

COURT FILE NUMBER	2401 - 07573
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
APPLICANT	ROYAL BANK OF CANADA
RESPONDENTS	FOOTHILLS TRUCK SALES & SERVICES LTD. and TODD BAILEY
DOCUMENT	AFFIDAVIT NO.1 OF MARLENE J. STARENKY

Clerk's Stamp

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Burnet, Duckworth & Palmer LLP 2400, 525 – 8 Avenue SW Calgary, Alberta T2P 1G1 Lawyer: David LeGeyt / Karim Ismail
--	---

Phone Number: (403) 260-0210 / (403) 260-0256
Fax Number: (403) 260-0332
Email Address: dlegeyt@bdplaw.com / kismail@bdplaw.com
File No. 55398-92

AFFIDAVIT OF MARLENE J. STARENKY

Sworn on June 24, 2024

I, Marlene J. Starenky, of the City of Calgary, in the Province of Alberta, SWEAR AND SAY
THAT:

1. I am a Senior Manager, Special Loans and Advisory Services Group of the Royal Bank of Canada ("**RBC**" or the "**Lender**"), the Plaintiff and applicant creditor herein and, as such, have personal knowledge of the matter deposed to except where stated to be based on information and belief, in which case I verily believe the same to be true.
2. I have reviewed the business record of RBC relevant to RBC's application seeking, among other relief, the appointment of a receiver and manager over all of the current and future assets, undertakings and property of Foothills Truck Sales & Services Ltd. ("**Foothills Truck Sales**" or the "**Borrower**"), and the Mortgaged Lands (as defined below) owned by Todd Bailey, and have satisfied myself that I am possessed of sufficient information and knowledge to swear this Affidavit on behalf of RBC.

The Respondents

3. Foothills Truck Sales is a corporation incorporated under the laws of Alberta. An Alberta Corporation/Non-Profit search for Foothills Truck Sales from the Alberta Corporate Registry is attached hereto and marked as **Exhibit "A"**. Foothills Truck Sales's registered office is located in Longview, Alberta.
4. Todd Bailey ("**Todd**" or the "**Guarantor**") is an individual, resident of Alberta, and is the sole director and shareholder of Foothills Truck Sales.
5. As set forth in greater detail below, Todd has guaranteed Foothills Truck Sales' obligations to RBC. Further, in support of this guarantee Todd has granted RBC mortgage security over the Mortgaged Lands. Todd owns the Mortgaged Lands personally, but the property of the Borrower is located on the Mortgaged Lands and the business and operations of the Borrower are located on the Mortgaged Lands. For these reasons RBC seeks the appointment of a Receiver over all of the property of the Borrower and also over the Mortgaged Lands owned by Todd.

The Loans and Indebtedness

6. RBC extended credit facilities and related services (the "**Loans**") to Foothills Truck Sales pursuant to, among others, the following agreements (collectively, the "**Loan Agreements**"):
 - (a) Highly Affected Sectors Credit Availability Program Business Banking Loan Agreement dated March 3, 2021;
 - (b) Loan Credit Agreement dated November 9, 2021, as amended on October 27, 2022, and February 2, 2023;
 - (c) RBC Royal Bank Visa Business Card Agreement dated December 2, 2021;
 - (d) Loan Agreement dated March 9, 2007, as superseded and cancelled by an amending agreement dated April 24, 2008, as amended September 26, 2008, as superseded and cancelled by an amending agreement dated March 5, 2009, as amended June 16, 2009, May 10, 2010, July 7, 2010, October 14, 2011, February 18, 2011, March 15, 2012, May 24, 2012, June 17, 2014, and January 11, 2021; and

(e) Term Loan Renewal Agreement dated November 14, 2022.

7. Copies of the Loan Agreements are attached hereto and collectively marked as **Exhibit "B"**.
8. As at May 28, 2024, Foothills Truck Sales was indebted to RBC for \$1,900,464.15 in respect of principal and interest owing pursuant to the Loans, plus interest, costs and legal fees, which continue to accrue (the "**Indebtedness**").

The Borrower Security

9. Foothills Truck Sales granted, among others, the following security in favour of RBC in respect of all of its obligations, indebtedness, and liabilities under the Loans (collectively, the "**Borrower Security**"):
 - (a) a General Security Agreement ("**GSA**") dated March 5, 2021, a copy of which is attached hereto and marked as **Exhibit "C"**; and
 - (b) a GSA – Floating Charge on Land dated November 16, 2021, a copy of which is attached hereto and marked as **Exhibit "D"**.
10. RBC perfected its personal property security in Alberta by registering its interest with the Personal Property Registry (Alberta) (the "**Alberta PPR**"). An Alberta PPR Borrower Name Search for Foothills Truck Sales dated February 29, 2024, is attached hereto and marked as **Exhibit "E"**.

The Guarantees & Guarantor Security

11. Todd granted the following guarantees and security in favour of the Lender with respect to the amounts owing by the Borrower under the Loan Agreements:
 - (a) a collateral mortgage in the principal amount of \$2,300,000 dated November 16, 2021 (the "**Mortgage**") over the lands legally described as:

MERIDIAN 5 RANGE 2 TOWNSHIP 18 SECTION 33 QUARTER NORTH
WEST CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
EXCEPTING THEREOUT; PLAN NUMBER HECTARES (ACRES) MORE

OR LESS ROAD 0011043 1.815 4.48 EXCEPTING THEREOUT ALL MINES AND MINERALS AND THE RIGHT TO WORK THE SAME

(the "**Mortgaged Lands**"), a copy of which is attached hereto and marked as **Exhibit "F"**

(b) a guarantee in the principal amount of \$2,300,000 dated November 16, 2021 (the "**Guarantee**"), a copy of which is attached hereto and marked as **Exhibit "G"**; and

(c) two postponements and assignments of claim dated November 10, 2021 and November 16, 2021, copies of which are attached hereto and marked as **Exhibit "H"**.

(collectively, the "**Guarantor Security**") and together with the Borrower Security, the "**Security**").

12. A Certificate of Title to the Mortgaged Lands evidencing RBC's registration of the Mortgage is attached hereto and marked as **Exhibit "I"**.

Defaults and Demands

13. The Borrower and Guarantor are in default of their obligations to RBC including but not limited to, by reason of the following, which are continuing:
 - (a) the failure to make scheduled payments to RBC in accordance with the Loan Agreements;
 - (b) the ability of the Borrower to repay the Indebtedness owing to RBC is, or is about to be, impaired; and
 - (c) RBC is of the opinion that there has been a material adverse change in the financial condition of the Borrower.
14. As a result of the Defaults, on or about March 25, 2024, RBC issued a notice of default and demand for payment to the Borrower (the "**Borrower Demand**"), and concurrently delivered a notice of its intention to enforce its security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada) RSC 1985 c B-3 (a "**244 Notice**").

15. Also, on or about March 25, 2024, RBC issued a notice of default and a demand for payment and a 244 Notice to the Guarantor (the "**Guarantor Demand**" and together with the Borrower Demand, the "**Demands**"). Copies of the Demands and 244 Notices are attached hereto and collectively marked as **Exhibit "J"**.
16. Despite the issuance of the Demands for repayment of the Indebtedness, the Borrower and the Guarantor have failed, refused or otherwise neglected to repay the Indebtedness, and are in default of their obligations under the Loans, the Security and the Guarantee.

Appointment of Receiver


17. It is a term of the Security that if the Borrower is in default of its obligations to RBC, RBC may apply to this Honourable Court for the appointment of a receiver and manager.
18. RBC has lost confidence in the Borrower's management and is presently entitled to prosecute its legal remedies under the Security. RBC has the right to appoint or apply to this Honourable Court to appoint a receiver and manager over the property, assets and undertakings of the Borrower. RBC wishes to exercise that right at this time.
19. RBC also has the right to appoint or apply to this Honourable Court to appoint a receiver and manager over the Guarantor's Mortgaged Lands, which are mortgaged to RBC and RBC wishes to exercise that right as well.
20. The Borrower's business is located upon and operated from the Mortgaged Lands, making the property of the Borrower and the Mortgaged Lands an integrated business unit. Therefore RBC believes that it is most prudent and efficient for this Honorable Court to appoint a Receiver over both the Borrower's Property and the Mortgaged Lands concurrently, so that they can be market and sold together as a single operating business unit, as it is anticipated this will yield the greatest return for the creditors of the Borrower.
21. Attached and marked as **Exhibit "K"** is a copy of an appraisal of the Mortgaged Lands dated October 7, 2021. This appraisal confirms that the Mortgaged Lands contain a 2560 square foot shop constructed in the 1980's with two 14x14 overhead doors, an equipment room, an open work area, and a mezzanine area with an office and staff area (see pages 18-19 of the appraisal). This appraisal also contemplates that an additional 9680 square foot shop will be constructed on the Mortgaged Lands and, it is my understanding, used

as part of the Borrower's business (see page 20-21 of the appraisal). I do not know whether this additional shop has been built.

22. I verily believe that the immediate appointment of a receiver manager of all undertakings, assets and properties of the Borrower, as well as the Mortgaged Lands, is just and convenient and is necessary to protect RBC's interests, including to preserve the remaining assets and property of the Borrower and to realize on RBC's Security.
23. I verily believe that BDO Canada Limited is qualified and prepared to act as receiver or receiver and manager of the Borrower. Attached hereto, marked as **Exhibit "L"** is a true copy of a Consent to Act executed by an authorized representative of BDO Canada Limited.
24. I make this Affidavit in support of RBC's application to appoint BDO Canada Limited as receiver or receiver and manager of the current and future assets, undertakings, and properties of the Borrower and the Guarantor's Mortgaged Lands.

SWORN/AFFIRMED BEFORE ME at the City)
of Calgary, in the Province of Alberta, this 24th)
day of June, 2024.)

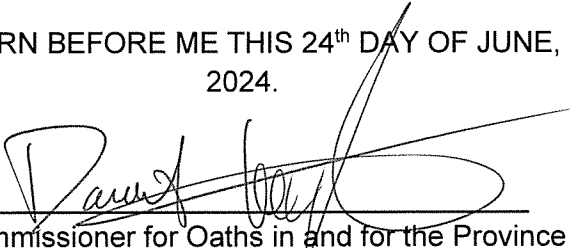
A Commissioner for Oaths in and for the)
Province of Alberta.)


MARLENE J. STARENKY


David LeGeyt
Barrister & Solicitor

THIS IS **EXHIBIT "A"** REFERRED TO IN THE
AFFIDAVIT OF **MARLENE J. STARENKY**.

SWORN BEFORE ME THIS 24th DAY OF JUNE,
2024.



A Commissioner for Oaths in and for the Province
of Alberta

David LeGeyt
Barrister & Solicitor

Government Corporation/Non-Profit Search of Alberta ■ Corporate Registration System

Date of Search: 2024/02/29
Time of Search: 09:23 AM
Search provided by: ELDOR-WAL REGISTRATIONS (1987) LTD
Service Request Number: 41579614
Customer Reference Number:

Corporate Access Number: 2020626954
Business Number: 796926889
Legal Entity Name: FOOTHILLS TRUCK SALES & SERVICES LTD.

Name History:

Previous Legal Entity Name	Date of Name Change (YYYY/MM/DD)
BAILEYS WHOLE SALE LTD.	2020/12/02

Legal Entity Status: Active
Alberta Corporation Type: Named Alberta Corporation
Registration Date: 2017/08/15 YYYY/MM/DD
Date of Last Status Change: 2023/01/09 YYYY/MM/DD

Registered Office:

Street: 144133 - 530 AVENUE WEST
City: LONGVIEW
Province: ALBERTA
Postal Code: T0L1H0

Records Address:

Street: 144133 - 530 AVENUE WEST
City: LONGVIEW
Province: ALBERTA
Postal Code: T0L1H0

Mailing Address:

Post Office Box: PO BOX 45
City: LONGVIEW
Province: ALBERTA
Postal Code: T0L1H0

Email Address: ADMIN@FOOTHILLSTRUCKS.CA

Primary Agent for Service:

Last Name	First Name	Middle Name	Firm Name	Street	City	Province	Postal Code	Email
BAILEY	TODD	LESLIE		PO BOX	LONGVIEW	ALBERTA	T0L1H0	SALES@FOOTHILLSTRUCKS.CA

Directors:

Last Name: BAILEY
First Name: TODD
Street/Box Number: PO BOX 45
City: LONGVIEW
Province: ALBERTA
Postal Code: T0L1H0

Voting Shareholders:

Last Name: BAILEY
First Name: TODD
Street: P.O. BOX 45
City: LONGVIEW
Province: ALBERTA
Postal Code: T0L1H0
Percent Of Voting Shares: 100

Details From Current Articles:**The information in this legal entity table supersedes equivalent electronic attachments**

Share Structure: SEE ATTACHED SCHEDULE "A"
Share Transfers Restrictions: SEE ATTACHED SCHEDULE "B"
Min Number Of Directors: 1
Max Number Of Directors: 10
Business Restricted To: NONE
Business Restricted From: NONE
Other Provisions: SEE ATTACHED SCHEDULE "C"

Associated Registrations under the Partnership Act:

Trade Partner Name	Registration Number
FOOTHILLS TRUCK SALES	TN21841598

Other Information:**Last Annual Return Filed:**

File Year	Date Filed (YYYY/MM/DD)
2022	2023/01/09

Outstanding Returns:

Annual returns are outstanding for the 2023 file year(s).

Filing History:

List Date (YYYY/MM/DD)	Type of Filing
2017/08/15	Incorporate Alberta Corporation
2020/02/22	Update BN
2020/12/02	Name Change Alberta Corporation
2020/12/03	Change Address
2022/10/02	Status Changed to Start for Failure to File Annual Returns
2023/01/09	Enter Annual Returns for Alberta and Extra-Provincial Corp.

Attachments:

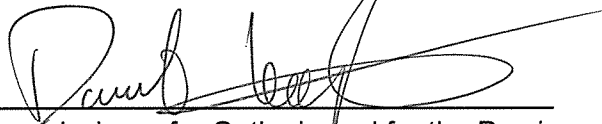
Attachment Type	Microfilm Bar Code	Date Recorded (YYYY/MM/DD)
Share Structure	ELECTRONIC	2017/08/15
Restrictions on Share Transfers	ELECTRONIC	2017/08/15
Other Rules or Provisions	ELECTRONIC	2017/08/15

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



THIS IS **EXHIBIT "B"** REFERRED TO IN THE
AFFIDAVIT OF **MARLENE J. STARENKY**.

SWORN BEFORE ME THIS 24th DAY OF JUNE,
2024.

A handwritten signature in black ink, appearing to read 'David LeGeyt', is written over a horizontal line.

A Commissioner for Oaths in and for the Province
of Alberta

David LeGeyt
Barrister & Solicitor

**ROYAL BANK OF CANADA
HIGHLY AFFECTED SECTORS CREDIT AVAILABILITY PROGRAM
BUSINESS BANKING LOAN AGREEMENT**

Borrower: FOOTHILLS TRUCK SALES & SERVICES LTD.
SRF# : 577045925
Dated: 3 March, 2021



The undersigned (the "**Borrower**") requests that Royal Bank of Canada (the "**Lender**") provide the Borrower with the following loan(s) (each a "**Term Loan**") and banking services in compliance with the terms and conditions set forth below and in the attached General Terms & Conditions, BDC Additional Terms and Conditions and the Borrower's Representations and Warranties (collectively the "**Agreement**").

Each Term Loan entered into under this Agreement is made possible under Business Development Bank of Canada's ("**BDC**") Highly Affected Sectors Credit Availability Program ("**HASCAP**"). HASCAP is intended to provide additional liquidity support to Canadian businesses that have been highly affected by and are facing economic hardship as a result of the COVID-19 pandemic by having BDC provide a guarantee (the "**BDC Guarantee**") in favour of the Lender against loan losses, provided the requirements of HASCAP have been met.

The Borrower acknowledges that the BDC Guarantee of each Term Loan entered into under this Agreement is subject to the Borrower meeting BDC's HASCAP mandate requirements regarding support for Canadian businesses, as that mandate is expressed from time to time.

To confirm the HASCAP eligibility criteria and prior to any advance to the Borrower hereunder, the Borrower shall deliver to the Lender a duly executed copy of BDC's Eligible Borrower's Representations and Warranties on the Lender's and BDC's standard form (the "**Borrower's Representations and Warranties**").

Notwithstanding BDC's guarantee of each Term Loan entered into under this Agreement, the Lender has all right, power and authority to enforce the terms and conditions of this Agreement.

Fixed Rate Term Loan

Original Amount: \$ 100,000.00
Term: 10 year(s)
Amortization Period: 10 year(s).
Interest Rate: 4.00% per annum
Payments: \$ 925.93 plus interest
Frequency of Payments: Monthly
First Interest Payment Date: 30 days after drawdown and thereafter on the same day of the month
First Payment Date: 13 months after drawdown
Last Payment Date: 10 years after drawdown (All outstanding principal is due and payable on Last Payment Date.)
Account # 1015387 Transit # 06389
Guarantor(s): N/A

Business Loan Insurance Plan ("BLIP"):

BLIP is an optional group creditor insurance program, underwritten by Sun Life Assurance Company of Canada, and is offered to customers and provides coverage on eligible owner(s)/partner(s)/management of the customer for the Financings. To apply for BLIP, a Business Loan Insurance Plan application needs to be completed for each proposed insured. For more information or to apply, please contact 1-800-769-2523.



ACCEPTED:

ROYAL BANK OF CANADA

Per: 

Title: Vice-President

THE BORROWER ACKNOWLEDGES THAT IT HAS REVIEWED THIS AGREEMENT, WHICH INCLUDES THE GENERAL TERMS AND CONDITIONS, THE ADDITIONAL BDC TERMS AND CONDITIONS AND THE BORROWER'S REPRESENTATIONS AND WARRANTIES WHICH FORM AN INTEGRAL PART OF THIS AGREEMENT, AND UNDERSTAND THAT THEY ARE LEGALLY BINDING.

Notwithstanding the foregoing and without limiting the Lender's right to cancel or restrict availability of the Term Loan at any time, if the Borrower does not draw under the Term Loan on or before September 30, 2021, the Lender may, at its sole discretion, cancel the Term Loan and the Lender will be under no obligation to advance any funds hereunder.

This Agreement is open for acceptance by the Borrower for thirty (30) days after issuance, after which date it will be null and void, unless extended by the Lender in its sole discretion.

ACCEPTED ON THIS 5th DAY OF MARCH, 2021

FOOTHILLS TRUCK SALES & SERVICES LTD.

(Name of Borrower)


Name: TODD BAILEY
(Authorized Signing Officer)


Name:
(Authorized Signing Officer)

GENERAL TERMS AND CONDITIONS

The Lender is requested by the Borrower to make the Term Loan available to the Borrower in the manner and at the rates and times specified in this Agreement. Terms defined elsewhere in this Agreement and not otherwise defined in the General Terms and Conditions below ("**Standard Terms**") have the meaning given to such terms as so defined. In consideration of the Lender making the Term Loan available, the Borrower agrees, and if the Borrower is comprised of more than one Person, such Persons jointly and severally agree, or in Quebec solidarily agree, with the Lender as follows:

1. Definitions

"**Financing**" means each use of a Term Facility, and all such usages outstanding at any time are "**Financings**".

"**Permitted Encumbrances**" means, in respect of the Borrower:

- a) liens arising by operation of law for amounts not yet due or delinquent, minor encumbrances on real property such as easements and rights of way which do not materially detract from the value of such property, and security given to municipalities and similar public authorities when required by such authorities in connection with the operations of the Borrower in the ordinary course of business;
- b) any security granted by the Borrower in favour of the Lender; and
- c) such other liens, encumbrances or other security as the Lender may consent to in writing.

"**Person**" includes an individual, a partnership, a joint venture, a trust, an unincorporated organization, a company, a corporation, an association, a government or any department or agency thereof including Canada Revenue Agency, and any other incorporated or unincorporated entity.

2. Interest and Fees

- (a) **Interest.** The interest the Lender charges on the Term Loan is the interest indicated in this Agreement with respect to that Term Loan and is calculated and payable monthly both before and after maturity, default and judgment, with interest on overdue interest at the same rate as on the principal amount of the Term Loan, as specified in this Agreement.
- (b) **Fees.** The Borrower will pay to the Lender all fees (including, without limitation, the BDC Guarantee Fee described in the Additional BDC Terms and Conditions) in the amounts and at the times specified in this Agreement. Fees are payable both before and after any default, demand or judgment.
- (c) **Interest and Fees.** In no event will interest and fees exceed the rate permitted by law.
- (d) **Interest Act Disclosure.** The annual rates of interest to which the rates calculated in accordance with this Agreement are equivalent, are the rates so calculated multiplied by the actual number of days in the calendar year and divided by 365.

3. Repayment

- (a) If the Term Loan is a fixed rate term loan, the following conditions apply, provided there is no Event of Default, the Borrower shall pay:
 - i. interest only payments commencing on the First Interest Payment Date indicated in this Agreement and continuing monthly thereafter on the same day of each month; and
 - ii. consecutive payments of principal plus interest, in such amounts, commencing on the First Payment Date indicated in this Agreement and in amounts and frequency as specified in the Agreement and continuing until the Last Payment Date specified in that Agreement.
- (b) Subject to Section 5 of these Standard Terms, all outstanding principal and any accrued interest will be due and payable in full on the Last Payment Date specified in this Agreement. The Lender will apply the payment received firstly toward interest due and the balance, if any, will be applied to outstanding principal. If any such payment is insufficient to pay all interest due, the unpaid balance of such interest will be added to the Term Loan, and will bear interest at the same rate. Since the Financing is repayable by scheduled payments, if the scheduled payment date is changed then the Last Payment Date of the applicable Financing shall automatically be amended accordingly.
- (c) The Lender may, at its discretion, adjust payments periodically, if necessary, to ensure payment in full of all Financing under each Term Loan within the stated amortization period.

4. Renewal

Provided that nothing contained in this paragraph shall confer any right of renewal or extension upon the Borrower, the Borrower and the Lender agree that, at the Lender's option, the Lender may provide a letter ("**Renewal Letter**") to the Borrower setting out the terms upon which the Lender is prepared to extend any Term Loan. In the event that the Borrower provides a Renewal Letter to the Borrower and the Term Loan is not repaid on or before the Last Payment Date of the applicable Term Loan, then at the Lender's option the Term Loan shall be automatically renewed on the terms set out in the Renewal Letter and the terms of this Agreement shall be amended accordingly.

5. Prepayment

- (a) If the Term Loan has a fixed rate of interest, the Borrower may prepay the Term Loan prior to the maturity date, in whole or in part, subject to the following conditions: (i) the Lender provides its prior written consent to such prepayment, (ii) the Borrower agrees to pay the Prepayment Fee as defined below, (iii) in the case of a partial prepayment, an amendment is made to the terms of this Agreement to reflect such prepayment, and (iv) such other conditions as the Lender may reasonably impose. The prepayment of any Financing under a Term Loan will be made in the reverse order of maturity.

The Prepayment Fee will be calculated by us as the greater of:

- the amount equal to three (3) months' interest payable on the amount of the Term Loan being prepaid, calculated at the interest rate applicable to the Term Loan on the date of prepayment; and
- the present value of the cash flow associated with the difference between the Lender's original cost of funds for the Term Loan and the current cost of funds for a loan with a term substantially similar to the remaining term of the Term Loan and an amortization period substantially similar to the remaining amortization period of the Term Loan, each as determined by the Lender on the date of such prepayment.

The Prepayment Fee shall also be payable by the Borrower in the event the Lender demands repayment of the outstanding principal of the loan on the occurrence of a default. The Borrower's obligation to pay the Prepayment Fee will be in addition to any other amounts then owing by the Borrower to the Lender, will form part of the Term Loan amount and will be secured by the security described herein.

6. Covenants

The Borrower covenants and agrees with the Lender:

- to pay all amounts specified in this Agreement when due, starting on the payment dates specified in this Agreement or herein;
- to promptly provide the Lender with such financial and operating statements and reports as the Lender may reasonably request;
- to give the Lender prompt notice of any event which constitutes, or which the giving of notice or the lapse of time, or both, would constitute a breach of any covenant or other term or condition of this Agreement or any other agreement delivered to the Lender (including, without limitation, the Borrower's Representations and Warranties), or any Event of Default;
- not to change the name of the Borrower's business or to consolidate, amalgamate or otherwise enter into any form of business combination with any other person;
- not to sell, transfer, convey, lease or otherwise dispose of any part of the Borrower's business other than in the ordinary course and on commercially reasonable terms, or as the Lender may consent to in writing;
- except for Permitted Encumbrances, not to, without the prior written consent of the Lender, grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest or other encumbrance affecting any of its properties, assets or other rights;
- not use the proceeds of the Term Loan for (i) the benefit or on behalf of any Person other than the Borrower or (ii) a purpose not permitted by Section 1 of the Additional BDC Terms and Conditions; and
- not to guarantee or otherwise provide for, on a direct, indirect or contingent basis, the payment of any monies or performance of any obligations by any other person.

7. Event of Default

If any one or more of the following events ("**Events of Default**") has occurred and is continuing:

- the Borrower fails to make payment when due of principal, interest, fees or any other amounts due under this Agreement; or
- the Borrower breaches any other provision of this Agreement, or any other agreement delivered to the Lender or in any documentation relating hereto or thereto (including, without limitation, the Borrower's Representations and Warranties); or
- the Borrower defaults in the payment of any indebtedness or in the performance or observance of any agreement in respect of indebtedness where, as a result of such default, maturity of the indebtedness is or may be accelerated; or

- (d) a writ of execution or attachment or similar process is issued or levied against any part of the Borrower's property; or
- (e) any representation and warranty made shall be false or inaccurate in any material adverse respect, including, without limitation, any representation and warranty made in the Borrower's Representations and Warranties; or
- (f) in the opinion of the Lender, there is a material adverse change in the Borrower or the Borrower's business; or
- (g) the Borrower is unable to pay debts as such debts become due or is adjudged or declared to be or admits to being bankrupt or insolvent; or
- (h) if the Borrower is an individual, the Borrower dies,

then, in such event, the Lender may, by written notice to the Borrower, declare the outstanding balance of the Term Loan to be immediately due and payable and may without notice apply any amounts outstanding to the credit of the Borrower to repayment of the Term Loan and the Borrower's other obligations under this Agreement.

As well, the mere lapse of the time fixed for performing an obligation under these Standard Terms will have the effect of putting the Borrower in default of it.

8. Evidence of Indebtedness

The Lender will maintain accounts and records evidencing the Term Loan. The Lender shall record the Original Amount of the Term Loan, the repayment of principal and the payment of interest and all other amounts owing to the Lender. Such accounts and records shall constitute, in the absence of manifest error, conclusive evidence of the debt of the Borrower to the Lender at any time. The Lender may use a microfilm, electronic or other reproduction of any Transaction or other document evidencing the debt to establish the Borrower's liability for that debt.

9. Debiting of Accounts

The Lender is authorized, but not obliged, to debit any of the Borrower's accounts including the Account specified in this Agreement with any amounts due and payable by the Borrower under this Agreement.

10. Compliance with Law

The Borrower represents and warrants that the Borrower is in compliance and agrees that in the future the Borrower will comply with all laws, regulations, official directives and authorizations applying to the Borrower or any of the Borrower's property or business, including any relating to the environment or public health and safety ("**Environment Laws**"). The Borrower will notify the Lender immediately of any breach of Environment Laws. The Borrower will also promptly advise the Lender of all communications and reports in connection with any matters materially affecting the Borrower, the Borrower's property or business and relating to Environment Laws.

11. Fees, Costs and Expenses

The Borrower shall pay the Lender all fees charged by the Lender relating to the documentation or registration of this Agreement and any security provided to the Lender. In addition, the Borrower shall pay all fees, expenses and legal costs (on the basis of a solicitor and its own client, or where applicable including extra-judicial costs) incurred by the Lender in connection with this Agreement and any security provided to the Lender and the enforcement of the Lender's rights against the Borrower or under any security. These costs and expenses may include (but are not limited to) costs of amendments, appraisals, inspections, environmental reviews, registrations, searches, discharges and actions taken in connection with the preservation of the Lender's rights under this Agreement or under the Lender's security.

12. Whole Agreement

This Agreement and any documents or instruments referred to in, or delivered pursuant to, this Agreement constitute the whole and entire agreement between the Borrower and the Lender with respect to the Term Loan. This Agreement is separate and in addition to any other agreements which exist or may exist between the Borrower and the Lender relating to any other loans or facilities that the Borrower has with the Lender.

13. Governing Law and Submission to Jurisdiction

This Agreement shall be construed in accordance with and governed by the laws of the Province in which the branch of the Lender, which is the Borrower's branch of account, is located and the laws applicable therein. The Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of such Province and acknowledges the competence of such courts and irrevocably agrees to be bound by a judgment of any such court.

14. Set Off

The Lender is authorized (but not obligated), at any time and without notice, to apply any credit balance (whether or not then due) to which the Borrower is then beneficially entitled on any account (in any currency) at any branch or

agency of the Lender in or towards satisfaction of the obligations and liabilities of the Borrower due to the Lender under this Agreement. For that purpose, the Lender is irrevocably authorized to use all or any part of any such credit balance to buy such other currencies as may be necessary to effect such application.

15. Successors and Assigns

This Agreement shall extend to and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. The Borrower shall not be entitled to assign or transfer any rights or obligations hereunder, without the consent in writing of the Lender. The Lender may assign or transfer all or any part of its rights and obligations under this Agreement to any Person. The Lender may disclose to potential or actual assignees or transferees confidential information regarding the Borrower and any guarantor if applicable, (including, any such information provided by the Borrower, and any guarantor if applicable, to the Lender) and shall not be liable for any such disclosure.

16. Notices

Any notice or demand under this Agreement shall be given in writing by way of a letter addressed to the Borrower. If the letter is sent by telecopier, it shall be deemed received on the date of transmission provided such transmission is received prior to 5:00 p.m. on a day on which the Borrower's business is open for normal business, and otherwise on the next such day. If the letter is sent by ordinary mail at the address of the Borrower, it shall be deemed received on the date falling five (5) days following the date of the letter, unless the letter is hand-delivered to the Borrower in which case the letter shall be deemed to be received on the date of the delivery. The Borrower must advise the Lender at once about any changes in the Borrower's address.

17. Language

The Borrower and the Lender have expressly requested that this Agreement and all related documents, including notices, be drawn up in the English language. Les parties ont expressément demandé que la présente convention et tous les documents y afférents, y compris les avis, soient rédigés en langue anglaise. (Quebec only / Québec seulement)

18. Counterparts

This Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which, taken together, constitute one and the same instrument. To evidence its execution of an original counterpart of this Agreement, the undersigned may send a copy of its original signature on the execution page hereof to the Lender by facsimile or electronic transmission and such transmission shall constitute delivery of an executed copy of this Agreement to the receiving party.

19. Electronic Mail and Fax Transmission

The Lender is entitled to rely on any agreement, document or instrument provided to the Lender by the Borrower or any guarantor as applicable, by way of electronic mail or fax transmission as though it were an original document. The Lender is further entitled to assume that any communication from the Borrower received by electronic mail or fax transmission is a reliable communication from the Borrower.

20. Electronic Imaging

The parties hereto agree that, at any time, the Lender may convert paper records of this Agreement and all other documentation delivered to the Lender (each, a "Paper Record") into electronic images (each, an "Electronic Image") as part of the Lender's normal business practices. The parties agree that each such Electronic Image shall be considered as an authoritative copy of the Paper Record and shall be legally binding on the parties and admissible in any legal, administrative or other proceeding as conclusive evidence of the contents of such document in the same manner as the original Paper Record.



ADDITIONAL BDC TERMS AND CONDITIONS

The Lender is requested by the Borrower to make the Term Loan available to the Borrower in the manner and at the rates and times specified in this Agreement. Terms defined elsewhere in this Agreement and not otherwise defined in the Additional BDC Terms and Conditions below have the meaning given to such terms as so defined. In consideration of the Lender making the Term Loan available, the Borrower agrees, and if the Borrower is comprised of more than one Person, such Persons jointly and severally agree, or in Quebec solidarily agree, with the Lender as follows:

1. Purpose

In order to comply with the HASCAP eligibility criteria, the Borrower agrees that proceeds of the Term Loan shall only be used in accordance with paragraph (h) of the Borrower's Representations and Warranties.

2. Conditions Precedent

To confirm the HASCAP eligibility criteria, and prior to any advance to the Borrower hereunder, the Borrower shall deliver to the Lender each of the following:

- a) the confirmation number issued by BDC on the Borrower's completion and submission of BDC's online electronic information form;
- b) the Borrower's signed Borrower's Representations and Warranties; and
- c) a signed Waiver from each Guarantor named on the first page of this Agreement, present and future, if applicable.

The Borrower is required to access and to complete the above-mentioned forms electronically using a link on the BDC website (<https://www.bdc.ca/en/special-support/hascap/hascap-guarantee-id-form?ref=shorturl-hascap-form>).

In addition to the above conditions, prior to any advance to the Borrower hereunder, if not already held by the Lender, the Borrower shall deliver to the Lender a Guarantee and Postponement of Claim on the Lender's standard form from the Guarantor(s) named on the first page of this Agreement (if any). Such guarantee(s) shall be in an amount equal to the Original Amount specified on the first page of this Agreement, or such other amount as the Lender may agree to in writing.

The conditions precedent above shall be satisfied on or before August 31, 2021 or such other date as the Lender may notify the Borrower in writing. If such conditions precedent are not satisfied or waived by the Lender (in the Lender's sole discretion) on or before such date, the BDC HASCAP Facility shall automatically be cancelled and shall no longer be available to the Borrower.

3. BDC GUARANTEE FEE

The Borrower acknowledges that 1.00% of the 4.00% per annum interest rate payable on the Term Loan is a non-refundable guarantee fee charged by BDC for coverage under BDC HASCAP. The Borrower hereby authorizes and directs the Lender to collect such guarantee fee and remit it to BDC on the Borrower's behalf.

4. Representation and Warranties

In addition to, and without limiting any of the representations and warranties contained in the Borrower's Representations and Warranties, the Borrower represents and warrants to the Lender that no event has occurred which constitutes, or which, with notice, lapse of time, or both, would constitute, a breach of any covenant or other term or condition of this Agreement, any security granted to the Lender in support of any of the Borrower's obligations, any other agreement delivered to the Lender or an Event of Default.

5. Consent and Acknowledgement

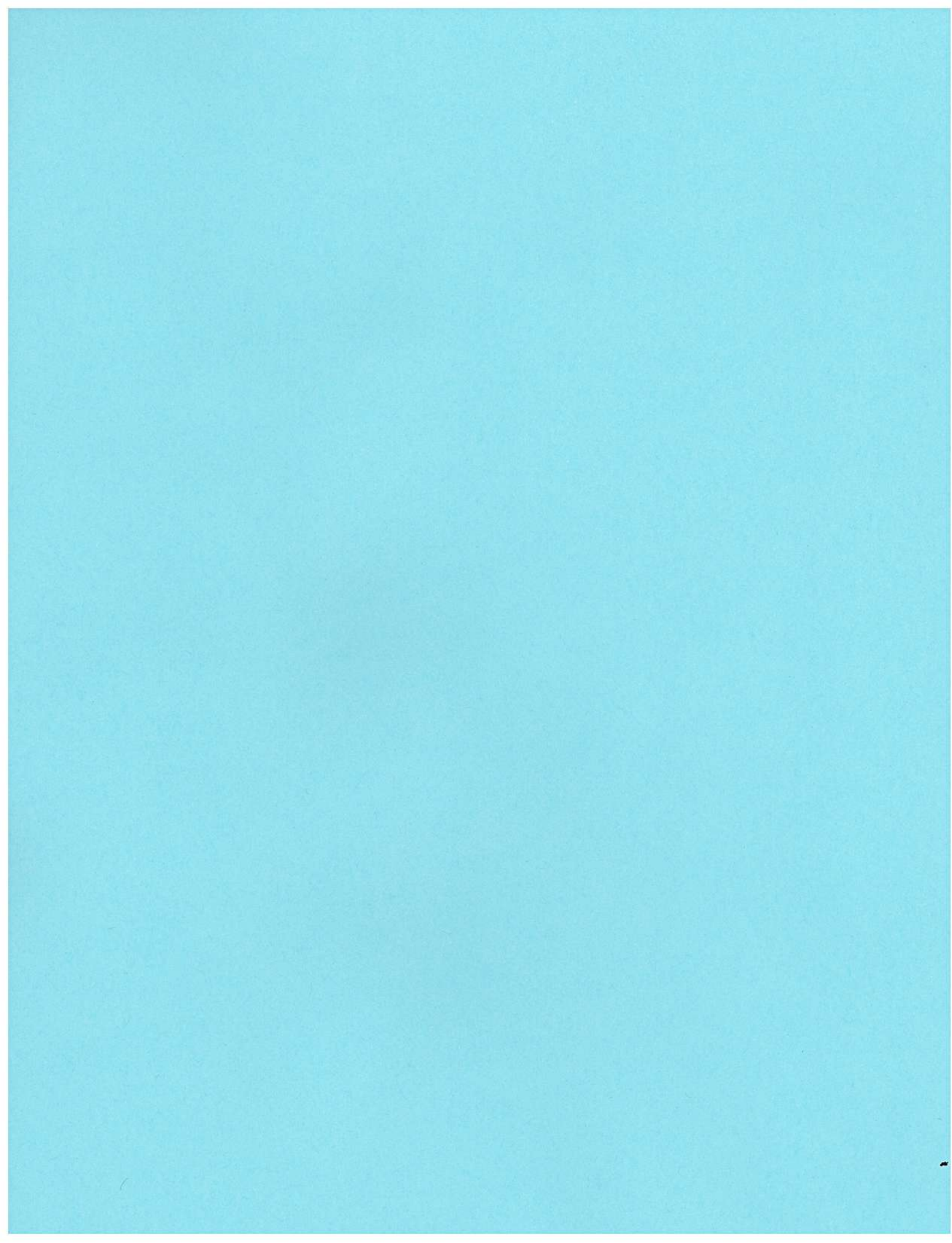
The Borrower agrees to the following:

- a) it irrevocably authorizes the Lender and BDC to:
 - i. freely and fully communicate with each other and freely and fully share information, records, files and documentation related to the Borrower, the Term Loan and the BDC Guarantee including, without limitation, with respect to the Borrower's business, property, assets, customers, contracts, purchase orders, creditors, financial state, projections and prospects and the Lender's internal credit review of the Borrower (including, without limitation, risk ratings, key financial ratios, ratings, analysis of the Borrower's financial statements, assessment of technical capability, and relevant history of the Borrower), and
 - ii. retain copies of information or documents relating to any of the foregoing.



