borrower**")]

GUARANTOR(S) 2412170 ALBERTA LTD. (A)
2416326 ALBERTA LTD. (B)

[(the "**Guarantor**" / the "**Guarantors**", and each a "**Guarantor**")]

LENDER The Toronto-Dominion Bank
(the "**Bank**")

ARTICLE GT - OVERVIEW AND GENERAL TERMS

FACILITY SUMMARY

Facility	Article	Facility Type	Credit Limit	Borrower(s)
1	Article GT	Demand Operating Line Facility	\$500,000	Borrower A

ARTICLE F - FEES

ANNUAL REVIEW FEE \$2,500 per annum – **WAIVED**

ACCURACY OF INFORMATION

The Borrower hereby represents and warrants that all information that it has provided to the Bank is accurate and complete respecting, where applicable:

- (i) the names of the Borrower's directors and the names and addresses of the Borrower's beneficial owners;
- (ii) the names and addresses of the Borrower's trustees, known beneficiaries and/or settlors; and
- (iii) the Borrower's ownership, control and structure.

The Borrower will provide, or cause to be provided, such updated information and/or additional supporting information as the Bank may require from time to time with respect to any or all the matters in the Borrower's foregoing representation and warranty.

LANGUAGE PREFERENCE

This Agreement has been drawn up in the English language at the request of all parties. (Cette entente a été rédigée en langue anglaise à la demande de toutes les parties.)

SCHEDULE "A" - STANDARD TERMS AND CONDITIONS

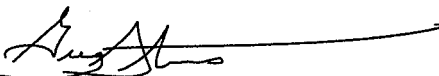
Schedule "A" sets out the Standard Terms and Conditions ("**Standard Terms and Conditions**") which apply to any Facility made available under this Agreement. The Standard Terms and Conditions, including the defined terms set out therein, form part of this Agreement, unless any Article forming part of this Agreement states specifically that one or more of the Standard Terms and Conditions do not apply or are modified.

Unless otherwise stated, the amendments outlined above are in addition to the Terms and Conditions of the existing Agreement. All other terms and conditions remain unchanged.

We ask that the Borrower(s) sign and return the attached duplicate copy of this Amending Agreement to the Bank on or before September 30, 2022 which is the date the amendments will come into force (the "**Effective Date**"). Notwithstanding the foregoing, the Borrower's continued use of the Credit Facilities or failure to repay the Credit Facilities in full after the Effective Date constitutes the Borrower(s)'s acknowledgement and acceptance of this Amending Agreement.

Yours truly,

THE TORONTO-DOMINION BANK



GREG STEVENS
RELATIONSHIP MANAGER



CRYSTAL SPRINGINATIC
SENIOR MANAGER, COMMERCIAL CREDIT

TO THE TORONTO-DOMINION BANK:

[Each of the / The] undersigned hereby accepts the foregoing offer this 13th day of SEPTEMBER, 2022. [Each of the / The] undersigned confirms that, except as may be set out above, no Facility detailed herein shall be used by or on behalf of any third party.

THE BORROWER(S):

2412170 Alberta Ltd.


Signature
Signature

MICHAEL KOCH, PRESIDENT
Print Name & Position

DONALD LIDDELL, CFO
Print Name & Position

2416326 Alberta Ltd.


Signature
Signature

MICHAEL KOCH, PRESIDENT
Print Name & Position

DONALD LIDDELL, CFO
Print Name & Position



Western Automotive Centre
421 7th Avenue SW, 10th Floor TDCT Tower
Calgary, Alberta
T2P 4K9

Telephone No.: 250-470-2095

October 13, 2022

2412170 ALBERTA LTD.
2032 Cranbrook Street N
Cranbrook, BC
V1C 3T1

Attention: Mr. Michael J Koch

AUTOMOTIVE LENDING AGREEMENT AMENDMENT

The following amending agreement (the "**Amending Agreement**") amends the terms and conditions of the credit facilities (the "**Facilities**") provided to the Borrower(s) pursuant to the Automotive Lending Agreement dated July 5th 2022 and subsequent Amending Agreement dated September 13th, 2022 (the "**Agreement**"). Capitalized terms used in this Amending Agreement but not defined herein shall have the respective meanings given to them in the Agreement.

BORROWER(S)

Each of the entities listed below (collectively, the "**Borrowers**", and each one a "**Borrower**")

Borrower A	2412170 Alberta Ltd.
Borrower B	2416326 Alberta Ltd.

GUARANTOR(S)

Each of the persons and/or entities listed below (collectively, the "**Guarantors**", and each one a "**Guarantor**")

Guarantor A	2412170 Alberta Ltd.
Guarantor B	2416326 Alberta Ltd.

LENDER

The Toronto-Dominion Bank (the "**Bank**")

ARTICLE FPF

DEMAND FLOOR PLAN TERMS

ADVANCE RATE / REPAYMENTS / CURTAILMENTS

Without limiting the demand nature of this Facility, the following conditions shall apply with respect to the making of Advances under this Facility and repayments thereof:

Vehicle Type	Advance Rate	Repayment on Disposition or Loss	Curtailments
Used Vehicles & Auction Vehicles	Used Vehicles (other than Auction Vehicles): 100% of the Used Black Book Value of the applicable Vehicle Auction Vehicles: 100% of the Auction Invoice Cost of the applicable Vehicle Combined amount outstanding limited to the Used Vehicle Credit Limit	Current Balance of the applicable Vehicle to be repaid within 7 Business Days of sold date.	5% per month starting at month 9, until the Vehicle loan is fully repaid.

ACCURACY OF INFORMATION

The Borrower hereby represents and warrants that all information that it has provided to the Bank is accurate and complete respecting, where applicable:

- (i) the names of the Borrower's directors and the names and addresses of the Borrower's beneficial owners;
- (ii) the names and addresses of the Borrower's trustees, known beneficiaries and/or settlors; and
- (iii) the Borrower's ownership, control and structure.

The Borrower will provide, or cause to be provided, such updated information and/or additional supporting information as the Bank may require from time to time with respect to any or all the matters in the Borrower's foregoing representation and warranty.

LANGUAGE PREFERENCE

This Agreement has been drawn up in the English language at the request of all parties. (Cette entente a été rédigée en langue anglaise à la demande de toutes les parties.)

SCHEDULE "A" - STANDARD TERMS AND CONDITIONS

Schedule "A" sets out the Standard Terms and Conditions ("Standard Terms and Conditions") which apply to any Facility made available under this Agreement. The Standard Terms and Conditions, including the defined terms set out therein, form part of this Agreement, unless any Article forming part of this Agreement states specifically that one or more of the Standard Terms and Conditions do not apply or are modified.

Unless otherwise stated, the amendments outlined above are in addition to the Terms and Conditions of the existing Agreement. All other terms and conditions remain unchanged.

We ask that the Borrower(s) sign and return the attached duplicate copy of this Amending Agreement to the Bank on or before **October 13, 2022** which is the date the amendments will come into force (the "Effective Date"). Notwithstanding the foregoing, the Borrower's continued use of the Credit Facilities or failure to repay the Credit Facilities in full after the Effective Date constitutes the Borrower(s)'s acknowledgement and acceptance of this Amending Agreement.

Yours truly,

THE TORONTO-DOMINION BANK



Greg Stevens
Senior Relationship Manager



Crystal Springinatic
Senior Manager, Commercial Credit

TO THE TORONTO-DOMINION BANK:

Each of the undersigned hereby accepts the foregoing offer this 13 day of October, 2022.
Each of the undersigned confirms that, except as may be set out above, no Facility detailed herein shall be used by or on behalf of any third party.

THE BORROWER(S):

2412170 Alberta Ltd.



Signature

MICHAEL KOCH, PRESIDENT
Print Name & Position



Signature

DONALD LIDDELL, CFO
Print Name & Position

2416326 Alberta Ltd.



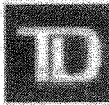
Signature

MICHAEL KOCH, PRESIDENT
Print Name & Position



Signature

DONALD LIDDELL, CFO
Print Name & Position



Western Automotive Centre
421 7th Ave. S.W. 10th Floor TDCT Tower
Calgary, Alberta
T2P 4K9

Telephone No.: 250-470-3095

July 26, 2023

2412170 Alberta Ltd.

2032 Cranbrook Street N
Cranbrook, BC
V1C 3T1

Attention: Mr. Michael J Koch

AUTOMOTIVE LENDING AGREEMENT AMENDMENT

The following amending agreement (the "**Amending Agreement**") amends the terms and conditions of the credit facilities (the "**Facilities**") provided to the Borrowers pursuant to the Automotive Lending Agreement dated July 5th 2022, and subsequent Amending Agreements dated September 13, 2022, and October 13, 2022 (the "**Agreements**"). Capitalized terms used in this Amending Agreement but not defined herein shall have the respective meanings given to them in the Agreements.

