COURT FILE NUMBER	2501 - 13057
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
MATTER	IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, 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 ALBERTA LTD.
APPLICANT	BANK OF MONTREAL
RESPONDENTS	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 ALBERTA LTD.
DOCUMENT	**EIGHTH REPORT OF BDO CANADA LIMITED, IN ITS CAPACITY AS THE COURT-APPOINTED MONITOR**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MILLER THOMSON LLP Eighth Avenue Place East 43rd Floor, 525 8th Avenue S.W. Attention: James W. Reid / Pavin Takhar Telephone: 403.298.2418 E-mail: jwreid@millerthomson.com ptakhar@millerthomson.com

TABLE OF CONTENTS

LIST OF APPENDICES

Appendix "A" – Pre-Filing Report of the Proposed Monitor dated August 20, 2025 (without appendices)

Appendix "B" – First Report of the Monitor dated August 27, 2025 (without appendices)

Appendix "C" –Second Report of the Monitor dated September 10, 2025 (without appendices)

Appendix "D" – Third Report of the Monitor dated November 7, 2025 (without appendices)

Appendix "E" – Fourth Report of the Monitor dated January 5, 2026 (without appendices)

Appendix "F" – Fifth Report of the Monitor dated January 14, 2026 (without appendices)

Appendix "G" – Sixth Report of the Monitor dated March 18, 2026 (without appendices)

Appendix "H" – Seventh Report of the Monitor dated May 11, 2026 (without appendices)

Appendix "I" – Goldhar Consent to Act

Appendix "J" – The Loan Store Demand Letter

Appendix "K" – Sun Valley Nissan Sale Agreement (Redacted)

Appendix "L" – Mannville Residential Property MLS Listing

Appendix "M" – Fourth Revised Cash Flow Forecast

Appendix "N" – Fourth Revised Cash Flow Variance Analysis

Appendix "O" – Fifth Revised Cash Flow Forecast

Appendix "P" – Professional Fees Schedule

Appendix "Q" – January 22nd TD Payout Statement

Appendix "R" – Storage Invoice

Appendix "S" – Demand Letter dated June 29, 2026

INTRODUCTION

1. On August 22, 2025 (the "**Filing Date**"), upon the application by the Bank of Montreal ("**BMO**") in its capacity as senior secured lender to 2345137 Alberta Ltd. ("**Vermilion Chrysler**"), 1262113 B.C. Ltd. ("**Western Sport Products**"), 2497902 Alberta Ltd. ("**Castle Ford**"), 1175104 B.C. Ltd. ("**Cranbrook Mitsubishi**"), 1272986 B.C. Ltd. ("**Sun Valley Nissan**"), Summit V Auto Ltd. ("**Arrow Volkswagen"** or **"Arrow VW**", with Vermilion Chrysler, Western Sport Products, Castle Ford, Cranbrook Mitsubishi, and Sun Valley Nissan, the "**Omnibus Dealerships**"), 2437342 Alberta Ltd. ("**Squamish Chrysler**", with the Omnibus Dealerships, the "**Dealerships**"), Summit S Auto Ltd. ("**Real Co**", with the Omnibus Dealerships, the "**Omnibus Debtors**"), MK Auto K-M Ltd. ("**MK Auto**"), 1972207 Alberta Ltd. ("**197 AB**", with Squamish Chrysler, the "**Squamish Debtors**") and 2351497 Alberta Ltd. ("**235 AB**" with the Omnibus Debtors, the Squamish Debtors, and MK Auto, collectively, the "**Summit Auto Group**", or the "**Companies**"), the Court of King's Bench of Alberta (the "**Court**") issued an order (the "**Initial Order**") granting protection to the Companies from their creditors under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the "**CCAA**"). Pursuant to the Initial Order, BDO Canada Limited ("**BDO**") was appointed as monitor of the Companies (in such capacity, the "**Monitor**").

2. Among other things, pursuant to the Initial Order the Court:

   a) granted an initial stay of proceedings (the "**Stay of Proceedings**") in favour of the Companies until and including September 1, 2025, to stabilize the Companies' operations and permit the Monitor to assess the Companies' then ongoing sales process;

   b) appointed the Monitor and granted expanded powers of the Monitor during the CCAA proceedings (the "**CCAA Proceedings**");

   c) appointed the chief restructuring officer ("**CRO**"), Full Circle Automotive Solutions Inc. ("**Full Circle**") over the Companies;

   d) granted a charge over the Companies' property (the "**Property**") to stand as security for payment by the Companies of the professional fees and disbursements of BMO's legal counsel, the Monitor and its independent legal counsel, and the

CRO, in an aggregate amount not to exceed $350,000 (the "**Administration Charge**");

e) authorized the Monitor to borrow funds in the maximum amount of $500,000 to fund the Companies' operations during the CCAA Proceedings and a charge over the Property to stand as security (the "**Monitor's Borrowing Charge**"); and

f) granted a charge over the Property to stand as security for the Companies' obligation to indemnify the directors from any liabilities they may incur in such capacity from and after the commencement of the CCAA Proceedings, up to a maximum amount of $250,000 (the "**Director's Charge**", together with the Administration Charge and Monitor's Borrowing Charge, the "**Court Ordered Charges**").

3. The Initial Order contemplated a comeback application on August 27, 2025 (the "**Comeback Hearing**").

4. At the Comeback Hearing, the Court granted an amended and restated initial order (the "**ARIO**"). The ARIO, among other things:

   a) extended the Stay of Proceedings until and including September 26, 2025;

   b) approved an increase to the Administration Charge up to the maximum amount of $750,000;

   c) approved an increase to the Monitor's Borrowing Charge up to the maximum amount of $3.5 million (plus interest, costs and fees);

   d) authorized continued payments to BMO under the existing floor plan arrangements once the Monitor confirmed the validity of BMO's security; and

   e) reaffirmed the Monitor's authority to manage and operate the Companies' businesses and oversee sales efforts through its expanded powers.

5. On September 19, 2025, upon the application of the Monitor, the Court granted the following additional orders:

   a) an order (the "**Stay Extension Order**") which, among other things:

(i) extended the Stay of Proceedings up to and including November 21, 2025; and

(ii) granted the Monitor certain powers, in addition to and in no way limiting the powers of the Monitor as set out in the ARIO, to authorize the Monitor to conduct investigations, compel production of records relating to the Companies or the businesses of the Companies, and to compel examination under oath of any person reasonably thought to have knowledge relating to the Companies or the businesses of the Companies ("**Investigative Powers**"); and

b) an order (the "**SISP Approval Order**") which, among other things:

(i) approved a sale and investment solicitation process (the "**SISP**"); and

(ii) approved the appointment of the Companies' pre-filing sales agent, the Tim Lamb Group (the "**Sales Agent**" or "**Tim Lamb**") to administer and manage the SISP with the oversight of the Monitor.

6. On November 13, 2025, upon the application of the Monitor, the Court granted the following additional orders:

a) an order (the "**Second Stay Extension Order**") which, among other things:

(i) extended the Stay of Proceedings up to and including January 30, 2026;

(ii) approved the activities of the Monitor since the Second Report (defined herein);

(iii) approved the accounts of the Monitor and its legal counsel, Miller Thomson LLP ("**Miller Thomson**"), for fees and disbursements incurred;

(iv) authorized the Monitor to make distributions to BMO in its capacity as the senior secured lender;

(v) authorized the Monitor to have full access to all bank accounts, financial records, constating documents, minute books and other documents required by the Monitor in respect of the assets and/or business of 2412170 Alberta Ltd. ("**Westcastle Dealership**") and 2416326 Alberta Ltd.

("**Westcastle RealCo**"), together operating as Westcastle Chevrolet Buick GMC ("**Westcastle GMC**", and together with Summit Auto Group, the "**Debtors**"); and

(vi) temporarily sealed the Confidential Supplement to the Third Report (the "**Confidential Report**") until the termination of the within CCAA Proceedings or until further order of this Honourable Court;

b) an order to approve and authorize the sale transaction (the "**Arrow VW Transaction**") for certain assets, undertakings and properties of Arrow VW and Real Co (together, the "**Arrow VW Vendors**"), pursuant to a purchase and sale agreement between the Arrow VW Vendors as vendors and K5 IG Holdings Inc. as purchaser (the "**Arrow VW Purchaser**") dated as of November 7, 2025 (the "**Arrow VW Sale Agreement**"); and

c) an order to approve and authorize the sale transaction (the "**Castle Ford Transaction**", and together with the Arrow VW Transaction, the "**Transactions**") for certain assets, undertakings and properties of Castle Ford and Real Co (together, the "**Castle Ford Vendors**"), pursuant to a purchase and sale agreement between the Castle Ford Vendors as vendors and Davis Auto Group Ltd. as purchaser (the "**Castle Ford Purchaser**") dated as of November 6, 2025 (the "**Castle Ford Sale Agreement**").

7. On January 7, 2026, the Court granted an Order (the "**Westcastle GMC CCAA Order**") among other things:

a) including each of the Westcastle GMC entities in the within CCAA Proceedings;

b) granting an administration charge in the in the maximum amount of $150,000 (the "**Westcastle GMC Administration Charge**") in favour of counsel to BMO, the Monitor, the Monitor's counsel, and the CRO charging the Westcastle GMC Assets (defined herein);

c) confirming The Toronto Dominion Bank ("**TD Bank**") is to be treated as an unaffected creditor in the CCAA Proceedings; and

d) authorizing the Monitor to make a distribution to the Sales Agent in the amount of $105,000.

8. On January 7, 2026, the Court further granted an Order (the "**Westcastle AVO**") vesting all of the rights, title and interests of Westcastle GMC in substantially all of its assets to 2672671 Alberta Ltd., a third-party purchaser (the "**Westcastle GMC Purchaser**") free and clear of all encumbrances pursuant to certain sale agreements (collectively the "**Westcastle GMC Transactions**").

9. On January 9, 2026, the Court granted an Order, amending and restating the Westcastle GMC CCAA Order (the "**Amended and Restated Westcastle GMC CCAA Order**" or the "**Westcastle ARIO**"). The Amended and Restated Westcastle GMC CCAA Order, among other things:

    a) approved an increase to the Westcastle GMC Administration Charge up to the maximum $250,000;

    b) provided for a charge up to a maximum amount of $150,000 (the "**Westcastle GMC Borrowing Charge**", or together wit the Westcastle GMC Administration Charge, the "**Westcastle GMC Charges**"), to secure the payment of expenses required for the administration of certain assets of Westcastle GMC (the "**Westcastle GMC Assets**") to cover for the Monitor's borrowing directly from BMO through the issuance of borrowing certificates;

    c) authorized a distribution to TD Bank;

    d) created a holdback for a reserve of funds pending the resolution of certain disputes and unresolved claims (the "**Claims Reserve**" or "**Disputed Funds Reserve**"); and

    e) authorized a payment to counsel for Westcastle GMC in respect of the Westcastle GMC Transactions.

10. On January 22, 2026, the Court granted an Order (the "**Third Stay Extension Order**" or the "**Freezing Order**"), which, among other things:

    a) extended the Stay of Proceedings up to and including March 29, 2026;

b) directed that certain vehicles (the "**Westcastle GMC Vehicles**") which were transferred from Western GMC to The Loan Store, 1292709 Alberta Ltd. and/or any affiliated entities (collectively, the "**The Loan Store**") were to be frozen, and required that, among other things, a reporting of the location of the Westcastle GMC Vehicles and any proceeds realized from same by the parties was provided to the Monitor within three (3) business days from the date of the Order;

c) approved the registration by the Monitor, on a *nunc pro tunc* basis, over the serial numbers associated with the identified Westcastle GMC Vehicles in the Alberta Personal Property Registry (or any other applicable registry) (collectively, the "**PPR**");

d) approved the activities of the Monitor as set out in the Fourth Report and Fifth Report (each defined herein); and

e) approved the accounts of the Monitor and Miller Thomson, for fees and disbursements as set out in the Fifth Report.

11. On March 26, 2026, the Court granted an Order (the "**Fourth Stay Extension Order**"), which, among other things.

a) extended the Stay of Proceedings up to and including May 29, 2026;

b) approved the liquidation and wind-down of Western Sport Products and distribution of net proceeds from this sale to the secured creditor, Northpoint Commercial Finance Canada Inc. ("**Northpoint**");

c) approved the liquidation and wind-down of Vermilion Chrysler;

d) approved the activities of the Monitor as set out in the Sixth Report (defined herein); and

e) approved the accounts of the Monitor and Miller Thomson, for fees and disbursements as set out in the Sixth Report.

12. At the Court application held on March 26, 2026, the Monitor also sought Orders approving:

a) the return of the Westcastle GMC Vehicles and the sale of the Westcastle GMC Vehicles by the Monitor (the "**Westcastle GMC Vehicle Relief**") and

b) a claims procedure to adjudicate creditor claims as against Westcastle GMC (the "**Claims Procedure**", or together with the Westcastle GMC Vehicle Relief, the "**Westcastle GMC Relief**").

13. On March 26, 2026, following an adjournment request made by The Loan Store / 129 AB, the Court granted an adjournment in respect to the Westcastle GMC Relief.

14. At the Court application held on May 22, 2026, the Monitor sought, and was granted:

    a) an order (the "**Fifth Stay Extension Order**") to, among other things:

        I. extend the Stay of Proceedings up to and including July 24, 2026;

        II. approve the activities of the Monitor as set out in this Seventh Report (defined herein);

        III. approve the wind-down and liquidation of the remaining Dealerships, including, Cranbrook Mitsubishi, Squamish Chrysler, and/or Sun Valley Nissan should a prospective purchaser not be found;

        IV. approve the Listing Process in respect to the ancillary commercial properties owned by Real Co;

        V. increase the Westcastle GMC Administration Charge from $250,000 to $500,000;

        VI. decrease the Westcastle Borrowing Charge from $150,000 to $50,000;

        VII. approve the additional accounts of the Monitor and its legal counsel, Miller Thomson, for fees and disbursements incurred and as set out in this Seventh Report;

        VIII. declare the applicability of the *Wage Earner Protection Act* (Canada) ("**WEPPA**") in this CCAA Proceedings;

        IX. declare that the transfer of a Dodge Ram transferred to a third party for no consideration is void as against the Monitor pursuant to sections 36.1 and 11 of the CCAA and section 96 of the BIA and directing the Insurance Corporation of British Columbia ("**ICBC**"), or any other person, to register the Dodge Ram back in the name of Squamish Chrysler so that it may be realized upon; and

X. seal the Confidential Appendix to the Seventh Report; and

b) an order approving the Claims Procedure.

15. The Court also further adjourned the Monitor's requested relief declaring that the transfer of the Westcastle GMC Vehicles to The Loan Store was void as against the Monitor pursuant to sections 36.1 and 11 of the CCAA and section 95 of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**").

16. At the Court application held on June 5, 2026, the Court granted an order scheduling various litigation steps between the Monitor and The Loan Store (the "**Scheduling Order**").

17. The Monitor has provided the Court with the following reports (the **"Previous Reports"**):

a) the Pre-Filing Report of the Proposed Monitor filed August 20, 2025 (the "**Pre-Filing Report**") in connection with the application for the Initial Order. The Pre-Filing Report (without appendices) is attached hereto as **Appendix "A"**;

b) the First Report of the Monitor filed August 27, 2025 (the "**First Report**") in connection with the application for the ARIO. The First Report (without appendices) is attached hereto as **Appendix "B"**;

c) the Second Report of the Monitor filed September 10, 2025 (the "**Second Report**") in connection with the application for the Stay Extension Order and the SISP Approval Order. The Second Report (without appendices) is attached hereto as **Appendix "C"**;

d) the Third Report of the Monitor filed on November 7, 2025 (the **"Third Report"**) in connection with the application for the Second Stay Extension Order, and approval of the Transactions. The Third Report (without appendices) is attached hereto as **Appendix "D"**;

e) the Fourth Report of the Monitor filed on January 6, 2026 (the "**Fourth Report**") in connection with the Westcastle GMC CCAA Order. The Fourth Report (without appendices) is attached hereto as **Appendix "E"**;

f) the Fifth Report of the Monitor filed on January 14, 2026 (the "**Fifth Report**") in connection with the application for the Third Stay Extension Order. The Fifth Report (without appendices) is attached hereto as **Appendix "F"**;

g) the Sixth Report of the Monitor filed on March 19, 2026 (the "**Sixth Report**"), in connection with the application for the Fourth Extension Order. The Sixth Report (without appendices) is attached hereto as **Appendix "G"**; and

h) the Seventh Report of the Monitor filed on May 11, 2026 (the "**Seventh Report**"), in connection with the application for the Fifth Extension Order. The Seventh Report (without appendices) is attached hereto as **Appendix "H"**.

PURPOSE

18. The purpose of this Eighth Report of the Monitor (the "**Eighth Report**") is to provide information to the Court with respect to:

a) the activities of the Monitor since the Seventh Report;

b) an update on the status of the SISP, including any completed or proposed transactions, and/or the wind-down or liquidation of the remaining Dealerships;

c) the Debtors' actual cash flow results for the 10-week period ended July 6, 2026, versus the budgeted results for that period, as outlined in the Debtors' fourth revised 13-week consolidated cash flow from April 27, 2026, to the week ended July 24, 2026 (the "**Fourth Revised Cash Flow Forecast**");

d) an overview of the Companies' updated consolidated cash flow forecast (the "**Fifth Revised Cash Flow Forecast**") for the period July 6 to December 31, 2026 (the "**Fifth Revised Cash Flow Period**");

e) the Monitor's comments and recommendations with respect to its application returnable on July 23, 2026 (the "**July 23 Application**") seeking:

(i) an order (the "**Sun Valley Nissan SAVO**") to approve and authorize the sale transaction (the "**Sun Valley Nissan Transaction**" or the "**Transaction**" for purposes of this Eighth Report) of certain of the assets, undertakings and properties of Sun Valley Nissan and Real Co (together, the "**Sun Valley Nissan Vendors**"), pursuant to a purchase and sale agreement between the Sun Valley Nissan Vendors, as vendors, and Dawson Automotive Motor Holdings Ltd., as purchaser (the "**Sun Valley Nissan Purchaser**"), dated as of July 14, 2025 (the "**Sun Valley Nissan Sale Agreement**"); and

(ii) an order (the "**Fifth Stay Extension Order**") to, among other things:

I. extend the Stay of Proceedings up to and including December 31, 2026;

II. approve the activities of the Monitor as set out in this Eighth Report;

III. substitute Goldhar & Associates Ltd. as the Court-appointed monitor ("**Goldhar**" or, the "**Monitor**") in place of BDO Canada Limited ("**BDO**" or, the "**Current Monitor**"), with enhanced powers in accordance with the ARIO, and discharge BDO as Monitor with customary releases;

IV. declare the applicability of the WEPPA in respect of Squamish Chrysler in this CCAA Proceedings;

V. temporarily seal the Confidential Supplement to the Eighth Report dated July 14, 2026 (the "**Confidential Supplement**") until the conclusion of these CCAA Proceedings or until further order of this Honourable Court;

VI. approve the additional accounts of the Current Monitor and its legal counsel, Miller Thomson, for fees and disbursements incurred and as set out in this Eighth Report;

VII. eliminate the Claims Reserve of $650,000 for the benefit of the creditors of Westcastle GMC;

VIII. increase the Westcastle GMC Administration Charge from $500,000 up to a maximum of $650,000;

IX. authorize the Monitor to take custody of the Westcastle GMC Vehicles from any person, sell them through OpenLane or another method appropriate to the Monitor and retain the proceeds of sale in trust for distribution following a separate hearing for determination as to creditor entitlements to such sale proceeds; and

(iii) such further and other relief as the Court may deem just and equitable.

19. The Previous Reports and other Court materials in connection with the CCAA Proceedings are available on the Current Monitor's website at: https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/summit-automotive-group (the "**Current Monitor's Website**").

20. All future reports and Court materials, including a link to the Current Monitor's Website, in connection with the CCAA Proceedings are available at: https://goldhar.ca/corporate-engagements/summit-automotive-group. All Court documents and certain other relevant documents have been and will continue to be posted as they are made available.

21. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Previous Reports.

TERMS OF REFERENCE

22. In preparing this Eighth Report and making the comments herein, the Current Monitor has been provided with, and has relied upon, unaudited financial information, books and records prepared by the Debtors, the Gil Affidavit (herein defined), discussions between the CRO, the operations consultant engaged by the Current Monitor (as set out in the Sixth Report and hereafter referred to as the "**Operations Consultant**") and/or management of the Debtors ("**Management**"), discussions with BMO and information from other third-party sources (collectively, the "**Information**"). Except as described in the Eighth Report in respect of the Fifth Revised Cash Flow Forecast:

a) the Current Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Current

Monitor has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("**GAAS**") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Current Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and

b) some of the information referred to in this Eighth Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.

23. Future oriented financial information referred to in this Eighth Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variation could be significant.

24. Unless otherwise indicated, the Current Monitor's understanding of the factual matters expressed in this Eighth Report concerning the Debtors and their business is based on the Information, and not independent factual determinations made by the Monitor.

25. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

BACKGROUND INFORMATION

26. This Eighth Report should be read in conjunction with the affidavit of John Gil sworn August 15, 2025 (the "**Gil Affidavit**"), and the Previous Reports which can be found on the Current Monitor's Website and contain background information with respect to the Companies' businesses and operations as well as matters leading up to the commencement of these CCAA Proceedings.

MONITOR'S ACTIVITIES

27. Since the date of the Seventh Report, the Current Monitor has, among other things:

a) continued to update the Current Monitor's Website;

b) continued to hold regular discussions with Management, the CRO, the Operations Consultant, and key stakeholders, including BMO, regarding operations, liquidity, and broader restructuring initiatives;

c) continued to assist the Companies with stakeholder communications;

d) continued to provide oversight and support to the Companies' treasury functions, including cash flow reporting through:

(i) overseeing the weekly treasury monitoring protocol established by the Current Monitor; and

(ii) conducting variance analysis between actual and forecasted cash flow;

e) supervised and assisted with activities related to the ongoing sale or liquidation of the Dealerships and ancillary real estate, including but not limited to:

(i) continuing discussions with the representatives of the Sun Valley Purchaser regarding the status of their offer and corresponding directly with certain other interested parties;

(ii) managing and supporting the closing of the transactions (as applicable to date);

(iii) entering into the Sun Valley Nissan Sale Agreement;

(iv) working with Ritchie Bros Auctioneers Inc. ("**Ritchie Bros**") and Maynards Group of Companies ("**Maynards**") on the liquidation of certain dealership assets;

(v) developing strategies to liquidate the remaining Dealerships and their assets, and ancillary real estate; and

(vi) providing regular updates to key stakeholders, including the Original Equipment Manufacturer's (the "**OEM**") and BMO, on the status of the remaining Dealerships, sale opportunities and/or liquidation strategies;

f) continued the review of personnel matters and issued termination notices to certain personnel as required in the CCAA Proceedings;

g) continued to investigate into numerous matters, irregularities, and concerns raised by the employees of the Companies, the CRO, the Operations Consultant, and Management;

h) supervised and assisted with activities related to ongoing issues with regards Westcastle GMC:

(i) continued to correspond with TD Bank and its counsel with regards to the TD financed dealership, of Westcastle GMC;

(ii) corresponded with Westcastle GMC creditors regarding outstanding claim amounts and the Claims Procedure;

(iii) performed various analysis with regards to vehicles transferred on or before closing of the Westcastle GMC sale transaction;

(iv) prepared analysis and commentary on an updated and preliminary distribution waterfall as between Westcastle Dealership and Westcastle Real Co;

(v) through Miller Thomson, corresponded with and held discussions with legal counsel to The Loan Store in relation to the Westcastle GMC Relief being sought;

(vi) complied with the steps set out in the Scheduling Order, including responding to written interrogatories and document requests of The Loan Store;

(vii) commenced the Claims Procedure pursuant to the Claims Procedure and

(viii) in connection with the Claims Procedure, prepared and filed certain related party claims on behalf of the applicable entities and based on the applicable books and records, in accordance with the Claims Procedure (as set out and discussed later herein);

i) continued to respond to correspondence received from creditors and other parties regarding the CCAA Proceedings;

j) engaged in correspondence with dealer finance partners or third-party finance providers through which the Dealerships submit customer credit applications on behalf of customers seeking vehicle financing at the point of sale;

k) negotiated and entered into applicable listing agreement for the marketing and sale of the ancillary real estate properties owned by Real Co;

l) issued a formal notice of termination in respect to the dealer in respect of Cranbrook Mitsubishi and Squamish Chrysler;

m) reviewed the validity of certain leased assets with registered security at the applicable PPR, after which issued a Formal Notice of Disclaimer following confirmation that there was no equity in these leased items;

n) issued a formal Notice of Disclaimer in respect of the leased premises of Squamish Chrysler and vacated the Cranbrook Mitsubishi premises (the lease which was on a month-to-month arrangement);

o) reviewed the books and records of the applicable entities to calculate amounts owing to former employees in connection with WEPPA. It is noted that the Current Monitor had to seek an extension from Service Canada given a delay in obtaining certain information from the Companies payroll provider necessary to calculate termination pay owing to the former employees;

p) prepared the Fifth Revised Cash Flow Forecast with the assistance of the CRO and Operations Consultant;

q) attended the Dealerships to meet with Management, the Operations Consultant, and staff;

r) entered into the Goldhar Engagement Letter (defined and discussed below);

s) attended the Monitor's application seeking the relief set out in the Seventh Report;

t) prepared this Eighth Report and the Confidential Supplement to the Eighth Report; and

u) attended to other miscellaneous administrative items in respect to these CCAA Proceedings.

28. In addition to the foregoing, and subject to Court approval of the requested relief to replace BDO as Monitor with Goldar in these CCAA Proceedings, the Current Monitor anticipates undertaking certain remaining activities to facilitate the transition and complete certain outstanding tasks. These activities may include, among other things, the continued administration of the WEPPA process, completion of GST filings currently in progress, and other transition-related tasks required to support the replacement of the Monitor.

SUBTITUTION OF MONITOR

29. Since the appointment of the Monitor by this Court, Clark Lonergan, CPA, CA, CIRP, LIT, ("**Mr. Lonergan**"), a former Partner at BDO, has had primary responsibility for the work carried out by the Monitor. Mr. Lonergan moved from BDO Canada to Goldhar as of June 20, 2026, a nationally recognized licensed insolvency firm.

30. Goldhar is a licensed insolvency trustee within the meaning of section 2 of the BIA. Goldhar is not subject to any of the restrictions set out in section 11.7(2) of the CCAA on who may be appointed as Monitor.

31. Goldhar has consented to act as the Monitor in the CCAA Proceedings should this Court grant the switch of the Monitor. A copy of Goldhar's consent to act as Monitor is attached hereto as **Appendix "I"**.

32. Should Goldhar be appointed as Monitor, it will be able to leverage its familiarity with Summit Auto Group to safeguard their business and maximize value for creditors on a much more expeditious and efficient basis than if it had no prior involvement or knowledge of the Debtors' affairs.

33. Given Mr. Lonergan's expertise and familiarity with these CCAA Proceedings, BDO, with the consent of BMO, are supportive of Goldhar being substituted as the Court-appointed Monitor, with BDO being discharged with customary releases.

34. Additionally, to assist with the transition of the estate, Goldhar was engaged by the Current Monitor pursuant to an engagement letter dated June 15, 2026 (the "**Goldhar Engagement Letter**") for a monthly fixed fee of $50,000 ($37,500 for the Summit Auto Group entities and $12,500 for the Westcastle GMC estates) plus GST to assist the Current Monitor in managing the CCAA Proceedings during the interim period. A copy of the engagement letter has been included in the Confidential Supplement.

35. It is requested that, should BDO be discharged, it will continue to be a beneficiary of the both the Administration Charge and Westcastle GMC Administration Charge granted in the within CCAA Proceedings in respect to any outstanding professional fees and future professional fees in connection with its remaining activities and/or transition work that may be required.

UPDATE ON DEALERSHIP SALES AND WIND-DOWN / LIQUIDATIONS

36. The Current Monitor provides the following summary and/or update with respect to the Dealership sales and wind-down / liquidation activities to date:

<u>Sun Valley Nissan</u>

37. The Current Monitor has continued to actively market the remaining Dealership, Sun Valley Nissan (see Sun Valley Nissan SISP section below). Once the Sun Valley Nissan Transaction is complete there will be no further dealership operations to sell, which will end the SISP.

<u>Westcastle GMC</u>

38. The Westcastle Transactions successfully closed on December 19, 2026, and the assets were vested in the Westcastle GMC Purchaser free and clear pursuant to the Westcastle SAVO on January 7, 2026, which vested the Westcastle GMC assets to the Westcastle GMC Purchaser.

<u>Castle Ford</u>

39. The Castle Ford Transaction successfully closed on February 2, 2026, and the Current Monitor's Certificate has been filed with the Court confirming same.

Arrow VW

40. The Arrow VW Transaction successfully closed on March 18, 2026, and the Current Monitor's Certificate has been filed with the Court confirming same.

41. The Monitor and Operational Consultant have remained in conversation with the Arrow VW Purchaser regarding post closing items and customers continuity items.

Western Sport Products

42. As set out in the Seventh Report, the remaining inventory of Western Sport Products has been liquidated by way of auction and the net proceeds were distributed to Northpoint on account of its secured indebtedness.

Vermilion Chrysler

43. The operations of Vermilion Chrysler were ceased, and all staff were terminated on or about March 31, 2026, and the remaining liquidation and wind-down activities described in the Sixth Report are substantially complete as at the date of this Eighth Report.

44. The net sale proceeds of the Vermilion Chrysler wind-down were used to pay down BMO's floor plan financing.

Cranbrook Mitsubishi

45. As set out in the Seventh Report, the Current Monitor sought, and was granted by the Court, an order to commence the Cranbrook Mitsubishi Wind-Down / Liquidation, which was developed with the assistance of the Operations Consultant. As of the date of the Eight Report the liquidation and wind-down activities are substantially complete.

46. The net sale proceeds of the Cranbrook Mitsubishi Wind-Down/Liquidation were used to pay down BMO's floor plan financing.

Squamish Chrysler

47. As set out in the Seventh Report, the Current Monitor sought, and was granted by the Court, an order to commence the Squamish Chrysler Wind-Down / Liquidation, which was developed with the assistance of the Operations Consultant. As of the date of the Eight Report the liquidation and wind-down activities are substantially complete.

48. The net sale proceeds of the Squamish Wind-Down/Liquidation, less an additional reserve required to fund operating losses though to closing of the Sun Valley Nissan Transaction and/or the end of the Stay of Proceedings, were used to pay down BMO's floor plan financing.

49. The Current Monitor with the assistance of the Operations Consultant and CRO continue to examine the widespread use of third-party finance "pod" agreements at Squamish Chrysler dealerships and in particular certain parties that dealt with both Squamish Chrysler and Westcastle GMC. As previously outlined in the Second Report, these arrangements resulted in falsified credit applications, lender chargebacks, and the termination of the majority of all lender relationships (such as RBC, TD, CIBC, etc.). Certain agreements have been linked to potential misrepresentations, undisclosed commissions, and ongoing regulatory investigations by the Vehicle Sales Authority of British Columbia ("**VSA**") and the Alberta Motor Vehicle Industry Council ("**AMVIC**").

50. Additionally, the Current Monitor continues to try and collect on wholesale vehicle sales transactions with The Loan Store which were either sold at undervalue and/or were never paid for by The Loan Store. A copy of the Loan Store demand letter dated July 3, 2026 (the "**Demand Letter**") is hereto attached **Appendix "J"**, which encloses two previously made demands from February. As of the date of the Eight Report, The Loan Store has not to responded to the demands. Failing a timely response/resolution, the Monitor may need to make an application of the Court to seek a judgement for the amounts that remain owing to Squamish Chrysler.

<u>Fraudulent Transfer of the Squamish Chrysler Dodge Ram Update</u>

51. The repossessed Dodge Ram with VIN 1C6SRFVT4RN133355 (the "**Dodge Ram**") that was initially missing from the vehicle inventory of Squamish Chrysler and financed by BMO, has now been sold as of the date of the Eight Report. The dealership that purchased this vehicle will work with ICBC using the respective order of this Court to get the ownership switched out of the registered name of 1526782 B.C. Ltd. ("**152 BC**"). Based on a review of the Corporate Registry of British Columbia, Mr. Mounzer is listed as the sole director of 152 BC.

SISP UPDATE

52. As set out in the Seventh Report, the Current Monitor had been negotiating a potential transaction with an interested party for the Sun Valley Nissan dealership. However, this party was unable to secure financing.

53. Since the Seventh Report, the Current Monitor, on behalf of Sun Valley Nissan, with the assistant of the OEM, identified another interested party, Mr. Brian Dawson. The Current Monitor was also in discussions with an additional two (2) other parties known/introduced through BMO, however due to various reasons those parties decided not to proceed with a formal offer. As such, the Current Monitor and Dawson Automotive Motor Holdings Ltd. entered into the Sun Valley Nissan Sale Agreement.

Sun Valley Nissan Transaction & Sun Valley Nissan Sale Agreement

54. Subject to Court approval, the Current Monitor, for and on behalf of the Sun Valley Nissan Vendors, has entered into the Sun Valley Nissan Sale Agreement. A copy of the Sun Valley Nissan Sale Agreement, which has the purchase price redacted, is attached hereto as **Appendix "K".**

55. As of the date of this Eighth Report, the Sun Valley Nissan Sale Agreement has not been submitted to the OEM for approval; however, it is the intention to be submitted before the date of the July 23 Application. The Current Monitor has been in regular discussions with the OEM regarding potential support of this transaction and it expects the OEM will support it.

56. Other than the standard Court approval and OEM approval conditions, the Monitor notes that the Sun Valley Nissan Sale Agreement contains a financing condition for the benefit of the Sun Valley Nissan Purchaser. We understand that the Sun Vally Purchaser is well known to the OEM's captive financing arm which is expected to provide the required financing for the transaction.

57. The proposed unredacted purchase price in relation to the pending sale of Sun Valley Nissan pursuant to the Sun Valley Nissan Sale Agreement is set out in the Confidential Supplement. Based on its consultations with the Sales Agent and third-party relators/valuators, the Monitor understands the proposed purchase price to be consistent with value associated with small market dealerships with underperforming operations. Also enclosed in the Confidential

Supplement is a valuation report and addendum detailing the forced liquidation value of Sun Valley Nissan as well as a discussion of the SISP regarding the Sun Valley Nissan dealership. As such, the proposed purchase price is the best and only offer received after an extensive sales process and is viewed as a better alternative that a wind-down liquidation or otherwise bankruptcy scenario.

58. The Sun Valley Nissan Sale Agreement provides for the assignment of certain contracts (the "**Assigned Contracts**") which will assist the Purchaser in preserving continued operation of the Sun Valley Nissan Dealership following closing.

59. The Current Monitor is working with the Sun Valley Nissan Purchaser to obtain consent to assignment of the Assigned Contracts from applicable counterparties.

60. As part of the relief sought in the Sun Valley Nissan SAVO, the Current Monitor is seeking approval of the assignment of the Assigned Contracts to the Sun Valley Nissan Purchaser pursuant to section 11.3 of the CCAA.

61. The Current Monitor has reviewed the Assigned Contracts and understands that there are no outstanding monetary defaults under such contracts as of the date of this Eighth Report.

62. In regard to the assignment of the Assigned Contracts, the Current Monitor views their assignment as appropriate and commercially reasonable in the circumstances, having regard to the factors in section 11.3(3) of the CCAA. The Current Monitor notes in particular that:

    a) the Assigned Contracts relate to the software used in the Sun Valley Nissan Dealership and are, accordingly, critical to maintaining the continuity of the Sun Valley Nissan dealership and its business;

    b) the Current Monitor is not aware of any rights and obligations under the Assigned Contracts that are not assignable by reason of their nature;

    c) the assignment will not result in economic prejudice to any counterparty, as all rights and obligations will continue on substantially the same terms.

63. Accordingly, the Current Monitor supports and recommends that the Court approve the assignment of the Assigned Contracts as part of the Sun Valley Nissan Transaction pursuant to section 11.3 of the CCAA, if required.

The Current Monitor's Comments on the Sun Valley Nissan Sale Agreement

64. The Current Monitor is of the view that the Sun Valley Nissan Sale Agreement represents the best and only credible offer for the assets of the Sun Valley Nissan.

65. The Current Monitor believes that the SISP was conducted in a fair, transparent, and professional manner. The Current Monitor is satisfied that the process appropriately canvassed the market and that the Sun Valley Nissan Transaction represents the best outcomes available in the circumstances.

66. In reviewing the Sun Valley Nissan Sale Agreement, the Monitor considered the following factors:

   a) the Sun Valley Nissan Sale Agreement represents the highest and best offer for the assets of the Sun Valley Nissan Vendors;

   b) completion of the Transaction will maintain the customer base and operating continuity for Sun Valley Nissan, which would be lost in a liquidation;

   c) completion of the Transaction creates the potential for continued employment for existing employees of Sun Valley Nissan, that are ultimately designated as transferred employees;

   d) BMO and the OEMs were consulted and are supportive of the Transaction, therefore reducing the closing risk; and

   e) the Transaction is structured to close no later than September 30, 2026, reducing closing risk.

67. Based on this analysis, the Current Monitor is satisfied that:

   a) the SISP was transparent, fair, and reasonable, given the circumstances;

   b) BMO, who is expected to suffer a significant shortfall on outstanding amounts owed to it by the Debtors, was consulted and supports the Transaction;

   c) the Transaction maximizes value for stakeholders relative to available alternatives;

   d) the Transaction provides a going-concern outcome for Sun Valley Nissan; and

e) in the Current Monitor's view, the Transaction is a superior outcome when compared to anticipated recoveries in a bankruptcy proceeding, which would materially erode value available to the Debtors' creditors and stakeholders through forced liquidation of assets and result in a cessation of the dealership operations.

68. The Current Monitor is of the view that the Transaction represents the fair value in the circumstances and recommends that this Court approve the Transaction.

REQUEST FOR RESTRICTED COURT ACCESS ORDER FOR THE TRANSACTION

69. A copy of the Sun Valley Nissan Sale Agreement, valuation reports and addendum on the Sun Valley Nissan are included in the Confidential Supplement, among other sources of information or commentary on valuation indications.

70. The Current Monitor is seeking to seal the Confidential Supplement on the basis that it contains sensitive commercial information, including pricing allocations and appraisal information related to the Sun Valley Nissan property. The dissemination of this information could prejudice the sales process, marketing strategy, impair the prospects of sale and impair any further marketing or sale efforts for the real property.

71. The Confidential Supplement also contains the Goldhar Engagement Letter.

72. Accordingly, the Current Monitor considers it appropriate that the Confidential Supplement remain confidential until the completion of the CCAA Proceedings and respectfully requests that the Confidential Supplement be temporarily sealed until the close of the CCAA Proceedings, or further order of this Honourable Court.

ANCILLARY REAL ESTATE LISTING PROCESS UPDATE

73. As introduced in the Seventh Report, the Current Monitor, on behalf of Real Co, has since negotiated and entered into listing agreements as follows (among other terms therein) (collectively the **"Listing Process"**):

a) Vermilion Real Property – with Colliers Edmonton at an initial list price of $1.39 million (to be amended by the Monitor from time to time); and

b) Pincher Creek Real Property – with Cushman & Wakefield Calgary at an initial list price of $1.15 million (to be amended by the Monitor from time to time).

74. The Listing Process has commenced, with Colliers Edmonton and Cushman & Wakefield Calgary listing and marketing the properties.

75. Further, from the solicited proposals from three (3) local residential real estate agents, the Current Monitor identified and selected a realtor to list the Mannville Residential Property. Paul Corbiere of the Real Estate Centre Vermilion listed the Mannville Residential Property at an initial list price of $224,500 (to be amended by the Monitor from time to time). Attached hereto as **Appendix "L"** is a copy of the MLS listing of the Mannville Residential Property.

WAGE EARNER PROTECTION PROGRAM ACT

76. Throughout the CCAA Proceedings and as a result of the restructuring activities undertaken to date, certain employees have been terminated and are owed termination pay, constituting unsecured claims against the applicable Debtor.

77. The Court has granted an Order declaring Arrow VW, Cranbrook Mitsubishi, Vermilion Chrysler, and Castle Ford as former employers for the purposes of WEPPA.

78. With the winddown of Squamish Chrysler, the Current Monitor is seeking similar relief, declaring that pursuant to subsection 5(5) of the WEPPA, Squamish Chrysler is (i) a Current employer all of whose employees in Canada have been terminated other than any retained to wind down its business operation; and (ii) meets the criteria prescribed by section 3.2 of the *Wage Earner Protection Program Regulations*, SOR/2008-222.

FOURTH REVISED CASH FLOW FORECAST VARIANCE ANALYSIS

79. The Seventh Report included a Fourth Revised Cash Flow Forecast for the 12-week period from April 27, 2026, to the week ending July 24, 2026. A copy of the Fourth Revised Cash Flow Forecast is attached hereto as **Appendix "M"**.

80. The Current Monitor has reviewed the actual cash flow from operations for the 10-week period ending July 6, 2026 (the "**Review Period**"), through monitoring the banking activities of the Companies. The Current Monitor makes the following observations:

    a) The Companies' actual cash flow from operations for the Review Period exceeded the projected cash flow as set out in the Fourth Revised Cash Flow Forecast for that same period by approximately $1,565,061. This positive variance is primarily attributable to timing differences in receipts and disbursements as well as stronger than forecast used vehicle sales due to wind-down activities, as outlined below;

b) the positive variance is largely due to the:

   (i) stronger than forecast used vehicle sales performance, resulting in increased receipts of approximately $3,220,552, due primarily to the higher than projected collection of accounts receivable and the further reclassification of Squamish Chrysler's new vehicles that were punched to receive OEM final payout incentives and thus are treated as sold/used vehicle sales;

   (ii) delay in professional and restructuring fee payments of approximately $459,052;

   (iii) lower employee payroll, benefits, and consultant fees than forecast of approximately $157,377;

   (iv) lower vehicle and parts purchases than forecast of approximately $85,111; and

   (v) lower vehicle lien payouts than forecast of approximately $72,354.

c) the above positive variances are partially offset by:

   (i) higher than forecasted receipts from Squamish Chrysler during this reporting period, floor plan payments to BMO are approximately $955,186 higher than forecasted;

   (ii) timing difference for tax refunds still not received from CRA for Squamish Chrysler of approximately $388,952;

   (iii) net lower realizations on the Mitsubishi liquidation of approximately $344,948; and

   (iv) lower than forecast new vehicle sales performance of approximately $217,331 at the Sun Valley Nissan.

81. A summary of the variance analysis described above is attached hereto as **Appendix "N"**.

FIFTH REVISED CASH FLOW FORECAST

82. The CRO, with the assistance of the Current Monitor, prepared the Fifth Revised Cash Flow Forecast for the purposes of projecting the Debtors' estimated liquidity needs during the Fifth Revised Cash Flow Period. A copy of the Fifth Revised Cash Flow Forecast is attached hereto as **Appendix "O"**.

83. The Fifth Revised Cash Flow Forecast is presented on a weekly basis for the first 13-week period. From the week ending October 4, 2026, onward, the reporting cadence changes from weekly to monthly.

84. The Fifth Revised Cash Flow Forecast represents the CRO's estimates of the projected cash flow during the Fifth Revised Cash Flow Period. The Fifth Revised Cash Flow Forecast has been prepared using probable and hypothetical assumptions (the "**Assumptions**") as set out in the notes to the Fifth Revised Cash Flow Forecast.

85. The Current Monitor has reviewed the Fifth Revised Cash Flow Forecast to the standard required of a Court-appointed monitor by section 23(1)(b) of the CCAA. In accordance with this standard, the Current Monitor conducted inquiries, performed analytical procedures, held discussions, and read documents related to the Information supplied to it by the CRO, the Operations Consultant, or employees of the Debtors.

86. Based on the Current Monitor's review, nothing has come to its attention that causes it to believe, in all material respects, that:

    a) the Assumptions are not consistent with the purpose of the Fifth Revised Cash Flow Forecast;

    b) as at the date of this Eighth Report, the Assumptions are not suitably supported or do not provide a reasonable basis for the Fifth Revised Cash Flow Forecast, given the probable and hypothetical assumptions; or

    c) the Fifth Revised Cash Flow Forecast does not reflect the Assumptions.

87. The Current Monitor notes that the Fifth Revised Cash Flow Forecast has been prepared solely for the purpose described above and since the Fifth Revised Cash Flow Forecast is based on Assumptions regarding future events, actual results will vary from the information presented

even if the Assumptions occur, and the variations could be material. Readers are cautioned that the Fifth Revised Cash Flow Forecast may not be appropriate for other purposes.

88. The Fifth Revised Cash Flow Forecast shows that during the Fifth Revised Cash Flow Period, the Debtors will experience a net cash outflow of approximately $1.937 million. The Fifth Revised Cash Flow Forecast projects that during the Fifth Revised Cash Flow Period, the Debtors should have sufficient liquidity through a combination of approximately $1.71 million in cash on hand at the beginning of the Fifth Revised Cash Flow Period and another $243,000 from cash reserves/Monitor's Borrowings to be advanced by the Monitor from various asset sale transactions/liquidation proceeds.

STAY OF PROCEEDINGS EXTENSION

89. The Stay of Proceedings currently expires on July 24, 2026. The Current Monitor is requesting an extension of the Stay of Proceedings until December 31, 2026. The Current Monitor seeks an extension of the Stay of Proceedings for the following reasons, among others:

    a) the Debtors, through the Current Monitor with its enhanced powers, are acting in good faith and with due diligence;

    b) the Stay of Proceedings will provide the Monitor and Debtors with additional time to, among other things, complete the Sun Valley Nissan Transaction, complete the Listing Process and sale of the Real Co's ancillary commercial properties; realize upon the additional assets of the Debtors (including collecting on amounts owing by The Loan Store and 227 AB), and complete the Claims Procedure, the steps in the Scheduling Order, and the administration of the Westcastle GMC estate; and

    c) as of the date of this Eighth Report, the Monitor is not aware of any party opposed to the requested extension.

90. Based on the Fifth Revised Cash Flow Forecast (as described above), the Companies are projected to have sufficient liquidity during the proposed extension of the Stay of Proceedings to December 31, 2026.

91. The Current Monitor believes it is just, convenient, necessary, and in the best interest of the Debtors and their stakeholders that the Stay of Proceedings be extended.

MONITOR AND ITS COUNSEL'S FEES

92. Pursuant to paragraph 31 of the ARIO, the Current Monitor and its counsel are to be paid their reasonable fees and disbursements at their standard rates and charges. Pursuant to paragraph 32 of the ARIO, the Current Monitor and its counsel shall pass their accounts from time to time.

93. The Current Monitor seeks to have its additional fees and disbursements, including those of its legal counsel, approved by the Court. The Current Monitor and its counsel have maintained detailed records of their professional time and costs.

94. The Current Monitor's fees from April 1 to June 30, 2026, were $293,840 (less a courtesy discount of $73,500), plus GST of $11,017.01 for a total of $231,357.01 in respect of the Companies.

    a) This amount includes fees of $46,107.00, plus GST of $2,305.35 for a total of $48,412.35 related to the Westcastle GMC mandate.

95. Miller Thomson's fees, as legal counsel to the Current Monitor, from May 1 to June 30, 2026, were $182,880.20, plus disbursements of $1,019.81, plus GST of $9,149.39, for a total of $193,049.40 in respect of the Companies.

    a) This amount includes fees of $85,704.30, plus disbursements $3.00 plus GST of $4,285.37 for a total of $89,992.67 related to the Westcastle GMC mandate.