- b) it hereby remises, releases and forever discharges the Lender and BDC from all actions, causes of actions, suits, duties, accounts, bonds, covenants, claims and demands whatsoever, which any of the undersigned, may now or hereafter have against either or both of the Lender and BDC for or by reason of or in any way arising out of the release or sharing of information provided for in this consent and acknowledgement.
- c) it acknowledges that BDC has made no commitment to provide the BDC Guarantee and such decision remains in BDC's sole discretion and that the BDC Guarantee must be in form and on terms and conditions satisfactory to the Lender.

A handwritten signature in black ink, consisting of a stylized 'A' followed by a horizontal line and a diagonal stroke.





Royal Bank of Canada
Commercial Financial Services
335 8 AVE SW 6TH FLR
CALGARY AB, CANADA
T2P 1C9

ROYAL BANK OF CANADA
TERM LOAN RENEWAL AGREEMENT

DATE: 14 November 2022

Private and Confidential

FOOTHILLS TRUCK SALES & SERVICES LTD.

Attn: Todd Bailey
BOX 45, 144133 530 AVE WEST
LONGVIEW, AB
T0L1H0

Royal Bank of Canada (the "Bank") hereby confirms to FOOTHILLS TRUCK SALES & SERVICES LTD. (the "Borrower") the following amendments to the credit/loan agreement between the Borrower and the Bank and any previous amendments thereto (the "Agreement").

The FIXED Rate Term Loan (the "Term Loan") described in the Agreement which is payable in full on 19 November 2022 (the "Term Loan Maturity Date") is renewed, subject to the following revised terms with effect from and after the Term Loan Maturity Date:

TERM LOAN DETAILS AS OF 14 November 2022			
Current Balance:	CAD \$1,171,208.00	Payment Frequency:	Monthly
Estimated Remaining Amortization (months):	288	Payment Type:	BLENDED
Interest Rate:	3.26%	Loan Payment:	\$5,856.14
Loan Type:	FIXED	Term:	12 months

RENEWAL DETAILS			
Payment Frequency:	Monthly	Payment Type:	Blended

Please select one of the options in the grids below by initialing in the space provided.

FIXED RATE OPTIONS					
Initial Selection	Available Terms	New Interest Rate (per annum)	New Maturity Date	Payment	Percentage of the outstanding principal balance on the date of the prepayment which is eligible for prepayment
<i>TB</i>	1 YEAR FIXED	7.45%	19 November 2023	\$8,730.00	0%

AUTOMATIC RENEWAL TERMS

In the event the Bank does not receive from the Borrower a duly executed copy of this Term Loan Renewal Agreement on or before the Term Loan Maturity Date, the Term Loan will be automatically renewed as a Variable Rate Term Loan subject to the terms set out below:

Term	New Interest Rate (per annum)	Premium (per annum)	New Maturity Date	Payment	Payment Type	Payment Frequency
1 YEAR	RBP	3.00%	19 November 2023	\$4,066.69	Principal plus Interest	Monthly

STANDARD TERMS

If the Term Loan is renewed from a Variable Rate Term Loan to a Fixed Rate Term Loan, effective as of the Term Loan Maturity Date the Standard Terms "Standard Fixed Rate Term Loan Terms" (version 05/2018) apply to the Term Loan from and after the Term Loan Maturity Date and are incorporated by reference into the Agreement. The Borrower and the Guarantor, if applicable, signing below acknowledge having received a copy of "Standard Fixed Rate Term Loan Terms" (version 05/2018) and agree to be bound by, those Standard Terms.

If the Term Loan is amended from a Fixed Rate Term Loan to a Variable Rate Term Loan effective as of the Term Loan Maturity Date, the Borrower agrees that the Borrower shall pay interest on each RBP based loan monthly in arrears on the same day of each month as determined by the Bank. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days.

OTHER TERMS AND CONDITIONS

- All unpaid principal and interest is repayable in full on the "New Maturity Date" in accordance with the above terms.
- All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement.
- All other terms and conditions of the Agreement including those contained in the standard terms provided therewith, remain in full force and effect.
- This Term Loan Renewal Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together constitute one and the same instrument.
- The offer of Fixed Rate Options or Variable Rate Options in this Term Loan Renewal Agreement is open for acceptance until the Term Loan Maturity Date, after which date the offer of Fixed Rate Options or Variable Rate Options will be null and void, unless extended in writing by the Bank.
- Two (2) copies of this Term Loan Renewal Agreement are being provided to the Borrower for signing. The Borrower is required to sign both original copies and to retain one original copy. The other original copy must be returned to the Bank by regular mail to the above-noted address or by delivery in PDF format by email to Martin.Pullen@rbc.com.

ROYAL BANK OF CANADA

Per: _____
Title: Vice President

Agreed to and accepted this 16 day of NOV, 2022

FOOTHILLS TRUCK SALES & SERVICES LTD.

Per: [Signature]

Name: Rod Bailey

Per: _____

Name: _____

Per: _____

Name: _____

I / We have the authority to bind the Borrower

SRF: 577045925

LOAN#: 71497417-003

Acceptance Date: 19 November 2022

LOAN#: 71497417-003

RBC FIXED RATE TERM LOANS STANDARD TERMS

Version 05/2018

The following set of standard terms is deemed to be included in and forms an integral part of the Royal Bank of Canada Term Loan Renewal Agreement which refers to standard terms with this document version date, receipt of which has been duly acknowledged by the Borrower. Terms defined elsewhere in the Term Loan Renewal Agreement or in the Borrower's Agreement (as defined in the Term Loan Renewal Agreement) and not otherwise defined below have the meaning given to such terms as so defined. The Borrower agrees and if the Borrower is comprised of more than one Person, such Persons jointly and severally agree, or in Quebec solidarily agree, with the Bank as follows:

PREPAYMENT

Where Borrowings are by way of Fixed Rate Term Loans, provided an Event of Default shall not have occurred and be continuing, the Borrower may prepay such Borrowings on a non-cumulative basis up to the percentage, as selected by the Borrower for each Fixed Rate Term Loan, of the outstanding principal balance on the day of prepayment, without fee or premium, once per year during the 12 month period from each anniversary date of the Borrowing. Any prepayment of Borrowings by way of Fixed Rate Term Loans prior to the maturity date, in whole or in part (in excess of any prepayment explicitly permitted in this Agreement), requires an amendment of the terms of this Agreement. An amendment to permit such a prepayment requires the Bank's prior written consent. The Bank may provide its consent to an amendment to permit a prepayment upon satisfaction by the Borrower of any conditions the Bank may reasonably impose, including, without limitation, the Borrower's agreement to pay the Prepayment Fee as defined below.

The Prepayment Fee will be calculated by the Bank as the sum of:

- a) the greater of:
 - (i) the amount equal to 3 months' interest payable on the amount of the Fixed Rate Term Loan Borrowings being prepaid, calculated at the interest rate applicable to the Fixed Rate Term Loan Borrowings on the date of prepayment; and
 - (ii) the present value of the cash flow associated with the difference between the Bank's original cost of funds for the Fixed Rate Term Loan and the current cost of funds for a loan with a term substantially similar to the remaining term of the Fixed Rate Term Loan and an amortization period substantially similar to the remaining amortization period of the Fixed Rate Term Loan, each as determined by the Bank on the date of such prepayment;

plus:

- b) foregone margin over the remainder of the term of the FRT Loan. Foregone margin is defined as the present value of the difference between the Bank's original cost of funds for the FRT Loan and the interest that would have been charged to the Borrower over the remaining term of the FRT Loan;

plus:

- c) a processing fee.

The Prepayment Fee shall also be payable by the Borrower in the event that the Bank demands repayment of the outstanding principal of the FRT Loan on the occurrence of an Event of Default. The Borrower's obligation to pay the Prepayment Fee will be in addition to any other amounts then owing by the Borrower to the Bank, will form part of the loan amount and will be secured by the Security described herein.

INTEREST RATE

The Borrower shall pay interest on each loan in arrears at the applicable rate on such date as agreed upon between the Bank and the Borrower. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days.

ADDITIONAL BORROWING CONDITIONS

Borrowings made by way of FRT Loans will be subject to the following terms and conditions:

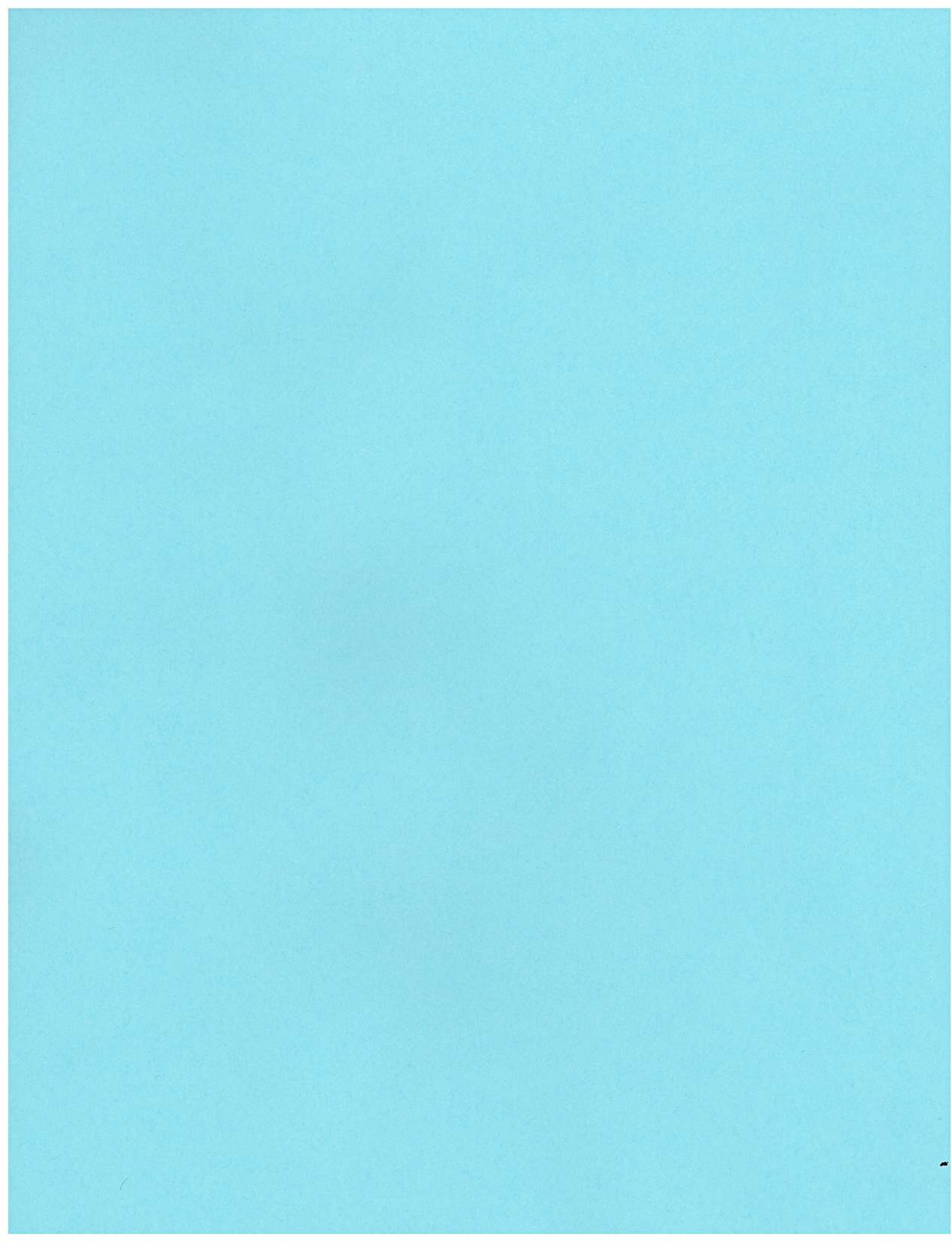
- a) each FRT Loan shall have a minimum term of one year;
- b) the Borrower shall select an amount eligible for prepayment of 10% or 0% for each new FRT Loan prior to the

advance of such FRT Loan;

- c) each FRT Loan shall be in an amount not less than \$10,000.00 in Canadian currency and not less than \$100,000.00 in US currency; and
- d) each FRT Loan shall have a term as outlined in the applicable repayment section of each corresponding credit facility, provided that the maturity date of any FRT Loan issued under any term facility shall not extend beyond the Maturity Date of the term facility.

INCREASED COSTS

If any change in Applicable Laws or the interpretation thereof after the date hereof (i) imposes or increases taxes on payments due to the Bank hereunder (other than taxes on the overall net income of the Bank), (ii) imposes or increases any reserve or other similar requirement or (iii) imposes or changes any other condition affecting the Credit Facilities, and the result of any of the foregoing results in any additional cost to the Bank of making available, continuing or maintaining any of the Credit Facilities hereunder (or maintaining any obligations to make any such Credit Facilities available hereunder) or results in any reduction in the amount of any sum received or receivable by the Bank in connection with this Agreement or the Credit Facilities made available hereunder, then from time to time, upon written request of the Bank, the Borrower shall promptly pay to the Bank, such additional amount or amounts as will compensate the Bank for any such additional costs incurred or reduction suffered.





Royal Bank

FORM 484 OWL (Rev 12/2021)

ROYAL BANK OF CANADA AMENDING AGREEMENT**DATE: February 2, 2023****BORROWER:****FOOTHILLS TRUCK SALES & SERVICES LTD.****SRF:****577045925****ADDRESS** (Street, City/Town, Province, Postal Code)

144133 530 Ave West

Longview, AB T0L1H0

Royal Bank of Canada (the "**Bank**") hereby confirms to the undersigned borrower (the "**Borrower**") the following amendments to the credit agreement dated November 9, 2021, and any previous amendments thereto, between the Borrower and the Bank (the "**Agreement**"):

1. The Reporting Requirements section of the Agreement is amended and restated as follows:

REPORTING REQUIREMENTS

The Borrower will provide to the Bank:

- a) annual review engagement financial statements for the Borrower, within 120 days of each fiscal year end;
- b) annual personal statement of affairs for all Guarantors, who are individuals, within 120 days of the end of every fiscal year of the Borrower, commencing with the fiscal year ending in 2024;
- c) such other financial and operating statements and reports as and when the Bank may reasonably require.

OTHER TERMS AND CONDITIONS

- a) All capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement; and
- b) All other terms and conditions of the Agreement including those contained in the standard terms provided therewith, remain in full force and effect.

RENEWAL FEE

A non-refundable renewal fee of \$2,000.00 is payable by the Borrower when the amendments set out in this letter become effective.

STANDARD TERMS

In addition to the standard terms previously provided to the Borrower as indicated in the Agreement, the following standard terms, if indicated in the boxes below, are being provided to the Borrower:

- ☒ Form 472 (12/2022) Royal Bank of Canada Credit Agreement – Standard Terms
- ☐ Form 473 (02/2020) Royal Bank of Canada Credit Agreement – Margined Accounts Standard Terms
- ☐ Form 473A (06/2021) Royal Bank of Canada Credit Agreement – RBC Covarity Terms and Conditions
- ☐ Form 473B (02/2020) Royal Bank of Canada Credit Agreement – Margined Accounts Standard Terms

ACCEPTANCE

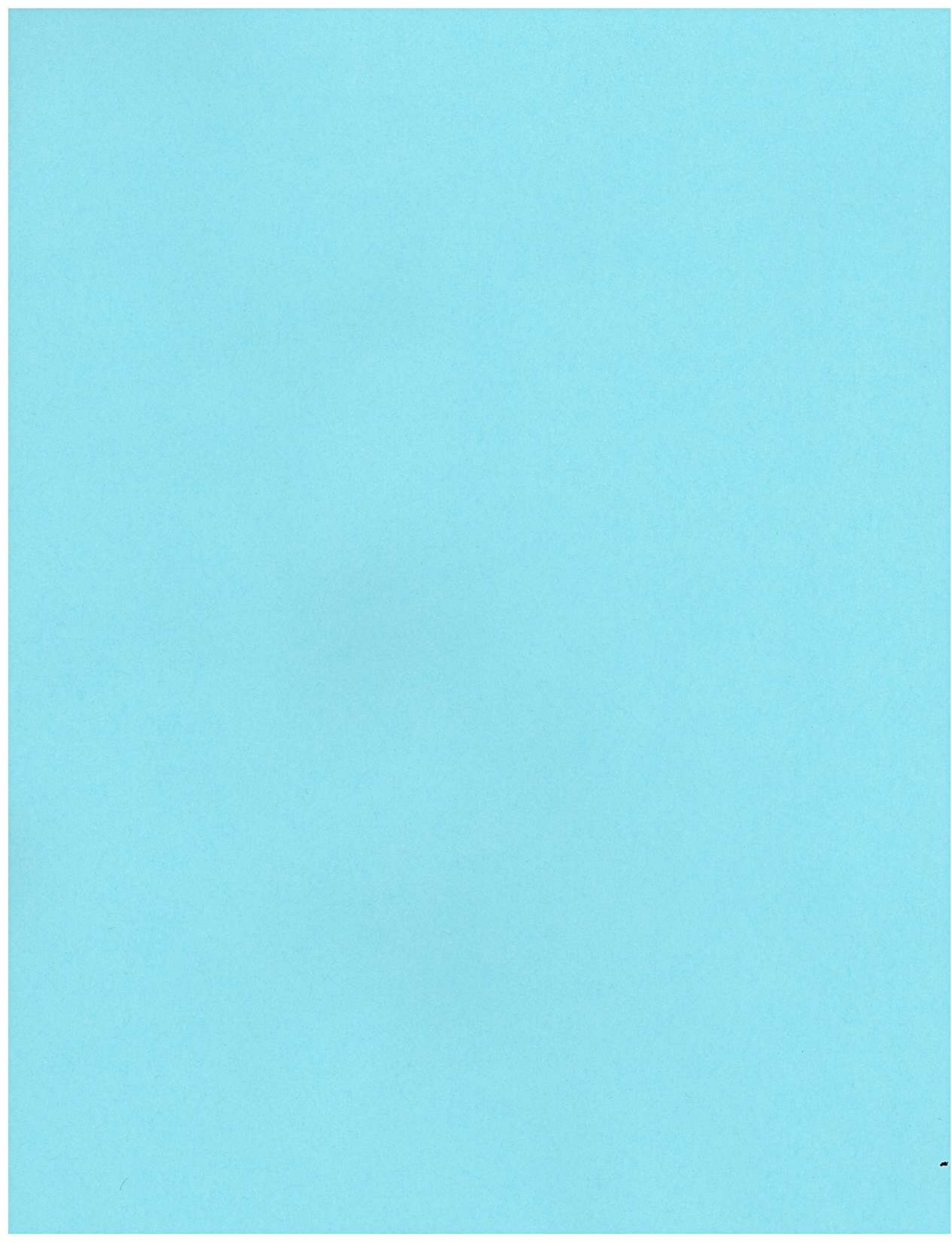
The Borrower and the Bank waive any requirement for the amendments set out above to be signed by the Borrower. The Borrower is deemed to agree to the amendments set out above and to the new or amended standard terms, if provided, so taking effect by accessing credit, borrowing or continuing to borrow under the Credit Facilities. The above amendment and the new or amended standard terms, if applicable, take effect as of the date of this amending agreement.

ROYAL BANK OF CANADA

Per: _____

Title: Vice President

* Registered trademark of Royal Bank of Canada.





RBC Royal Bank® Visa⁺ Business Card Agreement

For good and valuable consideration, we accept your offer for the Account and each Card on the following terms and conditions:

1. **What the Words Mean:** In this Agreement and the Disclosure Statement, please remember that,

"we", "our" and "us" mean the Applicant, and;

"you" and "your" mean Royal Bank of Canada and companies under RBC®.

Please also remember that in this Agreement and the Disclosure Statement:

"Account" means an RBC Avion® Visa Infinite Business⁺ ("Avion Visa Infinite Business"), RBC Avion Visa Business ("Avion Visa Business") (formerly "RBC Visa Business Platinum Avion"), RBC Visa Business ("Visa Business") or RBC Visa Business Gold ("Visa Business Gold") account that you have opened for the Applicant. You may add other types of Accounts to this list at any time. All Cards you issue to Cardholders under an Account form part of the Account;

"Account Statement" means your written statement of the Account that you prepare for a Cardholder about every three (3) or four (4) weeks. The period covered by each Account Statement will vary between 27 days and 34 days;

"Aggregate Credit Limit" means the maximum aggregate amount of Debt that can remain outstanding and unpaid at any time in the Accounts of all Cardholders under this Agreement;

"Agreement" means this Visa Business Card Agreement and all annexes attached to this Visa Business Card Agreement;

"Applicant" means the business identified in an application for an Account;

"Application" means the request made to you for the Account and each Card;

"Authorized Person" means any individual we have designated in writing as being authorized to ask you to open an Account and issue a Card to a Cardholder under this Agreement and to perform administrative duties for us under this Agreement;

"Card" means any Visa Business credit card you issue to a Cardholder on an Account in their name at our request, and all renewals of and replacements for that credit card;

"Cardholder" means an individual for whom you have opened an Account and to whom you have issued a Card on that Account at the request of an Authorized Person under this Agreement;

"Cash Advance" means an advance of cash that is charged to a Cardholder's Account with, or in connection with, their Card (or any other eligible Account access card you have issued to the Cardholder) and bill payments made from the Account at a bank branch, at a banking machine or on the Internet, Credit Card Cheques, balance transfers and "cash-like" transactions, including, without limitation, money orders, wire transfers, travellers' cheques, and gaming transactions (including

betting, off-track betting, race track wagers, casino gaming chips, lottery tickets);

"Credit Limit" means the maximum amount of Debt that can remain outstanding and unpaid at any time in a Cardholder's Account under this Agreement;

"Debt" means all amounts charged to a Cardholder's Account with or in connection with their Card, including Purchases, Cash Advances, interest, and Fees;

"Disclosure Statement" means your written statement of the Interest Rates and Fees for each Account and each Card set out in a document accompanying each Card when you issue it to a Cardholder and in any other document or statement you may send to Cardholders or us from time to time;

"Fee" means a fee that applies to a Cardholder's Account and this Agreement, as set out in the Disclosure Statement and in any document or other written statement you may send to the Cardholder or us from time to time;

"Grace Period" means the number of days between the Cardholder's Statement Date and Payment Due Date;

"Interest-Bearing Balance" means the unpaid balance of the Debt outstanding in a Cardholder's Account that is made up of any combination of Interest-Bearing Purchases and Interest-Bearing Fees and Cash Advances;

"Interest-Bearing Purchase and Interest-Bearing Fee" means a Purchase or Fee appearing on an Account Statement for the first time whether either or both of the following occurs: (i) the Debt shown on that Account Statement is not paid in full by that Account Statement's Payment Due Date or (ii) the Debt shown on the preceding Account Statement was not paid in full by the preceding Account Statement's Payment Due Date;

"Interest Rate (Cash Advances including Credit Card Cheques)" means the annual percentage rate of interest referred to in the Disclosure Statement and set out on each Account Statement that applies to each Cash Advance;

"Interest Rate (Interest-Bearing Purchases and Interest-Bearing Fees)" means the annual percentage rate of interest referred to in the Disclosure Statement and set out on each Account Statement that applies to each Interest-Bearing Purchase and Interest-Bearing Fee;

"Interest Rates" mean, collectively, the Interest Rate (Cash Advances including Credit Card Cheques) and the Interest Rate (Interest-Bearing Purchases and Interest-Bearing Fees);

"Liability Waiver Program" means the RBC Royal Bank Visa Liability Waiver Program in force from time to time, a current copy of which is annexed to this Agreement;

"Minimum Payment" means the amount indicated as such on an Account Statement;

"New Balance" means the amount indicated as such on an Account Statement;

"Payment Due Date" means the date indicated as such on an Account Statement;

"Personal Identification Number" means the personal identification number that a Cardholder has selected in your prescribed manner;

"Purchase" means a purchase of goods or services (or both) that is charged to a Cardholder's Account with or in connection with their Card;

"Statement Date" means the last date of the Statement period for which an Account Statement is produced;

"Terms of Use" means the Visa Business Reporting Terms of Use and/or the Visa Payment Controls Cardholder Terms and Conditions, established by Visa, that each User will be asked to read and agree with upon first log-in to Visa Business Reporting or Visa Payment Controls, and from time to time thereafter when prompted by Visa;

"User" means each authorized user of Visa Business Reporting and/ or Visa Payment Controls designated and enrolled by the Applicant;

"Visa" means Visa Canada Corporation, Visa Inc., Visa International Service Association, Visa Worldwide Pte Limited, and Visa U.S.A. Inc. including their subsidiaries and/or their affiliated entities;

"Visa Business Reporting" means the reporting and analyzing online tool provided by Visa, which enables Avion Visa Infinite Business Applicants to self-manage their spending by being able to track expenses, save receipts, create reports, and more; and

"Visa Payment Controls" means the online tool provided by Visa, which enables Avion Visa Infinite Business Applicants to selfmanage the usage of each Card on their Account, by selecting various controls such as spending controls, category controls and locations controls.

2. **General Terms of Agreement:** This Agreement and the Disclosure Statement apply to each Account and Card. This Agreement replaces all prior Visa Business Card agreements between you and us for each Account and Card.

This Agreement is our promise to pay amounts owing on each of our Visa Business Accounts. It together with our Visa Business Card Application explains our rights and duties.

We acknowledge and agree that we must provide each Cardholder with a copy of this Agreement.

If a Cardholder signs, activates or uses their Card or their Account, it will mean that we have received and read this Agreement and agree to and accept all of its terms.

We confirm that all information provided to you regarding the Applicant's ownership, control and structure is true, complete and accurate in all respects.

We must promptly give you up-to-date credit and financially related information about us when you ask for it. The section headings in this Agreement appear only for ease of reference purposes. They do not form part of this Agreement.

3. **Account Opening/Card Issuance and Renewal:** You will open an Account for, and will issue a Card on that Account to, a Cardholder at our request or at the request of an Authorized Person made on a fully completed request form that you have prescribed for this purpose. For any Cardholder that is not responsible for the payment of any Debt under this Agreement, you will

maintain a record of the name of the Cardholder only. We acknowledge and agree that we shall obtain the name, address, telephone number, and date of birth of such Cardholders and shall maintain a record of such information obtained for a period of 7 years. We agree to immediately provide such information to you if requested by you.

You will also issue renewal and replacement Cards (excluding an emergency replacement Card) to each Cardholder before the expiration date indicated on the Card last issued to them. You will continue to issue renewal and replacement Cards to a Cardholder in this way until we or the Cardholder tells you to stop. An emergency replacement Card will be issued by you to a Cardholder when required according to your customary operating procedures.

4. **Account and Card Use:** A Cardholder may use their Account and Card to obtain advances of money from you through Purchase transactions, Cash Advance transactions and other transactions you permit from time to time. The use of each Account and Card is governed by this Agreement. An Account and Card may only be used by the Cardholder in whose name it has been opened or issued. A Cardholder must not use their Card after the expiration date shown on it or after the termination of this Agreement. A Cardholder may not use their Card for any illegal, improper or unlawful purpose.

You reserve the right to refuse your authorization for certain types of transactions as determined by you.

5. **Visa Business Reporting and Visa Payment Controls**

Applicable to Avion Visa Infinite Business Accounts only

You offer Avion Visa Infinite Business Applicants access to Visa Business Reporting and Visa Payment Controls. These tools are administered by the Applicant and additional Users may be enrolled by the Applicant. All Users are subject to the following terms and conditions.

5.1. Applicant's Acknowledgement

The Applicant acknowledges that:

- (a) Visa Business Reporting and Visa Payment Controls are provided by Visa, and the Terms of Use have been established solely by Visa, not you;
- (b) information collected by Visa in connection with the use of Visa Business Reporting and Visa Payment Controls will be used in accordance with Visa's privacy policy, accessible at www.visa.ca/en_CA/legal/privacy-policy.html;
- (c) all information and data contained in Visa Business Reporting and Visa Payment Controls remain your property;
- (d) you are not in any way responsible for the availability of Visa Business Reporting and/or Visa Payment Controls at any time or their accuracy thereof;
- (e) you are not in any way responsible for the reliability or accuracy of any tax management tools available through Visa Business Reporting and/or Visa Payment Controls, and expressly disclaim all warranties in connection with any tax calculation, estimation or information provided by such tax management tools. You do not provide tax, legal or accounting advice and the Applicant should consult its own professional advisors before acting or relying on any tax-related information displayed in Visa

Business Reporting and/or Visa Payment Controls for tax reporting purposes;

- (f) you specifically disclaim any implied warranty of merchantability or fitness for a particular purpose of Visa Business Reporting and/or Visa Payment Controls; and
- (g) you are not responsible for any data integration (including accuracy of data, security of data and connecting different providers) between Visa and a third party software provider or any other endpoint (including the Applicant), where applicable.

5.2. Applicant's Obligations

The Applicant will:

- (a) create and implement a policy and controls concerning the use of Visa Business Reporting and Visa Payment Controls by the Users in order to:
 - (i) ensure each User is properly authorized to use Visa Business Reporting and/or Visa Payment Controls on its behalf, and that each User complies with this Agreement and the Terms of Use;
 - (ii) ensure all Users maintain the confidentiality of all Visa Business Reporting and/or Visa Payment Controls credentials, including their passwords, User names and other identification, if applicable;
 - (iii) establish a methodology for adding or cancelling Users; and
 - (iv) ensure that all Users are familiar with the processes, required file formats and procedures for RBC Visa Business Reporting and/or Visa Payment Controls, all as outlined in the applicable Visa Business Reporting and/or Visa Payment Controls implementation guides and documentation provided to the Applicant;
- (b) remain responsible for maintaining the confidentiality of all Visa Business Reporting and/or Visa Payment Controls credentials, including passwords, User names and other identification, if applicable;
- (c) remain responsible for all activities that occur through the use of Visa Business Reporting and Visa Payment Controls, including fraud, malfeasance, unauthorized transactions, and any actions or omissions of the Applicant, the Users, or any other person;
- (d) remain liable, as well as indemnify you and hold you harmless from and against all losses, including any losses, claims, damages of any kind (including direct, indirect, special, incidental, consequential or punitive), costs, fees, charges, expenses or other liabilities relating to the use of Visa Business Reporting and/or Visa Payment Controls by the Applicant, the Users or any other person, and for all activities performed by each such person in Visa Business Reporting and/or Visa Payment Controls;
- (e) select French or English as the language of choice to be used while using Visa Business Reporting and/or Visa Payment Controls and be responsible for complying with any applicable language laws;
- (f) be responsible for loading certain organizational and other Applicant-specific data into Visa Business Reporting and/or Visa Payment Controls in a file

format specified by the Terms of Use; and

- (g) use Visa Business Reporting and/or Visa Payment Controls solely for its own use and not disclose information derived from Visa Business Reporting and/or Visa Payment Controls.

5.3. User's Obligations

Upon first log-in to Visa Business Reporting or Visa Payment Controls, and from time to time thereafter when prompted by Visa, each User will be asked to read the Terms of Use and agree with them. A User who does not agree with such Terms of Use will not be able to access or use Visa Business Reporting and/or Visa Payment Controls.

In addition, each User:

- (a) is responsible for complying with the Terms of Use and you, the Applicant or Visa may immediately revoke the access to Visa Business Reporting and/or Visa Payment Controls of any User who does not comply with such Terms of Use;
- (b) must be familiar and comply with the processes, required file formats and procedures for Visa Business Reporting and/or Visa Payment Controls, all as outlined in the Applicant's internal policies;
- (c) must maintain the confidentiality of their Visa Business Reporting and/or Visa Payment Controls credentials, including their passwords, User names and other identification, if applicable; and
- (d) must maintain the confidentiality of any information that is contained in or retrieved from Visa Business Reporting or Visa Payment Controls, such as, but not limited to, data files and reports.

6. Account and Card Ownership: You are the owner of each Account and Card. Neither we nor any Cardholder has the right to assign or transfer this Agreement, any Card or any Account to anyone else.

7. Lost or Stolen Card: We or a Cardholder must tell you at once if the Cardholder's Card is lost or stolen or if we or the Cardholder suspects it is lost or stolen. We or the Cardholder may do this in the way you have set out on each Account Statement.

If a Cardholder's Card is lost or stolen, we will be liable to you for:

1. all Debt on the Cardholder's Account, up to a maximum of \$1,000.00, resulting from the loss or theft of their Card that is incurred before the time we or the Cardholder tells you about that loss or theft through any one or more transactions on the Cardholder's Account in which only their Card or Cardholder's Account number has been used to complete those transactions; and

2. all Debt resulting from the loss or theft of their Card that is incurred before the time we or the Cardholder tells you about that loss or theft through any one or more transactions on the Cardholder's Account in which their Card and Personal Identification Number have been used together to complete those transactions.

We will not be liable to you for any Debt resulting from the loss or theft of the Cardholder's Card that is incurred after the time we or the Cardholder tells you about that loss or theft.

8. Card Cancellation/Revocation or Suspension of Use: We may cancel a Cardholder's Account and Card for any reason (including, without limitation, the death of the

Cardholder) by providing you with written notice of cancellation of that Account and Card. Subject to Section 7., we will be liable to you for all Debt, howsoever and by whomsoever incurred, resulting from the use of the Cardholder's Account or Card from the time we provide written notice of cancellation to you of the Cardholder's Card until the time we have notified you that the Card has been destroyed.

If the Debt outstanding in a Cardholder's Account exceeds the Credit Limit at any time, you may suspend the Cardholder's right to use their Account and Card and all services you provide to the Cardholder under this Agreement until such time as that excess is paid to you in full.

You may revoke or suspend a Cardholder's right to use their Account and Card at any time without notice. The Cardholder must also surrender their Card to us or to you at our (or your) request.

9. Limits: You will set an Aggregate Credit Limit for all Accounts and you may change it from time to time without notice.

If we consistently make late payments or no payments, you may reduce the Aggregate Credit Limit of all accounts. You will tell us what the initial Aggregate Credit Limit is at or before the time an Account is opened for a Cardholder under this Agreement. We will not permit the Debt we owe to you at any time to exceed the Aggregate Credit Limit. However, you may (but are not required to, even if you have done so before) permit that Debt to exceed the Aggregate Credit Limit you set from time to time.

You will set a Credit Limit for each Cardholder's Account and you may change the Credit Limit for a Cardholder's Account periodically. You will tell each Cardholder what their current Credit Limit is on the document accompanying their Card when you issue it to them and on each Account Statement. We will ensure that each Cardholder observes their Credit Limit. We will not permit the Debt we owe to you in respect to an Account at any time to exceed the Credit Limit for that Account. However, you may (but are not required to, even if you have done so before) permit that Debt to exceed that Credit Limit you set from time to time. We understand that the use of any Card and the Account may be suspended, at your discretion, if the Credit Limit is exceeded. An overlimit fee will be charged to an Account when you permit the Debt to exceed the Credit Limit of that Account during an Account Statement period. You may at any time refuse to permit the Debt to exceed the Credit Limit of an Account and require us to pay any balances which exceed the Credit Limit of an Account.

10. Liability for Debt: Subject to Section changes to 7. and 8., and except as may otherwise be provided under the Liability Waiver Program, we will be liable to you for all Debt charged to each Account, no matter how it is incurred or who has incurred it and even though you may send Account Statements to Cardholders and not to us. However, you will provide Account Statement or other information about that Debt to us at our request. You may apply any money we have on deposit with you or any of your affiliates against any Debt we have not paid to you as required under this Agreement without notice to us.

11. Making Payments: It is our responsibility to ensure that payment on each Cardholder's Account is received by you for credit to each Account by the Payment Due Date shown on each Account Statement, even if our Payment Due Date falls on a holiday or weekend.

Payments can be made on each Account at any time. Payment can be made by mail, at one of your branches, at an ATM that processes such payments, through your telephone or online banking services, or at certain other financial institutions that accept such payments. Even when normal postal service is disrupted, payments must continue to be made on each Account.

Payments do not automatically adjust the available Credit Limit. Payments on each Account made by mail or made through another financial institution's branch, ATM or online banking service may take several days to adjust the available Credit Limit. To ensure that a Payment is credited to a Cardholder's Account and automatically adjusts the available Credit Limit on the same business day, a Cardholder's payment must be made prior to 6:00pm local time on that business day at one of your branches or ATMs in Canada or through your telephone or online banking services.