BORROWER(S) 2412170 ALBERTA LTD. (A)
2416326 ALBERTA LTD. (B)

[(the "**Borrower**" / the "**Borrowers**", and each a "**Borrower**")]

GUARANTOR(S) 2412170 ALBERTA LTD. (A)
2416326 ALBERTA LTD. (B)

[(the "**Guarantor**" / the "**Guarantors**", and each a "**Guarantor**")]

LENDER The Toronto-Dominion Bank
(the "**Bank**")

ARTICLE GT - OVERVIEW AND GENERAL TERMS

FINANCIAL COVENENTS

- b) **Leverage:** Maximum Debt to Tangible Net Worth ratio of 7.50:1.00, test monthly based on the combined financial statements of 2412170 Alberta Ltd, and 2416326 Alberta Ltd.

Goodwill, up to a maximum of CAD\$400,000, to be treated as tangible for the calculation of Tangible Net Worth.

**ACCURACY
OF
INFORMATION**

The Borrower hereby represents and warrants that all information that it has provided to the Bank is accurate and complete respecting, where applicable:

- (i) the names of the Borrower's directors and the names and addresses of the Borrower's beneficial owners;
- (ii) the names and addresses of the Borrower's trustees, known beneficiaries and/or settlors; and
- (iii) the Borrower's ownership, control and structure.

The Borrower will provide, or cause to be provided, such updated information and/or additional supporting information as the Bank may require from time to time with respect to any or all the matters in the Borrower's foregoing representation and warranty.

**LANGUAGE
PREFERENCE**

This Agreement has been drawn up in the English language at the request of all parties. (Cette entente a été rédigée en langue anglaise à la demande de toutes les parties.)

**SCHEDULE
"A" -
STANDARD
TERMS AND
CONDITIONS**

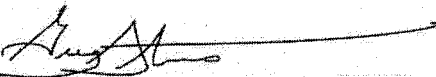
Schedule "A" sets out the Standard Terms and Conditions ("**Standard Terms and Conditions**") which apply to any Facility made available under this Agreement. The Standard Terms and Conditions, including the defined terms set out therein, form part of this Agreement, unless any Article forming part of this Agreement states specifically that one or more of the Standard Terms and Conditions do not apply or are modified.

Unless otherwise stated, the amendments outlined above are in addition to the Terms and Conditions of the existing Agreement. All other terms and conditions remain unchanged.

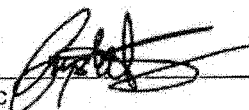
We ask that the Borrower(s) sign and return the attached duplicate copy of this Amending Agreement to the Bank on or before August 15, 2023 which is the date the amendments will come into force (the "**Effective Date**"). Notwithstanding the foregoing, the Borrower's continued use of the Credit Facilities or failure to repay the Credit Facilities in full after the Effective Date constitutes the Borrower(s)'s acknowledgement and acceptance of this Amending Agreement.

Yours truly,

THE TORONTO-DOMINION BANK



Greg Stevens
Senior Relationship Manager



Crystal Springinatic
Senior Manager, Commercial Credit

TO THE TORONTO-DOMINION BANK:

Each of the Borrowers undersigned hereby accepts the foregoing offer this 31st day of July, 2023.

2412170 ALBERTA LTD.



Signature



Signature

MICHAEL KOCH, PRESIDENT
Print Name & Position

DONALD LIDDELL, CONTROLLER
Print Name & Position

2416326 ALBERTA LTD.



Signature



Signature

MICHAEL KOCH, PRESIDENT
Print Name & Position

DONALD LIDDELL, CONTROLLER
Print Name & Position



Western Automotive Centre
421 7th Avenue SW, 10th Floor TDCT Tower
Calgary, Alberta
T2P 4K9

Telephone No.: 250-470-2095

July 25, 2024

2412170 ALBERTA LTD.
2032 Cranbrook Street N
Cranbrook, BC
V1C 3T1

Attention: Mr. Michael J Koch

AUTOMOTIVE LENDING AGREEMENT AMENDMENT

The following amending agreement (the "**Amending Agreement**") amends the terms and conditions of the credit facilities (the "**Facilities**") provided to the Borrower(s) pursuant to the Automotive Lending Agreement dated July 5th 2022 and subsequent Amending Agreement dated September 13th, 2022, October 13th, 2022 and July 26th, 2023 (the "**Agreement**"). Capitalized terms used in this Amending Agreement but not defined herein shall have the respective meanings given to them in the Agreement.

BORROWER(S)

Each of the entities listed below (collectively, the "**Borrowers**", and each one a "**Borrower**")

Borrower A	2412170 Alberta Ltd.
Borrower B	2416326 Alberta Ltd.

GUARANTOR(S)

Each of the persons and/or entities listed below (collectively, the "**Guarantors**", and each one a "**Guarantor**")

Guarantor A	2412170 Alberta Ltd.
Guarantor B	2416326 Alberta Ltd.

LENDER

The Toronto-Dominion Bank (the "**Bank**")

FINANCIAL COVENANTS

(a) Liquidity:

Minimum Current Ratio of 1.10:1.00, tested monthly based on the financial statements of 2412170 Alberta Ltd.

Current Ratio is defined as current assets less loans to shareholders, employees and any other related parties divided by current liabilities.

(b) **Leverage:** Maximum Debt to Tangible Net Worth ratio of 7.50:1.00, tested monthly based on the combined financial statements of 2412170 Alberta Ltd. and 2416326 Alberta Ltd.

Debt is defined as the Borrower's total indebtedness less loans made by the shareholders to the Borrower and postponed in favour of the Bank.

Tangible Net Worth is defined as shareholder's equity plus loans made by the shareholders to the Borrower and postponed in favour of the Bank, less loans to its shareholders, employees and other related parties and less intangible assets including without limitation, goodwill**, research and development, franchises, patents and trademarks.*

** For the purposes of testing the covenant, preferred shares to be treated as equity due to postponements held in favour of the bank from the shareholders**

*** For the purposes of testing the covenant, up to a maximum of \$400M of Goodwill to be treated as tangible.*

(c)Coverage:** Minimum Debt Service Coverage ratio of 120%, tested annually based on a combined financial statements of 2412170 Alberta Ltd. and 2416326 Alberta Ltd.

EBITDA – unfinanced CapEx – Cash Taxes – Net Distributions
scheduled principal repayments + interest expense

"EBITDA" is defined as Earnings Before Interest (Net of Floor Plan Financing Interest and Floorplan Interest recovery), Income Taxes, Depreciation, and Amortization.

"Unfinanced CapEx" is defined as capital expenditures less bank financing and net of disposals.

"Net Distributions" are defined as but not limited to dividends, change in preferred share redemption, and +/- shareholder loans. Net distributions not to be less than zero in determining DSC.

Principal and Interest to include Net Floorplan Financing

(NEW) REPORTING COVENANT

A compliance certificate from a senior officer each time the Borrower submits statements under Reporting Covenant #1 and Reporting Covenant #2 above confirming that the Borrower(s) have complied with all terms and conditions of this Agreement and that no event has occurred that is, or with the passing of time or giving of notice may become, an Event of Default under this Agreement or a default under any other agreement.

(NEW) FEES

- (a) Annual Review Fee of \$2,000, to be taken at time of Review Annually
- (b) Covenant Breach Fee of \$500, to be taken per occurrence.

(NEW) SECURITY

- (a) Postponement and Assignment of Creditor's claim from Summit S Auto Ltd
- (b) Postponement and Assignment of Creditor's claim from Summit V Auto Ltd

**ACCURACY OF
INFORMATION**

The Borrower hereby represents and warrants that all information that it has provided to the Bank is accurate and complete respecting, where applicable:

- (i) the names of the Borrower's directors and the names and addresses of the Borrower's beneficial owners;
- (ii) the names and addresses of the Borrower's trustees, known beneficiaries and/or settlors; and
- (iii) the Borrower's ownership, control and structure.

The Borrower will provide, or cause to be provided, such updated information and/or additional supporting information as the Bank may require from time to time with respect to any or all the matters in the Borrower's foregoing representation and warranty.

**LANGUAGE
PREFERENCE**

This Agreement has been drawn up in the English language at the request of all parties. (Cette entente a été rédigée en langue anglaise à la demande de toutes les parties.)

**SCHEDULE "A" -
STANDARD
TERMS AND
CONDITIONS**

Schedule "A" sets out the Standard Terms and Conditions ("**Standard Terms and Conditions**") which apply to any Facility made available under this Agreement. The Standard Terms and Conditions, including the defined terms set out therein, form part of this Agreement, unless any Article forming part of this Agreement states specifically that one or more of the Standard Terms and Conditions do not apply or are modified.