96. A summary of the accounts rendered by the Current Monitor and its legal counsel is attached hereto as **Appendix "P"**. Detailed accounts are available for review by the Court upon request. The amount of the fees is based on the hourly rates of the professionals involved in this matter multiplied by actual time spent on this matter.

97. It is the Current Monitor's opinion that the additional fees and disbursements of the Current Monitor and Miller Thomson accurately reflect the work performed by the Current Monitor and Miller Thomson in connection with the administration of the CCAA Proceedings for the dates of their respective invoices. It is the Monitor's opinion that the fees and disbursements of the Monitor and Miller Thomson are fair, reasonable and justified in the circumstances. The Monitor recommends approval of these additional accounts of the Monitor and Miller Thomson by this Court.

WESTCASTLE GMC

Updated Distribution Waterfall

98. The Monitor has prepared an updated distribution waterfall (the "**Distribution Waterfall**"), with a preliminary allocation as between Westcastle Dealership and Westcastle RealCo, which is set out below:

	Est. Potential Recoveries	Westcastle Dealership	Westcastle RealCo	Total
Asset Realizations				
Westcastle GMC sale proceeds		$ 5,365,096.35	$ 3,801,566.21	$ 9,166,662.56
Other asset realizations		215,578.71	51,251.00	266,829.71
		5,580,675.06	3,852,817.21	9,433,492.27
Less: Transaction costs & TD Secured Indebtedness				
Transaction costs		(98,119.48)	(69,524.89)	(167,644.37)
TD Secured Indebtedness		(5,718,268.98)	(2,327,851.04)	(8,046,120.02)
		(5,816,388.47)	(2,397,375.92)	(8,213,764.39)
Net recoveries (shortfall) following above		$ (235,713.41)	$ 1,455,441.29	$ 1,219,727.88
Allocation of shortfall from Dealership to RealCo		235,713.41	(235,713.41)	-
Net cash proceeds following allocation		$ -	$ 1,219,727.88	$ 1,219,727.88
Less: Other disbursements as of July 8, 2026				
Monitor fees			(185,106.09)	(185,106.09)
Legal fees			(166,483.83)	(166,483.83)
Consulting fees			(39,375.00)	(39,375.00)
Other disbursements			(2,641.63)	(2,641.63)
		-	(393,606.55)	(393,606.55)
Net cash in trust, July 8, 2026		**$ -**	**$ 826,121.33**	**$ 826,121.33**
Additional potential recoveries:	$600K-$800K	TBD	-	TBD
Less: Net Remaining Approved Charges (after payments issued as of July 8, 2026)				
Net Remaining Admin Charge ($500K less fees paid per above)		TBD	(148,410.08)	(148,410.08)
Net Reamaining Borrowing Charge ($50K less exp. per above)		TBD	(7,983.37)	(7,983.37)
		-	(156,393.45)	(156,393.45)
Net funds after net available charges		**$ -**	**$ 669,727.88**	**$ 669,727.88**
Less: Claims Reserve		TBD	(650,000.00)	(650,000.00)
Net available funds after Disputed Fund Reserve		**-**	**$ 19,727.88**	**$ 19,727.88**
Known Creditor Claims:				
Secured Claims		$ 553,000.00	TBD	$ 553,000.00
Unsecured Claims		160,455.73	914,244.50	1,074,700.23
Equity Claims		TBD	TBD	-
		$ 713,455.73	$ 914,244.50	$ 1,627,700.23

99. The Distribution Waterfall is based on actual amounts realized and disbursed to date by the Current Monitor, together with several assumptions which are discussed below. All applicable amounts are inclusive of GST.

100. As the Distribution Waterfall is based on certain assumptions, it remains subject to change based on, among other things, any additional asset realizations, a revised allocation of costs that may become applicable, and the adjudication or final determination of creditor claims against the Westcastle GMC estates.

101. As illustrated in the Distribution Waterfall, the Current Monitor is currently holding $826,121 of cash as of July 8, 2026, the proceeds of which are attributable to Westcastle RealCo as set out therein.

102. The Current Monitor provides further commentary or notes to the Distribution Waterfall, as well as an update in respect to the Westcastle GMC administration, in the discussion below.

Asset Realizations

103. The table below summarizes the allocation of the purchase price pursuant to the Court-approved Westcastle Dealership Sale Agreement and the Westcastle RealCo Sale Agreement:

	Westcastle Dealership	Westcastle RealCo	Total
Westcastle Dealership Sale Agreement			
Vehicles (New - 44 units)	$ 3,081,568.35		$ 3,081,568.35
Vehicles (Used - 7 units)	310,595.00		310,595.00
Goodwill, fixed assets, parts, etc.	1,700,000.00		1,700,000.00
Additional funded vehicles	272,933.00		272,933.00
Westcastle RealCo Sale Agreement			
Lot 6		3,751,474.08	3,751,474.08
Macloed Street Property		50,092.13	50,092.13
	$ 5,365,096.35	$ 3,801,566.21	$ 9,166,662.56

104. Of the total purchase price for Westcastle GMC, approximately $3.44 million was paid or funded directly to TD, with the balance of approximately $5.73 million paid to the Current Monitor.

105. The other asset realizations to date, including cash collections, refunds, and accounts receivable recoveries, represent additional proceeds realized by the Monitor as of the date of this Report. Interest earned on funds held in trust has been estimated and allocated between the two estates for the purposes of the Distribution Waterfall.

Transaction Costs and TD Secured Indebtedness

106. The transaction costs include legal fees and the sales agent's fee in connection with the Westcastle GMC Transactions, which have been allocated to the individual estates based on a pro-rata calculation of the total purchase price for Westcastle GMC.

107. Based on a payout statement from TD Bank, dated January 22, 2026 (the "**January 22nd TD Payout Statement**"), a copy which is attached hereto as **Appendix "Q"**, TD Bank was owed an aggregate total of approximately $8.05 million from Westcastle GMC (the "**TD Secured Indebtedness**"). Based on the January 22nd TD Payout Statement, the TD Secured Indebtedness as segregated between the Westcastle Dealership and Westcastle RealCo is summarized in the table below. The additional fees and costs were estimated and allocated between the estates based on a pro-rata calculation of the total debt balance:

	Westcastle Dealership	Westcastle RealCo	Total
Facility #1	$ 368,034.54		$ 368,034.54
Facility #2	4,998,899.83		4,998,899.83
Facility #3	23,008.44		23,008.44
Facility #4		1,822,535.79	1,822,535.79
Facility #5		108,070.60	108,070.60
Facility #6		263,586.29	263,586.29
	5,389,942.81	2,194,192.68	7,584,135.49
% of total	*71%*	*29%*	*100%*
Legal fees and other costs	292,791.85	119,192.68	411,984.53
Fee holdback	35,534.33	14,465.67	50,000.00
Total TD Secured Indebtedness	$ 5,718,268.98	$ 2,327,851.04	$ 8,046,120.02

108. As set out earlier, approximately $3.44 million of the purchase price was distributed directly to TD Bank on account of its secured indebtedness in connection with the Westcastle GMC Transactions. The balance of approximately $4.60 million was distributed by the Current Monitor to TD Bank, as approved by the Court. As a result of these distribution payments, TD Bank was repaid in full.

Net Recovery (Shortfall) after Transaction Costs and Repayment of TD Indebtedness

109. As shown in the Distribution Waterfall, based on asset realizations to date in the Westcastle GMC proceedings, net of transaction costs associated with the Westcastle GMC Transactions and repayment of the TD Secured Indebtedness, the proceeds of sale for the Westcastle

Dealership incurred a shortfall to the TD Secured Indebtedness of approximately $235,000. This deficiency was satisfied through the equity realized from the sale of the Westcastle RealCo assets.

110. As such, net proceeds from the Westcastle GMC Transactions after repayment of TD Secured Indebtedness was $Nil in respect of Westcastle Dealership and approximately $1.22 million in respect of Westcastle RealCo.

Disbursements Issued to Date

111. As shown in the Distribution Waterfall, as of July 8, 2026, the Current Monitor has issued disbursements of approximately $393,600, comprising of Current Monitor fees, legal fees, consulting fees, and other estate expenditures, all which are within or pursuant to the approved Westcastle GMC Charges.

112. At this time and given the availability of cash proceeds as discussed above, all disbursements issued in these proceedings to date have been funded from the Westcastle RealCo estate.

113. Notwithstanding the foregoing, should additional recoveries be realized in the Westcastle Dealership estate, including from either the recovery of the Westcastle GMC Vehicles and/or the 227 AB Vehicles, the Monitor reserves the right to reallocate costs and Court-ordered charges as may be appropriate. However, any such allocation would be outlined in a future report in connection with a proposed distribution of net proceeds.

Potential Additional Recoveries

Westcastle GMC Vehicles

114. As set out above, the Current Monitor has previously sought the Westcastle GMC Vehicle Relief, and the same has been adjourned on two separate occasions by the Court.

115. Significant time has now passed and the Westcastle GMC Vehicles have not been sold and the Current Monitor is advised the property is held at various third-party locations across Alberta.

116. Counsel for the Current Monitor has been in multiple discussions with counsel for The Loan Store to proceed with a plan forward to monetize the Westcastle GMC Vehicles and hold

the sale proceeds in trust until a determination of entitlement to such funds is made pursuant to Court Order.

117. To date, the Current Monitor has not received a response from The Loan Store on its proposal to realize upon the vehicles through OpenLane. Counsel for The Loan Store has proposed to the Current Monitor that storage costs associated with the vehicles be paid in excess of $90,000.

118. The Loan Store has never identified why the Westcastle GMC Vehicles are not located with it, such that storage fees are required, and it is not clear why the Westcastle GMC Vehicles are in different locations with third parties across the province. A copy of the storage invoice is attached as **Appendix "R"**.

119. Without receiving any alternative proposal for the monetization of the Westcastle GMC Vehicles, the Current Monitor is of the view that its proposal to realize on these vehicles through OpenLane is the best option for stopping the deterioration of value with these aging assets, reducing costs for storage and other fees, all for the benefit of stakeholders.

120. The Current Monitor's proposed sale process for the Westcastle GMC Vehicles is set out in detail in the Seventh Report at Appendix H at paragraphs 107 and 108.

227 AB Vehicles

121. The CRO identified that certain vehicles were transferred from Westcastle GMC to 227 AB for no consideration (the "**227 AB Vehicles**").

122. On June 29, 2026, counsel for the Current Monitor demanded from 227 AB evidence of payment for the 227 AB Vehicles or alternatively immediate payment for the 227 AB Vehicles (the "**227 AB Demand**"). A copy of the 227 AB Demand is attached as **Appendix "S"**.

123. 227 AB has failed to respond to the 227 AB Demand and the period for demand has expired.

124. On July 10, 2026, following the expiration of the demand period, counsel followed up with 227 AB via email correspondence regarding the 227 AB Demand.

125. 227 AB has failed to respond to the 227 Demand to date or engage in any discussions with Current Monitor or its counsel.

126. Should 227 AB continue to not respond or satisfy the amounts owing for the 227 AB Vehicles, the Current Monitor (or substituted Monitor) intends to seek judgment against 227 AB.

Additional Cash Proceeds

127. The Monitor continues to follow up with TD Bank and its counsel regarding remaining funds in the Westcastle Dealership bank account. The Monitor understands that there is approximately $25,000 of cash in this bank account to be paid to the Monitor.

Westcastle RealCo

128. The Monitor is not aware of any additional asset recoveries in Westcastle RealCo at this time.

Westcastle GMC Administration Charge

129. With respect to the Westcastle GMC Administration Charge, the Current Monitor and Miller Thomson have incurred total professional fees and disbursements, inclusive of GST, in the aggregate total of $495,714.07 to June 30, 2026, including amounts previously approved by the Court or for which approval is being sought herein. Of these professional fees, only approximately $351,589.91 has been paid as of the Distribution Waterfall, with $144,124.17 yet to be paid by the Current Monitor. It is also noted that the total professional fees incurred to date does include time for the current month of July or the additional professional fees to be incurred by the Monitor and Miller Thomson in connection with the ongoing administration of the Westcastle GMC estates, including finalizing the Claims Procedure, and completing the litigation related to the Westcastle GMC Vehicles and 227 Vehicles.

130. If there is no recovery related to the Westcastle GMC Vehicles and 227 Vehicles then, according to the Distribution Waterfall, there may be no funds available for the creditors of the Westcastle Dealership.

131. In order to undertake the work necessary to assist the creditors of Westcastle GMC and specifically Westcastle Dealership, it is necessary to increase the Westcastle GMC Administration Charge.

132. As such, the Current Monitor is seeking the Court's approval to increase the Westcastle GMC Administration Charge to $650,000.

Claims Reserve

133. Pursuant to the Westcastle ARIO, the Monitor is required to maintain the Claims Reserve at the request of TD Bank in the amount of $650,000 to address any claims to the remaining Westcastle GMC Net Proceeds.

134. As set out in the Prior Reports, the Claims Reserve was established in the event it was found that funds had improperly been transferred from the Summit Auto Group entities to Westcastle GMC and paid to TD Bank in contravention of the Forbearance Agreements between BMO and the Omnibus Debtors and Squamish Debtors.

135. As shown in the Distribution Waterfall, the proceeds making up the Claims Reserve are proceeds of Westcastle RealCo as opposed to the Westcastle Dealership.

136. The funds making up the Claims Reserve will be distributed pending the results of the Claims Procedure. The Current Monitor respectfully recommends that the requirement to maintain the Claims Reserve be removed from these proceedings.

Estimated Funds Available for Distribution

137. Based on the Distribution Waterfall, excluding the deduction of the Claims Reserve, and prior to any additional asset recoveries and additional costs necessary to recover same, the Monitor estimates that approximately $670,000 may be available for distribution in Westcastle RealCo, with no funds available for distribution in respect of the Westcastle Dealership (should no further assets be recovered).

Status of Westcastle Claims Procedure

138. In accordance with the Claims Procedure Order, the Monitor commenced the Claims Procedure on May 26, 2026, which included, among other things:

a) posting the relevant notice materials and a copy of the Claims Procedure Order to the Monitor's Website by May 26, 2026;

b) distributing the required creditors' package to Known Claimants, either by email or regular mail, on June 2, 2026; and

c) posting advertisements in respect of the Claims Procedure in the Calgary Herald, Insolvency Insider, and the Crowsnest Pass Herald on May 27, 2026, May 28, 2026, and June 3, 2026, respectively.

139. Pursuant to the Claims Procedure, creditors were to submit their claims by no later than June 22, 2026 (the "**Claims Bar Date**").

140. The claims of The Loan Store were specifically carved out from the Claims Procedure and are to be dealt with pursuant to the Scheduling Order.

Summary of Creditor Claims Received

141. As reflected in the Distribution Waterfall, there are currently no funds available for distribution to the creditors of the Westcastle Dealership, absent additional recoveries from the Westcastle GMC Vehicles and/or the 227 AB Vehicles.

142. With respect to Westcastle RealCo, a distribution to the unsecured creditors will depend on the validity determination of The Loan Store claim.

143. As a result of the foregoing, the Monitor has not formally adjudicated creditor claims, as the costs associated with such a process may ultimately prove unnecessary. Notwithstanding the foregoing, the following summarizes the claims submitted pursuant to the Claims Procedure, together with the secured claim asserted by The Loan Store:

a) Westcastle Dealership

(i) Secured – GNAF filed a secured claim in the amount of $553,000. At this time, legal counsel to the Monitor has not opined on the validity and enforceability of GNAF's secured claim, given that no funds are currently available for distribution in the Westcastle Dealership estate. Additionally, it is noted that based on the books and records of Westcastle Dealership, $65,560 is listed as owing from GNAF to the Westcastle Dealership which may result in some offset of the claim;

(ii) Unsecured – unsecured claims in the amount of approximately $160,500.

(iii) Canada Revenue Agency ("**CRA**") filed a claim; however, the claim amount remains subject to the completion and filing of the pre-CCAA GST and luxury tax returns, which are currently being prepared by the Current Monitor; and

(iv) Based on the books and records of Westcastle GMC, $810,000 appears to have been advanced by Westcastle RealCo to Westcastle Dealership and recorded as an investment in preferred shares. Accordingly, this appears to be an equity claim, however, the Monitor, on behalf of Westcastle RealCo, filed a claim in the Westcastle Dealership proceedings to preserve a potential claim / interest at a future date, if required and pending a further review and determination of this transaction;

b) Westcastle RealCo –

(i) Secured – The Loan Store was not subject to the Claims Procedure, however, has advanced a secured claim as against Westcastle RealCo, which if proven valid, would be in an amount that would exceed the remaining proceeds of the estate;

(ii) Unsecured – unsecured claims were filed in the amount of approximately $914,000. This primarily includes the unsecured claims filed by the Monitor on behalf of Summit S Auto Ltd. o/a RealCo ($635,000), Summit V Auto Ltd., o/a Arrow VW ($150,000), and the Westcastle Dealership ($105,000), based on the books and records of the applicable entities;

(iii) CRA filed a claim; however, the claim amount remains subject to the completion and filing of the pre-CCAA GST returns, which are currently being prepared by the Current Monitor; and

(iv) Claims Reserve – both TD Bank and the Monitor on behalf of Squamish Chrysler filed secured claims in respect of the Claims Reserve to preserve a potential contingent interest in these funds. As set out above, the Monitor seeks to have the Claims Reserve eliminated as it is of the view that it is no longer required and those proceeds can be dealt with in a distribution following the Claims Process and litigation that is the subject of the

Scheduling Order. Accordingly, the Monitor intends to rescind its claim submitted and is requesting that TD Bank do the same.

CONCLUSION AND RECOMMENDATION

144. This Eighth Report has been prepared by the Current Monitor in support of the Monitor's July 23rd Application. For reasons set out herein, the Monitor respectfully recommends that this Court grant the relief set out in the Monitor's July 23rd Application.

All of which is respectfully submitted this 15th day of July 2026.

BDO CANADA LIMITED, in its capacity
as the Monitor of the Debtors, and
not in its corporate or personal capacity.
Per:

Breanne Scott

Breanne Scott, CPA, CIRP, LIT
Partner/Senior Vice President

APPENDIX A

COURT FILE NUMBER	
COURT	COURT OF KING'S BENCH ALBERTA
JUDICIAL CENTRE	CALGARY
MATTER	IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, 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., AND 1272986 B.C. LTD.
APPLICANT	BANK OF MONTREAL
RESPONDENTS	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., AND 1272986 B.C. LTD.
DOCUMENT	PRE-FILING REPORT OF THE PROPOSED MONITOR, BDO CANADA LIMITED
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	<u>**PROPOSED MONITOR**</u> BDO CANADA LIMTED 20 Wellington Street E, Suite 500 Toronto, Ontario M5E 1C3 Attention: Clark Lonergan Telephone: 416.865.0210 Fax: 416.865.0904 E-mail: clonergan@bdo.ca <u>**COUNSEL:**</u> MILLER THOMSON LLP Eighth Avenue Place East 43rd Floor, 525 8th Avenue S.W. Attention: James W. Reid/Monica Faheim/Pavin Takhar Telephone: 403.298.2418 / 416.597.6087/403.298.2432 E-mail: jwreid@millerthomson.com mfaheim@millerthomson.com ptakhar@millerthomson.com

TABLE OF CONTENTS

LIST OF APPENDICES

INTRODUCTION

1. BDO Canada Limited ("**BDO**" or the "**Proposed Monitor**") understands that the Applicant, the Bank of Montreal ("**BMO**" or the "**Applicant**"), in its capacity as the senior secured lender to 2345137 Alberta Ltd. ("**Vermilion Chrysler**"), 1262113 B.C. Ltd. ("**Western Sport Products**"), 2497902 Alberta Ltd. ("**Castle Ford**"), 1175104 B.C. Ltd. ("**Cranbrook Mitsubishi**"), 1272986 B.C. Ltd. ("**Sun Valley Nissan**"), Summit V Auto Ltd. ("**Arrow Volkswagen"** or **"Arrow VW**", with Vermilion Chrysler, Western Sport Products, Castle Ford, Cranbrook Mitsubishi, and Sun Valley Nissan, the "**Omnibus Dealerships**"), 2437342 Alberta Ltd. ("**Squamish Chrysler**", with the Omnibus Dealerships, the "**Dealerships**"), Summit S Auto Ltd. ("**Real Co**", with the Omnibus Dealerships, the "**Omnibus Debtors**"), MK Auto K-M Ltd. ("**MK Auto**"), 1972207 Alberta Ltd. ("**197 AB**", with Squamish Chrysler, the "**Squamish Debtors**") and 2351497 Alberta Ltd. ("**235 AB**" with the Omnibus Debtors, the Squamish Debtors, and MK Auto, collectively, the "**Summit Auto Group**", the "**Debtors**"or the "**Companies**"), has brought an application (the "**CCAA Application**") before the Court of King's Bench of Alberta (the "**Court**") returnable on August 22, 2025, seeking an initial order (the "**Proposed Initial Order**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**").

2. The Proposed Initial Order, among other things, provides for (i) an initial stay of proceedings to and including September 1, 2025 (the "**Stay Period**") to allow the Debtors an opportunity to restructure their business, (ii) a declaration that each Summit Auto Group entity is a party to which the CCAA applies, (iii) the appointment of BDO as monitor (in such capacity, the "**Monitor**") in the CCAA proceedings (the "**CCAA Proceedings**"), (iv) approval of a Monitor's borrowing certificate mechanism allowing the Monitor to borrow funds directly from BMO through the issuance of borrowing certificates (**"Borrowing Certificate(s)"**), (v) expansion of the powers of the Monitor, (vi) authority for the Monitor to amend the Omnibus Debtors' financial advisor and chief restructuring officer engagement with Full Circle Automotive ("**Full Circle**" or the "**CRO**") to include the Squamish Debtors, and (vii) certain court-ordered charges to secure fees and disbursements of the Monitor, counsel to the Monitor, the CRO and the CRO's counsel.

3. The Applicant has scheduled a comeback hearing, returnable on August 27, 2025 (the "**Comeback Hearing**").

4. This report (the “**Pre-Filing Report**”) has been prepared by the Proposed Monitor prior to and in contemplation of its proposed appointment as Monitor in the CCAA Proceedings, to provide information to this Court in considering the Applicant’s request for the Proposed Initial Order, as well as the relief that will be requested by the Applicant at the Comeback Hearing should the Proposed Initial Order be granted.

PURPOSE

5. The purpose of this Pre-Filing Report is to provide information to the Court on:

    a) BDO’s familiarity and involvement with the Debtors’ business and qualifications to act as the Monitor, if appointed;

    b) the Summit Auto Group;

    c) the circumstances leading to the Applicant’s decision to commence CCAA Proceedings with respect to the Summit Auto Group;

    d) the Debtors’ 13-week cash flow forecast, on a consolidated basis, for the period August 22, 2025, to November 23, 2025 (the “**Cash Flow Forecast**”) and the Proposed Monitor’s comments regarding the reasonableness thereof;

    e) other matters relevant to the relief contemplated in the Proposed Initial Order; and

    f) the Proposed Monitor’s conclusions and recommendations.

TERMS OF REFERENCE

6. In preparing this Pre-Filing Report and making the comments herein, the Proposed Monitor has been provided with, and has relied upon, unaudited financial information, books and records prepared by the Debtors, discussions between the CRO and management of the Debtors (“**Management**”), discussions with the Applicant and information from other third-party sources (collectively, the “**Information**”). Except as described in this Pre-Filing Report in respect of the Cash Flow Forecast:

    a) the Proposed Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Proposed Monitor has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards (“**GAAS**”) pursuant to the

Chartered Professional Accountants Canada Handbook and, accordingly, the Proposed Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and

b) some of the information referred to in this Pre-Filing Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.

7. Future oriented financial information referred to in this Pre-Filing Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variation could be significant.

8. Unless otherwise indicated, the Proposed Monitor's understanding of the factual matters expressed in this Pre-Filing Report concerning the Respondents and their business is based on the Information, and not independent factual determinations made by the Proposed Monitor.

9. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

BDO'S QUALIFICATION TO ACT AS THE MONITOR

10. BDO has been actively involved with the Summit Auto Group since December 27, 2024, initially through an engagement with the Summit Auto Group (the **"Company Engagement"**) and then subsequently through an engagement with the Applicant on February 12, 2025 (the **"BMO Engagement"**). Pursuant to the BMO Engagement, BDO conducted a review of the Dealerships and delivered a memorandum of findings dated March 11, 2025 (the "**BDO Memorandum**") summarizing results of BDO's review and observations with respect to the Debtors' liquidity, credit facility breaches, governance, and the status of the Debtor-led Sales Process (as defined herein). Through producing the BDO Memorandum, BDO developed a detailed, working understanding of the Summit Auto Group's operations and financial position. Since the delivery of the BDO Memorandum, BDO has continued to assist BMO with monitoring and analysis of the Debtors' affairs, including in connection with the Forbearance Agreements (herein defined) and the Tim Lamb Group's sales process milestones.

11. BDO is a licensed insolvency trustee within the meaning of section 2 of the BIA. BDO is not subject to any of the restrictions set out in section 11.7(2) of the CCAA on who may be appointed as Monitor.

12. BDO has consented to act as the Monitor in the CCAA Proceedings should this Court grant the Proposed Initial Order. A copy of BDO's consent to act as Monitor is attached hereto as **Appendix "A"**.

13. The Proposed Monitor has retained Miller Thomson LLP (**"MT"**) to act as its independent legal counsel in the CCAA Proceedings.

14. Should BDO be appointed as Monitor, it will be able to leverage its familiarity with Summit Auto Group to safeguard their business and maximize value for creditors on a much more expeditious and efficient basis that if it had no prior involvement or knowledge of the Respondent's affairs.

OVERVIEW OF THE SUMMIT AUTO GROUP

15. This Pre-Filing Report should be read in conjunction with the affidavit of John Gil sworn August 15, 2025 (the "**Gil Affidavit**"), which provides additional background and financial information with respect to the Debtors. Any terms not expressly defined herein are otherwise defined in the Gil Affidavit.

16. The Summit Auto Group operates seven (7) Dealerships across the Province of Alberta ("**AB**") and the Province of British Columbia ("**BC**"), plus related Non-Operating Entities (herein defined). The Summit Auto Group operated brands are Chrysler, Dodge, Jeep, Ram (together with Chrysler, Dodge, and Jeep, "**Stellantis**"), Volkswagen, Mitsubishi, Nissan, and Ford. A detailed description of the Dealerships is set out below:

    a) Vermilion Chrysler operates a showroom and service garage for Stellantis vehicles (Chrysler, Dodge, Jeep, and Ram) vehicles located at 4524 Railway Ave, Vermilion, AB. Vermilion Chrysler leases its premises from Real Co;

    b) Western Sport Products operates a showroom for all-terrain vehicles, utility terrain vehicles and other sport and leisure vehicles located at 4520 Railway Ave Vermilion, AB. Western Sport Products leases its premises from 1231440 Alberta Ltd.;

c) Castle Ford operates a showroom and service garage for Ford vehicles located at 1050 Corner Mountain Street Pincher Creek, AB. Castle Ford leases its premises from Real Co;

d) Cranbrook Mitsubishi operates a showroom and service garage for Mitsubishi vehicles located at 2032 Cranbrook St North, Cranbrook, BC. Cranbrook Mitsubishi leases its premises from The Scott Group;

e) Sun Valley Nissan operates a showroom and service garage for Nissan vehicles located at 2024 Cranbrook St North Cranbrook, BC. Sun Valley Nissan leases its premises from Real Co;

f) Arrow VW operates a showroom and service garage for Volkswagen vehicles located at 2034 Cranbrook Street North, Cranbrook, BC. Arrow VW leases its premises from Real Co; and

g) Squamish Chrysler (with Vermilion Chrysler, the "**Stellantis Dealerships**") operates a showroom and service garage for Stellantis vehicles located at 1180 Hunter Pl, Squamish, BC. Squamish Chrysler leases the premises from Ami Tapper.

Of the Dealerships, Cranbrook Mitsubishi, Sun Valley Nissan, and Arrow VW (together, the "**Cranbrook Dealerships**") are located adjacent to each other.

17. One additional dealership, Western Chevrolet (selling General Motors (**"GM"**) branded vehicles), financed by the Toronto Dominion Bank (the "**TD Dealership**"), is not included in this CCAA Application. BDO understands that the TD Dealership was in breach of its financial and reporting obligations to Toronto Dominion Bank (**"TD"**) as of May 16, 2024, pursuant to a default letter issued by TD Bank.

18. BDO understands that Mr. Michael Koch ("**Mr. Koch**"), acts as the principal decision-maker for the Dealerships (including the TD Dealership) and oversees day-to-day operations of the Dealerships from the Cranbrook Dealerships.

19. The Dealerships operate in provincially regulated industries and are required to maintain valid motor dealer licences and related permits in the jurisdictions in which they operate. For Vermilion Chrysler, Western Sports Products, and Castle Ford, oversight is provided by the

Alberta Motor Vehicle Industry Council (the "**AMVIC**"). For the Cranbrook Dealerships and Squamish Chrysler, oversight is provided by the Vehicle Sales Authority (the "**VSA**"). The Proposed Monitor understands that the Dealerships currently hold the necessary licences for their operations and, if appointed with enhanced powers, intends to continue operations under the existing licences, and liaise with AMVIC / VSA as needed.

20. As of the date of this Pre-Filing Report, the Proposed Monitor understands that the Dealerships employ approximately 103 individuals in total. These employees are not unionized and the Debtors do not sponsor any registered pension plans.

21. In addition to the Dealerships, the Summit Auto Group includes several non-operating entities that do not carry on active operations or have employees, including:

    a) Real Co, a real property holding company that owns, among other properties, the properties in which Arrow VW, Vermilion Chrysler, Sun Valley Nissan, and Castle Ford operate; and

    b) 197 AB, MK Auto, and 235 AB, non-operating entities that each serve as holding companies and/or corporate guarantors (together with Real Co, the "**Non-Operating Entities**").

The Non-Operating Entities have no other business or operations and have no employees.

<u>Ownership Structure</u>

22. The Proposed Monitor understands that the Summit Auto Group is a closely held group of private companies primarily controlled and owned by Mr. Koch. In addition, BDO understands that:

    a) Mr. Donald Liddell, the chief financial officer of the Summit Auto Group (the **"CFO"** or **"Mr. Liddell"**) has a minority direct beneficial interest in Arrow VW, Cranbrook Mitsubishi, Sun Valley Nissan, and Vermilion Chrysler; and

    b) Mr. Adam Mounzer (**"Mr. Mounzer"**) has a minority ownership in Castle Ford, though BDO is uncertain on how the ownership structure is set up. Mr. Mounzer also owns 100% of 197 AB, which is a guarantor for Squamish Chrysler and holds preferred shares in Squamish Chrysler.

23. Overall, the direct and beneficial interests in the Dealerships based on BDO's understanding is summarized as follows:

Dealership	Mr. Koch	Mr. Liddell	Mr. Mounzer
Arrow VW	80%	20%	0%
Cranbrook Mitsubishi	80%	20%	0%
Sun Valley Nissan	80%	20%	0%
Vermilion Chrysler	80%	20%	0%
Western Sport Products	80%	20%	0%
Castle Ford	65%	0%	35%
Squamish Chrysler	60%	0%	40%

Governance

24. As previously noted, BDO understands that day-to-day operational decisions for the Dealerships are concentrated with Mr. Koch (through various general managers **("GM(s)"**) at the respective dealerships), and the Debtors' financial functions are largely decentralized through Mr. Liddell, and various controllers. Financial oversight does not consolidate to a single finance lead, resulting in a fragmented reporting structure.

25. During the BMO Engagement, BDO observed significant operational governance deficiencies arising from this decentralized management approach. The lack of clear operational and financial reporting structure significantly impacted Management's decision-making and cash-flow management, which resulted in an overall lack of financial accountability.

26. To date, BDO has had limited visibility into Squamish Chrysler, as a significant amount of reporting required under the Squamish Forbearance Agreement (herein defined) has not been delivered, including the fiscal year end 2024 financial statements which still have not be finalized. BDO understands that Squamish Chrysler's records are significantly out of date, and regulatory filings with the Canada Revenue Agency (**"CRA"**) including 2023 and 2024 corporate income taxes and excise tax filings/remittances remain outstanding. As such, BDO believes there may be outstanding statutory remittances/deemed trusts amounts owing to the CRA.

27. The Debtors do not operate any other lines of business and do not have any foreign operations.

Current Financial Position

28. On a cumulative basis, the Debtors as of August 12, 2025, owe BMO in excess of $58 million net of accrued costs and interests. The Debtors are currently insolvent, with $9.4 million of SIV (herein defined) balance and operational losses expected to continue, the Debtors' financial positions are likely to worsen. Absent the CCAA Proceedings, the Debtors will not be able to meet their current financial obligations without incurring further SIVs. Based on the financial information available to the Proposed Monitor, the Dealerships have been operating at a loss since 2023. Using fiscal year ("**FY**") 2023 financial statements of the Dealerships, the Proposed Monitor noted a combined net loss of approximately $448,249 in FY 2023.

29. Though FY 2024 financial statements of the Dealerships have not been finalized and provided to the Proposed Monitor, the Proposed Monitor understands that losses have worsened in FY2024. Using dealer statements, the Proposed Monitor, with the help of the CRO, has produced the Dealerships' net operating loss summary for the period January 1, 2025 to May 31, 2025 ("**YTD May 2025**"):

Combined Net Operating Losses for the Period January 1, 2025 to May 31, 2025	
Gross Margin	
New Vehicles	1,880,200
Used Vehicles	1,421,219
Finance Department	161,281
Service Department	987,774
Sales Department	683,765
Total Gross Margin	**5,134,239**
Less: Expenses	(6,214,344)
Net Operating Loss	**(1,080,105)**

30. For YTD May 2025, net operating loss for all Dealerships is approximately $1,080,105. The loss does not include debt servicing related expenses, Real Co expenses, and other Non-Operating Entities' expenses Given the Companies' books and records are not up to date, the Proposed Monitor believes this figure is significantly understated.

31. A copy of the most recent consolidated financial statements available for the applicable Dealerships is attached as **Appendix** "**B**".

CIRCUMSTANCES LEADING TO THE APPLICANT'S CCAA FILING

32. In 2024, the Debtors faced mounting liquidity pressure driven by high interest costs, heavy curtailments on slow-moving inventory (particularly at the Stellantis dealerships), and multiple

operational deficiencies. As of late 2024, with several of the Dealerships at or near their facility limits, the Debtors faced significant liquidity constraints and were in breach of certain covenants under their' credit facilities provided by BMO. As a result, the Debtors circumvented the terms of their credit facilities by carrying out numerous sold-in-violation ("**SIV(s)**") transactions. A SIV arises when a floorplan-financed vehicle is sold and the dealership fails to remit sale proceeds to the floorplan lender within the required time, which circumvents the financing agreements. This practice began in late 2024 and continued into 2025 as liquidity tightened. Floor-plan lenders provide this form of inexpensive financing because of the associated collateral (vehicle) in support of these advances and the original equipment manufacturers' (**"OEM(s)"**) new vehicle buy-back program available to the lender. When SIVs occur, the floor-line facility now lacks the associated collateral in support of the loans and the respective vehicle sale proceeds have been used to artificially create liquidity for the dealership to fund operating activities.

33. As a result, BDO was engaged by the Companies on December 27, 2024, to provide consulting services. The Company Engagement contemplated, among other things, a review of the Companies' financial position and performance and assessment of the Companies' sales efforts. During the Company Engagement, BDO was made aware that a sales process led by Management (the "**Debtor-led Sales Process**") was already in progress. This process was poorly executed and lacked the transparency/oversight necessary to make BMO comfortable that a sales transaction(s) was advancing and/or could be completed. Ultimately this Debtor-led Sales Process did not result in any material progress.

34. By February 2025, BMO transferred the file to its special accounts management unit ("**SAMU**") for intensive monitoring, as the Debtor-led Sales Process did not have material progress and total SIVs increased across the Dealerships. BDO was subsequently engaged by BMO, to assess its strategic options. The BMO Engagement included, among other things, assessment of the Dealerships' financial position, floor line analysis, vehicle inventory reviews, treasury function reviews, review of vehicle audit results, and a review of the Debtor-led Sales Process.

35. Pursuant to the BMO Engagement, BDO conducted a review of the Dealerships and delivered a summary of findings to BMO with respect to liquidity, credit facility breaches, governance,

and the status of the Debtor-led Sales Process. The BDO Memorandum, attached hereto as **Appendix "C"**, highlighted, among other things:

a) a severe liquidity crisis as a result of operational cash burn;

b) approximately $6.4 million of SIVs;

c) the Companies' weak internal controls and lack of managerial oversight, and reporting structure; and

d) that the Debtor-led Sales Process that had not materially progressed.

36. As a result of the facts set out in paragraph 35, the Debtors:

a) engaged Tim Lamb Group as the sales agent of the Omnibus Dealerships ("**Tim Lamb**" or the "**Sales Agent**") and;

b) entered into two (2) forbearance agreements with BMO (collectively, the "**Forbearance Agreements**"):

(i) a forbearance agreement dated May 29, 2025 (the "**Omnibus Forbearance Agreement**") between BMO and the Omnibus Debtors, attached hereto as **Appendix "D"**; and

(ii) a forbearance agreement dated June 9, 2025 (the "**Squamish Forbearance Agreement**") between BMO and the Squamish Debtors, attached hereto as **Appendix "E"**.

37. The Forbearance Agreements prohibited further SIVs, embedded an automatic consent CCAA Order (as defined in the Forbearance Agreements) mechanism upon a Termination Event (as defined in the Forbearance Agreements), and formalized a sales process timeline with closing milestones which the Sales Agent had to periodically report on. The Forbearance Agreements also gave BMO a right to request a CRO.

38. Following multiple breaches of the Forbearance Agreements and Termination Events, BMO requested that a CRO be put in place, which led to the Omnibus Debtors retaining Full Circle as its CRO at the end of July 2025.

39. Since appointment, Full Circle's updates to BMO confirmed the Debtors' continuing financial deterioration, with SIVs continued to increase, and reaching approximately $9.4 million per

BMO's audit result as of August 13, 2025 (an increase of approximately $3 million after the Forbearance Agreements were signed). Further, the CRO uncovered significant financial irregularities including that the Omnibus Dealerships wholesaled vehicles for approximately $1.4 million below market value from March 1, 2025, to August 8, 2025, including $120,000 of losses on August 8, 2025, alone. Other financial irregularities included purchasing vehicles from these same vehicle wholesalers at inflated prices.

40. Given the continued breaches under the Forbearance Agreements, the rapid increase in SIVs to approximately $9.4 million as of August 13, 2025, and the CRO's recently disclosed financial irregularities, the Proposed Monitor believes further erosion to BMO's collateral value will occur absent the timely CCAA Proceedings.

41. The Forbearance Agreements, provided for a court-supervised framework via Consent CCAA Order, including enhanced powers for the Monitor to execute and close transactions to stabilize operations and preserve value for the Debtors' stakeholders.

42. The Applicant has determined that the status quo is not sustainable. The Applicant requires more insight into the operational issues facing the Debtors and a clear path towards going-concern sales of the Dealerships through the Companies' sales process currently being run by the Sales Agent and/or a Court approved sale process if required. For this reason, BDO understands that commencement of these CCAA Proceedings with BDO being appointed as Monitor with expanded powers as set out in the proposed Initial Order is a necessary pre-condition before BMO will provide any further funding to the Companies. At this time, the Applicant is only prepared to fund such critical amounts needed to preserve the business until the Proposed Initial Order is granted.

OVERVIEW OF THE DEBTORS' 13-WEEK CASH FLOW

43. The CRO, with the assistance of BDO, prepared the Cash Flow Forecast for the 13-week period from August 22, 2025, to the week ending November 23, 2025 (the "**Cash Flow Period**") for the purposes of projecting the Debtors' estimated liquidity needs during the Cash Flow Period. A copy of the Cash Flow Forecast is attached hereto as **Appendix "F"**.

44. The Cash Flow Forecast is presented on a weekly basis and represents the CRO's estimates of the projected cash flow during the Cash Flow Period. The Cash Flow Forecast has been

prepared using probable and hypothetical assumptions (the "**Assumptions**") as set out in the notes to the Cash Flow Forecast.

45. The Proposed Monitor has reviewed the Cash Flow Forecast to the standard required of a Court-appointed monitor by section 23(1)(b) of the CCAA. In accordance with this standard, the Proposed Monitor conducted inquiries, performed analytical procedures, held discussions, and read documents related to the Information supplied to it by the CRO or employees of the Debtors. Based on the Proposed Monitor's review, nothing has come to its attention that causes it to believe, in all material respects, that:

    a) the Assumptions are not consistent with the purpose of the Cash Flow Forecast;

    b) as at the date of this Pre-Filing Report, the Assumptions are not suitably supported and consistent with the plans of the Applicant or do not provide a reasonable basis for the Cash Flow Forecast, given the probable and hypothetical assumptions; or

    c) the Cash Flow Forecast does not reflect the Assumptions.

46. The Proposed Monitor notes that the Cash Flow Forecast has been prepared solely for the purpose described in paragraph 43 and since the Cash Flow Forecast is based on Assumptions regarding future events, actual results will vary from the information presented even if the Assumptions occur, and the variations could be material. Readers are cautioned that the Cash Flow Forecastmay not be appropriate for other purposes.

47. The Cash Flow Forecast shows that during the initial 10-day Stay Period (as defined herein) the Debtors will experience a net cash outflow of approximately $454,565 and that during the Cash Flow Period, this amount will increase to $3,415,024. The Cash Flow Forecast projects that during the Cash Flow Period the Debtors should have sufficient liquidity, with funds advanced via the Monitor's Borrowing Certificates. As detailed below, the Proposed Monitor believes that the amount on the Monitor's Borrowing Certificates and Monitor's Borrowing Charge (herein defined) is appropriate and necessary given the Cash Flow Forecast and is limited to the amounts reasonably necessary.

RELIEF SOUGHT BY THE APPLICANT

48. The Proposed Initial Order seeks, among other things, a stay of proceedings the granting of various Court-ordered charges, and other relief to stabilize and protect the Debtors' businesses

pending the Comeback Hearing, with a view to ultimately pursuing several dealership sales transactions to maximum enterprise value.

49. The Proposed Monitor understands that the majority of the Summit Auto Group's entities are incorporated in Alberta. Including the TD Dealership, there are 4 dealerships located in Alberta, and 4 located in British Columbia. In addition, the Debtors' counsel, based in Alberta, requested that any CCAA proceeding occur in Alberta to avoid the Debtors needing to retain B.C. counsel at an additional expense. The Proposed Monitor believes this request is reasonable and is supportive of the CCAA Proceedings and within application being brought in Alberta.

Initial Stay of Proceedings

50. The Applicant seeks a stay of proceedings for the Debtors for an initial period through and including September 1, 2025 (the "**Stay Period**"), which will allow the Monitor and the CRO to stabilize the operations of the Summit Auto Group, preserve the asset base and work with the Sales Agent to assess the Debtors' current sales process (determine which sales transaction(s) are in their final stages of closing requiring only Court approval to complete and/or create a Court approved sales process for those dealerships without an advanced purchase and sale offer, etc.).

51. The Proposed Monitor is of the view that the Stay Period is appropriate in the circumstances and is necessary to maintain operations through funding from the Applicant which, in turn, will allow the Applicant, the Monitor, and the CRO to achieve an efficient transition of control over the business to the CRO, under the Monitor's oversight.

Appointment of BDO as the Monitor with Expanded Powers

52. The Applicant is requesting that the Court appoint BDO as Monitor of the Debtors in these CCAA Proceedings, and that the Court grant the Monitor enhanced powers. These enhanced powers are intended to support the orderly administration of the Debtors' business and affairs with a view to preserving the businesses and maximizing value for the benefit of the Summit Auto Group's stakeholders.

53. The enhanced powers of the Monitor are described in the Proposed Initial Order and include the authority to, among other things:

a) take actions and steps to manage, operate, and carry on the businesses of the Summit Auto Group, including authority to enter contractual arrangements on behalf of the Debtors;

b) continue any current engagement with the Summit Auto Group's current Sales Agent or alternatively terminate the current Sales Agent agreement and engage a new sales agent, for and on behalf of the Summit Auto Group;

c) continue the Debtors engagement with Full Circle as CRO within these CCAA Proceedings or amend the engagement with Full Circle as necessary, including to add Squamish Chrysler under its engagement;

d) take possession of, preserve, protect, and exercise control over the property of the Summit Auto Group including the Debtors' bank accounts;

e) report to, meet, discuss, and share information with affected persons on all matters relating to the Summit Auto Group's businesses and property;

f) oversee and direct the preparation and dissemination of financial and other information of the Summit Auto Group, including cash flow statements;

g) proceed to continue negotiations for the sale of the Dealerships; and

h) market and sell the assets of the Summit Auto Group;

54. The enhanced powers will allow the Monitor to facilitate the safeguarding of the businesses and the continuation of the CCAA Proceedings in a cost effective and efficient manner pending the Comeback Hearing at which point it is expected that the Applicant will seek to further expand the Monitor's powers.

55. Accordingly, the Proposed Monitor is of the view that granting the enhanced powers is imperative in the circumstances and consents to the enhanced powers if so, ordered by the Court.

<u>CRO Engagement</u>

56. Led by Mr. Lionel Robins, Full Circle is a consulting firm that specializes in automotive dealerships. It has the experience and capability to operate dealerships and has a strong reputation in the marketplace.

57. Full Circle was retained as financial advisor and CRO to the Omnibus Debtors at the end of July 2025 pursuant the engagement letter between the CRO and the Omnibus Debtors (the "**CRO Engagement Agreement**"). Under the CRO Engagement Agreement, the CRO has reviewed and assisted in the preparation of the Cash Flow Forecast and has provided reporting to BDO and BMO. The CRO also assisted the Omnibus Debtors with the preparation of information pursuant to the terms of the Omnibus Forbearance Agreement. Full Circle has firm knowledge and understanding of the Summit Auto Group, other than Squamish Chrysler, but advised BDO it can quickly get up to speed and take over operations of Squamish Chrysler given its background knowledge of the other Dealerships and how they are currently being operated.

58. As part of the Proposed Initial Order, the Applicant seeks the appointment of Full Circle as CRO in respect of Squamish Chrysler within the CCAA Proceedings. Upon the granting of the Proposed Initial Order, the Monitor will execute an amended CRO engagement agreement with Full Circle which, among other things, will be expanded to include Squamish Chrysler (the "**Amended CRO Engagement Agreement**"). A copy of the Amended CRO Engagement Agreement is attached hereto as **Appendix "G"**.

59. BDO is supportive of a continued engagement and expanded role of the CRO who will be instrumental in replacing the role of Mr. Koch in an effective and cost-efficient manner.

Monitor's Borrowing Charge

60. In the Proposed Initial Order, the Applicant seeks the approval of a Monitor's borrowing certificate mechanism akin to a borrowing certificate within a receivership proceeding. This will allow BDO as the Monitor (if appointed) to borrow up to a maximum principal amount of $500,000 during the Initial Stay Period (the **"Initial Maximum Amount"**), with an increase to such authorized borrowings to $3,500,000 following the Comeback Hearing, directly from BMO through the issuance of Monitor's Borrowing Certificates to fund the Dealerships' operations in accordance with the Cash Flow Forecast. Further, the Proposed Initial Order seeks the granting of a Monitor's Borrowing Charge (the "**Monitor's Borrowing Charge**") up to the Initial Maximum Amount.