We can also ask you to process our payment on each Payment Due Date each month by automatically debiting a bank account that we designate for that purpose. We may choose to pay the Minimum Payment, a fixed amount provided that it is not less than the Minimum Payment or our New Balance. If we ask you to automatically process payments in this manner, we agree to be bound by the terms and conditions set out in Rule H1 of the Rules of the Canadian Payments Association, as amended from time to time. In addition, we agree to waive any pre-notification requirements that exist where variable payment amounts are being authorized. We may notify you at any time that we wish to revoke our authorization, and a pre-authorized payment may, under certain circumstances, be disputed for up to 90 days. The Rules are available for us to review at www.cdnpay.ca.

12. Payment of Debt:

a. Subject to Subsections 12.b., 12.c. and Section 21., we may pay the Debt we owe to you in respect to each Cardholder's Account in full or in part at any time.

b. Subject to Subsection 12.c. and Section 21., we must make a payment of the lesser of \$10.00 plus Interest plus Fees as shown on the current Account Statement and our New Balance by the Payment Due Date shown in order to keep the Account up to date. Any pastdue amounts will continue to be included in our Minimum Payment amount.

c. We must also pay the amount of any Debt that exceeds the Credit Limit for a Cardholder's Account at once to keep that Account up-to-date. We must pay this excess even though you may not yet have sent an Account Statement to the Cardholder on which that excess appears.

d. We must keep each Cardholder's Account up-to-date at all times even when you are delayed in or prevented from sending, for any reason, any one or more Account Statements to Cardholders. We must contact your Card Centre identified on Account Statements at least once a month during such a delay or interruption to obtain any payment information we do not have and need to know

in order for us to comply with our obligations under this Section.

e. If any payment made by us in respect of a Cardholder's Account is not honoured, or if you must return it to us because it cannot be processed, the applicable fee will be charged under Section 15., and Card privileges may be revoked or suspended by you under Section 8.

f. If the New Balance on a Cardholder's previous Account Statement is paid in full by the Payment Due Date, the Grace Period for the Cardholder's current Account Statement will continue to be the minimum number of days applicable to the Card (21 days for all Avion Visa Infinite Business and Visa Business, 17 days for Avion Visa Business). If the previous New Balance on a Cardholder's Account Statement is not paid in full by the Payment Due Date, the Cardholder's Payment Due Date will be extended to 25 days from the Statement Date regardless of the type of Visa Card held by the Cardholder.

13. Interest Charges:

a. *Interest-Free Purchases and Interest-Free Fee:* We will not pay interest on the amount of any Purchase or Fee appearing on an Account Statement for the first time provided that all Debt shown on that Account Statement is paid in full by that Account Statement's Payment Due Date and all Debt shown on the preceding Account Statement was also paid in full by that preceding Account Statement's Payment Due Date.

b. *Interest-Bearing Balance:* We will pay interest on the Interest-Bearing Balance at the Interest Rates in effect in the manner described below and in Subsection 13.c.:

You will charge us interest:

- i. on the amount of each Interest-Bearing Purchase and Interest-Bearing Fee from (and including) the transaction date recorded for them on the Account Statement where they appeared for the first time to the day you receive payment in full of the Interest-Bearing Balance; and
- ii. on the amount of each Cash Advance (including Credit Card Cheques) from (and including) the day they are obtained to the day you receive payment in full of the Interest-Bearing Balance.

c. *Interest Calculation:* The interest you charge on the Interest-Bearing Balance accrues daily.

You will calculate the interest on the Interest-Bearing Balance made up of Cash Advances by multiplying this Interest-Bearing Balance outstanding on any day by the Interest Rate (Cash Advances and Credit Card Cheques) in effect and dividing the result by the number of days in the year. You will calculate the interest on the Interest-Bearing Balance made up of Interest-Bearing Purchases and Interest-Bearing Fees by multiplying this Interest-Bearing Balance outstanding on any day by the Interest Rate (Interest-Bearing Purchase and Interest-Bearing Fee) in effect and dividing the result by the number of days in the year.

You will post the interest we owe on the Interest-Bearing Balance for the period covered by an Account Statement to the Account at the end of that period. Since the interest you charge on the Interest-Bearing Balance accrues daily up to the time you receive a payment of the Debt, the final interest charge on the Interest-Bearing

Balance for that period can only be calculated and included on the Account Statement that shows the payment.

14. **Payment Allocation:** When we make a payment you will apply the amount up to our Minimum Payment, first to any interest and second to any fees. You will apply the remainder of any Minimum Payment to our New Balance, generally starting with amounts bearing the lowest interest rate before amounts bearing higher interest rates.

If we pay more than our Minimum Payment, you will apply the amount over the Minimum Payment to the remainder of our New Balance. If the different amounts that make up our New Balance are subject to different interest rates, you will allocate our excess payment in the same proportion as each amount bears to the remainder of our New Balance. If the same interest rate is applicable to both a cash advance (which never benefits from an interest-free grace period) and a purchase, you will apply our payment against the cash advance and the purchase in a similar proportionate manner. If we have paid more than our New Balance, you will apply any payment in excess of the New Balance to amounts that have not yet appeared on our monthly statement in the same manner as set out above.

Credits arising from returns or adjustments are generally first applied to transactions of a similar type, second to any interest and fees, and the remainder to other amounts owing in the same manner as you apply payments in excess of the Minimum Payment.

Unless you otherwise agree, any payment must be made in money which is legal tender at the time of payment. As well, the mere lapse of the time fixed for performing an obligation under this Agreement will have the effect of putting us in default of it.

15. **Fees:** We must pay all Fees. You will charge them to the Cardholder's Account at the time they are incurred.

16. **Banking Machines:** A Cardholder may use their Card together with their Personal Identification Number to make transactions on their Account at those banking machines and terminals you operate and at any other banking machines or terminals you designate from time to time, subject to the Cardholder's agreement with you governing the use of their Personal Identification Number.

17. **Debt Incurred Without a Card:** If a Cardholder incurs Debt without having presented their Card to a merchant (such as for internet, mail order or telephone Purchase), the legal effect will be the same as if the Cardholder had used their Card and signed a Purchase or Cash Advance draft.

18. **Transfer of Your Rights:** You may transfer any or all of your rights under this Agreement and the Disclosure Statement, by way of assignment, sale or otherwise. If you do so, you can give information concerning the Account to anyone you transfer your rights to, but will ensure that they are bound to respect our privacy rights in that information.

19. **Changes to Disclosure Statement:** You may change the Interest Rates and Fees for each Cardholder's Account and this Agreement set out or referred to in the Disclosure Statement periodically. We will be given at least thirty (30) days prior written notice of each change, directed to our address last appearing on your records. If

any Card is used or any Debt remains unpaid after the effective date of a change, it will mean that we have agreed to the change.

- 20. Changes to Agreement:** You may change this Agreement periodically. Subject to Section 9., we will be given at least thirty (30) days prior written notice of each change, directed to our address last appearing on your records. If any Card is used or any Debt remains unpaid after the effective date of a change, it will mean that we have agreed to the change.

The benefits and services you provide to Cardholders are subject to terms and conditions which may be amended by you from time to time without notice to us or any Cardholder.

21. Termination:

1. You or we may terminate this Agreement at any time by giving written notice of termination to the party(ies) to be bound by that written notice. You must direct your written notice to our address last appearing on your records. Our written notice must be directed to your address appearing on the last Account Statement you have sent to Cardholders.

2. The occurrence of any one of the following events has the effect of putting us in default, and you may terminate this Agreement at once without giving us any notice, if:

- a. we become insolvent or bankrupt,
- b. someone files a petition in bankruptcy against us,
- c. we make an unauthorized assignment for the benefit of our creditors,
- d. we institute, or someone else institutes, any proceedings for the dissolution, liquidation or winding up of our affairs,
- e. we institute, or someone else institutes, any other type of insolvency proceeding involving our assets under the Bankruptcy and Insolvency Act or otherwise,
- f. we cease or give notice of our intention to cease to carry on business or make or agree to make a bulk sale of our assets without complying with applicable laws, or we commit an act of bankruptcy,
- g. we fail to pay any Debt or to perform any other obligation to you as required under this Agreement,
- h. we make any statement or representation to you that is untrue in any material respect when made, or
- i. there is, in your opinion, a material adverse change in our financial condition.

3. Upon termination of this Agreement, we must pay all Debt for each Account to you at once and ensure that each Cardholder destroys their Card and returns any unused Credit Card Cheques. If we fail to comply with our obligations to you under this Agreement, we will be liable to you for:

- a. all court costs and reasonable legal fees and expenses (on a solicitor-client basis) you incur through any legal process to recover any Debt, and
- b. all costs and expenses you incur in reclaiming any Card.

- 22. RBC Rewards®:** If a Card allows us to earn RBC Rewards points which can be redeemed for merchandise, travel and other rewards, we acknowledge that our participation in the RBC Rewards program is subject to the RBC Rewards Terms and Conditions. The RBC Rewards Terms and Conditions are available for review at

www.rbc Rewards.com and are subject to change without notice.

- 23. Special Offers (Introductory and Promotional Interest Rates):** You may make special offers to us from time to time, including Introductory Interest Rate and other Promotional Interest Rate offers that temporarily lower the interest rate applicable to portions of our balance, such as when we make certain types of Cash Advances.

You sometimes make Introductory Interest Rate offers which apply to new Accounts only. For example, you could offer a low Introductory Interest Rate applicable to certain transactions for a limited period of time, such as a 3.9% Introductory Interest Rate on all Cash Advances for the first 9 months.

A Promotional Interest Rate offer is an offer you may periodically make to us and that applies to our Card after our Account has been opened. For example, you could offer us a low Promotional Interest Rate applicable on certain transactions for a limited period of time, such as a 3.9% Promotional Interest Rate on Credit Card Cheques for 9 months.

If you make us a special offer, you will explain its scope and duration and any additional terms that apply to it. If we accept the special offer by using the Credit Card Cheques or otherwise taking advantage of the special offer, we will be bound by this Agreement and any additional terms you set out in the offer. When the promotion expires, the special offer terms will end and the terms and conditions of this Agreement will continue to apply, including those related to interest and payments. Our monthly statement will set out any Introductory Interest Rate(s) or Promotional Interest Rate(s) that apply to our New Balance, any remaining balances associated with those rates, and when those rates expire. If any expiry date falls on a date for which you do not process statements (for example, weekends and certain holidays), you will continue to provide us with the benefit of that Introductory Interest Rate or Promotional Interest Rate until your next statement processing day.

- 24. Problems With a Purchase:** You will not be responsible for any problem a Cardholder has with any Purchase. If the Cardholder has a problem or dispute with a merchant regarding a Purchase, we must still pay all Debt as required by this Agreement and settle the problem or dispute directly with the merchant.

You will not be responsible if a Card is not honoured by a merchant at any time and for any other problem or dispute a Cardholder may have with a merchant. As well, you reserve the right to deny authorization of any Purchase at any time.

- 25. Account Statements, Verification and Disputes:** You will send Account Statements to each Cardholder, directed to the Cardholder's address last provided to you by the Authorized Person. You will prepare our Account Statements at approximately the same time each month. If the date on which you would ordinarily prepare our Account Statements falls on a date for which you do not process statements (for example, weekends and certain holidays), you will prepare our Account Statements on your next statement processing day. Our Payment Due Date will be adjusted accordingly. We will ensure that each Cardholder promptly examines all of their Account Statements and each entry and balance recorded in

them. We will notify you in writing of any errors, omissions, or objections to an Account Statement, or an entry or balance recorded in it, within thirty (30) days from the Statement Date recorded on that Account Statement.

If we do not notify you as required, you are entitled to treat the above Account Statements, entries and balances as complete, correct and binding on us and you will be released from all claims by us in respect of those Account Statements, entries and balances.

You may use a microfilm, electronic or other reproduction of any Purchase or Cash Advance draft or other document evidencing Debt to establish our liability for that Debt. Upon request, you will provide a microfilm, electronic or other reproduction within a reasonable time frame of any Purchase or Cash Advance draft or other document evidencing the Debt.

If the item is a legitimate charge to the Cardholder's Account and the dispute is between the Cardholder or us and the merchant, we must still pay the Debt owing to you and settle the problem or dispute directly with the merchant. If the item is not a legitimate charge, you will return the item to the merchant and credit the Cardholder's Account.

26. Authorized Person: Upon signing this Agreement, we may designate one or more individuals as an Authorized Person who is authorized to act on our behalf and who may assist us in the administration of this Agreement.

27. Exchange of Information Between You and Us: Information about a Cardholder's use of their Account and Card, and pertinent information about any reimbursement of Debt received by the Cardholder from us, Cardholder employment status and location, and any other related Cardholder tracking information may be exchanged between you and us.

28. Electronic Communication: We acknowledge and agree that you may provide Account Statements, this Agreement or other document relating to a Cardholder's Account electronically including over the Internet or to an email address we provide you for this purpose, with our consent. Documents sent electronically will be considered "in writing" and to have been signed and delivered by you. You may rely on and consider any electronically authenticated document received from us or which appears to have been received from us as authorized and binding on us. In order to communicate with you by electronic means, we agree to comply and require each Cardholder to comply with certain security protocols that you may establish from time to time and to take all reasonable steps to prevent unauthorized access to any Account Statement and any other documents exchanged electronically.

29. Collection, Use and Disclosure of Information: For purposes of this Section: (i) "Customer" means the person or entity which has signed this Agreement, its Representatives and its owners; and (ii) "Representatives" mean directors, officers, employees, signing authorities, agents, contractors, subcontractors, service providers, consultants, internal or external auditors, legal or other professional advisors.

This Section describes how you collect, use and disclose Customer information in connection with this Agreement.

I. Collecting Information

You may collect and confirm financial and other information about Customer during the course of your relationship with Customer, including information:

- i. establishing Customer's existence, identity (for example, name, address, phone number, date of birth, etc.) and background;
- ii. related to transactions arising from Customer's relationship with and through you, and from other financial institutions;
- iii. provided on any application for products or services;
- iv. for the provision of products or services; and
- v. about Customer's financial behaviour, including payment history and credit worthiness.

You may obtain this information from any source necessary for the provision of products or services, including from: (i) Customer; (ii) service arrangements made with or through you; (iii) credit reporting agencies; (iv) other financial institutions; (v) registries; and (vi) references provided to you.

Customer acknowledges receipt of notice that from time to time reports about Customer may be obtained by you from credit reporting agencies.

II. Using Information

All information collected by and provided to you may be used and disclosed for the following purposes:

- i. to verify Customer's identity and investigate its background;
- ii. to open and operate the Accounts or provide other products and services;
- iii. to understand Customer's financial situation;
- iv. to determine, and make decisions about, the eligibility of Customer or Customer's affiliates for the products and services;
- v. to help you better understand the current and future needs of your clients;
- vi. to communicate to Customer any benefit, feature or other information about products and services;
- vii. to help you better manage your business and your relationship with Customer;
- viii. to operate the payment card network;
- ix. to maintain the accuracy and integrity of information held by a credit reporting agency; and
- x. as required or permitted by law.

For these purposes, you may (i) share the information with other persons, including your Representatives and regulators; (ii) share the information with other financial institutions and persons with whom Customer has financial or other business dealings; and (iii) give credit, financial and other related information to credit reporting agencies who may share it with other persons. In the event information is used or shared in a jurisdiction outside of Canada, the information will be subject to, and may be disclosed in accordance with, the laws of such jurisdiction. At Customer's request, you may give the information to other persons.

You may also use the information and share it with your affiliates to: (i) manage your risks and operations and those of your affiliates; (ii) comply with valid requests for information from regulators, government agencies, public bodies or other entities who have a right to issue such requests; and (iii) let your affiliates know Customer's choices

under "**Other Uses**" below for the sole purpose of honouring Customer's choices.

If you have Customer's social insurance number, it may be used for tax related purposes and shared with appropriate government agencies, and may also be shared with credit reporting agencies for identification purposes.

III. Other Uses

All information collected by, and provided to you may also be used and disclosed for the following purposes:

- i. promoting products and services that may be of interest;
- ii. where not prohibited by law, referring Customer to your affiliates and for your affiliates to promote products and services that may be of interest. Customer acknowledges that as a result of such sharing, you and your affiliates may advise each other of the products or services provided; and
- iii. if Customer deals with your affiliates, you and your affiliates may, where not prohibited by law, consolidate all of the information you have with information any of your affiliates have about Customer in order to manage the business of, and relationships with, you and your affiliates.

For the purposes described in subsections (i) and (ii), you and your affiliates may communicate with Customer through various channels, including mail, telephone, computer or any other electronic channel, using the most recent contact information provided.

Customer may choose not to have this information shared or used for any of these "**Other Uses**" by contacting you, and Customer will not be refused credit or other services just for this reason.

IV. Online Activity

Online activity information may also be collected in public and secure websites owned or operated by you or on behalf of you or your affiliates, or in any of your advertisements hosted on another person's websites, using cookies and other tracking technology, and used with other information about the Customer to assess the effectiveness of online promotions, to gather data about website functionality, to understand its interests and needs, to provide a customized online experience, and to communicate to the Customer information about the products or services. The Customer may choose not to have this information collected or used for the online personalization purposes described in this Section by contacting you.

V. Contacting You

Customer may obtain access to personal information you have about any of them at any time, including to review its content and accuracy and have it amended as appropriate, except to the extent access may be restricted as permitted or required by law. To request access to personal information or to request that Customer's information not be used for "**Other Uses**", Customer will contact Customer's main branch or call you toll free at **1-800 ROYAL® 1-1 (1-800-769-2511)**. More information about your privacy policies may be obtained by asking for a copy of the "**Financial fraud prevention and privacy protection**" brochure, calling the toll free number above or visiting your website at www.rbc.com/privacysecurity/ca/.

VI. Personal Information

The parties will treat all personal information in accordance with applicable laws. From time to time, you may request the

Customer to take steps, including the entering into of additional documents, to ensure the protection of personal information and compliance with all applicable laws. The Customer will promptly comply with these requests.

VII. Other Persons

You are not responsible for any loss that occurs as a result of any use, including any unauthorized use, of information by any person, other than you and your Representatives to the extent agreed by you in this Agreement.

VIII. Consents, etc.

The Customer confirms that any necessary consent, approval, or authorization of any person has been obtained for the purposes of collecting, using, and disclosing their information in accordance with this Agreement and applicable laws.

IX. Additional Consent

The Customer's consents and agreements in this Agreement are in addition to any other consent, authorization, or preference of the Customer regarding the collection, use, disclosure, and retention of information.

X. Your Information

The Customer will use the products and services and your confidential information only for the purposes they are provided by you, and will ensure that your confidential information is not disclosed to any person except: (i) the Customer's Representatives who need to know such confidential information in connection with the products and services, provided that such Representatives are informed of the confidential nature of such confidential information and agree to treat same in accordance with terms substantially the same as in this Agreement; (ii) to the extent legally required, provided that, if not legally prohibited, the Customer will notify you in writing prior to any such disclosure; (iii) in accordance with this Agreement; or (iv) as otherwise agreed in writing by you.

XI. Remedies

In the event of a breach or anticipated breach by a party or its Representatives of the confidentiality obligations under this Agreement, irreparable damages may occur to the other party and the amount of potential damages may be impossible to ascertain. Therefore, a party may, in addition to pursuing any remedies provided by applicable laws, seek to obtain equitable relief, including an injunction or an order of specific performance of the other party's confidentiality obligations under this Agreement.

30. Liability Waiver Program: The Liability Waiver Program applies to this Agreement and is made available at no cost to us. We may request you to waive, in accordance with the Liability Waiver Program, our liability under Section 10. for certain unauthorized charges posted to a Cardholder's Account. We agree to abide by the provisions of the Liability Waiver Program as in effect from time to time.

31. Counterparts: This Agreement may be executed in any number of counterparts, each of which when executed and delivered will be deemed to be an original, and those counterparts together will constitute one and the same agreement.

32. Governing Law: This Agreement shall be governed by the laws of our jurisdiction (or the laws of Ontario if we reside outside Canada) and the applicable laws of Canada.

33. **Complete Agreement, etc.:** This Agreement constitutes the complete agreement between you and us with respect to the subject matter hereof. No failure on your part to exercise, and no delay by you in exercising, any right under this Agreement will operate as a waiver thereof; nor will any single or partial exercise by you of any right under this Agreement preclude any other or further exercise thereof, or the exercise of any other right, by you under this Agreement.

Signed as of the 2nd day of Dec, 2021
Month Year

FOOTHILLS TRUCK SALES & SERVICES LTD.

Customer Legal Name

Per: _____ *

Name: **TODD BAILEY**

Title: **DIRECTOR**

Per: _____ *

Name: _____

Title: _____

Per: _____ *

Name: _____

Title: _____

Per: _____ *

Name: _____

Title: _____

(*I /WE have authority to bind the Corporation.)

DISCLOSURE STATEMENT

E-FORM 80450 (03/2019)

1. **General:** This Disclosure Statement applies to the Account and each Card you have issued on the Account.

2. **Interest Rates:** The Interest Rates are set out on each Account Statement. They are expressed as annual percentage rates.

3. **Annual Fee**:**

Visa[®] Business: \$12.00 for each Visa Business Card.

Visa Business Gold: \$40.00 for each Visa Business Gold Card.

Avion Visa Business: \$120.00 for the first Avion Visa Business Card opened and \$50.00 for each supplementary Avion Visa Business card opened by you.

Avion Visa Infinite Business[®]: \$ 175.00 for the first Avion Visa Infinite Business card opened and \$75.00 for each supplementary Avion Visa Infinite Business card opened by you.

4. **Other Fees:** The following schedule of fees applies to the Account:

A. Cash Advance Fee: When we obtain the following types of Cash Advances at our standard Interest Rate (Cash Advances including Credit Card Cheques) or at an Introductory Interest Rate, a \$3.50 fee for each transaction will be charged to our Account, unless otherwise stated:

(i) cash withdrawals from our Account at one of your branches or ATMs, or at any other financial institution's ATM, in Canada;

(ii) bill payments from our Account (that are not pre-authorized charges that we set up with a merchant) or when we transfer funds from our Account to another RBC Royal Bank bank account at one of your branches or ATMs, or through your online banking or telephone banking service;

(iii) when we make Cash-Like transactions, in Canada.

If the cash withdrawal or Cash-Like transaction occurs outside Canada, a \$5.00 fee will be charged to our Account each time.

Fees are charged within 3 business days from when the transaction is posted.

There is no fee if we are using a Credit Card Cheque at our standard Interest Rate (Cash Advances including Credit Card Cheques) or Introductory Interest Rate.

B. Promotional Rate Fee: When we take advantage of a Promotional Interest Rate offer during the promotional period by writing a Credit Card Cheque or making a balance transfer through your online banking service or by calling your Cards Customer Service at 1-800 ROYAL[®] 1-2 (1-800-769-2512), a fee representing up to 3% of the Credit Card Cheque or balance transfer amount will be charged to our Account. The exact Promotional Rate Fee will be disclosed at the time the offer is made to us. Fees are charged within 3 business days from when the transaction is posted.

C. Dishonoured Payment Fee: If a payment is not processed because a financial institution returns a cheque or refuses a pre-authorized debit, a \$45.00 fee will be charged to the Account on the date the payment reversal is posted. This fee is in addition to any fee charged for insufficient funds in the bank account.

D. Statement Update Fee: No charge for a copy of Account Statement for a current statement period; \$5.00 for a copy of Account Statement for any other statement period. A \$1.50 fee will be charged for each Account Statement update obtained from one of your branches in Canada or at a banking machine that provides Account Statement updates.

E. Sales/Cash Advance Draft Copy Fee: No charge for a copy of a sales or Cash Advance draft referred to in the Account Statement for the current statement period; \$2.00 for each copy of a sales or Cash Advance draft referred to in the Account Statement for any other statement period. (No charge for any draft copy to which an Account posting error applies.)

F. Overlimit Fee: If the Debt exceeds the Credit Limit at any time during the period covered by an Account Statement, a \$29.00 fee will be charged to the Account on the day the Debt exceeds the Credit Limit and on the first day of each subsequent Account Statement period if the Debt remains over the limit. A maximum of one Overlimit Fee per Account Statement period is charged.

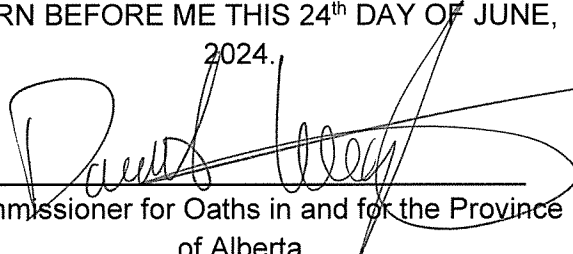
5. Foreign Currency Conversion: The exchange rate shown on our Statement, to six decimal places, is calculated by dividing the converted Canadian dollar (CAD) amount, rounded to the nearest cent, by the transaction currency amount. It may differ from the original benchmark rate because of this rounding. The CAD amount charged to our account is 2.5% over the benchmark rate. Some foreign currency transactions are converted directly to CAD, while others may be converted first to U.S. dollars, then to CAD. In either case, the benchmark rate will be the actual exchange rate applied at the time of the conversion, and is generally set daily. The original benchmark rate at the time a transaction was converted may be obtained at usa.visa.com/support/consumer/travel-support/exchange-rate-calculator.html. If we are paying interest on our Account, interest will also be charged on the full value of our foreign purchases, as determined by your exchange rate. For more information, please call toll-free at 1-800 ROYAL[®] 1-2 (1-800-769-2512).

[®] /[™] Trademark(s) of Royal Bank of Canada. RBC and Royal Bank are registered trademarks of Royal Bank of Canada.

† All other trademarks are the property of their respective owner(s). VPS101349

THIS IS **EXHIBIT "C"** REFERRED TO IN THE
AFFIDAVIT OF **MARLENE J. STARENKY**.

SWORN BEFORE ME THIS 24th DAY OF JUNE,
2024.



A Commissioner for Oaths in and for the Province
of Alberta

David LeGeyt
Barrister & Solicitor

GENERAL SECURITY AGREEMENT

For value received, the undersigned (the "Debtor") hereby grants to Royal Bank of Canada (the "Bank") a security interest in the Collateral, as security for the payment and performance of the Indebtedness. The terms "Collateral" and "Indebtedness" each have the meanings ascribed thereto in the Bank's Standard General Security Agreement Terms having the same revision date and this agreement and include, without limitation, in the case of the term "Collateral", the undertaking of the Debtor and all of the Debtor's present and after acquired personal property, and in the case of the term "Indebtedness", all present and future obligations, indebtedness and liability of the Debtor to the Bank. The provisions of the Standard General Security Agreement Terms are incorporated in this agreement (the "General Security Agreement") by reference and form an integral part hereof. The Debtor confirms receipt of a copy of this General Security Agreement, including the Standard General Security Agreement Terms identified hereinabove.

Executed and delivered this 5th day of March, 2021.

FOOTHILLS TRUCK SALES & SERVICES LTD.

(Name of Borrower)

Name: TODD BAILEY

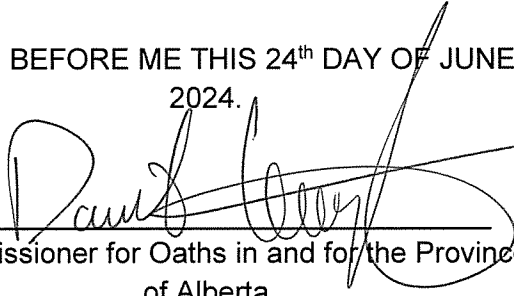
(Authorized Signing Officer)

Name: Todd Bailey

(Authorized Signing Officer)

THIS IS **EXHIBIT "D"** REFERRED TO IN THE
AFFIDAVIT OF **MARLENE J. STARENKY**.

SWORN BEFORE ME THIS 24th DAY OF JUNE,
2024.



A Commissioner for Oaths in and for the Province
of Alberta

David LeGeyt
Barrister & Solicitor

Retention -

Attention:
Special Handling Instructions
-Original Document required for retention-

BSC TRANSMITTAL FORM		
Form #: 923	Form Name: General Security Agreement-Floating Charge on Land	
<input checked="" type="checkbox"/> TO: TORONTO BUSINESS SERVICE CENTRE Transit # 04679 - Servicing Ontario (except Ontario North & East). Manitoba, Saskatchewan, Alberta, B.C., Nunavut, N.W.T. and Yukon		
<input type="checkbox"/> TO: MONTREAL BUSINESS SERVICE CENTRE Transit #00498 - Servicing all of Quebec, Atlantic Provinces, Ontario North & East		
ACCOUNT MANAGER NAME: Martin Pullen		
TRANSIT: 09878	DATE:	
AM#: 175	PHONE NUMBER: (403) 389-1619	
CLIENT NAME: FOOTHILLS TRUCK SALES & SERVICES LTD.		
SRF: 577045925		
<input type="checkbox"/> To: Account Open <input type="checkbox"/> To: Small Business Credit	<input checked="" type="checkbox"/> To: Commercial Markets <input type="checkbox"/> To: CSBFL <input type="checkbox"/> CALA	<input type="checkbox"/> To: Commercial Mortgage <input type="checkbox"/> To: Royfarm

This document must be retained in original paper form after document imaging. After the document has been scanned (via E-Courier), please submit the document using this transmittal form, via internal mail pouch for centralized retention.

GENERAL SECURITY AGREEMENT - FLOATING CHARGE ON LAND

1. SECURITY INTEREST

(a) For value received, the undersigned ("Debtor") hereby grants to **ROYAL BANK OF CANADA ("RBC")** a security interest, mortgage and charge (hereinafter collectively referred to as the "Security Interest") as hereinafter provided:

- (i) a security interest in the undertaking of Debtor and all of Debtor's present and after acquired personal property including, without limitation, all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities and all other Investment Property now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) and including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (A) all Inventory of whatever kind and wherever situate;

- (B) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;

- (C) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured and whether arising in connection with an interest in real or personal property or otherwise, including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor ("Debts");

- (D) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;

- (E) all contractual rights and insurance claims;

- (F) all patents, industrial designs, trade-marks, trade secrets and know-how including without limitation environmental technology and biotechnology, confidential information, trade-names, goodwill, copyrights, personality rights, plant breeders' rights, integrated circuit topographies, software and all other forms of intellectual and industrial property, and any registrations and applications for registration of any of the foregoing (collectively "Intellectual Property"); and

- (G) all lists, records and files relating to debtors, customers, clients and patients;

(ii) a mortgage and charge as and by way of a floating charge, in all of Debtor's present and after acquired interest in property, assets and undertaking not secured in (i) above, including all real, immovable and leaseholds property and all easements, rights-of-way, privileges, benefits, licences, improvements and rights whether connected therewith or appurtenant thereto or separately owned or held, including without limitation, all structures, plant and other fixtures now owned or hereafter owned or acquired by or on behalf of Debtor (hereinafter collectively referred to as "Real Property"); and

(iii) a security interest in all property described in Schedule "C" or any replacement or additional Schedule "C" now or hereafter annexed hereto; and a security interest in all proceeds and renewals thereof, accretions thereto and substitution therefor, all of the foregoing being hereinafter collectively referred to as the "Collateral".

(b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

(c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "Investment Property", "proceeds", "Inventory", "equipment", "accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in the Personal Property Security Act of the province where the herein mentioned branch of RBC is located, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" of Debtor as that term is defined in the P.P.S.A., the term "Inventory" when used herein shall include livestock and the young thereof after conception and crops that become such during the term of this Security Agreement and the term "Investment Property", if not defined in the P.P.S.A., shall be interpreted according to its meaning in the Personal Property Security Act (Alberta). Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "collateral or any part thereof".

2. INDEBTEDNESS SECURED

The Security Interest granted hereby secures payment and performance of any and all obligation, indebtedness and liability of Debtor to RBC (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "Indebtedness"). If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all Indebtedness of Debtor, Debtor acknowledges and agrees that Debtor shall continue to be liable for any Indebtedness remaining outstanding and RBC shall be entitled to pursue full payment thereof.

3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

Debtor represents and warrants and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant that:

(a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, lien claims, charges, licences, leases, infringements by third parties, encumbrances or other adverse claim or interests (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption;

(b) all Intellectual Property applications and registrations are valid and in good standing and Debtor is the owner of the applications and registrations;

(c) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by Debtor to RBC from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against Debtor which can be asserted against RBC, whether in any proceeding to enforce Collateral or otherwise;

(d) the locations specified in Schedule "B" as to business operations and records are accurate and complete and with respect to Real Property and Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all buildings, fixtures or Goods about to become fixtures and all crops and all oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situated at one of such locations;

(e) Debtor has disclosed to RBC all environmental and other matters which could have a material effect on the financial condition or operations of Debtor; and

(f) the execution, delivery and performance of the obligations under this Security Agreement and the creation of any security interest in or assignment hereunder of Debtor's rights in the Collateral to RBC will not result in a breach of any agreement to which Debtor is a party.

4. COVENANTS OF THE DEBTOR

So long as this Security Agreement remains in effect Debtor covenants and agrees:

(a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to diligently initiate and prosecute legal action against all infringers of Debtor's rights in Intellectual Property; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licences which are compulsory under federal or provincial legislation and those shown in Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption; and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of Collateral or any interest therein without the prior written consent of RBC; provided always that, until default, Debtor may, in the ordinary course of Debtor's business, sell or lease Inventory and, subject to Clause 7 hereof, use Money available to Debtor;

(b) to notify RBC promptly of:

- (i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral;
- (ii) the details of any significant acquisition of Collateral;
- (iii) the details of any claims or litigation affecting Debtor or Collateral;
- (iv) any loss or damage to Collateral;
- (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral; and
- (vi) the return to or repossession by Debtor of Collateral;

(c) to keep Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance; to keep all agreements, registrations and applications relating to Intellectual Property and intellectual property used by Debtor in its business in good standing and to renew all agreements and registrations as may be necessary or desirable to protect Intellectual Property, unless otherwise agreed in writing by RBC; to apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so;

(d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, caveats, mortgages, notices, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by RBC of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

(e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;

(f) to insure Collateral for such periods, in such amounts, on such terms and against loss or damage by fire and such other risks as RBC shall reasonably direct with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor;

(g) to prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

(h) to carry on and conduct the business of Debtor in accordance with all applicable laws, in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest; and

- (i) any Documents of Title, Instruments, Securities, Chattel Paper and duplicate certificates of title to Real Property constituting, representing or relating to Collateral;
- (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same;
- (iii) all financial statements prepared by or for Debtor regarding Debtor's business;
- (iv) all policies and certificates of insurance relating to Collateral; and
- (v) such information concerning Collateral, Debtor and Debtor's business and affairs as RBC may reasonably request.

5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any manner not inconsistent with the provisions hereof; provided always that RBC shall have the right at any time and from time to time to verify compliance by Debtor with Debtor's obligations under this Security Agreement (including through inquiries with governmental agencies) and the existence and state of the Collateral in any manner RBC may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as RBC may reasonably request in connection therewith and for such purpose to grant to RBC or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

6. SECURITIES, INVESTMENT PROPERTY

If Collateral at any time includes Securities, Debtor authorizes RBC to transfer the same or any part thereof into its own name or that of its nominee(s) so that RBC or its nominee(s) may appear of record as the sole owner thereof; provided that, until default, RBC shall deliver promptly to Debtor all notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to Debtor or its order a proxy to vote and take all action with respect to such Securities. After default, Debtor waives all rights to receive any notices or communications received by RBC or its nominee(s) as such registered owner and agrees that no proxy issued by RBC to Debtor or its order as aforesaid shall thereafter be effective.

Where any Investment Property is held in or credited to an account that has been established with a securities intermediary, RBC may, at any time after default, give a notice of exclusive control to any such securities intermediary with respect to such Investment Property.

7. COLLECTION OF DEBTS

Before or after default under this Security Agreement, RBC may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to

make all payments on Collateral to RBC. Debtor acknowledges that any payments on or other proceeds of Collateral received by Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after default under this Security Agreement shall be received and held by Debtor in trust for RBC and shall be turned over to RBC upon request.

8. INCOME FROM AND INTEREST ON COLLATERAL

(a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if RBC receives any such Money prior to default, RBC shall either credit the same against the Indebtedness or pay the same promptly to Debtor.

(b) After default, Debtor will not request or receive any Money constituting income from or interest on Collateral and if Debtor receives any such Money without any request by it, Debtor will pay the same promptly to RBC.

9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

(a) Whether or not default has occurred, Debtor authorizes RBC:

- (i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly; and
- (ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor; and to hold any such payment or distribution as part of Collateral.

(b) If Debtor receives any such increase or profits (other than Money) or payments or distributions, Debtor will deliver the same promptly to RBC to be held by RBC as herein provided.

10. DISPOSITION OF MONEY

Subject to any applicable requirements of the P.P.S.A. or other applicable law, all Money collected or received by RBC pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as RBC deems best or, at the option of RBC, may be held unappropriated in a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of RBC hereunder, and any surplus shall be accounted for as required by law.

11. EVENTS OF DEFAULT

The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as "default":

(a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;

(b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;

(c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an authorized assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;

(d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;

(e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;

(f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a sale of a substantial portion of Debtor's assets or commits or threatens to commit an act of bankruptcy;

(g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if a distress or analogous process is levied upon the assets of Debtor or any part thereof; and

(h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to RBC to extend any credit to or to enter into this or any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to RBC at or prior to the time of such execution.

11A. REAL PROPERTY

(a) For the purposes of any application to register a crystallized floating charge under the Land Title Act (British Columbia) against any Real Property, the floating charge created by this Security Agreement shall be crystallized and become a fixed charge upon the earliest of:

(i) any one of the events described in Clause 11 hereof;

(ii) a declaration by RBC pursuant to Clause 12 hereof; or

(iii) RBC taking any action pursuant to Clause 13 hereof to appoint a receiver or to enforce its Security Interest or realize upon all or any part of the Collateral.