Unless otherwise stated, the amendments outlined above are in addition to the Terms and Conditions of the existing Agreement. All other terms and conditions remain unchanged.

SF
Aug 30, 2024

We ask that the Borrower(s) sign and return the attached duplicate copy of this Amending Agreement to the Bank on or before ~~August 15, 2024~~ which is the date the amendments will come into force (the "**Effective Date**"). Notwithstanding the foregoing, the Borrower's continued use of the Credit Facilities or failure to repay the Credit Facilities in full after the Effective Date constitutes the Borrower(s)'s acknowledgement and acceptance of this Amending Agreement.

Yours truly,

THE TORONTO-DOMINION BANK

Scott Flamank

Scott Flamank
Senior Relationship Manager

Greg Stevens
Senior Manager, Commercial Credit

TO THE TORONTO-DOMINION BANK:

Each of the undersigned hereby accepts the foregoing offer this 28 day of Aug, 2024.
Each of the undersigned confirms that, except as may be set out above, no Facility detailed herein shall be used by or on behalf of any third party.

THE BORROWER(S):

2412170 Alberta Ltd.



Signature

Signature



Print Name & Position

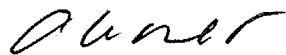
Print Name & Position

2416326 Alberta Ltd.



Signature

Signature



Print Name & Position

Print Name & Position

cc. Guarantor(s)

The Bank is providing the Guarantor(s) with a copy of this letter as a courtesy only. The delivery of a copy of this letter does not create any obligation of the Bank to provide the Guarantor(s) with notice of any changes to any Facility, including without limitation, changes to the terms and conditions, increases or decreases in the amount of any Facility, the establishment of new credit facilities or otherwise. The Bank may, or may not, at its option, provide the Guarantor(s) with such information, provided that the Bank will provide such information upon the written request of the Guarantor.

Confidential



National Auto Group
100 Wellington Street West
Toronto, Ontario

M5K 1A2

June 02, 2025

2412170 ALBERTA LTD.
o/a Westcastle Chevrolet Buick GMC

1100 Waterton Ave
Pincher Creek, Alberta
T0K 1W0

Attention: Mike Koch

AUTOMOTIVE LENDING AGREEMENT AMENDMENT

The following amending agreement (the "**Amending Agreement**") amends the terms and conditions of the credit facilities (the "**Facilities**") provided to the Borrower(s) pursuant to the Automotive Lending Agreement dated July, 5, 2022 and the subsequent Amending Agreement(s) dated September 13, 2022, October 13, 2022, July 26, 2023 and July 25, 2024 (the "**Agreement**"). Capitalized terms used in this Amending Agreement but not defined herein shall have the respective meanings given to them in the Agreement.

BORROWER(S) Borrower A 2412170 Alberta Ltd
 Borrower B 2416326 Alberta Ltd.
 (the "**Borrowers**", and each a "**Borrower**")

GUARANTOR(S) Guarantor A 2412170 Alberta Ltd.
 Guarantor B 2416326 Alberta Ltd.
 (the "**Guarantor**" / the " **Guarantors**", and each a " **Guarantor**")

LENDER The Toronto-Dominion Bank
 (the "**Bank**")

ARTICLE GT - OVERVIEW AND GENERAL TERMS

FACILITY SUMMARY

Facility	Article	Facility Type	Credit Limit	Borrower(s)
2	Article FPF	Demand Floor Plan Facility (Combined New/Used Vehicles)	\$4,500,000(the " Total Floor Plan Limit "), subject to the sub limits set forth in Article FPF.	Borrower A

INTEREST RATES

Facility #2 - Advances shall bear interest and fees as follows:

- Prime Rate Based Loans: Prime Rate – 0.50% per annum.

ACCURACY OF INFORMATION

The Borrower hereby represents and warrants that all information that it has provided to the Bank is accurate and complete respecting, where applicable:

- (i) the names of the Borrower's directors and the names and addresses of the Borrower's beneficial owners;
- (ii) the names and addresses of the Borrower's trustees, known beneficiaries and/or settlors; and
- (iii) the Borrower's ownership, control and structure.

The Borrower will provide, or cause to be provided, such updated information and/or additional supporting information as the Bank may require from time to time with respect to any or all the matters in the Borrower's foregoing representation and warranty.

LANGUAGE PREFERENCE

This Agreement has been drawn up in the English language at the request of all parties. (Cette entente a été rédigée en langue anglaise à la demande de toutes les parties.)

SCHEDULE "A" - STANDARD TERMS AND CONDITIONS

Schedule "A" sets out the Standard Terms and Conditions ("**Standard Terms and Conditions**") which apply to any Facility made available under this Agreement. The Standard Terms and Conditions, including the defined terms set out therein, form part of this Agreement, unless any Article forming part of this Agreement states specifically that one or more of the Standard Terms and Conditions do not apply or are modified.

Unless otherwise stated, the amendments outlined above are in addition to the Terms and Conditions of the existing Agreement. All other terms and conditions remain unchanged.

We ask that the Borrower(s) sign and return the attached duplicate copy of this Amending Agreement to the Bank on or before June 2, 2025 which is the date the amendments will come into force (the "**Effective Date**"). Notwithstanding the foregoing, the Borrower's continued use of the Credit Facilities or failure to repay the Credit Facilities in full after the Effective Date constitutes the Borrower(s)'s acknowledgement and acceptance of this Amending Agreement.

Yours truly,

THE TORONTO-DOMINION BANK



Wassim Heematally
Account Manager



Amanda Bezner
Senior Manager, Special Account Management

TO THE TORONTO-DOMINION BANK:

Each of the undersigned hereby accepts the foregoing offer this 07 day of 01, 2025. [Each of the undersigned confirms that, except as may be set out above, no Facility detailed herein shall be used by or on behalf of any third party.]

2412170 Alberta Ltd.



Signature

Signature

2416326 Alberta Ltd.



Print Name & Position

Print Name & Position

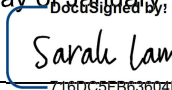
Signature

Signature

Print Name & Position

Print Name & Position

This is Exhibit 4 to the Affidavit
of Amanda Bezner sworn before me
this 8th day of January, 2026.

DocuSigned by:

716DC5F863604ED...

A Commissioner for Taking Affidavits, etc.



TD Bank Group Guarantee

This **Guarantee** is made as of the 26 day of July, 2022.

Whereas the undersigned (each hereinafter referred to as the "Guarantor") has agreed to provide The Toronto-Dominion Bank (hereinafter referred to as the "Bank") with a guarantee of the Obligations (as hereinafter defined) of **2416326 Alberta Ltd.** (the "Customer");

And whereas the Guarantor has agreed that if the guarantee herein is not enforceable, the Guarantor will indemnify the Bank or be liable as primary obligor.

NOW THEREFORE, in consideration of the Bank dealing with the Customer now or in the future and/or for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor agrees with the Bank as follows:

1. Obligations Guaranteed

The Guarantor unconditionally and irrevocably guarantees payment of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, wheresoever and howsoever incurred of the Customer to the Bank, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatsoever a creditor of the Customer, in any currency, whether incurred by the Customer alone or jointly with another or others and whether as a indemnitor or surety, including interest thereon and all amounts owed by the Customer for fees, costs and expenses (collectively referred to as the "Obligations").

2. Extent of Guarantor's Liability

This is an unlimited Guarantee and the Guarantor's liability to the Bank under this Guarantee shall not be limited as to amount.

3. Indemnity/Primary Obligation

If (i) any Obligations are not duly paid by the Customer and are not recoverable under Section 1 for any reason, the Guarantor will, as a separate and distinct obligation, indemnify and save harmless the Bank from and against all losses resulting from the failure of the Customer to pay such Obligations, and (ii) any Obligations are not duly paid by the Customer and are not recoverable under Section 1 or the Bank is not indemnified under clause (i) above of this Section 3, for any reason, such Obligations will, as a separate and distinct obligation, be paid by and recoverable from the Guarantor as primary obligor.

The liabilities of the Guarantor under Section 1 and each of clauses (i) and (ii) of this Section 3 are separate and distinct from each other, but the provisions of this Agreement shall apply to each of such liabilities unless the context otherwise requires.