61. The Proposed Monitor believes that the Initial Maximum Amount and Monitor's Borrowing Charge is appropriate and necessary to fund operations as detailed in the Cash Flow Forecast.

The Proposed Monitor believes the amounts are limited to the amounts reasonably necessary for the Initial Stay Period.

Administration Charges

62. The Proposed Initial Order provides for a charge up to a maximum amount of $350,000 (the "**Administration Charge**") in favour of counsel to the Applicant, the Monitor and its independent counsel, the CRO, and the CRO's counsel. Professional fee obligations secured by the Administration Charge are proposed to be paid in the ordinary course in accordance with the Cash Flow Forecast.

63. The Proposed Monitor is of the view that given the current liquidity constraints of the Applicants, the proposed Administration Charge is required. The Proposed Monitor is of the view that the Administration Charge is necessary for the effective participation of the professionals in the CCAA Proceedings and believes the quantum of the Administration Charge is reasonable in the circumstances based upon a review and assessment of the anticipated professional costs to be incurred during this matter.

64. The Proposed Monitor understands that should the Proposed Initial Order be granted, the Applicant intends to request that the Administration Charge be increased to a maximum of $750,000 at the Comeback Hearing.

Director's Charge

65. The Proposed Initial Order provides for a director's charge up to a maximum amount of $250,000 (the "**Director's Charge**"), subordinated to the Administration Charge and Monitor's Borrowing Charge. The Proposed Monitor is supportive of the Director's Charge, as the Monitor may require certain transitional assistance from Mr. Koch as a director of the Debtors.

SALES AGENT ENGAGEMENT

Sales Agent Update

66. As of the date of this Pre-Filing Report, all Omnibus Dealerships have received either letters of intent ("**LOI(s)**"), draft asset purchase agreements ("**APA(s)**"), or draft share purchase agreements ("**SPA(s)**"). Near-term milestones summarized as follows:

a) Sun Valley Nissan: APA in near-final form;

b) Arrow VW: LOI just received;

c) Vermilion Chrysler: SPA finalized in circulation for execution;

d) Castle Ford: OEM is supportive with a December 1, 2025, target closing;

e) Western Sport Products: transaction expected to conclude by month-end; and

f) Cranbrook Mitsubishi: OEM application in process (timing dependent on purchaser availability).

67. Squamish Chrysler has not been a part of the Sales Agent's process, instead, it is run by Mr. Koch and Mr. Mounzer. BDO understands, through discussions with the Sales Agent, that Squamish Chrysler's purchase has been approved by the OEM, and that a closing date is set for September 3, 2025.

Monitor's Oversight and Next Steps with regards to the current Sales Process

68. If appointed, the Monitor intends to work with the Sales Agent to assess the adequacy of the Debtor-led Sales Process. The Monitor's objective is to preserve momentum and, where transactions are substantially completed and commercially reasonable, seek Court approval to close near-ready deals. If the existing process or offers prove insufficient or face significant delays, or if the Monitor believes sales efforts have been inadequate, the Monitor will return to Court to seek approval of a sale investment and solicitation process with defined bid procedures, standard forms of APA, and clear milestones. The Monitor also intends to amend the existing Sales Agent agreement to include Squamish Chrysler should that deal not close.

69. Per initial estimates of the Sales Agent and CRO, it is anticipated that sale proceeds from the respective sales transactions will be insufficient to repay BMO, given the significant and on-going operating losses; losses created by the financial irregularities; the significant $9.4 million SIV balance, and delinquent/delayed financials records making due diligence more challenging. As such, the Proposed Monitor believes that BMO is fulcrum creditor with regards to the Debtors and is supportive of the CCAA Proceedings.

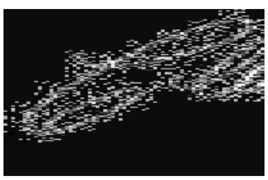
CONCLUSION AND RECOMMENDATION

70. The Proposed Monitor has reviewed the Applicant's CCAA Application materials and has consented to act as the Monitor of the Debtors, should this Court grant the Proposed Initial Order.

71. For the reasons stated herein, the Proposed Monitor is of the view that the relief requested by the Applicant as set forth in the Proposed Initial Order is necessary, reasonable, and justified and will provide the Summit Auto Group the best opportunity to preserve value and maximize recoveries for their stakeholders.

72. The Proposed Monitor is therefore supportive of the Applicant's request for relief pursuant to the CCAA and the terms of the Proposed Initial Order.

BDO CANADA LIMITED, in its capacity
as Proposed Monitor of the Summit Auto Group, and
not in its corporate or personal capacity.
Per:



Clark Lonergan, CA, CPA, CIRP, LIT
Partner/Senior Vice President

APPENDIX B

C81311 064

FILED
Aug 27, 2025
by Email
JUDICIAL CENTRE OF CALGARY
CLERK OF THE COURT

COURT FILE NUMBER	2501-13057
COURT	COURT OF KING'S BENCH ALBERTA
JUDICIAL CENTRE	CALGARY
MATTER	IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, 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., AND 1272986 B.C. LTD.
APPLICANT	BANK OF MONTREAL
RESPONDENTS	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., AND 1272986 B.C. LTD.
DOCUMENT	**FIRST REPORT OF BDO CANADA LIMITED, IN ITS CAPACITY AS THE MONITOR**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**MONITOR** BDO CANADA LIMTED 20 Wellington Street E, Suite 500 Toronto, Ontario M5E 1C3 Attention: Clark Lonergan Telephone: 416.865.0210 Fax: 416.865.0904 E-mail: clonergan@bdo.ca **COUNSEL** MILLER THOMSON LLP Eighth Avenue Place East 43rd Floor, 525 8th Avenue S.W. Attention: James W. Reid/Monica Faheim/Pavin Takhar Telephone: 403.298.2418 / 416.597.6087/403.298.2432 E-mail: jwreid@millerthomson.com mfaheim@millerthomson.com ptakhar@millerthomson.com

TABLE OF CONTENTS

LIST OF APPENDICES

INTRODUCTION

1. On August 22, 2025 (the "**Filing Date"**), upon application (the **"CCAA Application"**) by the Bank of Montreal (**"BMO"** or the **"Applicant"**) in its capacity as senior secured lender to 2345137 Alberta Ltd. ("**Vermilion Chrysler**"), 1262113 B.C. Ltd. ("**Western Sport Products**"), 2497902 Alberta Ltd. ("**Castle Ford**"), 1175104 B.C. Ltd. ("**Cranbrook Mitsubishi**"), 1272986 B.C. Ltd. ("**Sun Valley Nissan**"), Summit V Auto Ltd. ("**Arrow Volkswagen"** or **"Arrow VW**", with Vermilion Chrysler, Western Sport Products, Castle Ford, Cranbrook Mitsubishi, and Sun Valley Nissan, the "**Omnibus Dealerships**"), 2437342 Alberta Ltd. ("**Squamish Chrysler**", with the Omnibus Dealerships, the "**Dealerships**"), Summit S Auto Ltd. ("**Real Co**", with the Omnibus Dealerships, the "**Omnibus Debtors**"), MK Auto K-M Ltd. ("**MK Auto**"), 1972207 Alberta Ltd. ("**197 AB**", with Squamish Chrysler, the "**Squamish Debtors**") and 2351497 Alberta Ltd. ("**235 AB**" with the Omnibus Debtors, the Squamish Debtors, and MK Auto, collectively, the "**Summit Auto Group**", the "**Debtors**", or the "**Companies**"), the Honourable Justice M. A Marion of the Court of King's Bench of Alberta (the **"Court"**) issued an order (the **"Initial Order"**) granting protection to the Companies from their creditors under the *Companies' Creditors Arrangement Act*, RSC 1985, c. C-36, as amended (the **"CCAA"**). Pursuant to the Initial Order, BDO Canada Limited (**"BDO"**) was appointed as monitor of the Companies (in such capacity, the **"Monitor"**).

2. BDO, as proposed monitor, prepared a pre-filing report dated August 20, 2025 (the "**Pre-Filing Report**") attached (without appendices) as **Appendix "A"** hereto to provide information to the Court for its consideration in respect of the CCAA Application.

3. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Initial Order or the Pre-Filing Report.

4. Among other things, pursuant to the Initial Order the Court granted:

   a. an initial stay of proceedings (the **"Stay of Proceedings"**) in favour of the Debtors until and including September 1, 2025, to stabilize the Debtors' operations and permit the Monitor to assess the Debtors' current sales process to ultimately preserve the business as a going concern and maximizing value;

b. the appointment of the Monitor and expanded powers of the Monitor during the CCAA proceedings (the **"CCAA Proceedings"**);

c. the appointment of the chief restructuring officer (**"CRO"**), Full Circle Automotive Solutions Inc. (**"Full Circle"** or the CRO) over the Debtors (inclusive of Squamish Chrysler);

d. charge over the Debtors' property (the **"Property"**) to stand as security for payment by the Companies of the professional fees and disbursements of the Applicant's legal counsel, the Monitor and its independent legal counsel, the CRO, and the CRO's counsel, in an aggregate amount not to exceed $350,000 (the "**Administration Charge**");

e. the power for the Monitor to borrow funds in the maximum amount of $500,000 to fund the Debtors' operations during the CCAA Proceedings and a charge over the Property to stand as security (the **"Monitor's Borrowing Charge"**); and

f. a charge over the Property to stand as security for the Debtors' obligation to indemnify the directors from any liabilities they may incur in such capacity from and after the commencement of the CCAA Proceedings, up to a maximum amount of $250,000 (the **"Director's Charge"**).

5. The Initial Order contemplates a comeback application to be heard on August 27, 2025 (the **"Comeback Hearing"**) at which time the Applicant is seeking an Amended and Restated Initial Order (the **"ARIO"**).

PURPOSE

6. The purpose of this first report of the Monitor (the **"First Report"**) is to provide information to the Court with respect to:

   a. the activities of the Monitor since the Filing Date;

   b. the ARIO sought by the Applicant, including, among other things the following relief:

      i. extending the Stay of Proceedings until and including September 26, 2025;

ii. approving an increase to the Administration charge up to the maximum amount of $750,000;

iii. approving an increase to the Monitor's Borrowing Charge up to the maximum amount of $3.5 million (plus interest, cost and fees); and

iv. such further and other relief as the Court may deem just and equitable. and

c. the Monitor's comments and recommendations with respect to:

i. the Debtors' 13-week cash flow forecast, on a consolidated basis, for the period August 22, 2025, to November 23, 2025 (the **"Cash Flow Forecast"**);

ii. BMO's pre-filing credit facilities, the ongoing operation of the Floorplan Credit Facilities (as defined below), the results of a review of BMO's pre-filing security and ongoing paydowns of BMO's Indebtedness (as defined below); and

iii. the reasonableness of the amounts and relative priority of the Monitor's Borrowing Charge, Administration Charge, and Director's Charge (collectively, the **"Court Ordered Charges"**).

7. The Initial Order and all other materials filed with the Court in these CCAA Proceedings are accessible on the Monitor's website at: https://www.bdo.ca/services/financial- advisory-services/business-restructuring-turnaround-services/current-engagements/Summit-Automotive-Group (the **"Monitor's Website"**).

TERMS OF REFERENCE

8. In preparing this First Report and making the comments herein, the Monitor has been provided with, and has relied upon, unaudited financial information, books and records prepared by the Debtors, the affidavit of John Gil sworn August 15, 2025 (the **"Gil Affidavit"**), discussions between the CRO and management of the Debtors ("**Management**"), discussions with the Applicant and information from other third-party sources (collectively, the "**Information**"). Except as described in this First Report in respect of the Cash Flow Forecast:

a. the Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("**GAAS**") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and

b. some of the information referred to in this First Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.

9. Future oriented financial information referred to in this First Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variation could be significant.

10. Unless otherwise indicated, the Monitor's understanding of the factual matters expressed in this First Report concerning the Debtors and their business is based on the Information, and not independent factual determinations made by the Monitor.

11. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

BACKGROUND INFORMATION.

12. This First Report should be read in conjunction with the Gil Affidavit and the Pre-Filing Report, which can be found on the Monitor's Website and contain background information with respect to the Companies' business and operations as well as matters leading up to the commencement of these CCAA Proceedings.

INITIAL ACTIVITIES OF THE MONITOR

13. Since the commencement of these CCAA Proceedings, the Monitor has:

a. established the Monitor's Website;

b. undertaken the necessary steps to prepare a notice containing information regarding the CCAA Proceedings (the **"Notice to Creditors"**), based on the contact information of known creditors with claims against the Companies in excess of $1,000, as provided by the Companies. A copy of the Notice to Creditors will be posted on the Monitor's website once it has been mailed;

c. met with former ownership regarding the CCAA Proceedings, terminated their employment and prepared term and task letters for them to assist the Monitor and CRO with potential transition items;

d. notified each of the original equipment manufacturers (**"OEM(s)"**) of the CCAA Proceedings, including having initial discussions with a number of them regarding the same;

e. notified each of the Companies' landlords (as applicable) of the CCAA Proceedings;

f. filed the statutory Forms 1 and 2 containing certain prescribed information regarding the proceedings with the Office of the Superintendent of Bankruptcy;

g. reviewed the terms of the Initial Order with Management as they relate to the administration of pre-filing and post-filing payment obligations;

h. completed an inventory count of the Companies new and used at certain of the Companies' dealership assets;

i. assisted the Companies with stakeholder communications;

j. engaged in discussions with representatives of the Tim Lamb Group ("**Tim Lamb**" or the "**Sales Agent**"), who were the Companies' sales agent with regards to the majority of dealership assets currently for sale (the **"Debtor-led Sales Process"**) including but not limited to, the status of any letters of intent (**"LOI(s)"**) and/or asset purchase agreements (**"APA(s)"**) received to date and any remaining due diligence requirements of the prospective purchasers (the **"Prospective Purchasers"**);

k. engaged in discussions with various Prospective Purchasers and/or their respective counsels regarding the CCAA Proceedings and potential next steps;

l. engaged in discussions with the Toronto Dominion Bank (**"TD"**) with regards to the TD financed dealership, Western Chevrolet;

m. responded to correspondence received from creditors and other parties with respect to the CCAA Proceedings;

n. participated in various discussions with the Companies and the CRO regarding operations, treasury functions and key stakeholders;

o. engaged in various discussions with the Applicant's counsel and the Monitor's counsel with regards to the CCAA Proceedings; and

p. created a weekly monitoring protocol with the Companies and the CRO to allow the Monitor to review and report on the Companies' weekly cash receipts and disbursements.

CASH FLOW FORECAST

14. The CRO, with the assistance of Proposed Monitor, prepared the Cash Flow Forecast for the 13-week period from August 22, 2025, to the week ending November 23, 2025 (the "**Cash Flow Period**") for the purposes of projecting the Debtors' estimated liquidity needs during the Cash Flow Period. A copy of the Cash Flow Forecast is attached hereto as **Appendix "B"**.

15. The Cash Flow Forecast is presented on a weekly basis and represents the CRO's estimates of the projected cash flow during the Cash Flow Period. The Cash Flow Forecast has been prepared using probable and hypothetical assumptions (the "**Assumptions**") as set out in the notes to the Cash Flow Forecast.

16. The Monitor has reviewed the Cash Flow Forecast to the standard required of a Court-appointed monitor by section 23(1)(b) of the CCAA. In accordance with this standard, the Proposed Monitor conducted inquiries, performed analytical procedures, held discussions, and read documents related to the Information supplied to it by the CRO or employees of the Debtors. Based on the Monitor's review, nothing has come to its attention that causes it to believe, in all material respects, that:

a. the Assumptions are not consistent with the purpose of the Cash Flow Forecast;

b. as at the date of this First Report, the Assumptions are not suitably supported and consistent with the plans of the Applicant or do not provide a reasonable basis for the Cash Flow Forecast, given the probable and hypothetical assumptions; or

c. the Cash Flow Forecast does not reflect the Assumptions.

17. The Monitor notes that the Cash Flow Forecast has been prepared solely for the purpose described above and since the Cash Flow Forecast is based on Assumptions regarding future events, actual results will vary from the information presented even if the Assumptions occur, and the variations could be material. Readers are cautioned that the Cash Flow Forecast may not be appropriate for other purposes.

18. The Cash Flow Forecast shows that during the Cash Flow Period; the Debtors will experience a new cash outflow of approximately $3,415,024. The Cash Flow Forecast projects that during the Cash Flow Period the Debtors should have sufficient liquidity, with funds advanced via the Monitor's Borrowing Certificates. As detailed below, the Monitor believes that the amount on the Monitor's Borrowing Certificates and Monitor's Borrowing Charge is appropriate and necessary given the Cash Flow Forecast and is limited to the amounts reasonably necessary.

COURT-ORDERED CHARGES

19. The Initial Order granted an Administration Charge up to a maximum amount of $350,000, a Monitor's Borrowing Charge up to a maximum amount of $500,000 and a Director's Charge up to a maximum amount of $250,000.

Administration Charge

20. The Applicant is seeking to increase the maximum amount secured by the Administration Charge to a maximum amount of $750,000.

21. The Monitor is of the view that the increased quantum of the Administration Charge is necessary and appropriate for the reasons set out in the Pre-Filing Report.

Monitor's Borrowing Charge

22. In the proposed ARIO, the Applicant is seeking to increase the maximum amount secured by the Monitor's Borrowing Charge to $3,500,000, plus interest, costs and fees to ensure that the maximum amount as outlined in the Cash Flow Forecast is made available to fund the Debtors' operations.

23. The Cash Flow Forecast illustrates that the Debtors have a critical and immediate need for interim financing. Without access to the $3,500,000 in advances that are made available pursuant to the Monitor's Borrowing Certificate, the Debtors will be unable to continue operations during the Cash Flow Period as:

    a. the Debtors have payroll periods following the Comeback Hearing, together with other overhead operating expenses (including insurance, utilities and technology costs) all of which are critical to their operations, which they cannot presently fund without BMO's support; and

    b. the professionals associated with the CCAA Proceedings have accrued and will accrue fees and disbursements and need assurance that their fees and disbursements will be paid during the CCAA Proceedings.

24. The Monitor's Borrowing Charge ranks subordinate to the Administration Charge, but ahead of the Director's Charge.

25. The requested increase to the Monitor's Borrowing Charge is a condition to advances continuing to be made available pursuant to the Monitor's Borrowing Certificate. As such, the Monitor is of the view that such increase is appropriate in the circumstances to maintain the Debtors' business in the normal course and to fund these CCAA Proceedings.

BMO CREDIT FACILITIES, SECURITY REVIEW AND POST-FILING PAYMENTS OF BMO INDEBTEDNESS

Credit Facilities and Security Review

26. As described in greater detail in the Gil Affidavit, the Summit Auto Group have a number of pre-filing secured credit facilities with BMO (collectively, the **"Pre-Filing Credit Facilities"**), including certain floor plan facilities pursuant to which BMO finances the acquisition of new and used vehicles (the **"Floorplan Credit Facilities"**).

27. The Monitor has requested an independent legal opinion from its legal counsel, Miller Thomson LLP to determine the validity and enforceability of the security granted by the Summit Auto Group to BMO associated with the Pre-Filing Credit Facilities (the **"Security Opinion"**).

28. As of August 12, 2025, BMO was owed in excess of $58 million under the Pre-Filing Credit Facilities (together with applicable interest, fees and expenses, the **"Indebtedness"**).

Floorplan Credit Facilities

29. In order for the Summit Auto Group to continue to operate as a going concern and purchase new or used vehicles in the ordinary course, it is necessary that the Summit Auto Group continue to have access to the Floorplan Credit Facilities, which BMO is prepared to permit, provided that (i) as a condition precedent to advances being made available after the Comeback Hearing, all vehicles sold by the Debtors have had the amount financed through the Floorplan Credit Facilities repaid pursuant to the terms thereof, and (ii) the Debtors shall conduct all business and operations in compliance with the Cash Flow Forecast.

30. The Cash Flow Forecast, which has been approved by BMO, contemplates certain paydowns of the Indebtedness, including (i) payment of interest under the Floorplan Credit Facilities, and (ii) paydown of the Floorplan Credit Facilities upon the sale of vehicles financed thereunder. The Cash Flow Forecast does not contemplate any other paydowns of the Indebtedness.

31. The Monitor has considered the types of claims and potential claims that would or could rank in priority to BMO's security. As set out below, the Monitor is of the view that there are no amounts owing which are payable in priority to BMO, pending confirmation that BMO's security is valid and enforceable (**"Positive Security Opinion Results"**), or which could not otherwise be addressed pursuant to the Cash Flow Forecast.

32. Pursuant to and in accordance with the terms of the Initial Order, the Company has paid all pre-filing and post-filing employee wages, source deductions, withholding taxes, and employee contributions as required. As at the date of this First Report, the Monitor is not aware that any of these amounts are owing by the Companies or that any claims have been asserted against the Companies that remain unpaid. To the extent the Monitor becomes aware of any of these amounts, they will be remitted as required.

33. Accordingly, the Monitor requests authority from the Court to make payments to BMO under the Floorplan Credit Facilities, pending Positive Security Option Results, in accordance with Cash Flow Forecast.

ONGOING DEBTOR-LED SALES PROCESS

34. The Monitor continues to work with the Sales Agent to assess the adequacy of the Debtor-led Sales Process. The Monitor's objective is to preserve momentum and, where transactions are substantially completed and commercially reasonable, seek Court approval to close near-ready deals. If the existing process or offers prove insufficient or face significant delays, or if the Monitor believes sales efforts have been inadequate, the Monitor will return to Court to seek approval of a sale investment and solicitation process with defined bid procedures, standard forms of APA, and clear milestones.

CONCLUSION

35. For the reasons set out above, the Monitor is of the view that the relief sought by the Applicant at the Comeback Hearing is reasonable and respectfully recommends that the relief sought by the Applicant be granted.

All of which is respectfully submitted this 27th day of August 2025.

BDO CANADA LIMITED, in its capacity as Monitor of the Summit Auto Group, and not in its corporate or personal capacity.
Per:

Clark Lonergan, CA, CPA, CIRP, LIT
Partner/Senior Vice President

APPENDIX C

COURT FILE NUMBER	2501 - 13057
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
MATTER	IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, 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., AND 1272986 B.C. LTD.
APPLICANT	BANK OF MONTREAL
RESPONDENTS	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., AND 1272986 B.C. LTD.
DOCUMENT	SECOND REPORT OF BDO CANADA LIMITED, IN ITS CAPACITY AS THE MONITOR
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**MONITOR** BDO CANADA LIMITED 20 Wellington Street E, Suite 500 Toronto, Ontario M5E 1C3 Attention: Clark Lonergan Telephone: 416.865.0210 Fax: 416.865.0904 E-mail: clonergan@bdo.ca **COUNSEL:** MILLER THOMSON LLP Eighth Avenue Place East 43rd Floor, 525 8th Avenue S.W. Attention: James W. Reid/Monica Faheim/Pavin Takhar Telephone: 403.298.2418 / 416.597.6087/403-298-2432 E-mail: jwreid@millerthomson.com mfaheim@millerthomson.com ptakhar@millerthomson.com

TABLE OF CONTENTS

LIST OF APPENDICES

INTRODUCTION

1. On August 22, 2025 (the "**Filing Date"**), upon application (the **"CCAA Application"**) by the Bank of Montreal (**"BMO"** or the **"Applicant"**) in its capacity as senior secured lender to 2345137 Alberta Ltd. ("**Vermilion Chrysler**"), 1262113 B.C. Ltd. ("**Western Sport Products**"), 2497902 Alberta Ltd. ("**Castle Ford**"), 1175104 B.C. Ltd. ("**Cranbrook Mitsubishi**"), 1272986 B.C. Ltd. ("**Sun Valley Nissan**"), Summit V Auto Ltd. ("**Arrow Volkswagen"** or **"Arrow VW**", with Vermilion Chrysler, Western Sport Products, Castle Ford, Cranbrook Mitsubishi, and Sun Valley Nissan, the "**Omnibus Dealerships**"), 2437342 Alberta Ltd. ("**Squamish Chrysler**", with the Omnibus Dealerships, the "**Dealerships**"), Summit S Auto Ltd. ("**Real Co**", with the Omnibus Dealerships, the "**Omnibus Debtors**"), MK Auto K-M Ltd. ("**MK Auto**"), 1972207 Alberta Ltd. ("**197 AB**", with Squamish Chrysler, the "**Squamish Debtors**") and 2351497 Alberta Ltd. ("**235 AB**" with the Omnibus Debtors, the Squamish Debtors, and MK Auto, collectively, the "**Summit Auto Group**", the "**Debtors**", or the "**Companies**"), the Honourable Justice M. A. Marion of the Court of King's Bench of Alberta (the **"Court"**) issued an order (the **"Initial Order"**) granting protection to the Companies from their creditors under the *Companies' Creditors Arrangement Act*, RSC 1985, c. C-36, as amended (the **"CCAA"**). Pursuant to the Initial Order, BDO Canada Limited (**"BDO"**) was appointed as monitor of the Companies (in such capacity, the **"Monitor"**).

2. Among other things, pursuant to the Initial Order the Court granted:

   a) an initial stay of proceedings (the **"Stay of Proceedings"**) in favour of the Debtors until and including September 1, 2025, to stabilize the Debtors' operations, permit the Monitor to assess the Debtors' pre-filing sales process, and to ultimately preserve the business as a going concern and maximizing value;

   b) the appointment of the Monitor and expanded powers of the Monitor during the CCAA proceedings (the **"CCAA Proceedings"**);

   c) the appointment of the chief restructuring officer (**"CRO"**), Full Circle Automotive Solutions Inc. (**"Full Circle"** or the CRO) over the Debtors (inclusive of Squamish Chrysler);

d) a charge over the Debtors' property (the **"Property"**) to stand as security for payment by the Companies of the professional fees and disbursements of the Applicant's legal counsel, the Monitor and its independent legal counsel, the CRO, and the CRO's counsel (if any), in an aggregate amount not to exceed $350,000 (the "**Administration Charge**");

e) the power for the Monitor to borrow funds in the maximum amount of $500,000 to fund the Debtors' operations during the CCAA Proceedings and a charge over the Property to stand as security (the **"Monitor's Borrowing Charge"**); and

f) a charge over the Property to stand as security for the Debtors' obligation to indemnify the directors from any liabilities they may incur in such capacity from and after the commencement of the CCAA Proceedings, up to a maximum amount of $250,000 (the **"Director's Charge",** together with the Administration Charge and Monitor's Borrowing Charge, the "**Court Ordered Charges**").

3. The Initial Order contemplated a comeback application on August 27, 2025 (the **"Comeback Hearing"**).

4. At the Comeback Hearing, the Court granted an amended and restated initial order (the **"ARIO"**). Amongst other things, the ARIO:

a) extended the Stay of Proceedings until and including September 26, 2025;

b) approved an increase to the Administration Charge up to the maximum amount of $750,000;

c) approved an increase to the Monitor's Borrowing Charge up to the maximum amount of $3.5 million (plus interest, costs and fees);

d) authorized continued payments to BMO under the existing floor plan arrangements once the Monitor confirmed the validity of BMO's security; and

e) reaffirmed the Monitor's authority to manage and operate the Companies' businesses and oversee sales efforts through its expanded powers.

5. To date, the Monitor has provided the Court with the following reports:

    a) the Pre-Filing Report of the Proposed Monitor filed August 20, 2025 (the "**Pre-Filing Report**") in connection with the Applicant's application for protection under the CCAA. The Pre-Filing Report (without appendices) is attached hereto as **Appendix "A"**; and

    b) the First Report of the Monitor filed August 27, 2025 (the "**First Report**") in connection with BMO's application for the ARIO. The First Report (without appendices) is attached hereto as **Appendix "B"**.

PURPOSE

6. The purpose of this second report of the Monitor (the "**Second Report**") is to provide information to the Court with respect to:

    a) the activities of the Monitor since the First Report;

    b) the Debtors' actual cash flow results for the 2-week period ended September 5, 2025, versus the budgeted results for that period, as outlined in the Debtors' 13-week consolidated cash flow from August 22, 2025, to the week ended November 23, 2025 (the "**Cash Flow Forecast**");

    c) the Monitor's application to the Court returnable on September 19, 2025 (the "**Monitor's Application**"), seeking the following:

        (i) an order (the "**Stay Extension Order**") to, among other things:

            I. extend the Stay of Proceedings up to and including November 21, 2025, as supported by the Cash Flow Forecast;

            II. approve the activities of the Monitor to date;

            III. approve the accounts of the Monitor and its counsel, Miller Thomson LLP ("**Miller Thomson**"), for fees and disbursements incurred to date;

IV. confirm that the Court Ordered Charges apply against the following Personal Property Registry parties (collectively, the "**PPR Registrants**"):

a) GE Canada Equipment;

b) Canadian Imperial Bank of Commerce;

c) Pattison Sign Group; and

d) Wells Fargo Equipment Finance Company; and

V. grant the Monitor certain powers, in addition to and in no way limiting the powers of the Monitor as set out in the ARIO, to authorize the Monitor to conduct investigations, compel production of records relating to the Companies or their businesses, and to compel examinations under oath of any person reasonably thought to have knowledge relating to the Companies or their business ("**Investigative Powers**"); and

(ii) an order (the "**SISP Approval Order**") to, among other things:

I. approve a proposed sale and investment solicitation process (the "**Proposed SISP**"); and

II. approve the appointment of the Debtors' pre-filing sales agent, the Tim Lamb Group (the "**Sales Agent**" or "**Tim Lamb**") to administer and manage the Proposed SISP with the oversight of the Monitor;

d) the Monitor's recommendations on the relief sought in the Monitor's Application.

7. This Second Report should be read in conjunction with the affidavit of John Gil sworn August 15, 2025 (the "**Gil Affidavit**"), the Pre-Filing Report, and the First Report, which can be found on the Monitor's Website (herein defined) and contain background information with respect to

the Companies' businesses and operations as well as matters leading up to the commencement of these CCAA Proceedings.

8. Any terms not expressly defined herein shall have the meaning ascribed in the Gil Affidavit, the Pre-Filing Report, the First Report, the Initial Order, and the ARIO, as applicable. All materials filed with the Court in the CCAA Proceedings are accessible on the Monitor's website at: https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/summit-automotive-group (the "**Monitor's Website**"). All Court documents and certain other relevant documents have been and will continue to be posted as they are made available.

TERMS OF REFERENCE

9. In preparing this Second Report and making the comments herein, the Monitor has been provided with, and has relied upon, unaudited financial information, books and records prepared by the Debtors, the Gil Affidavit, discussions between the CRO and management of the Debtors ("**Management**"), discussions with the Applicant and information from other third-party sources (collectively, the "**Information**"). Except as described in this Second Report in respect of the Cash Flow Forecast:

   a) the Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("**GAAS**") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and

   b) some of the information referred to in this Second Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.

10. Future oriented financial information referred to in this Second Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variation could be significant.

11. Unless otherwise indicated, the Monitor's understanding of the factual matters expressed in this Second Report concerning the Debtors and their business is based on the Information, and not independent factual determinations made by the Monitor.

12. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

STAY EXTENSION

13. The Stay of Proceedings currently expires on September 26, 2025. The Monitor is requesting an extension of the Stay of Proceedings until November 21, 2025. The Monitor supports an extension of the Stay of Proceedings for the following reasons, among others:

    a) the Debtors, through the Monitor with its enhanced powers, are acting in good faith and with due diligence;

    b) the Stay will provide the Monitor and Debtors with time to stabilize the businesses of the Debtors, continue the Proposed SISP, and review potential transactions in respect of the Dealerships; and

    c) as of the date of this Report, the Monitor is not aware of any party opposed to the requested extension.

14. According to the Cash Flow Forecast (as described below), there will be sufficient funding to operate the Debtors' businesses during the proposed extension of the Stay of Proceedings to November 21, 2025.

15. The Monitor believes it is just, convenient, necessary, and in the best interest of the Debtors and their stakeholders that the Stay of Proceedings be extended.

MONITOR'S ACTIVITIES TO DATE

16. Since the date of the First Report, the Monitor has:

a) continued to update the Monitor's Website;

b) met with former ownership regarding the CCAA Proceedings, terminated their employment and prepared term and task letters for them to assist the Monitor and CRO with potential transition items;

c) held regular discussions with Management, the CRO, the Sales Agent and key stakeholders (including BMO) regarding operations, liquidity, the Debtors' current sales process status ("**Debtor-led Sale Process**"), the Proposed SISP, and broader restructuring initiatives;

d) continued to communicate with each of the original equipment manufacturers ("**OEM(s)**") regarding OEM billing statements reconciliation, the Debtor-led Sale Process and the Proposed SISP;

e) continued to assist the Companies with stakeholder communications;

f) continued discussion with representatives of the Sales Agent, including but not limited to, the status of any letters of intent ("**LOI(s)**") and/or asset purchase agreements ("**APA(s)**") received to date with regards to the Debtor-led Sale Process and any remaining due diligence requirements of the prospective purchasers (the "**Prospective Purchasers**");

g) continued discussions with various Prospective Purchasers and/or their respective counsel regarding the CCAA Proceedings and potential next steps, including the Proposed SISP;

h) began preparation for the Proposed SISP in consultation with the Sales Agent and counsel, including drafting the Proposed SISP process letter, and assisting with marketing activities and materials;

i) continued to engage in discussions with the Toronto Dominion Bank ("**TD**") and its counsel with regard to the TD financed dealership, 2412170 Alberta Ltd. o/a Westcastle Chevrolet Buick GMC ("**Westcastle GMC**");

j) continued to respond to correspondence received from creditors and other parties regarding the CCAA Proceedings;

k) continued to participate in various discussions with Management and the CRO regarding operations, treasury functions and vehicle inventory;

l) held various discussions with the Applicant's counsel and the Monitor's counsel with regards to the CCAA Proceedings;

m) continued to work with the CRO to oversee the Debtors' treasury functions, including the monitoring of weekly receipts and disbursements against the Cash Flow Forecast;

n) reviewed Miller Thomson's security opinion on the validity and enforceability of BMO's security over the Debtors;

o) reviewed outstanding sold-in-violation ("**SIV(s)**") vehicle amounts and began, with the assistance of the CRO, preparing for floor plan repayment initiatives;

p) investigated numerous matters, irregularities, and concerns raised by employees of the Companies, the CRO, and Management;

q) began review of personnel with the assistance of the CRO, as well as continued discussions with the CRO regarding proposed new personnels needed across the Dealerships;

r) attended the Comeback Hearing; and

s) prepared this Second Report.

CASH FLOW FORECAST

17. The Monitor's First Report included a Cash Flow Forecast for the 13-week period from August 22, 2025, to the week ending November 23, 2025 (the "**Cash Flow Period**"). A copy of the Cash Flow Forecast is attached hereto as **Appendix "C"**.

18. The Monitor has reviewed the actual cash flow from operations for the 2-week period ending September 5, 2025 (the "**Initial Review Period**"), through monitoring the banking activities of the Debtors.

19. The Debtors' actual cash flow from operations for the Initial Review Period exceeded the projections for that same period by approximately $2.0 million. This variance is a combination of timing differences of receipts and disbursements, as follows:

    a) the positive variance is largely due to the:

        (i) delay in the net repayment of the outstanding Floorplan Credit Facilities (herein defined) for new and used vehicles sales and/or collection of vehicle sale proceeds (net of chatteling of new/used vehicles) after the Filing Date of $4.6 million;

        (ii) delay in the payment of trade-in vehicle lien payouts of $1.1 million due primarily to lower than forecasted new and used vehicle sales and/or lower lien amounts on the actual trade-in vehicles;

        (iii) delay in professional and restructuring fee payments of approximately $380,000;

        (iv) approximately $232,000 of variance related to payroll and associated benefits, which is primarily due to decreased employee levels/ownership payroll and/or a classification of contractor amounts as vendor payments, which was budgeted in the payroll expense;

        (v) delay in part purchases of approximately $120,000 due to the CCAA Proceedings and the ramp up with OEMs regarding extending credit;

(vi) net operating expenses (include rent, vendor and insurance payments) and contingency payments were 116,000 lower than forecast;

b) the above positive variances are partially offset by:

(i) approximately $3.3 million delay in receipts from new and used vehicles sales largely due to timing differences, and notice of the CCAA proceedings. These receipts are expected to catch up in later weeks;

(ii) net HST collection of approximately $404,000 due to lower vehicles sales and disbursement levels;

(iii) $375,000 of pre-filing HST was remitted in error by the Companies and an amended return will be filed to recoup the funds and/or offset future HST amounts owed;

(iv) approximately $344,000 of dealer trades were purchased of which the vast majority was or will be chatteled with the Floorplan Credit Facilities; and

(v) delay in part sales of $184,000 due to reduced sales activity, the CCAA Proceedings and part purchases.

c) A summary of the variance analysis described above is attached hereto as **Appendix "D"**.

PROPOSED SALES INVESTMENT AND SOLICITATION PROCESS

20. As noted in the First Report, the Debtors had commenced the Debtor-led Sale Process, with Tim Lamb as the Sales Agent. The Monitor's objective was to preserve momentum and, where transactions are substantially completed and commercially reasonable, seek Court approval to close near-ready deals.

21. Following the Monitor's review of the Debtor-led Sales Process, the Monitor is of the view that a more formal, Court-approved and supervised sales process is required to maximize realizations for the Debtors' stakeholders. As such, the Proposed SISP has been developed by the Monitor, in consultation with the Sales Agent and the Applicant, and is intended to solicit

interest in, and opportunities for, a sale of, or investment in, all or part of the Companies' Property (the "**Opportunity**").

22. During the Proposed SISP, the Monitor shall be permitted to remove any of the Dealerships from the Proposed SISP if the Monitor, in consultation with the Sales Agent and the Applicant, is of the view that any transaction with a Potential Purchaser from the Debtor-led Sales Process is sufficiently advanced, and is the highest and best value for the applicable Dealership business in the circumstances.

23. The Opportunity may include one or more of a restructuring, recapitalization or other forms of reorganization of the business and affairs of the Companies as a going concern or a sale of all, substantially all or one or more components of the Companies' Property as a going concern or otherwise.

24. Below is a summary of the key features of the Proposed SISP and the milestones contemplated thereby. Any terms not expressly defined in this section shall have the meaning ascribed in the Proposed SISP attached hereto as **Appendix "E"**.

<u>Proposed SISP Summary and Timelines</u>

25. A summary of the key milestones of the Proposed SISP are as follows:

MILESTONE	DEADLINE
Go to market	As soon as practicable and in any event no later than the Monitor's Application
Expression of Interest Deadline (EOI Deadline)	Friday, October 3, 2025 (12:00 PM MT)
EOI Selection Date	Tuesday, October 7, 2025
Binding Bid Deadline	Friday, October 24, 2025 (12:00 PM MT)
Selection of Qualified Bids	Tuesday, October 28, 2025
Selection of Successful Bidder(s) and Execution of Definitive Transaction Agreement(s)	Friday, October 31, 2025
Hearing of the Sale Approval Motion	Subject to Court availability, week of November 10, 2025
Closing the Transaction (Outside Date)	No later than Wednesday, December 3, 2025

26. Pursuant to the Proposed SISP, the various deadlines herein may be extended by and at the discretion of the Monitor, in consultation with the CRO and BMO.

Solicitation of Interest

a) If approved by this Court, as soon as reasonably practicable, but in any event by no later than the Monitor's Application:

   (i) The Sales Agent, with the assistance of the Monitor, will prepare a list of potentially interested parties, including (i) parties that have approached the Companies, Monitor or the Sales Agent indicating an interest in the Opportunity, and (ii) local and international strategic and financial parties that the Sales Agent in consultation with the Monitor, believes may be interested in purchasing all or part of the Property or investing in the Companies pursuant to the Proposed SISP (collectively, the "**Known Potential Bidders**").

b) the Sales Agent, with the approval of the Monitor, will prepare:

   (i) a process summary (the "**Teaser Letter**") describing the Opportunity, outlining the process under the Proposed SISP and inviting recipients of the Teaser Letter to express their interest pursuant to the Proposed SISP; and

   (ii) a non-disclosure agreement in form and substance satisfactory to the Monitor which inures to the benefit of any purchaser of the business or Property of the Companies, or any portion thereof (the "**NDA**").

c) The Sales Agent will send the Teaser Letter and NDA to all Known Potential Bidders, and to any other party who requests a copy of the Teaser Letter and NDA or who is identified to the Companies or the Sales Agent as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

Key Activities and Dates

27. **Go to Market**: The marketing efforts will commence as soon as practicable and in any event no later than the Monitor's Application.

28. **EOI Deadline**: The solicitation of non-binding expressions of interest ("**EOIs**") will proceed with a submission deadline of 12:00 p.m. (Mountain Time) on Friday, October 3, 2025, or such later date as may be modified in the process letter circulated by the Sales Agent with the Monitor's approval. While EOIs may be non- binding, they must include the information and disclosures set out in the Proposed SISP.

29. **EOI Selection**: The Sales Agent will notify each potential bidder in writing as to whether their EOI has been selected to continue in the process (a "**Selected EOI**") by Tuesday, October 7, 2025, or such later date as determined appropriate by the Monitor in consultation with the Sales Agent and BMO.

30. **Binding Bid Deadline**: Bidders with a Selected EOI that wish to make a formal proposal ("**Bidders**") must submit a binding bid (a "**Binding Bid**") to the Monitor and Sales Agent by 12:00 p.m. (Mountain Time) on Friday, October 24, 2025 (the "**Binding Bid Deadline**"), or such later date as may be modified in the bid process letter circulated by the Sales Agent with the Monitor's approval. Binding Bids must comply with all the requirements set out in the Proposed SISP, and in each case, be delivered in the form of a signed agreement based upon the relevant template (if any) included in the virtual data room with all exhibits and schedules thereto completed (a "**Definitive Transaction Agreement**").

31. **Qualified Bid Selection**: The Sales Agent, in consultation with the Monitor and BMO, will assess the Binding Bids and determine which constitute "**Qualified Bids**" in accordance with the criteria set out in the Proposed SISP. The Sales Agent will notify each Bidder as to whether their Binding Bid has been designated a Qualified Bid by Tuesday, October 28, 2025, or such later date as determined appropriate by the Monitor.

Selection of a Successful Bid

32. The Monitor, in consultation with the Sales Agent and the Applicant, will, by Friday October 31, 2025:

a) review each Qualified Bid, the finalized Definitive Transaction Agreement and accompanying exhibits and schedules with consideration of the following:

(i) the amount of consideration being offered, and, if applicable, the proposed form, composition, and allocation of same;

(ii) the value of any assumption of liabilities or waiver of liabilities;

(iii) the likelihood of the respective OEMs of each of the Dealerships accepting the purchaser and identified individual/party as the dealer principal;

(iv) the likelihood of the Bidder's ability to close a transaction by the week of November 10, 2025 or earlier (including factors such as the Transaction structure and execution risk, including conditions to, timing of, and certainty of closing; termination provisions; availability of financing and financial wherewithal to meet all commitments and required governmental or other approvals);

(v) the likelihood of the Court's approval of the Successful Bid (as defined below), if required;

(vi) the net benefit to the Companies' and their estates; and

(vii) any other factors the Monitor may reasonably deem relevant;

b) identify and select the highest or otherwise best bid received (the "**Successful Bid**", and the Bidder making such bid, the "**Successful Bidder**"), and notify or inform the Successful Bidder that its bid or Qualified Bid is the Successful Bid; and

c) if the Monitor, in consultation with the Sales Agent and BMO, determines it to be appropriate to do so, the Monitor may identify a particular bid other than the

Successful Bid as a backup bid (the "**Backup Bid**", and the bidder making such bid the "**Backup Bidder**"), and notify or inform the Backup Bidder that its bid or Qualified Bid is the Backup Bid.

33. Any Successful Bid will be subject to approval by this Court.

34. In the Monitor's view, the Proposed SISP is a fair, reasonable, and transparent process that is consistent with sale processes approved in other insolvency proceedings in this industry. The Monitor is of the view that the proposed SISP will sufficiently canvass the market for and maximize the value of the Property, to the benefit of Companies' creditors and stakeholders more generally. Accordingly, the Monitor recommends that this Court approve the Proposed SISP.

BMO SECURITY REVIEW UPDATE

35. As described in greater detail in the Gil Affidavit, the Debtors have a number of pre-filing secured credit facilities with BMO (collectively, the "**Pre-Filing Credit Facilities**"), including certain floor plan facilities pursuant to which BMO finances the acquisition of new and used vehicles by the Dealerships (the "**Floorplan Credit Facilities**"). In order for the Summit Auto Group to continue to operate as a going concern and purchase new or used vehicles in the ordinary course, it is necessary that the Summit Auto Group continue to have access to Floorplan Credit Facilities.

36. As advised by the Monitor in the First Report, the Monitor has requested an independent legal opinion from its legal counsel to determine the validity and enforceability of security granted by the Summit Auto Group to BMO associated with the Pre-Filing Credit Facilities (the "**Security Opinion**"). Upon confirmation that BMO's security is valid and enforceable ("**Positive Security Opinion Results**") the Monitor intended to make payments to BMO under the Floorplan Credit Facilities.

37. Miller Thomson delivered the Security Opinion which confirms the Positive Security Opinion Results. Based on the Positive Security Opinion Results, and in discussion with Miller Thomson, the Monitor is satisfied that ordinary course payments, including prefiling amounts

owing, to BMO under the Floorplan Credit Facilities shall be, and will continue to be made in accordance with the ARIO, in line with the Cash Flow Forecast.

MONITOR'S INVESTIGATIVE POWERS

38. To date, the Monitor and the CRO have identified certain transaction irregularities requiring further review, including potential related-party transactions at under value, wholesale vehicle sales resulting in substantial losses, and undocumented intercompany advances, all of which may have resulted in the erosion of BMO's collateral.

39. Since the commencement of the CCAA Proceedings, the CRO has advanced multiple investigative workstreams. The CRO's investigations have confirmed several material concerns, such as:

    a) an incident at Vermilion Chrysler in which an estimated 25–50 original deal files were shredded and discarded. While duplicate files were subsequently identified, the destruction of the original documents raises significant concerns regarding the preservation of dealership records and the integrity of historical reporting;

    b) cumulative losses exceeding $1 million were confirmed through further review of wholesale vehicle transactions, with units sold significantly below fair market value and subsequently certain of those same vehicles resold by the wholesale purchasers at materially higher prices. The CRO believes that these transactions may suggest undisclosed revenue-sharing arrangements that benefitted third parties at the expense of the Dealerships and BMO; and

    c) the widespread use of third-party finance "pod" agreements across Dealerships. These arrangements have resulted in falsified credit applications, lender chargebacks, and the termination of certain lender relationships (such as RBC). Certain agreements have been linked to potential misrepresentations, undisclosed commissions, and ongoing regulatory investigations by the Vehicle Sales Authority of British Columbia ("**VSA**") and the Alberta Motor Vehicle Industry Council ("**AMVIC**").

40. A copy of the CRO's report on its preliminary findings on these irregularities is attached hereto as **Appendix "F"**.

41. Through various inquiries, the Monitor has come to understand that funds from Squamish Chrysler, a BMO-financed debtor, may have been redirected through separate entities and paid to related companies not subject to the CCAA Proceedings. The Monitor understands that there were transfers or redirection of funds of at least $500,000.

42. In light of the above, the Monitor is seeking the Investigative Powers, as contemplated in the Stay Extension Order. These powers would authorize the Monitor to compel the production of books, records and correspondence, and to conduct examinations under oath if necessary and where appropriate.