(b) In accordance with the Property Law Act (British Columbia), the doctrine of consolidation applies to this Security Agreement.

12. ACCELERATION

RBC, in its sole discretion, may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or, if RBC considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of RBC with respect to any Indebtedness which may now or hereafter be payable on demand.

13. REMEDIES

(a) Upon default, RBC may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in its stead. Any such Receiver shall, so far as concerns responsibility for its acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence or nonfeasance on the part of any such Receiver, its servants, agents or employees. Subject to the provisions of the instrument appointing it, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor constituting Collateral or wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by RBC, all Money received from time to time by such Receiver in carrying out its appointment shall be received in trust for and paid over to RBC. Every such Receiver may, in the discretion of RBC, be vested with all or any of the rights and powers of RBC.

(b) Upon default, RBC may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

(c) RBC may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, RBC may sell, lease, license or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to RBC may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and RBC and in addition to any other rights RBC may have at law or in equity, RBC shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. provided always, that RBC shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, RBC shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper or prior



encumbrances on any Real Property whether Collateral or proceeds and whether or not in RBC's possession and shall not be liable or accountable for failure to do so.

(e) Debtor acknowledges that RBC or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from RBC or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(f) Debtor agrees to be liable for and to pay all costs, charges and expenses incurred by RBC or any Receiver or agent appointed by it, whether directly or for services rendered (including solicitors costs on a solicitor and his own client basis and auditors costs and other legal expenses and Receiver and agent remuneration), in operating Debtor's accounts, preparing or enforcing this Security Agreement, inspecting and determining the state of the Collateral, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(g) RBC will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A. or other applicable law.

(h) Upon default and receiving written demand from RBC, Debtor shall take such further action as may be necessary to evidence and effect an assignment or licensing of Intellectual Property to whomsoever RBC directs, including to RBC. Debtor appoints any officer or director or branch manager of RBC upon default to be its attorney in accordance with applicable legislation with full power of substitution and to do on Debtor's behalf anything that is required to assign, license or transfer, and to record any assignment, licence or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

14. MISCELLANEOUS

(a) Debtor hereby authorizes RBC to file such financing statements, financing change statements, caveats, mortgages, forms, security notices and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situate) as RBC may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of the herein mentioned branch of RBC the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of RBC, whenever Indebtedness is immediately due and payable or RBC has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), RBC may, in its sole discretion, set off

against Indebtedness any and all amounts then owed to Debtor by RBC in any capacity, whether or not due, and RBC shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on RBC's records subsequent thereto.

(c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expense incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

(d) RBC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as RBC may see fit without prejudice to the liability of Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either Debtor's or RBC's name, at RBC's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by RBC in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, RBC may remedy any default by Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of RBC granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) Debtor waives protest of any Instrument constituting Collateral at any time held by RBC on which Debtor is in any way liable and, subject to Clause 13 (g) hereof, notice of any other action taken by RBC.

(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several and, unless the context otherwise requires, a reference to "Debtor" herein shall be deemed to be a reference to each of the undersigned.

(h) RBC may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to anyone acquiring or who may acquire an interest in the Security Interest or the Collateral from RBC or anyone acting on behalf of RBC.

(i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security

Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(j) Subject to the requirements of Clauses 13 (g) and 14 (k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of RBC, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to RBC. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(k) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by RBC and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the herein mentioned branch of RBC shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all Indebtedness contracted for or created before the receipt of such notice by RBC, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(l) The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(n) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(o) Nothing herein contained shall in any way obligate RBC to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to RBC.

(q) Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby:

(i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company; and

(ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to RBC at the time of amalgamation and any "Indebtedness" of the amalgamated company to RBC thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with Debtor, and by the amalgamated company, at the time of amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act and The Land Contracts (Actions) Act of the Province of Saskatchewan, or any provisions thereof, shall have no application to this Security Agreement or any agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with RBC that all of Part IV (other than Section 46) of that Act shall not apply to Debtor.

(s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province where the herein mentioned branch of RBC is located including, where applicable, the P.P.S.A. and the Land Title Act.

15. COPY OF AGREEMENT AND FINANCING STATEMENT

(a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.

(b) Debtor waives Debtor's right to receive a copy of a financing statement or financing change statement registered by RBC or any verification statement pertaining to a registration by RBC.

INDIVIDUAL DEBTOR

SURNAME (LAST NAME)		
FIRST NAME	SECOND NAME	
ADDRESS OF INDIVIDUAL DEBTOR	DATE OF BIRTH YEAR MONTH DAY	
CITY	PROVINCE	POSTAL CODE

SURNAME (LAST NAME)		
FIRST NAME	SECOND NAME	
ADDRESS OF INDIVIDUAL DEBTOR	DATE OF BIRTH YEAR MONTH DAY	
CITY	PROVINCE	POSTAL CODE

BUSINESS DEBTOR

NAME OF BUSINESS DEBTOR FOOTHILLS TRUCK SALES & SERVICES LTD.		
ADDRESS OF BUSINESS DEBTOR 144133 530 Ave. West		
CITY Longview	PROVINCE AB	POSTAL CODE T0L 1H0

IN WITNESS WHEREOF Debtor has executed this Security Agreement on the date specified below.

EXECUTION
DATE

FOOTHILLS TRUCK SALES & SERVICES LTD.

WITNESS /
OFFICER SIGNATURE*
(as to all signatures)

Y	M	D
21	11	16

Name:

ATIF ALI

Barrister - Solicitor - Notary Public
Province of Alberta

ALTADORE LAW

#201, 1680 10th Ave SW, Calgary, AB T2T 6T8
Telephone: 403-287-4990 Fax: 403-287-4991

* Professional Capacity

**Carrying on Business as:

Foothills Truck Sales and Services Ltd.

144133-530 Ave.

(Principal Address)

Longview, Alberta, T0L 1H0
(City, Town, etc. & Province)

BRANCH ADDRESS

CALGARY CORRIDOR COMMERCIAL MARKETS

335 8 Ave. SW, 6th Flr.

Calgary, AB

T2P 1C9

* Officer certification required in B.C. only

*** OFFICER CERTIFICATION**

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act, R.S.B.C. 1996. c. 124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act as they pertain to the execution of this instrument.

SCHEDULE "A"

(ENCUMBRANCES AFFECTING COLLATERAL)

SCHEDULE "B"

1. Locations of Debtor's Business Operations

144133 530 Ave. West
Longview, AB
T0L 1H0

2. Locations of Records relating to Collateral (if different from 1. above)

Same as above

3. Locations of Collateral (if different from 1. above)

Same as above

SCHEDULE "C"
(DESCRIPTION OF PROPERTY)

E-FORM 923 (07/2012)

THIS IS **EXHIBIT "E"** REFERRED TO IN THE
AFFIDAVIT OF **MARLENE J. STARENKY**.

SWORN BEFORE ME THIS 24th DAY OF JUNE,
2024.



A Commissioner for Oaths in and for the Province
of Alberta

David LeGeyt
Barrister & Solicitor

Search ID #: Z17101516

Transmitting Party

ELDOR-WAL REGISTRATIONS (1987) LTD.

1200, 10123 99 st NW
EDMONTON, AB T5J 3H1

Party Code: 50073881

Phone #: 780 429 5969

Reference #:

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Both Exact and Inexact Result(s) Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 20120816652

Registration Type: SECURITY AGREEMENT

Registration Date: 2020-Dec-08

Registration Status: Current

Expiry Date: 2025-Dec-08 23:59:59

Inexact Match on: Debtor No: 1

Debtor(s)

Block

Status

Current

1 FOOTHILLS TRUCK SALE & SERVICE
PO BOX 45
LONGVIEW, AB T0L 1H0

Secured Party / Parties

Block

Status

Current

1 SNAP-ON CREDIT CANADA LTD.
195A HARRY WALKER PKWY N
NEWMARKET, ON L3Y 7B3
Email: absecparties@avssystems.ca

Collateral: General

Block

Description

Status

Current

1 ALL OF THE RIGHT, TITLE AND INTEREST OF THE DEBTOR IN AND TO ALL TOOLS AND EQUIPMENT PURCHASED FROM SNAP-ON TOOLS COMPANY OF CANADA LTD. OR ANY SNAP-ON TOOLS COMPANY OF CANADA LTD. FRANCHISEE OR OTHER SALES REPRESENTATIVE OR ANY AFFILIATE, OR COVERED UNDER ALL CONTRACTS, LEASES AND INVOICE NUMBERS ASSIGNED TO SNAP-ON CREDIT CANADA., AND ALL ACCESSIONS AND OTHER TANGIBLE PERSONAL PROPERTY PRESENT AND HEREAFTER ACQUIRED INCLUDING, WITHOUT LIMITATION, INTANGIBLES, CHOSSES IN ACTIONS, ACCOUNTS, ACCOUNTS RECEIVABLE, DEBTS MONIES AND ALL PAYMENTS AND PROCEEDS THEREFROM.

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 21031121884

Registration Type: SECURITY AGREEMENT

Registration Date: 2021-Mar-11

Registration Status: Current

Expiry Date: 2026-Mar-11 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
144133 530 AVE WEST
LONGVIEW, AB T0L 1H0

Current

Secured Party / Parties

Block

Status

1 ROYAL BANK OF CANADA
36 YORK MILLS ROAD, 4TH FLOOR
TORONTO, ON M2P 0A4
Email: abautonsp@teranet.ca

Current

Collateral: General

Block

Description

Status

1 All present and after-acquired personal property, all

2 proceeds including, without limitation, all present and

3 after-acquired personal property that may be derived from the

4 sale or other disposition of the collateral, including

5 inventory, equipment, intangibles, money, chattel papers,

6 documents of title, securities, licences, crops and

7 instruments

Current

Current

Current

Current

Current

Current

Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 21100612635

Registration Type: SECURITY AGREEMENT

Registration Date: 2021-Oct-06

Registration Status: Current

Expiry Date: 2029-Oct-06 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

Current

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
144133 530 AVE WEST
LONGVIEW, AB T0L 1H0

Block

Status

Current

2 BAILEY, TODD, L
144133 530 AVE WEST
LONGVIEW, AB T0L 1H0

Secured Party / Parties

Block

Status

Current

1 JOHN DEERE FINANCIAL INC.
295 HUNTER ROAD, P.O. BOX 1000
GRIMSBY, ON L3M 4H5
Email: absecparties@avssystems.ca

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1T0330GKLMF405733	2021	JOHN DEERE 330G	MV - Motor Vehicle	Current

Search ID #: Z17101516

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ONE JOHN DEERE 330G SKID STEER TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE, ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS, EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS, ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL.	Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 21111902309

Registration Type: SECURITY AGREEMENT

Registration Date: 2021-Nov-19

Registration Status: Current

Expiry Date: 2026-Nov-19 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
144133 530 AVE. WEST
LONGVIEW, AB T0L 1H0

Current

Secured Party / Parties

Block

Status

1 ROYAL BANK OF CANADA
36 YORK MILLS ROAD, 4TH FLOOR
TORONTO, ON M2P 0A4
Email: albertaprod@teranet.ca

Current

Collateral: General

Block

Description

Status

1 All present and after-acquired personal property, all proceeds including, without limitation, all present and after-acquired personal property that may be derived from the sale or other disposition of the collateral, including inventory, equipment, intangibles, money, chattel papers, documents of title, securities, licences, crops and instruments

Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 21111903144

Registration Type: LAND CHARGE

Registration Date: 2021-Nov-19

Registration Status: Current

Registration Term: Infinity

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

Current

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
144133 530 AVE. WEST
LONGVIEW, AB T0L 1H0

Secured Party / Parties

Block

Status

Current

1 ROYAL BANK OF CANADA
36 YORK MILLS ROAD, 4TH FLOOR
TORONTO, ON M2P 0A4
Email: albertaprod@teranet.ca

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 21111904781

Registration Type: SECURITY AGREEMENT

Registration Date: 2021-Nov-19

Registration Status: Current

Expiry Date: 2026-Nov-19 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
578061 64STREET MD FOOTHILLS
LONGVIEW, AB T0L1H0

Current

Secured Party / Parties

Block

Status

1 AUTOMOTIVE FINANCE CANADA INC.
C/O AFC 11299 N. ILLINOIS STREET
CARMEL, IN 46032
Email: scherie.rankin@autofinance.com

Current

Collateral: General

Block

Description

Status

1 ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF DEBTOR, INCLUDING WITHOUT LIMITATION, ALL NOW OWNED OR HEREAFTER ACQUIRED INVENTORY (INCLUDING BUT NOT LIMITED TO INVENTORY OF NEW AND USED CARS, TRUCKS, TRACTORS, TRUCK TRAILERS, TRUCK CHASSIS, TRUCK BODIES, MOTORCYCLES, RECREATIONAL VEHICLES, AND OTHER MOTOR VEHICLES), AS WELL AS ALL OWNED AND AFTER ACQUIRED EQUIPMENT, ACCOUNTS, CHATTEL PAPER, DOCUMENTS (INCLUDING BUT NOT LIMITED TO OWNERSHIP CERTIFICATES), FIXTURES, INSTRUMENTS, DEPOSIT ACCOUNTS, INVESTMENT PROPERTY, GENERAL INTANGIBLES, COMPUTER RECORDS, SOFTWARE, BUSINESS PAPERS, LEDGER SHEETS, FILES, BOOKS, AND RECORDS RELATING TO THE FOREGOING, AND ALL ADDITIONS, ACCESSIONS, ACCESSORIES, AND REPLACEMENTS TO THE FOREGOING, AND ALL PROCEEDS THEREOF.

Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 21121016860

Registration Type: SECURITY AGREEMENT

Registration Date: 2021-Dec-10

Registration Status: Current

Expiry Date: 2031-Dec-10 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

Current

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
144133 - 530 AVE. WEST
LONGVIEW, AB T0L1H0

Secured Party / Parties

Block

Status

Current

1 ROYAL BANK OF CANADA
180 WELLINGTON ST WEST, 5TH FL
TORONTO, ON M5J 1J1
Email: cms_alberta_notifications@teranet.ca

Block

Status

Current

2 ROYAL BANK OF CANADA
300-5575 NORTH SERVICE RD
BURLINGTON, ON L7L 6M1
Email: cms_alberta_notifications@teranet.ca

Search ID #: Z17101516

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	AS PER MASTER LEASE AGREEMENT DATED DECEMBER 7 2021 TOGETHER WITH ALL INVENTORY AND EQUIPMENT NOW OR HEREAFTER ACQUIRED BY THE DEBTOR AND FINANCED BY THE SECURED PARTY TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL OR PROCEEDS THEREOF, AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL, CHATTEL PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF TITLE, SECURITIES, AND RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENTS AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.	Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 21121017462

Registration Type: SECURITY AGREEMENT

Registration Date: 2021-Dec-10

Registration Status: Current

Expiry Date: 2029-Dec-10 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

Current

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
144133 - 530 AVE. WEST
LONGVIEW, AB T0L1H0

Secured Party / Parties

Block

Status

Current

1 ROYAL BANK OF CANADA
180 WELLINGTON ST WEST, 5TH FL
TORONTO, ON M5J 1J1
Email: cms_alberta_notifications@teranet.ca

Block

Status

Current

2 ROYAL BANK OF CANADA
300-5575 NORTH SERVICE RD
BURLINGTON, ON L7L 6M1
Email: cms_alberta_notifications@teranet.ca

Search ID #: Z17101516

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	EQUIPMENT AS FURTHER DESCRIBED UNDER LEASE CONTRACT # 201000064659 EQUIPMENT DESCRIPTION: BENDPAK, ALM XPR-18C, XPR-18C, 25001 LIFTS SERIAL #5175947-000022, 5000011185-005, 405-01 056 TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL OR PROCEEDS THEREOF, AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL, CHattel PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF TITLE, SECURITIES, AND RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENTS AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.	Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 21121017499

Registration Type: SECURITY AGREEMENT

Registration Date: 2021-Dec-10

Registration Status: Current

Expiry Date: 2031-Dec-10 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
144133 - 530 AVE. WEST
LONGVIEW, AB T0L1H0

Current

Secured Party / Parties

Block

Status

1 ROYAL BANK OF CANADA
180 WELLINGTON ST WEST, 5TH FL
TORONTO, ON M5J 1J1
Email: cms_alberta_notifications@teranet.ca

Current

Block

Status

2 ROYAL BANK OF CANADA
300-5575 NORTH SERVICE RD
BURLINGTON, ON L7L 6M1
Email: cms_alberta_notifications@teranet.ca

Current

Search ID #: Z17101516

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	AS PER MASTER LEASE AGREEMENT DATED DECEMBER 6 2021 TOGETHER WITH ALL INVENTORY AND EQUIPMENT NOW OR HEREAFTER ACQUIRED BY THE DEBTOR AND FINANCED BY THE SECURED PARTY TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL OR PROCEEDS THEREOF, AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL, CHATTEL PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF TITLE, SECURITIES, AND RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENTS AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.	Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 22052422956

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-May-24

Registration Status: Current

Expiry Date: 2047-May-24 23:59:59

Inexact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 FOOTHILLS TRUCKS SALES AND SERVICES LTD.
144133 530 AVE W
LONGVIEW, AB T0L 1H0

Current

Secured Party / Parties

Block

Status

1 SANTANDER CONSUMER INC.
200, 4245 97 ST NW
EDMONTON, AB T6E 5Y7
Email: keri.g@santanderconsumer.ca

Current

Search ID #: Z17101516

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	<p>All of the Debtor's right, title and interest in, to and under the accounts and chattel paper assigned by the Debtor to the Secured Party from time to time, including, without limitation, all of the Debtor's present and after-acquired right, title and interest in (a) all rights and benefits accruing, and authorizations provided, under such accounts and chattel paper, (b) all payments of any nature and kind, guarantees, promissory notes and indemnity payments related to such accounts and chattel paper, (c) all goods relating to such accounts and chattel paper and the benefit of all covenants and indemnities with respect to such goods, (d) all claims, demands, actions, damages and indemnities of any nature and kind under such accounts and chattel paper, (e) the right to ask, demand, sue for, collect, receive and enforce any and all sums payable under such accounts and chattel paper and to enforce all other covenants, obligations, rights and remedies thereunder, and (f) all contracts, books, records, reports and other documents and information pertaining to such accounts and chattel paper, together in each case with (i) all attachments, accessories, accessions, replacements, substitutions, additions and improvements to the foregoing, (ii) all proceeds in any form derived directly or indirectly from any dealing with any or all of the foregoing and (iii) all insurance proceeds and all rights to an insurance payment or any other payment that indemnifies or compensates for loss or damage to the foregoing or proceeds of the foregoing.</p>	Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 22102709396

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Oct-27

Registration Status: Current

Expiry Date: 2027-Oct-27 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

Current

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
144133 530 AVE W
LONGVIEW, AB T0L0A9

Secured Party / Parties

Block

Status

Current

1 NEXTGEAR CAPITAL CORPORATION
8277 LAWSON ROAD
MILTON, ON L9T5C7
Email: NGC.CANADALENDING@COXAUTOINC.COM

Search ID #: Z17101516

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	<p>ALL OF DEBTOR'S PRESENT AND AFTER-ACQUIRED UNDERTAKING, PROPERTY AND ASSETS, INCLUDING ALL PRESENT AND FUTURE RIGHT, TITLE, INTEREST AND BENEFIT OF THE DEBTOR IN ALL PROPERTY OF THE FOLLOWING KINDS (COLLECTIVELY, THE "COLLATERAL"):</p> <p>(I) ALL INVENTORY, INCLUDING LENDER FINANCED INVENTORY, NOW OWNED OR HEREFTER ACQUIRED;</p> <p>(II) ALL AMOUNTS IN THE DEBTOR'S RESERVE HELD BY OR ON BEHALF OF THE SECURED PARTY, IF ANY;</p> <p>(III) ALL GOODS COMPRISING THE INVENTORY OF THE DEBTOR, INCLUDING GOODS HELD FOR SALE OR LEASE OR THAT HAVE BEEN LEASED OR CONSIGNED TO OR BY THE DEBTOR OR THAT HAVE BEEN FURNISHED OR ARE TO BE FURNISHED UNDER A CONTRACT OF SERVICE OR THAT ARE RAW MATERIALS, WORK IN PROCESS OR MATERIALS USED OR CONSUMED IN A BUSINESS OR PROFESSION OR THAT ARE FINISHED GOODS;</p> <p>(IV) TIMBER, WHETHER CUT OR TO BE CUT, TIMBER LICENSES, OIL, GAS, OTHER HYDROCARBONS AND MINERALS, WHETHER EXTRACTED OR TO BE EXTRACTED, ANIMALS AND THEIR YOUNG AND UNBORN YOUNG, AND CROPS, WHETHER GROWING OR HARVESTED;</p> <p>(V) ALL OTHER GOODS, INCLUDING FURNITURE, FIXTURES, EQUIPMENT, MACHINERY, PLANT, TOOLS AND VEHICLES;</p> <p>(VI) ALL CHATTEL PAPER;</p> <p>(VII) ALL MONEY;</p> <p>(VIII) ALL WAREHOUSE RECEIPTS, BILLS OF LADING AND OTHER DOCUMENTS OF TITLE, WHETHER NEGOTIABLE OR NOT;</p> <p>(IX) ALL INSTRUMENTS, INCLUDING BILLS, NOTES, CHEQUES, LETTERS OF CREDIT AND ADVICES OF CREDIT;</p> <p>(X) ALL INVESTMENT PROPERTY, INCLUDING SHARES, STOCK, WARRANTS, BONDS, DEBENTURES, DEBENTURE STOCK AND OTHER SECURITIES (IN EACH CASE WHETHER EVIDENCED BY A SECURITY CERTIFICATE OR AN UNCERTIFICATED SECURITY) AND FINANCIAL ASSETS, SECURITY ENTITLEMENTS, SECURITIES ACCOUNTS, FUTURES CONTRACTS AND FUTURES ACCOUNTS;</p> <p>(XI) ALL OTHER TANGIBLE PERSONAL PROPERTY;</p>	Current

Search ID #: Z17101516

- 2 (XII) ALL ACCOUNTS, INCLUDING DEPOSIT ACCOUNTS IN BANKS, CREDIT UNIONS, Current TRUST COMPANIES AND SIMILAR INSTITUTIONS, RENTS, DEBTS, DEMANDS AND CHOSES IN ACTION THAT ARE DUE, OWING OR ACCRUING DUE TO THE DEBTOR, AND ALL CLAIMS OF ANY KIND THAT THE DEBTOR HAS, INCLUDING CLAIMS AGAINST THE CROWN AND CLAIMS UNDER INSURANCE POLICIES;
- (XIII) ALL OTHER INTANGIBLES INCLUDING CONTRACTS, AGREEMENTS, CLEARING HOUSE OPTIONS, PERMITS, LICENCES, CONSENTS, APPROVALS, AUTHORIZATIONS, ORDERS, JUDGMENTS, CERTIFICATES, RULINGS, INSURANCE POLICIES, AGRICULTURAL AND OTHER QUOTAS, SUBSIDIES, FRANCHISES, IMMUNITIES, PRIVILEGES AND BENEFITS AND ALL GOODWILL, PATENTS, TRADEMARKS, TRADE NAMES, TRADE SECRETS, INVENTIONS, PROCESSES COPYRIGHTS, APPLICATIONS FOR INTELLECTUAL PROPERTY RIGHTS AND OTHER INDUSTRIAL OR INTELLECTUAL PROPERTY;
- (XIV) WITH RESPECT TO THE PROPERTY DESCRIBED IN ITEMS (I) TO (XIII) INCLUSIVE, ALL BOOKS, ACCOUNTS, INVOICES, LETTERS, PAPERS, DOCUMENTS, DISKS AND OTHER RECORDS IN ANY FORM, ELECTRONIC OR OTHERWISE, EVIDENCING OR RELATING TO THAT PROPERTY AND ALL CONTRACTS, INVESTMENT PROPERTY, INSTRUMENTS AND OTHER RIGHTS AND BENEFITS IN RESPECT OF THAT PROPERTY;
- (XV) WITH RESPECT TO THE PROPERTY DESCRIBED IN ITEMS (I) TO (XIV) INCLUSIVE, ALL PARTS, COMPONENTS, RENEWALS, SUBSTITUTIONS AND REPLACEMENTS OF THAT PROPERTY AND ALL ATTACHMENTS, ACCESSORIES AND INCREASES, ADDITIONS AND ACCESSIONS TO THAT PROPERTY; AND

Search ID #: Z17101516

- 3 (XVI) WITH RESPECT TO THE PROPERTY DESCRIBED IN ITEMS (I) TO (XV) INCLUSIVE, ALL PROCEEDS FROM THAT PROPERTY, INCLUDING PROPERTY IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THAT PROPERTY OR PROCEEDS FROM THE PROPERTY, AND ANY INSURANCE OR OTHER PAYMENT AS INDEMNITY OR COMPENSATION FOR LOSS OF OR DAMAGE TO THE PROPERTY OR ANY RIGHT TO PAYMENT, AND ANY PAYMENT MADE IN TOTAL OR PARTIAL DISCHARGE OR REDEMPTION OF AN INTANGIBLE, CHATTEL PAPER, INSTRUMENT OR INVESTMENT PROPERTY
- DEFINITIONS:
- "DEBTOR" SHALL MEAN THE BORROWER UNDER THE NOTE, ALSO BEING THE DEBTOR HEREUNDER.
- "INVENTORY" SHALL MEAN ALL UNITS HELD BY THE DEBTOR FOR WHOLESALE OR RETAIL SALE, LEASE, OR RENT, OR LEASED OR RENTED BY THE DEBTOR.
- "INVENTORY" INCLUDES LENDER FINANCED INVENTORY.
- "LENDER FINANCED INVENTORY" SHALL MEAN ALL UNITS FOR WHICH AN ADVANCE HAS BEEN MADE UNDER THE NOTE.
- "LENDER PARTIES" SHALL MEAN THE SECURED PARTY AND ITS AFFILIATES, AND EACH OF THEIR RESPECTIVE DIRECTORS, OFFICERS, PRINCIPALS, PARTNERS, SHAREHOLDERS OR HOLDERS OF ANY OWNERSHIP INTEREST, AS THE CASE MAY BE, EMPLOYEES, REPRESENTATIVES, ATTORNEYS, AND AGENTS.
- "MSO" SHALL MEAN THE MANUFACTURER'S CERTIFICATE OF ORIGIN OR OTHER DOCUMENT EVIDENCING OWNERSHIP OF A UNIT ISSUED BY THE MANUFACTURER OF THE UNIT.
- "NOTE" SHALL MEAN THE DEMAND PROMISSORY NOTE AND LOAN AND SECURITY AGREEMENT ENTERED INTO BETWEEN THE SECURED PARTY AND THE DEBTOR AND BEING THE OBJECT OF THE PRESENT FILING, TOGETHER WITH ALL PRESENT AND FUTURE AMENDMENTS, MODIFICATIONS, AND ADDENDUMS REFERENCED IN SUCH NOTE.
- "RESERVE" SHALL MEAN THE CASH DEPOSITED WITH THE SECURED PARTY BY THE DEBTOR ON A VOLUNTARY BASIS OR AS REQUIRED AS AN UNDERWRITING CONDITION.
- "SECURED PARTY" SHALL MEAN NEXTGEAR CAPITAL CORPORATION, THE LENDER UNDER THE NOTE, ALSO BEING THE SECURED PARTY HEREUNDER.
- "UNIT" SHALL MEAN ANY MANUFACTURED ITEM, INCLUDING MOTOR VEHICLES, FOR WHICH THERE EXISTS A TITLE, MSO, OR OTHER SIMILAR EVIDENCE OF OWNERSHIP.
- Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 22112328315

Registration Type: SECURITY AGREEMENT

Registration Date: 2022-Nov-23

Registration Status: Current

Expiry Date: 2029-Nov-23 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 FOOTHILLS TRUCK SALES SERVICES LTD
SUITE 144 133 530 AVENUE
LONGVIEW, AB T0L1H0

Current

Secured Party / Parties

Block

Status

1 ROYAL BANK OF CANADA
10 YORK MILLS ROAD 3RD FLOOR
TORONTO, ON M2P 0A2
Email: albertaprod@teranet.ca

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1GT49WEY4PF156445	2023	GMC Sierra 3500	MV - Motor Vehicle	Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 23030718307

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Mar-07

Registration Status: Current

Expiry Date: 2030-Mar-07 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

Current

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
144133 - 530 AVE. WEST NW 33-18-2-W5
LONGVIEW, AB T0L1H0

Secured Party / Parties

Block

Status

Current

1 ROYAL BANK OF CANADA
5575 NORTH SERVICE RD,STE 300
BURLINGTON, ON L7L 6M1
Email: albertaprod@teranet.ca

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	5175947000022	2008	BendPak XPR-18C	MV - Motor Vehicle	Current
2	5000011185005	2012	BendPak XPR-18C	MV - Motor Vehicle	Current
3	40501056	1994	ALM 25001	MV - Motor Vehicle	Current

Search ID #: Z17101516

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	EQUIPMENT AS FURTHER DESCRIBED UNDER LEASE CONTRACT #201000064659 Equipment Description 2008 BendPak XPR-18C Hoist (S/N: 5175947-000022), 2012 BendPak XPR-18C Hoist (S/N: 5000011185-005), 1994 ALM 25001 Post (S/N: 405- 01056), 2x 2010 Rotary RJ15 Commercial Rolling Jacks, Leasehold Improvements and Concrete Pad Complete with Accessories and Attachments, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL OR PROCEEDS THEREOF, AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL, CHattel PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF TITLE, SECURITIES, AND RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENTS AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.	Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 23033118804

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Mar-31

Registration Status: Current

Expiry Date: 2036-Mar-31 23:59:59

Exact Match on:

Debtor

No: 1

Amendments to Registration

23070546289

Amendment

2023-Jul-05

Debtor(s)

Block

Status

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
144133 - 530 AVENUE WEST
LONGVIEW, AB T0L 1H0

Current

Secured Party / Parties

Block

Status

1 BUSINESS DEVELOPMENT BANK OF CANADA
BOX 6,505 BURRARD ST
VANCOUVER, BC V7X 1M3
Phone #: 604 666 1916 Fax #: 604 666 1573
Email: legalwfsc@bdc.ca

Deleted by
23070546289

Block

Status

2 BUSINESS DEVELOPMENT BANK OF CANADA
1500 - 1133 MELVILLE STREET
VANCOUVER, BC V6E 4E5
Phone #: 604 666 1916 Fax #: 604 666 1573
Email: legalwfsc@bdc.ca

Current by
23070546289

Collateral: General

Block

Description

Status

1 ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR
AND WITHOUT LIMITATION ALL CROPS, LICENCES AND FIXTURES; PROCEEDS:
ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY

Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 23100327834

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Oct-03

Registration Status: Current

Expiry Date: 2031-Oct-03 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)**Block****Status**

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
144133 530 AVE WEST
LONGVIEW, AB T0L 1H0

Current

Secured Party / Parties**Block****Status**

1 JOHN DEERE FINANCIAL INC.
295 HUNTER ROAD, P.O. BOX 1000
GRIMSBY, ON L3M 4H5
Email: absecparties@avssystems.ca

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1T0325GKVPJ453456	2023	JOHN DEERE 325G	MV - Motor Vehicle	Current

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ONE JOHN DEERE 325G COMPACT TRACK LOADER TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE, ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS, EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS, ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL.	Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 23100327863

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Oct-03

Registration Status: Current

Expiry Date: 2031-Oct-03 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)**Block****Status**

Current

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
144133 530 AVE WEST
LONGVIEW, AB T0L 1H0

Secured Party / Parties**Block****Status**

Current

1 JOHN DEERE FINANCIAL INC.
295 HUNTER ROAD, P.O. BOX 1000
GRIMSBY, ON L3M 4H5
Email: absecparties@avssystems.ca

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1T0324GKHPJ455528	2023	JOHN DEERE 324G	MV - Motor Vehicle	Current

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ONE JOHN DEERE 324G SKID STEER TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE, ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS, EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS, ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL.	Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 23100327873

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Oct-03

Registration Status: Current

Expiry Date: 2031-Oct-03 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)**Block****Status**

Current

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
144133 530 AVE WEST
LONGVIEW, AB T0L 1H0

Secured Party / Parties**Block****Status**

Current

1 JOHN DEERE FINANCIAL INC.
295 HUNTER ROAD, P.O. BOX 1000
GRIMSBY, ON L3M 4H5
Email: absecparties@avssystems.ca

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1T0325GKCPJ453441	2023	JOHN DEERE 325G	MV - Motor Vehicle	Current

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ONE JOHN DEERE 325G COMPACT TRACK LOADER TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE, ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS, EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS, ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL.	Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 23100327948

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Oct-03

Registration Status: Current

Expiry Date: 2031-Oct-03 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)**Block****Status**

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
144133 530 AVE WEST
LONGVIEW, AB T0L 1H0

Current

Secured Party / Parties**Block****Status**

1 JOHN DEERE FINANCIAL INC.
295 HUNTER ROAD, P.O. BOX 1000
GRIMSBY, ON L3M 4H5
Email: absecparties@avssystems.ca

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1T0331GKVPF456429	2023	JOHN DEERE 331G	MV - Motor Vehicle	Current

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ONE JOHN DEERE 331G COMPACT TRACK LOADER TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE, ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS, EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS, ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL.	Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 23100505901

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Oct-05

Registration Status: Current

Expiry Date: 2031-Oct-05 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)**Block****Status**

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
144133 530 AVE WEST, PO BOX 45
LONGVIEW, AB T0L 1H0

Current

Secured Party / Parties**Block****Status**

1 JOHN DEERE FINANCIAL INC.
295 HUNTER ROAD, P.O. BOX 1000
GRIMSBY, ON L3M 4H5
Email: absecparties@avssystems.ca

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1FF050PALPH000225	2023	JOHN DEERE 50 P	MV - Motor Vehicle	Current

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ONE JOHN DEERE 50 P-TIER COMPACT EXCAVATOR TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE, ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS, EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS, ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL	Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 23100509984

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Oct-05

Registration Status: Current

Expiry Date: 2031-Oct-05 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)**Block****Status**

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
144133 530 AVE WEST, PO BOX 45
LONGVIEW, AB T0L 1H0

Current

Secured Party / Parties**Block****Status**

1 JOHN DEERE FINANCIAL INC.
295 HUNTER ROAD, P.O. BOX 1000
GRIMSBY, ON L3M 4H5
Email: absecparties@avssystems.ca

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1FF035PAVPK000907	2023	JOHN DEERE 35 P	MV - Motor Vehicle	Current

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ONE JOHN DEERE 35 P-TIER COMPACT EXCAVATOR TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS OF EVERY TYPE, ITEM OR KIND IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH COLLATERAL INCLUDING WITHOUT LIMITATION TRADE-INS, EQUIPMENT, INVENTORY, GOODS, NOTES, CHATTEL PAPER, CONTRACT RIGHTS, ACCOUNTS, RENTAL PAYMENTS, SECURITIES, INTANGIBLES, DOCUMENTS OF TITLE AND MONEY AND ALL PROCEEDS OF PROCEEDS AND A RIGHT TO ANY INSURANCE PAYMENT AND ANY OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR THE PROCEEDS OF THE COLLATERAL	Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 23101033744

Registration Date: 2023-Oct-10

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2028-Oct-10 23:59:59

Exact Match on:

Debtor

No: 1

Amendments to Registration

24013116622

Amendment

2024-Jan-31

Debtor(s)**Block****Status**

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
144153-530 AVE WEST
LONGVIEW, AB T0L 1H0

Current

Block**Status**

2 WORKPRO RENTALS LTD.
BOX 45 144133 530 AVE W
FOOTHILLS COUNTY, AB T0L 1H0

Current by
24013116622**Secured Party / Parties****Block****Status**

1 BRANDT FINANCE LTD.
BOX 3856 HWY 1 E
REGINA, SK S4P 3R8
Phone #: 306 347 1418
Email: jrachar@brandt.ca

Current

Block**Status**

2 MERIDIAN ONECAP CREDIT CORP.
204 3185 WILLINGDON GREEN
BURNABY, BC V5G 4P3
Email: MOCC_Brandt@meridianonecap.ca

Current

Search ID #: Z17101516

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	2BYUP3HC1NC000033	2022	BRANDT UPR1628	TR - Trailer	Current

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	TRAILER(S) TOGETHER WITH ALL ATTACHMENTS ACCESSORIES ACCESSIONS REPLACEMENTS SUBSTITUTIONS ADDITIONS AND IMPROVEMENTS THERETO AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY SALE AND OR DEALINGS WITH THE COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR OTHER PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL.	Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 23102319078

Registration Type: SECURITY AGREEMENT

Registration Date: 2023-Oct-23

Registration Status: Current

Expiry Date: 2029-Oct-23 23:59:59

Exact Match on: Debtor No: 1

Amendments to Registration

23110813683	Amendment	2023-Nov-08
24022639557	Amendment	2024-Feb-26

Debtor(s)

Block

Status

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
BOX 45, 144153 530 AVE
WEST LONGVIEW, AB T0L 1H0

Current

Secured Party / Parties

Block

Status

1 CWB NATIONAL LEASING INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9
Phone #: 204 954 9000 Fax #: 866 814 4752
Email: ppsa.adminstration@cwbnationalleasing.com

Deleted by
24022639557

Block

Status

2 CWB NATIONAL LEASING INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9
Phone #: 204 954 9000 Fax #: 866 814 4752
Email: ppsa.administration@cwbnationalleasing.com

Current by
24022639557

Search ID #: Z17101516

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ALL PRINTER/CUTTER, EMBROIDERY MACHINES OF EVERY NATURE OR KIND DESCRIBED IN AGREEMENT NUMBER 3178346, BETWEEN THE SECURED PARTY AND THE DEBTOR, AS AMENDED FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, SUBSTITUTIONS AND PROCEEDS OF ANY KIND DERIVED DIRECTLY OR INDIRECTLY THEREFROM.	Current
2	AGREEMENT NUMBER CHANGED FROM 3178346 TO 3181238	Current By 23110813683

Particulars

<u>Block</u>	<u>Additional Information</u>	<u>Status</u>
1	Purchase Money Security Interest.	Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 24010206640

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Jan-02

Registration Status: Current

Expiry Date: 2031-Jan-02 23:59:59

Exact Match on:

Debtor

No: 1

Amendments to Registration

24022339944

Amendment

2024-Feb-23

Debtor(s)

Block

Status

Current

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
BOX 45, 144153 530 AVE.
WEST LONGVIEW, AB T0L1H0

Block

Status

Current

2 STITCHWORKS SIGNS INC.
BOX 45, 144153 530 AVE.
WEST LONGVIEW, AB T0L1H0

Secured Party / Parties

Block

Status

Deleted by
24022339944

1 CWB NATIONAL LEASING INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9
Phone #: 204 954 9000 Fax #: 866 814 4752
Email: ppsa.adminstration@cwbnationalleasing.com

Block

Status

Current by
24022339944

2 CWB NATIONAL LEASING INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9
Phone #: 204 954 9000 Fax #: 866 814 4752
Email: ppsa.adminstration@cwbnationalleasing.com

Search ID #: Z17101516

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ALL INDUSTRIAL PRINTING EQUIPMENT-Vastek Lancer Printing Press Station OF EVERY NATURE OR KIND DESCRIBED IN AGREEMENT NUMBER 3187567, BETWEEN THE SECURED PARTY AND THE DEBTOR, AS AMENDED FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, SUBSTITUTIONS AND PROCEEDS OF ANY KIND DERIVED DIRECTLY OR INDIRECTLY THEREFROM.	Current

Particulars

<u>Block</u>	<u>Additional Information</u>	<u>Status</u>
1	Purchase Money Security Interest.	Current

Search ID #: Z17101516

Business Debtor Search For:

FOOTHILLS TRUCK SALES & SERVICES LTD.