4. Nature of Guarantor's Liability

The liability of the Guarantor under this Guarantee is continuing, absolute and unconditional and will not be affected by any act, omission, event or circumstance that might constitute a legal or equitable defense (any and all such legal and equitable defenses are hereby expressly waived by the Guarantor) to or a discharge, limitation or reduction of the liability of the Guarantor hereunder, other than as a result of the indefeasible payment in full of the Obligations, including:

- (a) the unenforceability of any of the Obligations for any reason, including as a result of the act of any governmental authority;
- (b) any irregularity, fraud, illegality, defect or lack of authority or formality in incurring the Obligations, notwithstanding any inquiry that may or may not have been made by the Bank;
- (c) failure of the Bank to comply with or perform any agreements relating to the Obligations;
- (d) any discontinuance, renewal, extension, increase or reduction in the amount, or any other variance of any loans or credits now or hereafter made available to the Customer by the Bank or guaranteed by the Customer to the Bank or any other change to any of the terms or conditions of any of the Obligations (including, without limitation, respecting rates of interest, fees or charges, maturity dates), or any waiver by the Bank respecting any of the Obligations;
- (e) the taking of or the failure by the Bank to take a guarantee from any other person;
- (f) any release, compromise, settlement or any other dealing with any person, including any other Guarantor;



- (g) the reorganization of the Customer or its business (whether by amalgamation, merger, transfer, sale or otherwise); and in the case of an amalgamation or merger, the liability of the Guarantor shall apply to the Obligations of the resulting or continuing entity and the term "Customer" shall include such resulting or continuing entity;
- (h) the current financial condition of the Customer and any change in the Customer's financial condition;
- (i) any change in control or ownership of the Customer, or if the Customer is a general or limited partnership, any change in the membership of that partnership or other entity;
- (j) any change in the name, articles or other constating documents of the Customer, or its objects, business or capital structure;
- (k) the bankruptcy, winding-up, dissolution, liquidation or insolvency of the Customer or any proceedings being taken by or against the Customer with respect thereto, and any stay of or moratorium on proceedings by the Bank against the Customer as a result thereof;
- (l) a breach of any duty of the Bank (whether fiduciary or in negligence or otherwise) and whether owed to the Guarantor, the Customer or any other person;
- (m) any lack or limitation of power, capacity or legal status of the Customer, or, if the Customer is an individual, the death of the Customer;
- (n) the Customer's account being closed or the Bank ceasing to deal with the Customer;
- (o) any taking or failure to take any security by the Bank, any loss of or diminution in value of any security, the invalidity, unenforceability, subordination, postponement, release, discharge or substitution, in whole or in part, of any security, or the failure to perfect or maintain perfection or enforce any security; or,
- (p) any failure or delay by the Bank in exercising any right or remedy respecting the Obligations or under any security or guarantee.

5. Continuing Guarantee

The obligations of the Guarantor hereunder will constitute and be continuing obligations and will apply to and secure any ultimate balance due or remaining due to the Bank and will not be considered as wholly or partially satisfied by the payment or liquidation at any time of any sum of money for the time being due or remaining unpaid to the Bank. This Guarantee will continue to be effective even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by the Bank as a result of the occurrence of any action or event, including the insolvency, bankruptcy or reorganization of the Customer or the Guarantor, all as though such payment had not been made.

6. Demand for Payment

The Guarantor shall make payment to the Bank under this Guarantee immediately upon receipt of a written demand for payment from the Bank. If any Obligation is not paid by the Customer when due, the Bank may treat all Obligations as due and payable by the Customer and may demand immediate payment under this Guarantee of all or some of the Obligations whether such other Obligations would otherwise be due and payable by the Customer at such time or whether or not any demands, steps or proceedings have been made or taken by the Bank against the Customer or any other person respecting all or any of the Obligations. If any stay of or moratorium on proceedings by the Bank against the Customer is imposed in respect of any Obligation, the Bank may nevertheless demand immediate payment of such Obligation from the Guarantor as if such Obligation was due and payable by the Customer.

7. Interest

If the Guarantor does not make immediate payment in full of the Obligations when demand for payment has been made by the Bank, the Guarantor shall pay interest on any unpaid amount to the Bank at the highest rate of interest per annum that is charged on any Obligations for which payment has been demanded hereunder and which remain unpaid.

8. State of Account

The records of the Bank in respect of the Obligations will be prima facie evidence of the balance of the amount of the Obligations that are due and payable by the Customer to the Bank.

9. Application of Moneys Received

The Bank may, without notice and demand of any kind and at any time, apply any money received from the Guarantor, the Customer or any other person (including arising from any security that the Bank may from time to time hold) or any balance in



any account of the Guarantor held at the Bank or any of the Bank's affiliates, to such part of the Obligations, whether due or to become due, as the Bank in its sole and absolute discretion considers appropriate, or may, in its sole and absolute discretion, refrain from applying any such money. The Bank may also revoke and alter any such application in whole or in part. If any amount that is to be applied is in a currency other than the currency of the Obligation to which such amount is to be applied, then the amount that is applied shall be converted from one currency to another using the rate of exchange for the conversion of such currency as determined by the Bank or its agents and the Bank or its agent may earn revenue on such conversion.

10. No Set-off or Counterclaim

The Guarantor will make all payments required to be made under this Guarantee without claiming or asserting any right of setoff or counterclaim that the Guarantor has or may have against the Customer or the Bank, all of which rights the Guarantor waives.

11. Exhausting Recourse

The Bank is not required to take any proceedings, exhaust its recourse against the Customer or any other Guarantor or person or under any security the Bank may from time to time hold, or take any other action, before being entitled to demand payment from the Guarantor under this Guarantee, and the Guarantor waives all benefits of discussion and division.

12. No Representations

There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties except as expressly set forth herein. The Bank will not be bound by any representations or promises made by the Customer to the Guarantor and possession of this Guarantee by the Bank will be conclusive evidence against the Guarantor that this Guarantee was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with, and this Guarantee will be binding on each Guarantor who has signed this Guarantee notwithstanding the non-execution thereof by any proposed guarantor.

13. Postponement and Assignment

The Guarantor hereby postpones payment of all present and future debts and liabilities of the Customer to the Guarantor, and as security for payment of the Obligations, the Guarantor hereby assigns such debts and liabilities to the Bank and agrees that all moneys received from the Customer by or on behalf of the Guarantor shall be held in trust for the Bank and forthwith upon receipt paid over to the Bank, all without prejudice to and without in any way limiting or lessening the liability of the Guarantor to the Bank under this Guarantee. This assignment and postponement is independent of the guarantee, indemnity and primary obligor obligations contained in this Guarantee and will remain in full force and effect until, in the case of the assignment, the liability of the Guarantor under this Guarantee has been discharged or terminated and, in the case of the postponement, until all Obligations are performed and indefeasibly paid in full.

14. Subrogation

The Guarantor will not be entitled to be subrogated to the rights of the Bank against the Customer, to be indemnified by the Customer or to claim contribution from any other Guarantor until the Guarantor makes indefeasible payment to the Bank of all amounts owing by the Guarantor to the Bank under this Guarantee and the Obligations are indefeasibly paid in full.

15. Bankruptcy of Customer

Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or Guarantor for the Obligations, the Bank's rights shall not be affected by the Bank's failure to prove its claim and the Bank may prove such claim if and in any manner as it deems appropriate in its sole discretion. The Bank may value as it sees fit or refrain from valuing any security held by the Bank without in any way releasing, reducing or otherwise affecting the liability of the Guarantor to the Bank, and until all the Obligations of the Customer to the Bank have been indefeasibly paid in full, the Bank shall have the right to include in its claim the amount of all sums paid by the Guarantor to the Bank under this Guarantee and to prove and rank for and receive dividends in respect of such claim, any and all right to prove and rank for such sums paid by the Guarantor and to receive the full amount of all dividends in respect thereto being hereby assigned and transferred to the Bank.

16. Costs and Expenses

The Guarantor agrees to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of the Bank's in-house lawyers. The Guarantor will pay all legal fees on a solicitor and own client basis.

17. Other Guarantees and Security

The liability of the Guarantor under any other guarantee or guarantees given to the Bank in connection with the Obligations shall not be affected by this Guarantee, nor shall this Guarantee affect or be affected by the endorsement by the Guarantor of



any note or notes of the Customer, the intention being that the liability of the Guarantor under such other guarantee or guarantees and this Guarantee, and under such other note or notes and this Guarantee, shall be cumulative. Nor shall the Bank be required to marshal in favour of the Guarantor other guarantees granted by other persons or any security, money or other property that the Bank may be entitled to receive or may have a claim upon.

18. Amendment and Waivers

No amendment to this Guarantee will be valid or binding unless set forth in writing and duly executed by the Guarantor and the Bank. No waiver by the Bank of any breach of any provision of this Guarantee will be effective or binding unless made in writing and signed by the Bank and, unless otherwise provided in the written waiver, will be limited to the specific breach waived. No delay in the exercise of any right or remedy by the Bank shall operate as a waiver thereof. No failure to exercise a right or remedy or partial exercise of a right or remedy by the Bank shall preclude other or further exercise thereof or the exercise of any other right or remedy by the Bank.