43. The Monitor considers the Investigative Powers to be necessary and appropriate to further investigate the irregularities identified to date, to ensure transparency in the conduct of the CCAA Proceedings, and to protect the interests of the Companies' stakeholders. The Monitor intends to exercise such powers in a targeted and proportionate manner, in consultation with its counsel and the Applicant.

MONITOR AND ITS COUNSEL'S FEES

44. Pursuant to paragraph 31 of the ARIO, the Monitor and its counsel are to be paid their reasonable fees and disbursements at their standard rates and charges. Pursuant to paragraph 32 of the ARIO, the Monitor and its counsel shall pass their accounts from time to time.

45. The Monitor seeks to have its fees and disbursements, including those of its legal counsel, approved by the Court. The Monitor and its counsel have maintained detailed records of their professional time and costs.

46. The Monitor's fees from April 1, 2025, to August 31, 2025, were $223,219.50, plus disbursements of $2,421.39, plus GST of $11,282.04 for a total of $236,922.93.

47. Miller Thomson's fees, as legal counsel to the Monitor, from August 11, 2025, to August 29, 2025, were $91,796.00, plus disbursements of $3,465.08, plus GST of $4,719.32 for a total of $99,980.40.

48. A summary of the accounts rendered by the Monitor and its legal counsel is attached hereto as **Appendix "G"**. Detailed accounts are available for review by the Court upon request. The

amount of the fees is based on the hourly rates of the professionals involved in this matter multiplied by actual time spent on this matter.

49. It is the Monitor’s opinion that the fees and disbursements of the Monitor and Miller Thomson accurately reflect the work performed by the Monitor and Miller Thomson in connection with the administration of the CCAA Proceedings for the dates of their respective invoices. It is the Monitor’s opinion that the fees and disbursements of Miller Thomson are fair, reasonable and justified in the circumstances. The Monitor recommends approval of Miller Thomson’ accounts by this Court.

CONCLUSION

50. This Second Report has been prepared by the Monitor is in support of the Monitor’s Application. For reasons set out herein, the Monitor respectfully recommends that this Court grant the relief set out in the Monitor’s Application.

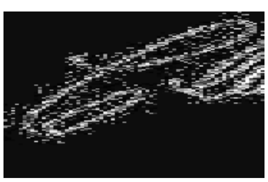
All of which is respectfully submitted this 10th day of September 2025.

BDO CANADA LIMITED, in its capacity

as the Monitor of the Summit Auto Group, and

not in its corporate or personal capacity.

Per:



Clark Lonergan, CA, CPA, CIRP, LIT

Partner/Senior Vice President

APPENDIX D

COURT FILE NUMBER	2501 - 13057
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
MATTER	IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, 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., AND 1272986 B.C. LTD.
APPLICANT	BANK OF MONTREAL
RESPONDENTS	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., AND 1272986 B.C. LTD.
DOCUMENT	**THIRD REPORT OF BDO CANADA LIMITED, IN ITS CAPACITY AS THE COURT-APPOINTED MONITOR**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MILLER THOMSON LLP Eighth Avenue Place East 43rd Floor, 525 8th Avenue S.W. Attention: James W. Reid/Monica Faheim/ Pavin Takhar Telephone: 403.298.2418 E-mail: jwreid@millerthomson.com mfaheim@millerthomson.com ptakhar@millerthomson.com

JUDICIAL CENTRE OF CALGARY
FILED DIGITALLY
2501 13057
Nov 7, 2025
4:26 PM
CLERK OF THE COURT

TABLE OF CONTENTS

LIST OF APPENDICES

INTRODUCTION

1. On August 22, 2025 (the “**Filing Date**”), upon the application by the Bank of Montreal (“**BMO**”) in its capacity as senior secured lender to 2345137 Alberta Ltd. (“**Vermilion Chrysler**”), 1262113 B.C. Ltd. (“**Western Sport Products**”), 2497902 Alberta Ltd. (“**Castle Ford**”), 1175104 B.C. Ltd. (“**Cranbrook Mitsubishi**”), 1272986 B.C. Ltd. (“**Sun Valley Nissan**”), Summit V Auto Ltd. (“**Arrow Volkswagen”** or **“Arrow VW**”, with Vermilion Chrysler, Western Sport Products, Castle Ford, Cranbrook Mitsubishi, and Sun Valley Nissan, the “**Omnibus Dealerships**”), 2437342 Alberta Ltd. (“**Squamish Chrysler**”, with the Omnibus Dealerships, the “**Dealerships**”), Summit S Auto Ltd. (“**Real Co**”, with the Omnibus Dealerships, the “**Omnibus Debtors**”), MK Auto K-M Ltd. (“**MK Auto**”), 1972207 Alberta Ltd. (“**197 AB**”, with Squamish Chrysler, the “**Squamish Debtors**”) and 2351497 Alberta Ltd. (“**235 AB**” with the Omnibus Debtors, the Squamish Debtors, and MK Auto, collectively, the “**Summit Auto Group**”, the “**Debtors**”, or the “**Companies**”), the Court of King’s Bench of Alberta (the **“Court”**) issued an order (the **“Initial Order”**) granting protection to the Companies from their creditors under the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the **“CCAA”**). Pursuant to the Initial Order, BDO Canada Limited (**“BDO”**) was appointed as monitor of the Companies (in such capacity, the **“Monitor”**).

2. Among other things, pursuant to the Initial Order the Court granted:

    a) an initial stay of proceedings (the “**Stay of Proceedings**”) in favour of the Debtors until and including September 1, 2025, to stabilize the Debtors’ operations and permit the Monitor to assess the Debtors’ then ongoing sales process;

    b) the appointment of the Monitor and expanded powers of the Monitor during the CCAA proceedings (the “**CCAA Proceedings**”);

    c) the appointment of the chief restructuring officer (“**CRO**”), Full Circle Automotive Solutions Inc. over the Debtors;

    d) a charge over the Debtors’ property (the “**Property**”) to stand as security for payment by the Companies of the professional fees and disbursements of the BMO’s legal counsel, the Monitor and its independent legal counsel, and the CRO, in an aggregate amount not to exceed $350,000 (the “**Administration Charge**”);

e) the power for the Monitor to borrow funds in the maximum amount of $500,000 to fund the Debtors' operations during the CCAA Proceedings and a charge over the Property to stand as security (the "**Monitor's Borrowing Charge**"); and

f) a charge over the Property to stand as security for the Debtors' obligation to indemnify the directors from any liabilities they may incur in such capacity from and after the commencement of the CCAA Proceedings, up to a maximum amount of $250,000 (the "**Director's Charge**", together with the Administration Charge and Monitor's Borrowing Charge, the "**Court Ordered Charges**").

3. The Initial Order contemplated a comeback application on August 27, 2025 (the "**Comeback Hearing**").

4. At the Comeback Hearing, the Court granted an amended and restated initial order (the "**ARIO**"). The ARIO, among other things:

a) extended the Stay of Proceedings until and including September 26, 2025;

b) approved an increase to the Administration Charge up to the maximum amount of $750,000;

c) approved an increase to the Monitor's Borrowing Charge up to the maximum amount of $3.5 million (plus interest, costs and fees);

d) authorized continued payments to BMO under the existing floor plan arrangements once the Monitor confirmed the validity of BMO's security; and

e) reaffirmed the Monitor's authority to manage and operate the Companies' businesses and oversee sales efforts through its expanded powers.

5. On September 19, 2025, upon an application of the Monitor, the Court granted the following additional relief:

a) an order (the "**Stay Extension Order**") which, among other things:

(i) extended the Stay of Proceedings up to and including November 21, 2025; and

(ii) granted the Monitor certain powers, in addition to and in no way limiting the powers of the Monitor as set out in the ARIO, to authorize the Monitor to conduct investigations, compel production of records relating to the Companies or the businesses of the Companies, and to compel examination under oath of any person reasonably thought to have knowledge relating to the Companies or the businesses of the Companies ("**Investigative Powers**").

b) an order (the "**SISP Approval Order**") which, among other things:

   (i) approved a sale and investment solicitation process (the **"SISP"**); and

   (ii) approved the appointment of the Debtors' pre-filing sales agent, the Tim Lamb Group (the **"Sales Agent"** or **"Tim Lamb"**) to administer and manage the SISP with the oversight of the Monitor.

6. To date, the Monitor has provided the Court with the following reports (the **"Previous Reports"**):

   a) the Pre-Filing Report of the Proposed Monitor filed August 20, 2025 (the "**Pre-Filing Report**") in connection with the application for the Initial Order. The Pre-Filing Report (without appendices) is attached hereto as **Appendix "A"**;

   b) the First Report of the Monitor filed August 27, 2025 (the "**First Report**") in connection with the application for the ARIO. The First Report (without appendices) is attached hereto as **Appendix "B"**; and

   c) the Second Report of the Monitor filed September 10, 2025 (the "**Second Report**") in connection with the application for the Stay Extension Order and the SISP Approval Order. The Second Report (without appendices) is attached hereto as **Appendix "C"**.

PURPOSE

7. The purpose of this third report of the Monitor (the **"Third Report")** is to provide information to the Court with respect to:

   a) the activities of the Monitor since the Second Report;

   b) the Debtors' actual cash flow results for the 10-week period ended November 2, 2025, versus the budgeted results for that period, as outlined in the Debtors' initial

13-week consolidated cash flow from August 22, 2025, to the week ended November 23, 2025 (the **"Initial Cash Flow Forecast"**);

c) the Debtors' revised 13-week cash flow forecast (the "**Revised Cash Flow Forecast**"), on a consolidated basis, for the period November 3, 2025, to February 1, 2026 (the "**Revised Cash Flow Period**") and the Monitor's comments regarding the reasonableness thereof;

d) an update on the SISP;

e) the Monitor's comments and recommendations with respect to its application returnable on November 13, 2025 (the "**Application**") seeking:

   (i) an order (the "**Arrow VW AVO**") to approve and authorize the sale transaction (the "**Arrow VW Transaction**") of certain of the assets, undertakings and properties of Arrow VW and Real Co (together, the "**Arrow VW Vendors**"), pursuant to a purchase and sale agreement between the Arrow VW Vendors as vendors and K5 IG Holdings Inc. as purchaser (the "**Arrow VW Purchaser**") dated as of November 6, 2025 (the "**Arrow VW Sale Agreement**");

   (ii) an order (the "**Castle Ford AVO**") to approve and authorize the sale transaction (the "**Castle Ford Transaction**", and together with the Arrow VW Transaction, the "**Transactions**") of certain of the assets, undertakings and properties of Castle Ford and Real Co (together, the "**Castle Ford Vendors**"), pursuant to a purchase and sale agreement between the Castle Ford Vendors as vendors and Davis Auto Group Ltd. as purchaser (the "**Castle Ford Purchaser**") dated as of November 6, 2025 (the "**Castle Ford Sale Agreement**");

   (iii) an order (the **"Second Stay Extension Order"**) to, among other things:

      I. extend the Stay of Proceedings up to and including January 30, 2026, as supported by the Cash Flow Forecast;

      II. approve the activities of the Monitor since the Second Report;

III. approve the accounts of the Monitor and its legal counsel, Miller Thomson LLP (**"Miller Thomson"**), for fees and disbursements incurred to date;

IV. authorize the Monitor to make distributions to BMO in its capacity as the senior secured lender;

V. authorize the Monitor to have full access to all bank accounts, financial records, constating documents, minute books and other documents required by the Monitor in respect of the assets and/or business of 2412170 Alberta Ltd. (**"Westcastle Dealership"**) and 2416326 Alberta Ltd. (**"Westcastle RealCo"**), together operating as Westcastle Chevrolet Buick GMC ("**Westcastle GMC**");

VI. temporarily seal the Confidential Supplement to the Third Report until the closing of the Transactions or until further order of this Honourable Court; and

VII. such further and other relief as the Court may deem just and equitable.

8. The Previous Reports and other Court materials in connection with the CCAA Proceedings are available on the Monitor's website at: https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/summit-automotive-group (the "**Monitor's Website**"). All Court documents and certain other relevant documents have been and will continue to be posted as they are made available.

9. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Previous Reports.

TERMS OF REFERENCE

10. In preparing this Third Report and making the comments herein, the Monitor has been provided with, and has relied upon, unaudited financial information, books and records prepared by the Debtors, the Gil Affidavit (herein defined), discussions between the CRO and management of the Debtors ("**Management**"), discussions with BMO and information from other third-party

sources (collectively, the "**Information**"). Except as described in this Third Report in respect of the Revised Cash Flow Forecast:

a) the Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("**GAAS**") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and

b) some of the information referred to in this Third Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.

11. Future oriented financial information referred to in this Third Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variation could be significant.

12. Unless otherwise indicated, the Monitor's understanding of the factual matters expressed in this Third Report concerning the Debtors and their business is based on the Information, and not independent factual determinations made by the Monitor.

13. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

BACKGROUND INFORMATION

14. This Third Report should be read in conjunction with the affidavit of John Gil sworn August 15, 2025 (the **"Gil Affidavit"**), the Pre-Filing Report, the First Report, and the Second Report, which can be found on the Monitor's Website and contain background information with respect

to the Companies' businesses and operations as well as matters leading up to the commencement of these CCAA Proceedings.

MONITOR'S ACTIVITIES TO DATE

15. Since the date of the Second Report, the Monitor has:

a) continued to update the Monitor's Website;

b) continued to hold regular discussions with Management, the CRO, the Sales Agent and key stakeholders, including BMO, regarding operations, liquidity, and broader restructuring initiatives;

c) continued to communicate with each of the original equipment manufacturers ("**OEM(s)**") regarding OEM billing, SISP updates, and operations;

d) continued to assist the Companies with stakeholder communications;

e) provided oversight and support to the Companies' treasury functions, including cash flow reporting through:

(i) implementing a weekly treasury monitoring protocol;

(ii) conducting variance analysis between actual and forecasted cash flow and submitting variance updates to BMO; and

(iii) facilitating interim financing requests/Monitor's borrowings;

f) supervised and assisted with activities related to the SISP, including but not limited to:

(i) continued discussions with the representatives of the Sales Agent regarding the status of bidders;

(ii) providing regular updates to key stakeholders, including OEMs and BMO, on the status of the SISP;

(iii) assisting with preparation of due diligence items and review of materials uploaded to the virtual data room ("**VDR**");

(iv) reviewing the teaser materials and coordinating the distribution of it with the Sales Agent;

(v) tracking the execution of non-disclosure agreements ("**NDA(s)**") and monitoring of the Sales Agent's outreach efforts;

(vi) holding discussions with all prospective purchasers that participated in the SISP by submitting an expression of interest ("**EOI**");

(vii) reviewing EOIs received, and providing comparative EOI in summary format to key stakeholders;

(viii) reviewing the draft asset purchase agreement ("**APA**") template;

(ix) reviewing binding bids/APAs received and facilitating negotiations with bidders regarding the same;

(x) setting up a trust account for purchase deposits;

(xi) coordinating environmental assessments and real estate appraisals;

(xii) coordinating with counsel and bidders to finalize APAs; and

(xiii) preparing and issuing communications to successful and unsuccessful bidders at various stages of the SISP;

g) continued review of personnel matters with the assistance of the CRO, and issued termination notices to certain personnel;

h) continued to investigate into numerous matters, irregularities, and concerns raised by the employees of the Companies, the CRO, and Management;

i) continued to correspond with the Companies' former ownership and the Toronto Dominion Bank ("**TD**") and its counsel with regards to the TD financed dealership, Westcastle GMC;

j) continued to respond to correspondence received from creditors and other parties regarding the CCAA Proceedings;

k) continued to participate in various discussions with Management and the CRO regarding operations, treasury functions, and vehicle sales activities;

l) corresponded with BMO, BMO's counsel, and the independent counsel to the Monitor, Miller Thomson, regarding matters related to these CCAA Proceedings;

m) engaged in correspondence with dealer finance partners or third-party finance providers through which the Dealerships submit customer credit applications on behalf of customers seeking vehicle financing at the point of sale;

n) prepared the Revised Cash Flow Forecast with the assistance of the CRO and Management;

o) attended the September 19, 2025, Court hearing; and

p) prepared this Third Report.

STAY OF PROCEEDINGS EXTENSION

16. The Stay of Proceedings currently expires on November 21, 2025. The Monitor is requesting an extension of the Stay of Proceedings until January 30, 2026. The Monitor seeks an extension of the Stay of Proceedings for the following reasons, among others:

    a) the Debtors, through the Monitor with its enhanced powers, are acting in good faith and with due diligence;

    b) the Stay of Proceedings will provide the Monitor and Debtors with time to stabilize the businesses of the Debtors, complete and close the Transactions, review potential transactions in respect of the Dealerships; and

    c) as of the date of this Report, the Monitor is not aware of any party opposed to the requested extension.

17. According to the Revised Cash Flow Forecast (as described below), there will be sufficient funding to operate the Debtors' businesses during the proposed extension of the Stay of Proceedings to January 30, 2026.

18. The Monitor believes it is just, convenient, necessary, and in the best interest of the Debtors and their stakeholders that the Stay of Proceedings be extended.

DEBTORS' RECEIPTS AND DISBURSEMENTS SINCE FILING DATE

19. The Monitor's First Report included a Cash Flow Forecast for the 13-week period from August 22, 2025, to the week ending November 23, 2025. A copy of the Cash Flow Forecast is attached hereto as **Appendix "D"**.

20. The Monitor has reviewed the actual cash flow from operations for the 10-week period ending November 2, 2025 (the "**Second Review Period**"), through monitoring the banking activities of the Debtors.

21. The Debtors' actual cash flow from operations for the Second Review Period exceeded the projections for that same period by approximately $2.1 million. This variance is a combination of significantly lower than forecast dealership activity (permanent differences) and certain timing differences of receipts and disbursements, outlined, as follows:

    a) the positive variance is largely due to the:

        (i) reduction in the net repayment of the outstanding Floorplan Credit Facilities in the amount of approximately $17.7 million for new and used vehicles sold (net of chatteling of new/used vehicles purchased or taken in as trade-ins), due to significantly lower than anticipated vehicle sales activity after the Filing Date;

        (ii) reduction in the payment of trade-in vehicle lien payouts of approximately $6.7 million primarily due to lower than forecasted new and used vehicle sales and/or lower lien amounts on the actual trade-in vehicles;

        (iii) delay in professional and restructuring fee payments of approximately $0.7 million;

        (iv) reduction in part purchases of approximately $0.6 million due to lower dealership activity and respective OEMs extending credit;

        (v) reduction in finance product costs of approximately $0.5 million due to lower dealership activity;

        (vi) reduction in net operating (including rent, vendor and insurance payments) and contingency payments of approximately $0.4 million lower than forecast; and

(vii) reduction in payroll and associated benefits of approximately $0.3 million, which is primarily due to decreased employee levels/ownership payroll;

b) the above positive variances are partially offset by:

(i) reduction in receipts from new and used vehicles sales of approximately $21.2 million largely due to lower than forecasted vehicles sales from the removal of the high sale volume/low margin/high risk financing pods (the "**Pods**") operating out of certain dealerships, suspension of the significant number of third-party lenders for vehicle financing due to these Pods, and decreased sales personnel;

(ii) increased vehicle purchases/dealer trades of approximately $1.6 million not previously forecast;

(iii) reduction in net HST collections of approximately $1.2 million due to lower vehicle sales and disbursement levels; and

(iv) reduction in parts/service sales of approximately $0.8 million due to decreased dealership activity.

22. A summary of the variance analysis described above is attached hereto as **Appendix "E"**.

REVISED CASH FLOW FORECAST

23. The CRO, with the assistance of the Monitor, prepared the Revised Cash Flow Forecast for the purposes of projecting the Debtors' estimated liquidity needs during the Revised Cash Flow Period. A copy of the Revised Cash Flow Forecast is attached hereto as **Appendix "F"**.

24. The Revised Cash Flow Forecast is presented on a weekly basis and represents the CRO's estimates of the projected cash flow during the Revised Cash Flow Period. The Revised Cash Flow Forecast has been prepared using probable and hypothetical assumptions (the "**Assumptions**") as set out in the notes to the Revised Cash Flow Forecast.

25. The Monitor has reviewed the Revised Cash Flow Forecast to the standard required of a Court-appointed monitor by section 23(1)(b) of the CCAA. In accordance with this standard, the Monitor conducted inquiries, performed analytical procedures, held discussions, and read documents related to the Information supplied to it by the CRO or employees of the Debtors.

26. Based on the Monitor’s review, nothing has come to its attention that causes it to believe, in all material respects, that:

    a) the Assumptions are not consistent with the purpose of the Revised Cash Flow Forecast;

    b) as at the date of this Third Report, the Assumptions are not suitably supported or do not provide a reasonable basis for the Revised Cash Flow Forecast, given the probable and hypothetical assumptions; or

    c) the Revised Cash Flow Forecast does not reflect the Assumptions.

27. The Monitor notes that the Revised Cash Flow Forecast has been prepared solely for the purpose described above and since the Revised Cash Flow Forecast is based on Assumptions regarding future events, actual results will vary from the information presented even if the Assumptions occur, and the variations could be material. Readers are cautioned that the Revised Cash Flow Forecast may not be appropriate for other purposes.

28. The Revised Cash Flow Forecast shows that during the Revised Cash Flow Period, the Debtors will experience a new cash outflow of approximately $3.5 million. The Revised Cash Flow Forecast projects that during the Revised Cash Flow Period the Debtors should have sufficient liquidity, with funds advanced via the Monitor’s Borrowing Certificates. As detailed below, the Monitor believes that the amount on the Monitor’s Borrowing Certificates and Monitor’s Borrowing Charge is appropriate and necessary given the Revised Cash Flow Forecast and is limited to the amounts reasonably necessary.

BACKGROUND TO COURT-APPROVED SISP

29. As noted in the First Report, the Debtors had commenced a Debtor-led sale process (“**Previous Sales Process**”), with the Tim Lamb Group as their sales agent. The Monitor’s objective was to preserve momentum and, where transactions were substantially completed and commercially reasonable, seek Court approval to close near-ready deals.

30. Following the Monitor’s review of the Previous Sales Process, the Monitor was of the view that a more formal, Court-approved and supervised sales process was required to maximize realizations for the Debtors’ stakeholders. As such, the SISP was developed by the Monitor, in

consultation with the Sales Agent and BMO, to solicit interest in, and opportunities for, a sale of, or investment in, all or part of the Companies' Property (the **"Opportunity"**).

31. Following the SISP Approval Order, the Monitor together with the Sales Agent conducted the SISP in accordance therewith.

32. The SISP contemplated the following key features and milestones which could each be extended at the discretion of the Monitor, in consultation with the Sales Agent and BMO:

MILESTONE	**DEADLINE**
Go to market	Monday, September 8, 2025
Expression of Interest Deadline (EOI Deadline)	Friday, October 3, 2025 (12:00 PM MT)
EOI Selection Date	Tuesday, October 7, 2025
Binding Bid Deadline	Friday, October 24, 2025 (12:00 PM MT)
Selection of Qualified Bids	Tuesday, October 28, 2025
Selection of Successful Bidder(s) and Execution of Definitive Transaction Agreement(s)	Friday, October 31, 2025
Hearing of the Sale Approval Motion	Subject to Court availability, week of November 10, 2025
Closing the Transaction (Outside Date)	No later than Wednesday, December 3, 2025

33. The Sales Agent, in consultation with the Monitor, solicited non-binding expression of interests from interested parties after going to market. After receiving the EOIs, the Monitor, in consultation with the Sales Agent, assessed the EOIs to determine which parties to invite for submission of "Qualified Bids".

34. As set out above, the SISP established a binding bid deadline of October 24, 2025 (the "**Bid Deadline**"). A summary of the SISP results up to the Bid Deadline is as follows:

Dealership	Parties Contacted	NDAs Completed	EOIs Received	Invited to Bid	Bids Received
Squamish Chrysler			4	3	1
Sun Valley Nissan			3	2	1
Vermilion Chrysler			2	1	0
Arrow VW			4	2	2
Western Sport Products			0	0	0
Cranbrook Mitsubishi			6	4	1
Castle Ford			3	2	1
All Stores	7,784*	63*	22	14	6

Figures shown as aggregate as multiple parties had interest in all Dealerships.

35. Pursuant to paragraph 12 and 40 of the SISP, in consultation with the Sales Agent and BMO, the Monitor extended the "Selection of Qualified Bids" and "Selection of Successful Bidders and Execution of Definitive Transaction Agreements" by two (2) business days to Thursday, October 30th, 2025 and Tuesday November 4, 2025 respectively, to allow Monitor and Sales Agent additional time assess and confirm certain deal points and conditions associated with the bids. The remaining dates and milestone remained the same.

36. Of the six (6) bids received, only two (2) were deemed Qualified Bids, one (1) for the Arrow VW dealership and one (1) for the Castle Ford dealership. All other bids received contained significant conditions, including financing, and/or where the prospective purchasers would not be accepted by the respective OEM(s) to own and operate a dealership.

37. The letters of intent and asset purchase agreements from the Previous Sales Process were determined not to be Qualified Bids, with most offers remaining subject to financing that never materialized and/or prospective purchasers that were never going to be approved by the OEMs.

38. Now that a fulsome and transparent SISP has been run, the Monitor will continue to examine options to monetize the remaining dealership assets not subject to binding sale, which may include the sale of dealership(s) to other potential buyers that may still be interested and/or start a liquidation process for the remaining vehicles assets and real estate.

39. Additional details concerning the outcome of the SISP, including the number and nature of bids submitted, are set out in the confidential supplement to this Third Report (the "**Confidential Supplement**"). As discussed in greater detail below, the Monitor is seeking the Sealing Order with respect to the Confidential Supplement. Disclosure of this information in the public version of the Third Report could prejudice the Monitor's efforts to market and sell

the remaining property, compromise the integrity of the SISP and adversely impact stakeholder value.

PROPOSED TRANSACTIONS AND SALE AGREEMENTS

40. The Confidential Supplement includes additional details of the results of the SISP as it pertains to the Transactions. The Monitor, in consultation with the Sales Agent and BMO, determined that the binding bid submitted by the VW Purchaser (the "**Arrow VW Bid**") and Castle Ford Purchaser ("**Castle Ford Bid**") represented the highest and best offer received under the SISP for the respective assets and real properties. Accordingly, the Monitor designated the Arrow VW Bid and Castle Ford Bid as the Successful Bids on November 4, 2025.

41. Apart from the Arrow VW Bid and Castle Ford Bid, the Monitor did not receive bids for the purchase of other Dealerships' assets that would be considered a "Qualified Bid" based on the criteria set out in paragraph 29 of the SISP. As such, the Monitor has decided to not pursue any transactions on Dealerships other than Arrow VW and Castle Ford at the Application.

Arrow VW Transaction and Arrow VW Sale Agreement

42. Subject to Court approval, the Monitor, for and on behalf of the Arrow VW Vendors, intends to enter into the Arrow VW Sale Agreement. A copy of the draft Arrow VW Sale Agreement, which has the purchase price redacted, is attached hereto as **Appendix "G".**

43. An unredacted copy of the Arrow VW Sale Agreement is included in the Confidential Supplement. As at the date of the Third Report, the Arrow VW Sale Agreement has not been executed.

44. The Arrow VW Sale Agreement contemplates a transaction whereby the Arrow VW Purchaser will acquire substantially all of the assets and business operations of the Arrow VW Vendors (the "**Arrow VW Purchased Assets**"), excluding only those assets expressly identified in the Arrow VW Sale Agreement as "Excluded Assets".

45. The Arrow VW Purchased Assets include, among other things:

    a) all new, deferred new, and demonstrator vehicles as of closing, and certain used vehicles identified in advance of closing;

    b) the real properties which Arrow VW operates a dealership on, owned by Real Co, located at 2014 and 2034 Cranbrook Street North, Cranbrook, BC ("**Arrow VW Real Properties**");

c) parts and accessories, including "Obsolete Inventory", as of closing;

d) equipment, fixtures, furniture, and related assets used in the business; and

e) goodwill, licenses, permits, assigned contracts, customer deposits, warranty rights, work in progress, telephone and fax numbers, domain names, social media accounts, trade names, and software/hardware used in the business.

46. The Excluded Assets include any assets not specifically identified as "Purchased Assets" in the Arrow VW Sale Agreement, including, among other things, cash, bank accounts, short term investments, corporate records unrelated to the Arrow VW Purchased Assets, tax refunds, all "Receivables", insurance policies, and "Excluded contracts".

47. Given the inventory levels and other Arrow VW Purchased Assets may fluctuate (i.e. customer deposits) before closing, the Arrow VW Sale Agreement provides for a purchase price adjustment mechanism to align the cash purchase price with assets on hand at close.

48. No less than two (2) days before the closing date, the Arrow VW Vendors must provide the Monitor and Arrow VW Purchaser with a reconciliation (the "**Arrow VW Reconciliation**") including a physical count and listings of vehicles, parts, accessories, customer deposits, work in progress, and obsolete inventory.

49. Based on the Arrow VW Reconciliation, the Arrow VW Vendors will prepare a statement of adjustments reflecting agreed values for vehicles, parts, deposits, and work in progress no less than the day immediately prior to closing. Where figures cannot be finalized, the parties will agree on reasonable estimates that will be used and deemed final for closing.

a) This mechanism ensures the purchase price accurately reflects Arrow VW Vendors' actual vehicle inventory and other Purchased Assets at closing.

50. The Arrow VW Sale Agreement provides for the assignment of certain contracts (the "**Arrow VW Assigned Contracts**") which will assist the Purchaser in preserving continued operation of the Arrow VW dealership following closing. The Monitor is working with the Arrow VW Purchaser to obtain consent to assignment of the Arrow VW Assigned Contracts from applicable counterparties but otherwise will seek the Court's approval to assign the Arrow VW Assigned Contracts.

Employees

51. Under the Arrow VW Sale Agreement, the Arrow VW Purchaser is required to provide a list of employees to whom it will offer employment at least fourteen (14) days before closing of the Arrow VW Transaction. Those employees that accept offers will be "Transferred Employees".

52. The Arrow VW Purchaser will assume obligations for wages, benefits, and termination pay of the Transferred Employees on a post-hire basis, whereas vacation pay and overtime will be assumed on a pre-hire basis. Arrow VW remains responsible for obligations to employees who are not transferred, as well as for all other pre-closing obligations (excluding the pre-hire vacation pay and overtime assumed by the Arrow VW Purchaser).

Closing and Closing Conditions

53. The Arrow VW Transaction is conditional upon, among other things, (i) approval of the Arrow VW Sale Agreement by this Court, (ii) delivery of customary transfer documents, (iii) satisfactory phase I environmental site assessment of Arrow VW Real Properties, and (iv) regulatory and manufacturer approvals necessary to complete the transaction, including approval from the respective OEM and the Vehicle Sales Authority of British Columbia (the "**VSA**").

54. Closing of the Arrow VW Transaction is targeted for ten (10) business days following the later of: (i) waiver or satisfaction of the "Due Diligence Condition", and (ii) the date of issuance of the Arrow VW AVO and must occur no later than the "Outside Date", being January 15, 2026, or such other date as mutually agreed by the Arrow VW Vendors and Arrow VW Purchaser, with the consent of the Monitor and BMO.

Castle Ford Transaction and Castle Ford Sale Agreement

55. On November 6, 2025, subject to Court approval, the Monitor, for and on behalf of the Castle Ford Vendors, entered into the Castle Ford Sale Agreement. A copy of the Castle Ford Sale Agreement, which has the purchase price redacted is attached hereto as **Appendix** "**H**".

56. An unredacted copy of the Castle Ford Sale Agreement is included in the Confidential Supplement.

57. The Castle Ford Sale Agreement contemplates a transaction whereby the Castle Ford Purchaser will acquire substantially all of the assets and business operations of the Castle Ford Vendors (the "**Castle Ford Purchased Assets**"), excluding only those assets expressly identified in the Castle Ford Sale Agreement as "Excluded Assets".

58. The Castle Ford Purchased Assets include, among other things:

    a) all new, deferred new, and demonstrator vehicles as of closing, and certain used vehicles identified in advance of closing;

    b) the real property which Castle Ford operates a dealership on, owned by Real Co, located at 1050 Corner Mountain Street, Pincher Creek, AB (the "**Castle Ford Real Property**");

    c) parts and accessories as of closing;

    d) equipment, fixtures, furniture, and related assets used in the business; and

    e) goodwill, licenses, permits, assigned contracts, customer deposits, warranty rights, work in progress, telephone and fax numbers, domain names, social media accounts, trade names, and software/hardware used in the business.

59. The Excluded Assets include any assets not specifically identified as "Purchased Assets" in the Castle Ford Sale Agreement, including, among other things, cash, bank accounts, short term investments, corporate records unrelated to the Castle Ford Purchased Assets, tax refunds, all "Receivables", insurance policies, computer hardware, Obsolete Inventory and "Excluded Contracts".

60. Given the inventory levels and other Castle Ford Purchased Assets may fluctuate (i.e. customer deposits) before closing, the Castle Ford Sale Agreement provides for a purchase price adjustment mechanism to align the cash purchase price with assets on hand at close.

61. No more than four (4) and no less than two (2) days before the closing date, the Castle Ford Vendors must provide the Monitor and Castle Ford Purchaser with a reconciliation (the "**Castle Ford Reconciliation**") including a physical count and listings of vehicles, parts, accessories, customer deposits, and work in progress.

62. Based on the Castle Ford Reconciliation, the Castle Ford Vendors will prepare a statement of adjustments reflecting agreed values for vehicles, parts, deposits, and work in progress by no later than 3:00 p.m. Mountain Time on the day immediately prior to the closing date. Where figures cannot be finalized, the parties will agree on reasonable estimates that will be used and deemed final for closing. Where vehicle figures cannot be agreed upon by the parties, the Castle Ford Vendors will sell such retained vehicles on or around the closing date, and the Castle Ford Purchaser shall allow the Castle Ford Vendors to store and have access to the retained vehicles at the Castle Ford Real Property for a period of 45 days following closing date at no cost.

    a) This mechanism ensures the purchase price accurately reflects Castle Ford Vendors' actual vehicle inventory and other Purchased Assets at closing.

63. The Castle Ford Sale Agreement provides for the assignment of certain contracts (the "**Castle Ford Assigned Contracts**") which will assist the Purchaser in preserving continued operation of the Castle Ford dealership following closing. The Monitor is working with the Castle Ford Purchaser to obtain consent to assignment of the Castle Ford Assigned Contracts from applicable counterparties but otherwise will seek the Court's approval to assign the Castle Ford Assigned Contracts.

Employees

64. Under the Castle Ford Sale Agreement, the Castle Ford Purchaser is required to provide a list of employees to whom it will offer employment at least fourteen (14) days before closing of the Castle Ford Transaction. Those employees that accept offers will be "Transferred Employees".

65. The Castle Ford Purchaser will assume obligations for wages, benefits, and termination pay of the Transferred Employees on a post-hire basis, whereas vacation pay and overtime will be assumed on a pre-hire basis. Castle Ford remains responsible for obligations to employees who are not transferred, as well as for all other pre-closing obligations (excluding the pre-hire vacation pay and overtime assumed by the Castle Ford Purchaser).

Closing and Closing Conditions

66. The Castle Ford Transaction is conditional upon, among other things, (i) approval of the Castle Ford Sale Agreement by this Court, (ii) delivery of customary transfer documents, and (iii)

regulatory and manufacturer approvals necessary to complete the transaction, including approval from the respective OEM and the Alberta Motor Vehicle Industry Council (the "**AMVIC**").

67. Closing of the Castle Ford Transaction is targeted for the third business day following issuance of the Castle Ford AVO and must occur no later than the "Outside Date", being January 15, 2026, or such other date as mutually agreed by the Castle Ford Vendors and Castle Ford Purchaser, with the consent of the Monitor and BMO.

Monitor's Comments on the Transactions

68. The Monitor is of the view that the Arrow VW Bid represents the highest and best offer for the assets of the Arrow VW Vendors received in the SISP. The Monitor is also of the view that the Castle Ford Bid represents the highest and best offer received for the assets of the Castle Ford Vendors.

69. The Monitor believes that the SISP was conducted in a fair, transparent, and professional manner. The Monitor is satisfied that the process appropriately canvassed the market and that the Proposed Transactions represent the best outcomes available in the circumstances.

70. In reviewing the Arrow VW Bid and the Castle Ford Bid, the Monitor considered the following factors:

    a) the Arrow VW Bid represents the highest and best offer for the assets of the Arrow VW Vendors. The Castle Ford Bid represents the highest and best offer for the assets of Castle Ford Vendors;

    b) completion of the Arrow VW Transaction and Castle Ford Transaction will maintain the goodwill, customer base, and operating continuity for both Arrow VW and Castle Ford, which would be lost in a liquidation;

    c) completion of the Arrow VW Transaction and Castle Ford Transaction creates the potential for continued employment for existing employees of Arrow VW and Castle Ford, respectively, that are ultimately designated as Transferred Employees;

    d) BMO and the OEMs were consulted and are supportive of the Transactions, therefore reducing the closing risk; and

e) both the Transactions are structured to close early in the new year due to holiday season, reducing closing risk.

71. Based on this analysis, the Monitor is satisfied that:

    a) the SISP was transparent, fair, and reasonable, given the circumstances;

    b) BMO, who is expected to suffer a significant shortfall on outstanding amounts owed to it by the Debtors (as set out in greater detail below), was consulted throughout the SISP and supports the Transactions;

    c) the Transactions maximize value for stakeholders relative to available alternatives;

    d) the Transactions provide a going-concern outcome for Arrow VW and Castle Ford; and

    e) in the Monitor's view, the Transactions are a superior outcome when compared to anticipated recoveries in a bankruptcy proceeding, which would materially erode value available to the Debtors' creditors and stakeholders through forced liquidation of assets and result in a cessation of the Debtors' business.

72. The Monitor is of the view that the Transactions represent fair value in the circumstances and recommends that this Court approve the Transactions.

PROPOSED DISTRIBUTION TO BMO

73. As of August 12, 2025, BMO was owed in excess of $58 million (the "**Pre-Filing Credit Facilities**") net of accrued costs and interests, and as of the date of this Third Report, BMO has advanced $1,800,000 to the Monitor through issuance of Monitor's Borrowing Certificates (together with all applicable interest, fees and expenses, the "**Indebtedness**").

74. Based on the Revised Cash Flow Forecast and the anticipated proceeds arising from the Transactions, the Monitor is of the view that: (i) insufficient proceeds will be generated to pay the full amount of the Indebtedness owing to BMO described immediately above, and (ii) the Monitor will, subject to maintaining a reserve from distributions to BMO, hold sufficient cash to fund the post-filing obligations of the Debtors during the period of the Stay of Proceedings.

75. Accordingly, the Monitor requests authority from this Court to distribute the proceeds generated from any sale of the Debtors' assets to BMO from time-to-time, subject only to a

reasonable holdback, as determined by the Monitor, in consultation with BMO, sufficient to enable the Debtors to meet any post-filing obligations during the course of the CCAA Proceedings, including any necessary wind-down activities.

76. As described in the Second Report, the Monitor has been provided with an independent legal opinion from Miller Thomson which addresses the laws of Alberta and British Columbia, and provides that, subject to the customary assumptions and qualifications contained therein, BMO's security over the Summit Auto Group associated with its Pre-Filing Credit Facilities is valid and enforceable.

WESTCASTLE GMC

77. The Monitor was made aware on or about September, 2025 of a potential transaction in respect of Westcastle GMC and has been provided with a copy of a draft asset purchase agreement in respect of this transaction.

78. Given that MK Auto is the sole voting shareholder of Westcastle GMC, the Monitor has sought transparency and oversight in respect of the business and affairs of Westcastle GMC, pursuant to the Monitor's powers under the ARIO (including the authority to exercise any shareholder rights held by MK Auto) and the investigatory powers under the Stay Extension Order.

79. In particular, the Monitor made a number of important and time-sensitive information and document requests to Mr. Koch concerning Westcastle GMC, including requests for the corporate minute book of Westcastle GMC, the articles of incorporation, bylaws, shareholder and director registers, and all related corporate governance materials, access to the dealer management system, access to the last twelve (12) months of transactions for all Westcastle GMC bank accounts, and copies of any purchase offers relating to Westcastle GMC (the "**Westcastle Information Requests**"). Despite follow up, the Monitor has not received responses to the Westcastle Information Requests from Mr. Koch.

80. The Westcastle Information Requests are necessary for the Monitor to carry out its Court-appointed mandate to preserve and protect the property of MK Auto, which include its equity interests in Westcastle GMC.

81. On September 23, 2025, Miller Thomson delivered letter correspondence to counsel to the Debtors and Mr. Koch, and counsel to The Toronto Dominion Bank (secured creditor of

Westcastle GMC) requesting any information and visibility on any proposed transaction(s) related to Westcastle GMC. A copy of the letter correspondence is attached as **Appendix "I"**.

82. On October 21, 2025, counsel for the Monitor sent correspondence to then counsel for Mr. Koch requesting certain additional necessary documentation. A copy of the letter correspondence is attached as **Appendix "J"**.

83. The Monitor needs to have transparency and oversight of any transaction related to the Westcastle GMC business, including any proceeds of sale that may be for the benefit of MK Auto, as 100% voting shareholder.

84. The Monitor is seeking an order directing full access to all bank accounts, financial records, constating documents, minute books and other documents required by the Monitor in respect of the assets and/or business of Westcastle GMC.

85. A copy of the Alberta corporate registry search for Westcastle Dealership and Westcastle Real Co are attached hereto as **Appendix "K"** and **Appendix "L**" respectively.

86. Following the Monitor's Application materials being filed on November 5, 2025, the Monitor received email correspondence from Mr. Koch on November 7, 2025 with the debt balances of Westcastle GMC. This was one of the items previously requested by the Monitor, however to date the Monitor has not been provided with the remaining information requested.

MONITOR AND ITS COUNSEL'S FEES

87. Pursuant to paragraph 31 of the ARIO, the Monitor and its counsel are to be paid their reasonable fees and disbursements at their standard rates and charges. Pursuant to paragraph 32 of the ARIO, the Monitor and its counsel shall pass their accounts from time to time.

88. The Monitor seeks to have its fees and disbursements, including those of its legal counsel, approved by the Court. The Monitor and its counsel have maintained detailed records of their professional time and costs.

89. The Monitor's fees from September 1, 2025, to October 31, 2025, were $375,712.50, plus disbursements of $14,242.73, plus GST of $19,497.76 for a total of $409,452.99.

90. Miller Thomson's fees, as legal counsel to the Monitor, from September 1, 2025, to October 31 2025, were $121,725.50, plus disbursements of $469.86, plus GST of $6,099.54 for a total of $128,294.90.

91. A summary of the accounts rendered by the Monitor and its legal counsel is attached hereto as **Appendix "M"**. Detailed accounts are available for review by the Court upon request. The amount of the fees is based on the hourly rates of the professionals involved in this matter multiplied by actual time spent on this matter.

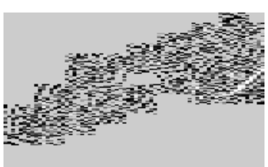
92. It is the Monitor's opinion that the fees and disbursements of the Monitor and Miller Thomson accurately reflect the work performed by the Monitor and Miller Thomson in connection with the administration of the CCAA Proceedings for the dates of their respective invoices. It is the Monitor's opinion that the fees and disbursements of Miller Thomson are fair, reasonable and justified in the circumstances. The Monitor recommends approval of Miller Thomson' accounts by this Court.

CONCLUSION

93. This Third Report has been prepared by the Monitor is in support of the Monitor's Application. For reasons set out herein, the Monitor respectfully recommends that this Court grant the relief set out in the Monitor's Application.

All of which is respectfully submitted this 7th day of November 2025.

BDO CANADA LIMITED, in its capacity
as the Monitor of the Summit Auto Group, and
not in its corporate or personal capacity.
Per:



Clark Lonergan, CA, CPA, CIRP, LIT
Partner/Senior Vice President

APPENDIX E

COURT FILE NUMBER	2501 - 13057
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
MATTER	IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, 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., AND 1272986 B.C. LTD.
APPLICANT	BANK OF MONTREAL
RESPONDENTS	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., AND 1272986 B.C. LTD.
DOCUMENT	**FOURTH REPORT OF BDO CANADA LIMITED, IN ITS CAPACITY AS THE COURT-APPOINTED MONITOR**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MILLER THOMSON LLP Eighth Avenue Place East 43rd Floor, 525 8th Avenue S.W. Attention: James W. Reid/Monica Faheim/Pavin Takhar Telephone: 403.298.2418 E-mail: jwreid@millerthomson.com mfaheim@millerthomson.com ptakhar@millerthomson.com

TABLE OF CONTENTS

LIST OF APPENDICES

INTRODUCTION

1. On August 22, 2025 (the "**Filing Date**"), upon the application by the Bank of Montreal ("**BMO**") in its capacity as senior secured lender to 2345137 Alberta Ltd. ("**Vermilion Chrysler**"), 1262113 B.C. Ltd. ("**Western Sport Products**"), 2497902 Alberta Ltd. ("**Castle Ford**"), 1175104 B.C. Ltd. ("**Cranbrook Mitsubishi**"), 1272986 B.C. Ltd. ("**Sun Valley Nissan**"), Summit V Auto Ltd. ("**Arrow Volkswagen"** or **"Arrow VW**", with Vermilion Chrysler, Western Sport Products, Castle Ford, Cranbrook Mitsubishi, and Sun Valley Nissan, the "**Omnibus Dealerships**"), 2437342 Alberta Ltd. ("**Squamish Chrysler**", with the Omnibus Dealerships, the "**Dealerships**"), Summit S Auto Ltd. ("**Real Co**", with the Omnibus Dealerships, the "**Omnibus Debtors**"), MK Auto K-M Ltd. ("**MK Auto**"), 1972207 Alberta Ltd. ("**197 AB**", with Squamish Chrysler, the "**Squamish Debtors**") and 2351497 Alberta Ltd. ("**235 AB**" with the Omnibus Debtors, the Squamish Debtors, and MK Auto, collectively, the "**Summit Auto Group**", the "**Debtors**", or the "**Companies**"), the Court of King's Bench of Alberta (the **"Court"**) issued an order (the **"Initial Order"**) granting protection to the Companies from their creditors under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the **"CCAA"**). Pursuant to the Initial Order, BDO Canada Limited (**"BDO"**) was appointed as monitor of the Companies (in such capacity, the **"Monitor"**).

2. Among other things, pursuant to the Initial Order the Court:

    a) granted an initial stay of proceedings (the "**Stay of Proceedings**") in favour of the Debtors until and including September 1, 2025, to stabilize the Debtors' operations and permit the Monitor to assess the Debtors' then ongoing sales process;

    b) appointed the Monitor and granted expanded powers of the Monitor during the CCAA proceedings (the "**CCAA Proceedings**");

    c) appointed the chief restructuring officer ("**CRO**"), Full Circle Automotive Solutions Inc. (**"Full Circle"**) over the Debtors;

    d) granted a charge over the Debtors' property (the "**Property**") to stand as security for payment by the Companies of the professional fees and disbursements of BMO's legal counsel, the Monitor and its independent legal counsel, and the CRO, in an aggregate amount not to exceed $350,000 (the "**Administration Charge**");

e) authorized the Monitor to borrow funds in the maximum amount of $500,000 to fund the Debtors' operations during the CCAA Proceedings and a charge over the Property to stand as security (the "**Monitor's Borrowing Charge**"); and

f) granted a charge over the Property to stand as security for the Debtors' obligation to indemnify the directors from any liabilities they may incur in such capacity from and after the commencement of the CCAA Proceedings, up to a maximum amount of $250,000 (the "**Director's Charge**", together with the Administration Charge and Monitor's Borrowing Charge, the "**Court Ordered Charges**").