Search ID #: Z17101516

Date of Search: 2024-Feb-29

Time of Search: 09:25:36

Registration Number: 24011006035

Registration Type: SECURITY AGREEMENT

Registration Date: 2024-Jan-10

Registration Status: Current

Expiry Date: 2029-Jan-10 23:59:59

Exact Match on:

Debtor

No: 1

Amendments to Registration

24020942039

Amendment

2024-Feb-09

Debtor(s)

Block

Status

1 FOOTHILLS TRUCK SALES & SERVICES LTD.
BOX 45, 144153 530 AVE.
WEST LONGVIEW, AB T0L 1H0

Current

Secured Party / Parties

Block

Status

1 CWB NATIONAL LEASING INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9
Phone #: 204 954 9000 Fax #: 866 814 4752
Email: ppsa.adminstration@cwbnationalleasing.com

Deleted by
24020942039

Block

Status

2 CWB NATIONAL LEASING INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9
Phone #: 204 954 9000 Fax #: 866 814 4752
Email: ppsa.adminstration@cwbnationalleasing.com

Current by
24020942039

Search ID #: Z17101516

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ALL MAC STUDIO PC, AC+ FOR MAC STUDIO (M2)-AOS, STUDIO DISPLAY STANDARD TILT G Desktop OF EVERY NATURE OR KIND DESCRIBED IN AGREEMENT NUMBER 3184952, BETWEEN EQUILEASE CORP., AS ORIGINAL SECURED PARTY AND THE DEBTOR, WHICH AGREEMENT WAS ASSIGNED BY THE ORIGINAL SECURED PARTY TO THE SECURED PARTY, AS AMENDED FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, SUBSTITUTIONS AND PROCEEDS OF ANY KIND DERIVED DIRECTLY OR INDIRECTLY THEREFROM.	Current

Particulars

<u>Block</u>	<u>Additional Information</u>	<u>Status</u>
1	Purchase Money Security Interest.	Current

Search ID #: Z17101516

Note:

The following is a list of matches closely approximating your Search Criteria,
which is included for your convenience and protection.

Debtor Name / Address

FOOTHILLS TRUCK & TRAILER SERVICE LTD
234040 WRANGLER RD S.E
ROCKYVIEW, AB T1X 0K2

Reg.#

23091504382

SECURITY AGREEMENT

Debtor Name / Address

FOOTHILLS TRUCK & TRAILER SERVICE LTD.
BAY 10, 6613 44TH STREET SE
CALGARY, AB T2C 2C9

Reg.#

18070317239

SECURITY AGREEMENT

Debtor Name / Address

FOOTHILLS TRUCK & TRAILER SERVICE LTD.
10 6613 44 STREET SE
CALGARY, AB T2C2C9

Reg.#

19060524376

SECURITY AGREEMENT

Debtor Name / Address

FOOTHILLS TRUCK & TRAILER SERVICE LTD.
BUILDING C, 234040 WRANGLER ROAD S.E.
ROCKY VIEW COUNTY, AB T1X 0K2

Reg.#

19102413294

SECURITY AGREEMENT

Debtor Name / Address

FOOTHILLS TRUCK & TRAILER SERVICE LTD.
BUILDING C, 234040 WRANGLER ROAD S.E.
ROCKY VIEW COUNTY, AB T1X 0K2

Reg.#

19102413336

LAND CHARGE

Debtor Name / Address

FOOTHILLS TRUCK AND TRAILER SERVICE LTD
234040 WRANGLER RD
ROCKY VIEW COUNTY, AB T1X0K2

Reg.#

22081903267

SECURITY AGREEMENT

Debtor Name / Address

Reg.#

Search ID #: Z17101516

FOOTHILLS TRUCK AND TRAILER SERVICE LTD
234040 WRANGLER RD S.E
ROCKYVIEW, AB T1X 0K2

23091504382

SECURITY AGREEMENT

Debtor Name / Address

FOOTHILLS TRUCK REPAIR LTD.
2322 - 49 AVENUE S.E.
CALGARY, AB T2B 3E3

Reg.#

01100905726

LAND CHARGE

Debtor Name / Address

FOOTHILLS TRUCK REPAIR LTD.
2322 - 49 AVE SE
CALGARY, AB T2B3E3

Reg.#

01112133549

BANKRUPTCY / PROPOSAL

Debtor Name / Address

FOOTHILLS TRUCK REPAIR LTD.
2322 49TH AVENUE SE
CALGARY, AB T2B3E3

Reg.#

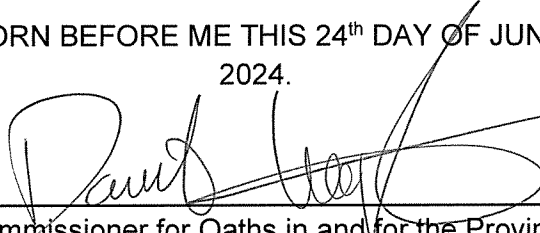
02030431494

BANKRUPTCY / PROPOSAL

Result Complete

THIS IS **EXHIBIT "F"** REFERRED TO IN THE
AFFIDAVIT OF **MARLENE J. STARENKY**.

SWORN BEFORE ME THIS 24th DAY OF JUNE,
2024.



A Commissioner for Oaths in and for the Province
of Alberta

David LeGeyt
Barrister & Solicitor

Collateral Mortgage - General
Saskatchewan/Alberta/NWT/Nunavut

COLLATERAL MORTGAGE

I/WE, Todd Bailey(hereinafter referred to as the "Mortgagor") having an address at 144133-530 Ave W, Foothills,
Alberta TOL 1H0, being registered owner (or for the purposes of land located
(Province) (Postal Code) (City)in Northwest Territories or Nunavut Territory, being or being entitled to become registered owner
of an estate in fee simple/leasehold estate (and for the purposes of land located in Alberta
only, subject to registered encumbrances, liens and interests, if any) (and for the purposes of land located in Northwest
Territories or Nunavut Territory only, subject to the encumbrances and interests listed below or which apply under the
applicable Land Titles Act) in all that piece of land described as follows:

MERIDIAN 5 RANGE 2 TOWNSHIP 18

SECTION 33

QUARTER NORTH WEST

CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS

EXCEPTING THEREOUT:

PLAN NUMBER HECTARES (ACRES) MORE OR LESS

ROAD 0011043 1.815 4.48 EXCEPTING THEREOUT ALL MINES AND MINERALS

AND THE RIGHT TO WORK THE SAME

(hereinafter referred to as "the land"), IN CONSIDERATION OF the premises herein and other valuable consideration,
the receipt and sufficiency of which is acknowledged, hereby covenant with ROYAL BANK OF CANADA, a chartered
bank having its Head Office in the City of Montreal, in the Province of Quebec (hereinafter referred to as the"Mortgagee") and having an office at 36, York Mills Road, 4th FloorToronto, Ontario, M2P 0A4, as follows:
(City) (Province) (Postal Code)

- (1) **Charging Clause:** The Mortgagor hereby encumbers, mortgages and charges the land and each and every building and improvement on the land (the "premises") which now or hereafter may be erected thereon (the land and the premises being hereinafter referred to as the "mortgaged property") with payment of:
- (a) the Liabilities (as hereinafter defined), excluding any portion thereof constituting interest or constituting Enforcement Obligations (as hereinafter defined), up to the amount of Two million three hundred thousand Dollars DOLLARS (\$2,300,000.00);
 - (b) the Enforcement Obligations (as hereinafter defined); and
 - (c) interest payable on the Liabilities calculated at the rate and in the manner specified herein or in the instrument or other agreement creating or evidencing the obligation to pay such interest.

"Enforcement Obligations" means all amounts payable hereunder which are stated to constitute Enforcement Obligations.

"Liabilities" means all amounts owing to the Mortgagee from time to time in respect of any current or running account or revolving line of credit and all indebtedness, liabilities and obligations of the Mortgagor to the Mortgagee (which includes for greater certainty all Enforcement Obligations) whether present or future, direct or indirect, absolute or contingent, matured or not, and whether incurred or arising before, during or after the time that the Mortgagor is the owner of the mortgaged property, and whether arising within or outside Canada, and whether incurred by or arising from any agreement or dealing between the Mortgagee and the Mortgagor or by or from any agreement or dealing with any third party by which the Mortgagee may be or become in any manner whatsoever a creditor of the Mortgagor, or however otherwise incurred or arising, and whether the Mortgagor be bound alone or with another or others, and whether as principal, guarantor or surety.

"Prime Rate" means the annual rate of interest established and announced from time to time by the Mortgagee as being a reference rate then in effect for determining interest rates on Canadian dollar commercial loans made in Canada.

- (2) **Liabilities:** These presents are given and taken as general and continuing collateral security to secure payment of the Liabilities and this mortgage shall obtain priority for all Liabilities notwithstanding that at any time or from time to time there may not be any Liabilities then outstanding. The Mortgagor agrees to pay to the Mortgagee each and every amount, indebtedness, liability and obligation forming part of the Liabilities in the manner agreed to in respect of such amount, indebtedness, liability or obligation. Any future or contingent Liability that does not constitute a debt or loan shall accrue and be payable upon the satisfaction of any applicable condition or contingency which is specified in the agreement or dealing creating such Liability or upon the satisfaction of any other condition or contingency which may be applicable to making a determination of whether such Liability is accrued and payable. The accounts and records of the Mortgagee shall, in the absence of manifest error, constitute prima facie evidence of the amount of Liabilities outstanding and owing from time to time by the Mortgagor to the Mortgagee. Unless otherwise specified herein or in an instrument or other agreement creating or evidencing an obligation to pay interest on the Liabilities, the Mortgagor shall pay to the Mortgagee interest on the amount of the Liabilities outstanding from time to time for the period commencing on the date of demand for payment thereof until paid, such interest to be calculated at a rate equal to the Prime Rate plus 5.00% (%) per annum, calculated and payable monthly not in advance, both before and after default and judgment, with interest on overdue interest at the rate aforesaid.
- (3) **Enforcement Obligations:** All Enforcement Obligations shall be payable by the Mortgagor to the Mortgagee upon demand therefor by the Mortgagee to the Mortgagor.
- (4) **No Merger:** Neither the granting of this mortgage nor any proceeding taken hereunder or with respect hereto or under any securities or evidences of securities taken by the Mortgagee, nor any judgment obtained in such proceeding, shall operate as a merger of the Liabilities or of any simple contract debt or in any way suspend payment of, affect or prejudice the rights, remedies or powers, legal or equitable, which the Mortgagee may hold in connection with the Liabilities and any securities which may be taken by the Mortgagee in addition to, by way of renewal of, or in substitution for any present or future bill, promissory note, obligation or security evidencing the Liabilities or a part thereof, or be deemed a payment or satisfaction of the Liabilities or any part thereof or merger therein and any right reserved to the Mortgagee under any document may be exercised by the Mortgagee concurrently or consecutively with or to any other rights reserved to it.

- (5) **Further Covenants:** The Mortgagor further covenants with the Mortgagee that the Mortgagor:
- (a) has a good title to the land and premises;
 - (b) has the right to mortgage the land and premises and that on default the Mortgagee shall have quiet possession of the land and premises free from all encumbrances;
 - (c) will execute such further assurances of the land and premises as may be requisite; and
 - (d) has done no act to encumber the land and premises.
- (6) **Covenants:** The Mortgagor further covenants with the Mortgagee that:
- (a) **Insurance:** The Mortgagor will forthwith insure and during the continuance of this mortgage keep insured in favour of the Mortgagee against loss or damage by the perils of fire and such other perils as the Mortgagee may require, the premises, both during erection and thereafter, for a total amount not less than the lesser of the replacement cost of the premises and the amount of the Mortgagee's interest therein, with an insurance company and under policies satisfactory to the Mortgagee; and each policy of insurance shall provide that every loss shall be payable to the Mortgagee as its interest may appear in accordance herewith, subject to a standard form of mortgage clause approved by the Mortgagee; and each policy of insurance shall provide that the Mortgagee shall receive at least thirty (30) days prior notice of any cancellation or material alteration thereof; and the Mortgagor will forthwith assign, transfer and deliver to the Mortgagee the policies of insurance and all renewal receipts pertaining thereto; and no insurance will be carried on the premises other than such as is made payable to the Mortgagee in accordance with the provisions of this paragraph; and the Mortgagor will not do or omit or cause anything to be done, omitted or caused whereby the policies of insurance may become void; and the Mortgagor will pay all premiums necessary for such purposes promptly as the same shall become due and will deliver evidence of renewal to the Mortgagee at least seven (7) days prior to the expiration of any policy of insurance; and, in the event of any breach of the foregoing covenants respecting insurance, the Mortgagee, without prejudice to its other rights hereunder, may, at its option, effect such insurance to a value deemed, in the sole opinion of the Mortgagee, adequate to protect the Mortgagee's insurable interest and any amount paid therefor by the Mortgagee shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation; and forthwith on the happening of any loss or damage, the Mortgagor will furnish at its own expense all necessary proofs and do all necessary acts to enable the Mortgagee to obtain payment of the insurance monies and the production of this mortgage shall be sufficient authority for the insurance company to pay every such loss to the Mortgagee, and the insurance company is hereby directed thereupon to pay the same to the Mortgagee; and any insurance monies received may, at the option of the Mortgagee, be applied in rebuilding, reinstating or repairing the premises or be paid to the Mortgagor or be applied or paid partly in one way and partly in another, or it may be applied, in the sole discretion of the Mortgagee, in whole or in part on the Liabilities or any part thereof whether due or not then due; and the Mortgagor hereby releases to the Mortgagee all its claims upon the mortgaged property subject to the said provisos;
 - (b) **Taxes and Encumbrances:** The Mortgagor will pay when and as the same fall due all taxes, rates, levies, assessments, liens, charges, encumbrances or claims which are or may be or become charges or claims against the mortgaged property or on this mortgage or on the Mortgagee in respect of this mortgage; and in default of payment, the Mortgagee may pay the amount of such taxes, rates, levies, assessments, liens, charges, encumbrances and claims, and all monies so paid by the Mortgagee shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation;

- (c) **Assignment of Rents and Leases:** For the better securing to the Mortgagee the payment of the Liabilities, the Mortgagor hereby gives, grants, assigns, transfers and sets over unto the Mortgagee all leases, agreements, tenancies, quotas and licenses which affect the mortgaged property whether written, verbal or otherwise howsoever, including all renewals or extensions thereof, together with all rents and other monies payable thereunder and all rights, benefits and advantages to be derived therefrom; provided that nothing done in pursuance hereof shall have or be deemed to have the effect of making the Mortgagee responsible for the collection of rent, or of any part thereof, or any income or revenue whatsoever of and from the mortgaged property, or for the performance or observance of any provision of such leases and agreements;
- (d) **Fixtures:** Without restricting the generality of the term "fixtures", fences, plumbing, air-conditioning, ventilating, lighting and water heating equipment, cooking and refrigeration equipment, window blinds, storm windows and storm doors, window screens and screen doors, and all appliances and appurtenances relating thereto which now are or may hereafter be placed upon the mortgaged property by the Mortgagor or which now are or may hereafter be attached to the mortgaged property by the Mortgagor, and all farm machinery, improvements and irrigation systems, fixed or otherwise, and even though not attached to the land otherwise than by their own weight, shall be deemed to be fixtures and all fixtures shall form a part of the mortgaged property and are charged by and subject to this mortgage;
- (e) **Good Repair:** The Mortgagor will not remove any fixtures of any kind from the mortgaged property, and will keep the premises and all fixtures, gates, fences, drains and improvements for the time being subject to this mortgage in good and substantial repair, and will at all times make such repairs to, and if incomplete, will complete such buildings and improvements as may be required by the Mortgagee in writing; and will not without the consent in writing of the Mortgagee, commit or permit any kind of waste on the mortgaged property; and in default of any of the foregoing the Mortgagee may at its option enter upon the mortgaged property from time to time in order to inspect, and may at its option complete, repair and keep in repair the said premises, fixtures, gates, fences, drains and improvements without thereby becoming liable as mortgagee in possession and the amount expended by the Mortgagee in doing all or any of the foregoing things shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation;
- (f) **Erection of Improvements:** The Mortgagor will not, without the consent of the Mortgagee in writing, erect or permit to be erected on the mortgaged property any improvement, or enter into any contract that may cause the mortgaged property to be encumbered by a lien for work done, labor provided, services performed or material supplied and will keep the mortgaged property free from same;
- (g) **Inspection:** The Mortgagee, its agents, employees, and independent contractors may at any time enter upon the mortgaged property to inspect the mortgaged property, and where deemed necessary and/or advisable by the Mortgagee, to conduct investigations thereon, including, without limiting the generality of the foregoing, intrusive testing and sampling on the mortgaged property for the purpose of determining the presence of or the potential for environmental pollution, and the reasonable cost of such inspection and investigations paid for by the Mortgagee including any intrusive testing and sampling shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation;
- (h) **No Other Encumbrances:** The Mortgagor will not, without the consent of the Mortgagee in writing, grant, create, assume or suffer to exist any mortgage, charge, lien or other encumbrance against the mortgaged property, whether ranking in priority to or subsequent to this mortgage, and the Mortgagee may pay the amount of any mortgage, charge, lien or other encumbrance, now or hereafter existing upon the mortgaged property having or claiming priority over this mortgage. All monies so paid by the Mortgagee shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation; and

- (i) **Compliance with Laws:** The Mortgagor covenants with the Mortgagee to at all times promptly observe, perform, execute and comply with all applicable laws, including without limiting the generality of the foregoing, those dealing with zoning, use, occupancy, subdivision, parking, historical designations, fire, access, loading facilities, landscaped area, building construction, builders' liens, or public health and safety, and all private covenants and restrictions affecting the mortgaged property or any portion thereof and the Mortgagor will from time to time, upon request of the Mortgagee, provide to the Mortgagee evidence of such observance and compliance and will at its own expense make any and all improvements thereon or alterations to the mortgaged property, structural or otherwise, and will take all such other action as may be required at any time by any such present or future law, and the Mortgagor will cause its tenants, agents and invitees to comply with all the foregoing at their own expense.
- (7) **Environmental Provisions:** The Mortgagor represents and warrants to the Mortgagee that there is no product or substance on the mortgaged property or on any property adjacent thereto which contravenes any environmental law or which is not being dealt with according to best recognized environmental practices, and that the mortgaged property is being used in compliance with all environmental laws. The Mortgagor will give the Mortgagee immediate notice of any material change in circumstances which would cause any of the foregoing representations and warranties to become untrue. The Mortgagor will indemnify the Mortgagee and each of its directors, officers, employees, agents and independent contractors, from all loss or expense (including, without limitation, legal fees on a solicitor and his own client, full-indemnity basis) due to the Mortgagor's failure to comply with any environmental law or due to the presence of any product or substance referred to in this paragraph, as well as any lien or priority asserted with respect thereto, and this indemnity shall survive the discharge of this mortgage or the release from this mortgage of part or all of the mortgaged property. All amounts payable to the Mortgagee in respect of such indemnity shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation.
- (8) **Remedies for Breach of Covenants:** In the event of non-payment when due of the Liabilities or a part thereof, or upon breach of or default under any provision of any agreement evidencing or relating to the Liabilities or a part thereof, or upon breach of or default in any provision of this mortgage:
- (a) **Liabilities Due:** The Liabilities shall immediately become due and payable at the option of the Mortgagee unless such non-payment, breach or default is waived or postponed by the Mortgagee;
- (b) **May Enter on to Mortgaged Property to Lease or Sell:** The Mortgagee may on giving the minimum notice, if any, according to applicable law, enter on and lease or sell the mortgaged property; and the Mortgagee may collect the rents and profits and lease or sell as aforesaid without entering into possession of the mortgaged property; and the Mortgagee is hereby irrevocably appointed the attorney of the Mortgagor for the purpose of making such lease or sale, and for recovering all rents and sums of money that may become or are due or owing to the Mortgagor in respect of the mortgaged property, and for enforcing all agreements binding on any lessee or occupier of the mortgaged property or on any other person in respect of it, and for taking and maintaining possession of the mortgaged property, and for protecting it from waste, damage or trespass, and for making arrangements for completing the construction of, repairing or putting into order any buildings or other improvements on the mortgaged property, and for harvesting, threshing and marketing any crops on the land, keeping down and destroying any noxious weeds, summer fallowing, and working, breaking and otherwise farming any farm land, and for conducting remediation to bring the mortgaged property in compliance with recognized environmental standards, statutory or otherwise, and for executing all instruments, deeds and documents pertaining thereto, and for doing all acts, matters and things that may be necessary for carrying out the powers hereby given; and any such sale may be either for cash or on credit, or part cash and part credit, and by private sale or public auction, and at such sale the whole or any part of the mortgaged property may be sold; and the Mortgagee may vary or rescind any contract of sale made by virtue of these presents, and may buy in and resell the mortgaged property or any part thereof, without being responsible for any loss or deficiency on resale or expense occasioned thereby, and may sell on such terms as to credit or otherwise as to it shall seem appropriate, and for such prices as can reasonably be obtained therefor, and may make any stipulation as to title or evidence or commencement of title or otherwise as to it may seem proper, and no purchaser or lessee under such power shall be bound to inquire into the legality or regularity of any sale or lease under the said power, or to see to the application of the proceeds thereof, nor shall any omission, irregularity or want of notice invalidate or in any way affect the legality of any such sale or lease; and out of the money arising from such sale

or lease the Mortgagee shall be entitled to retain an amount equal to the Liabilities together with all expenses incurred in or about taking, recovering or keeping possession of the mortgaged property, selling or leasing the same or otherwise by reason of any default of the Mortgagor hereunder, including solicitor's fees and disbursements as between a solicitor and his own client, full-indemnity basis, and any balance of monies remaining after the satisfaction of all claims of the Mortgagee, as hereinbefore provided, shall be paid to the Mortgagor but the Mortgagee shall in no event be liable to pay to the Mortgagor any monies except those actually received by the Mortgagee;

- (c) **Foreclosure:** The Mortgagee may take foreclosure or foreclosure and sale proceedings in respect of the mortgaged property in accordance with the provisions of the laws of the jurisdiction in which the mortgaged property is situate; and in the event of any deficiency on account of the Liabilities remaining due to the Mortgagee after realizing all the mortgaged property, then the Mortgagor will pay to the Mortgagee on demand the amount of such deficiency together with interest thereon until paid, calculated at a rate equal to the Prime Rate plus 5.00% (%) per annum, calculated and payable monthly not in advance, both before and after maturity, default and judgment, with interest on overdue interest at the rate aforesaid. In the event foreclosure proceedings are commenced in respect of the mortgaged property, then from the time of the application for an order nisi in such proceedings, the rate of interest payable under this mortgage shall, at the option of the Mortgagee, be fixed at the rate applicable under this mortgage at that time and shall thereafter remain at such fixed rate unless and until such proceedings have been settled or discontinued;
- (d) **Distrain:** The Mortgagee may distrain for arrears of the Liabilities, and as part of the consideration for any advance or creation of the Liabilities, the Mortgagor agrees to waive, and hereby waives, on the exercise of any such right of distress all rights to exemptions from seizure and distress under any law applicable in the jurisdiction in which the mortgaged property is situate;
- (e) **Receivership:** The Mortgagee may appoint a receiver of the mortgaged property and of the income of the mortgaged property, or any part thereof, and every such receiver shall be the agent of the Mortgagor and the Mortgagor shall be solely responsible for the receiver's acts or defaults; and such receiver shall have power to demand, recover and receive all the income of the mortgaged property, by action, distress or otherwise, either in the name of the Mortgagor or of the Mortgagee, and to give effectual receipts for the same; and the receiver may lease the mortgaged property and execute contracts in the name of the Mortgagor; provided that such receiver may be removed and a new receiver appointed from time to time by the Mortgagee, by writing under the hand of any authorized agent or solicitor; and it is further agreed that such receiver shall be entitled to retain out of the monies received by it a commission of five percent (5%) of the gross receipts, or such higher rate as any judge of any court having jurisdiction may allow upon application by it for that purpose, and also its disbursements in the collection of such income, and thereafter shall apply all monies received by it as such receiver as follows: namely, in discharge of all taxes, rates and accounts payable whatsoever affecting the mortgaged property and all liens, charges (including, without limitation, those imposed under environmental laws), annual sums or other payments and interest thereon, if any, having priority to this mortgage; in payment of the premiums on insurance payable under this mortgage; in payment of the cost of all necessary or proper repairs to the mortgaged property; and the balance, if any, thereafter upon the Liabilities; provided further that neither the existence of the foregoing relating to attornment, to distraint for arrears, to entry upon the mortgaged property, to foreclosure and to the said receivership, nor anything done by virtue thereof, shall render the Mortgagee a mortgagee in possession so as to be accountable for any monies except those actually received; and
- (f) **Performance of Obligations:** The Mortgagee, at its option, may by and on behalf of the Mortgagor and at the sole cost and expense of the Mortgagor, and to such extent as the Mortgagee deems advisable, observe and perform or cause to be observed and performed, any provision with respect to which default has occurred hereunder or under any provision of any agreement or dealing evidencing the Liabilities and for such purpose make such payments as are contemplated herein, and all monies expended by the Mortgagee for any such purpose shall be payable by the Mortgagor to the Mortgagee upon demand and shall constitute an Enforcement Obligation; provided however that nothing herein contained shall be deemed to hold the Mortgagee responsible for and the Mortgagee shall not be responsible for any loss arising out of its or its agents' or employees' observance or performance of any such provision. No remedy herein conferred is intended to be exclusive of any other remedy or remedies hereunder or under any security collateral hereto, and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under any security collateral hereto or now or hereafter existing at law or in equity.

- (9) **Bankruptcy:** If the Mortgagor shall commit an act of bankruptcy within the meaning of the Bankruptcy and Insolvency Act, become bankrupt or insolvent or shall be subject to the provisions of the Bankruptcy and Insolvency Act, the Companies Creditors Arrangement Act, the Winding Up Act or any other Act for the benefit of creditors or relating to bankrupt or insolvent debtors or go into liquidation either voluntarily or under an order of a court of competent jurisdiction or make a general assignment for the benefit of its creditors or otherwise acknowledge its insolvency, the same shall constitute a breach of covenant pursuant to this mortgage.
- (10) **Costs to Protect Security:** All fees, charges, costs (including solicitor's fees and disbursements as between a solicitor and his own client) or expenses levied or charged by any solicitors or inspectors retained by or on behalf of the Mortgagee for the preparation, taking, registration, maintenance, protection or enforcement of this mortgage and any other securities which may be taken by the Mortgagee in connection with the Liabilities or any part thereof, together with the costs of any sale or abortive sale and of taking, recovering and keeping possession of the mortgaged property, the costs of inspecting or managing the same and generally any costs in any other proceeding, matter or thing taken or done in connection with or for completing the construction of, repairing or putting in order any buildings or other improvements on the mortgaged property, or for remediation to bring the mortgaged property into compliance with recognized environmental standards, statutory or otherwise, or to protect or realize upon this mortgage or any other security taken in connection with the Liabilities, or to perfect the title of the mortgaged property, or relating to expropriation of part or all of the mortgaged property, shall be payable by the Mortgagor to the Mortgagee on demand and shall constitute an Enforcement Obligation. If the Mortgagor shall default in payment of any Enforcement Obligation on demand, the Liabilities shall at the option of the Mortgagee forthwith become due and payable unless such default is waived or postponed by the Mortgagee.
- (11) **Extension or Replacement of Covenants:** The Mortgagee may, in its discretion and with or without the consent of the Mortgagor or any guarantor or surety, in respect of the Liabilities or any part thereof give an extension of time, take the covenant of any purchaser of the equity of redemption of the mortgaged property or any part thereof, or any security whatsoever from them or from any other person, for the assumption and payment of the whole or any part of the Liabilities or for the due performance of any of the provisions hereof and any such action on the part of the Mortgagee shall not release the Mortgagor or any guarantor or surety from payment of the Liabilities or any part thereof or the performance of the said provisions or any of them; and the Mortgagee may also, in its discretion, compound with or release the Mortgagor or any one claiming under it, or any other person liable for payment of the Liabilities, or surrender, release or abandon or omit to perfect or enforce any securities, remedies or proceedings which the Mortgagee may now or hereafter hold, take or acquire, and may pay all monies received from the Mortgagor or others, or from securities upon such part of the Liabilities as the Mortgagee may think best without prejudice to or in any way limiting or lessening the liability of the mortgaged property or of any surety or obligor or any other person liable for payment of the Liabilities; and the Mortgagee shall incur no liability to any person by reason of anything aforesaid; any provision or liability aforesaid shall continue in full force as long as any of the Liabilities remain unpaid, but the Mortgagee shall not be bound to exhaust its recourse or remedies against the mortgaged property or the Mortgagor or other parties or the securities it may hold before being entitled to payment from any guarantor or surety of the Liabilities.
- (12) **Release of Lands:** The Mortgagee may, in its discretion and with or without the consent of the Mortgagor or any guarantor or surety, release any part of the mortgaged property or any other security for the Liabilities either with or without any consideration therefor, and without being accountable for the value thereof or for any monies except those actually received by it and without thereby releasing any other part of the mortgaged property, or any provision hereof, including any covenants or agreements on the part of any guarantor or surety for the payment of the Liabilities and the performance of the provisions hereof.
- (13) **No Waiver:** The permitting of or the acquiescence in the non-performance or non-observance of or the extension of time for the performance of any of the provisions of this mortgage shall not be or constitute any waiver of or cure any continuing or subsequent default, and shall not justify any default or delay on any other occasion and no waiver shall be inferred from or implied by anything done or omitted by the Mortgagee, except by express agreement.

- (14) **No Apportionment:** Every part, lot or unit into which the mortgaged property is or may hereafter be divided stands charged with the whole of the Liabilities and no person shall have any right to require the Liabilities to be apportioned on or in respect of any such part, lot or unit, or to require the charge of this mortgage to be released or discharged in respect of any such part, lot or unit, and the Mortgagor hereby waives any provision of any legislation which provides for such right.
- (15) **All Taxes Paid:** The Mortgagor represents and warrants that it has paid all taxes, interest and penalties payable by it under the provisions of federal, provincial and municipal statutes or by-laws relating thereto, and which may create a charge or lien upon the mortgaged property.
- (16) **Expropriation:** In the event that the whole or any material portion of the mortgaged property is expropriated by any entity empowered to do so, then at the option of the Mortgagee all Liabilities shall forthwith become due and payable. The Mortgagor hereby waives the provisions of any law applicable in the jurisdiction in which the mortgaged property is situate which would restrict recovery under this mortgage to recovering the market value of this mortgage at the date of any expropriation if the market value is then less than the amount of the Liabilities. In the event such market value is less than the amount of the Liabilities and the Mortgagee receives from the expropriating authority the market value of this mortgage, the Mortgagor shall, notwithstanding the provisions of any such law, forthwith upon demand pay to the Mortgagee the remaining portion as a separate debt together with interest thereon until paid at a rate equal to the Prime Rate plus 5.00% (%) per annum, calculated and payable monthly not in advance, both before and after maturity, default and judgment, with interest on overdue interest at the rate aforesaid. The proceeds from any expropriation affecting the whole or any part of the mortgaged property shall be paid to the Mortgagee in priority to the claims of any other person.
- (17) **Discharge:** The Mortgagor shall not be entitled to a discharge of this mortgage unless and until the Liabilities have been paid in full or are no longer in existence, the Mortgagee has no further obligations to the Mortgagor in respect of any Liabilities and the Mortgagor has kept and performed all of the provisions hereunder and under any provision of any agreement evidencing the Liabilities; and the Mortgagee shall have a reasonable time after payment or termination of the Liabilities within which to prepare or have prepared an executed discharge of this mortgage, and interest shall continue to run and accrue until all Liabilities have been paid and actual payment in full has been received by the Mortgagee and all legal and other expenses for the preparation and execution of such discharge and any administration fee of the mortgage in connection therewith shall be borne by the Mortgagee.
- (18) **Condominium Units:** Notwithstanding anything to the contrary herein contained, in the event that the mortgaged property constitutes a condominium or a unit in a condominium:
- (a) The Mortgagor covenants with the Mortgagee that the Mortgagor will observe and perform each and every provision required to be observed and performed under or pursuant to the terms of this mortgage, each and every provision of any law applicable in the jurisdiction in which the mortgaged property is situate which affects such condominium or unit in a condominium and the by-laws and any amendments thereto of the condominium corporation of which the Mortgagor is a member by virtue of the Mortgagor's ownership of the condominium being charged by this mortgage (hereafter referred to as the "Condominium Corporation");
 - (b) Without limiting the generality of the foregoing subparagraph, the Mortgagor covenants to pay promptly when due any and all unpaid assessments, instalments or payments due to the Condominium Corporation;
 - (c) In addition to the Mortgagor's obligations hereunder to insure the mortgaged property, the Mortgagor covenants and agrees to provide the Mortgagee, from time to time upon the Mortgagee's request, with evidence satisfactory to the Mortgagee that the Condominium Corporation keeps the condominium insured in favour of the Mortgagee against all risks of direct physical loss or damage on a replacement cost basis for an amount equal to the full replacement value of the condominium; provided that, if the Condominium Corporation neglects to keep the condominium insured as aforesaid, the Mortgagee shall be entitled but shall not be obligated to insure the condominium to a value deemed, in the sole opinion of the Mortgagee, adequate to protect the Mortgagee's insurable interest and any amount paid therefor by the Mortgagee shall be payable on demand and shall constitute an Enforcement Obligation;

- (d) As a member of the Condominium Corporation, the Mortgagor covenants and agrees to seek the full compliance by the Condominium Corporation with the requirement that the Condominium Corporation insure the condominium; and the Mortgagor hereby releases to the Mortgagee all of the Mortgagor's claim upon the Condominium Corporation, subject to the terms of the said insurance policy;
 - (e) The Mortgagee authorizes the Mortgagor to vote respecting all matters relating to the affairs of the Condominium Corporation, provided that the Mortgagee may at any time upon written notice to the Mortgagor and the Condominium Corporation, revoke this authorization, in which case all power to vote shall rest in the Mortgagee, although the Mortgagee shall be under no obligation to vote to protect the interests of the Mortgagor or to vote in any particular manner;
 - (f) The Mortgagor further covenants that, where the Mortgagor defaults in the Mortgagor's obligations to pay any assessment, instalment or payment due to the Condominium Corporation, or upon breach of any provision contained in this paragraph, regardless of any other action or proceeding taken or to be taken by the Condominium Corporation, the Mortgagee, at its option and without notice to the Mortgagor, may deem such default to be default under the terms of this mortgage and proceed to exercise its rights herein;
 - (g) Upon default herein and notwithstanding any other right or action of the Condominium Corporation or the Mortgagee, the Mortgagee may distrain for arrears of any assessment, instalment or payment due to the Condominium Corporation or arising under this paragraph; and
 - (h) The Mortgagor covenants to request the Condominium Corporation to send to the Mortgagee copies of all notices sent to the Mortgagor, and the Mortgagor covenants to notify the Mortgagee of any breaches by the Condominium Corporation that come to the attention of the Mortgagor.
- (19) **Farm Lands:** Notwithstanding anything to the contrary herein contained, in the event that the mortgaged property is or includes farm lands:
- (a) In addition to the Mortgagor's obligations herein to insure the mortgaged property, the Mortgagor covenants and agrees to forthwith insure and during the continuance of this mortgage keep insured in favour of the Mortgagee against loss or damage by hail and such other perils as the Mortgagee may require, all crops now or hereafter to be grown on the land;
 - (b) The Mortgagor will in each year during the currency of this mortgage either put into crop or summer fallow in good, proper and husbandlike manner every portion of the land which has been or may hereafter be brought under cultivation, and will keep the land clean and free from all noxious weeds and generally see that the mortgaged property does not depreciate in any way; and
 - (c) The Mortgagor will pay when and as the same fall due any charges for keeping down and destroying noxious weeds on the land and in default of payment the Mortgagee may pay the same, and all monies so paid by the Mortgagee shall be payable by the Mortgagor to the Mortgagee upon demand and shall constitute an Enforcement Obligation.
- (20) **Due on Sale or on Change in Ownership:** In the event that the Mortgagor shall sell, convey, transfer or otherwise dispose of the mortgaged property, or enter into any agreement to sell, convey, transfer or otherwise dispose of or lose title thereto, the Liabilities shall forthwith become due and payable at the option of the Mortgagee. In the event that the Mortgagor is a corporation, and in the event that there is a sale or sales which result in a transfer of the legal or beneficial interest of a majority of the shares in the capital of the Mortgagor or there is a change in the effective control of a majority of the voting shares in the capital of the Mortgagor, then the Liabilities shall forthwith become due and payable at the option of the Mortgagee.
- (21) **Cross Default:** In the event that the Mortgagor makes default under any mortgage, charge, lien or other encumbrance against the mortgaged property ranking or claiming priority over this mortgage, the same shall constitute default under this mortgage and the Liabilities shall at the option of the Mortgagee forthwith become due and payable, and the Mortgagee shall be at liberty to exercise its rights under this mortgage.