19. Discharge

The Guarantor will not be released or discharged from its obligations hereunder except by a written release or discharge signed by the Bank.

20. General

This Guarantee shall be binding on the successors of the Guarantor or, if the Guarantor is an individual, the heirs, executors, administrators and other legal representatives of the Guarantor and shall enure to the benefit of the successors and assigns of the Bank.

If more than one Guarantor has signed this Guarantee each Guarantor shall be jointly and severally liable under this Guarantee.

To the extent that any limitation period applies to any claim for payment hereunder of the Obligations or remedy for the enforcement of such payment, the Guarantor agrees that any such limitation period is excluded or waived but if such exclusion and waiver is not permitted by applicable law, then any limitation period is extended to the maximum length permitted by applicable law.

Any notice or demand which the Bank may wish to give under this Guarantee may be personally served on the Guarantor or sent by ordinary mail or electronic mail to the last known address of the Guarantor. Any notice that is sent by ordinary mail shall be conclusively deemed to have been received on the fifth day following the day on which it is mailed. Any notice that is sent by electronic mail shall be conclusively deemed to have been received on the day it is sent.

If any provision of this Guarantee is determined by any court of competent jurisdiction to be invalid or unenforceable in any respect, such invalidity or unenforceability will not affect the validity or enforceability of the remaining provisions of this Guarantee.

This Guarantee shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.

Any word herein contained importing the singular number shall include the plural and any word importing a person shall include a corporation, partnership, firm and any other entity.

Subject to Section 17, this Guarantee constitutes the entire agreement between the Guarantor and the Bank with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties with respect thereto.

Each of the undersigned acknowledges receipt of a copy of this Guarantee.

IN WITNESS WHEREOF, each Guarantor has executed this Guarantee as of the date first written above.

2412170 ALBERTA LTD.

Per: _____

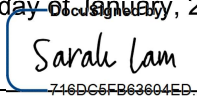
I/we have the authority to bind the Corporation

Per: _____





This is Exhibit 5 to the Affidavit
of Amanda Bezner sworn before me
this 8th day of January, 2026.


716DC65FB63604ED

A Commissioner for Taking Affidavits, etc.



TD Bank Group Guarantee

This Guarantee is made as of the 26 day of July, 2022.

Whereas the undersigned (each hereinafter referred to as the "Guarantor") has agreed to provide The Toronto-Dominion Bank (hereinafter referred to as the "Bank") with a guarantee of the Obligations (as hereinafter defined) of **2412170 Alberta Ltd.** (the "Customer");

And whereas the Guarantor has agreed that if the guarantee herein is not enforceable, the Guarantor will indemnify the Bank or be liable as primary obligor.

NOW THEREFORE, in consideration of the Bank dealing with the Customer now or in the future and/or for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor agrees with the Bank as follows:

1. Obligations Guaranteed

The Guarantor unconditionally and irrevocably guarantees payment of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, wheresoever and howsoever incurred of the Customer to the Bank, whether arising from dealings between the Bank and the Customer or from other dealings or proceedings by which the Bank may be or become in any manner whatsoever a creditor of the Customer, in any currency, whether incurred by the Customer alone or jointly with another or others and whether as a indemnitor or surety, including interest thereon and all amounts owed by the Customer for fees, costs and expenses (collectively referred to as the "Obligations").

2. Extent of Guarantor's Liability

This is an unlimited Guarantee and the Guarantor's liability to the Bank under this Guarantee shall not be limited as to amount.

3. Indemnity/Primary Obligation

If (i) any Obligations are not duly paid by the Customer and are not recoverable under Section 1 for any reason, the Guarantor will, as a separate and distinct obligation, indemnify and save harmless the Bank from and against all losses resulting from the failure of the Customer to pay such Obligations, and (ii) any Obligations are not duly paid by the Customer and are not recoverable under Section 1 or the Bank is not indemnified under clause (i) above of this Section 3, for any reason, such Obligations will, as a separate and distinct obligation, be paid by and recoverable from the Guarantor as primary obligor.

The liabilities of the Guarantor under Section 1 and each of clauses (i) and (ii) of this Section 3 are separate and distinct from each other, but the provisions of this Agreement shall apply to each of such liabilities unless the context otherwise requires.

4. Nature of Guarantor's Liability

The liability of the Guarantor under this Guarantee is continuing, absolute and unconditional and will not be affected by any act, omission, event or circumstance that might constitute a legal or equitable defense (any and all such legal and equitable defenses are hereby expressly waived by the Guarantor) to or a discharge, limitation or reduction of the liability of the Guarantor hereunder, other than as a result of the indefeasible payment in full of the Obligations, including:

- (a) the unenforceability of any of the Obligations for any reason, including as a result of the act of any governmental authority;
- (b) any irregularity, fraud, illegality, defect or lack of authority or formality in incurring the Obligations, notwithstanding any inquiry that may or may not have been made by the Bank;
- (c) failure of the Bank to comply with or perform any agreements relating to the Obligations;
- (d) any discontinuance, renewal, extension, increase or reduction in the amount, or any other variance of any loans or credits now or hereafter made available to the Customer by the Bank or guaranteed by the Customer to the Bank or any other change to any of the terms or conditions of any of the Obligations (including, without limitation, respecting rates of interest, fees or charges, maturity dates), or any waiver by the Bank respecting any of the Obligations;
- (e) the taking of or the failure by the Bank to take a guarantee from any other person;
- (f) any release, compromise, settlement or any other dealing with any person, including any other Guarantor;



- (g) the reorganization of the Customer or its business (whether by amalgamation, merger, transfer, sale or otherwise); and in the case of an amalgamation or merger, the liability of the Guarantor shall apply to the Obligations of the resulting or continuing entity and the term "Customer" shall include such resulting or continuing entity;
- (h) the current financial condition of the Customer and any change in the Customer's financial condition;
- (i) any change in control or ownership of the Customer, or if the Customer is a general or limited partnership, any change in the membership of that partnership or other entity;
- (j) any change in the name, articles or other constating documents of the Customer, or its objects, business or capital structure;
- (k) the bankruptcy, winding-up, dissolution, liquidation or insolvency of the Customer or any proceedings being taken by or against the Customer with respect thereto, and any stay of or moratorium on proceedings by the Bank against the Customer as a result thereof;
- (l) a breach of any duty of the Bank (whether fiduciary or in negligence or otherwise) and whether owed to the Guarantor, the Customer or any other person;
- (m) any lack or limitation of power, capacity or legal status of the Customer, or, if the Customer is an individual, the death of the Customer;
- (n) the Customer's account being closed or the Bank ceasing to deal with the Customer;
- (o) any taking or failure to take any security by the Bank, any loss of or diminution in value of any security, the invalidity, unenforceability, subordination, postponement, release, discharge or substitution, in whole or in part, of any security, or the failure to perfect or maintain perfection or enforce any security; or,
- (p) any failure or delay by the Bank in exercising any right or remedy respecting the Obligations or under any security or guarantee.

5. Continuing Guarantee

The obligations of the Guarantor hereunder will constitute and be continuing obligations and will apply to and secure any ultimate balance due or remaining due to the Bank and will not be considered as wholly or partially satisfied by the payment or liquidation at any time of any sum of money for the time being due or remaining unpaid to the Bank. This Guarantee will continue to be effective even if at any time any payment of any of the Obligations is rendered unenforceable or is rescinded or must otherwise be returned by the Bank as a result of the occurrence of any action or event, including the insolvency, bankruptcy or reorganization of the Customer or the Guarantor, all as though such payment had not been made.

6. Demand for Payment

The Guarantor shall make payment to the Bank under this Guarantee immediately upon receipt of a written demand for payment from the Bank. If any Obligation is not paid by the Customer when due, the Bank may treat all Obligations as due and payable by the Customer and may demand immediate payment under this Guarantee of all or some of the Obligations whether such other Obligations would otherwise be due and payable by the Customer at such time or whether or not any demands, steps or proceedings have been made or taken by the Bank against the Customer or any other person respecting all or any of the Obligations. If any stay of or moratorium on proceedings by the Bank against the Customer is imposed in respect of any Obligation, the Bank may nevertheless demand immediate payment of such Obligation from the Guarantor as if such Obligation was due and payable by the Customer.

7. Interest

If the Guarantor does not make immediate payment in full of the Obligations when demand for payment has been made by the Bank, the Guarantor shall pay interest on any unpaid amount to the Bank at the highest rate of interest per annum that is charged on any Obligations for which payment has been demanded hereunder and which remain unpaid.