3. The Initial Order contemplated a comeback application on August 27, 2025 (the "**Comeback Hearing**").

4. At the Comeback Hearing, the Court granted an amended and restated initial order (the "**ARIO**"). The ARIO, among other things:

a) extended the Stay of Proceedings until and including September 26, 2025;

b) approved an increase to the Administration Charge up to the maximum amount of $750,000;

c) approved an increase to the Monitor's Borrowing Charge up to the maximum amount of $3.5 million (plus interest, costs and fees);

d) authorized continued payments to BMO under the existing floor plan arrangements once the Monitor confirmed the validity of BMO's security; and

e) reaffirmed the Monitor's authority to manage and operate the Companies' businesses and oversee sales efforts through its expanded powers.

5. On September 19, 2025, upon the application of the Monitor, the Court granted the following additional orders:

a) an order (the "**Stay Extension Order**") which, among other things:

(i) extended the Stay of Proceedings up to and including November 21, 2025; and

(ii) granted the Monitor certain powers, in addition to and in no way limiting the powers of the Monitor as set out in the ARIO, to authorize the Monitor to conduct investigations, compel production of records relating to the Companies or the businesses of the Companies, and to compel examination under oath of any person reasonably thought to have knowledge relating to the Companies or the businesses of the Companies ("**Investigative Powers**"); and

b) an order (the "**SISP Approval Order**") which, among other things:

(i) approved a sale and investment solicitation process (the **"SISP"**); and

(ii) approved the appointment of the Debtors' pre-filing sales agent, the Tim Lamb Group (the **"Sales Agent"** or **"Tim Lamb"**) to administer and manage the SISP with the oversight of the Monitor.

6. On November 13, 2025, upon the application of the Monitor, the Court granted the following additional orders:

a) an order (the **"Second Stay Extension Order"**) which, among other things:

(i) extended the Stay of Proceedings up to and including January 30, 2026;

(ii) approved the activities of the Monitor since the Second Report;

(iii) approved the accounts of the Monitor and its legal counsel, Miller Thomson LLP (**"Miller Thomson"**), for fees and disbursements incurred to date;

(iv) authorized the Monitor to make distributions to BMO in its capacity as the senior secured lender;

(v) authorized the Monitor to have full access to all bank accounts, financial records, constating documents, minute books and other documents required by the Monitor in respect of the assets and/or business of 2412170 Alberta Ltd. (**"Westcastle Dealership"**) and 2416326 Alberta Ltd. (**"Westcastle RealCo"**), together operating as Westcastle Chevrolet Buick GMC ("**Westcastle GMC**"); and

(vi) temporarily sealed the Confidential Supplement to the Third Report until the termination of the within CCAA Proceedings or until further order of this Honourable Court;

b) an order (the "**Arrow VW AVO**") to approve and authorize the sale transaction (the "**Arrow VW Transaction**") for certain assets, undertakings and properties of Arrow VW and Real Co (together, the "**Arrow VW Vendors**"), pursuant to a purchase and sale agreement between the Arrow VW Vendors as vendors and K5 IG Holdings Inc. as purchaser (the "**Arrow VW Purchaser**") dated as of November 7, 2025 (the "**Arrow VW Sale Agreement**"); and

c) an order (the "**Castle Ford AVO**") to approve and authorize the sale transaction (the "**Castle Ford Transaction**", and together with the Arrow VW Transaction, the "**Transactions**") for certain assets, undertakings and properties of Castle Ford and Real Co (together, the "**Castle Ford Vendors**"), pursuant to a purchase and sale agreement between the Castle Ford Vendors as vendors and Davis Auto Group Ltd. as purchaser (the "**Castle Ford Purchaser**") dated as of November 6, 2025 (the "**Castle Ford Sale Agreement**").

7. To date, the Monitor has provided the Court with the following reports (the **"Previous Reports"**):

a) the Pre-Filing Report of the Proposed Monitor filed August 20, 2025 (the "**Pre-Filing Report**") in connection with the application for the Initial Order. The Pre-Filing Report (without appendices) is attached hereto as **Appendix "A"**;

b) the First Report of the Monitor filed August 27, 2025 (the "**First Report**") in connection with the application for the ARIO. The First Report (without appendices) is attached hereto as **Appendix "B"**; and

c) the Second Report of the Monitor filed September 10, 2025 (the "**Second Report**") in connection with the application for the Stay Extension Order and the SISP Approval Order. The Second Report (without appendices) is attached hereto as **Appendix "C"**; and

d) the Third Report of the Monitor filed on November 7, 2025 (the **"Third Report"**) in connection with the application for the Second Stay Extension Order, and approval of the Transactions. The Third Report (without appendices) is attached hereto as **Appendix "D"**.

PURPOSE

8. The purpose of this Fourth Report of the Monitor (the **"Fourth Report"**) is to provide information to the Court with respect to:

a) background information with regards to Westcastle GMC, including BDO's qualifications to act as the Monitor given its familiarity with Westcastle GMC, and BDO's activities to date with regards to Westcastle GMC;

b) initial findings of the CRO since its appointment as the director and officer of Westcastle GMC;

c) details of the Westcastle GMC sale process and the Westcastle GMC Transactions (as herein defined);

d) the Monitor's comments and recommendations with respect to the application returnable on January 7, 2025 (the "**Jan 7 Application**"), seeking orders for the following relief:

(i) first, an order, among other things:

I. including Westcastle Dealership and Westcastle RealCo within the ambit of the CCAA proceedings;

II. granting two (2) super priority charges against the Westcastle GMC Sale Proceeds (as herein defined), Remaining Sales Proceeds (as herein defined) and any remaining realizations from the excluded assets not purchased in the Westcastle GMC Transactions (together the **"Westcastle GMC Assets"**) subject only to the interest of the Toronto Dominion Bank ("**TD Bank**"):

a) first, the Westcastle Administration Charge (as hereinafter defined) in the amount of $250,000 in favour of the Professionals Group (as herein defined), to secure payment of professional fees and disbursements related specifically to Westcastle GMC; and

b) second, a charge up to a maximum amount of $150,000, to secure the payment of expenses required for the administration of the Westcastle GMC Assets (the "**Westcastle Borrowing Charge**") to cover for Monitor's borrowing directly from BMO through the issuance of Westcastle Borrowing Certificates.

III. authorizing the Monitor to make a pre-filing success fee payment to the Sales Agent for the Westcastle GMC Transactions; and

IV. authorizing the Monitor to make distributions to the senior secured lender of Westcastle GMC, TD Bank.

(ii) second, an order ("**Vesting Order**"), among other things,

I. certain of the assets, undertakings and properties of the Westcastle Dealership, pursuant to an asset purchase agreement (**"Westcastle Dealership Sale Agreement"**) between the Westcastle Dealership as vendor and 2672671 Alberta Ltd., a third-party purchaser (the **"Westcastle Dealership Purchaser"**), and two (2) real estate commercial purchase contracts between Westcastle RealCo and the Westcastle Dealership Purchaser (the **"Westcastle RealCo Sale Agreements"**, and together with the Westcastle Dealership Sale Agreement, the **"Westcastle Sale Agreements"**) in the name of the Westcastle Dealership Purchaser of Westcastle GMC's right, title and interest in and to the purchased assets free and clear of any claims and encumbrances (the **"Westcastle GMC Transactions"**);

9. The Previous Reports and other Court materials in connection with the CCAA Proceedings are available on the Monitor's website at: https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/summit-

automotive-group (the "**Monitor's Website**"). All Court documents and certain other relevant documents have been and will continue to be posted as they are made available.

10. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Previous Reports.

TERMS OF REFERENCE

11. In preparing this Fourth Report and making the comments herein, the Monitor has been provided with, and has relied upon, unaudited financial information, books and records prepared by the Debtors, the Gil Affidavit (herein defined), discussions between the CRO and management of the Debtors ("**Management**"), discussions with BMO and information from other third-party sources (collectively, the "**Information**"). Except as described in the Third Report in respect of the Revised Cash Flow Forecast:

    a) the Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("**GAAS**") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and

    b) some of the information referred to in this Fourth Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.

12. Future oriented financial information referred to in this Fourth Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variation could be significant.

13. Unless otherwise indicated, the Monitor's understanding of the factual matters expressed in this Fourth Report concerning the Debtors and their business is based on the Information, and not independent factual determinations made by the Monitor.

14. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

15. This Fourth Report should be read in conjunction with the affidavit of John Gil sworn August 15, 2025 (the **"Gil Affidavit"**), and the Previous Reports, which can be found on the Monitor's Website and contain background information with respect to the Companies' businesses and operations as well as matters leading up to the commencement of these CCAA Proceedings.

BACKGROUND INFORMATION

16. Westcastle GMC operated a Chevrolet, Buick and GMC dealership in Pincher Creek, Alberta. MK Auto is the sole voting shareholder and owns or controls 100% of the interests of Westcastle GMC. Westcastle GMC is an affiliate of the Summit Auto Group.

17. Westcastle GMC's primary secured creditor is TD Bank.

18. Initially, it was contemplated that Westcastle GMC would be a part of the CCAA Proceedings as it is an affiliate of the Summit Auto Group and share the same mind and management (including through the shared oversight from Mr. Michael Koch (**"Mr. Koch"**) and Mr. Don Liddell (**"Mr. Liddell**"). However, given that the primary secured creditor of Westcastle GMC is TD Bank rather than BMO, the Summit Auto Group determined that Westcastle GMC was to remain outside of the Summit Auto Group CCAA Proceedings. It is apparent to the Monitor that Westcastle GMC is intertwined with the Summit Auto Group entities for, but not limited to, the following:

    a) Prior to the Filing Date, Mr. Koch (majority owner), was actively involved in the management and operation of both Westcastle GMC and the Summit Auto Group;

    b) Mr. Liddell, who served as Chief Financial Officer (also minority owner of certain Dealerships) of the Summit Auto Group also acted as the senior finance resource for Westcastle GMC;

    c) During the period prior to the commencement of the CCAA Proceedings, management oversight and operational resources for Westcastle GMC and certain

Summit Auto Group dealerships were not fully independent. In particular, personnel were shared across Westcastle GMC and Castle Ford, including accounting and operational support; and

d) Prior to the CCAA Proceedings, Westcastle GMC and Castle Ford were marketed together for sale, first by Mr. Koch and later by Tim Lamb as part of the Debtor-led, pre-filing sales process. Castle Ford and Westcastle GMC are near one another in Pincher Creek, AB, and hence the two (2) dealerships historically operated with shared management oversight, including a previous general manager responsible for both stores. The joint sale approach was a result of this operational linkage and remained in place until an earlier proposed transaction did not proceed, after which Castle Ford and Westcastle GMC were marketed to be sold separately.

19. As outlined in Pre-Filing Report, prior to the CCAA filing, the Omnibus Debtors and Squamish Debtors operated under forbearance arrangements with BMO dated May 29, 2025, and June 9, 2025, respectively (collectively, the "**Forbearance Agreements**"). During this period, BMO required that dealership cashflows and value be preserved within the BMO financed entities, including prohibiting the Debtors from funding shared services with Westcastle GMC. As noted in the Fourth Report and the Second CRO Report, the Monitor and CRO have identified concerns regarding vehicle transfers under market values, related-party transactions, and undocumented intercompany advances that may have resulted in the erosion of BMO's collateral.

20. Once appointed, the Monitor met with Mr. Koch where he disclosed a sale of a minority stake in Westcastle GMC to Mr. Blake Tibbo ("**Mr. Tibbo**") which he indicated was drafted but never fully executed by both parties. Additionally, Mr. Koch noted that both TD Bank and the original equipment manufacturer ("**OEM**"), General Motors of Canada, ("**GMC**") were never notified by Mr. Koch of this proposed transaction notwithstanding OEM approval is required for such a transaction. The Monitor highlighted in its Second Report the unusual activities regarding third-party finance "pod" arrangements ("**Financing Pod(s)**"), including arrangements with Mr. Tibbo where funds from Squamish Chrysler, a BMO-financed debtor, were possibly redirected through separate entities and paid to Westcastle GMC. The Monitor understands that there were transfers or redirection of funds of at least $500,000. At or around

the time of these transfers, the Monitor understands that TD Bank demanded funds in similar amounts be injected into Westcastle GMC by Mr. Koch to cover certain defaults. These fund transfers are addressed later in the Fourth Report, where the Monitor discusses a reserve to be withheld in the Distribution Waterfall (herein defined) on funds from the Westcastle GMC Assets.

21. On September 22, 2025, Westcastle GMC entered into the Westcastle Sale Agreements, to sell substantially all of Westcastle GMC's operating assets to the Westcastle Dealership Purchaser, including real estate subject to customary conditions.

22. On November 7, 2025, the Monitor received letter correspondence requesting the shareholder consent of MK Auto pursuant to section 190 of the *Business Corporations Act*, RSA 2000, C B-9 (the **"Shareholder Resolution"**) in respect of the Westcastle GMC Transactions. The Monitor made various requests to Westcastle GMC in order to satisfy its own due-diligence and determine whether it should provide the Shareholder Resolution on behalf of MK Auto. Notwithstanding these requests, the Monitor did not obtain sufficient information required to satisfy its due diligence requirements.

23. On December 19, 2025 (**"Westcastle Closing Date"**), Westcastle GMC, the Sales Agent and counsel to TD Bank advised the Monitor that the Westcastle Dealership Purchaser had advanced funds and that the Westcastle GMC Transactions had closed.

24. The Monitor now understands that the Westcastle GMC director at the time, Mr. Koch, executed the Shareholder Resolution on behalf of MK Auto when he lacked the authority to do so.

25. The Westcastle Dealership Purchaser sent the purchase price outlined in the Westcastle Sale Agreements to Westcastle GMC's counsel in the amount of approximately $5.501 million and the Westcastle Dealership Purchaser's lender, the Royal Bank of Canada (**"RBC"**), sent its floor line vehicle financing directly to TD Bank in the amount of approximately $3.292 million (totalling ~$8.893 million, the **"Westcastle GMC Sale Proceeds"**), which the Monitor understands from TD Bank's counsel that those funds are being held in a suspense account pending full payout of the TD Bank debt. Additionally, the Monitor understands that the Westcastle Dealership Purchaser still has to send approximately $290k directly to TD Bank for

purchased vehicles that GMC did not reinvoice for in error (“**Remaining Westcastle GMC Sale Proceeds”**).

26. On December 19, 2025, a termination letter, was issued by Westcastle GMC to GMC and a new dealer code was issued by GMC to the Westcastle Dealership Purchaser. Mr. Koch also issued termination letters to each of the employees of Westcastle GMC (the **“Westcastle Former Employees”**), indicating that the Westcastle Dealership Purchaser has taken over and that they would offer employment to them on the same or similar terms and conditions as their current employment. A copy of the employee termination letter and offer of employment are attached hereto as **Appendix** “**E**” and **Appendix** “**F**”. The Westcastle Former Employees were to be paid (including accrued vacation pay) on December 24, 2025, for all time up to an including Westcastle Closing Date. The Monitor understands from the CRO that this final payroll payment was made.

27. On December 19, 2025, the then director and officer of Westcastle GMC, Mr. Koch, was replaced by Mr. Lionel Robins (**“Mr. Robins”**) of Full Circle, the Court-appointed CRO in the CCAA Proceedings.

28. Following entry into of the Westcastle Sale Agreements, certain creditors made registrations in the Alberta Personal Property Registry or Alberta Land Titles Office against the assets of Westcastle GMC, including Great North Auto and Financing Ltd. (**“Great North”**, which is owned and operated by Mr. Tibbo) and The Loan Store (the **“Westcastle GMC New Creditors”**). The Monitor notes that The Loan Store (or 1292709 Alberta Ltd. **“129 AB”**) operates under various other names such as Cars on Whyte, Auto Finance Lease and America Fleet, some of which were involved in unusual wholesale vehicle activity the Summit Auto Group and prior to the CCAA Proceedings. Attached hereto as **Appendix “G”** is 129 AB’s Alberta Motor Vehicle Industry Counsel (**“AMVIC”**) license.

    a) The Loan Store credit agreement dated April 3, 2024, for $1.9 million, at 35% interest rate, was only disclosed to the Monitor during a phone call with Mr. Koch’s insolvency counsel on or around December 15, 2025.

    b) The Monitor and the CRO also noted significant financial interactions between Westcastle GMC and The Loan Store (and/or other 129AB operating entities) around the Westcastle Closing Date where a number of vehicles were transferred to The Loan Store and related entities for little or no consideration by Mr. Koch. The Monitor understands that TD Bank has registered specific VIN security registration for some of these missing vehicles that remain part their floor line credit facilities. The Monitor, on behalf of Westcastle GMC, will seek to file its own security registrations once TD Bank is fully repaid, until a determination is made regarding the validity of the security, and in particular whether appropriate consideration was received.

29. On December 22, 2025, TD Bank's legal counsel delivered written correspondence to the Westcastle Dealership Purchaser's counsel confirming that:

    a) TD Bank did not consent to the closing of the Westcastle GMC Transactions;

    b) TD Bank has not delivered any discharges or releases of security;

    c) all inventory and proceeds of sale remain subject to TD Bank's security; and

    d) TD Bank is actively considering enforcement remedies, including:

        (i) appointment of a receiver;

        (ii) VIN-specific registrations over inventory; and

        (iii) other formal insolvency proceedings.

30. TD Bank further asserted that proceeds from vehicle sales belong to TD Bank and that the Westcastle Dealership Purchaser may be personally liable for proceeds and any erosion of collateral value.

31. The Westcastle Dealership Purchaser is therefore currently operating without clear and indefeasible title with regards to the purchased Westcastle GMC assets, while TD Bank has expressly reserved enforcement rights.

BDO'S QUALIFICATION TO ACT AS MONITOR OF WESTCASTLE GMC

32. BDO has been acting as Monitor in the CCAA Proceedings since its appointment under the Initial Order and, in that capacity, has developed detailed knowledge of the Summit Auto Group's operations, financial position, and stakeholder relationships.

33. Through its role as Monitor, BDO has been directly involved in reviewing and overseeing multiple investigative and reporting matters that relate to Westcastle GMC, including matters

relating to wholesale vehicle activity, intercompany and related-party transactions, flow of funds between Westcastle GMC and Summit Auto Group, and known governance and operational issues evident in both Westcastle GMC and the Summit Auto Group. The Monitor also notes that MK Auto, the sole voting shareholder of Westcastle GMC, is a part of the CCAA Proceedings, and that Westcastle GMC has historically operated with significant operational, management, and financial interconnectivity with other Summit Automotive Group entities. As a result, it is efficient and appropriate for BDO to act as Monitor in respect of Westcastle GMC, given its existing familiarity (see activities below) with the relevant operational matters and its ability to provide continuity of oversight within the existing CCAA framework.

34. BDO is a licensed insolvency trustee within the meaning of section 2 of the *Bankruptcy and Insolvency Act* (the **"BIA"**). BDO is not subject to any of the restrictions set out in section 11.7(2) of the CCAA on who may be appointed as Monitor.

35. The Monitor intends to continue with the previously retained counsel, Miller Thomson LLP, to act as its independent legal counsel in matters related to Westcastle GMC.

36. With regards to Westcastle GMC, the Monitor has:

a) engaged in extensive correspondence, at times through counsel, with:

(i) counsel for Westcastle GMC; and

(ii) counsel for TD Bank;

b) reviewed items related to the Westcastle GMC Transactions, including but not limited to:

(i) Westcastle Sale Agreements;

(ii) proposed distribution of Westcastle GMC Assets; and

(iii) Westcastle GMC Transactions related costs.

c) asserted and clarified the Monitor's right and authority to review and oversee the Westcastle GMC Transactions;

d) issued and reviewed multiple formal information requests seeking documentation related to Westcastle GMC, including the review of:

(i) corporate records and minute books;

(ii) bank statements and activities;

(iii) certain system reports produced by Westcastle GMC's dealer management system;

(iv) wholesale transactions listings;

(v) bills of sales for certain vehicles of interest; and

(vi) intercompany balances and transactions.

e) reviewed and considered the findings of the First CRO Report and Second CRO Report regarding governance, management involvement, and other relevant matters to Westcastle GMC;

f) reviewed and considered the implications of TD Bank's secured position over Westcastle GMC's assets;

g) replaced the director of Westcastle GMC to assist in the fair and equitable distribution of funds from the Westcastle GMC Transactions; and

h) worked closely with the CRO and Westcastle Dealership Purchaser to provide guidance regarding operation and financial cut-off issues associated with the snap-closing of the Westcastle GMC Transactions.

CRO'S FINDINGS REGARDING WESTCASTLE GMC

37. As previously reported, Full Circle was retained as the CRO in connection with the CCAA Proceedings. Following the closing of the Westcastle GMC Transactions, Mr. Robins of Full Circle was appointed as a director and officer of Westcastle GMC (the "**D&O Appointment**").

38. In connection with the D&O Appointment and based on the CRO's prior involvement with the Summit Auto Group and initial review of Westcastle GMC's operations, the CRO prepared a report setting out observations relevant to the Monitor's oversight (the "**Second CRO Report**"), a copy of which is attached hereto as **Appendix "H"**.

39. The Second CRO Report summarizes observations relating to, among other things:

a) wholesale vehicle activity at Westcastle GMC, including the timing of certain wholesale transactions;

b) interconnectivity between Westcastle GMC and Summit Auto Group Dealerships, including shared management involvement, personnel, systems access, and third-party counterparties;

c) Financing Pods that continued at Westcastle GMC following the commencement of the CCAA Proceedings;

d) financing arrangements involving Mr. Tibbo; and

e) other relevant considerations observed since the D&O Appointment.

40. In particular, the CRO observed that, management oversight, decision-making, and certain personnel and operational resources at Westcastle GMC were not clearly segregated from those of Summit Auto Group dealerships. The CRO also identified limited transparency in respect of certain transactions, compensation arrangements, and financing relationships.

41. The Monitor notes that the CRO's observations are based on information reviewed by the CRO, access to certain systems and records, and information provided to the CRO in the course of its duties.

INCLUSION OF WESTCASTLE GMC IN CCAA PROCEEDINGS

42. The Monitor seeks the inclusion of Westcastle Dealership and Westcastle RealCo as Applicants in the CCAA Proceedings for the following reasons, among others:

a) the Westcastle Dealership and Westcastle RealCo entities have acted, and are acting, in good faith and with due diligence;

b) the Westcastle Dealership and Westcastle RealCo entities are affiliate companies to the Summit Auto Group;

c) to bring the Westcastle GMC Transaction under Court supervision and vest the Purchased Assets free and clear of encumbrances to the Westcastle Purchaser;

d) to authorize and pay out TD Bank to remove a proven senior secured creditor and its accruing interest and professional fees;

e) to administer the assets, which were excluded from the Westcastle GMC

Transactions, and any proceeds thereof, and address any claims through an anticipated future claims process, as required;

f) to ensure the Monitor can complete its duties effectively through the extension of the Monitor’s existing Investigative Powers over Westcastle GMC; and

g) to ensure that Westcastle GMC obtains the benefit of the Stay of Proceedings, to provide the breathing space necessary for the CRO and Monitor to complete an efficient and cost-effective wind-up of Westcastle GMC.

43. The Westcastle GMC entities are insolvent and “debtor companies” to which the CCA applies and are eligible for protection under the CCAA.

44. As of the date of this Fourth Report, the Monitor understands that TD Bank is supportive of the inclusion of Westcastle GMC in the CCAA Proceedings on the following conditions:

a) a security opinion confirming the validity and enforceability of TD Bank’s security to support the proposed full repayment of the TD Bank Indebtedness as outlined in the Distribution Waterfall;

b) the Court shall have granted the following on or before January 7, 2026:

(i) the Vesting Order;

(ii) the proposed distribution to TD Bank to fully repay the TD Bank Indebtedness as outlined in the Distribution Waterfall (within 7 business days), which the Monitor has deemed to be valid and enforceable by obtaining an independent legal opinion from Miller Thomson;

(iii) an order which allows TD Bank to be unaffected by the CCAA Proceedings or any order granted in the CCAA Proceedings, in particular the Stay and any Court-ordered Charges; and

(iv) the Disputed Funds Reserve (herein defined) which is inclusive of any fees incurred by TD Bank up to $50,000 in response to any claims to be approved by Court and held by the Monitor in trust.

45. The Monitor and its counsel, remain in discussions with TD Bank and its counsel, and the Monitor is optimistic that all parties will agree to the Westcastle GMC inclusion in the CCAA Proceedings prior to the Jan 7 Application hearing given the above conditions are met.

    a) The Monitor understands that TD Bank intends to seek to appoint FTI (herein defined) as receiver of Westcastle GMC under the BIA if these conditions are not met.

46. According to the Revised Cash Flow Forecast (as described in the Third Report) and based on receipt of the Westcastle GMC Assets, there will be sufficient funding to operate the Debtors' businesses (inclusive of the Westcastle Dealership and Westcastle RealCo) during the Stay of Proceedings to January 30, 2026. A copy of the Revised Cash Flow Forecast is attached hereto as **Appendix "I"**.

<u>Circumstances Leading up the Inclusion of Westcastle GMC in the CCAA Proceedings</u>

47. In May and June 2025, the Summit Auto Group entities entered into the Forbearance Agreements which included terms limiting intercompany transfers and restricting cash flow to Westcastle GMC. At or around this time the, Summit Auto Group had approximately $6.4 million in sold-in-violation[1] (**"SIV"**) units with the BMO credit facilities (this number subsequently reached $11+ million at Filing Date). The Monitor was told by Mr. Koch and Mr. Liddel that Westcastle GMC had no SIV units with TD Bank.

48. Additionally, around that time Westcastle GMC was in breach of its financial and reporting obligations to TD Bank as of May 16, 2024, pursuant to a default letter issued by TD.

49. In August 2025, the commencement of the CCAA Proceedings impacted Mr. Koch's ability to transfer funds and resources between the respective entities. The Monitor and the CRO leading up to the Filing Date noted financial irregularities and transfers from the Summit Auto Group entities (namely Squamish Chrysler) to Westcastle GMC which was in contravention to the Forbearance Agreements. TD Bank and BMO were made aware by the Monitor of these financial irregularities.

---

[1] Sold-in-violation refers to vehicles that are sold by a dealership without the corresponding repayment of the secured lender's floorplan financing in accordance with the applicable lending arrangements, resulting in the lender's collateral being sold without the corresponding repayment.

50. On September 19, 2025, TD Bank issued a demand for repayment in the amount of $7,667,748.12 (as at September 11, 2025) and a Notice to Intention to Enforce Security in accordance with section 244 of the BIA.

51. On October 16, 2025, TD Bank engaged FTI Consulting Canada Inc. (**"FTI"**) as its financial advisor to perform a business review regarding Westcastle GMC. FTI issued a report on its findings at the end of October or early November 2025 (the **"FTI Report"**). The FTI Report assessed the Westcastle Sale Agreements and provided an estimated proceeds waterfall based on Westcastle GMC's balance sheet (assets and liabilities) at that time (the **"November 2025 Waterfall Estimate"**), which indicated that proceeds from asset realizations would range between $11.2 - $11.4 million (approximately $10.5 million was attributed to the Purchased Assets associated with the Westcastle GMC Transactions, including approximately $5 million in vehicle inventory and associated floor line financing of the same amount). The November 2025 Waterfall Estimate also indicated that all liabilities (including intercompany amounts owed to Arrow VW and Real Co) would be paid and that approximately $500k-$800k of surplus realization proceeds would be available to equity (MK Auto).

    a) FTI assumed the vehicle inventory to equal the debt associated with the respective vehicles (at or around Oct 31, 2025).

    b) The Loan Store debt of $1.9 million (principal only) was evidentially not disclosed to FTI, and as such, did not appear in the November 2025 Waterfall Estimate.

52. Per the actual realizations from the Westcastle GMC Transactions (detailed in the distribution section below), approximately $9.2 million was or will be received from the Westcastle Dealership Purchaser and the TD Bank debt is the same or higher which represents at a minimum a $1.3 million ($10.5 million less $9.2 million) erosion of value from the November 2025 Waterfall Estimate which is almost entirely due to a reduction of inventory.

53. Given the apparent misappropriation of inventory by Mr. Koch before and at the Westcastle Closing Date (which resulted in additional SIV units as the TD Bank debt for those vehicles remains outstanding) and the recently disclosed and registered The Loan Store debt (if valid), there will be a significant shortfall within the Westcastle GMC estates.

54. The Monitor believes it is just, convenient, necessary, and in the best interest of the Debtors and their stakeholders that Westcastle Dealership and Westcastle RealCo be included in the Stay of Proceedings.

WESTCASTLE GMC CHARGES

55. The Initial Order and ARIO provided for an Administration Charge, Monitor's Borrowing Charge and Directors Charge (the **"Court-ordered Charges"**). Given that TD Bank is the senior secured lender of Westcastle Dealership and Westcastle RealCo, the Court-ordered Charges will not apply to the Westcastle GMC Assets.

56. The proposed order provides for an administration charge up to a maximum amount of $250,000 (the "**Westcastle GMC Administration Charge**") in favour of counsel to BMO, the Monitor and its independent counsel and the CRO (the "**Professionals Group**"). Professional fee obligations secured by the Westcastle GMC Administration Charge are proposed to be paid out of the net Westcastle GMC Assets after TD Bank is repaid pursuant to the proposed distribution.

57. The Monitor is of the view that given the current liquidity constraints of Westcastle GMC, the proposed Westcastle Administration Charge is required and necessary. The Monitor is of the view that the Westcastle Administration Charge is necessary for the effective participation of the professionals in the CCAA Proceedings and believes the quantum of the Westcastle Administration Charge is reasonable in the circumstances based upon a review and assessment of the anticipated professional costs accrued to the date of this Fourth Report and to be incurred during this matter.

58. The proposed order provides for the Westcastle Borrowing Charge up to a maximum principal amount of $150,000 should funds be required to be borrowed from BMO through the issuance of borrowing certificates to fund for Westcastle GMC costs (the "**Westcastle Borrowing Certificates**"). The Westcastle Borrowing Charge provides for a charge for amounts not covered by the Westcastle Administration Charge.

59. The Monitor believes that the Westcastle Borrowing Charge is appropriate and necessary to fund any wind-down costs of the remaining Westcastle GMC operations given that the Westcastle GMC Assets after payment to TD Bank may be subject to potential secured claims.

60. The Monitor will maintain separate trust accounts and accounting for matters related to Westcastle GMC.

WESTCASTLE GMC SALE PROCESS AND WESTCASTLE GMC TRANSACIONS

Sales Process:

61. As noted in the Pre-Filing Report and First Report, the Debtors had commenced a Debtor-led sale process in 2024 led by Mr. Koch and in early 2025, where Tim Lamb Group was engaged as the sales agent ("**Previous Sales Process**").

62. On January 24, 2025, as part of the Previous Sales Process, Tim Lamb entered into an agreement to act as the sales agent and administer a sales process for both Westcastle GMC (the "**Westcastle Sales Process**") and Castle Ford to be marketed, and interested parties were encouraged to bid on one or both dealerships. A copy of the agreement is attached hereto as **Appendix "J"**.

63. As part of the Sales Agent's outreach efforts, the Sales Agent was able to reach over 1,000 franchised dealers and 380 non-franchised dealers in Canada with an email blast. In addition, the Sales Agent made a LinkedIn post which received over 7,700 impressions. Through continuous follow up by call or text to each dealer in Western Canada, the Sales Agent was able to attract 52 parties that signed a confidentiality agreement to access additional information. Of the 52 parties, 37 parties expressed interest in Westcastle GMC. Any expressed interest received with regards to Castle Ford was eventually included in the CCAA Proceedings.

64. Though the Westcastle Sales Process did not have a definitive timeline set for delivery of letters of intent ("**LOI**") or binding bids, the Sales Agent was able to secure one (1) LOI on August 22, 2025 (the "**Westcastle LOI**"). The Westcastle LOI included a non-solicitation / exclusivity clause that required the Sales Agent's marketing initiatives to be paused upon receipt, and ultimately resulted in the successful sale of Westcastle GMC's assets to the Westcastle Dealership Purchaser, for which the Sales Agent is owed a transaction fee of $100,000 plus GST from Westcastle GMC.

65. The Monitor seeks authorization from this Court to make the pre-filing transaction fee to the Sales Agent under its entitlement for the Westcastle GMC Transactions.

66. As a result of the Westcastle Sales Process, a purchaser was identified that the Monitor understands to be acceptable to both Mr. Koch, TD Bank and GMC.

Westcastle GMC Transactions and Westcastle Sale Agreements

67. On September 22, 2025, Westcastle Dealership entered into the Westcastle Dealership Sale Agreement with the Westcastle Dealership Purchaser. A copy of the Westcastle Dealership Sale Agreement is attached hereto as **Appendix "K".**

68. On September 23, 2025, Westcastle RealCo entered into the Westcastle RealCo Sale Agreements with the Westcastle Dealership Purchaser. Copies of the Westcastle RealCo Sale Agreements are attached hereto as **Appendix "L".**

69. The Westcastle Sale Agreements contemplate a transaction whereby the Westcastle Dealership Purchaser will acquire substantially all the assets and business operations of Westcastle GMC (the "**Westcastle Purchased Assets**"), excluding only those assets expressly identified in the Westcastle Dealership Sale Agreement as "Excluded Assets".

70. The Westcastle Purchased Assets include, among other things:

    a) all new, deferred new, and demonstrator vehicles as of closing, and certain used vehicles identified in advance of closing, unless defined as "Excluded Assets";

    b) the real properties which Westcastle Dealership operates on, owned by Westcastle RealCo, located at 1100 Waterton Avenue, Pincher Creek, AB ("**Westcastle Real Properties**") and severed into two (2) properties:

        (i) legal description Plan 9311234, Block 4, Lot 5; and

        (ii) legal description Plan 9311234, Block 4, Lot 6 (**"Lot 6"**).

    c) parts and accessories as agreed upon as of closing;

    d) equipment, fixtures, furniture, and related assets used in the business; and

    e) goodwill, licenses, permits, assigned contracts, customer deposits, warranty rights, work in progress, telephone and fax numbers, domain names, social media accounts, trade names, and software/hardware used in the business.

71. The Excluded Assets include any assets not specifically identified as "Purchased Assets" in the Westcastle Sale Agreements, including, among other things, cash, bank accounts, short term investments, corporate records unrelated to the Westcastle Purchased Assets, tax refunds, various receivables, insurance policies, and Westcastle Dealership's lease portfolio.

72. Given the inventory levels and other Westcastle Purchased Assets may fluctuate (i.e. customer deposits) before closing, the Westcastle Dealership Sale Agreement provides for a purchase price adjustment mechanism to align the cash purchase price with assets on hand at close.

73. On or prior to the Westcastle Closing Date, the Westcastle Dealership must provide the Westcastle Dealership Purchaser with a statement of adjustment including a physical count and listings of vehicles, parts, accessories, customer deposits, work in progress, and obsolete inventory.

74. The Westcastle Dealership Sale Agreement provides for the assignment of certain contracts which will assist the Westcastle Dealership Purchaser in preserving continued operation of the Westcastle GMC dealership following closing.

75. Based on closing documents provided by the Westcastle GMC Counsel, the Westcastle Purchaser and TD Bank, the Monitor understands the purchase price was as follows:

Westcastle GMC Transactions Purchase Price	
Goodwill, Fixed Asset, Parts, etc.	$1,700,000.00
Macleod Street Property	$50,092.13
Lot 6	$3,751,474.08
Received by Westcastle GMC Counsel	$5,501,566.21
Vehicle Inventory (Received by TD)	$3,392,163.35
Westcastle Sale Proceeds	$8,893,729.56
Remaining Westcastle Sale Proceeds	$290,547.39
Total Purchase Price	$9,184,276.95

Employees

76. Under the Westcastle Dealership Sale Agreement, the Westcastle Dealership Purchaser was to provide offers of employment to all of the "Vendor's Personnel", at the same salary and bonus plans, otherwise on no less favourable terms and conditions, including benefits.

77. On the Westcastle Closing Date, the Westcastle Dealership was required to terminate all Vendor's Personnel at the same time, and pay all amounts owing to Vendor's Personnel for wages, benefits, and overtime pay up to the Westcastle Closing Date.

Closing and Closing Conditions

78. The Westcastle GMC Transactions were conditional upon, among other things, (i) Westcastle Dealership Purchaser obtaining third-party financing, (ii) delivery of customary transfer documents, (iii) Westcastle RealCo and Westcastle Dealership Purchaser having entered into a real estate purchase contract, and (iv) regulatory and manufacturer approvals necessary to complete the transaction, including approval from the respective OEM and AMVIC.

79. Closing of the Westcastle GMC Transactions occurred on December 19, 2025.

<u>Monitor's Comments on the Westcastle GMC Transactions</u>

80. Following the Monitor's review of the Westcastle Sales Process, the Monitor is satisfied that the Sales Agent sufficiently canvassed the market. The process involved a broad marketing effort conducted by the Sales Agent, outreach to a wide range of potential purchasers, and the solicitation of interest over an extended period.

81. The Monitor is of the view that the purchase price reflects the fair value of the purchased Westcastle GMC assets. The Monitor further notes that TD Bank, as the primary secured lender, has reviewed the transaction and supports the Westcastle GMC Transactions and Mr. Koch, who closed the transaction without shareholder approval, appears to also be supportive. In the Monitor's view, these factors (along GMC's approval of the Westcastle Dealership GMC Purchaser) collectively support the conclusion that the Westcastle GMC Transactions represent a reasonable and appropriate outcome in the circumstances.

82. The Westcastle Dealership Purchaser is a bona fide purchaser for value.

83. Based on the above-mentioned facts, the Monitor recommends that this Court grant an Order vesting the Westcastle Purchased Assets in the name of the Westcastle Dealership Purchaser, free and clear of all encumbrances.

PROPOSED DISTRIBUTION

84. As of January 2, 2026, TD Bank was owed approximately $7,829,495 plus additional interest and fees of its professionals for December 2025 and up to and including repayment of the TD Bank debt (together with all applicable interest, fees and expenses, the "**TD Bank Indebtedness**"). Attached hereto as **Appendix "M"** is the TD Payout Email dated January 2, 2026.

85. The Monitor has been provided with an independent legal opinion from Miller Thomson which addresses the laws of Alberta, and provides that, subject to the customary assumptions and qualifications contained therein, TD Bank's security over Westcastle GMC associated with its TD Bank Indebtedness is valid and enforceable.

86. An interim distribution to TD Bank will prevent further accruing interest on the TD Bank Indebtedness benefitting the Westcastle GMC estate.

87. Based on the Westcastle GMC Sale Proceeds and Remaining Westcastle GMC Sale Proceeds arising from the Westcastle GMC Transactions and subject to maintaining a reserve for disputed funds and the new Court-ordered charges the estimated distribution waterfall (**"Distribution Waterfall"**) is as follows:

Westcastle GMC Transactions Estimated Distribution January 2, 2025	CDN$
1) Westcastle Dealership Sale Agreement	
Goodwill, Fixed Asset, Parts, etc.	$1,700,000.00
Vehicles (New - 44 Units)	$3,081,568.35
Vehicles (Used - 7 Units)	$310,595.00
	$3,392,163.35
Remaining Vehicles to Fund	$290,547.39
Total	$3,682,710.74
2) Westcastle RealCo Sale Agreements	
Macleod Street Property	$50,092.13
Lot 6	$3,751,474.08
Total	$3,801,566.21
Total Purchase Price	$9,184,276.95
Less:	
a) Sales Agent Fee	($105,000.00)
Funds available for Distribution	$ 9,079,276.95
b) TD Bank Debt as at January 2, 2025	($7,827,494.96)
Additional fees & interest	($200,000.00)
Total TD Indebtedness	($8,027,494.96)
c) Westcastle Administration Charge	($250,000.00)
d) Westcastle Borrowing Charge	($150,000.00)
e) Disputed Funds Reserve	($650,000.00)
Total Charges and Reserve	($1,050,000.00)
Remaining Funds After TD Payout, Charges & Reserve	$ 1,781.99

88. The Distribution Waterfall does not take into account any potential realizations from the excluded assets from the Westcastle GMC Transactions. The Monitor and the CRO are

currently trying to ascertain what asset may exist and/or be investigated to have assets returned to the Westcastle GMC estate for the benefit of its creditors.

89. The disputed funds reserve of $650,000 (the "**Disputed Fund Reserve**") relates to fund transfers from the Summit Auto Group entities to Westcastle GMC in contravention of the Forbearance Agreements and as highlighted in the Second Report. As previously mentioned, the Monitor and BMO notified TD Bank and its counsel that these transfers occurred and that they would be investigated in the CCAA Proceedings. The Monitor requires fulsome access to the Westcastle GMC books and records to assess these transactions (which to date has not been adequately provided despite various requests). The relevant parties have agreed that the Monitor shall hold these funds as a reserve pending a fulsome review by the Monitor and a claims process to be run at a later date.

90. Accordingly, the Monitor requests authority from this Court to distribute proceeds generated from the Westcastle GMC Transactions sufficient to repay the TD Bank Indebtedness.

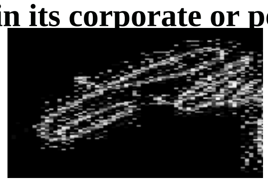
91. If appropriate, the Monitor will seek approval of a claims process order at a future date to address any competing creditor claims including but not limited to: Mr. Tibbo (or his related corporate entities) and The Loan Store.

CONCLUSION

92. This Fourth Report has been prepared by the Monitor in support of the Monitor's Application. For reasons set out herein, the Monitor respectfully recommends that this Court grant the relief set out in the Monitor's Application.

All of which is respectfully submitted this 5th day of January 2026.

BDO CANADA LIMITED, in its capacity
as the Monitor of the Summit Auto Group, and
not in its corporate or personal capacity.
Per:



Clark Lonergan, CA, CPA, CIRP, LIT
Partner/Senior Vice President

APPENDIX F

COURT FILE NUMBER	2501 - 13057
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
MATTER	IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, 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 ALBERTA LTD.
APPLICANT	BANK OF MONTREAL
RESPONDENTS	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 ALBERTA LTD.
DOCUMENT	**FIFTH REPORT OF BDO CANADA LIMITED, IN ITS CAPACITY AS THE COURT-APPOINTED MONITOR**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MILLER THOMSON LLP Eighth Avenue Place East 43rd Floor, 525 8th Avenue S.W. Attention: James W. Reid / Monica Faheim / Pavin Takhar Telephone: 403.298.2418 E-mail: jwreid@millerthomson.com mfaheim@millerthomson.com ptakhar@millerthomson.com

JUDICIAL CENTRE OF CALGARY
FILED DIGITALLY
2501 13057
Jan 15, 2026
10:03 AM
CLERK OF THE COURT

TABLE OF CONTENTS

LIST OF APPENDICES

INTRODUCTION

1. On August 22, 2025 (the “**Filing Date**”), upon the application by the Bank of Montreal (“**BMO**”) in its capacity as senior secured lender to 2345137 Alberta Ltd. (“**Vermilion Chrysler**”), 1262113 B.C. Ltd. (“**Western Sport Products**”), 2497902 Alberta Ltd. (“**Castle Ford**”), 1175104 B.C. Ltd. (“**Cranbrook Mitsubishi**”), 1272986 B.C. Ltd. (“**Sun Valley Nissan**”), Summit V Auto Ltd. (“**Arrow Volkswagen”** or **“Arrow VW**”, with Vermilion Chrysler, Western Sport Products, Castle Ford, Cranbrook Mitsubishi, and Sun Valley Nissan, the “**Omnibus Dealerships**”), 2437342 Alberta Ltd. (“**Squamish Chrysler**”, with the Omnibus Dealerships, the “**Dealerships**”), Summit S Auto Ltd. (“**Real Co**”, with the Omnibus Dealerships, the “**Omnibus Debtors**”), MK Auto K-M Ltd. (“**MK Auto**”), 1972207 Alberta Ltd. (“**197 AB**”, with Squamish Chrysler, the “**Squamish Debtors**”) and 2351497 Alberta Ltd. (“**235 AB**” with the Omnibus Debtors, the Squamish Debtors, and MK Auto, collectively, the “**Summit Auto Group**”, or the “**Companies**”), the Court of King’s Bench of Alberta (the **“Court”**) issued an order (the **“Initial Order”**) granting protection to the Companies from their creditors under the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the **“CCAA”**). Pursuant to the Initial Order, BDO Canada Limited (**“BDO”**) was appointed as monitor of the Companies (in such capacity, the **“Monitor”**).

2. Among other things, pursuant to the Initial Order the Court:

   a) granted an initial stay of proceedings (the “**Stay of Proceedings**”) in favour of the Companies until and including September 1, 2025, to stabilize the Debtors’ operations and permit the Monitor to assess the Companies’ then ongoing sales process;

   b) appointed the Monitor and granted expanded powers of the Monitor during the CCAA proceedings (the “**CCAA Proceedings**”);

   c) appointed the chief restructuring officer (“**CRO**”), Full Circle Automotive Solutions Inc. (**“Full Circle”**) over the Companies;

   d) granted a charge over the Companies’ property (the “**Property**”) to stand as security for payment by the Companies of the professional fees and disbursements of BMO’s legal counsel, the Monitor and its independent legal counsel, and the

CRO, in an aggregate amount not to exceed $350,000 (the "**Administration Charge**");

e) authorized the Monitor to borrow funds in the maximum amount of $500,000 to fund the Companies' operations during the CCAA Proceedings and a charge over the Property to stand as security (the "**Monitor's Borrowing Charge**"); and

f) granted a charge over the Property to stand as security for the Debtors' obligation to indemnify the directors from any liabilities they may incur in such capacity from and after the commencement of the CCAA Proceedings, up to a maximum amount of $250,000 (the "**Director's Charge**", together with the Administration Charge and Monitor's Borrowing Charge, the "**Court Ordered Charges**").

3. The Initial Order contemplated a comeback application on August 27, 2025 (the "**Comeback Hearing**").

4. At the Comeback Hearing, the Court granted an amended and restated initial order (the "**ARIO**"). The ARIO, among other things:

   a) extended the Stay of Proceedings until and including September 26, 2025;

   b) approved an increase to the Administration Charge up to the maximum amount of $750,000;

   c) approved an increase to the Monitor's Borrowing Charge up to the maximum amount of $3.5 million (plus interest, costs and fees);

   d) authorized continued payments to BMO under the existing floor plan arrangements once the Monitor confirmed the validity of BMO's security; and

   e) reaffirmed the Monitor's authority to manage and operate the Companies' businesses and oversee sales efforts through its expanded powers.

5. On September 19, 2025, upon the application of the Monitor, the Court granted the following additional orders:

   a) an order (the "**Stay Extension Order**") which, among other things:

      (i) extended the Stay of Proceedings up to and including November 21, 2025; and

(ii) granted the Monitor certain powers, in addition to and in no way limiting the powers of the Monitor as set out in the ARIO, to authorize the Monitor to conduct investigations, compel production of records relating to the Companies or the businesses of the Companies, and to compel examination under oath of any person reasonably thought to have knowledge relating to the Companies or the businesses of the Companies ("**Investigative Powers**"); and

b) an order (the "**SISP Approval Order**") which, among other things:

(i) approved a sale and investment solicitation process (the **"SISP"**); and

(ii) approved the appointment of the Debtors' pre-filing sales agent, the Tim Lamb Group (the **"Sales Agent"** or **"Tim Lamb"**) to administer and manage the SISP with the oversight of the Monitor.