- (22) **No Obligation to Advance:** Neither the execution nor registration of this mortgage nor the advancing or creation of any part of the Liabilities shall bind the Mortgagee to advance or create any further Liabilities; and notwithstanding anything herein contained, all payments to be made on or by virtue of this mortgage shall be made in lawful money of Canada to the Mortgagee at its Head Office or at such other place as the Mortgagee may, from time to time, in writing designate.
- (23) **Proving of Prime Rate:** In the event that it may be necessary at any time for the Mortgagee to prove the Prime Rate applicable as at any time or times, it is agreed that the certificate in writing of the Manager for the time being of the branch of the Mortgagee responsible for the collection of the Liabilities setting forth the Prime Rate as at any time or times shall be and shall be deemed to be conclusive evidence as to the Prime Rate.
- (24) **Lawful Interest Rate:** In the event interest chargeable or payable on principal or interest or on arrears of principal or interest as provided for in this mortgage is in excess of that permitted by the Interest Act (Canada) or any other applicable law, then in such event, interest payable and chargeable on such principal or interest or on arrears of principal or interest under this mortgage shall be chargeable and payable at the highest lawful rate permitted by the Interest Act (Canada) or such other applicable law and no other interest on principal or interest or on arrears of principal or interest shall be chargeable or payable hereunder.
- (25) **Type of Land Ownership:**
- (a) **Freehold:** If this mortgage is a mortgage of a fee simple interest, the Mortgagor represents and warrants to the Mortgagee that it has a fee simple interest in possession in the mortgaged property and that it has full power to mortgage the mortgaged property.
- (b) **Leasehold:** If the interest of the Mortgagor in the mortgaged property derives from a lease, sublease, agreement to lease, tenancy, right of use or occupation, right of first refusal to lease, option to lease or license of the mortgaged property (such lease, sublease, agreement to lease, tenancy, right of use or occupation, right of first refusal to lease, option to lease or license including any renewal, extension, modification, replacement or assignment thereof is hereinafter collectively called the "Lease"), then the following additional provisions apply with respect to such interest:
- (i) all references in this mortgage to "mortgaged property" shall include all right, title and interest of the Mortgagor from time to time in and to the Lease and the lands and premises demised under the Lease, including any greater right, title or interest therein or in any part thereof acquired after the date of this mortgage;
- (ii) the Mortgagor grants, mortgages, demises, sub-leases and charges to the Mortgagee all estate, term, right, title and interest of the Mortgagor in and to the Lease and the mortgaged property, together with any and all other, further or additional title, estate, interest or right therein or any part thereof which may at any time be acquired by the Mortgagor in or to the lands and premises demised by the Lease during the term of the mortgage, and all benefit and advantage therefrom for the Mortgagee including any right or option to purchase or to lease contained therein, to have and to hold for and during the remainder of the term of the Lease, save and except the last day thereof, as security for the payment to the Mortgagee of the Liabilities, plus the interest on the Liabilities, Enforcement Obligations and all other amounts secured by this mortgage and for the performance of all liabilities and obligations secured by this mortgage upon the terms set out in this mortgage;
- (26) **Representations and Warranties regarding Leasehold Title:** If this mortgage is a mortgage of a leasehold title, the Mortgagor represents and warrants to the Mortgagee that:
- (a) the leasehold estate which is the subject of this mortgage arises under the Lease, which has not been further modified or amended;
- (b) the Lease is a valid, effective and subsisting lease which has not been surrendered or forfeited, and the Lease is not presently subject to any assignment, mortgage or other encumbrance;
- (c) the Mortgagor has taken possession of the mortgaged property and all sums due under the Lease have been paid in full to the date hereof;

- (d) the Mortgagor has full power to mortgage the Lease (subject to the consent, if necessary, of the lessor), and if the consent of the lessor is required, such consent has either been obtained or will be obtained prior to any advance of monies secured by this mortgage; and
- (e) "Lease" means the lease from _____ to _____ dated _____ commencing on _____ and expiring on _____, subject only to the following amending agreements, if any:

(27) **Covenants regarding Leasehold Title:** If this mortgage is a mortgage of a leasehold estate, the Mortgagor covenants with the Mortgagee that:

- (a) it will not modify or amend or consent to any modification or amendment to the Lease without the prior written consent of the Mortgagee;
- (b) it will not surrender or forfeit or consent to any surrender or forfeiture of the Lease, and it will not without the prior written consent of the Mortgagee further assign, mortgage or otherwise encumber the Lease;
- (c) it will not postpone or subordinate its interest in Lease to any other mortgage or encumbrance without the prior written consent of the Mortgagee;
- (d) it will faithfully comply with each provision of the Lease and will do all things necessary to preserve the Lease and the lessee's rights thereunder;
- (e) it will promptly notify the Mortgagee of any default under the Lease by the Mortgagor, or the giving or receipt of any notice of default in respect thereof, and it agrees to request that the lessor provide the Mortgagee with the opportunity (but not the obligation) to cure any default under the Lease and any amount which may be required to be paid by the Mortgagee to cure such default and the costs thereof (including any legal costs as between solicitor and own client, full-indemnity basis) shall constitute an Enforcement Obligation;
- (f) the Mortgagor will notify the Mortgagee of each and every notice of default, demand or claim forwarded to or served upon the Mortgagor by the lessor under the Lease;
- (g) it will notify the Mortgagee promptly in writing after learning of any condition that with or without the passage of time or the giving of any notice might result in a default under or the termination of the Lease;
- (h) if the Mortgagor becomes the owner of the freehold title to the mortgaged property, then

if the mortgaged property is located in Alberta or Saskatchewan, it hereby mortgages to the Mortgagee all of its estate and interest in the mortgaged property, freehold and otherwise, such mortgage to take effect on the Mortgagor acquiring the freehold title thereof, and this mortgage will thereupon be deemed to be a mortgage of the freehold title as if the Mortgagor had been the owner in fee simple at the date of execution of this mortgage and the Mortgagor agrees, if so requested by the Mortgagee, to execute in favour of the Mortgagee a mortgage covering the freehold estate on the same terms and conditions as are contained in this mortgage; and

if the mortgaged property is located in the Northwest Territories or Nunavut Territory, it agrees to provide to the Mortgagee, on request, a mortgage of all of its estate and interest in the mortgaged property, freehold and otherwise;
- (i) it will indemnify the Mortgagee against any claims and demands in respect of the Lease, including any legal costs incurred by the Mortgagee in connection therewith, on a solicitor and own client, full-indemnity basis;
- (j) the Mortgagor will at all times promptly observe and comply with all applicable laws, rules, requirements, orders, directions, by-laws, ordinances, work orders and regulations of every governmental authority and agency whether federal, provincial, municipal, or otherwise, and all private covenants and restrictions affecting the mortgaged property or any portion thereof and the Mortgagor

will from time to time, upon request of the Mortgagee, provide to the mortgagee evidence of such observance and compliance, and will at its own expense make any and all improvements thereon or alterations to the mortgaged property structural or otherwise, and will take all such other action as may be required at any time by any such present or future law, rule, requirement, order, direction, by-law, ordinance, work order or regulation.

- (k) if this mortgage is outstanding at the end of the term of the Lease, it will at the appropriate time seek a renewal of the Lease or the issuance of a new lease in substitution and will promptly notify the Mortgagee if it becomes aware that such a renewed or substituted lease may not be forthcoming. The Mortgagor will provide a copy of any such renewed or substituted lease to the Mortgagee upon issuance and such a renewed or substituted lease will be included within the definition of the Lease hereunder and for greater certainty, will be subject to this mortgage.
- (l) The Mortgagor agrees that it will from the date of execution of this mortgage stand possessed of the last day of the term of the Lease (whether it is the last date of the present term or of any extended term) and all rights, privileges and options of the Mortgagor under the Lease, in trust for the Mortgagee. The Mortgagor further agrees it will assign and dispose of said last day, consistent with the terms of the Lease, as the Mortgagee may direct, but subject to the Mortgagor's right of redemption. The Mortgagor irrevocably appoints the Mortgagee as its attorney for on on behalf of the Mortgagor and in its name or otherwise to assign the said last day and privileges as the Mortgagee shall at any time direct, consistent with the terms of the Lease. The Mortgagor further agrees that upon a sale or other disposition made by the Mortgagee, and if requested by the Mortgagee, to assign the last day and privileges and options relating thereto to the purchaser or assignee and to exercise any and all assignments and transfers for that purpose; and the Mortgagee may at any time, by deed or other instrument, remove the Mortgagor or any other person as trustee for the last day and appoint a new trustee or trustees in its place.
- (m) **Information:** The Mortgagor authorizes the Mortgagee to contact the lessor from time to time to obtain information regarding the rent or other sums payable under the Lease, the status of payment thereof and any other information relating to the Lease or default thereunder.
- (n) **Breach:** The Mortgagor agrees that it will be deemed to constitute a breach of the provisions of this mortgage if the leasehold estate which is the subject of this mortgage ceases to exist.
- (28) **Special Provisions:** The Mortgagor covenants with the Mortgagee that in the event the mortgaged property is situate in the Province of Saskatchewan and the Mortgagor is a body corporate, the Mortgagor agrees that:
 - (a) The Land Contracts (Actions) Act of the Province of Saskatchewan shall have no application to an action, as defined in the said Act, with respect to this mortgage; and
 - (b) The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof shall have no application to this mortgage or any agreement or instrument renewing or extending or collateral to this mortgage, or the rights, powers or remedies of any other person under this mortgage, or any such agreement or instrument renewing or extending or collateral to this mortgage.
- (29) **Severability:** If any provision of this mortgage or the application thereof to any person is to any extent held invalid or unenforceable, the remainder of this mortgage or the application of such provision to persons other than those with respect to which it is held invalid or unenforceable shall not be affected thereby and shall continue to be enforceable to the fullest extent permitted by law.
- (30) **Joint and Several:** In the event there is more than one Mortgagor hereunder, the terms, conditions and other obligations of each Mortgagor hereunder shall be joint and several.
- (31) **Interpretation:** The words used herein which import the singular number and neuter shall be read and construed as plural and feminine or masculine, as the case may be, and the terms of this mortgage shall be binding upon and apply to the party's heirs, executors, administrators, successors or assigns, as applicable.

- IN WITNESS WHEREOF THIS MORTGAGE IS SIGNED, SEALED AND DELIVERED THIS 16TH day of November 2021.

(Witness)

(Witness)

(Witness)

(Mortgagor) (seal)

(Mortgagor)

Name of Mortgagor (if Corporation)

By: _____

Title: _____ **c/s**

By: _____


Title: _____


I, Heidi Bailey, being married to the within named, Todd Bailey, do hereby give my consent to the disposition of our homestead, made in this instrument, and I have executed this document for the purpose of giving up my life estate and other dower rights in the said property given to me by The Dower Act, to the extent necessary to give effect to the said disposition.

Heldi Bailey

(To be completed where the mortgage is signed by an individual or by a corporation without seat)

MAKE OATH AND SAY:

- SWORN BEFORE ME at Calgary
in the Province/Territory of Alberta
this 16th day of November, 2021

(A Commissioner for Oaths in and for the
Province/Territory of Alberta
My Commission expires _____,



Page 14 of 15

AFFIDAVIT VERIFYING CORPORATE SIGNING AUTHORITY
(To be completed where the mortgage is signed by a corporation without seal)

I, _____ of _____ in the
Province/Territory of _____,

MAKE OATH AND SAY THAT:

1. I am an officer or a director of _____ named
in the within instrument.
2. I am authorized by the corporation to execute the instrument without affixing a corporate seal.

SWORN BEFORE ME at _____)
in the Province/Territory of _____)
this _____ day of _____)

(A Commissioner for Oaths in and
for the Province/Territory of _____)
My Commission expires _____)



(To be utilized where the mortgaged property is located in Alberta and the mortgaged property is owned by only one individual. If any of the affidavit options are applicable, the Alberta Consent of Spouse and Certificate of Acknowledgement by Spouse do not need to be completed. If none of the affidavit options are applicable, the Alberta Consent of Spouse and Alberta Certificate of Acknowledgement by Spouse must be completed.)

I, Todd Bailey, of Calgary Alberta

MAKE OATH AND SAY THAT:

- *Delete
and
initial
whichever
options
do not
apply

OF

or

* Judgment or damages was claimed against me by my spouse (or my principal by his/her spouse) and registered in the Land Titles Office on the _____ day of _____, 20____ as instrument number _____.

)
)
)
)
)

My Commission expires

[illegible]

Page __ of __

ALBERTA CERTIFICATE OF ACKNOWLEDGEMENT BY SPOUSE

1. This document was acknowledged before me by HEIDI BAILEY
apart from her husband (or his wife)
2. HEIDI BAILEY acknowledged to me that she (or he),
 - (a) is aware of the nature of the disposition;
 - (b) is aware that THE DOWER ACT gives her (or him) a life estate in the homestead and the right to prevent disposition of the homestead by withholding consent;
 - (c) consents to the disposition for the purpose of giving up the life estate and other dower rights in the homestead given to her (or him) by THE DOWER ACT, to the extent necessary to give effect to the said disposition; and
 - (d) is executing this document freely and voluntarily without any compulsion on the part of her husband (or his wife).

DATED at Calgary, in the Province of Alberta, this 16th day of November, 2021.

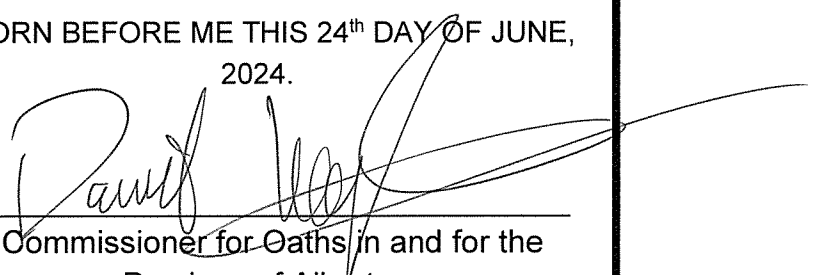
*The Commissioner
shall not be an employee
of Royal Bank

Wesley Wong
*A Commissioner for Oaths in and for the Province of Alberta
My Commission expires _____,

WESLEY WONG
Barrister & Solicitor

THIS IS **EXHIBIT "G"** REFERRED TO IN THE
AFFIDAVIT OF **MARLENE J. STARENKY**.

SWORN BEFORE ME THIS 24th DAY OF JUNE,
2024.



A Commissioner for Oaths in and for the
Province of Alberta

David LeGeyt
Barrister & Solicitor



Royal Bank of Canada Guarantee and Postponement of Claim

SRF:
577045925

BRANCH ADDRESS:
CALGARY CORRIDOR COMMERCIAL MARKETS
335 8 AVE. SW, 6th FLR.
CALGARY, AB
T2P 1C9

BORROWER:
FOOTHILLS TRUCK SALES & SERVICES LTD.

TO: ROYAL BANK OF CANADA

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by FOOTHILLS TRUCK SALES & SERVICES LTD. (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being limited to the sum of \$2,300,000.00 Two Million Three Hundred Thousand Dollars together with interest thereon from the date of demand for payment at a rate equal to the Prime Interest Rate of the Bank plus 5.000 Five percent per annum as well after as before default and judgment.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

- (1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the Liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
- (2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank.
- (3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.
- (4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.
- (5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the Liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, and every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the **Province of Alberta** ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any

manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(Applicable
in all
P.P.S.A.
Provinces)

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

EXECUTED this 16 day of Nov, 2021

WITNESS

ATIF ALI

Barrister and Solicitor

TODD BAILEY

Insert the full name and address of guarantor (Undersigned above).

Full name and address
TODD BAILEY
PO BOX 45, 144133 530 AVE., LONGVIEW, AB T0L 1H0

(To be completed when the guarantee is stated to be governed by the laws of the Province of Alberta, the loan is repayable in Alberta, the guarantee is executed in Alberta, the Customer carries on business in Alberta, or the guarantor is resident or owns assets in Alberta.)

(To be completed only where the guarantor is not a corporation.)

**THE GUARANTEES ACKNOWLEDGEMENT ACT (ALBERTA)
CERTIFICATE OF BARRISTER AND SOLICITOR**

I HEREBY CERTIFY THAT:

1. **TODD BAILEY**, the guarantor in the guarantee dated Nov 16, 2021 made between **ROYAL BANK OF CANADA** and **TODD BAILEY**, which this certificate is attached to or noted upon, appeared in person before me and acknowledged that he/she had executed the guarantee;

2. I satisfied myself by examination of the guarantor that he/she is aware of the contents of the guarantee and understands it.

CERTIFIED by ATIF ALI Barrister and Solicitor at the City of Alberta in the Province of Alberta, this 16 day of Nov, 2021.

ATIF ALI

Barrister - Solicitor - Notary Public

Province of Alberta

ALTADORE LAW

#201, 1680 **STATEMENT OF GUARANTEE**

Telephone: 403-287-4990 Fax: 403-287-4991

I am the person named in the certificate.

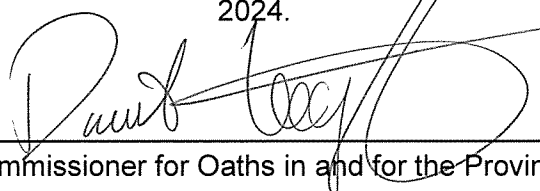
Signature

Signature of Guarantor

(Guarantor to sign in presence of Barrister and Solicitor)

THIS IS **EXHIBIT "H"** REFERRED TO IN THE
AFFIDAVIT OF **MARLENE J. STARENKY**.

SWORN BEFORE ME THIS 24th DAY OF JUNE,
2024.



A Commissioner for Oaths in and for the Province
of Alberta

David LeGeyt
Barrister & Solicitor



Royal Bank of Canada Postponement and Assignment of Claim

SRF:
577045925

BRANCH ADDRESS:
CALGARY CORRIDOR COMMERCIAL MARKETS
335 8 AVE. SW, 6th FLR.
CALGARY, AB
T2P 1C9

BORROWER:
FOOTHILLS TRUCK SALES & SERVICES LTD.

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, all debts and liabilities, present and future (the "Liabilities"), of **FOOTHILLS TRUCK SALES & SERVICES LTD.** (hereinafter called the "Borrower") to the Undersigned, or any of them, are hereby deferred and postponed by the Undersigned, and each of them, to the debts, liabilities and advances, present and future (the "Obligations"), of the Borrower to the Royal Bank of Canada (the "Bank") and it is agreed by the Undersigned, and each of them, that until all Obligations of the Borrower to the Bank have been paid, no payment shall be made or received on account of any Liabilities of the Borrower to the Undersigned, or any of them, and that any payments which may be received by the Undersigned, or any of them, from the Borrower (or from any third party on account of or otherwise for the benefit of the Borrower) notwithstanding the foregoing shall be received in trust for the Bank and shall be paid over to the Bank forthwith upon receipt but no such payment shall have the effect of reducing the Obligations of the Borrower to the Bank until the same is actually received by the Bank; and none of the Liabilities of the Borrower to the Undersigned, or any of them, shall be released, transferred or charged in any manner whatsoever or allowed or permitted to become unenforceable through lapse of time, and the Bank may, but shall not be bound to, claim and prove in respect of any or all Liabilities of the Borrower to the Undersigned, or any of them, in any bankruptcy, insolvency, composition, scheme of arrangement, liquidation or winding-up, voluntary or involuntary, affecting the Borrower or any distribution of assets of the Borrower among creditors of the Borrower, and all of the Liabilities of the Borrower to the Undersigned, or any of them, are hereby assigned and transferred to the Bank and all dividends or other sums which may be or become payable in respect thereof shall be due and be paid to the Bank until the Bank shall have received, together with dividends on the Obligations of the Borrower to the Bank, the full amount of the said Obligations; and the Undersigned, and each of them, will from time to time execute all such statements, proofs of claims, transfers, assignments and documents and do all such other acts and things as the Bank may request from time to time to implement any and all of the foregoing.

IT IS AGREED by the Parties hereto that the Borrower will pay all costs, charges and expenses reasonably incurred by the Bank whether directly or for services rendered (including reasonable solicitors' and auditors' costs, registration costs and other legal expenses), in operating the Borrower's accounts, in preparing or enforcing this Agreement, and all such costs, charges and expenses.

IT IS AGREED by the Parties hereto that the Obligations of the Borrower to the Bank, whenever referred to herein, shall include any and all funds advanced or held at the disposal of the Borrower under any line(s) of credit.

THIS AGREEMENT shall extend to and enure to the benefit of the Bank and its successors and assigns and shall be binding upon the Undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the Undersigned, and each of them.

<p>(Applicable in PPSA Provinces)</p> <p>(Applicable in the Province of Quebec)</p> <p>(Applicable in all PPSA Provinces)</p>	<p>The Undersigned hereby acknowledges receipt of a copy of this agreement.</p> <p>The Undersigned has (have) expressly requested that this document be drawn up in the English language.</p> <p>Le(s) sous-signé(s) a(ont) expressément demandé que ce document soit rédigé en langue anglaise.</p> <p>The Undersigned hereby waives Undersigned's right to receive a copy of any financing statement or financing change statement registered by the Bank, or of any verification statement with respect to any financing statement registered by the Bank.</p>
---	---

Executed this 10 day of NOV, 21.

WITNESS

Kris LeBlanc

TODD BAILEY

The "Borrower" named above hereby acknowledges receipt of a copy of the foregoing Agreement, accepts the assignment and transfer contained therein and further agrees with the Bank to give effect to all of the provisions of the foregoing Agreement.

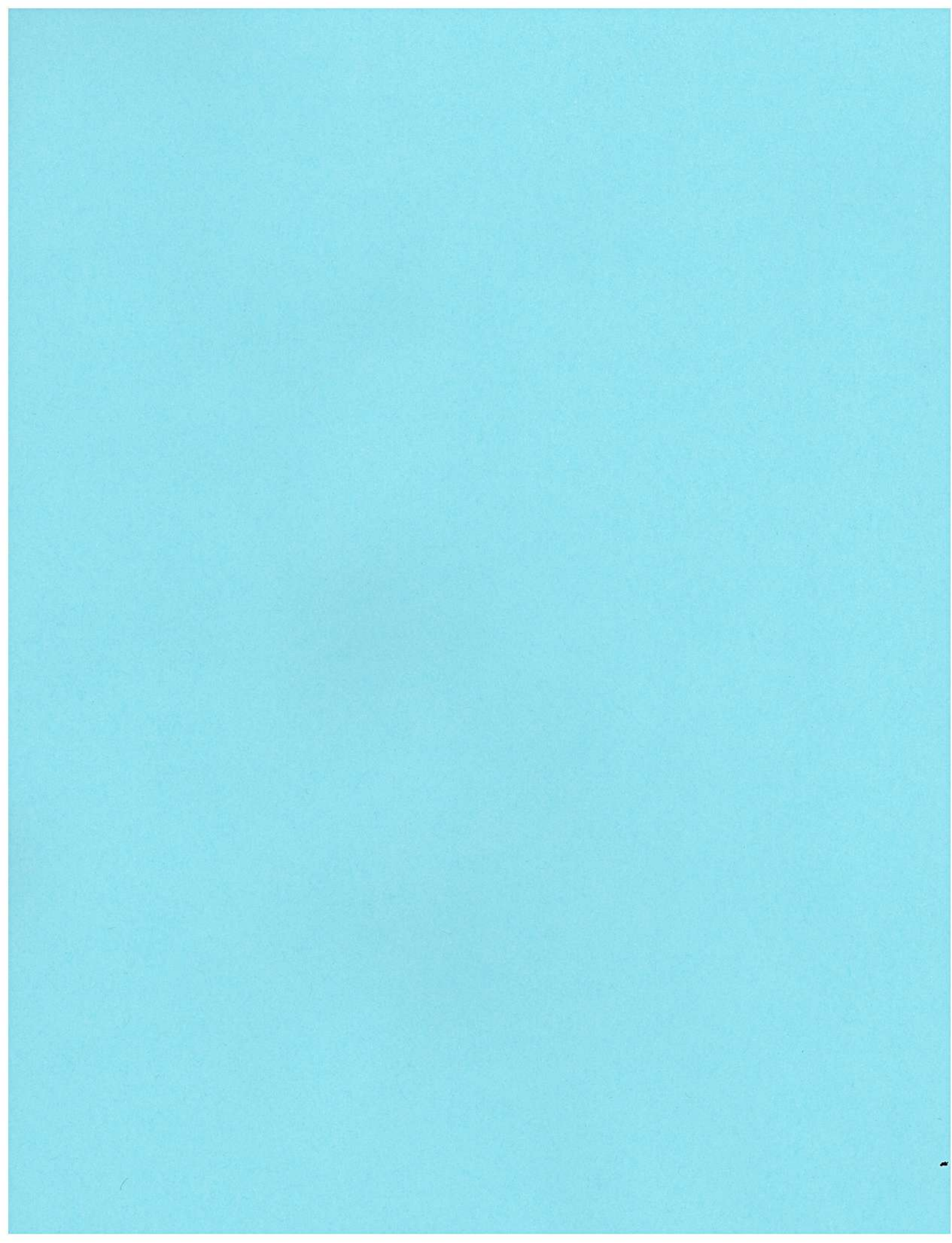
EXECUTED this 10 day of NOV, 2011.

FOOTHILLS TRUCK SALES & SERVICES LTD.



Insert the full name and address of Debtor (Undersigned above).

<u>Full name and address</u>
TODD BAILEY
PO BOX 45, 144133 530 AVE., LONGVIEW, AB T0L 1H0





Royal Bank of Canada Postponement and Assignment of Claim

SRF:
577045925

BRANCH ADDRESS:
CALGARY CORRIDOR COMMERCIAL MARKETS
335 8 AVE. SW, 6th FLR.
CALGARY, AB
T2P 1C9

BORROWER:
FOOTHILLS TRUCK SALES & SERVICES LTD.

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, all debts and liabilities, present and future (the "Liabilities"), of FOOTHILLS TRUCK SALES & SERVICES LTD. (hereinafter called the "Borrower") to the Undersigned, or any of them, are hereby deferred and postponed by the Undersigned, and each of them, to the debts, liabilities and advances, present and future (the "Obligations"), of the Borrower to the Royal Bank of Canada (the "Bank") and it is agreed by the Undersigned, and each of them, that until all Obligations of the Borrower to the Bank have been paid, no payment shall be made or received on account of any Liabilities of the Borrower to the Undersigned, or any of them, and that any payments which may be received by the Undersigned, or any of them, from the Borrower (or from any third party on account of or otherwise for the benefit of the Borrower) notwithstanding the foregoing shall be received in trust for the Bank and shall be paid over to the Bank forthwith upon receipt but no such payment shall have the effect of reducing the Obligations of the Borrower to the Bank until the same is actually received by the Bank; and none of the Liabilities of the Borrower to the Undersigned, or any of them, shall be released, transferred or charged in any manner whatsoever or allowed or permitted to become unenforceable through lapse of time, and the Bank may, but shall not be bound to, claim and prove in respect of any or all Liabilities of the Borrower to the Undersigned, or any of them, in any bankruptcy, insolvency, composition, scheme of arrangement, liquidation or winding-up, voluntary or involuntary, affecting the Borrower or any distribution of assets of the Borrower among creditors of the Borrower, and all of the Liabilities of the Borrower to the Undersigned, or any of them, are hereby assigned and transferred to the Bank and all dividends or other sums which may be or become payable in respect thereof shall be due and be paid to the Bank until the Bank shall have received, together with dividends on the Obligations of the Borrower to the Bank, the full amount of the said Obligations; and the Undersigned, and each of them, will from time to time execute all such statements, proofs of claims, transfers, assignments and documents and do all such other acts and things as the Bank may request from time to time to implement any and all of the foregoing.

IT IS AGREED by the Parties hereto that the Borrower will pay all costs, charges and expenses reasonably incurred by the Bank whether directly or for services rendered (including reasonable solicitors' and auditors' costs, registration costs and other legal expenses), in operating the Borrower's accounts, in preparing or enforcing this Agreement, and all such costs, charges and expenses.

IT IS AGREED by the Parties hereto that the Obligations of the Borrower to the Bank, whenever referred to herein, shall include any and all funds advanced or held at the disposal of the Borrower under any line(s) of credit.

THIS AGREEMENT shall extend to and enure to the benefit of the Bank and its successors and assigns and shall be binding upon the Undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the Undersigned, and each of them.

(Applicable
in PPSA
Provinces)

The Undersigned hereby acknowledges receipt of a copy of this agreement.

(Applicable in
the Province of
Quebec)

The Undersigned has (have) expressly requested that this document be drawn up in the English language.

Le(s) sous-signé(s) a(ont) expressément demandé que ce document soit rédigé en langue anglaise.

(Applicable in
all PPSA
Provinces)

The Undersigned hereby waives Undersigned's right to receive a copy of any financing statement or financing change statement registered by the Bank, or of any verification statement with respect to any financing statement registered by the Bank.

Executed this 16 day of Nov, 2021.

WITNESS


ATIF ALI
Barrister and Solicitor


TODD BAILEY

The "Borrower" named above hereby acknowledges receipt of a copy of the foregoing Agreement, accepts the assignment and transfer contained therein and further agrees with the Bank to give effect to all of the provisions of the foregoing Agreement.

EXECUTED this 16 day of NOV, 2021.

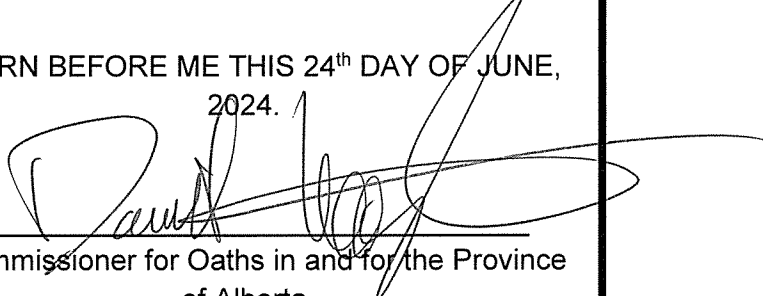
FOOTHILLS TRUCK SALES & SERVICES LTD.

Insert the full name and address of Debtor (Undersigned above).

Full name and address
TODD BAILEY
PO BOX 45, 144133 530 AVE., LONGVIEW, AB T0L 1H0

THIS IS **EXHIBIT "I"** REFERRED TO IN THE
AFFIDAVIT OF **MARLENE J. STARENKY**

SWORN BEFORE ME THIS 24th DAY OF JUNE,
2024.



A Commissioner for Oaths in and for the Province
of Alberta

David LeGeyt
Barrister & Solicitor



LAND TITLE CERTIFICATE

S
LINC SHORT LEGAL TITLE NUMBER
0028 372 241 5;2;18;33;NW 201 076 087

LEGAL DESCRIPTION

MERIDIAN 5 RANGE 2 TOWNSHIP 18
SECTION 33
QUARTER NORTH WEST
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
EXCEPTING THEREOUT:

PLAN	NUMBER	HECTARES	(ACRES)	MORE OR LESS
ROAD	0011043	1.815	4.48	

EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

ESTATE: FEE SIMPLE

MUNICIPALITY: FOOTHILLS COUNTY

REFERENCE NUMBER: 081 387 203

REGISTERED OWNER(S)				
REGISTRATION	DATE (DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
201 076 087	22/04/2020	TRANSFER OF LAND	\$900,000	\$900,000

OWNERS

TODD BAILEY
OF 144133-530 AVE W
FOOTHILLS
ALBERTA T0L 1H0

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION		
NUMBER	DATE (D/M/Y)	PARTICULARS
4871GB .	21/09/1949	CAVEAT RE : MINES AND MINERALS LEASE INTEREST CAVEATOR - CRESCENT POINT ENERGY CORP. 2000, 585 - 8 AVENUE SW

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2

201 076 087

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

ATTN: VICE PRESIDENT, LAND & CORPORATE DEVELOPMENT
CALGARY

ALBERTA T2P1G1

(DATA UPDATED BY: TRANSFER OF CAVEAT
011075651)

(DATA UPDATED BY: CHANGE OF NAME 021076324)

(DATA UPDATED BY: TRANSFER OF CAVEAT
061441282)

(DATA UPDATED BY: TRANSFER OF CAVEAT
071373616)

(DATA UPDATED BY: TRANSFER OF CAVEAT
101020221)

(DATA UPDATED BY: CHANGE OF NAME 111139683)

(DATA UPDATED BY: CHANGE OF ADDRESS 111292515)

(DATA UPDATED BY: TRANSFER OF CAVEAT
151241147)

215IL . 23/01/1962 PUBLIC UTILITIES BOARD ORDER
IN FAVOUR OF - ATCO GAS AND PIPELINES LTD.
ATT: LAND DEPT
6TH FLR, 909 11TH AVE SW
CALGARY
ALBERTA T2R1L8
"PORTION OUTLINED IN RED ON PLAN ATTACHED"
(DATA UPDATED BY: TRANSFER OF PUBLIC
UTILITIES BOARD ORDER 131080430)

3405IS . 03/04/1963 CAVEAT
RE : EASEMENT
CAVEATOR - CRESCENT POINT ENERGY CORP.
SUITE 2000, 585-8 AVE SW
ATTN: VICE PRESIDENT, LAND AND CORPORATE
DEVELOPMENT
CALGARY
ALBERTA T2P1G1
AFFECTED LAND: 5;2;18;33;NW
(DATA UPDATED BY: TRANSFER OF CAVEAT
101020275)
(DATA UPDATED BY: CHANGE OF NAME 141020515)
(DATA UPDATED BY: TRANSFER OF CAVEAT
151241130)

2558KB . 23/01/1968 PUBLIC UTILITIES BOARD ORDER
IN FAVOUR OF - PLAINS MIDSTREAM CANADA ULC.
1400, 607 8 AVE SW
CALGARY
ALBERTA T2A0A7
AFFECTED PLAN: 4782JK
"3.65 ACRES, ORDER NO. 28328"

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 3

REGISTRATION

201 076 087

NUMBER DATE (D/M/Y) PARTICULARS

(DATA UPDATED BY: TRANSFER OF PUBLIC
UTILITIES BOARD ORDER 031414425)
(DATA UPDATED BY: TRANSFER OF PUBLIC
UTILITIES BOARD ORDER 081090404)

8348KF . 26/02/1969 CAVEAT
RE : UTILITY RIGHT OF WAY
CAVEATOR - CONOCOPHILLIPS CANADA RESOURCES CORP.
BOX 130
STN M
CALGARY
ALBERTA T2P2H7

(DATA UPDATED BY: TRANSFER OF CAVEAT
011074984)
(DATA UPDATED BY: CHANGE OF NAME 021042012)
(DATA UPDATED BY: CHANGE OF NAME 081386190)

761 012 470 03/02/1976 CAVEAT
RE : LEASE INTEREST
CAVEATOR - CRESCENT POINT ENERGY CORP.
SUITE 2000,585-8 AVE SW
ATTN:VICE PRESIDENT, LAND AND CORPORATE
DEVELOPMENT
CALGARY
ALBERTA T2P1G1

(DATA UPDATED BY: TRANSFER OF CAVEAT
091368631)
(DATA UPDATED BY: TRANSFER OF CAVEAT
101103719)
(DATA UPDATED BY: CHANGE OF NAME 111139530)
(DATA UPDATED BY: CHANGE OF ADDRESS 111293503)
(DATA UPDATED BY: TRANSFER OF CAVEAT
151234941)

761 012 471 03/02/1976 CAVEAT
RE : EASEMENT
CAVEATOR - CRESCENT POINT ENERGY CORP.
SUITE 2000,585-8 AVE SW
ATTN:VICE PRESIDENT, LAND AND CORPORATE
DEVELOPMENT
CALGARY
ALBERTA T2P1G1

(DATA UPDATED BY: TRANSFER OF CAVEAT
091368631)
(DATA UPDATED BY: TRANSFER OF CAVEAT
101172646)
(DATA UPDATED BY: CHANGE OF NAME 111139530)
(DATA UPDATED BY: CHANGE OF ADDRESS 111293503)
(DATA UPDATED BY: TRANSFER OF CAVEAT

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 4

REGISTRATION

201 076 087

NUMBER DATE (D/M/Y) PARTICULARS

151234941)

771 078 003 15/06/1977 CAVEAT

RE : EASEMENT

CAVEATOR - CRESCENT POINT ENERGY CORP.