8. State of Account

The records of the Bank in respect of the Obligations will be prima facie evidence of the balance of the amount of the Obligations that are due and payable by the Customer to the Bank.

9. Application of Moneys Received

The Bank may, without notice and demand of any kind and at any time, apply any money received from the Guarantor, the Customer or any other person (including arising from any security that the Bank may from time to time hold) or any balance in



any account of the Guarantor held at the Bank or any of the Bank's affiliates, to such part of the Obligations, whether due or to become due, as the Bank in its sole and absolute discretion considers appropriate, or may, in its sole and absolute discretion, refrain from applying any such money. The Bank may also revoke and alter any such application in whole or in part. If any amount that is to be applied is in a currency other than the currency of the Obligation to which such amount is to be applied, then the amount that is applied shall be converted from one currency to another using the rate of exchange for the conversion of such currency as determined by the Bank or its agents and the Bank or its agent may earn revenue on such conversion.

10. No Set-off or Counterclaim

The Guarantor will make all payments required to be made under this Guarantee without claiming or asserting any right of setoff or counterclaim that the Guarantor has or may have against the Customer or the Bank, all of which rights the Guarantor waives.

11. Exhausting Recourse

The Bank is not required to take any proceedings, exhaust its recourse against the Customer or any other Guarantor or person or under any security the Bank may from time to time hold, or take any other action, before being entitled to demand payment from the Guarantor under this Guarantee, and the Guarantor waives all benefits of discussion and division.

12. No Representations

There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties except as expressly set forth herein. The Bank will not be bound by any representations or promises made by the Customer to the Guarantor and possession of this Guarantee by the Bank will be conclusive evidence against the Guarantor that this Guarantee was not delivered in escrow or pursuant to any agreement that it should not be effective until any condition precedent or subsequent has been complied with, and this Guarantee will be binding on each Guarantor who has signed this Guarantee notwithstanding the non-execution thereof by any proposed guarantor.

13. Postponement and Assignment

The Guarantor hereby postpones payment of all present and future debts and liabilities of the Customer to the Guarantor, and as security for payment of the Obligations, the Guarantor hereby assigns such debts and liabilities to the Bank and agrees that all moneys received from the Customer by or on behalf of the Guarantor shall be held in trust for the Bank and forthwith upon receipt paid over to the Bank, all without prejudice to and without in any way limiting or lessening the liability of the Guarantor to the Bank under this Guarantee. This assignment and postponement is independent of the guarantee, indemnity and primary obligor obligations contained in this Guarantee and will remain in full force and effect until, in the case of the assignment, the liability of the Guarantor under this Guarantee has been discharged or terminated and, in the case of the postponement, until all Obligations are performed and indefeasibly paid in full.

14. Subrogation

The Guarantor will not be entitled to be subrogated to the rights of the Bank against the Customer, to be indemnified by the Customer or to claim contribution from any other Guarantor until the Guarantor makes indefeasible payment to the Bank of all amounts owing by the Guarantor to the Bank under this Guarantee and the Obligations are indefeasibly paid in full.

15. Bankruptcy of Customer

Upon the bankruptcy or winding up or other distribution of assets of the Customer or of any surety or Guarantor for the Obligations, the Bank's rights shall not be affected by the Bank's failure to prove its claim and the Bank may prove such claim if and in any manner as it deems appropriate in its sole discretion. The Bank may value as it sees fit or refrain from valuing any security held by the Bank without in any way releasing, reducing or otherwise affecting the liability of the Guarantor to the Bank, and until all the Obligations of the Customer to the Bank have been indefeasibly paid in full, the Bank shall have the right to include in its claim the amount of all sums paid by the Guarantor to the Bank under this Guarantee and to prove and rank for and receive dividends in respect of such claim, any and all right to prove and rank for such sums paid by the Guarantor and to receive the full amount of all dividends in respect thereto being hereby assigned and transferred to the Bank.

16. Costs and Expenses

The Guarantor agrees to pay all costs and expenses, including legal fees, of enforcing this Guarantee including the charges and expenses of the Bank's in-house lawyers. The Guarantor will pay all legal fees on a solicitor and own client basis.

17. Other Guarantees and Security

The liability of the Guarantor under any other guarantee or guarantees given to the Bank in connection with the Obligations shall not be affected by this Guarantee, nor shall this Guarantee affect or be affected by the endorsement by the Guarantor of



any note or notes of the Customer, the intention being that the liability of the Guarantor under such other guarantee or guarantees and this Guarantee, and under such other note or notes and this Guarantee, shall be cumulative. Nor shall the Bank be required to marshal in favour of the Guarantor other guarantees granted by other persons or any security, money or other property that the Bank may be entitled to receive or may have a claim upon.

18. Amendment and Waivers

No amendment to this Guarantee will be valid or binding unless set forth in writing and duly executed by the Guarantor and the Bank. No waiver by the Bank of any breach of any provision of this Guarantee will be effective or binding unless made in writing and signed by the Bank and, unless otherwise provided in the written waiver, will be limited to the specific breach waived. No delay in the exercise of any right or remedy by the Bank shall operate as a waiver thereof. No failure to exercise a right or remedy or partial exercise of a right or remedy by the Bank shall preclude other or further exercise thereof or the exercise of any other right or remedy by the Bank.

19. Discharge

The Guarantor will not be released or discharged from its obligations hereunder except by a written release or discharge signed by the Bank.

20. General

This Guarantee shall be binding on the successors of the Guarantor or, if the Guarantor is an individual, the heirs, executors, administrators and other legal representatives of the Guarantor and shall enure to the benefit of the successors and assigns of the Bank.

If more than one Guarantor has signed this Guarantee each Guarantor shall be jointly and severally liable under this Guarantee.

To the extent that any limitation period applies to any claim for payment hereunder of the Obligations or remedy for the enforcement of such payment, the Guarantor agrees that any such limitation period is excluded or waived but if such exclusion and waiver is not permitted by applicable law, then any limitation period is extended to the maximum length permitted by applicable law.

Any notice or demand which the Bank may wish to give under this Guarantee may be personally served on the Guarantor or sent by ordinary mail or electronic mail to the last known address of the Guarantor. Any notice that is sent by ordinary mail shall be conclusively deemed to have been received on the fifth day following the day on which it is mailed. Any notice that is sent by electronic mail shall be conclusively deemed to have been received on the day it is sent.

If any provision of this Guarantee is determined by any court of competent jurisdiction to be invalid or unenforceable in any respect, such invalidity or unenforceability will not affect the validity or enforceability of the remaining provisions of this Guarantee.

This Guarantee shall be governed by and construed in accordance with the laws of the Province of Alberta and the laws of Canada applicable therein.

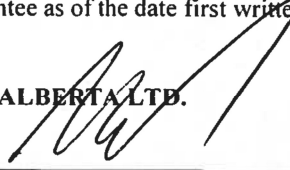
Any word herein contained importing the singular number shall include the plural and any word importing a person shall include a corporation, partnership, firm and any other entity.

Subject to Section 17, this Guarantee constitutes the entire agreement between the Guarantor and the Bank with respect to the subject matter hereof and cancels and supersedes any prior understandings and agreements between the parties with respect thereto.

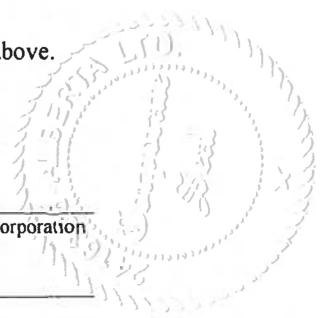
Each of the undersigned acknowledges receipt of a copy of this Guarantee.

IN WITNESS WHEREOF, each Guarantor has executed this Guarantee as of the date first written above.

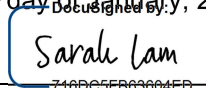
2416326 ALBERTA LTD.

Per: 
I/we have the authority to bind the Corporation

Per: _____



This is Exhibit 6 to the Affidavit
of Amanda Bezner sworn before me
this 8th day of January, 2026.

A blue rectangular box containing a handwritten signature in cursive script that reads "Sarah Lam".

710DC5FB03004ED...

A Commissioner for Taking Affidavits, etc.