6. On November 13, 2025, upon the application of the Monitor, the Court granted the following additional orders:

a) an order (the **"Second Stay Extension Order"**) which, among other things:

(i) extended the Stay of Proceedings up to and including January 30, 2026;

(ii) approved the activities of the Monitor since the Second Report;

(iii) approved the accounts of the Monitor and its legal counsel, Miller Thomson LLP (**"Miller Thomson"**), for fees and disbursements incurred to date;

(iv) authorized the Monitor to make distributions to BMO in its capacity as the senior secured lender;

(v) authorized the Monitor to have full access to all bank accounts, financial records, constating documents, minute books and other documents required by the Monitor in respect of the assets and/or business of 2412170 Alberta Ltd. (**"Westcastle Dealership"**) and 2416326 Alberta Ltd. (**"Westcastle RealCo"**), together operating as Westcastle Chevrolet Buick

GMC ("**Westcastle GMC**", and together with Summit Auto Group, the "**Debtors**"); and

(vi) temporarily sealed the Confidential Supplement to the Third Report until the termination of the within CCAA Proceedings or until further order of this Honourable Court;

b) an order to approve and authorize the sale transaction (the "**Arrow VW Transaction**") for certain assets, undertakings and properties of Arrow VW and Real Co (together, the "**Arrow VW Vendors**"), pursuant to a purchase and sale agreement between the Arrow VW Vendors as vendors and K5 IG Holdings Inc. as purchaser (the "**Arrow VW Purchaser**") dated as of November 7, 2025 (the "**Arrow VW Sale Agreement**"); and

c) an order to approve and authorize the sale transaction (the "**Castle Ford Transaction**", and together with the Arrow VW Transaction, the "**Transactions**") for certain assets, undertakings and properties of Castle Ford and Real Co (together, the "**Castle Ford Vendors**"), pursuant to a purchase and sale agreement between the Castle Ford Vendors as vendors and Davis Auto Group Ltd. as purchaser (the "**Castle Ford Purchaser**") dated as of November 6, 2025 (the "**Castle Ford Sale Agreement**").

7. On January 7, 2026, the Court granted an Order (the "**Westcastle GMC CCAA Order**") among other things:

a) Including each of the Westcastle GMC entities in the within CCAA Proceedings;

b) granting an administration charge in the in the maximum amount of $150,000 (the "**Westcastle Administration Charge**") in favour of counsel to BMO, the Monitor, the Monitor's counsel, and the CRO charging the Westcastle GMC Asssets (defined herein);

c) confirming The Toronto Dominion Bank ("**TD Bank**") is to be treated as an unaffected creditor in the CCAA Proceedings; and

d) authorizing the Monitor to make a distribution to the Sales Agent in the amount of $105,000.

8. On January 7, 2026, the Court further granted an Order vesting all of the rights, title and interests of Westcastle GMC in substantially all of its assets to 2672671 Alberta Ltd., a third-party purchaser (the **"Westcastle Dealership Purchaser"**) free and clear of all encumbrances pursuant to certain sale agreements.

9. On January 9, 2026, the Court granted an Order, amending and restating the Westcastle GMC CCAA Order (the "**Amended and Restated Westcastle GMC CCAA Order**"). The Amended and Restated Westcastle GMC CCAA Order, among other things:

    a) approved an increase to the Westcastle Administration Charge up to the maximum $250,000;

    b) provided for a charge up to a maximum amount of $150,000 (the "**Westcastle Borrowing Charge**"), to secure the payment of expenses required for the administration of certain assets of Westcastle GMC (the "**Westcastle GMC Assets**") to cover for the Monitor's borrowing directly from BMO through the issuance of borrowing certificates;

    c) authorized a distribution to TD Bank;

    d) created a holdback for a reserve of funds pending the resolution of certain disputes and unresolved claims (the "**Disputed Funds Reserve**"); and

    e) authorized a payment to counsel for Westcastle GMC in respect of the Westcastle GMC Transactions (defined herein).

10. To date, the Monitor has provided the Court with the following reports (the **"Previous Reports"**):

    a) the Pre-Filing Report of the Proposed Monitor filed August 20, 2025 (the "**Pre-Filing Report**") in connection with the application for the Initial Order. The Pre-Filing Report (without appendices) is attached hereto as **Appendix "A"**;

    b) the First Report of the Monitor filed August 27, 2025 (the "**First Report**") in connection with the application for the ARIO. The First Report (without appendices) is attached hereto as **Appendix "B"**;

c) the Second Report of the Monitor filed September 10, 2025 (the "**Second Report**") in connection with the application for the Stay Extension Order and the SISP Approval Order. The Second Report (without appendices) is attached hereto as **Appendix "C"**;

d) the Third Report of the Monitor filed on November 7, 2025 (the **"Third Report"**) in connection with the application for the Second Stay Extension Order, and approval of the Transactions. The Third Report (without appendices) is attached hereto as **Appendix "D"**; and

e) the Fourth Report of the Monitor filed on January 6, 2026 (the "**Fourth Report**") in connection with the Westcastle GMC CCAA Order. The Fourth Report (without appendices) is attached hereto as **Appendix "E"**.

PURPOSE

11. The purpose of this Fifth Report of the Monitor (the **"Fifth Report"**) is to provide information to the Court with respect to:

a) the activities of the Monitor since the Third Report;

b) the Debtors' actual cash flow results for the 9-week period ended January 4, 2026, versus the budgeted results for that period, as outlined in the Debtors' revised 13-week consolidated cash flow from November 3, 2025, to the week ended February 1, 2026 (the **"Revised Cash Flow Forecast"**);

c) an overview of the Debtors' updated 12-week consolidated cash flow forecast (the "**Second Revised Cash Flow Forecast**") for the period January 5, 2026, to March 29, 2026 (the "**Second Revised Cash Flow Period**");

d) the status of the ongoing Dealership sales and closing of the Transactions;

e) the status of Westcastle GMC and the closing of the Westcastle GMC Transactions;

f) the Monitor's comments and recommendations with respect to its application returnable on January 22, 2026 (the "**Application**") seeking:

(i) an order (the **"Third Stay Extension Order"**) to, among other things:

I. extend the Stay of Proceedings up to and including March 29, 2026, as supported by the Second Revised Cash Flow Forecast;

II. freezing and prohibiting The Loan Store (or 1292709 Alberta Ltd. **"129 AB"**), or any affiliates from transferring or otherwise dealing with any and all vehicles transferred from Westcastle GMC to the Loan Store, including the Unaccounted for Vehicles (as defined herein);

III. approve the accounts of the Monitor and its legal counsel, Miller Thomson LLP (**"Miller Thomson"**), for fees and disbursements incurred to date; and

(ii) such further and other relief as the Court may deem just and equitable.

12. The Previous Reports and other Court materials in connection with the CCAA Proceedings are available on the Monitor's website at: https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/summit-automotive-group (the "**Monitor's Website**"). All Court documents and certain other relevant documents have been and will continue to be posted as they are made available.

13. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Previous Reports.

TERMS OF REFERENCE

14. In preparing this Fifth Report and making the comments herein, the Monitor has been provided with, and has relied upon, unaudited financial information, books and records prepared by the Debtors, the Gil Affidavit (herein defined), discussions between the CRO and management of the Debtors ("**Management**"), discussions with BMO and information from other third-party sources (collectively, the "**Information**"). Except as described in the Fifth Report in respect of the Second Revised Cash Flow Forecast:

    a) the Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally

Accepted Assurance Standards ("**GAAS**") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and

b) some of the information referred to in this Fifth Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.

15. Future oriented financial information referred to in this Fifth Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variation could be significant.

16. Unless otherwise indicated, the Monitor's understanding of the factual matters expressed in this Fifth Report concerning the Debtors and their business is based on the Information, and not independent factual determinations made by the Monitor.

17. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

BACKGROUND INFORMATION

18. This Fifth Report should be read in conjunction with the affidavit of John Gil sworn August 15, 2025 (the **"Gil Affidavit"**), and the Previous Reports which can be found on the Monitor's Website and contain background information with respect to the Companies' businesses and operations as well as matters leading up to the commencement of these CCAA Proceedings.

MONITOR'S ACTIVITIES TO DATE

19. Since the date of the Third Report, the Monitor has:

a) continued to update the Monitor's Website;

b) continued to hold regular discussions with Management, the CRO, the Sales Agent and key stakeholders, including BMO, regarding operations, liquidity, and broader restructuring initiatives;

c) continued to assist the Companies with stakeholder communications;

d) provided oversight and support to the Companies' treasury functions, including cash flow reporting through:

   (i) implementing a weekly treasury monitoring protocol;

   (ii) conducting variance analysis between actual and forecasted cash flow and submitting variance updates to BMO; and

   (iii) facilitating interim financing requests/Monitor's borrowings;

e) supervised and assisted with activities related to the ongoing dealership sales , including but not limited to:

   (i) continuing discussions with the representatives of the Sales Agent regarding the status of offers;

   (ii) managing and supporting the closing of the Transactions;

   (iii) entering into the asset purchase agreement for the sale of Mitsubishi Cranbrook;

   (iv) developing strategies to market or liquidate the remaining Dealerships and their assets;

   (v) providing regular updates to key stakeholders, including OEMs and BMO, on the status of the remaining Dealership and sale opportunities;

f) continued review of personnel matters with the assistance of the CRO, and issued termination notices to certain personnel;

g) continued to investigate into numerous matters, irregularities, and concerns raised by the employees of the Companies, the CRO, and Management;

h) continued to correspond with the Companies' former ownership and TD Bank and its counsel with regards to the TD financed dealership, Westcastle GMC;

i) continued to respond to correspondence received from creditors and other parties regarding the CCAA Proceedings;

j) continued to participate in various discussions with Management and the CRO regarding operations, treasury functions, and vehicle sales activities;

k) corresponded with BMO, BMO's counsel, and the independent counsel to the Monitor, Miller Thomson, regarding matters related to these CCAA Proceedings;

l) engaged in correspondence with dealer finance partners or third-party finance providers through which the Dealerships submit customer credit applications on behalf of customers seeking vehicle financing at the point of sale;

m) prepared the Second Revised Cash Flow Forecast with the assistance of the CRO;

n) reviewed the Westcastle GMC Sale Agreements and Westcastle GMC Transactions;

o) attended the November 19, 2025, Court hearing;

p) brought an application to bring Westcastle GMC into the CCAA Proceedings;

q) prepared the Fourth Report;

r) attended the January 7, 2026 and January 9, 2026 Court hearings; and

s) prepared this Fifth Report.

UPDATE ON DEALERSHIP SALES AND CLOSING TRANSACTIONS

20. The Monitor, along with the Sales Agent has continued to actively market the remaining Dealerships.

21. In parallel with transaction specific discussions, the Sales Agent has undertaken additional marketing efforts and buyer outreach. Since the expiration of the SISP, the Sales Agent has implemented additional marketing initiatives, including:

a) continued direct outreach to franchised dealers across Alberta and British Columbia;

b) LinkedIn and email campaigns generating approximately 7,300 impressions; and

c) direct discussions with experienced general managers regarding potential ownership opportunities.

Cranbrook Mitsubishi

22. On behalf of Cranbrook Mitsubishi, the Monitor and JELD Auto Sales Ltd. (the "**Prospective Purchaser**") entered into asset and purchase agreement dated December 30, 2025 (the "**Cranbrook Mitsubishi APA**"). The Monitor and the Prospective Purchaser are in discussions with the original equipment manufacturer (the "**OEM**") to facilitate the transaction. The Cranbrook Mitsubishi APA was submitted to the OEM for approval. The Monitor and its counsel have entered into discussions with OEM and its counsel as the to the OEM's potential support of the transaction.

Squamish Chrysler

23. The Sales Agent and the Monitor continue to engage with three (3) interested parties for the sale of Squamish Chrysler.

24. At this stage, all offers are highly conditional. The Monitor will continue to support these prospective purchasers to facilitate a sale of Squamish Chrysler.

Vermillion Chrysler

25. There is one (1) interested party for the purchase of Vermilion Chrysler. This prospective purchaser has expressed an interest in submitting an offer and APA.

26. The Monitor and Sales Agent continue to assist and support the interested party with its due diligence requests.

27. If no offer is submitted within a reasonable period of time, or if the OEM is not prepared to provide its consent to the underlying contract, the Monitor intends to wind down Vermilion Chrysler as recommended by the Sales Agent.

Sun Valley Nissan

28. The Sales Agent continues to work with an interested party that is in the process of preparing an asset purchase agreement.

Western Sport Products

29. The Monitor and CRO are working together to liquidate approximately $50K-$75K of remaining inventory before disclaiming the lease which has been moved off-site.

30. The Monitor will be disclaiming the lease with respect to the real estate.

Arrow VW Transaction

31. The Arrow VW Transaction required a Phase I environmental site assessment (the "**Phase I**") be completed by a qualified third-party (the "**Environmental Consultant**") and result of such assessment, to be to the satisfaction of the Arrow VW Purchaser or a more comprehensive environmental assessment would be required.

32. The Phase I report was received by the Monitor on November 25, 2025 The Phase I report did not disclose and any material environmental concerns, however it included a recommendation to complete a Phase II environmental assessment (the "**Phase II**"). The Monitor understands from the Environmental Consultant that British Columbia regulations almost always require a Phase II to be completed for a satisfactory report to be issued.

33. The Arrow VW Transaction remains subject to completion of the Phase II.

34. The Arrow VW Purchaser is working with the Monitor to engage an assessor to complete the Phase II.

35. The Arrow VW Purchaser and Arrow VW Vendors entered into an agreement extending the outside date of the transaction from January 15, 2026, to March 1, 2026.

36. The Monitor expects the Arrow VW Transaction will close on or around March 1, 2026.

Castle Ford Transaction

37. The Castle Ford Transaction remains subject to OEM approval. The Monitor expects the OEM to approve the Castle Ford Transaction by the last week of January 2026.

38. The Castle Ford Purchaser and Castle Ford Vendors have or will be entering into an agreement extending the outside date of the transaction January 15, 2026, to February 6, 2026.

39. The Monitor and the CRO continue to work with the Castle Ford Purchaser to true-up and finalize the purchased asset amounts and various other operational transition items.

40. The Monitor expects the Castle Ford Transaction will close on February 1, 2026.

WESTCASTLE GMC

41. As set out above, on January 7, 2026, Westcastle GMC was brought into the within CCAA Proceedings.

42. The necessity for the inclusion of Westcastle GMC in the CCAA Proceedings is more thoroughly discussed in the Fourth Report. At a high level, Westcastle GMC is an affiliate of the Summit Auto Group, and intertwined with the Summit Auto Group, including having the same mind and management prior to the CCAA Proceedings, and sharing resources with Summit Auto Group entities.

43. On September 22, 2025, Westcastle GMC entered into the Westcastle Sale Agreements, to sell substantially all of Westcastle GMC's operating assets to the Westcastle Dealership Purchaser pursuant to an asset purchase agreement ("**Westcastle Dealership Sale Agreement**") between the Westcastle Dealership as vendor and two (2) real estate commercial purchase contracts between Westcastle RealCo as vendor (the "**Westcastle RealCo Sale Agreements**", and together with the Westcastle Dealership Sale Agreement, the "**Westcastle Sale Agreements**").

44. Notwithstanding the lack of shareholder consent for the Westcastle Sale Agreements, Westcastle GMC proceeded to close the corresponding transactions (the "**Westcastle GMC Transactions**").

45. Since the Monitor's appointment over Westcastle GMC, it has been working to facilitate the closing of Westcastle GMC Transactions, including:

    a) reviewing the Westcastle Sale Agreements, including:

        (i) the Westcastle RealCo Sale Agreements;

        (ii) the Westcastle Dealership Sale Agreement; and

        (iii) other Westcastle GMC Transactions related listings, records, etc.;

    b) various operational transition items with the Westcastle Dealership Purchaser;

    c) finalizing the purchase price and the obtaining the remaining funding from the respective parties;

d) reviewing legal bills associated with the transactions and obtaining the sales proceeds held in trust by those respective counsels; and

e) making the required distributions and payments set out in the Amended and Restated Westcastle GMC CCAA Order.

46. Further, the Monitor is working with the CRO to review all transactions and activities of Westcastle GMC including the wholesale vehicle sales and purchases. This preliminary review has included working with TD to understand financed vehicles that were unaccounted for at or around the close of the Westcastle GMC Transactions and the specific security registrations that were registered by TD's counsel regarding the same (the "**Unaccounted for Vehicles**").

47. There are a number of creditors and stakeholders with claims against Westcastle GMC. It is the intention of the Monitor that it will need a claims process to review all claims. Further, it intends to review the security and will also require a review of the validity and enforceability of these outstanding claims.

48. The Monitor will work with key stakeholders to develop a claims process in the coming weeks. The Monitor will seek Court approval of any proposed claims process.

STAY OF PROCEEDINGS EXTENSION

49. The Stay of Proceedings currently expires on January 30, 2026. The Monitor is requesting an extension of the Stay of Proceedings until March 29, 2026. The Monitor seeks an extension of the Stay of Proceedings for the following reasons, among others:

a) the Debtors, through the Monitor with its enhanced powers, are acting in good faith and with due diligence;

b) the Stay of Proceedings will provide the Monitor and Debtors with time to stabilize the businesses of the Debtors, complete and close the Arrow VW Transaction and Castle Ford Transaction , review potential transactions in respect of the remaining Dealerships, including any liquidations or wind down of the Dealerships, and develop a claims process in respect of Westcastle GMC; and

c) as of the date of this Fifth Report, the Monitor is not aware of any party opposed to the requested extension.

50. According to the Second Revised Cash Flow Forecast (as described below), there will be a need for approximately $1 million in funding to operate the Companies' businesses during the proposed extension of the Stay of Proceedings to March 29, 2026. This funding will be provided from a $1 million reserve to be withheld by the Monitor from the Castle Ford Transaction sales proceeds.

51. The Monitor believes it is just, convenient, necessary, and in the best interest of the Debtors and their stakeholders that the Stay of Proceedings be extended.

FREEZING OF UNNACCOUNTED FOR VEHICLES

52. The Monitor and the CRO have identified significant financial interactions between Westcastle GMC and The Loan Store (and/or other 129AB operating entities) where a number of vehicles were transferred to The Loan Store and related entities for little or no consideration by Mr. Michael Koch.

53. The Monitor understands that TD Bank has registered specific VIN security registration for some of these missing vehicles that remain part TD Bank's floor line credit facilities, including the Unaccounted for Vehicles.

54. In light of these transfers, the Monitor seeks a freezing order to ensure that there is no erosion of TD Bank's interest or Westcastle GMC's assets.

55. Additionally, the Monitor understands that irregular vehicle wholesale activities also have occurred, similar to transactions in other Summit Auto Group dealerships, as outlined the CRO's reports. The Monitor and its counsel are examining various options to undo these transactions and/or seek compensation from parties that may have benefited from them at the cost of the Westcastle GMC estate.

COMPANIES' RECEIPTS AND DISBURSEMENTS SINCE THIRD REPORT

56. The Monitor's Third Report included a Revised Cash Flow Forecast for the 13-week period from November 3, 2025, to the week ending February 1, 2026. A copy of the Revised Cash Flow Forecast is attached hereto as **Appendix "F"**.

57. The Monitor has reviewed the actual cash flow from operations for the 9-week period ending January 4, 2026 (the "**Second Review Period**"), through monitoring the banking activities of the Companies.

58. The Companies' actual cash flow from operations for the Review Period were below the projected cash usage as set out in the Revised Cash Flow Forecast for that same period by approximately $727,690. This variance is a combination of lower than forecast dealership activity (permanent differences) and certain timing differences of receipts and disbursements, outlined, as follows:

   a) the positive variance is largely due to the:

      (i) delay in professional and restructuring fee payments of approximately $898,000;

      (ii) reduction in the payment of trade-in vehicle lien payouts of approximately $189,000 primarily due to lower than forecasted new and used vehicle sales and/or lower lien amounts on the actual trade-in vehicles;

      (iii) decrease in contingency expenses that were not incurred of approximately $180,000;

      (iv) reduction in the net repayment of the outstanding Floorplan Credit Facilities for new and used vehicles sold (net of chatteling of new/used vehicles purchased or taken in as trade-ins) and borrowing costs/bank fees of approximately $136,000;

      (v) reduction in net operating (including rent, vendor, insurance payments and credit card payments) and contingency payments of approximately $25,000; and

      (vi) reduction in consulting fees of approximately $25,000; ($1,453,000);

   b) the above positive variances are partially offset by:

      (i) reduction in receipts from new/used vehicles sales and parts and services revenue (excluding GST/PST) of approximately $310,000;

      (ii) increase in net GST/PST payments of approximately $188,000;

      (iii) increase in vehicle purchases/dealer trades of approximately $87,000 not previously forecasted;

      (iv) increase in part purchases of approximately $58,000;

(v) increase in finance product costs of approximately $44,000 due to increase finance and insurance revenue; and

(vi) increase in payroll and associated benefits of approximately $36,000.

59. A summary of the variance analysis described above is attached hereto as **Appendix “G”**.

SECOND REVISED CASH FLOW FORECAST

60. The CRO, with the assistance of the Monitor, prepared the Second Revised Cash Flow Forecast for the purposes of projecting the Debtors’ estimated liquidity needs during the Second Revised Cash Flow Period. A copy of the Second Revised Cash Flow Forecast is attached hereto as **Appendix “H”**.

61. The Second Revised Cash Flow Forecast is presented on a weekly basis and represents the CRO’s estimates of the projected cash flow during the Second Revised Cash Flow Period. The Second Revised Cash Flow Forecast has been prepared using probable and hypothetical assumptions (the “**Assumptions**”) as set out in the notes to the Second Revised Cash Flow Forecast.

62. The Monitor has reviewed the Second Revised Cash Flow Forecast to the standard required of a Court-appointed monitor by section 23(1)(b) of the CCAA. In accordance with this standard, the Monitor conducted inquiries, performed analytical procedures, held discussions, and read documents related to the Information supplied to it by the CRO or employees of the Debtors.

63. Based on the Monitor’s review, nothing has come to its attention that causes it to believe, in all material respects, that:

a) the Assumptions are not consistent with the purpose of the Second Revised Cash Flow Forecast;

b) as at the date of this Fifth Report, the Assumptions are not suitably supported or do not provide a reasonable basis for the Second Revised Cash Flow Forecast, given the probable and hypothetical assumptions; or

c) the Second Revised Cash Flow Forecast does not reflect the Assumptions.

64. The Monitor notes that the Second Revised Cash Flow Forecast has been prepared solely for the purpose described above and since the Second Revised Cash Flow Forecast is based on Assumptions regarding future events, actual results will vary from the information presented

even if the Assumptions occur, and the variations could be material. Readers are cautioned that the Second Revised Cash Flow Forecast may not be appropriate for other purposes.

65. The Second Revised Cash Flow Forecast shows that during the Second Revised Cash Flow Period; the Debtors will experience a net cash outflow of approximately $2.3 million. The Second Revised Cash Flow Forecast projects that during the Second Revised Cash Flow Period the Debtors should have sufficient liquidity through a combination of approximately $682,649 cash on hand at the beginning of the Second Revised Cash Flow Period, funds advanced via the remaining $650,000 available pursuant to the Monitor's Borrowing Certificates, and $1 million of proceeds from the Castle Ford Transaction to be withheld as a reserve by the Monitor. As detailed below, the Monitor believes that the amount on the Monitor's Borrowing Certificates and Monitor's Borrowing Charge is appropriate and necessary given the Second Revised Cash Flow Forecast and is limited to the amounts reasonably necessary.

MONITOR AND ITS COUNSEL'S FEES

66. Pursuant to paragraph 31 of the ARIO, the Monitor and its counsel are to be paid their reasonable fees and disbursements at their standard rates and charges. Pursuant to paragraph 32 of the ARIO, the Monitor and its counsel shall pass their accounts from time to time.

67. The Monitor seeks to have its fees and disbursements, including those of its legal counsel, approved by the Court. The Monitor and its counsel have maintained detailed records of their professional time and costs.

68. The Monitor's fees from November 1, 2025, to November 30, 2025, were $150,745.00, plus disbursements of $5,628.67 , less a courtesy discount of $30,000.00, plus GST of $6,318.68,for a total of $132,692.35.

69. Miller Thomson's fees, as legal counsel to the Monitor, from November 1, 2025, to December 31 2025, were $88.337.00, plus disbursements of $502.89, plus GST of $4,430.26, for a total of $93,270.15 for the Companies' estate, and $39,896.50, plus disbursements of $0.00, plus GST of $5,186.55, for a total of $45,083.05 for Westcastle GMC' estate.

70. A summary of the accounts rendered by the Monitor and its legal counsel is attached hereto as **Appendix "I"**. Detailed accounts are available for review by the Court upon request. The

amount of the fees is based on the hourly rates of the professionals involved in this matter multiplied by actual time spent on this matter.

71. It is the Monitor's opinion that the fees and disbursements of the Monitor and Miller Thomson accurately reflect the work performed by the Monitor and Miller Thomson in connection with the administration of the CCAA Proceedings for the dates of their respective invoices. It is the Monitor's opinion that the fees and disbursements of Miller Thomson are fair, reasonable and justified in the circumstances. The Monitor recommends approval of Miller Thomson' accounts by this Court.

72. This Fifth Report has been prepared by the Monitor in support of the Monitor's Application. For reasons set out herein, the Monitor respectfully recommends that this Court grant the relief set out in the Monitor's Application.

All of which is respectfully submitted this 14th day of January 2026.

BDO CANADA LIMITED, in its capacity
as the Monitor of the Summit Auto Group, and
not in its corporate or personal capacity.
Per:

Clark Lonergan, CA, CPA, CIRP, LIT
Partner/Senior Vice President

APPENDIX G

COURT FILE NUMBER	2501 - 13057
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
MATTER	IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, 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 ALBERTA LTD.
APPLICANT	BANK OF MONTREAL
RESPONDENTS	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 ALBERTA LTD.
DOCUMENT	**SIXTH REPORT OF BDO CANADA LIMITED, IN ITS CAPACITY AS THE COURT-APPOINTED MONITOR**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MILLER THOMSON LLP Eighth Avenue Place East 43rd Floor, 525 8th Avenue S.W. Attention: James W. Reid / Stephen Mulrain / Pavin Takhar Telephone: 403.298.2418 E-mail: jwreid@millerthomson.com smulrain@millerthomson.com ptakhar@millerthomson.com

JUDICIAL CENTRE OF CALGARY
FILED DIGITALLY
2501 13057
Mar 19, 2026
10:30 AM
CLERK OF THE COURT

TABLE OF CONTENTS

LIST OF APPENDICES

Appendix "A" – Pre-Filing Report of the Proposed Monitor dated August 20, 2025 (without appendices)

Appendix "B" – First Report of the Monitor dated August 27, 2025 (without appendices)

Appendix "C" –Second Report of the Monitor dated September 10, 2025 (without appendices)

Appendix "D" – Third Report of the Monitor dated November 7, 2025 (without appendices)

Appendix "E" – Fourth Report of the Monitor dated January 5, 2026 (without appendices)

Appendix "F" – Fifth Report of the Monitor dated January 14, 2026 (without appendices)

Appendix "G" – Correspondence re Westcastle GMC Vehicles

Appendix "H" – Correspondence re Loan Store / Squamish Chrysler Transactions

Appendix "I" – Second Revised Cash Flow Forecast

Appendix "J" – Second Revised Cash Flow Variance Analysis

Appendix "K" – Third Revised Cash Flow Forecast

Appendix "L" – Professional Fees Schedule

INTRODUCTION

1. On August 22, 2025 (the "**Filing Date**"), upon the application by the Bank of Montreal ("**BMO**") in its capacity as senior secured lender to 2345137 Alberta Ltd. ("**Vermilion Chrysler**"), 1262113 B.C. Ltd. ("**Western Sport Products**"), 2497902 Alberta Ltd. ("**Castle Ford**"), 1175104 B.C. Ltd. ("**Cranbrook Mitsubishi**"), 1272986 B.C. Ltd. ("**Sun Valley Nissan**"), Summit V Auto Ltd. ("**Arrow Volkswagen"** or **"Arrow VW**", with Vermilion Chrysler, Western Sport Products, Castle Ford, Cranbrook Mitsubishi, and Sun Valley Nissan, the "**Omnibus Dealerships**"), 2437342 Alberta Ltd. ("**Squamish Chrysler**", with the Omnibus Dealerships, the "**Dealerships**"), Summit S Auto Ltd. ("**Real Co**", with the Omnibus Dealerships, the "**Omnibus Debtors**"), MK Auto K-M Ltd. ("**MK Auto**"), 1972207 Alberta Ltd. ("**197 AB**", with Squamish Chrysler, the "**Squamish Debtors**") and 2351497 Alberta Ltd. ("**235 AB**" with the Omnibus Debtors, the Squamish Debtors, and MK Auto, collectively, the "**Summit Auto Group**", or the "**Companies**"), the Court of King's Bench of Alberta (the **"Court"**) issued an order (the **"Initial Order"**) granting protection to the Companies from their creditors under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the **"CCAA"**). Pursuant to the Initial Order, BDO Canada Limited (**"BDO"**) was appointed as monitor of the Companies (in such capacity, the **"Monitor"**).

2. Among other things, pursuant to the Initial Order the Court:

   a) granted an initial stay of proceedings (the "**Stay of Proceedings**") in favour of the Companies until and including September 1, 2025, to stabilize the Companies' operations and permit the Monitor to assess the Companies' then ongoing sales process;

   b) appointed the Monitor and granted expanded powers of the Monitor during the CCAA proceedings (the "**CCAA Proceedings**");

   c) appointed the chief restructuring officer ("**CRO**"), Full Circle Automotive Solutions Inc. (**"Full Circle"**) over the Companies;

   d) granted a charge over the Companies' property (the "**Property**") to stand as security for payment by the Companies of the professional fees and disbursements of BMO's legal counsel, the Monitor and its independent legal counsel, and the

CRO, in an aggregate amount not to exceed $350,000 (the "**Administration Charge**");

e) authorized the Monitor to borrow funds in the maximum amount of $500,000 to fund the Companies' operations during the CCAA Proceedings and a charge over the Property to stand as security (the "**Monitor's Borrowing Charge**"); and

f) granted a charge over the Property to stand as security for the Companies' obligation to indemnify the directors from any liabilities they may incur in such capacity from and after the commencement of the CCAA Proceedings, up to a maximum amount of $250,000 (the "**Director's Charge",** together with the Administration Charge and Monitor's Borrowing Charge, the "**Court Ordered Charges**").

3. The Initial Order contemplated a comeback application on August 27, 2025 (the "**Comeback Hearing**").

4. At the Comeback Hearing, the Court granted an amended and restated initial order (the "**ARIO**"). The ARIO, among other things:

   a) extended the Stay of Proceedings until and including September 26, 2025;

   b) approved an increase to the Administration Charge up to the maximum amount of $750,000;

   c) approved an increase to the Monitor's Borrowing Charge up to the maximum amount of $3.5 million (plus interest, costs and fees);

   d) authorized continued payments to BMO under the existing floor plan arrangements once the Monitor confirmed the validity of BMO's security; and

   e) reaffirmed the Monitor's authority to manage and operate the Companies' businesses and oversee sales efforts through its expanded powers.

5. On September 19, 2025, upon the application of the Monitor, the Court granted the following additional orders:

   a) an order (the "**Stay Extension Order**") which, among other things:

(i) extended the Stay of Proceedings up to and including November 21, 2025; and

(ii) granted the Monitor certain powers, in addition to and in no way limiting the powers of the Monitor as set out in the ARIO, to authorize the Monitor to conduct investigations, compel production of records relating to the Companies or the businesses of the Companies, and to compel examination under oath of any person reasonably thought to have knowledge relating to the Companies or the businesses of the Companies ("**Investigative Powers**"); and

b) an order (the "**SISP Approval Order**") which, among other things:

(i) approved a sale and investment solicitation process (the **"SISP"**); and

(ii) approved the appointment of the Debtors' pre-filing sales agent, the Tim Lamb Group (the **"Sales Agent"** or **"Tim Lamb"**) to administer and manage the SISP with the oversight of the Monitor.

6. On November 13, 2025, upon the application of the Monitor, the Court granted the following additional orders:

a) an order (the **"Second Stay Extension Order"**) which, among other things:

(i) extended the Stay of Proceedings up to and including January 30, 2026;

(ii) approved the activities of the Monitor since the Second Report;

(iii) approved the accounts of the Monitor and its legal counsel, Miller Thomson LLP (**"Miller Thomson"**), for fees and disbursements incurred to date;

(iv) authorized the Monitor to make distributions to BMO in its capacity as the senior secured lender;

(v) authorized the Monitor to have full access to all bank accounts, financial records, constating documents, minute books and other documents required by the Monitor in respect of the assets and/or business of 2412170 Alberta Ltd. (**"Westcastle Dealership"**) and 2416326 Alberta Ltd.

(**"Westcastle RealCo"**), together operating as Westcastle Chevrolet Buick GMC ("**Westcastle GMC**", and together with Summit Auto Group, the "**Debtors**"); and

(vi) temporarily sealed the Confidential Supplement to the Third Report (the "**Confidential Report**") until the termination of the within CCAA Proceedings or until further order of this Honourable Court;

b) an order to approve and authorize the sale transaction (the "**Arrow VW Transaction**") for certain assets, undertakings and properties of Arrow VW and Real Co (together, the "**Arrow VW Vendors**"), pursuant to a purchase and sale agreement between the Arrow VW Vendors as vendors and K5 IG Holdings Inc. as purchaser (the "**Arrow VW Purchaser**") dated as of November 7, 2025 (the "**Arrow VW Sale Agreement**"); and

c) an order to approve and authorize the sale transaction (the "**Castle Ford Transaction**", and together with the Arrow VW Transaction, the "**Transactions**") for certain assets, undertakings and properties of Castle Ford and Real Co (together, the "**Castle Ford Vendors**"), pursuant to a purchase and sale agreement between the Castle Ford Vendors as vendors and Davis Auto Group Ltd. as purchaser (the "**Castle Ford Purchaser**") dated as of November 6, 2025 (the "**Castle Ford Sale Agreement**").

7. On January 7, 2026, the Court granted an Order (the "**Westcastle GMC CCAA Order**") among other things:

a) including each of the Westcastle GMC entities in the within CCAA Proceedings;

b) granting an administration charge in the in the maximum amount of $150,000 (the "**Westcastle Administration Charge**") in favour of counsel to BMO, the Monitor, the Monitor's counsel, and the CRO charging the Westcastle GMC Assets (defined herein);

c) confirming The Toronto Dominion Bank ("**TD Bank**") is to be treated as an unaffected creditor in the CCAA Proceedings; and

d) authorizing the Monitor to make a distribution to the Sales Agent in the amount of $105,000.

8. On January 7, 2026, the Court further granted an Order vesting all of the rights, title and interests of Westcastle GMC in substantially all of its assets to 2672671 Alberta Ltd., a third-party purchaser (the **"Westcastle GMC Purchaser"**) free and clear of all encumbrances pursuant to certain sale agreements (collectively the "**Westcastle GMC Transactions**").

9. On January 9, 2026, the Court granted an Order, amending and restating the Westcastle GMC CCAA Order (the "**Amended and Restated Westcastle GMC CCAA Order**"). The Amended and Restated Westcastle GMC CCAA Order, among other things:

   a) approved an increase to the Westcastle Administration Charge up to the maximum $250,000;

   b) provided for a charge up to a maximum amount of $150,000 (the "**Westcastle Borrowing Charge**"), to secure the payment of expenses required for the administration of certain assets of Westcastle GMC (the "**Westcastle GMC Assets**") to cover for the Monitor's borrowing directly from BMO through the issuance of borrowing certificates;

   c) authorized a distribution to TD Bank;

   d) created a holdback for a reserve of funds pending the resolution of certain disputes and unresolved claims (the "**Disputed Funds Reserve**"); and

   e) authorized a payment to counsel for Westcastle GMC in respect of the Westcastle GMC Transactions.

10. On January 22, 2026, the Court granted an Order (the "**Third Stay Extension Order**"), which, among other things:

   a) extended the Stay of Proceedings up to and including March 29, 2026;

   b) directed that certain vehicles (the "**Westcastle GMC Vehicles**") which were transferred from Western GMC to The Loan Store ("**Loan Store**") and/or 1292709 Alberta Ltd. (the "**129 AB**") were to be frozen, and required that, among other things, a reporting of the location of the Westcastle GMC Vehicles and any proceeds realized from same by the parties was provided to the Monitor within three (3) business days from the date of the Order;

c) approved the registration by the Monitor, on a *nunc pro tunc* basis, over the serial numbers associated with the Westcastle GMC Vehicles in the Alberta Personal Property Registry (or any other applicable registry) (collectively, the "**PPR**");

d) approved the activities of the Monitor as set out in the Fourth Report and Fifth Report; and

e) approved the accounts of the Monitor and Miller Thomson, for fees and disbursements as set out in the Fifth Report

11. To date, the Monitor has provided the Court with the following reports (the **"Previous Reports"**):

a) the Pre-Filing Report of the Proposed Monitor filed August 20, 2025 (the "**Pre-Filing Report**") in connection with the application for the Initial Order. The Pre-Filing Report (without appendices) is attached hereto as **Appendix "A"**;

b) the First Report of the Monitor filed August 27, 2025 (the "**First Report**") in connection with the application for the ARIO. The First Report (without appendices) is attached hereto as **Appendix "B"**;

c) the Second Report of the Monitor filed September 10, 2025 (the "**Second Report**") in connection with the application for the Stay Extension Order and the SISP Approval Order. The Second Report (without appendices) is attached hereto as **Appendix "C"**;

d) the Third Report of the Monitor filed on November 7, 2025 (the **"Third Report"**) in connection with the application for the Second Stay Extension Order, and approval of the Transactions. The Third Report (without appendices) is attached hereto as **Appendix "D"**;

e) the Fourth Report of the Monitor filed on January 6, 2026 (the "**Fourth Report**") in connection with the Westcastle GMC CCAA Order. The Fourth Report (without appendices) is attached hereto as **Appendix "E"**; and

f) the Fifth Report of the Monitor filed on January 14, 2026 (the "**Fifth Report**") in connection with the application for the Third State Extension Order. The Fifth Report (without appendices) is attached hereto as **Appendix "F"**.

PURPOSE

12. The purpose of this Sixth Report of the Monitor (the **"Sixth Report"**) is to provide information to the Court with respect to:

a) the activities of the Monitor since the Fifth Report;

b) the Debtors' actual cash flow results for the 5-week period ended March 8, 2026, versus the budgeted results for that period, as outlined in the Debtors' second revised 12-week consolidated cash flow from January 5, 2026, to the week ended March 29, 2026 (the **"Second Revised Cash Flow Forecast"**);

c) an overview of the Companies' updated 12-week consolidated cash flow forecast (the "**Third Revised Cash Flow Forecast**") for the period March 9, 2026, to May 31, 2026 (the "**Third Revised Cash Flow Period**");

d) a brief operational update in relation to the engagement of the CRO and the proposed wind-down and liquidation in respect of Western Sport Products and Vermillion Chrysler;

e) the status of the ongoing Dealership sales and closing of the Transactions;

f) an update on the Westcastle GMC proceedings;

g) an update on the Monitor's investigations and certain identified transactions to date;

h) the Monitor's comments and recommendations with respect to its application returnable on March 26, 2026 (the "**Application**") seeking:

(i) an order (the **"Fourth Stay Extension Order"**) to, among other things:

I. extend the Stay of Proceedings up to and including May 29, 2026;

II. approve the return of the Westcastle GMC Vehicles and the sale of the Westcastle GMC Vehicles by the Monitor;

III. approve the sale of the remaining inventory of Western Sport Products and a distribution of the net proceeds realized to the first secured creditor over these assets, Northpoint Commercial Finance Inc. ("**Northpoint**");

IV. approve the wind-down and liquidation of Vermilion Chrysler;

V. approve the activities of the Monitor as set out in this Sixth Report;

VI. approve the additional accounts of the Monitor and its legal counsel, Miller Thomson, for fees and disbursements incurred and as set out in this Sixth Report; and

(ii) an order (the "**Claims Procedure Order**") to approve a claims procedure to adjudicate creditor claims as against Westcastle GMC (the "**Claims Procedure**"); and

(iii) such further and other relief as the Court may deem just and equitable.

13. The Previous Reports and other Court materials in connection with the CCAA Proceedings are available on the Monitor's website at: https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/summit-automotive-group (the "**Monitor's Website**"). All Court documents and certain other relevant documents have been and will continue to be posted as they are made available.

14. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Previous Reports.

TERMS OF REFERENCE

15. In preparing this Sixth Report and making the comments herein, the Monitor has been provided with, and has relied upon, unaudited financial information, books and records prepared by the Debtors, the Gil Affidavit (herein defined), discussions between the CRO, the Operations Consultant (as defined herein) and/or management of the Debtors ("**Management**"), discussions with BMO and information from other third-party sources (collectively, the "**Information**"). Except as described in the Sixth Report in respect of the Third Revised Cash Flow Forecast:

a) the Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("**GAAS**") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and

b) some of the information referred to in this Sixth Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.

16. Future oriented financial information referred to in this Sixth Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variation could be significant.

17. Unless otherwise indicated, the Monitor's understanding of the factual matters expressed in this Sixth Report concerning the Debtors and their business is based on the Information, and not independent factual determinations made by the Monitor.

18. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

BACKGROUND INFORMATION

19. This Sixth Report should be read in conjunction with the affidavit of John Gil sworn August 15, 2025 (the **"Gil Affidavit"**), and the Previous Reports which can be found on the Monitor's Website and contain background information with respect to the Companies' businesses and operations as well as matters leading up to the commencement of these CCAA Proceedings.

MONITOR’S ACTIVITIES

20. Since the date of the Fifth Report, the Monitor has:

a) continued to update the Monitor’s Website;

b) continued to hold regular discussions with Management, the CRO, the Sales Agent and key stakeholders, including BMO, regarding operations, liquidity, and broader restructuring initiatives;

c) continued to assist the Companies with stakeholder communications;

d) continued to provide oversight and support to the Companies’ treasury functions, including cash flow reporting through:

(i) overseeing the weekly treasury monitoring protocol established by the Monitor;

(ii) conducting variance analysis between actual and forecasted cash flow and submitting variance updates to BMO; and

(iii) facilitating interim financing requests/Monitor’s borrowings;

e) supervised and assisted with activities related to the ongoing sale or liquidation of the Dealerships, including but not limited to:

(i) continuing discussions with the representatives of the Sales Agent regarding the status of offers and corresponding directly with certain interested parties;

(ii) managing and supporting the closing of the Transactions (as applicable to date);

(iii) developing strategies to market or liquidate the remaining Dealerships and their assets;

(iv) providing regular updates to key stakeholders, including OEMs and BMO, on the status of the remaining Dealerships, sale opportunities and/or liquidation strategies;

f) continued the review of personnel matters with the assistance of the CRO, and issued termination notices to certain personnel;

g) continued to investigate into numerous matters, irregularities, and concerns raised by the employees of the Companies, the CRO, and Management;

h) continued to correspond with the Companies' former ownership and TD Bank and its counsel with regards to the TD financed dealership, Westcastle GMC;

i) continued to respond to correspondence received from creditors and other parties regarding the CCAA Proceedings;

j) continued to participate in various discussions with Management and the CRO regarding operations, treasury functions, and vehicle sales activities;

k) corresponded with BMO, BMO's counsel, and the independent counsel to the Monitor, Miller Thomson, regarding matters related to these CCAA Proceedings;

l) engaged in correspondence with dealer finance partners or third-party finance providers through which the Dealerships submit customer credit applications on behalf of customers seeking vehicle financing at the point of sale;

m) prepared and issued notices of disclaimer of commercial lease agreement related to Western Sport Products;

n) issued an interim distribution of the net proceeds from the Castle Ford Transaction to BMO;

o) registered a security interest at the PPR as against the Westcastle GMC Vehicles;

p) with the assistance of Miller Thomson, as applicable, corresponded with and held discussions with the OEM in respect to the Cranbrook Mitsubishi Transaction (defined herein) and related approval of the OEM;

q) negotiated and amended the terms of the CRO and engaged the Operations Consultant (defined and discussed below);

r) developed the Claims Procedure with the assistance of Miller Thomson;

s) prepared the Third Revised Cash Flow Forecast with the assistance of the CRO;

t) attended the Monitor’s application seeking the relief set out in the Fifth Report;

u) prepared this Sixth Report; and

v) attended to other miscellaneous administrative items in respect to these CCAA Proceedings.

BRIEF OPERATIONAL UPDATE

21. The Monitor provides a brief operational update on certain material items below relating to the CRO and the liquidation / wind-down of Western Sport Products and Vermilion Chrysler.

Update to CRO / Full Circle Engagement

22. Given the closing or imminent closing of the various Dealership transactions, coupled with the proposed wind-down / liquidation of both Western Sport Products and Vermilion Chrysler, among other reasons, Full Circle’s engagement has been amended and reduced to a more limited scope, effective March 1, 2026.

23. Full Circle will continue to assist the Monitor with the finance and accounting functions of the active Dealerships (the “Finance / Accounting Function”) on an ongoing basis through these CCAA Proceedings. The Finance / Accounting Function will encompass providing “CFO” and controller services to the Companies and/or the Dealerships that remain in operation, which will include, among other things, the preparation of monthly financials and bank reporting, assistance with cash flow planning and preparation, and assistance with accounts payable and accounts receivable management.

24. Over and above the Finance / Accounting Function, Full Circle will continue to be engaged, however on an hourly contract basis effective March 1, 2026, to assist the Monitor with various activities that may be necessary to continue to advance the CCAA Proceedings.

25. Notwithstanding the amendment to Full Circle's engagement, the Monitor will continue to refer to Full Circle as the CRO herein as it relates to its role in such capacity prior to and during these CCAA Proceedings.

26. Full Circle also assisted with the Westcastle GMC transaction and also with various operational and finance transitional items associated with the sale of the respective assets. This work is expected to be completed by the end of March 2026.

Operations Consultant

27. In addition to the continued engagement of Full Circle but on a more limited scope basis, as set out above, the Monitor has engaged Mr. Justin Gebara (through his established numbered company) as an operations consultant ("**Mr. Gebara**" or the "**Operations Consultant**").

28. The Operations Consultant will assist the Monitor with the oversight and management of the ongoing operations of the remaining Dealerships, the completion of the remaining Dealership sale transactions, and the implementation of other wind-down and/or liquidation activities, among other things, as required by the Monitor in these CCAA Proceedings.

29. Mr. Gebara brings considerable experience in the automotive industry, with over 25 years of industry experience, including having served as President of a large group of dealerships. In addition, the Monitor has previously worked directly with Mr. Gebara on similar restructuring mandates. As a result, the Monitor believes that Mr. Gebara also possesses relevant experience and familiarity with insolvency and restructuring proceedings.

<u>Western Sport Products</u>

30. In January 2026 the Monitor issued its formal disclaimer notice pursuant to the CCAA with respect Western Sport Products' real property commercial lease.

31. The remaining inventory of Western Sport Products, which include approximately 20 powersports units and related parts inventory (the "**Western Sport Inventory**"), have been relocated to the location of Vermilion Chrysler.