SUITE 2000,585-8 AVE SW

ATTN:VICE PRESIDENT, LAND AND CORPORATE
DEVELOPMENT

CALGARY

ALBERTA T2P1G1

(DATA UPDATED BY: CHANGE OF NAME 071013382)

(DATA UPDATED BY: TRANSFER OF CAVEAT

101019707)

(DATA UPDATED BY: CHANGE OF NAME 111156751)

(DATA UPDATED BY: CHANGE OF ADDRESS 121012963)

(DATA UPDATED BY: TRANSFER OF CAVEAT

151227622)

771 078 004 15/06/1977 CAVEAT

RE : LEASE INTEREST

CAVEATOR - CRESCENT POINT ENERGY CORP.

SUITE 2000,585-8 AVE SW

ATTN:VICE PRESIDENT, LAND AND CORPORATE
DEVELOPMENT

CALGARY

ALBERTA T2P1G1

(DATA UPDATED BY: CHANGE OF NAME 071013382)

(DATA UPDATED BY: TRANSFER OF CAVEAT

101019707)

(DATA UPDATED BY: CHANGE OF NAME 111156756)

(DATA UPDATED BY: CHANGE OF ADDRESS 121013175)

(DATA UPDATED BY: TRANSFER OF CAVEAT

151227622)

771 078 005 15/06/1977 CAVEAT

RE : LEASE INTEREST

CAVEATOR - CRESCENT POINT ENERGY CORP.

SUITE 2000,585-8 AVE SW

ATTN:VICE PRESIDENT, LAND AND CORPORATE
DEVELOPMENT

CALGARY

ALBERTA T2P1G1

(DATA UPDATED BY: CHANGE OF NAME 071013349)

(DATA UPDATED BY: TRANSFER OF CAVEAT

101019707)

(DATA UPDATED BY: CHANGE OF NAME 111156756)

(DATA UPDATED BY: CHANGE OF ADDRESS 121013175)

(DATA UPDATED BY: TRANSFER OF CAVEAT

151227622)

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 5

REGISTRATION

201 076 087

NUMBER DATE (D/M/Y) PARTICULARS

781 100 872 27/06/1978 CAVEAT
RE : ORDER
CAVEATOR - CRESCENT POINT ENERGY CORP.
SUITE 2000,585-8 AVE SW
ATTN:VICE PRESIDENT, LAND AND CORPORATE
DEVELOPMENT
CALGARY
ALBERTA T2P1G1
(DATA UPDATED BY: TRANSFER OF CAVEAT
101019850)
(DATA UPDATED BY: CHANGE OF NAME 111146533)
(DATA UPDATED BY: CHANGE OF ADDRESS 121013378)
(DATA UPDATED BY: TRANSFER OF CAVEAT
151228724)

861 144 486 03/09/1986 CAVEAT
RE : RIGHT OF WAY AGREEMENT
CAVEATOR - CANADIAN WESTERN NATURAL GAS COMPANY
LIMITED.
909 - 11TH AVE. S.W., CALGARY
ALBERTA
AGENT - JOHN M WILLSSHER

971 161 531 06/06/1997 CAVEAT
RE : ROADWAY
CAVEATOR - HER MAJESTY THE QUEEN IN RIGHT OF
ALBERTA
AS REPRESENTED BY MINISTER OF TRANSPORTATION AND
UTILITIES
3RD FLOOR,909-3RD AVE.NORTH
LETHBRIDGE
ALBERTA T1H0H5
AGENT - ALEC WATERS

981 284 419 15/09/1998 CAVEAT
RE : UTILITY RIGHT OF WAY
CAVEATOR - CANADIAN WESTERN NATURAL GAS COMPANY
LIMITED.
909 - 11 AVENUE,S.W.
CALGARY
ALBERTA T2R1L8
AGENT - MARSHALL MCCARTHY

001 309 427 30/10/2000 CAVEAT
RE : SURFACE LEASE UNDER 20 ACRES
CAVEATOR - CRESCENT POINT ENERGY CORP.
SUITE 2000,585-8 AVE SW
ATTN:VICE PRESIDENT, LAND AND CORPORATE
DEVELOPMENT

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 6

201 076 087

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

CALGARY

ALBERTA T2P1G1

(DATA UPDATED BY: TRANSFER OF CAVEAT
101020159)

(DATA UPDATED BY: CHANGE OF NAME 111122407)

(DATA UPDATED BY: CHANGE OF ADDRESS 121013055)

(DATA UPDATED BY: TRANSFER OF CAVEAT
151234997)

001 336 823 23/11/2000 CAVEAT

RE : RIGHT OF WAY AGREEMENT

CAVEATOR - CRESCENT POINT ENERGY CORP.

SUITE 2000,585-8 AVE SW

ATTN:VICE PRESIDENT, LAND AND CORPORATE
DEVELOPMENT

CALGARY

ALBERTA T2P1G1

(DATA UPDATED BY: TRANSFER OF CAVEAT
101020159)

(DATA UPDATED BY: CHANGE OF NAME 111122407)

(DATA UPDATED BY: CHANGE OF ADDRESS 121013055)

(DATA UPDATED BY: TRANSFER OF CAVEAT
151234998)

221 039 142 24/02/2022 MORTGAGE

MORTGAGEE - ROYAL BANK OF CANADA.

36 YORK MILLS ROAD, 4TH FLOOR

TORONTO

ONTARIO M2P0A4

ORIGINAL PRINCIPAL AMOUNT: \$2,300,000

TOTAL INSTRUMENTS: 017

PENDING REGISTRATION QUEUE

DRR NUMBER	RECEIVED DATE (D/M/Y)	SUBMITTER	LAND ID
F000YW2	31/01/2024	CRESCENT POINT ENERGY CORP. 403-606-5015 CUSTOMER FILE NUMBER: A&D-JOHANNA ANDALIS	
004		TRANSFER OF INSTRUMENT	5;2;18;33;NW
F000YPP	31/01/2024	CRESCENT POINT ENERGY CORP. 403-606-5015 CUSTOMER FILE NUMBER: A&D-JOHANNA ANDALIS	

(CONTINUED)

PENDING REGISTRATION QUEUE

PAGE 7

201 076 087

DRR NUMBER	RECEIVED DATE (D/M/Y)	SUBMITTER	LAND ID
001		TRANSFER OF INSTRUMENT	0028 372 241 5;2;18;33;NW
005		TRANSFER OF INSTRUMENT	0028 372 241
006		TRANSFER OF INSTRUMENT	0028 372 241
F000YT3	31/01/2024	CRESCENT POINT ENERGY CORP. 403-606-5015 CUSTOMER FILE NUMBER: A&D-JOHANNA ANDALIS	
002		TRANSFER OF INSTRUMENT	0028 372 241
F000X90	31/01/2024	CRESCENT POINT ENERGY CORP. 403-606-5015 CUSTOMER FILE NUMBER: A&D-JOHANNA ANDALIS	
007		TRANSFER OF INSTRUMENT	0028 372 241
F000YJ4	31/01/2024	CRESCENT POINT ENERGY CORP. 403-606-5015 CUSTOMER FILE NUMBER: A&D-JOHANNA ANDALIS	
004		TRANSFER OF INSTRUMENT	0028 372 241
F000W0J	31/01/2024	CRESCENT POINT ENERGY CORP. 403-606-5015 CUSTOMER FILE NUMBER: A&D-JOHANNA ANDALIS	
004		TRANSFER OF INSTRUMENT	0028 372 241
F000UYE	31/01/2024	CRESCENT POINT ENERGY CORP. 403-606-5015 CUSTOMER FILE NUMBER: A&D-JOHANNA ANDALIS	
004		TRANSFER OF INSTRUMENT	0028 372 241

TOTAL PENDING REGISTRATIONS: 007

DISCLAIMER: THE DOCUMENT INFORMATION REFLECTED IN THE PENDING
REGISTRATION QUEUE HAS NOT BEEN VERIFIED BY LAND TITLES AND MAY BE
SUBJECT TO CHANGE UPON REVIEW AND REGISTRATION.

(CONTINUED)

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 29 DAY OF
FEBRUARY, 2024 AT 09:39 A.M.

ORDER NUMBER: 49855565

CUSTOMER FILE NUMBER:



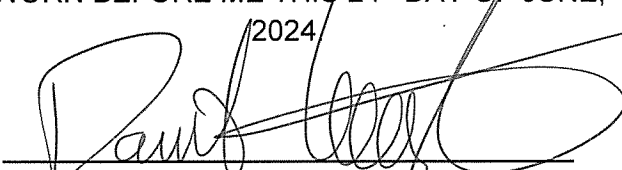
END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED
FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER,
SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM
INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION,
APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS
PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING
OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

THIS IS **EXHIBIT "J"** REFERRED TO IN THE
AFFIDAVIT OF **MARLENE J. STARENKY**.

SWORN BEFORE ME THIS 24th DAY OF JUNE,
2024



A Commissioner for Oaths in and for the Province
of Alberta

David LeGeyt
Barrister & Solicitor

Reply to: David LeGeyt
Direct Phone: (403) 260-0210
Direct Fax: (403) 260-0332
dlegeyt@bdplaw.com

Assistant: Annie Gillis-Tapp
Direct Phone: (403) 267-1611
Our File: 55398-92

VIA REGISTERED MAIL & EMAIL (ADMIN@FOOTHILLSTRUCKS.CA)

March 7, 2024

Foothills Truck Sales & Services Ltd.
PO Box 45
Longview, AB T0L 1H0

Attention: Todd Bailey

Dear Sir:

Re: Royal Bank of Canada ("RBC" or the "Lender") and Foothills Truck Sales & Services Ltd. ("Foothills Truck Sales" or the "Borrower")

We are counsel to RBC in connection with, among others, the following agreements entered between RBC, as lender and the Borrower:

- Highly Affected Sectors Credit Availability Program Business Banking Loan Agreement dated March 3, 2021;
- Credit Agreement dated November 9, 2021 as amended on October 27, 2022 and February 2, 2023;
- Term Loan Renewal Agreement dated November 14, 2022;
- RBC Royal Bank Visa Business Card Agreement dated December 2, 2021; and
- Eligible Borrower's Representations and Warranties dated March 5, 2021,

(collectively, the "**Loan Agreements**").

Reference is also made to the following security:

- as between RBC and the Borrower, a General Security Agreement dated March 5, 2021;
- as between RBC and the Borrower, a General Security Agreement – Floating Charge dated November 16, 2021; and

13653390.4

- as between RBC, the Borrower and Automotive Finance Canada Inc., a Priority Agreement dated August 25, 2021,

(collectively, the "**Security**").

Capitalized terms not defined herein have the meaning ascribed to them in the Loan Agreements.

The Borrower is in default of the Loan Agreements and the Security and all amounts owing to RBC under the Loan Agreements are immediately due and payable. The Borrower's defaults include but are not limited to failing to make payments when due under the Loan Agreements, and failing to provide RBC with reporting when due under the Loan Agreements.

On behalf of RBC, we hereby demand repayment of all amounts due and owing by the Borrower to RBC under the Loan Agreements and the Security, namely CAD \$1,811,276.87 as of March 1, 2024, plus all accrued and accruing interest and costs, including legal costs on a solicitor and own client full indemnity basis (the "**Indebtedness**").

Please note the Indebtedness does not include the amounts owing on account of the Borrower's CEBA loan, which totals \$60,237.71 as of today's date. This liability will be dealt with separately.

Please note that the Indebtedness will continue to accrue interest at the rates agreed to, and costs and expenses will continue to be incurred by RBC for which you will be responsible, until payment of all amounts owing is received by either certified cheque or bank draft at the following address:

Royal Bank of Canada
c/o Burnet, Duckworth & Palmer LLP
2400, 525 – 8th Avenue SW
Calgary, AB T2P 1G1
Attention: David LeGeyt

If full payment, as set forth above, is not received by close of business on March 18, 2024, RBC will take whatever steps it deems appropriate to seek repayment of the said amount. To this end, we enclose for service a Notice of Intention to Enforce Security (a "**244 Notice**") in accordance with section 244 of the *Bankruptcy and Insolvency Act* (Canada). If you are prepared to waive the ten-day notice period under the 244 Notice, please endorse the Consent and Waiver located on the last page of the 244 Notice.

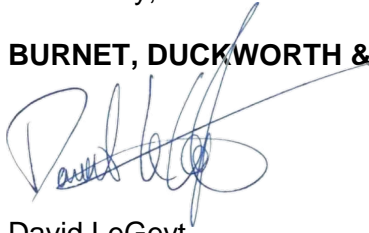
For your information, demands will be issued on the guarantor in respect of the Indebtedness.

Please note that RBC reserves the right to proceed against you: (i) prior to the time stipulated above in the event that it determines that its position has been further jeopardized; and (ii) anytime, or from time to time after any dates stipulated above have passed, and in either case without the necessity of serving a new demand for payment.

If you have any questions, please contact the undersigned.

Yours truly,

BURNET, DUCKWORTH & PALMER LLP

A handwritten signature in blue ink, appearing to read 'David LeGeyt', is written over the firm name.

David LeGeyt

DLG

Encl.

cc: Marlene Starenky, Royal Bank of Canada (via email)

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY

(Subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada))

To: Foothills Truck Sales & Services Ltd., an insolvent person (the "**Debtor**").

TAKE NOTICE THAT:

1. Royal Bank of Canada ("**RBC**"), a secured creditor of the Debtor, intends to enforce its security on the property of the Debtor as set out below:
 - (a) all present and after-acquired personal property of the Debtor; and
 - (b) all proceeds of the foregoing collateral.
2. The security to be enforced is in the form of:
 - (a) a General Security Agreement dated March 5, 2021;
 - (b) a General Security Agreement – Floating Charge dated November 16, 2021; and
 - (c) a Priority Agreement dated August 25, 2022,(collectively, the "**Security**").
3. As of March 1, 2024, the total amount of indebtedness secured by the Security is the sum of CAD \$1,811,276.87, plus all accrued and accruing interest, costs and legal costs.

RBC will not have the right to enforce its Security until after the expiry of the 10-day period following the sending of this notice, unless the Debtor consents to an earlier enforcement.

DATED at the City of Calgary, in the Province of Alberta, this 7th day of March, 2024.

BURNET, DUCKWORTH & PALMER LLP,
solicitors and agents for Royal Bank of Canada

Per: 

David LeGeyt

CONSENT AND WAIVER

THE UNDERSIGNED hereby:

Acknowledges receipt of the Notice of Intention to Enforce Security;

Waives the ten days of notice required under section 244 of the *Bankruptcy and Insolvency Act* (Canada); and

Consents to the immediate enforcement by Royal Bank of Canada of the Security referred to herein.

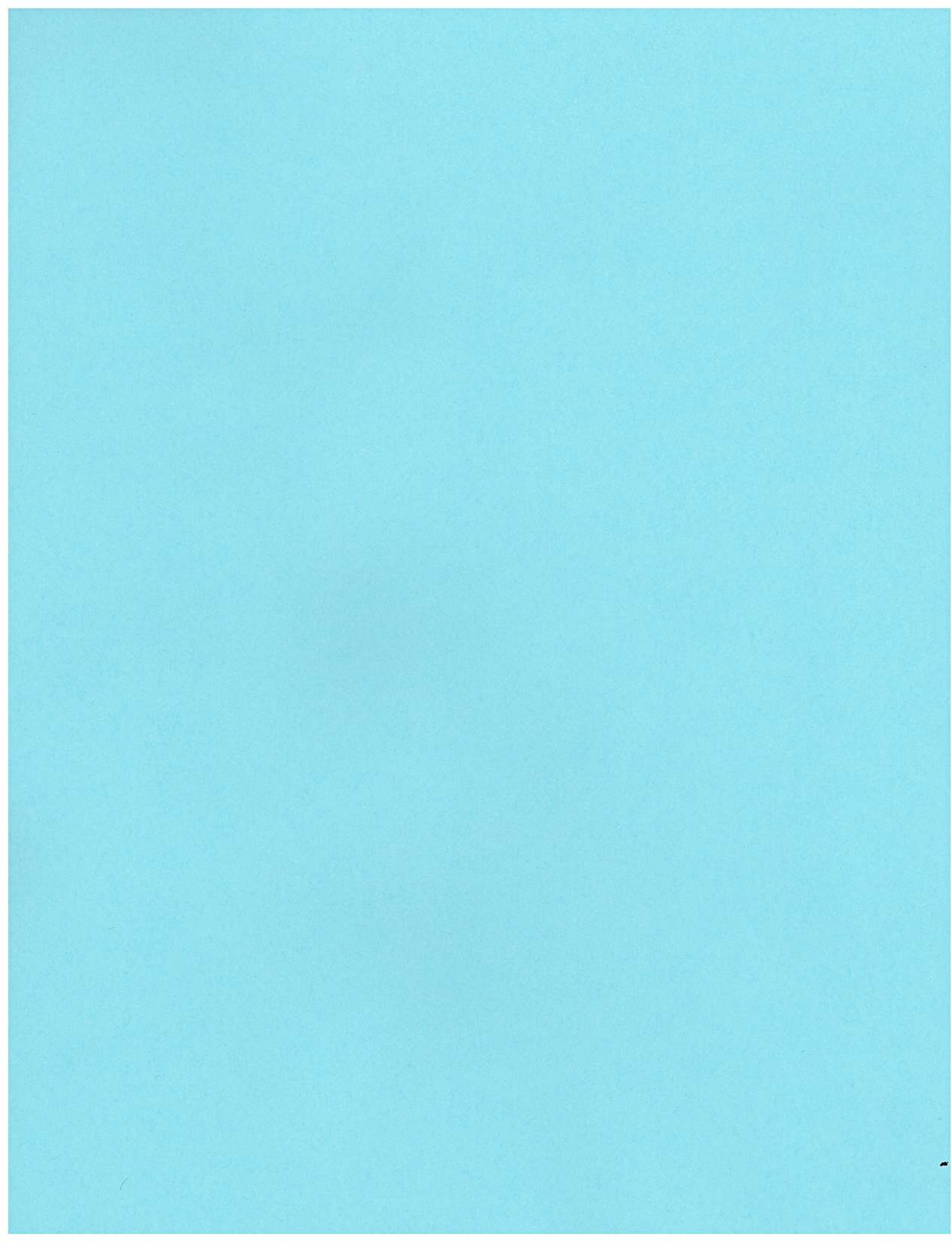
DATED this _____ day of March, 2024.

**FOOTHILLS TRUCK SALES & SERVICES
LTD.**

Per: _____

Name:

Title:



Reply to: David LeGeyt
Direct Phone: (403) 260-0210
Direct Fax: (403) 260-0332
dlegeyt@bdplaw.com

Assistant: Annie Gillis-Tapp
Direct Phone: (403) 267-1611
Our File: 55398-92

VIA REGISTERED MAIL

March 7, 2024

Todd Leslie Bailey
PO Box 45
Longview, AB T0L 1H0

Dear Sir:

Re: Royal Bank of Canada ("RBC" or the "Lender") and Foothills Truck Sales & Services Ltd. ("Foothills Truck Sales" or the "Borrower")

We are counsel to RBC in connection with, among others, the following agreements entered between RBC, as lender and the Borrower:

- Highly Affected Sectors Credit Availability Program Business Banking Loan Agreement dated March 3, 2021;
- Credit Agreement dated November 9, 2021 as amended on October 27, 2022 and February 2, 2023;
- Term Loan Renewal Agreement dated November 14, 2022;
- RBC Royal Bank Visa Business Card Agreement dated December 2, 2021; and
- Eligible Borrower's Representations and Warranties dated March 5, 2021,

(collectively, the "**Loan Agreements**").

Capitalized terms not defined herein have the meaning ascribed to them in the Loan Agreements.

Reference is also made to the following agreements between Todd Bailey and RBC:

- a Collateral Mortgage dated November 16, 2021 over the properties legally described as "meridian 5 range 2 township 18 section 33 quarter north west containing 64.7 hectares (160 acres) more or less excepting thereout; plan number hectares (acres) more or less road 0011043 1.815 4.48 excepting thereout all mines and minerals and the right to work the same" (collectively, the "**Lands**");

13739956.2

- A Guarantee and Postponement of Claim dated November 16, 2021;
- A Postponement and Assignment of Claim dated November 10, 2021;
- A Postponement and Assignment of Claim dated November 16, 2021; and
- Residential Title Insurance Policy dated November 20, 2021 in the principal amount of \$2,300,000 with RBC listed as the insured,

(collectively, the "**Guarantee Agreements**").

The Borrower is in default of the Loan Agreements and the Security and all amounts owing to RBC under the Loan Agreements are immediately due and payable. The Borrower's defaults include but are not limited to failing to make payments when due under the Loan Agreements, and failing to provide RBC with reporting when due under the Loan Agreements. Today RBC has demanded repayment from the Borrower of all amounts owing under the Loan Agreements and the Security in the amount of CAD \$1,868,692.95 as March 1, 2024, plus all accrued and accruing interest and costs, including legal costs on a solicitor and own client fully indemnity basis (the "**Indebtedness**").

Please note the Indebtedness does not include the amounts owing on account of the Borrower's CEBA loan, which totals \$60,237.71 as of today's date. This liability will be dealt with separately.

Pursuant to the Guarantee Agreements you have guaranteed to RBC the payment and performance of the Borrower's obligations to RBC, including the repayment of the Indebtedness.

On behalf of RBC, we hereby demand payment from you of all amounts due and owing by you to RBC under the Guarantee Agreements, namely in the amount of CAD \$1,811,276.87 as March 1, 2024, plus all accrued and accruing interest and costs, including legal costs on a solicitor and own client fully indemnity basis, being the Indebtedness.

Please note that the Indebtedness will continue to accrue interest at the rates agreed to, and costs and expenses will continue to be incurred by RBC for which you will be responsible, until payment of all amounts owing is received by either certified cheque or bank draft at the following address:

Royal Bank of Canada
c/o Burnet, Duckworth & Palmer LLP
2400, 525 – 8th Avenue SW
Calgary, AB T2P 1G1

Attention: David LeGeyt

If full payment, as set forth above, is not received by close of business on March 18, 2024, RBC will take whatever steps it deems appropriate to seek repayment of the said amount. To this end, we enclose for service a Notice of Intention to Enforce Security (a "**244 Notice**") in accordance with section 244 of the *Bankruptcy and Insolvency Act* (Canada). If you are prepared to waive the ten-day notice period under the 244 Notice, please endorse the Consent and Waiver located on the last page of the 244 Notice.

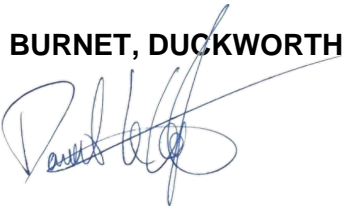
Please note that RBC reserves the right to proceed against you: (i) prior to the time stipulated above in the event that it determines that its position has been further jeopardized; and (ii) anytime, or from

time to time after any dates stipulated above have passed, and in either case without the necessity of serving a new demand for payment.

If you have any questions, please contact the undersigned.

Yours truly,

BURNET, DUCKWORTH & PALMER LLP

A handwritten signature in blue ink, appearing to read 'David LeGeyt', is written over the firm name.

David LeGeyt

DLG

Encl.

cc: Marlene Starenky, Royal Bank of Canada (via email)

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY

(Subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada))

To: Todd Leslie Bailey, an insolvent person (the "**Debtor**").

TAKE NOTICE THAT:

1. Royal Bank of Canada ("**RBC**"), a secured creditor of the Debtor, intends to enforce its security on the property of the Debtor as set out below:
 - (a) all amounts owing by Foothills Truck Sales & Services Ltd. (the "**Borrower**") to the Debtor; and
 - (b) the lands legally described as "meridian 5 range 2 township 18 section 33 quarter north west containing 64.7 hectares (160 acres) more or less excepting thereout; plan number hectares (acres) more or less road 0011043 1.815 4.48 excepting thereout all mines and minerals and the right to work the same".
2. The security to be enforced is in the form of:
 - (a) a Collateral Mortgage dated November 16, 2021;
 - (b) a Guarantee and Postponement of Claim dated November 16, 2021;
 - (c) a Postponement and Assignment of Claim dated November 10, 2021; and
 - (d) a Postponement and Assignment of Claim dated November 16, 2021,(collectively, the "**Security**").
3. As of March 1, 2024, the total amount of indebtedness secured by the Security is the sum of CAD \$1,811,276.87, plus all accrued and accruing interest, costs and legal costs.

RBC will not have the right to enforce its Security until after the expiry of the 10-day period following the sending of this notice, unless the Debtor consents to an earlier enforcement.

DATED at the City of Calgary, in the Province of Alberta, this 7th day of March, 2024.

BURNET, DUCKWORTH & PALMER LLP,
solicitors and agents for Royal Bank of Canada.

Per: 

David LeGeyt

CONSENT AND WAIVER

THE UNDERSIGNED hereby:

Acknowledges receipt of the Notice of Intention to Enforce Security;

Waives the ten days of notice required under section 244 of the *Bankruptcy and Insolvency Act* (Canada); and

Consents to the immediate enforcement by Royal Bank of Canada of the Security referred to herein.

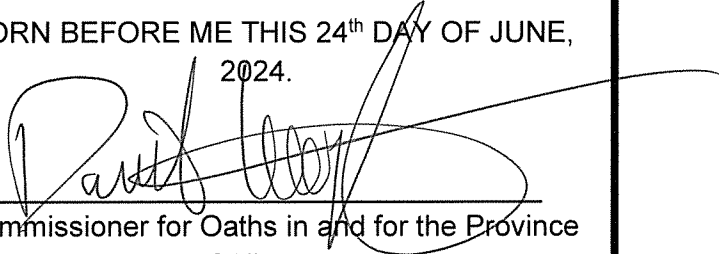
DATED this _____ day of March, 2024.

TODD LESLIE BAILEY

Per: _____

THIS IS **EXHIBIT "K"** REFERRED TO IN THE
AFFIDAVIT OF **MARLENE J. STARENKY**.

SWORN BEFORE ME THIS 24th DAY OF JUNE,
2024.



A Commissioner for Oaths in and for the Province
of Alberta

David LeGeyt
Barrister & Solicitor

Appraisal Report

NW ¼ 33-18-2W5
Foothills County, Alberta

Prepared by:

Lou Furano B.Comm., AACI, P.app.

Furano Appraisal
& Advisory Ltd.

**FURANO APPRAISAL
& ADVISORY LTD**

October 7, 2021

Todd Bailey
144133 – 530 Avenue West
Foothills County, Alberta
T0L 1H0

Dear Mr. Bailey:

RE: Appraisal of NW ¼ 33-18-2W5, Foothills County, Alberta File 21F11

In accordance with your request, to complete an appraisal on the subject property, this report detailing our findings and conclusions is provided.

The Calgary real estate market is estimated to be in a state of transition due to a changing economic climate resulting from COVID-19. Values contained in this appraisal are based on market conditions as at the time of this report. This appraisal does not provide a prediction of future values. In the event of market instability and/or disruption, values may change rapidly and such potential future events have NOT been considered in this report. As this appraisal does not and cannot consider any changes to the property appraised or market conditions after the effective date, readers are cautioned in relying on the appraisal after the effective date noted herein.

As a result of this analysis, it is our opinion that the market value of the subject property, subject to assumptions and limiting conditions herein, as if a new 9,680 sq.ft. shop is complete, effective September 15, 2021 is:

**TWO MILLION THREE HUNDRED THOUSAND DOLLARS
\$2,300,000**

If you have any questions or require additional information, you are invited to contact the undersigned.

Yours truly,

Furano Appraisal & Advisory Ltd.



Lou Furano, B.Comm, AACI, P.App

TABLE OF CONTENTS

Introduction

Title Page
Letter of Transmittal
Table of Contents

Property Information

Photographs.....	1
Location Map.....	2
Executive Summary.....	3
Terms of Reference.....	5
Area Description.....	10
Description and Analysis of Site.....	14
Description and Analysis of Improvements.....	17
Land Use Classification.....	23

Valuation of Property

Highest and Best Use.....	24
Approaches to Value.....	28
Direct Comparison Approach.....	29
Certification.....	45
Assumptions and Limiting Conditions.....	47

Addenda

Additional Photographs
Certificate of Title

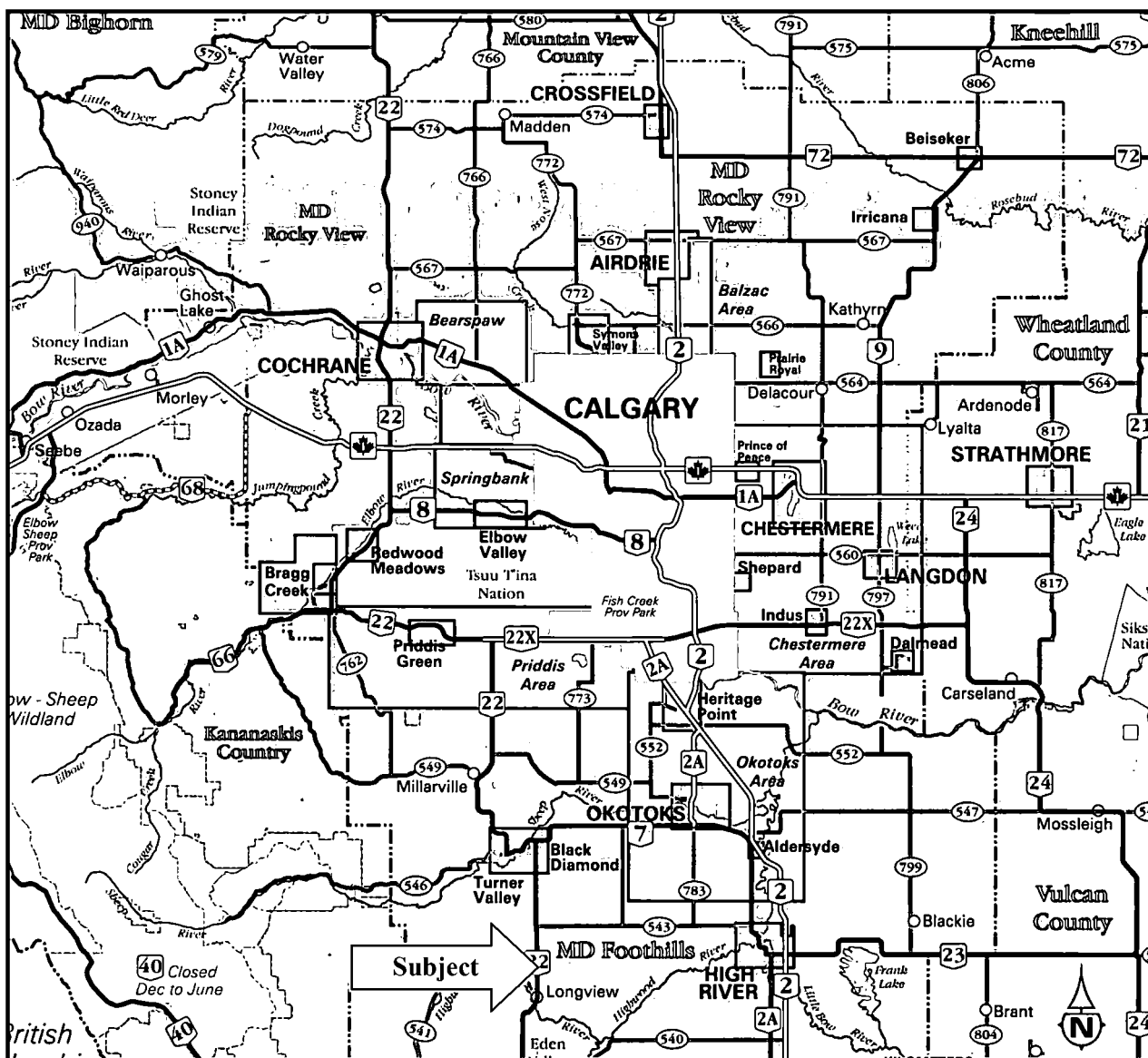
Property Information

Photograph of Subject



Arial View of Subject Vicinity

Location Map



EXECUTIVE SUMMARY

Property Information

Property Description	Agricultural property with house, shop, and out buildings plus a proposed new shop as if its construction is complete
Registered Owner	Todd Bailey
Location	144133 – 530 th Avenue West Foothills County, Alberta
Legal Description	NW ¼ 33-18-2W5
Effective Date of Valuation	September 15, 2021
Date of Inspection	September 15, 2021
Date of Issuance of Report	October 7, 2021
Property Interest Appraised	Owner's fee simple interest in the real property.
Site Area	155.52 acres
Building Areas	2,165 sq.ft. house, 2,560 sq.ft. shop, 60 x 16 horse shelter, corral, and proposed 9,680 sq.ft. shop assuming it is constructed
Land Use Classification	Agricultural District for most of the property Direct Control District #27 for existing shop and 2.5 acres of land
Highest and Best Use	Agriculture & Country residential and automotive sales/service on 2.5 acre portion per Direct Control District #27.
Assumptions & Limiting Conditions	see pages 8-9

Property Valuation

Market Value Estimate Comparison Approach

● \$2,300,000

Concluded value assumes construction of the 9,680 sq.ft. shop is complete. At time of inspection, the building site has been prepared, building components had been delivered to the property, but the building construction had not begun.

TERMS OF REFERENCE

Subject Property

The subject property comprises a 155.52 acre parcel improved with a house, shop, horse shelter, and corral. The property is situated in Foothills County, along Highway 22 between Black Diamond and Longview.

A Quonset style 9,680 sq.ft. second shop building is proposed to be constructed on the property in close proximity to the house. Preparation of the site for construction had just commenced as of the date of inspection. The new shop will sit on Agricultural zoned land. This appraisal assumes the new shop's construction is complete in a good and workmanlike manner.

Location

144133 – 530 Avenue West, Foothills County, Alberta

Legal Description

MERIDIAN 5 RANGE 2 TOWNSHIP 18
SECTION 33
QUARTER NORTH WEST
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
EXCEPTING THEREOUT:

PLAN	NUMBER	HECTARES	(ACRES)	MORE OR LESS
ROAD	0011043	1.815	4.48	

 EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

A copy of the Alberta Registries Land Title Certificate is included in the addenda.

Purpose of the Appraisal

The purpose of the appraisal is to estimate the current market value of the subject property as defined herein.

Intended Use of the Appraisal

The intended use of the appraisal is to assist with obtaining first mortgage financing from RBC.

Effective Date of the Appraisal

All value estimates herein apply at an effective date of September 15, 2021. The date of property inspection was same, and the date of issuance of this report is October 7, 2021.

Historical Title Data

As per CUSPAP requirements, we have researched the history of the subject property going back three years. According to Land Title records, the property was transferred to Todd Bailey on April 22, 2020 for \$900,000. The client reported that vendor distress affected the sale price downward, and such appears to be the case.

Property Interest Appraised

The interest appraised is the fee simple estate in the real property. Fee simple means:

“absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power and escheat.”

Definition of Market Value

Market Value is defined as:

“the most probable price which a property should bring in a competitive and open market as of the specified date under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of the specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto;
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.”

Exposure Time

Exposure time means the estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at market value on the effective date of the appraisal. It is presumed to precede the effective date.

Exposure time is different for various types of real estate and under various market conditions. The concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time, but also adequate, sufficient and reasonable marketing effort.

Regarding the subject property, an exposure time of six to twelve months is estimated to be required to consummate its sale under current market conditions.

Registered Encumbrances

There are 20 encumbrances registered against the title. They include oil and gas leases, easements, and rights of way, public utility board orders, roadway caveat, a purchase interest, and financing instruments. Some of these are in favor of municipal utility providers. The financing instruments are assumed to have no impact as a purchaser would obtain their own financing. The purchase interest is in favor of the current title holder. Numerous encumbrances are dated to the 1940's to the 1970's. It is possible that some encumbrances are no longer relevant.

There is a registration for a miscellaneous plan by Explore Surveys in the Pending Registration Queue. This plan is related to the zoning amendment for the property.

Brief discussion pertaining to the encumbrances is provided for the reader's information only. Encumbrances refer to legal documents, and some are extensive. A detailed analysis of these documents and determining all ramifications of each is beyond the scope of this appraisal. The subject property is appraised assuming that the encumbrances have no negative impact on the property.

Assumptions/Limiting Conditions

Assumptions and limiting conditions are contained at the end of this report following the certification. Other assumptions and limiting conditions may be included within the body of the report.

Extraordinary Assumptions / Extraordinary Limiting Conditions

The property was inspected September 15, 2021, and September 15, 2021 is the effective date of this appraisal. The year and a half prior to the inspection date witnessed the ongoing Covid-19 virus outbreak. There has been negative economic impact on the Canadian and Alberta economies which in turn affected and will continue to affect real estate markets. The market value impact varies from property type to property type and location to location. The subject property type appears virtually unaffected by COVID at date of appraisal. Its market sector has experienced some positive momentum over the past six months. Nonetheless, caution is worthy.

As of the date of this report Canada and the Global Community is experiencing unprecedented measures undertaken by various levels of government to curtail health related impacts of the Covid-19 Pandemic. The precise duration of this event is not known. While there is potential for negative impact with respect to micro and macro-economic sectors, as well as upon various real estate markets, it is not possible to predict all such impact, or the impact of current and future government countermeasures.