General Security Agreement

TO: The Toronto-Dominion Bank (the "Bank")

Branch of the Bank: 421 - 7 Avenue SW, 10th Floor, TDCT Tower Calgary, Alberta T2P 4K9

Granted By: **2412170 Alberta Ltd.** (the "Grantor")

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantor agrees with the Bank as follows:

1. Security Interest

The Grantor hereby grants to the Bank a security interest in, and assigns (other than with respect to trade-marks), mortgages, charges and pledges (collectively, the "Security Interest") to the Bank, all property of the Grantor, including all present and after acquired personal property and all other property, assets and undertaking of the kind hereinafter described below, in which the Grantor now has, or hereafter acquires, any right, title or interest, and accretions and accessions thereto (collectively called the "Collateral"):

- (a) **Intangibles.** All intangible property not otherwise described in this Section 1, including all contractual rights and insurance claims, options, permits, licenses, quotas, subsidies, franchises, orders, judgments, patents, trademarks, trade names, trade secrets and know-how, inventions, goodwill, copyrights and other intellectual property of the Grantor, including any right or license to use intellectual property belonging to a third party together with any specified collateral described in Schedule "A" hereto (collectively called "Intangibles");
- (b) **Chattel Paper and Documents of Title.** All chattel paper and all warehouse receipts, bills of lading and other documents of title, whether negotiable or not;
- (c) **Deposits and Credit Balances.** All monies and credit balances, including interest due thereon, which are now or may hereafter from time to time be on deposit with or standing to the credit of the Grantor with the Bank or any other bank, financial institution or other Person;
- (d) **Books and Records.** All deeds, documents, writings, papers, books of account and other books and records in any form, electronic or otherwise, relating to or evidencing any of the Collateral;
- (e) **Accounts and Book Debts.** All debts, accounts, claims and choses in action for moneys now due or owing or accruing due or which may hereafter become due or owing to the Grantor, including claims against the Crown in right of Canada or of any province, moneys which may become payable under any policy of insurance (collectively called "Accounts and Book Debts"), together with all contracts, securities, bills, notes, lien notes, judgments, mortgages, letters of credit and advices of credit, and all other rights, benefits and documents which are now or which may be taken, vested in or held by the Grantor in respect of or as security for the Accounts and Book Debts or any part thereof, and the full benefit and advantage thereof and all rights of actions, claims or demands which the Grantor now has or may hereafter have in respect of the foregoing;
- (f) **Equipment.** All tools, machinery, apparatus, equipment, vehicles, furniture, plants, fixtures, and other tangible personal property, other than Inventory, wherever situate, including the assets, if any, described in Schedule "A" hereto (collectively called "Equipment");
- (g) **Inventory.** All goods forming the inventory of the Grantor, of whatever kind and wherever located, whether raw material, work in process or finished goods held for sale, lease or resale, or furnished or to be furnished under contracts for service or used or consumed in the business of the Grantor, goods used in or procured for packing or packaging, timber cut or to be cut, oil, gas and minerals extracted or to be extracted, all livestock and the young thereof after conception and all crops which become such within one year after the date of execution of this Agreement (collectively called "Inventory");
- (h) **Instruments.** All bills, notes, cheques, letters of credit and other instruments, whether negotiable or not (collectively called "Instruments");
- (i) **Securities.** All shares, stocks, warrants, options, bonds, debentures, debenture stock and all other securities and investment property of any kind and all instruments, whether negotiable or non-negotiable, and interest thereon and dividends, whether in shares, money or property, received or receivable upon or in respect of any securities and other investment property and all money or other property paid or payable on account of any return on, or repayment of, capital in respect of any securities or otherwise distributed or distributable in respect thereof or that will in any way be charged to, or be payable out of or in respect of, the capital of the issuer of the securities (collectively called "Securities");
- (j) **Real Property.** All real and immovable property, both freehold and leasehold, together with all buildings and fixtures (collectively called "Real Property"), and all rights under any lease or agreement relating to Real Property;
- (k) **Proceeds.** All proceeds of the property described above, including any property in any form derived directly or indirectly from any use or dealing with the property described above or the proceeds therefrom or that indemnifies or compensates for



damage or loss to such property or the proceeds therefrom, including the money held in banks, financial institutions or any other Person (collectively called "Proceeds");

provided that (i) the Security Interest does not and will not extend to, and the Collateral will not include, any agreement, lease, right, franchise, license or permit (the "contractual rights") to which the Grantor is a party or of which the Grantor has the benefit, to the extent that the Security Interest would permit any person to terminate the contractual rights unless the consent of one or more Persons has been obtained and until such consent has been obtained, which the Grantor agrees it will use commercially reasonable efforts to obtain if requested by the Bank, the Grantor agrees to hold its interest therein in trust for the Bank, and notwithstanding the foregoing, contractual rights shall not include any account or chattel paper; and (ii) with respect to Real Property, (A) the Security Interest granted hereby is constituted by way of a floating charge, but will become a fixed charge upon the earlier of the Obligations becoming immediately payable, and the occurrence of any other event that by operation of law would result in such floating charge becoming a fixed charge; and (B) the assignment, mortgage and charge granted hereby will not extend to the last day of the term of any lease or agreement relating to Real Property, but the Grantor will hold such last day in trust for the Bank and, upon the enforcement by the Bank of its Security Interest, will assign such last day as directed by the Bank.

2. Obligations Secured

The Security Interest secures the payment and performance of all present and future obligations of the Grantor to the Bank, including all debts and liabilities, direct or indirect, absolute or contingent, matured or not, wheresoever and howsoever incurred, whether incurred before, at the time of or after the execution of this Agreement, whether the indebtedness and liability is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again, whether arising from dealings between the Bank and the Grantor or from other dealings or proceedings by which the Bank may be or become in any manner whatsoever a creditor of the Grantor, and in any currency, whether incurred by the Grantor alone or with another or others and whether as a principal or surety, including all interest thereon and all amounts owed by the Grantor under this Agreement for fees, costs and expenses and in respect of indemnities granted under this Agreement (collectively called the "Obligations").

3. Definitions

(a) Any word or term that is not otherwise defined in this Agreement shall have the meaning given to it in the *Personal Property Security Act* of the province in which the Branch of the Bank is located, as amended from time to time, and being referred to in this Agreement as the "PPSA". Any reference herein to "Collateral" shall, unless the context requires otherwise, be deemed to be a reference to "Collateral or any part thereof".

(b) The following terms shall have the respective meanings set out below:

"Branch of the Bank" means the branch of the Bank located at the address specified above.

"Business Day" means any day other than a Saturday, Sunday or statutory holiday in the province in which the Branch of the Bank is located.

"Control Agreement" means:

- (a) with respect to any uncertificated security, an agreement between the issuer of such uncertificated security and any Person whereby such issuer agrees to comply with instructions that are originated by such Person in respect of such uncertificated security, without the further consent of the Grantor; and,
- (b) with respect to any securities account or security entitlement, an agreement between the securities intermediary which maintains the particular securities account to which security entitlements included in the Collateral relate and any Person whereby such securities intermediary agrees to comply with any entitlement orders with respect to such securities accounts or security entitlements that are originated by such Person, without the further consent of the Grantor.

"Person" means any individual, sole proprietorship, joint venture, partnership, corporation, company, firm, association, co-operative, estate, government, government agency, regulatory authority, trust, or any entity of any nature.

4. Representations & Warranties

The Grantor hereby represents and warrants with the Bank and so long as this Agreement remains in effect shall be deemed to continuously represent and warrant that:

- (a) **Location of Head Office.** The address of the Grantor's chief executive office and the office where it keeps its records respecting the Accounts and Book Debts (the "Head Office") is set out below the name of the Grantor on the signature page of this Agreement;
- (b) **Location of Collateral.** The Collateral which is goods is or will be located at the address set out on the signature page of this Agreement or at the locations specified in Schedule "A" hereto or such other locations as have been agreed to by the Bank in writing, except for (i) goods in transit to such locations and (ii) Inventory on lease or consignment, but including all fixtures, crops, oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral;
- (c) **Collateral Free and Clear.** The Collateral (other than Real Property) is the sole property of the Grantor free and clear of all security interests, liens, charges, mortgages, hypothecs, leases, licenses, infringements by third parties, encumbrances,



statutory liens or trusts, other adverse claims or interests, or any rights of others, except for those security interests which are expressly approved by the Bank in writing prior to their creation or assumption;

- (d) **Amount of Accounts.** Each Account and Book Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor") and the amount represented by the Grantor to the Bank from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount unconditionally owing by such Account Debtor or Account Debtors, and no Account Debtor will have any defence, set-off, claim or counterclaim against the Grantor which can be asserted against the Bank, whether in any proceeding to enforce Collateral or otherwise;
- (e) **Status and Binding Obligation.** The Grantor (i) if a corporation or company, has been duly incorporated, amalgamated or continued, as the case may be, and is validly existing as a corporation or company, as the case may be, under the laws of its jurisdiction of incorporation, amalgamation or continuance, as the case may be, (ii) if not a corporation or company, has been duly created or established as a partnership, limited partnership or other entity and validly exists under the laws of the jurisdiction in which it has been created or established, and (iii) is duly qualified to carry on business and own property in each jurisdiction where it carries on business or where any of its property is located. The Grantor has adequate power, capacity and authority to carry on its business, own property, borrow monies and enter into agreements therefor, execute and deliver this Agreement, and perform its obligations under this Agreement, which Agreement constitutes a legally valid and binding obligation of the Grantor enforceable in accordance with its terms. The making of this Agreement will not result in the breach of, constitute a default under, contravene any provision of or result in the creation of, any lien, charge, security interest, encumbrance or any other rights of others upon any property of the Grantor pursuant to any agreement, indenture or other instrument to which the Grantor is a party or by which the Grantor or any of its property may be bound or affected; and,
- (f) **Intellectual Property.** All intellectual property applications and registrations are valid, subsisting, unexpired, enforceable, in good standing and have not been abandoned and the Grantor is the owner of the applications and registrations.