32. The Monitor, with the assistance of the CRO and the Operations Consultant, has developed a liquidation plan to realize on the Western Sport Inventory, which will encompass a retail-oriented auction of these assets ("**Western Sport Liquidation**"). The sale proceeds from the Western Sport Liquidation are estimated to range from $50K-$75K.

33. Pursuant to the ARIO, the Monitor is empowered to sell, convey, transfer, lease or assign the Companies' property or any part or parts thereof out of ordinary course of business without the approval of the Court in respect of any transactions not exceeding $100,000, provided that the aggregate consideration for all such transactions does not exceed $1,000,000.

34. Notwithstanding the foregoing, the Monitor is seeking the Court's approval of the Western Sport Liquidation, as it submits that no viable alternative exists and the Western Sport Liquidation has been developed and will be conducted in an effort to maximize recoveries in the circumstances.

35. Northpoint has a registered security interest as against the Western Sport Inventory in relation to floor plan financing provided to Western Sport Products up to the maximum amount of $250,000. Northpoint has advised the Monitor that it is owed approximately $129,673 as of March 10, 2026 (the "**Northpoint Indebtedness**").

36. Miller Thomson has issued a security opinion in respect of Northpoint's security over the Western Sport Inventory, which has confirmed it to be valid and enforceable, and in first priority over these assets (i.e., in priority to BMO in respect to these assets), subject to the customary qualifications and assumptions contained therein.

37. Based on the foregoing, the Monitor anticipates that there will be insufficient net proceeds available to fully repay the Northpoint Indebtedness.

38. The Monitor held a discussion with Northpoint in respect of the Western Sport Liquidation, and based on this, the Monitor understands that Northpoint is supportive of the proposed liquidation.

Vermilion Chrysler

39. Despite significant efforts undertaken through the SISP and thereafter, no viable offer or transaction has been presented in respect of Vermilion Chrysler.

40. As such, and based on a recommendation by the Sales Agent, the Monitor is in the process of winding down Vermilion Chrysler.

41. The wind-down / liquidation plan for Vermillion Chrysler (the "**Vermilion Chrysler Wind-Down and Liquidation**"), which has been developed with the assistance of the CRO and the Operations Consultant, will include, among other things:

    a) the wind-down of operations, with operations currently targeted to cease on March 30, 2026;

    b) the return of certain parts and 2026 vehicle inventory to the OEM, to the extent that the OEM will accept such returns;

    c) the liquidation of the remaining parts and vehicle inventory (pre-2026 vehicle inventory and used vehicle inventory) not returned to the OEM, either through a sale to Squamish Chrysler (who would attempt to sell to an end-user/customer), or through an auction; and

    d) the termination of all employees of Vermillion Chrysler, effective the final day of operations.

42. The Third Revised Cash Flow Forecast anticipates that all net proceeds (excluding real estate) will go to pay down BMO's floor plan financing. Anticipated real estate proceeds, similar to other sale transaction proceeds, have been excluded from the Companies' cash flow forecasts.

43. The Monitor is seeking the Court's approval of the Vermilion Chrysler Wind-Down and Liquidation. The Monitor submits that no viable alternative exists and the Vermilion Chrysler Wind-Down and Liquidation has been developed and will be conducted in an effort to maximize recoveries in the circumstances.

UPDATE ON DEALERSHIP SALES AND CLOSING TRANSACTIONS

44. The Monitor, along with the assistance of the Sales Agent, has continued to actively market the remaining Dealerships.

45. In parallel with transaction specific discussions, the Sales Agent has continued to undertake additional marketing efforts and buyer outreach. Since the expiration of the SISP, the Sales Agent has continued to implement additional marketing initiatives, including:

    a) continued direct outreach to franchised dealers across Alberta and British Columbia;

    b) LinkedIn and email campaigns generating approximately 7,300 impressions; and

    c) direct discussions with experienced general managers regarding potential ownership opportunities.

Castle Ford Transaction

46. The Castle Ford Transaction successfully closed on February 2, 2026, and the Monitor's Certificate has been filed with the Court confirming same.

Westcastle Transactions

47. The Westcastle Transactions successfully closed on December 19, 2026, and as set out above, Westcastle GMC was brought into the CCAA Proceedings with an Order granted on January 7, 2026, which vested the Westcastle GMC assets to the Westcastle GMC Purchaser.

Arrow VW Transaction

48. As set out in the Fifth Report, the Arrow VW Transaction required that a further Phase II environmental assessment (the "**Phase II**") be completed.

49. The Phase II report was received by the Monitor on or about February 27, 2026, which did not disclose any material environmental concerns.

50. As a result of the Phase II, the closing date with the Arrow VW Purchaser is scheduled for March 19, 2026. Accordingly, the Arrow VW Purchaser and the Monitor are currently working to close this transaction.

Pincher Creek Real Property

51. Arrow VW also owns a real estate property located in Pincher Creek, Alberta, encompassing an industrial property which was used for storage (the "**Pincher Creek Real Property**").

52. Two (2) informal offers to purchase the Pincher Creek Real Property have been submitted to the Monitor.

53. To consider a potential transaction with one of the interested parties noted above, the Monitor commissioned an appraisal on the Pincher Creek Real Property.

54. Subject to the results of the appraisal, the Monitor, on behalf of Arrow VW, intends to either enter into a transaction for the sale of the Pincher Creek Real Property, subject to Court approval, or alternatively, list the Pincher Creek Real Property for sale through a licensed commercial real estate broker in an effort to obtain a more favourable offer or transaction price.

Squamish Chrysler

55. The Sales Agent and the Monitor continue to engage with three (3) interested parties in connection with the sale of Squamish Chrysler. However, all offers submitted by these parties were highly conditional.

56. While the Monitor and the Sales Agent are continuing efforts to address the conditions of the offerors, at present, the Monitor is uncertain as to whether a viable transaction is possible with these parties.

Sun Valley Nissan

57. The Sales Agent has sought offers from three (3) known interested parties.

58. Only one (1) of these offers has been submitted as of this Sixth Report which contains significant conditions which the Monitor and the OEM are trying to work through.

Cranbrook Mitsubishi

59. As set out in the Fifth Report, on behalf of Cranbrook Mitsubishi, the Monitor entered into an Agreement of Purchase and Sale, dated December 30, 2025 (the "**Cranbrook Mitsubishi Sale Agreement**"), with a proposed purchaser (the "**Cranbrook Mitsubishi Purchaser**"), for the sale of Cranbrook Mitsubishi (the "**Cranbrook Mitsubishi Transaction**").

60. Following execution by the parties, the Cranbrook Mitsubishi Sale Agreement was submitted to the original equipment manufacturer, Mitsubishi Motor Sales of Canada Inc. ("**OEM**"), for approval.

61. The OEM initially refused to provide its approval, citing reasons related to a lack of Mitsubishi specific dealership experience and dealership experience in the Cranbrook, British Columbia, market on the part of the Cranbrook Mitsubishi Purchaser, notwithstanding the Cranbrook Mitsubishi Purchaser's extensive experience in owning and operating other branded dealerships.

62. To address the OEM's initial concerns, the Cranbrook Mitsubishi Purchaser engaged an individual with significant experience with the Mitsubishi brand to serve as the dealership's general manager, with such individual agreeing to relocate to Cranbrook, British Columbia, to assume this role upon successful completion of the transaction. Furthermore, as part of the initially proposed structure, this individual was also granted an option to acquire an equity interest in the purchasing entity at a future date.

63. Notwithstanding the foregoing, the OEM subsequently raised additional concerns regarding the proposed ownership structure.

64. The Cranbrook Mitsubishi Purchaser advised that it was agreeable to modifying its proposed ownership structure to address the OEM concerns.

65. On March 6, 2026, the OEM provided its dealer application to the Cranbrook Mitsubishi Purchaser. The Cranbrook Mitsubishi Purchaser is in the process of preparing and submitting its application to the OEM for approval.

66. As the Cranbrook Mitsubishi Purchaser and the Monitor have or will have addressed all the concerns of the OEM, the Monitor anticipates that the OEM will provide its approval following the submission of the dealer application.

67. Based on the foregoing, the Monitor anticipates seeking Court approval of the Cranbrook Mitsubishi Sale Agreement at a future application to be scheduled in April 2026.

WESTCASTLE GMC

68. As set out above, on January 7, 2026, Westcastle GMC was brought into the within CCAA Proceedings and the Court approved the Westcastle GMC Transactions.

69. Furthermore, on January 9, 2026, the Court approved a distribution to TD Bank, the secured creditor in the Westcastle GMC proceedings, from the sale proceeds of the Westcastle GMC Transactions.

70. The Monitor has issued a distribution payment to TD Bank in respect to its secured indebtedness, as approved by the Court, such that TD Bank has been repaid in full.

<u>Westcastle GMC Vehicles</u>

71. As set out in the Fifth Report, the Monitor and the CRO identified significant financial transactions between Westcastle GMC and Loan Store (and/or other 129 AB companies, or affiliates) where the Westcastle GMC Vehicles were transferred to Loan Store and/or related entities for little or no consideration.

72. As such, the Monitor sought and obtained a freezing order in respect of the Westcastle GMC Vehicles. The relief granted by the Court in respect to the Westcastle GMC Vehicles was set out in the Fourth Stay Extension Order.

73. Following the Court's granting of the Fourth Stay Extension Order, Miller Thomson, on behalf of the Monitor, sent correspondence to legal counsel to the Loan Store and 129 AB, demanding responses as directed by the Court with respect to the Westcastle GMC Vehicles. A copy of the correspondence is attached as **Appendix "G"**.

74. Notwithstanding the direction of the Court, there were significant delays in the receipt of the responses from Loan Store / 129 AB. In addition, the parties have not yet provided the location of the Westcastle GMC Vehicles. However, counsel for the parties has advised that none of the Westcastle GMC Vehicles have been sold to any third party and that the vehicles are currently located in a storage facility, with the location and name of this storage facility currently unknown to the Monitor. Accordingly, Loan Store / 129 AB have failed to fully comply with the provisions of the Third Stay Extension Order.

75. As set out in the Application, the Monitor is seeking the Court's approval of the return of the Westcastle GMC Vehicles and their sale by the Monitor, with the proceeds from the sale of the

Westcastle GMC Vehicles to be held in trust pending the completion of the Claims Procedure and the Monitor's ultimate determination of the entitlements to such proceeds.

76. The Monitor submits that the return and sale of the Westcastle GMC Vehicles is necessary to protect the interests of Westcastle GMC estate and is therefore respectfully recommending that the Honourable Court approve this relief, for the following main reasons:

    a) the Westcastle GMC Vehicles may be transferred to the remaining Dealerships for sale to end-user purchasers or, alternatively, sold by way of auction, in either case with a view to maximizing recoveries for the benefit of the Westcastle GMC creditors;

    b) the Monitor can ensure adequate safeguarding of the Westcastle GMC Vehicles through their relocation to one of the remaining Dealerships or to a storage facility under the control of the Monitor. Furthermore, the Monitor can also ensure appropriate insurance coverage is maintained over the vehicles during the interim period prior to their sale; and

    c) the Westcastle GMC Vehicles were conveyed for little or no consideration in an apparent attempt to frustrate the established scheme of priority and/or distribution. Accordingly, it is appropriate that the transferred assets be returned to Westcastle GMC for sale by the Monitor, with any claims to the resulting proceeds to be addressed through the administration of the Claims Procedure.

<u>Westcastle GMC Waterfall</u>

77. Based on the sale proceeds from the Westcastle GMC Transactions and other asset realizations to date, the repayment to TD Bank, and an adjustment for the Disputed Fund Reserve and the Court-ordered charges, among other things, the estimated distribution waterfall (the "**Distribution Waterfall**") is as follows:

Westcastle GMC Receipts & Disbursements March 18, 2025	Westcastle GMC Trust Account ($ CDN)
Asset Sale Proceeds from Counsel	$ 5,662,453.43
Cash from TD Accounts	$ 48,259.54
Legal Retainer Fund Return	$ 127,786.00
Accounts Receivable Collections	$ 58,471.21
Interest	$ 1,365.74
Less:	
Bank Charges	$ (51.00)
Sales Agent Fee	$ (105,000.00)
	$ 5,793,284.92
Less:	
TD Distribution (Note 1)	$ (4,604,555.22)
Net funds held by the Monitor	$ 1,188,729.70
a) Westcastle Administration Charge	($250,000.00)
b) Westcastle Borrowing Charge	($150,000.00)
c) Disputed Funds Reserve	($650,000.00)
Total Charges and Reserve	($1,050,000.00)
Remaining Funds After TD Payout, Charges & Reserve	$ 138,729.70

Note 1: Additional proceeds were paid directly to TD by the Westcastle GMC Purchaser's financial institution in the amount of ~$3.4 million.

78. The Distribution Waterfall does not take into account any other potential realizations in Westcastle GMC, including for example, the Westcastle GMC Vehicles discussed above. The Monitor is continuing to review the records of Westcastle GMC, along with the other Dealerships' records, to determine additional assets or transactions that may be realized upon or otherwise recovered.

79. As set out in the Second Report, the Disputed Fund Reserve relates to fund transfers from the Summit Auto Group entities to Westcastle GMC in contravention of the Forbearance Agreements between BMO and the Omnibus Debtors and Squamish Debtors. As previously mentioned therein, the Monitor and BMO notified TD Bank and its counsel that these transfers occurred and that they would be investigated in the CCAA Proceedings. The Monitor is continuing its review of the Westcastle GMC books and records to assess these transactions. The relevant parties have agreed that the Monitor shall hold these funds as a reserve pending a fulsome review by the Monitor.

80. As illustrated in the Distribution Waterfall, the Monitor is estimating, as of the date of this Sixth Report, that approximately $138,729 may be available for distribution to the remaining creditors of Westcastle GMC.

81. Additionally approximately $25,000 has been spent on operational expenses to close out and transition the estate to the Westcastle GMC Purchaser.

Westcastle GMC Claims Procedure

82. As set out above, the Monitor requires a process to adjudicate creditor claims as against the Westcastle GMC estate. Accordingly, the Monitor is seeking the Court's approval of the Claims Procedure Order, setting out the Monitor's proposed Claims Procedure.

83. Capitalized terms not defined in this sub-section, shall take their meaning as ascribed in the proposed Claims Procedure Order, a copy which is attached to the Monitor's Application.

84. A summary of the key milestones in the proposed Claims Procedure is as follows:

Action	Deadline
Notice to Known Claimants	
a) Issuance of the Claims Package to the Known Claimants	Within seven (7) business days following issuance of the Claims Procedure Order
Notice to Unknown Claimants	
b) Posting to the Monitor's Website	Within two (2) business days following issuance of the Claims Procedure Order
c) Publication in the Insolvency Insider, Edmonton Journal and Local Newspaper	Within seven (7) business days following issuance of the Claims Procedure Order
Claims Bar Date	
d) Required submission of Proof of Claims / Claims Bar Date	April 27, 2026 (the "**Claims Bar Date**")
Adjudication of Claims	
e) Monitor's review of Proofs of Claim and determination	Following receipts of any Proofs of Claims.
f) Claimant's Notice of Dispute	Within seven (7) calendar days from the Notice of Disallowance or Revision
g) Claimant's Application to the Court	Within 10 calendar days from the Notice of Dispute

85. The key elements of the proposed Claims Procedure are further summarized as follows:

Notice to Known Claimants

a) the Monitor shall, within seven (7) business days of the date of the proposed Claims Procedure Order, deliver a Claims Package to each Known Claimant (as defined in the Claims Procedure Order);

Notice to Unknown Claimants

b) the Monitor shall post the Claims Package and a copy of the Claims Procedure Order on the Monitor's Website within two (2) business days of the date of the Claims Procedure Order;

c) the Monitor shall have a Notice of the Claims Procedure published in the Calgary Herald, Insolvency Insider and a local newspaper appropriate in the view of the Monitor within seven (7) business days of the date of the Claims Procedure Order;

Proofs of Claim and Claims Bar Date

d) a Claimant must deliver a Proof of Claim to the Monitor in accordance with the Claims Procedure Order by the Claims Bar Date;

Adjudication of Creditor Claims

e) the Monitor shall review all Proofs of Claim filed in accordance with the Claims Procedure Order and at any time may: i) request additional information, ii) request a revised Proof of Claim, iii) attempt to resolve and settle the Claim; iv) accept the Proof of Claim (in whole or in part), and v) revise or disallow the Proof of Claim:

    (i) where a Claim is revised or disallowed (in whole or in part, and whether as to amount and/or status), the Monitor shall deliver to the Claimant a Notice of Revision or Disallowance;

f) any Claimant who intends to dispute a Notice of Revision or Disallowance shall deliver a Notice of Dispute of Claimant to the Monitor no later than seven (7) calendar days after receipt of the Notice of Revision or Disallowance, or such longer period as may be agreed to by the Monitor in writing; and

g) any Claimant who intends to continue to dispute the Monitor's Notice of Revision and Disallowance, shall file and serve an application within 10 calendar days after the Claimant has delivered a Notice of Dispute, for determination by the Court.

86. Any Claimant that fails to file a Proof of Claim by the Claims Bar Date, or fails to file a Notice of Dispute or bring an application before the Court within the applicable timelines or as otherwise strictly set out in the Claims Procedure Order, shall have its Claim forever extinguished, barred, discharged, and released pursuant to the proposed Claims Procedure Order.

87. The Monitor is of the view that the proposed Claims Procedure is reasonable in the circumstances, as it provides for adequate notice to both Known and Unknown Claimants, reasonable timelines for Claimants to prove their Claims, and an orderly dispute resolution process to be administered by the Monitor. Among other things, the proposed Claims Procedure is also consistent with claims procedures that have been approved by the Court in similar proceedings. Accordingly, the Monitor respectfully recommends that the Court approve the proposed Claims Procedure.

BRIEF UPDATE ON INVESTIGATIVE ACTIVITIES AND IDENTIFIED TRANSACTIONS

88. In addition to the identification of the Westcastle GMC Vehicles described above, the Monitor, with the assistance of the CRO, identified a series of wholesale vehicle transactions between Loan Store and Squamish Chrysler (the "**Loan Store / Squamish Chrysler Transactions**").

89. The Loan Store / Squamish Chrysler Transactions involve a number of vehicles formerly owned by Squamish Chrysler that were sold to Loan Store for cash consideration at below market value.

90. Based on the Monitor's review of the Loan Store / Squamish Chrysler Transactions, the Monitor has determined that an aggregate amount of approximately $746,366 is owing by Loan Store to Squamish Chrysler in respect of these vehicle transactions, which comprises the accounts receivable balance arising from the papered transactions, as well as the difference between the sale prices and the market values of the vehicles at the time of sale based on analysis conducted by the Monitor.

91. Correspondence has been sent by both the Monitor and its counsel, Miller Thomson, in an effort to collect the amounts due in respect of the Loan Store / Squamish Chrysler Transactions. As of the date of this Sixth Report, there has been no payment or response to the Monitor by Loan Store in respect to this. A copy of the correspondence from Miller Thomson to counsel for the Loan Store is attached as **Appendix "H"**.

92. The Monitor is continuing its review and investigation into a number of irregular and/or identified transactions, reviewing wholesale vehicle transactions at the other Dealerships, conducting related party payment analysis, and reviewing the Companies records for potential other asset sales under market value, among other things.

STAY OF PROCEEDINGS EXTENSION

93. The Stay of Proceedings currently expires on March 29, 2026. The Monitor is requesting an extension of the Stay of Proceedings until May 29, 2026. The Monitor seeks an extension of the Stay of Proceedings for the following reasons, among others:

    a) the Debtors, through the Monitor with its enhanced powers, are acting in good faith and with due diligence;

    b) the Stay of Proceedings will provide the Monitor and Debtors with additional time to, among other things, stabilize the businesses of the Debtors, complete the Arrow VW Transaction, facilitate the Cranbrook Mitsubishi Transaction, conduct additional Dealership sales, wind down and/or liquidate the additional assets of the Debtors, and administer the Claims Procedure in respect of Westcastle GMC; and

    c) as of the date of this Sixth Report, the Monitor is not aware of any party opposed to the requested extension.

94. According to the Third Revised Cash Flow3 Forecast (as described below), there will be a need for approximately $1.3 million in funding to operate the Companies' businesses during the proposed extension of the Stay of Proceedings to May 29, 2026. This funding has been provided from a $1 million reserve and/or readvance on the Monitor's borrowing facilities that was withheld by the Monitor from the Castle Ford Transaction sales proceeds and 300,00 from the Arrow VW transaction.

95. The Monitor believes it is just, convenient, necessary, and in the best interest of the Debtors and their stakeholders that the Stay of Proceedings be extended.

SECOND REVISED CASH FLOW FORECAST VARIANCE ANALYSIS

96. The Monitor's Fifth Report included a Second Revised Cash Flow Forecast for the 12-week period from January 5, 2025, to the week ending March 29, 2026. A copy of the Second Revised Cash Flow Forecast is attached hereto as **Appendix "I"**.

97. The Monitor has reviewed the actual cash flow from operations for the 9-week period ending March 8, 2026 (the "**Review Period**"), through monitoring the banking activities of the Companies.

98. The Companies' actual cash flow from operations for the Review Period were below the projected cash usage as set out in the Revised Cash Flow Forecast for that same period by approximately $1,308,083. This variance is primarily attributable to timing differences in receipts and disbursements as well as stronger than forecast used vehicle performance, as outlined below:

    a) the positive variance is largely due to the:

        (i) stronger than forecast used vehicle sales performance, resulting in increased receipts of approximately $741,000, supported by continued turnover of desirable trade-ins and disciplined pricing to market;

        (ii) a reduction in net repayments under the Floorplan Credit Facilities (including related borrowing costs and bank fees) of approximately $593,000, primarily attributable to timing differences in floorplan settlements, including repayments remitted near period-end that were reflected in the Companies' bank statements in the subsequent reporting period;

        (iii) delay in professional and restructuring fee payments of approximately $263,000;

        (iv) lower vehicle purchases and dealer trade activity than forecast of approximately $164,000, reflecting disciplined inventory management and a focus on retailing trades rather than acquiring additional inventory;

(v) lower contingency and certain operating disbursements of approximately $34,000, as contingency expenditures were not required during the period; and

(vi) timing differences in certain vendor and operating payments, including employee benefits and other operating costs.

b) the above positive variances are partially offset by:

(i) higher lien payout settlements of approximately $340,000, reflecting increased trade-in volumes and higher lien balances associated with prime deals;

(ii) lower than forecast Parts & Service receipts of approximately $97,000, primarily due to technician capacity constraints limiting service throughput;

(iii) higher floorplan interest expense of approximately $51,000, reflecting interest accruing on outstanding floorplan balances, including crystallized SIV amounts;

(iv) higher GST/PST remittances of approximately $45,000, reflecting timing differences associated with increased vehicle sales volumes during the period;

(v) increased corporate credit card settlements of approximately $146,000, reflecting the use of credit cards to manage vendor payment timing; and

(vi) slightly higher payroll and associated benefits costs relative to forecast.

99. A summary of the variance analysis described above is attached hereto as **Appendix "J"**.

THIRD REVISED CASH FLOW FORECAST

100. The CRO, with the assistance of the Monitor, prepared the Third Revised Cash Flow Forecast for the purposes of projecting the Debtors' estimated liquidity needs during the Third Revised Cash Flow Period. A copy of the Third Revised Cash Flow Forecast is attached hereto as **Appendix "K"**.

101. The Third Revised Cash Flow Forecast is presented on a weekly basis and represents the CRO's estimates of the projected cash flow during the Third Revised Cash Flow Period. The Third Revised Cash Flow Forecast has been prepared using probable and hypothetical assumptions (the "**Assumptions**") as set out in the notes to the Third Revised Cash Flow Forecast.

102. The Monitor has reviewed the Third Revised Cash Flow Forecast to the standard required of a Court-appointed monitor by section 23(1)(b) of the CCAA. In accordance with this standard, the Monitor conducted inquiries, performed analytical procedures, held discussions, and read documents related to the Information supplied to it by the CRO, the Operations Consultant, or employees of the Debtors.

103. Based on the Monitor's review, nothing has come to its attention that causes it to believe, in all material respects, that:

a) the Assumptions are not consistent with the purpose of the Third Revised Cash Flow Forecast;

b) as at the date of this Sixth Report, the Assumptions are not suitably supported or do not provide a reasonable basis for the Third Revised Cash Flow Forecast, given the probable and hypothetical assumptions; or

c) the Third Revised Cash Flow Forecast does not reflect the Assumptions.

104. The Monitor notes that the Third Revised Cash Flow Forecast has been prepared solely for the purpose described above and since the Third Revised Cash Flow Forecast is based on Assumptions regarding future events, actual results will vary from the information presented even if the Assumptions occur, and the variations could be material. Readers are cautioned that the Third Revised Cash Flow Forecast may not be appropriate for other purposes.

105. The Third Revised Cash Flow Forecast shows that during the Third Revised Cash Flow Period, the Debtors will experience a net cash outflow of approximately $1.9 million. The Third Revised Cash Flow Forecast projects that during the Third Revised Cash Flow Period the Debtors should have sufficient liquidity through a combination of approximately $671K cash on hand at the beginning of the Third Revised Cash Flow Period, funds currently available via the $900K pursuant to the issued Monitor's Borrowing Certificates, and additional borrowings of approximately $400K.

MONITOR AND ITS COUNSEL'S FEES

106. Pursuant to paragraph 31 of the ARIO, the Monitor and its counsel are to be paid their reasonable fees and disbursements at their standard rates and charges. Pursuant to paragraph 32 of the ARIO, the Monitor and its counsel shall pass their accounts from time to time.

107. The Monitor seeks to have its additional fees and disbursements, including those of its legal counsel, approved by the Court. The Monitor and its counsel have maintained detailed records of their professional time and costs.

108. The Monitor's fees from December 1, 2025, to January 31, 2026, were $342,761 plus disbursements of $Nil, less a courtesy discounts of $60,000, plus GST of $14,138.06 for a total of $296,899.06 in respect of the Companies. This amount includes $140,397.08 related to the Westcastle GMC mandate.

109. Miller Thomson's fees, as legal counsel to the Monitor, shall be set out in the Fee Affidavit of Clark Lonergan.

110. A summary of the accounts rendered by the Monitor and is attached hereto as **Appendix "L"**. Detailed accounts are available for review by the Court upon request. The amount of the fees is based on the hourly rates of the professionals involved in this matter multiplied by actual time spent on this matter.

111. It is the Monitor's opinion that the additional fees and disbursements of the Monitor and Miller Thomson accurately reflect the work performed by the Monitor and Miller Thomson in connection with the administration of the CCAA Proceedings for the dates of their respective invoices. It is the Monitor's opinion that the fees and disbursements of Miller Thomson are

fair, reasonable and justified in the circumstances. The Monitor recommends approval of Miller Thomson' accounts by this Court.

112. This Sixth Report has been prepared by the Monitor in support of the Monitor's Application. For reasons set out herein, the Monitor respectfully recommends that this Court grant the relief set out in the Monitor's Application.

All of which is respectfully submitted this 18th day of March 2026.

BDO CANADA LIMITED, in its capacity as the Monitor of the Summit Auto Group, and not in its corporate or personal capacity.
Per:

____
Clark Lonergan, CA, CPA, CIRP, LIT
Partner/Senior Vice President

`

APPENDIX H

COURT FILE NUMBER	2501 - 13057
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
MATTER	IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, 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 ALBERTA LTD.
APPLICANT	BANK OF MONTREAL
RESPONDENTS	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 ALBERTA LTD.
DOCUMENT	**SEVENTH REPORT OF BDO CANADA LIMITED, IN ITS CAPACITY AS THE COURT-APPOINTED MONITOR**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	MILLER THOMSON LLP Eighth Avenue Place East 43rd Floor, 525 8th Avenue S.W. Attention: James W. Reid / Pavin Takhar Telephone: 403.298.2418 E-mail: jwreid@millerthomson.com ptakhar@millerthomson.com

TABLE OF CONTENTS

LIST OF APPENDICES

INTRODUCTION

1. On August 22, 2025 (the "**Filing Date**"), upon the application by the Bank of Montreal ("**BMO**") in its capacity as senior secured lender to 2345137 Alberta Ltd. ("**Vermilion Chrysler**"), 1262113 B.C. Ltd. ("**Western Sport Products**"), 2497902 Alberta Ltd. ("**Castle Ford**"), 1175104 B.C. Ltd. ("**Cranbrook Mitsubishi**"), 1272986 B.C. Ltd. ("**Sun Valley Nissan**"), Summit V Auto Ltd. ("**Arrow Volkswagen"** or **"Arrow VW**", with Vermilion Chrysler, Western Sport Products, Castle Ford, Cranbrook Mitsubishi, and Sun Valley Nissan, the "**Omnibus Dealerships**"), 2437342 Alberta Ltd. ("**Squamish Chrysler**", with the Omnibus Dealerships, the "**Dealerships**"), Summit S Auto Ltd. ("**Real Co**", with the Omnibus Dealerships, the "**Omnibus Debtors**"), MK Auto K-M Ltd. ("**MK Auto**"), 1972207 Alberta Ltd. ("**197 AB**", with Squamish Chrysler, the "**Squamish Debtors**") and 2351497 Alberta Ltd. ("**235 AB**" with the Omnibus Debtors, the Squamish Debtors, and MK Auto, collectively, the "**Summit Auto Group**", or the "**Companies**"), the Court of King's Bench of Alberta (the **"Court"**) issued an order (the **"Initial Order"**) granting protection to the Companies from their creditors under the *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the **"CCAA"**). Pursuant to the Initial Order, BDO Canada Limited (**"BDO"**) was appointed as monitor of the Companies (in such capacity, the **"Monitor"**).

2. Among other things, pursuant to the Initial Order the Court:

    a) granted an initial stay of proceedings (the "**Stay of Proceedings**") in favour of the Companies until and including September 1, 2025, to stabilize the Companies' operations and permit the Monitor to assess the Companies' then ongoing sales process;

    b) appointed the Monitor and granted expanded powers of the Monitor during the CCAA proceedings (the "**CCAA Proceedings**");

    c) appointed the chief restructuring officer ("**CRO**"), Full Circle Automotive Solutions Inc. (**"Full Circle"**) over the Companies;

    d) granted a charge over the Companies' property (the "**Property**") to stand as security for payment by the Companies of the professional fees and disbursements of BMO's legal counsel, the Monitor and its independent legal counsel, and the

CRO, in an aggregate amount not to exceed $350,000 (the "**Administration Charge**");

e) authorized the Monitor to borrow funds in the maximum amount of $500,000 to fund the Companies' operations during the CCAA Proceedings and a charge over the Property to stand as security (the "**Monitor's Borrowing Charge**"); and

f) granted a charge over the Property to stand as security for the Companies' obligation to indemnify the directors from any liabilities they may incur in such capacity from and after the commencement of the CCAA Proceedings, up to a maximum amount of $250,000 (the "**Director's Charge**", together with the Administration Charge and Monitor's Borrowing Charge, the "**Court Ordered Charges**").

3. The Initial Order contemplated a comeback application on August 27, 2025 (the "**Comeback Hearing**").

4. At the Comeback Hearing, the Court granted an amended and restated initial order (the "**ARIO**"). The ARIO, among other things:

   a) extended the Stay of Proceedings until and including September 26, 2025;

   b) approved an increase to the Administration Charge up to the maximum amount of $750,000;

   c) approved an increase to the Monitor's Borrowing Charge up to the maximum amount of $3.5 million (plus interest, costs and fees);

   d) authorized continued payments to BMO under the existing floor plan arrangements once the Monitor confirmed the validity of BMO's security; and

   e) reaffirmed the Monitor's authority to manage and operate the Companies' businesses and oversee sales efforts through its expanded powers.

5. On September 19, 2025, upon the application of the Monitor, the Court granted the following additional orders:

   a) an order (the "**Stay Extension Order**") which, among other things:

(i) extended the Stay of Proceedings up to and including November 21, 2025; and

(ii) granted the Monitor certain powers, in addition to and in no way limiting the powers of the Monitor as set out in the ARIO, to authorize the Monitor to conduct investigations, compel production of records relating to the Companies or the businesses of the Companies, and to compel examination under oath of any person reasonably thought to have knowledge relating to the Companies or the businesses of the Companies ("**Investigative Powers**"); and

b) an order (the "**SISP Approval Order**") which, among other things:

(i) approved a sale and investment solicitation process (the **"SISP"**); and

(ii) approved the appointment of the Companies' pre-filing sales agent, the Tim Lamb Group (the **"Sales Agent"** or **"Tim Lamb"**) to administer and manage the SISP with the oversight of the Monitor.

6. On November 13, 2025, upon the application of the Monitor, the Court granted the following additional orders:

a) an order (the **"Second Stay Extension Order"**) which, among other things:

(i) extended the Stay of Proceedings up to and including January 30, 2026;

(ii) approved the activities of the Monitor since the Second Report;

(iii) approved the accounts of the Monitor and its legal counsel, Miller Thomson LLP (**"Miller Thomson"**), for fees and disbursements incurred;

(iv) authorized the Monitor to make distributions to BMO in its capacity as the senior secured lender;

(v) authorized the Monitor to have full access to all bank accounts, financial records, constating documents, minute books and other documents required by the Monitor in respect of the assets and/or business of 2412170 Alberta Ltd. (**"Westcastle Dealership"**) and 2416326 Alberta Ltd. (**"Westcastle RealCo"**), together operating as Westcastle Chevrolet Buick

GMC ("**Westcastle GMC**", and together with Summit Auto Group, the "**Debtors**"); and

(vi) temporarily sealed the Confidential Supplement to the Third Report (the "**Confidential Report**") until the termination of the within CCAA Proceedings or until further order of this Honourable Court;

b) an order to approve and authorize the sale transaction (the "**Arrow VW Transaction**") for certain assets, undertakings and properties of Arrow VW and Real Co (together, the "**Arrow VW Vendors**"), pursuant to a purchase and sale agreement between the Arrow VW Vendors as vendors and K5 IG Holdings Inc. as purchaser (the "**Arrow VW Purchaser**") dated as of November 7, 2025 (the "**Arrow VW Sale Agreement**"); and

c) an order to approve and authorize the sale transaction (the "**Castle Ford Transaction**", and together with the Arrow VW Transaction, the "**Transactions**") for certain assets, undertakings and properties of Castle Ford and Real Co (together, the "**Castle Ford Vendors**"), pursuant to a purchase and sale agreement between the Castle Ford Vendors as vendors and Davis Auto Group Ltd. as purchaser (the "**Castle Ford Purchaser**") dated as of November 6, 2025 (the "**Castle Ford Sale Agreement**").

7. On January 7, 2026, the Court granted an Order (the "**Westcastle GMC CCAA Order**") among other things:

a) including each of the Westcastle GMC entities in the within CCAA Proceedings;

b) granting an administration charge in the in the maximum amount of $150,000 (the "**Westcastle GMC Administration Charge**") in favour of counsel to BMO, the Monitor, the Monitor's counsel, and the CRO charging the Westcastle GMC Assets (defined herein);

c) confirming The Toronto Dominion Bank ("**TD Bank**") is to be treated as an unaffected creditor in the CCAA Proceedings; and

d) authorizing the Monitor to make a distribution to the Sales Agent in the amount of $105,000.

8. On January 7, 2026, the Court further granted an Order (the "**Westcastle SAVO**") vesting all of the rights, title and interests of Westcastle GMC in substantially all of its assets to 2672671 Alberta Ltd., a third-party purchaser (the **"Westcastle GMC Purchaser"**) free and clear of all encumbrances pursuant to certain sale agreements (collectively the "**Westcastle GMC Transactions**").

9. On January 9, 2026, the Court granted an Order, amending and restating the Westcastle GMC CCAA Order (the "**Amended and Restated Westcastle GMC CCAA Order**" or the "**Westcastle ARIO**"). The Amended and Restated Westcastle GMC CCAA Order, among other things:

    a) approved an increase to the Westcastle GMC Administration Charge up to the maximum $250,000;

    b) provided for a charge up to a maximum amount of $150,000 (the "**Westcastle GMC Borrowing Charge**", or together wit the Westcastle GMC Administration Charge, the "**Westcastle GMC Charges**"), to secure the payment of expenses required for the administration of certain assets of Westcastle GMC (the "**Westcastle GMC Assets**") to cover for the Monitor's borrowing directly from BMO through the issuance of borrowing certificates;

    c) authorized a distribution to TD Bank;

    d) created a holdback for a reserve of funds pending the resolution of certain disputes and unresolved claims (the "**Disputed Funds Reserve**" or the "**Claims Reserve**"); and

    e) authorized a payment to counsel for Westcastle GMC in respect of the Westcastle GMC Transactions.

10. On January 22, 2026, the Court granted an Order (the "**Third Stay Extension Order**" or the "**Freezing Order**"), which, among other things:

    a) extended the Stay of Proceedings up to and including March 29, 2026;

    b) directed that certain vehicles (the "**Westcastle GMC Vehicles**") which were transferred from Western GMC to The Loan Store, 1292709 Alberta Ltd. and/or any affiliated entities (colle/ctively, the "**The Loan Store**") were to be frozen, and required that, among other things, a reporting of the location of the Westcastle GMC Vehicles and any proceeds realized from same by the parties was provided to the Monitor within three (3) business days from the date of the Order;

c) approved the registration by the Monitor, on a *nunc pro tunc* basis, over the serial numbers associated with the identified Westcastle GMC Vehicles in the Alberta Personal Property Registry (or any other applicable registry) (collectively, the "**PPR**");

d) approved the activities of the Monitor as set out in the Fourth Report and Fifth Report; and

e) approved the accounts of the Monitor and Miller Thomson, for fees and disbursements as set out in the Fifth Report.

11. On March 26, 2026, the Court granted an Order (the "**Fourth Stay Extension Order**"), which, among other things.

a) extended the Stay of Proceedings up to and including May 29, 2026;

b) approved the liquidation and wind-down of Western Sport Products and distribution of net proceeds from this sale to the secured creditor, Northpoint Commercial Finance Canada Inc. ("**Northpoint**");

c) approved the liquidation and wind-down of Vermilion Chrysler;

d) approved the activities of the Monitor as set out in the Sixth Report of the Monitor filed on March 19, 2026 (the "**Sixth Report**"); and

e) approved the accounts of the Monitor and Miller Thomson, for fees and disbursements as set out in the Sixth Report.

12. At the Court application held on March 26, 2026, the Monitor also sought Orders approving:

    a) the return of the Westcastle GMC Vehicles and the sale of the Westcastle GMC Vehicles by the Monitor (the "**Westcastle GMC Vehicle Relief**") and

    b) a claims procedure to adjudicate creditor claims as against Westcastle GMC (the "**Claims Procedure**", or together with the Westcastle GMC Vehicle Relief, the "**Westcastle GMC Relief**").

13. On March 26, 2026, following an adjournment request made by The Loan Store / 129 AB, the Court granted an adjournment in respect to the Westcastle GMC Relief.

14. The Monitor has provided the Court with the following reports (the **"Previous Reports"**):

    a) the Pre-Filing Report of the Proposed Monitor filed August 20, 2025 (the "**Pre-Filing Report**") in connection with the application for the Initial Order. The Pre-Filing Report (without appendices) is attached hereto as **Appendix "A"**;

    b) the First Report of the Monitor filed August 27, 2025 (the "**First Report**") in connection with the application for the ARIO. The First Report (without appendices) is attached hereto as **Appendix "B"**;

    c) the Second Report of the Monitor filed September 10, 2025 (the "**Second Report**") in connection with the application for the Stay Extension Order and the SISP Approval Order. The Second Report (without appendices) is attached hereto as **Appendix "C"**;

    d) the Third Report of the Monitor filed on November 7, 2025 (the **"Third Report"**) in connection with the application for the Second Stay Extension Order, and approval of the Transactions. The Third Report (without appendices) is attached hereto as **Appendix "D"**;

    e) the Fourth Report of the Monitor filed on January 6, 2026 (the "**Fourth Report**") in connection with the Westcastle GMC CCAA Order. The Fourth Report (without appendices) is attached hereto as **Appendix "E"**;

f) the Fifth Report of the Monitor filed on January 14, 2026 (the "**Fifth Report**") in connection with the application for the Third Stay Extension Order. The Fifth Report (without appendices) is attached hereto as **Appendix "F"**; and

g) the Sixth Report of the Monitor filed on March 19, 2026 in connection with the application for the Fourth Extension Order. The Sixth Report (without appendices) is attached hereto as **Appendix "G"**.

PURPOSE

15. The purpose of this Seventh Report of the Monitor (the **"Seventh Report"**) is to provide information to the Court with respect to:

a) the activities of the Monitor since the Sixth Report;

b) an update on the status of the sales process for the Dealerships, including any completed or proposed transactions, and/or the wind-down or liquidation of the remaining Dealerships;

c) the Debtors' actual cash flow results for the 7-week period ended April 26, 2026, versus the budgeted results for that period, as outlined in the Debtors' third revised 12-week consolidated cash flow from March 9, 2026, to the week ended May 31, 2026 (the **"Third Revised Cash Flow Forecast"**);

d) an overview of the Companies' updated 13-week consolidated cash flow forecast (the "**Fourth Revised Cash Flow Forecast**") for the period April 27, 2026, to July 24, 2026 (the "**Fourth Revised Cash Flow Period**");

e) additional information regarding the events leading to, and in support of, the Westcastle GMC Relief;

f) the Monitor's comments and recommendations with respect to its application returnable on May 22, 2026 (the "**Application**") seeking:

(i) an order (the **"Fifth Stay Extension Order"**) to, among other things:

I. extend the Stay of Proceedings up to and including July 24, 2026;

II. approve the activities of the Monitor as set out in this Seventh Report;

III. approve the wind-down and liquidation of the remaining Dealerships, including, Cranbrook Mitsubishi, Squamish Chrysler, and/or Sun Valley Nissan should a prospective purchaser not be found;

IV. approve the Listing Process (as defined herein) in respect to the ancillary commercial properties owned by Real Co;

V. increase the Westcastle GMC Administration Charge from $250,000 to $500,000;

VI. decrease the Westcastle Borrowing Charge from $150,000 to $50,000;

VII. approve the additional accounts of the Monitor and its legal counsel, Miller Thomson, for fees and disbursements incurred and as set out in this Seventh Report;

VIII. declare the applicability of the *Wage Earner Protection Act* ("**WEPPA**") in this CCAA Proceedings;

IX. declare that the transfer of the Westcastle GMC Vehicles to The Loan Store is void as against the Monitor pursuant to sections 36.1 and 11 of the CCAA and section 95 of the *Bankruptcy and Insolvency Act* (Canada) (the **"BIA"**) and authorizing the Monitor to take custody of the Westcastle GMC Vehicles from any person, sell them and retain the proceeds of sale for distribution to creditors;

X. declare that the transfer of the Dodge Ram (defined herein) is void as against the Monitor sections 36.1 and 11 of the CCAA and section 96 of the BIA and directing the Insurance Corporation of British Columbia ("**ICBC**"), or any other person, to register this vehicle back in the name of Squamish Chrysler so that it may be realized upon; and

XI. seal the Confidential Appendix to the Seventh Report (the "**Confidential Appendix**");

(ii) an order approving the Claims Procedure; and

(iii) such further and other relief as the Court may deem just and equitable.

16. Concurrent with this Seventh Report, the Monitor has also prepared and filed a supplement to the Seventh Report (the "**Supplement to the Seventh Report**") which provides additional details and/or background information in support of the Monitor's request for an Order declaring that the transfer of the Westcastle GMC Vehicles to The Loan Store is a fraudulent preference and therefore void against the Monitor.

17. The Previous Reports and other Court materials in connection with the CCAA Proceedings are available on the Monitor's website at: https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/summit-automotive-group (the "**Monitor's Website**"). All Court documents and certain other relevant documents have been and will continue to be posted as they are made available.

18. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Previous Reports.

TERMS OF REFERENCE

19. In preparing this Seventh Report and making the comments herein, the Monitor has been provided with, and has relied upon, unaudited financial information, books and records prepared by the Debtors, the Gil Affidavit (herein defined), discussions between the CRO, the operations consultant engaged by the Monitor (as set out in the Sixth Report and hereafter referred to as the "**Operations Consultant**") and/or management of the Debtors ("**Management**"), discussions with BMO and information from other third-party sources (collectively, the "**Information**"). Except as described in the Seventh Report in respect of the Fourth Revised Cash Flow Forecast:

a) the Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("**GAAS**") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and

b) some of the information referred to in this Seventh Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.

20. Future oriented financial information referred to in this Seventh Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variation could be significant.

21. Unless otherwise indicated, the Monitor's understanding of the factual matters expressed in this Seventh Report concerning the Debtors and their business is based on the Information, and not independent factual determinations made by the Monitor.

22. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

BACKGROUND INFORMATION

23. This Seventh Report should be read in conjunction with the affidavit of John Gil sworn August 15, 2025 (the **"Gil Affidavit"**), and the Previous Reports which can be found on the Monitor's Website and contain background information with respect to the Companies' businesses and operations as well as matters leading up to the commencement of these CCAA Proceedings.

MONITOR'S ACTIVITIES

24. Since the date of the Sixth Report, the Monitor has:

a) continued to update the Monitor's Website;

b) continued to hold regular discussions with Management, the CRO, the Sales Agent, the Operations Consultant, and key stakeholders, including BMO, regarding operations, liquidity, and broader restructuring initiatives;

c) continued to assist the Companies with stakeholder communications;

d) continued to provide oversight and support to the Companies' treasury functions, including cash flow reporting through:

   (i) overseeing the weekly treasury monitoring protocol established by the Monitor;

   (ii) conducting variance analysis between actual and forecasted cash flow and submitting variance updates to BMO; and

   (iii) facilitating interim financing requests/Monitor's borrowings;

e) supervised and assisted with activities related to the ongoing sale or liquidation of the Dealerships, including but not limited to:

   (i) continuing discussions with the representatives of the Sales Agent regarding the status of offers and corresponding directly with certain interested parties;

   (ii) managing and supporting the closing of the transactions (as applicable to date);

   (iii) developing strategies to market or liquidate the remaining Dealerships and their assets; and

   (iv) providing regular updates to key stakeholders, including the Original Equipment Manufacturer's (the "**OEM**") and BMO, on the status of the remaining Dealerships, sale opportunities and/or liquidation strategies;

f) continued the review of personnel matters and issued termination notices to certain personnel as required in the CCAA Proceedings;

g) continued to investigate into numerous matters, irregularities, and concerns raised by the employees of the Companies, the CRO, the Operations Consultant, and Management;

h) supervised and assisted with activities related to ongoing issues with regards Westcastle GMC:

(i) continued to correspond with TD Bank and its counsel with regards to the TD financed dealership, of Westcastle GMC;

(ii) corresponded with Westcastle GMC creditors regarding outstanding claim amounts, the proposed Claims Procedure and payments made post closing of the sale transaction to Westcastle GMC to TD Bank (**"Post-closing Westcastle GMC Receipts"**);

(iii) issued refunds regarding the Post-closing Westcastle GMC Receipts;

(iv) performed various analysis with regards to vehicles transferred on or before closing of the Westcastle GMC sale transaction; and

(v) through Miller Thomson, corresponded with and held discussions with legal counsel to The Loan Store in relation to the Westcastle GMC Relief being sought herein;

i) continued to respond to correspondence received from creditors and other parties regarding the CCAA Proceedings;

j) engaged in correspondence with dealer finance partners or third-party finance providers through which the Dealerships submit customer credit applications on behalf of customers seeking vehicle financing at the point of sale;

k) issued an interim distribution of the net proceeds from the Arrow VW Transaction to BMO;

l) issued a request for proposal to commercial realtors seeking proposals to assist in the marketing and sale of the ancillary real estate properties owned by Real Co;

m) issued a formal Notice of Disclaimer pursuant to the CCAA in respect to the OEM agreement for Cranbrook Mitsubishi;

n) prepared the Fourth Revised Cash Flow Forecast with the assistance of the CRO and Operations Consultant;

o) attended the Dealerships to meet with Management, the Operations Consultant, and staff;

p) attended the Monitor's application seeking the relief set out in the Sixth Report;

q) prepared this Seventh Report and the Supplement to the Seventh Report; and

r) attended to other miscellaneous administrative items in respect to these CCAA Proceedings.

UPDATE ON DEALERSHIP SALES AND WIND-DOWN / LIQUIDATIONS

25. The Monitor, along with the assistance of the Sales Agent, has continued to actively market the remaining Dealerships following the completion of the SISP.

26. The Monitor provides the following summary and/or update with respect to the Dealership sales and wind-down / liquidation activities to date and proposed in the discussion below.

Westcastle GMC

27. The Westcastle Transactions successfully closed on December 19, 2026, and the assets were vested in the Westcastle GMC Purchaser free and clear pursuant to the Westcastle SAVO on January 7, 2026, which vested the Westcastle GMC assets to the Westcastle GMC Purchaser.

Castle Ford

28. The Castle Ford Transaction successfully closed on February 2, 2026, and the Monitor's Certificate has been filed with the Court confirming same.

Arrow VW

29. The Arrow VW Transaction successfully closed on March 18, 2026, and the Monitor's Certificate has been filed with the Court confirming same.

Western Sport Products

30. The remaining inventory of Western Sport Products (the "**Western Sport Inventory**") has been liquidated by way of auction, which is fully complete as of the date of this Seventh Report.

31. Following the collection of all proceeds from the liquidation of the Western Sport Inventory, and as approved by the Court, the net proceeds will be distributed to Northpoint on account of its secured indebtedness.

Vermilion Chrysler

32. The operations of Vermilion Chrysler were ceased and all staff were terminated on or about March 31, 2026, and the remaining liquidation and wind-down activities described in the Sixth Report are substantially complete as at the date of this Seventh Report.

33. As set out below, the Vermilion Real Property (defined below) owned by Real Co is in the process of being listed for sale.

Cranbrook Mitsubishi

34. As set out in the Fifth Report, the Monitor, on behalf of Cranbrook Mitsubishi, had entered into an Agreement of Purchase and Sale dated December 30, 2025 (the "**Proposed Cranbrook Mitsubishi Sale Agreement**"), with a proposed purchaser (the "**Cranbrook Mitsubishi Proposed Purchaser**") for the sale of the material assets of Cranbrook Mitsubishi (the "**Proposed Cranbrook Mitsubishi Transaction**").

35. Following execution by the parties, the Proposed Cranbrook Mitsubishi Sale Agreement was submitted to Mitsubishi Motor Sales of Canada Inc. (the "**Mitsubishi OEM**") for approval.

36. On March 24, 2026, the Proposed Cranbrook Mitsubishi Purchaser advised the Monitor that it would not be proceeding with the Proposed Cranbrook Mitsubishi Transaction.

37. There is no longer any viable purchaser or transaction prospects for Cranbrook Mitsubishi. The Sales Agent has therefore recommended that the Monitor proceed with a wind-down of Cranbrook Mitsubishi.

38. In the circumstances, the Monitor has commenced a wind-down and liquidation of Cranbrook Mitsubishi (the "**Cranbrook Mitsubishi Wind-Down / Liquidation**"), which was developed with the assistance of the Operations Consultant and includes, among other things:

    a) the issuance of a Notice of Termination and Disclaimer in respect to the dealership agreement with the Mitsubishi OEM. This was issued by the Monitor on May 1, 2026, with an effective date of May 31, 2026, or sooner as agreed to by the OEM and Monitor;

    b) the cessation of operations on or around May 15, 2026;

c) the return of certain parts inventory, to the extent accepted by the Mitsubishi OEM. The remaining parts inventory not accepted by the Mitsubishi OEM will be liquidated by way of auction or disposed of as deemed necessary;

d) the liquidation of the vehicle inventory through final retail sales, sales to other dealers, or otherwise by way of auction;

e) an auction or sale of the fixed capital assets of Cranbrook Mitsubishi;

f) the termination of Cranbrook Mitsubishi employees as necessary throughout the wind-down process, with all remaining staff to be terminated effective as of the final day of operations; and

g) the return of the leased premises to the landlord upon conclusion of the wind-down / liquidation of Cranbrook Mitsubishi (which lease is on a daily arrangement with the landlord until vacated).

39. The Fourth Revised Cash Flow Forecast anticipates that all net sale proceeds will go to pay down BMO's floor plan financing.

40. Pursuant to the ARIO, the Monitor is empowered to, among other things:

a) cease to carry on all or any part of the Business; and

b) sell, convey, transfer, lease or assign the Companies' property or any part or parts thereof out of ordinary course of business without the approval of the Court in respect of any transactions not exceeding $100,000, provided that the aggregate consideration for all such transactions does not exceed $1,000,000.

41. Additionally, pursuant to the ARIO, the Debtors are empowered to, among other things:

a) permanently or temporarily cease, downsize or shut down any portion of their business or operations and to dispose of redundant or non-material assets not exceeding $100,000 in any one transaction or $1,000,000 in the aggregate, provided that any sale that is either (i) in excess of the above thresholds, or (ii) in favour of a person related to the Debtors (within the meaning of section 36(5) of the CCAA), shall require authorization by this Court in accordance with section 36 of the CCAA.

42. Notwithstanding the foregoing, the Monitor is seeking the Court's approval of the Cranbrook Mitsubishi Wind-Down / Liquidation on a *nunc pro tunc* basis.

Squamish Chrysler

43. As set out in the Sixth Report and prior reports of the Monitor, following completion of the SISP, the Sales Agent and the Monitor continued to engage with three parties that had expressed interest in Squamish Chrysler. However, all potential transactions were highly conditional.

44. Based on recent discussions with the Sales Agent, only one party remains interested in Squamish Chrysler. However, this party has been unable to secure financing or otherwise advance a viable transaction.

45. Accordingly, despite significant efforts undertaken through the SISP and thereafter, no viable offer or transaction has been presented for Squamish Chrysler to date.

46. Furthermore, sometime in March 2026, multiple lenders that had been providing retail financing to end-customers through Squamish Chrysler's lending portal (Dealertrack), ceased offering lending services or materially revised their credit approvals. While the Monitor undertook efforts in an attempt to address this, it has been unable to fully resolve this issue given previous pre-filing activities (financing sale pod activities) and losses incurred under supervision of former ownership. As a result, sales at Squamish Chrysler have been materially impacted, thereby further straining cash resources. This is set out further in the variance analysis section of this Seventh Report. Additionally, the Monitor was recently notified that certain key Squamish Chrysler employees have given their notice to resign as they have found new employment.

47. As a result of the foregoing, the Monitor submits that a wind-down and liquidation of Squamish Chrysler is necessary to reduce on-going operating losses as no viable alternative exists.

48. The wind-down and liquidation plan for Squamish Chrysler (the "**Squamish Chrysler Wind-Down / Liquidation**") which was developed with the assistance of the Operations Consultant, includes, among other things:

    a) the cessation of operations, currently targeted for June 30, 2026 (unless a viable transaction can be sourced by the Monitor);

b) the termination of the dealer agreement between Squamish Chrysler and the OEM;

c) the return of certain parts and 2026 vehicle inventory to the OEM, to the extent accepted by the OEM;

d) the liquidation of remaining parts and vehicle inventory (including pre-2026 new vehicle inventory and used vehicle inventory) not returned to the OEM, through final retail sales, sales to other dealers, or otherwise by way of auction;

e) an auction or sale of the fixed capital assets of Squamish Chrysler;

f) the termination of Squamish Chrysler employees as necessary throughout the wind-down process, with all remaining staff to be terminated effective as of the final day of operations; and

g) the issuance of a disclaimer notice in respect to the commercial real estate lease held in the name of Squamish Chrysler and the return of the building to the landlord upon conclusion of the wind-down.

49. The Fourth Revised Cash Flow Forecast currently assumes the continued operations of Squamish Chrysler over the forecast period in the event that a purchaser can be found before the wind-down plan is executed. However, in the event that Squamish Chrysler is wound down or liquidated, as described above, cash flow is expected to improve, as asset realizations would be accelerated relative to the current assumptions in the Fourth Revised Cash Flow Forecast. It is further assumed that all net proceeds would be applied to reduce BMO's floor plan financing.

50. As set out above, pursuant to the ARIO, the Monitor and the Debtors are empowered to cease to carry on the Business and sell or convey the assets.

51. The Monitor is seeking the Court's approval of the Squamish Chrysler Wind-Down / Liquidation.

Sun Valley Nissan

52. Since the Sixth Report, the Monitor, with the assistance of the Sales Agent and its legal counsel, has been negotiating a potential transaction with an interested party; however, as of the date of this Seventh Report, that party has been unable to secure financing.

53. The Monitor is aware of additional potential parties that may be interested in Sun Valley Nissan and, accordingly, the Monitor continues its marketing efforts to try and secure a viable transaction for this Dealership.

54. In the event that the Monitor is unable to advance a viable transaction, the Monitor seeks the Court's advance approval to wind down and liquidate Sun Valley Nissan, consistent with the wind-down and liquidation plans described above in respect of Cranbrook Mitsubishi and Squamish Chrysler.

ANCILLARY REAL ESTATE LISTING PROCESS

55. Real Co also owns the following real estate properties (in addition to the real property where Sun Valley Nissan operates to which the Monitor is continuing its efforts to sell this Dealership as a going concern, inclusive of the related real property):

    a) a commercial property located at the address of 4524 Railway Avenue Vermilion Alberta, which is the real property where Vermilion Chrysler previously operated (the "**Vermilion Real Property**");

    b) a commercial property located at the address of 1104 Chief Mountain Avenue Pincher Creek, Alberta, encompassing an industrial property which was used previously for storage (the "**Pincher Creek Real Property**"); and

    c) a residential property located at the address of 5417 52 AVE, Manville, Alberta, which was used for staff rental purposes in connection with Vermilion Chrysler (the "**Manville Residential Property**").

56. As set out in the Sixth Report, the Monitor is aware of certain interested parties in the Vermilion Real Property and the Pincher Creek Real Property, but whose offers submitted or indications of value were below known appraised values for the properties.

57. As such, on April 7, 2026, the Monitor issued a request for proposal (the "**RFP Process**") to four commercial real estate brokerages, seeking proposals to assist the Monitor in the marketing and sale of the Vermilion Real Property and Pincher Creek Real Property.

58. As a result of the RFP Process, and pursuant to the authority granted under the ARIO, the Monitor, on behalf of Real Co, has negotiated and intends on entering into / finalizing exclusive listing agreements as follows (among other terms therein) (collectively the **"Listing Process**"):

a) Vermilion Real Property – with Colliers Edmonton at an initial list price of $1.39 million (to be amended by the Monitor from time to time); and

b) Pincher Creek Real Property – with Cushman & Wakefield Calgary at an initial list price of $1.15 million (to be amended by the Monitor from time to time).

59. The Monitor anticipates commencing the Listing Process shortly following the date of this Seventh Report. Based on the results thereof, the Monitor will seek approval of a proposed transaction in respect of the Vermilion Real Property and the Pincher Creek Real Property at a future date.

60. A summary of proposals is attached as the **Confidential Appendix.**

61. The Monitor has also solicited proposals from three (3) local residential real estate agents. Once a realtor is selected, the Monitor intends on listing the Manville Residential Property for sale, pursuant to the authority granted in the ARIO, in order to commence the sales process with respect this this property.

REQUEST FOR RESTRICTED COURT ACCESS ORDER FOR REAL ESTATE PROPOSALS

62. A summary of proposals for the Vermilion Real Property and the Pincher Creek Real Property is included in the Confidential Appendix.

63. The Monitor is seeking to seal the Confidential Appendix on the basis that it contains sensitive commercial information, including pricing allocations and appraisal information related to the Vermilion Real Property and Pincher Creek Real Property. The dissemination of this information could prejudice the sales process, marketing strategy, impair the prospects of sale and impair any further marketing or sale efforts for the real property.

64. Accordingly, the Monitor considers it appropriate that the Confidential Appendix remain confidential until the conclusion of the CCAA Proceedings and respectfully requests that the Confidential Appendix be temporarily sealed until the conclusion of the CCAA Proceedings, or further order of this Honourable Court.

WAGE EARNER PROTECTION PROGRAM ACT

65. Throughout the CCAA Proceedings and as a result of the restructuring activities undertaken to date, certain employees have been terminated and are owed termination pay, constituting unsecured claims against the applicable Debtor. The Monitor also anticipates that additional employees will be terminated as the restructuring process continues.

66. Accordingly, the Monitor is seeking approval of an Order declaring that pursuant to subsections 5(1)(b)(iv) and 5(5) of WEPPA, each of Castle Ford, Arrow VW, Vermilion Chrysler, Squamish Chrysler, Cranbrook Mitsubishi, and Sun Valley Nissan, and their applicable employees whose employment has been, or is at a future date, terminated in these CCAA Proceedings, meet the criteria prescribed by section 3.2 of the Wage Earner Protection Program Regulations, SOR/2008-222, and each of the former employees of the foregoing entities that have been terminated during the pendency of these proceedings, are individuals to whom the WEPPA applies as of their respective termination dates.

THIRD REVISED CASH FLOW FORECAST VARIANCE ANALYSIS

67. The Monitor's Sixth Report included a Third Revised Cash Flow Forecast for the 12-week period from March 9, 2026, to the week ending May 31, 2026. A copy of the Third Revised Cash Flow Forecast is attached hereto as **Appendix "H"**.

68. The Monitor has reviewed the actual cash flow from operations for the 7-week period ending April 26, 2026 (the "**Review Period**"), through monitoring the banking activities of the Companies.

69. The Companies' actual cash flow from operations for the Review Period exceeded the projected cash flow as set out in the Third Revised Cash Flow Forecast for that same period by approximately $1,671,315. This positive variance is primarily attributable to timing differences in receipts and disbursements as well as stronger than forecast used vehicle sales due to wind-down activities, as outlined below:

    a) the positive variance is largely due to the:

        (i) a reduction in net repayments under the Floorplan Credit Facilities (including related borrowing costs and bank fees) of approximately $2.76

million primarily attributable to decreased vehicles sales and the timing differences in floorplan settlements;

(ii) a change in budgeting framework for vehicle purchases of approximately $1.06 million related to the sale of ~28 Vermilion Chrysler vehicles that were anticipated to be bought and sold by the Squamish Chrysler. For purposes on this analysis, the Squamish dealership is not purchasing the vehicles but simply selling them on behalf of the Vermilion Chrysler and any sale proceeds are to be transferred and included in the Vermilion Liquidation amounts;

(iii) stronger than forecast used vehicle sales performance, resulting in increased receipts of approximately $871,000, due primarily to the reclassification of Squamish Chrysler's new vehicles that were punched to receive OEM final payout incentives and thus are treated as sold/used vehicle sales;

(iv) delay in professional and restructuring fee payments of approximately $505,000;

(v) lower net GST/PST remittances, collections and paid amounts of approximately $452,000, primarily due to decreased vehicle sales volume, offset by amounts received from the Monitor from the sale transactions (Arrow VW and Castle Ford) and the timing of the Companies remitting GST/PST amounts;

(vi) vehicle sale proceeds from Arrow VW of approximately $370,000 that were budgeted to come from the dealership sale transaction (paid to the Monitor) versus retail and auction sale channels;

(vii) lower vehicle lien payouts and finance product costs than forecast of approximately $98,000 due to lower vehicle sales volume;

(viii) higher than forecast Parts & Service receipts of approximately $85,000, primarily due to renewed focus on closing out open work orders; and

(ix) net $12,000 lower than forecast vendor and operating payments due to reduced operations, including vendor payments, parts purchases, rent, corporate credit card payments, insurance and contingency amounts.

b) the above positive variances are partially offset by:

(i) lower than forecast new vehicle sales performance of approximately $1.93 million, due to reclassification of new to used outlined above and decreased ability to obtain third-party retail financing at Squamish Chrysler;

(ii) net lower realizations on the Vermilion Chrysler liquidation of approximately $1.83 million due to vehicles transferred and still not sold at Squamish Chrysler and higher transportation costs associated with Vermilion Chrysler's remote location;

(iii) timing difference for tax refunds still not received from CRA for Squamish Chrysler of approximately $389,000; and

(iv) the Monitor has not advance approximately $300,000 to the Companies from operational reserves (Monitor's Borrowings) from the previous dealership sale transactions; and

(v) increased payroll and consulting costs of approximately $98,000 due primarily to EHT amounts not forecasted.

70. A summary of the variance analysis described above is attached hereto as **Appendix "I"**.

FOURTH REVISED CASH FLOW FORECAST

71. The CRO, with the assistance of the Monitor, prepared the Fourth Revised Cash Flow Forecast for the purposes of projecting the Debtors' estimated liquidity needs during the Fourth Revised Cash Flow Period. A copy of the Fourth Revised Cash Flow Forecast is attached hereto as **Appendix "J"**.

72. The Fourth Revised Cash Flow Forecast is presented on a weekly basis and represents the CRO's estimates of the projected cash flow during the Fourth Revised Cash Flow Period. The Fourth Revised Cash Flow Forecast has been prepared using probable and hypothetical

assumptions (the "**Assumptions**") as set out in the notes to the Fourth Revised Cash Flow Forecast.

73. The Monitor has reviewed the Fourth Revised Cash Flow Forecast to the standard required of a Court-appointed monitor by section 23(1)(b) of the CCAA. In accordance with this standard, the Monitor conducted inquiries, performed analytical procedures, held discussions, and read documents related to the Information supplied to it by the CRO, the Operations Consultant, or employees of the Debtors.

74. Based on the Monitor's review, nothing has come to its attention that causes it to believe, in all material respects, that:

    a) the Assumptions are not consistent with the purpose of the Fourth Revised Cash Flow Forecast;

    b) as at the date of this Seventh Report, the Assumptions are not suitably supported or do not provide a reasonable basis for the Fourth Revised Cash Flow Forecast, given the probable and hypothetical assumptions; or

    c) the Fourth Revised Cash Flow Forecast does not reflect the Assumptions.

75. The Monitor notes that the Fourth Revised Cash Flow Forecast has been prepared solely for the purpose described above and since the Fourth Revised Cash Flow Forecast is based on Assumptions regarding future events, actual results will vary from the information presented even if the Assumptions occur, and the variations could be material. Readers are cautioned that the Fourth Revised Cash Flow Forecast may not be appropriate for other purposes.

76. The Fourth Revised Cash Flow Forecast shows that during the Fourth Revised Cash Flow Period, the Debtors will experience a net cash outflow of approximately $2.46 million. The Fourth Revised Cash Flow Forecast projects that during the Fourth Revised Cash Flow Period, the Debtors should have sufficient liquidity through a combination of approximately $1.88 million in cash on hand at the beginning of the Fourth Revised Cash Flow Period and another $600,000 from cash reserves/Monitor's Borrowings to be advanced by the Monitor from various asset sale transactions/liquidation proceeds.

STAY OF PROCEEDINGS EXTENSION

77. The Stay of Proceedings currently expires on May 29, 2026. The Monitor is requesting an extension of the Stay of Proceedings until July 24, 2026. The Monitor seeks an extension of the Stay of Proceedings for the following reasons, among others:

    a) the Debtors, through the Monitor with its enhanced powers, are acting in good faith and with due diligence;

    b) the Stay of Proceedings will provide the Monitor and Debtors with additional time to, among other things, continue it marketing efforts with respect to Sun Valley Nissan, complete a wind down and liquidation of Cranbrook Mitsubishi and Squamish Chrysler, realize upon the additional assets of the Debtors, and administer the Claims Procedure in respect of Westcastle GMC (if approved by the Court); and

    c) as of the date of this Seventh Report, the Monitor is not aware of any party opposed to the requested extension.

78. Based on the Fourth Revised Cash Flow Forecast (as described above), the Companies are projected to have sufficient liquidity during the proposed extension of the Stay of Proceedings to July 24, 2026.

79. The Monitor believes it is just, convenient, necessary, and in the best interest of the Debtors and their stakeholders that the Stay of Proceedings be extended.

MONITOR AND ITS COUNSEL'S FEES

80. Pursuant to paragraph 31 of the ARIO, the Monitor and its counsel are to be paid their reasonable fees and disbursements at their standard rates and charges. Pursuant to paragraph 32 of the ARIO, the Monitor and its counsel shall pass their accounts from time to time.

81. The Monitor seeks to have its additional fees and disbursements, including those of its legal counsel, approved by the Court. The Monitor and its counsel have maintained detailed records of their professional time and costs.

82. The Monitor's fees from February 1, 2026, to April 17, 2026, were $368,777.50 plus disbursements of $4,105.73, less a courtesy discounts of $60,000, plus GST of $15,644.16 for a total of $328,527.39 in respect of the Companies.

    a) This amount includes fees of $19,748.50, plus GST of $987.43 for a total of $20,735.93 related to the Westcastle GMC mandate.

83. Miller Thomson's fees, as legal counsel to the Monitor, from February 1, 2026, to April 30, 2026, were $148,761.50, plus disbursements of $585.88, plus GST of $7,456.03, for a total of $156,803.41 in respect of the Companies.

    a) This amount includes fees of $28,243.50, plus disbursements of $35.76 plus GST of $1,412.96 for a total of $29,692.22 related to the Westcastle GMC mandate.

84. A summary of the accounts rendered by the Monitor and its legal counsel is attached hereto as **Appendix "K"**. Detailed accounts are available for review by the Court upon request. The amount of the fees is based on the hourly rates of the professionals involved in this matter multiplied by actual time spent on this matter.

85. It is the Monitor's opinion that the additional fees and disbursements of the Monitor and Miller Thomson accurately reflect the work performed by the Monitor and Miller Thomson in connection with the administration of the CCAA Proceedings for the dates of their respective invoices. It is the Monitor's opinion that the fees and disbursements of the Monitor and Miller Thomson are fair, reasonable and justified in the circumstances. The Monitor recommends approval of these additional accounts of the Monitor and Miller Thomson by this Court.

86. As set out further below, to secure and fund the professional costs of the Monitor and Miller Thomson incurred to date (approximately $358,000) and future costs in respect to the administration of the Westcastle GMC estates, these fees will be paid out of the Westcastle GMC Administration Charge cash reserve, which the Monitor is proposing an increase to the Westcastle GMC Administration Charge from $250,000 to $500,000.

FRAUDULENT TRANSFER OF THE DODGE RAM

87. Shortly following the pronouncement of the ARIO, the CRO identified that a 2024 Dodge Ram with the VIN 1C6SRFVT4RN133355 (the "**Dodge Ram**") was missing from the vehicle inventory of Squamish Chrysler. BMO's floor line financing in respect to this Dodge Ram was and remains outstanding as of this date. The Dodge Ram is estimated to have a value of approximately $65,000.

88. Based on a copy of the vehicle registration from ICBC, the Dodge Ram was registered in the name of Squamish Chrysler (2437342 Alberta Ltd.) on August 15, 2025 (one week prior to the Initial Order). A copy of this registration is attached as **Appendix "L"**.

89. Upon further investigation, the CRO became aware that an individual that formally held a management/ownership position at Squamish Chrysler, Aristotle Mounzer also known as Adam Mounzer ("**Mr. Mounzer**"), was in possession of the Dodge Ram. The Monitor and CRO have reviewed all available records related to the Dodge Ram. There does not appear to be any record of sale of the Dodge Ram, nor evidence of any consideration paid for same. Additionally, neither Management nor staff were aware any sale of this vehicle to Mr. Mounzer.

90. Accordingly, a security interest was registered against the Dodge Ram at the PPR. Thereafter, the CRO engaged a bailiff to locate and recover the Dodge Ram, which was eventually located and repossessed. The Dodge Ram is now at Squamish Chrysler.

91. However, Squamish Chrysler remains unable to sell the Dodge Ram as it has now been registered in the name of 1526782 B.C. Ltd. ("**152 BC**"). Based on an updated copy of registration from ICBC for the Dodge Ram that was obtained, the Dodge Ram appears to have been registered in the name of 152 BC on January 22, 2026. A copy of this registration is attached as **Appendix "M"**.

92. Based on a review of the Corporate Registry of British Columbia, Mr. Mounzer is listed as the sole director of 152 BC. A copy of the corporate search of 152 BC is attached as **Appendix "N"**.

93. Squamish Chrysler has requested support from ICBC in respect to the documentation utilized to affect the transfer into 152 BC's name and has also requested that ICBC transfer the vehicle back to Squamish Chrysler. However, no documentation has been received, and the vehicle has not been transferred back in the name of Squamish Chrysler as of the date of this Seventh Report, although ICBC reported that it was still investigating the matter.

94. On or about April 2, 2026, Squamish Chrysler received a Form 4 - Demand for Discharge Under the Personal Property Security Act, dated January 23, 2026 (one day following the registration by the party at ICBC), from legal counsel to 152 BC and Mr. Mounzer, seeking the discharge of the PPR registration against the Dodge Ram.

95. On April 30, 2026, Miller Thomson, on behalf of the Monitor, sent correspondence to counsel to 152 BC and Mr. Mounzer, among other things, requesting that Dodge Ram be transferred back into the name of Squamish Chrysler and advising that the Monitor would not consent to, nor facilitate, the requested discharge. The correspondence also advised that if a satisfactory response was not received by May 5, 2026, the Monitor intended to seek relief of the Court on May 22, 2026.

96. On May 5, 2026, counsel to 152 BC and Mr. Mounzer wrote to the Miller Thomson requesting relevant information, among other things, in respect to the transfer and the application materials for the Monitor's Application.

97. On May 11, 2026, Miller Thomson provided a copy of registration documents illustrating the registration history for the Dodge Ram. A copy of the Monitor's Application will be served on 152 BC, Mr. Mounzer and their respective counsel.

98. As of this date, 152 BC and/or Mr. Mounzer have not agreed to transfer the vehicle registration back to Squamish Chrysler.

99. Based on the foregoing, the Monitor is seeking an Order from the Court voiding the transfer of the Dodge Ram to 157 AB and directing ICBC to register the Dodge Ram in the name of Squamish Chrysler so that it can be realized upon.

WESTCASTLE GMC

100. As set out above, on January 7, 2026, Westcastle GMC was brought into the within CCAA Proceedings and the Court approved the Westcastle GMC Transactions.

<u>Westcastle GMC Vehicle Transfer</u>

101. As set out above and in the Monitor's Application, the Monitor seeks an Order declaring the transfer of the Westcastle GMC Vehicles to The Loan Store is void as against the Monitor pursuant to section 95(1) of the BIA and section 36.1 of the CCAA.

102. Background information and additional details in support of the requested relief, together with the Monitor's assessment as against the legal test under section 95 of the BIA, are provided in the Supplement to the Seventh Report filed concurrently with this Seventh Report.

103. Based on the Monitor's assessment set out in the Supplement to the Seventh Report, the Monitor is of the view that the requirements of section 95(1) of the BIA are satisfied and that the transfer is void as against the Monitor. Accordingly, the Monitor respectfully recommends that this Court grant the relief sought.

104. The Monitor further submits that, should it be determined through the Claims Procedure that The Loan Store is not a proven creditor of the Westcastle GMC entities, the transfer of the Westcastle GMC Vehicles to The Loan Store would otherwise constitute a transfer at undervalue pursuant to section 96(1) of the BIA and 36.1 of the CCAA. The Monitor has not completed a review nor made an opinion on the validity and enforceability of any claim of The Loan Store as against the Westcastle GMC entities at this time.

105. Based on correspondence from The Loan Store, dated March 31, 2026, as set out and discussed in the Supplement to the Seventh Report, The Loan Store has confirmed to the Monitor that it is in possession of 23 of the Westcastle GMC Vehicles. The Loan Store has further advised that it did not receive three vehicles that were also subject to the transfer and a purported settlement agreement between it and Mr. Koch or Westcastle GMC. The Monitor has prepared a summary schedule of the Westcastle GMC Vehicles transferred to The Loan Store, which identifies the 23 vehicles in The Loan Store's possession, reported to be located at various storage facilities in Alberta, as well as the three vehicles it advises that it did not receive. This summary schedule is attached hereto as **Appendix "O".**

106. The Monitor notes that six additional vehicles were identified as transferred/sold to a 2279148 Alberta Inc. ("**227 AB**"), which are discussed separately below.

<u>Proposed Westcastle Vehicle Sales Process</u>

107. Should the Court approve the requested return of the Westcastle GMC Vehicles, the Monitor intends to realize upon the Westcastle GMC Vehicles by way of auction, with the material details set out as follows (the **"Westcastle Vehicle Sales Process"**):

a) Auction – the vehicles will be sold by way of online auction through OpenLane Canada ("**OpenLane**"), a well recognized market leader in the wholesale used vehicle auction space across Canada. Reserve prices will be established for each vehicle based on recent comparable market data and historical sales. While conducted through the OpenLane platform, the sales process will be actively overseen and managed by the Operations Consultant;

b) Sale Plan & Timing – OpenLane will arrange for the collection of the vehicles and the preparation of condition reports for each unit, including recommendations for any economically justified work to enhance value. Following completion of any such work, the vehicles will be listed and sold through OpenLane auctions as soon as reasonably practicable, at one of OpenLane's scheduled auctions;

c) Fees & Costs – OpenLane's auction fees are set at $220 per vehicle, with condition reports included at no additional cost. No storage fees apply for the first three (3) weeks, after which storage fees of $20 per vehicle per day apply. Transportation costs will vary depending on the confirmed location of each vehicle relative to OpenLane's closest storage facility. A marshaling fee of $100 per vehicle applies where a vehicle is removed unsold; and

d) Marketing & Exposure – the vehicles will be marketed through OpenLane's national dealer network, with sale timing, reserve strategies, and bidder outreach actively managed to maximize recoveries, under the direction and oversight of the Operations Consultant.

108. The Monitor submits that the Westcastle Vehicle Sales Process is reasonable for the following key reasons:

a) wholesale vehicle auctions are a widely accepted method of disposition for used vehicles in Canada, with OpenLane being a market leader in this space;

b) although the vehicles will be sold through OpenLane's online auction platform, the process will be actively managed by the Operations Consultant in an effort to enhance recoveries;

c) it provides for a competitive bidding process to the open market and a timely sale of the vehicles. Interested vehicle wholesalers can also participate in the auction;

d) the proposed fees to be charged by OpenLane are both reasonable and in line with industry standards; and

e) the process ensures that control of the realization process and related costs remains with the Monitor.

109. Upon receiving the Westcastle Vehicles Sales Process terms and as set out in correspondence sent by counsel to The Loan Store to counsel to the Monitor dated May 5, 2026 (the "**May Correspondence**"), The Loan Store proposed (the "**Loan Store's Proposed Sale**") that, as an alternative to the return of the vehicles and an auction by the Monitor as proposed above, The Loan Store be permitted to realize on the vehicles through its retail channels, subject to the prior approval of the Monitor for each sale. Net proceeds (after costs of sale, including any approved repair work and third-party commissions) would be remitted to and held by the Monitor pending a final determination of entitlement to the proceeds, among other proposed terms.

110. The Monitor has the following material concerns or comments with respect to The Loan Store's Proposed Sale, among other things:

a) as set out above, and in the Supplement to the Seventh Report, the Monitor's view is that the transfer of these vehicles to The Loan Store constitutes a fraudulent preference and is void as against the Monitor. Therefore, these vehicles should be returned to the Westcastle GMC estate and realized for the benefit of its stakeholders, with entitlement to the proceeds to be dealt with in the proposed Claims Procedure;

b) notwithstanding the foregoing position, the Monitor also notes:

(i) the delays in the receipt of information from The Loan Store to date in these proceedings, which is illustrated further in the Supplement to the Seventh Report;

(ii) The Loan Store's Proposed Sale does not set out a proposed timeline for the sale of the vehicles. A sale through The Loan Store may result in delays relative to an auction process conducted under the Monitor's direct oversight (to be conducted with the assistance of the Operations Consultant engaged by the Monitor); and

(iii) based on the Monitor's dealings with The Loan Store in these CCAA Proceedings, the Monitor is of the view that the costs associated with overseeing and administering a sale through The Loan Store would not support a cost-effective realization process for the estate.

111. The Loan Store asserts in the May Correspondence, that the Monitor has identified wholesale vehicle transactions as a central area of concern in these CCAA Proceedings, appearing to suggest that the Monitor's proposed sale of vehicles through OpenLane is thereby contradictory. The Monitor notes, however, that the wholesale transactions identified to date which are of concern, are those conducted with certain vehicle wholesalers (such as The Loan Store).

112. By way of a specific example, and as set out in the Sixth Report, the Monitor identified a series of wholesale vehicle transactions from Squamish Chrysler to The Loan Store, and based on the Monitor's review of these transactions, it determined that an aggregate amount of approximately $746,366 is owing by The Loan Store to Squamish Chrysler, comprised of the accounts receivable balance arising from the papered transactions, as well as the difference between the sale prices and the market values of the vehicles at the time of sale based on analysis conducted by the Monitor (the **"The Loan Store / Squamish Chrysler Transactions**").

113. A copy of the Monitor's correspondence to The Loan Store in respect of The Loan Store / Squamish Chrysler Transactions is attached to Sixth Report as Appendix H, to which no material response or payment has been received as of this date of this Seventh Report.

Identified Transfers to / Amounts due from 227 AB

114. In addition to the Westcastle GMC Vehicles transferred to The Loan Store, six additional vehicles were identified as being transferred to 227 AB leading up to the Westcastle GMC Transactions for no consideration paid to the Westcastle Dealership. TD Bank's floor line financing on these vehicles in the aggregate total of $223,456 had not been repaid.

115. TD had registered a PPR security interest over these vehicles, as did the Monitor following its appointment over the Westcastle GMC estates and pursuant to the Freezing Order.

116. Based on the sale documentation available to the Monitor, these vehicles were sold to 227 AB between December 3, 2025 to December 10, 2025 at an aggregate total sale price of $118,000 (although as indicated, there is no evidence of this amount ever having been paid). Furthermore, preliminary estimates of the Operations Consultant indicate that the papered transaction price for these vehicles also appears to have been conducted under fair market value.

117. Additionally, the Monitor notes that certain transactions had been identified by the CRO which appear to involve both The Loan Store and 227 AB, whereby vehicles were purchased from The Loan Store at prices above fair market value and then subsequently sold to 227 AB at below fair market value, creating losses to the Westcastle Dealership (including two (2) of the vehicles referenced above). The Monitor is continuing to investigate these transactions.

118. Based on the books and records of the Westcastle Dealership, approximately $332,588 is listed as owing by 227 AB. This balance includes the unpaid vehicles referenced above, in addition to other amounts listed. The Monitor is continuing to investigate this and will determine its recovery steps with respect to these transactions / balances due.

Updated Distribution Waterfall

119. Based on the sale proceeds from the Westcastle GMC Transactions and other asset realizations to date, the repayment to TD Bank, and the proposed adjustment to the Westcastle GMC Charges and an adjustment for the Disputed Fund Reserve, among other things, the estimated distribution waterfall (the "**Distribution Waterfall**") is as follows:

Westcastle GMC Receipts & Disbursements May 8, 2026	Westcastle GMC Trust Account ($ CDN)
Asset Sale Proceeds from Counsel	$ 5,662,453.43
Cash from TD Accounts	48,259.54
Legal Retainer Fund Return	127,786.00
Accounts Receivable Collections	58,471.21
Misc. Receipt	23,100.00
Interest	3,181.18
Less:	
Sales Agent Fee	(105,000.00)
Consulting Fee (Full Circle)	(26,250.00)
Accounting Software Fee	(1,938.10)
Bank Charges	(51.00)
	5,790,012.26
Less:	
TD Distribution (Note 1)	(4,604,555.22)
Net funds held by the Monitor	$ 1,185,457.04
a) Estimated Recoveries from Westcastle Assets (Vehicles/AR/etc.)	TBD
b) Proposed Amended Westcastle Administration Charge	(500,000.00)
c) Proposed Remaining Amended Westcastle Borrowing Charge	(21,760.90)
Estimated Funds Available for Distribution	663,696.14
d) Disputed Funds Reserve Per Westcastle ARIO	(650,000.00)
Estimated Remaining Funds Net of Disputed Funds Reserve	$ 13,696.14

Note 1: Additional proceeds were paid directly to TD by the Westcastle GMC Purchaser's financial institution in the amount of ~$3.4 million.

120. The Monitor intends on preparing an updated distribution waterfall setting out the net available proceeds as between the Westcastle Dealership and Westcastle Real Co., based on the actual proceeds realized from the sale or realization of each entity's assets and a proposed allocation of costs between the respective estates. Such allocation will be presented in a future report, in advance of the Monitor seeking the Court's approval of any distribution of net proceeds to proven claimants pursuant to the proposed Claims Procedure.

121. The Monitor provides additional commentary on the projected figures and/or assumptions included in the Distribution Waterfall in the discussion below.

Estimated Recoveries from Additional Westcastle GMC Assets

122. The Distribution Waterfall does not take into account any other potential realizations in Westcastle GMC, including, for example, the realizations in respect to the Westcastle GMC Vehicles, among other potential asset recoveries. The Monitor is continuing to review the

records of Westcastle GMC to determine additional assets or transactions that may be realized upon or otherwise recovered.

123. The Monitor continues to follow up with TD Bank and its counsel regarding remaining funds in the Westcastle GMC's bank account(s) ("**TD Bank Account(s)**"), payments made to TD Bank Accounts in error from vendors, etc. and closing these respective accounts when final amounts are transferred to the Monitor.

Proposed Amended Westcastle Charges

124. The Monitor is seeking amendments to the Westcastle GMC Charges, which were granted pursuant to the Westcastle ARIO, as follows:

	Current Westcastle GMC Charges	Proposed Amendment to Westcastle GMC Charges	Net Increase (Decrease)
1. Westcastle Administration Charge	$ 250,000.00	$ 500,000.00	$ 250,000.00
2. Westcastle Borrowing Charge	150,000.00	50,000.00	(100,000.00)
	$ 400,000.00	$ 550,000.00	$ 150,000.00

125. As shown, should the Court grant the requested relief, this would result in a net increase in the combined Westcastle GMC Charges in the amount of $150,000.

126. With respect to the Westcastle GMC Administration Charge, to date, the Monitor and Miller Thomson have accrued but unpaid professional fees and disbursements totaling approximately $358,529 (inclusive of GST), including amounts previously approved by the Court in the aggregate amount of $ $308,101 (inclusive of GST) and the additional amounts noted above in the amount of approximately $50,428 (inclusive of GST) for which approval is sought herein. Further professional fees and disbursements will be incurred by the Monitor and Miller Thomson in connection with the ongoing administration of the Westcastle GMC estates, including running the Claims Procedure (if it should be approved by the Court).

127. As such, the Monitor is seeking the Court's approval to increase the Westcastle GMC Administration Charge to $500,000. Under the respectful assumption that the Court grants the request relief, this amended amount is included in the table above.

128. With respect to the Westcastle Borrowing Charge, the Monitor is seeking the Court's approval to decrease the Westcastle Borrowing Charge to $50,000. Under the respectful

assumption that the Court grants this relief, this amount, less the additional disbursements issued by the Monitor which are noted below, is reflected in the table above.

129. Since the Sixth Report, the Monitor has issued $25,000 (plus GST) to Full Circle for its assistance in closing and transitioning the estate to the Westcastle GMC Purchaser, $1,846 (plus GST) to the accounting software provider for continued access to Westcastle GMC's accounting and reporting system, and has also incurred bank charges.

130. The Monitor is of the view that the increased quantum of the Westcastle GMC Administration Charge and the decreased quantum of the Westcastle Borrowing Charge are necessary and appropriate.

Estimated Funds Available for Distribution and Disputed Funds Reserve

131. Based on the Distribution Waterfall and related assumptions, with additional asset recoveries yet to be determined, the Monitor is estimating that approximately $664,000 may be available for distribution, which does not take into account the Disputed Fund Reserve.

132. However, pursuant to the Westcastle ARIO, the Monitor is required to maintain the Disputed Fund Reserve in the amount of $650,000, "to address any claims to the remaining Westcastle GMC Net Proceeds, pending a final resolution, compromise, settlement or determination of such claims whether by agreement or by order of this Court". As such, this has been adjusted for in the Distribution Waterfall.

133. As set out in the Prior Reports, the Disputed Fund Reserve relates to fund transfers from the Summit Auto Group entities to Westcastle GMC in contravention of the Forbearance Agreements between BMO and the Omnibus Debtors and Squamish Debtors. As previously mentioned therein, the Monitor and BMO notified TD Bank and its counsel that these transfers occurred and that they would be investigated in the CCAA Proceedings. These identified transfers are also introduced in the First CRO Report dated September 9, 2025 which is attached to the Second Report as Appendix F and the Second CRO Report dated January 4, 2026 which is attached to the Fourth Report as Appendix H (collectively the "**CRO Reports**").

134. The Monitor is continuing its review of the books and records of the Summit Group and Westcastle GMC to assess these transactions. In the event that any claims to the Disputed Fund Reserve are determined as due to the Omnibus Debtors, Squamish Debtors and/or BMO as a

result, the Monitor submits that such claims will be filed in the proposed Claims Procedure and administered thereto.

Proposed Westcastle Claims Procedure

135. On January 9, 2026, the Court approved a distribution to TD Bank, the secured creditor in the Westcastle GMC proceedings, from the sale proceeds of the Westcastle GMC Transactions. As the Monitor has issued a distribution payment to TD Bank in respect to its secured indebtedness, TD Bank has been repaid in full.

136. As set out above and in the Sixth Report, the Monitor requires a process to adjudicate the remaining creditor claims as against the Westcastle GMC estates. Accordingly, the Monitor is seeking the Court's approval of the Claims Procedure Order, setting out the Monitor's proposed Claims Procedure.

137. In further support of the Monitor's proposed Claims Procedure, the Monitor has set out additional information in respect to known potential claimants, as well as re-summarized the Claims Procedure included in the Sixth Report but updating key dates, below.

Potential Known Claimants

138. Based on the unaudited books and records of Westcastle GMC available to the Monitor as of the date of this Seventh Report, the Monitor understands that the following parties have or may have claims as against the Westcastle GMC estates:

a) $500,000 to Great North Auto and Financing Ltd. ("**GNAF**"). Based on the PPR for Westcastle GMC, GNAF registered a security interest on September 29, 2025. The Monitor notes its understanding that, based on the findings and information summarized in the CRO Reports, this indebtedness may be connected to the Disputed Fund Reserve;

b) related parties also subject to these CCAA Proceedings:

   (i) $635,000 to Real Co;

   (ii) $150,000 to Arrow VW; and

   (iii) $9,400 to MK Auto;

c) the Canada Revenue Agency;

d) trade creditors in the amount of approximate amount of $284,000; and

e) an employee; and

f) Former customers and/or other potential claimants have also reached out to the Monitor in respect to amounts claimed owing by Westcastle GMC.

139. Additionally, as set out above, pending the completion of the Monitor's investigation into the fund transfers leading to the Disputed Fund Reserves, there may be additional claimants to these proceeds.

Proposed Claims Procedure

140. Capitalized terms not defined in this sub-section, shall take their meaning as ascribed in the proposed Claims Procedure Order, a copy which is attached to the Monitor's Application.

141. A summary of the key milestones in the proposed Claims Procedure is as follows:

Action	Deadline
Notice to Known Claimants	
Issuance of the Claims Package to the Known Claimants	Within seven (7) business days following issuance of the Claims Procedure Order
Notice to Unknown Claimants	
Posting to the Monitor's Website	Within two (2) business days following issuance of the Claims Procedure Order
Publication in the Insolvency Insider, Calgary Herald, and a local newspaper appropriate in the view of the Monitor	Within seven (7) business days following issuance of the Claims Procedure Order
Claims Bar Date	
Required submission of Proof of Claims / Claims Bar Date	June 22, 2026 (the "**Claims Bar Date**")
Adjudication of Claims	
Monitor's review of Proofs of Claim and determination	Following receipts of any Proofs of Claims.
Claimant's Notice of Dispute	Within seven (7) calendar days from the Notice of Disallowance or Revision
Claimant's Application to the Court	Within 10 calendar days from the Notice of Dispute

142. The key elements of the proposed Claims Procedure are further summarized as follows:

Notice to Known Claimants

a) the Monitor shall, within seven (7) business days of the date of the proposed Claims Procedure Order, deliver a Claims Package to each Known Claimant (as defined in the Claims Procedure Order);

Notice to Unknown Claimants

b) the Monitor shall post the Claims Package and a copy of the Claims Procedure Order on the Monitor's Website within two (2) business days of the date of the Claims Procedure Order;

c) the Monitor shall have a Notice of the Claims Procedure published in the Calgary Herald, Insolvency Insider and a local newspaper appropriate in the view of the Monitor within seven (7) business days of the date of the Claims Procedure Order;

Proofs of Claim and Claims Bar Date

d) a Claimant must deliver a Proof of Claim to the Monitor in accordance with the Claims Procedure Order by the Claims Bar Date;

Adjudication of Creditor Claims

e) the Monitor shall review all Proofs of Claim filed in accordance with the Claims Procedure Order and at any time may: i) request additional information, ii) request a revised Proof of Claim, iii) attempt to resolve and settle the Claim; iv) accept the Proof of Claim (in whole or in part), and v) revise or disallow the Proof of Claim:

    (i) where a Claim is revised or disallowed (in whole or in part, and whether as to amount and/or status), the Monitor shall deliver to the Claimant a Notice of Revision or Disallowance;

f) any Claimant who intends to dispute a Notice of Revision or Disallowance shall deliver a Notice of Dispute of Claimant to the Monitor no later than seven (7) calendar days after receipt of the Notice of Revision or Disallowance, or such longer period as may be agreed to by the Monitor in writing; and

g) any Claimant who intends to continue to dispute the Monitor's Notice of Revision and Disallowance, shall file and serve an application within 10 calendar days after the Claimant has delivered a Notice of Dispute, for determination by the Court.

143. Any Claimant that fails to file a Proof of Claim by the Claims Bar Date, or fails to file a Notice of Dispute or file an application before the Court within the applicable timelines or as otherwise set out in the Claims Procedure Order, shall have its Claim forever extinguished, barred, discharged, and released pursuant to the proposed Claims Procedure Order.

144. The Monitor is of the view that the proposed Claims Procedure is reasonable in the circumstances, as it provides for adequate notice to both Known and Unknown Claimants, reasonable timelines for Claimants to prove their Claims, and an orderly dispute resolution process to be administered by the Monitor. Among other things, the proposed Claims Procedure is also consistent with claims procedures that have been approved by the Court in similar proceedings. Accordingly, the Monitor respectfully recommends that the Court approve the proposed Claims Procedure.

CONCLUSION AND RECOMMENDATION

145. This Seventh Report has been prepared by the Monitor in support of the Monitor's Application. For reasons set out herein, the Monitor respectfully recommends that this Court grant the relief set out in the Monitor's Application.

All of which is respectfully submitted this 11th day of May 2026.

BDO CANADA LIMITED, in its capacity as the Monitor of the Debtors, and not in its corporate or personal capacity.
Per:

Clark Lonergan, CA, CPA, CIRP, LIT
Partner/Senior Vice President