5. Covenants

The Grantor covenants and agrees with the Bank that:

- (a) **Place of Business and Location of Collateral.** The Grantor shall not change its name or the location of its Head Office, amalgamate with any other Person or move any of the Collateral from the address set out on the signature page of this Agreement or the locations specified in Schedule "A" hereto other than in accordance with clause 5(g), without the prior written consent of the Bank;
- (b) **Notification.** The Grantor shall notify the Bank promptly of: (i) any change in the information contained herein or in Schedule "A" hereto relating to the Grantor, the Grantor's business or Collateral; (ii) the details of any significant acquisition of Collateral; (iii) the details of any claims or litigation affecting the Grantor or the Collateral and will furnish the Bank with copies of the details of such claims or litigation; (iv) any loss or damage to Collateral or any material adverse change in the value of Collateral; and (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral;
- (c) **Performance of Obligations.** The Grantor shall observe and perform all its obligations under all material leases, licenses, undertakings and agreements to which it is a party, obtain and preserve its rights, powers, licences, privileges, franchises and goodwill thereunder, and comply with all applicable laws, by-laws, rules, regulations and ordinances in a proper and efficient manner so as to preserve and protect the Collateral and the business and undertaking of the Grantor in all material respects. The Grantor shall also pay all rents, taxes, rates, levies, assessments and government fees or dues levied, assessed or imposed in respect of the Collateral and other charges or any part thereof as and when the same become due and payable, and shall provide to the Bank, when requested, the receipts and vouchers evidencing payment;
- (d) **Limitations on Discounts, Extensions of Accounts and Compromises.** The Grantor shall not grant any extension of time for payment of any Accounts or Book Debts, or compromise, compound or settle any Accounts or Book Debts for less than the full amount, or release, wholly or partially, any Person liable for the payment of any Accounts or Book Debts, or allow any credit or discount of any Account or Book Debt, other than in the ordinary course of business of the Grantor and consistent with industry practices;
- (e) **Payment of Fees and Expenses.** The Grantor will pay the Bank on demand all costs, fees and expenses (including legal fees on a solicitor and his own client basis) incurred by the Bank in the preparation, execution, registration and perfection of this Agreement and the carrying out of any of the provisions of this Agreement, including, protecting and preserving the Security Interest and enforcing by legal process or otherwise the remedies provided herein. All such costs and expenses payable by the Grantor to the Bank shall bear interest from time to time at the highest interest rate then applicable to any of the Obligations, calculated and compounded monthly, and shall be added to and form part of the Obligations secured hereunder;
- (f) **Maintenance and Protection of Collateral/No Fixtures.** The Grantor shall care for, protect and preserve the Collateral and not permit its value to be impaired and will not permit the Collateral to be affixed to real or personal property so as to become a fixture or accession without the prior written consent of the Bank. The Grantor shall keep the Collateral in good order, condition and repair and shall not use the Collateral in violation of the provisions of this Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance. The Grantor will keep all licences, permits, agreements, registrations and applications relating to intellectual



property used by Grantor in its business in good standing, unless otherwise agreed to in writing by the Bank. The Grantor shall apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so. The Grantor shall defend title to the Collateral against all claims and demands of all other Persons claiming the same or an interest therein and shall diligently initiate and prosecute legal action against every Person who infringes upon the Grantor's rights in intellectual property;

- (g) **Dealing with Collateral.** (i) The Grantor will not sell, lease, transfer, assign, deliver or otherwise dispose of the Collateral or any interest therein without the prior written consent of the Bank, except that the Grantor may, until an event of default as hereinafter provided occurs, deal with any Inventory or Real Property (other than fixtures financed by the Bank and any replacements or substitutions therefor) in the ordinary course of business so that the purchaser thereof takes title thereto free and clear of the Security Interest; (ii) All Proceeds shall continue to be subject to the Security Interest, granted hereby and all money received by the Grantor as Proceeds, other than from the sale of Inventory, shall be received as trustee for the Bank and shall be held separate and apart from other money of the Grantor, and shall be paid over to the Bank upon request; (iii) All money collected or received by the Bank in respect of the Collateral may be applied on account of such parts of the Obligations as the Bank in its sole discretion determines, or may be held unappropriated in a collateral account, or in the discretion of the Bank may be released to the Grantor, all without prejudice to the Bank's rights against the Grantor; (iv) Before an event of default occurs hereunder, the Bank may give notice of this Agreement and the Security Interest to any Account Debtor who is obligated to the Grantor under any of the Accounts and Book Debts and, after the occurrence of an event of default hereunder, may give notice to any such Account Debtor to make all further payments to the Bank, and any payment or other Proceeds received by the Grantor from an Account Debtor after an event of default whether before or after any notice is given by the Bank, shall be held by the Grantor in trust for the Bank and paid over to the Bank on request. The Bank shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Bank may consider appropriate and the Grantor agrees to furnish all assistance and information and to perform all such acts as the Bank may reasonably request in connection therewith and for such purpose to grant to the Bank or its agents access to all places where Collateral may be located and to all premises occupied by the Grantor;
- (h) **Maintenance of Records.** The Grantor will keep proper books of account in accordance with sound accounting practice and mark any and all such records and the Collateral at the Bank's request so as to indicate the Security Interest. The Grantor shall furnish to the Bank such financial information and statements and such information and statements relating to the Collateral as the Bank may from time to time require and shall permit the Bank or its agents at any time at the expense of the Grantor to examine the books of account and other financial records and reports relating to the Collateral and to make copies thereof and take extracts therefrom and to make inquiries of third parties for the purpose of verification of such information. The Grantor authorizes any Person holding any Books and Records to make them available, in a readable form, upon the request of the Bank. The Grantor will deliver to the Bank any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral;
- (i) **Negative Pledge.** The Grantor will not create, incur, assume or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, hypothec, encumbrance or statutory lien or trust (including any conditional sale, or other title retention agreement or finance lease) of any nature, on any of the Collateral (other than Real Property, but not including any fixtures financed by the Bank and any replacements or substitutions therefor) without the express prior written consent of the Bank;
- (j) **Insurance.** The Grantor will keep the Collateral insured under policies with such coverage, for such amounts and with such insurers as are satisfactory to the Bank from time to time, with loss thereunder, payable to the Bank and shall furnish the Bank with a copy of any policy of insurance, certificate of insurance or other evidence satisfactory to the Bank that such insurance coverage is in effect;
- (k) **Further Assurances.** The Grantor will from time to time forthwith, at the expense of the Grantor, duly authorize, execute and deliver such further instruments and documents, and take such further action, as the Bank may request for the purpose of obtaining or preserving the benefits of and the rights and powers granted by, this Agreement (including the filing of any financing statements or financing change statements under any applicable legislation with respect to the Collateral) and for the purpose of correcting any deficiencies or clerical errors in this Agreement; and,
- (l) **Landlord Agreement.** The Grantor will, at the request of the Bank, obtain a written agreement from each landlord of premises where any of the Collateral is located, in favour of the Bank and in form and substance satisfactory to the Bank, whereby such landlord agrees to give notice to the Bank of any default by the Grantor under the lease and a reasonable opportunity to cure such default prior to the exercise of any remedies by the landlord and acknowledges the Security Interest created by this Agreement and the right of the Bank to enforce the Security Interest created by this Agreement in priority to any claim of such landlord, including the right of the landlord to distrain on the Collateral for arrears of rent.

6. Survival of Representations and Warranties and Covenants.

All agreements, representations, warranties and covenants made by the Grantor in this Agreement are material, will be considered to have been relied on by the Bank and will survive the execution and delivery of this Agreement or any investigation made at any time by or on behalf of the Bank and any disposition or payment of the Obligations until the indefeasible repayment and performance in full of the Obligations.

7. Performance of Covenants by The Bank

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