The owner indicated that he is resolving issues with oil and gas firms that have facilities on the land. Such issues are beyond the scope of this appraisal. They may have negative or positive impacts. In any event, they are ignored, and are not part of this appraisal.

The existing shop contains automotive service shop equipment. The shop equipment is excluded from this appraisal.

Property construction of the 9,680 sq.ft. shop had not yet begun at time of inspection. This appraisal assumes that building and site improvements around it as described herein are 100% complete in a good and workmanlike manner. It is assumed that all municipal approvals have been obtained for the development of this shop.

It was necessary to rely on architectural drawings and interview of the owner regarding the new shop to complete this appraisal. Information obtained is assumed to be accurate.

No other extraordinary limiting conditions were invoked. This appraisal does not contain any other extraordinary assumptions. This appraisal does not invoke any extraordinary limiting conditions.

Scope of Appraisal

The term “scope of the appraisal” is interpreted to mean the extent of the process of collecting, confirming and reporting data. In the process of preparing this appraisal, the appraiser completed an on-site inspection, confirmed current land use classification and planning status, estimated the highest and best use of the property, ascertained sale and listing prices for comparable properties, and examined market conditions and analyzed their potential effect on the market value of the subject property.

Some of the other data contained in this report was obtained by telephone interview. In any event, only information which has been collected, verified and is appropriate in this instance, will be given consideration leading to the Final Estimate of Market Value.

AREA DESCRIPTION

General

Foothills County is a rural municipality located south of Calgary. It covers an area of approximately 1,400 square miles and surrounds the Towns of Okotoks, High River, Turner Valley, and Black Diamond, the Village of Longview, and the Eden Valley Indian Reserve. The results of the 2016 Census indicated that 22,766 people live in Foothills County.

District History-Characteristics

Historically, the Foothills County has been agricultural accommodating grain crops and cattle grazing. Today the area still serves agricultural uses, but also contains a substantial amount of country residential. A small amount of land serves commercial and industrial uses.

Surrounding Vicinity

The subject is situated between Black Diamond and Longview. Surrounding uses are country residential and agricultural. Most vicinity holdings range in size from a four acre site to full quarter sections.

Roads

The subject vicinity is served by a grid pattern of range and township roads plus secondary highways.

Services and Utilities

Natural gas, electricity, and telephone are available in the subject's general vicinity. Municipal water, sanitary sewer, and storm sewer are not. Properties tend to have well/septic systems.

Alberta Economy

This economic summary is extracted from 2021-22 First Quarter Fiscal Update and Economic Statement dated August 2021 and published by Alberta Treasury and Alberta Economy Indicators at a Glance published September 24, 2021. The second paragraph below is taken verbatim from the Economic Statement.

Global, national, provincial, and local public health measures to contain and mitigate the spread of COVID-19 have reduced economic activity and resulted in business shutdowns and job losses in Alberta and across the globe. These factors resulted in a sharp drop in demand for goods and services thus hurting Alberta's exports. The downturn in the labor market, along with increased uncertainty about the economy, have dented consumer spending. Significant government support measures mitigated the impact of the pandemic on incomes and employment and are supporting the economy.

Recovery in the Alberta economy in the first half of the year surpassed Budget expectations. The Alberta Activity Index, a measure of provincial economic activity, rose nearly 9% through May. All components rebounded, led by the household sector, which includes consumer spending and housing activity. Significant progress on vaccinations, along with declines in COVID-19 infections and hospitalizations, led to the reopening of the Alberta economy in the summer. This sets the stage for a broader recovery in the second half of the year. However, with the spread of more contagious variants, the pandemic continues to pose risks to the outlook.

Employment has begun its recovery as of early 2021. Employment increased and unemployment decreased. As the economy continues to re-open activity will recover. Alberta's real gross domestic product (GDP) is now forecast to rebound 6.7% in 2021. With the stronger outlook, real GDP is now anticipated to return to 2014 levels next year.

Recent data suggests improvement for the first three quarters of 2021, but overall performance lags pre-pandemic activity. Alberta's population showed a small increase during early 2021. Housing starts increased as have home sales. WTI closed at US\$73.30 in September 2021. The number of rigs drilling in Alberta increased. Exports have improved alongside an upturn in global activity and are forecast to rise. Exports have improved.

The table below summarizes economic indicators.

Indicator	Latest Month	Value	Change year-over-year (y/y)
Population	Apr/21	4,444,000	+0.6% y/y
Employment	Aug/21	2,253,000	6.0% y/y
Unemployment Rate	Aug/21	7.9%	-2.8 p.p. since Jan/21
CPI Inflation	Aug/21	2.7%	y/y
Retail Sales	Jul/21	\$7,324M	+6.4% y/y
Housing Starts	Aug/21	31,500	+54% y/y
Resale Homes	Aug/21	6,283	+18.9% y/y
Rigs Drilling	Aug/21	112	250% y/y
Manufacturing Shipments	Jul/21	\$7,101B	39.6% y/y
Goods Exports	Jul/21	\$11,655B	65.8% y/y

The first three quarters of 2021 witnessed an improving economy compared to the previous quarters, but still lags the pre-pandemic economy.

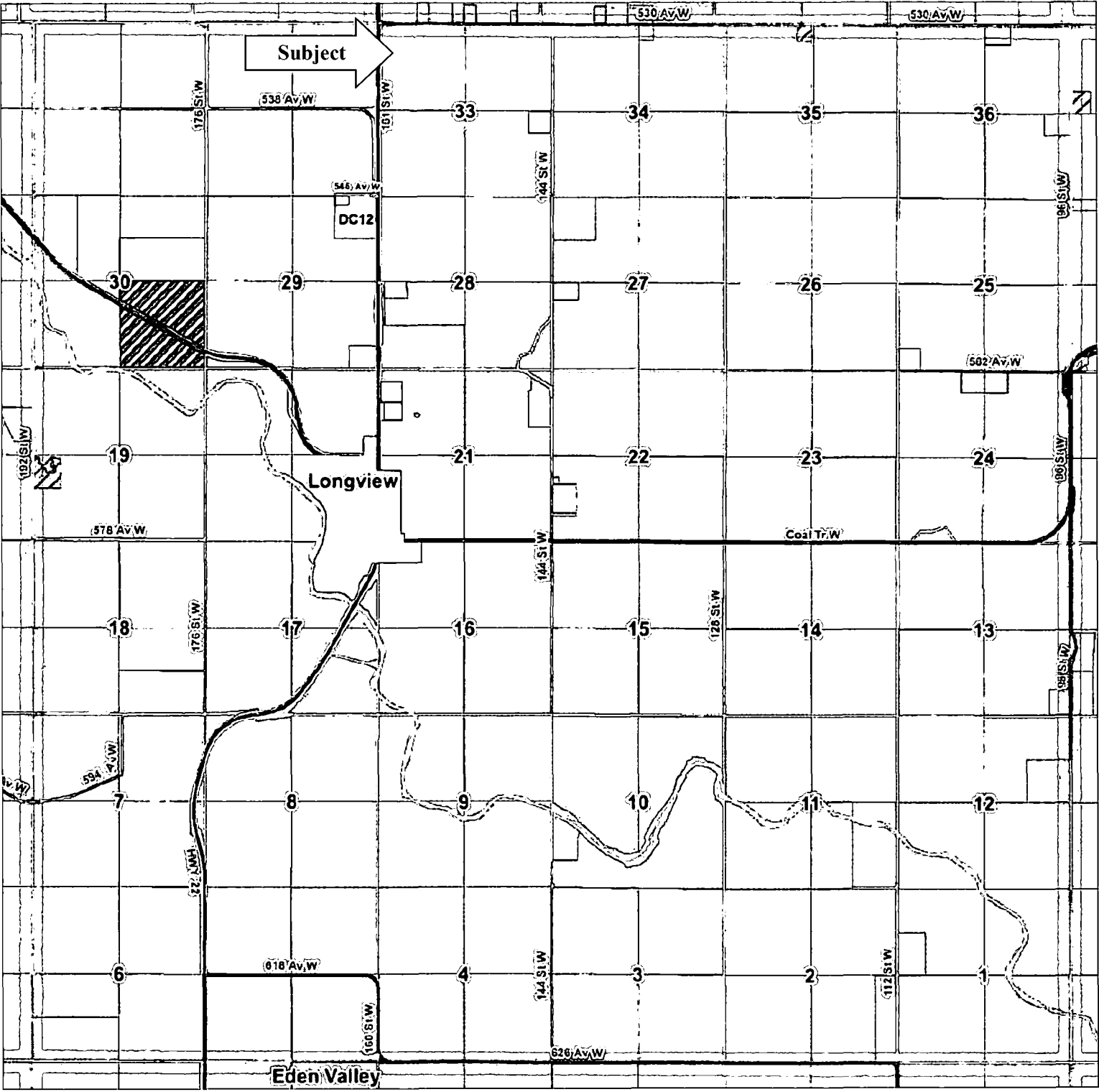
MD Foothills Real Estate

The number of transactions within Foothills County increased in 2020 compared to 2019. The number of listings declined as did inventory. According to Calgary Real Estate Board online data reports, the first three quarters of 2021 has witnessed an increased number of sales, lower inventory, reduced marketing times, and upward price momentum. It also appears that the Country residential and rural land markets have been strong. The past quarter has seen some pull back, but momentum remains.

Summary and Conclusion

The vicinity real estate market has experienced positive momentum that includes increased sales and rising prices. Such has also been the case for country residential property.

The map on the following page shows the subject vicinity, and was extracted from the Foothills County Land Use Bylaw Map.



DESCRIPTION AND ANALYSIS OF SITE

General

The subject is located on the southeast corner of Highway 22 and 530th Avenue West.

Area and Shape of Parcel

The subject is a 155.52 acre quarter section that has had a road plan excepted from it. Site arial photograph obtained from Foothills County is included at the end of this report section on page 14.

Topography

The site has rolling topography with a higher area where the house is situated. The house is positioned to take advantage of the spectacular mountain view. Most of the site is cultivated in hay, and a small amount of the land including two sloughs is in a natural state.

Soil Conditions and Drainage

We did not receive nor review a soil report, and assume that the soil's load bearing capacity is sufficient and that overall site drainage is adequate to accommodate development typical the vicinity. Natural drainage appears adequate.

Municipal Services

Rural services including electricity, natural gas, and telephone, are available. The owner reports that the site has two water wells and septic system.

Street Improvements/Accessibility

The subject fronts Highway 22 and 530th Avenue West, and is accessed from 530th Ave.

Encumbrances

Encumbrances have been discussed on page 7. It was assumed that they do not affect the property.

Unapparent Conditions

The appraiser has not reviewed any environmental reports, studies, investigations or soil surveys which may have been carried out on the subject property and which may have indicated the existence or possibility of contamination. Determining the existence of contamination is beyond the appraiser's skill and scope of this report. This appraisal assumes the site has no contamination that prevents agricultural and country residential uses.

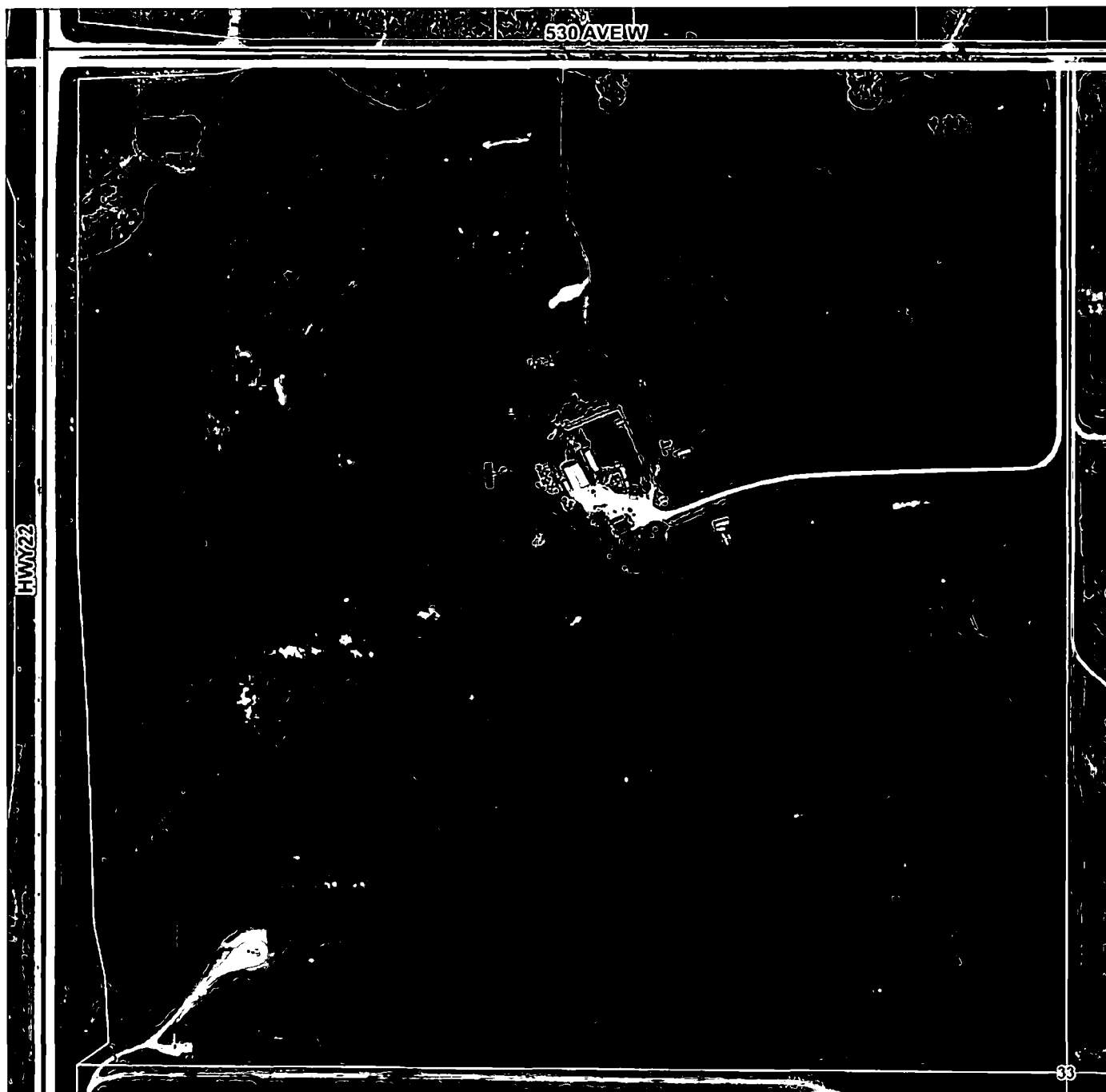
Oil Leases

There are three oil and gas leases on the property, and several pipelines crossing the property.

Summary

The subject comprises a site with good road access that is suited to agricultural and country residential uses.

The arial photograph below was obtained from Foothills County. It shows County roads, driveway and roads onto the subject, the home area, and oil facilities in the southwest corner. The photograph is dated 2018 per Foothills County.



DESCRIPTION AND ANALYSIS OF IMPROVEMENTS

This description is based on a physical inspection of improvements, and information provided by the owner. Building dimension and floor areas are based on hand held tape and laser tape measurements. Description for the proposed 9,680 sq.ft. shop is based on architectural drawings and verbal information by the owner. Photographs are contained on page 1 and in the addenda.

Type of Building Improvements

Existing building improvements comprise a bungalow style house with walkout basement, shop structure that is more or less equal to an urban business park industrial building, horse shelter, and corral. Improvements are situated in a cluster, more or less in the middle of the quarter. (see photo on page 16)

House

Age and Condition

Reported time of construction is 2011, and observed condition is described typical for vintage except for minor damaged items, and renovation/repairs that are in progress, or that have started and stopped. Basement wiring is not complete such that light fixtures, switches, plugs are missing.

Floor Area

The bungalow has a floor area of 2,165 sq.ft., and a full basement.

General Description

The house is a hill side bungalow with walkout basement, front deck, and large rear deck. Layout is that of a conventional bungalow, and there are front, side, two back, and one basement walkout entrances. The main floor has kitchen, dining area, and living room that form an open living space at north side of the house. The master with ensuite, two more bedrooms, and main bathroom are situated at the south side of the house. A mud room, fourth bedroom, and two piece bathroom are situated at the northeast corner. The living area has large windows that face west and access to a large deck. The living area windows and deck are oriented to the mountain view. The basement has not been developed.

Structure and Materials

The building has concrete basement floor, is assumed to have concrete basement walls (a portion of an ICF basement wall is visible in furnace room), and wood frame structure above the basement. Exterior finishing has vinyl siding and asphalt shingle roof. Interior finishing incorporates ceramic and laminate flooring, painted drywall, textured ceilings, white wood doors, white wood/MDF baseboards, and white wood/MDF window trim. The kitchen and bathrooms have wood cabinetry with arborite countertops, and kitchen is equipped with stainless steel appliances. The living room has a gas fireplace.

Mechanical System

The house is equipped with in floor heating (reported to be operating) and forced air gas furnace, and the house is assumed to have adequate electrical service. (panel was missed during the inspection, located on upper floor instead of basement)

Existing Shop

Age and Condition

Calgary Real Estate Board information indicates the shop was constructed in the 1980's. Significant upgrades have been completed, and include new concrete floor, painted exterior, new electrical, heating, lighting, plumbing, wall and ceiling lining, and small mezzanine for staff area and one office. Building has a new structure condition, and is of comparable quality to an urban business park structure.

Floor Area

Shop has a footprint area of 2,560 sq.ft. plus a 480 sq.ft. mezzanine.

General Description

The structure has the functional utility of an industrial building that is located in a limited service business park. It has two 14 x 14 overhead doors, front and rear man doors, open work area, equipment room, and washroom. Building has a mezzanine with coffee station, one office, and staff area.

Structure and Materials

The structure is assumed to have a wood frame structure. It has exterior metal cladding, concrete slab floor, and finished metal cladding on interior walls and ceiling.

Mechanical System

Building is equipped with ceiling mounted forced air heating, modern electrical, a sump, and LED lighting.

Other Structures

There is metal clad 60 x 16 horse shelter, a new horse corral beside the shop, and a new storage shed near the house. All are regarded to be in good condition. Several very small structures that have no material contributory value are situated on the land.

Site Improvements/ Site Services

Site improvements include gravel driveways and a gravel parking lot around which all the improvements are situated. There are also fencing and landscaping with grass and trees around the house and shop. There is an above ground swimming pool adjacent to the deck.

The owner reports that the property has two water wells and a septic system.

Economic Life

House is ten or eleven years old, and requires some minor repairs and maintenance. The basement wiring and lighting installation needs to be completed. Aside from such mentioned deficiencies, condition is typical for vintage, and remaining economic life is estimated to be 45 to 55 years.

The existing shop is in new condition, and remaining physical life and economic life is 35 to 40 years.

Proposed 9,680 sq.ft. Shop

This structure will comprise a metal Quonset style building.

Age and Condition

Construction had not commenced at time of inspection. This building is assumed, for purpose of this appraisal, to be completed in a good and workmanlike manner. Given building age, remaining economic life is estimated to be 40 years.

Floor Area/Height

Shop will have a footprint area of 9,680 sq.ft. more or less. Building height will be 22 feet at middle of structure.

General Description

The structure will have the functional utility of a light industrial building. It will have two 14 foot high overhead doors at front, two 14 foot high overhead doors at back, windows, front man doors, open work area, and a washroom.

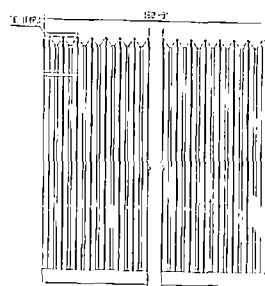
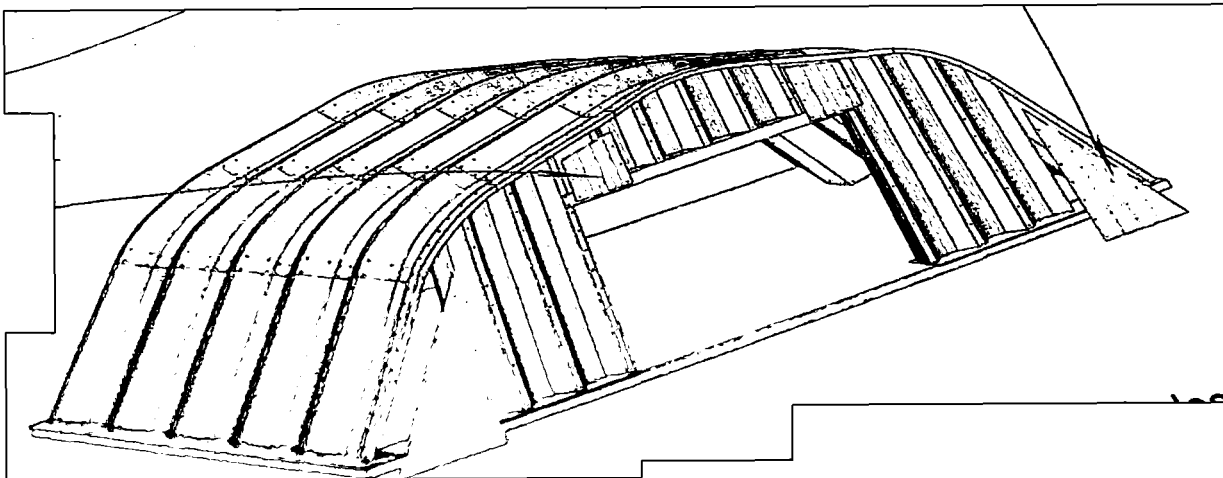
Structure and Materials

The structure will have concrete slab floor, metal structure and cladding, and will be insulated.

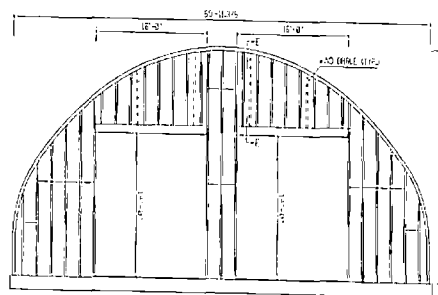
Mechanical System

Building will be equipped with power, heat, water, and septic system. Heating will be by four ceiling mounted heaters and by in-floor heat supplied by a boiler. Lighting will be by LED fixtures.

The following page contains extracts from assembly instructions and drawings that characterize the building. Though, it is noted that extracts are not precise.



SIDE ELEVATION



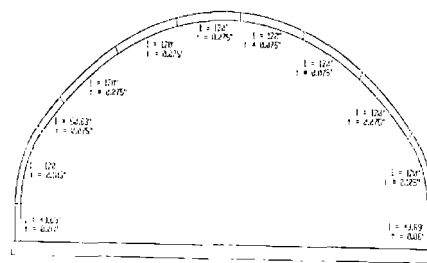
FRONT ELEVATION

WAKE REGIONS
- 1/2" BOLTS U.S.C. 100
- 1/2" BOLTS U.S.C. 100
- 1/2" BOLTS U.S.C. 100

• ENROLL FINDS

C. H₂Cl H₂O.D.T.

COLLECTOR EPM



High - High

4.5° 3' 7"

Summary and Conclusion

The subject is quarter section with a ten or eleven year old bungalow style house with walkout basement, shop, horse shelter, and corral. A second shop will be constructed on the land to the east of the house. The property offers a spectacular mountain view. Most of the land accommodates a hay crop, and there are oil leases on the land.

The subject is a desirable country residential property that has the added utility of serving as a place of business for a truck sales and service business. The added shop will further enhance the country and agricultural portion of the property.

LAND USE CLASSIFICATION

Current Land Use

The majority of the subject property, in accordance with the Land Use Bylaw Map is classified Agricultural District. A 2.5 acre portion is classified Direct Control District #27.

The purpose and intent of the Agricultural District is to preserve agricultural land for agricultural purposes and allows for a broad range of uses. Permitted uses include a dwelling, accessory buildings, accessory uses, and agricultural uses. Discretionary uses include uses that are typical to rural areas. Examples include private kennel, private arena, plus antenna structures, and dugouts. The bylaw guidelines outline yard setbacks, slope setbacks, floor area, building height, and lot size.

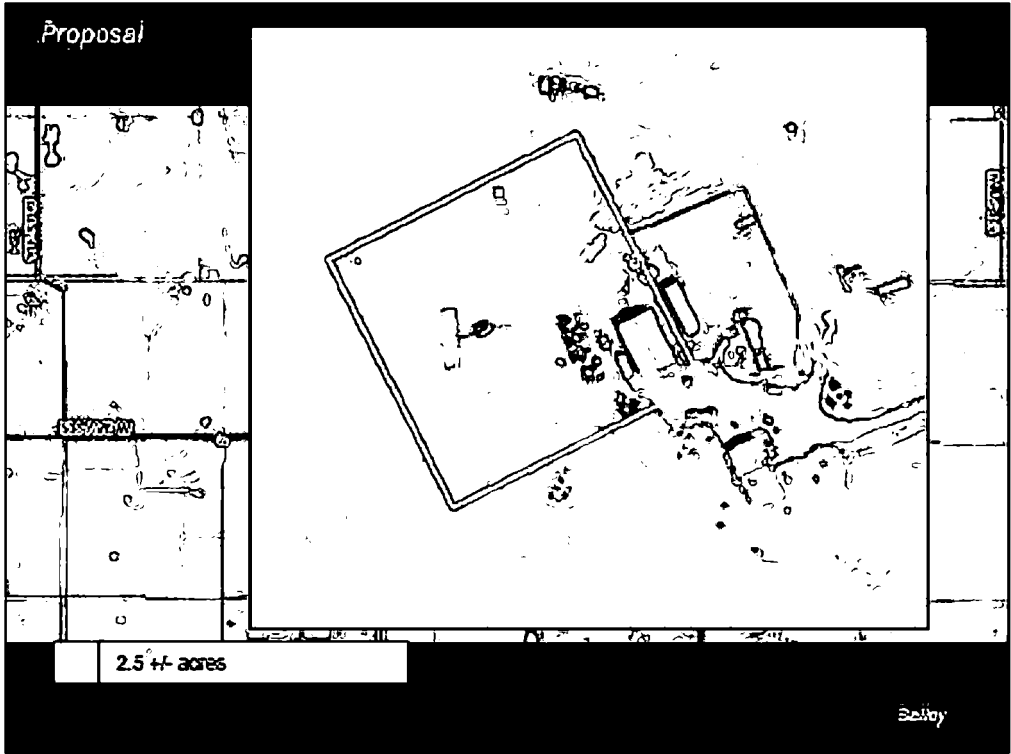
Current use (house and accessory buildings) appears to be a permitted use per land use guidelines. In any event, this appraisal assumes municipal approvals were obtained for the existing property.

Direct Control District #27

The existing shop and 2.5 acres of land around it has been reclassified from Agricultural District to Direct Control District #27 to allow a Home Based Business Major. The appraiser contacted the Planning Department at Foothills County, and they indicated that the existing shop and 2.5 acre has been redesignated Direct Control District #27. This permits the owner to operate a truck sales and service business on the identified 2.5 acres of the quarter section. The owner will have to operate within guidelines, but the truck sales and service use is now a legal use.

In the course of selling a rural property, matching specific permitted uses and purchaser is not usually achieved. However, if a specific use has been granted, the precedent is helpful for obtaining a similar use approval when a new owner takes the property. An example would be if a property has an automotive sales and service shop, a new owner could apply and benefit from the precedent use to receive approval for a cabinet making shop.

The diagram on the following page shows the subject area of the property containing the house, existing shop, horse shelter, and corral. The 2.5 acre portion that includes the existing shop is outlined in green. **Please note that the proposed 9,680 sq.ft. shop is outside the green outlined area.**



Property Valuation

HIGHEST AND BEST USE

This principle of highest and best use is fundamental to the concept of value in real estate. Highest and best use may be defined as follows:

“The reasonably probable and legal use of vacant land or an improved property that is physically possible, appropriately supported, and financially feasible, and that results in the highest value.”

The four criteria the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum profitability.”

- | | |
|------------------------|--|
| Physical Possibility: | site location, topography, size and area, along with the availability of services and utilities, street improvements and public ingress-egress; |
| Legal Permissibility: | public restrictions such as land use classifications or utility rights-of-way; and private restrictions such as easements and restrictive covenants; |
| Financial Feasibility: | the marketability relative to supply and demand conditions, the relative effect of actual cost against market rent levels, and the availability and cost of necessary capital; and |
| Maximum Productivity: | the use that produces the highest residual land value consistent with the rate of return warranted by the market for that use. |

Highest and Best Use Analysis of Site as if Vacant

The Highest and Best Use criteria are related to the subject land as follows:

Physically Possible

The size, shape, topography, and accessibility of a parcel of land affect the uses under which it can be developed. A variety of rural uses may be developed on the subject land.

Legally Permissible

Private restrictions, land use classification, building codes, leases, regulatory archive controls and environmental regulations are all examples of legal constraints on development. In this instance a variety of rural and residential uses may be pursued. A specific bylaw allows for a truck sales and service business on a 2.5 acre portion of the land.

Financially Feasible

For a use to be seriously considered it must have the potential to provide a sufficient return to attract capital over alternative forms of investment.

Maximally Productive

The maximally productive use is that single use of all financially feasible uses that provides the highest net return to the land.

Conclusion (as though vacant)

In summary, with due consideration given to the subject site's location and recognizing the land use classification, the Highest and Best Use is concluded to be agricultural or country residential. The permitted truck sales and service use would likely not be matched with a buyer in the market. Hence agricultural or country residential remains the highest and best use with an option to use 2.5 acre portion for a home business.

Highest and Best Use Analysis of Property as Improved

The highest and best use for an improved property can be described as follows:

The use that should be made of a property as it exists. An existing property should be retained or renovated as long as improvements continue to contribute to its total market value, or until the return from new improvements offsets the cost of demolition and new construction.

The highest and best use of a property may be continued existing use, renovation, expansion, conversion to another use, partial demolition, or a combination of all these alternatives. The four criteria of highest and best use (legal permissibility, physical possibility, financial feasibility, and maximum profitability) must be given consideration.

At the date of appraisal the subject property is developed with a house, shop building, out buildings, and site improvements. A second shop is proposed and will be built. The existing shop and a 2.5 acre portion of the site can serve as a truck sales and service use. Current use is the highest and best use.

The permitted truck sales and service use would likely not be matched with a buyer in the market. Hence, beyond current ownership and use, agricultural or country residential remains the highest and best use with an option to use 2.5 acre portion for a home business.

Conclusion (as improved)

This conclusion takes into consideration legal permissibility, physical possibility, financial feasibility and maximum productivity.

The highest and best use of the property is agricultural and/or country residential use.

The owner is in the process of obtaining a site specific amendment to allow an automotive sales and service on the site. Given the nature of the shop structure and if site specific amendment were approved, the highest and best use of the property would be combined agricultural and/or country residential and automotive sales and service.

APPROACHES TO VALUE

In arriving at an indication of the Market Value of the subject property, each of the following three generally accepted approaches to value have been considered:

The Cost Approach

This approach to an estimate of value assumes that a prudent purchaser will not pay more for a property than the cost to re-create it in its present condition, provided there are no costly delays or economic factors which might influence value. The Cost Approach is most applicable in estimating value where the improvements are new or special purpose and represent the highest and best use of the land.

The Income Approach

The Income Approach is typically utilized for estimating value on properties bought and sold based on their revenue producing capabilities. The annual net operating income, or probable net income, (before provision for debt service or income taxes) is capitalized at an overall rate consistent with the current market, after provision for recapture of the capital value of the improvements over their remaining economic life. A discounted cash flow analysis may also be applicable if the property is of an “investment grade” category and has escalating or stepped leases.

The Direct [Sales] Comparison Approach

This approach to an estimate of value is justified on the principle of substitution, which affirms that a prudent purchaser will not pay more for a property than the price of an equally desirable substitute property available under similar conditions. This approach is capable of providing a reliable indication of market value, given an adequate number of sales of properties bearing sufficient degrees of direct comparability to the subject.

Applicable Valuation Approach

The Direct Comparison has been applied. The Cost Approach has not as it would not be helpful beyond what the comparison approach achieves in establishing property value. The Income has not been applied. The Income Approach is not easily applied to a property like the subject, and has not.

DIRECT COMPARISON APPROACH

Definition

The Direct Comparison Approach is the process in which a market value estimate is derived by analyzing the market for similar properties and comparing these properties to the subject property. A major premise of this approach is that the market value is related to the prices of comparable, competitive properties.

To apply the Direct Comparison Approach, the appraiser follows a systematic procedure. A general outline of this procedure is as follows:

- Research the market to obtain information on sales transactions, listings, and offers to purchase or sell properties that are similar to the subject property in terms of characteristics such as property type, date of sale, size, and location.
- Verify the information by confirming that the data obtained are accurate and that transactions reflect arms length considerations.
- Select relevant units of comparison (dollars per acre for example) and develop a comparative analysis for each unit of comparison.
- Compare the comparable sale properties with the subject property using the elements of comparison and adjust the sale price of each comparable appropriately to the subject or eliminate the sale as a comparable.
- Reconcile the various value indications produced from the analysis of comparables into a single value indication or a range of values.

Application of Direct Comparison Approach

Five indices are presented to estimate the market value of the subject. Indices are selected from transactions of the most similar and recent properties to the subject within its proximity. Data was obtained from Calgary Real Estate Board. Interviews, for 4 of the five indices, of at least one of the vendor, purchaser, either of their agents, or individual familiar with transaction were conducted to understand each transaction. Information for Index 5 is based on the Calgary Real Estate Board listing. Each sale was verified by a Land Titles search.

This analysis estimates property value in components, first with the existing property comprising house, shop, horse shelter, and corrals on its land. Then contributory value of the zoning amendment is made. Subject land value is estimated for information purposes. Finally, the contributory value of the proposed new shop is estimated. A summary value is presented.

Each comparable sale is described on the following pages. The comparable properties are analyzed, and a market value is concluded.

INDEX NO. 1

LOCATION : NW ¼ 1-20-1W5, Foothills County



LEGAL DESCRIPTION : NW ¼ 1-20-1W5

SALE DATE : June 3, 2021

SALE PRICE : \$1,822,000

TRANSFER NUMBER : 211 108 463

LAND AREA : 119 acres

HOUSE SIZE : 1,771 sq.ft.

COMMENTS : Improvements consist of a 2002 bungalow style house in good condition with fully developed walkout basement plus double attached garage. Property includes a 40 x 60 heated barn, hayshed, paddocks, outdoor riding arena, and a 48 x 64 heated shop. Site is nicely landscaped. Property does not have views.

INDEX NO. 2

LOCATION : SE ¼ 15-19-29W4, Foothills County



LEGAL DESCRIPTION : SE ¼ 15-19-29W4
 SALE DATE : March 2021
 SALE PRICE : \$1,400,000
 TRANSFER NUMBER : not yet transferred
 LAND AREA : 113 acres
 HOUSE SIZE : 2,260 sq.ft.

COMMENTS : Improvements consist of 1998 vintage bungalow style house in very good condition, and updated. House has no basement. Property includes a 32 x 56 barn and corral, 95 x 175 outdoor riding arena, hay shed, and 40 x 60 heated shop. Land is a combination of crop and grazing land. Property borders Tongue Creek, and has a mountain view.

INDEX NO. 3

LOCATION : NW ¼ 18-18-1W5, Foothills County



LEGAL DESCRIPTION : NW ¼ 18-18-1W5
 SALE DATE : October 17, 2020
 SALE PRICE : \$1,300,000
 TRANSFER NUMBER : 201 188 627
 LAND AREA : 80 acres
 HOUSE SIZE : 2,260 sq.ft.

COMMENTS : Improvements consist of a 1997 vintage bungalow style house in good condition and updated, with fully developed basement, and four car detached garage. Property includes an old school house that serves as a heated shop. It also has stable and corrals. Half of the land is native grass and half is hay crop. Property has mountain views, but not from the house. Site improvements include landscaping around the house.

INDEX NO. 4

LOCATION : SW ¼ 13-19-2W5, Foothills County



LEGAL DESCRIPTION : SW ¼ 13-19-2W5
 SALE DATE : August 11, 2020
 SALE PRICE : \$1,256,000
 TRANSFER NUMBER : 201 138 906
 LAND AREA : 151 acres
 HOUSE SIZE : 1,703 sq.ft.

COMMENTS : Improvements consist of 1992 vintage bungalow style house in good condition, but dated to time of construction. It has a double attached garage and fully developed walkout basement. Property includes a 2900 sq.ft. shop that is wood frame, half concrete slab and half dirt floor. Site improvements include fencing, trees and land is suited for grazing. Property has a mountain view.

INDEX NO. 5

LOCATION : SE ¼ 6-20-1W5, Foothills County



LEGAL DESCRIPTION : SE ¼ 6-20-1W5
 SALE DATE : August 1, 2019
 SALE PRICE : \$1,700,000
 TRANSFER NUMBER : 191 156 112
 LAND AREA : 149 acres
 HOUSE SIZE : 1,417 sq.ft.

COMMENTS : Improvements consist of a 2002 bungalow style house in good condition with fully developed basement plus double attached garage. Property includes a second 1,539 sq.ft, bungalow, three shops of 1,400 to 1,700 sq.ft., pond, trees, and landscaping. Property is suited for livestock, and has a mountain view.

MAP OF INDICES

Map shows subject in red, and indices in yellow.



Summary of Indices

The preceding sales are summarized in the following chart.

Index	Sale Date	Sale Price	Property Description
1	06/21	\$1,822,000	1,771 sf 2002 vintage house with fully developed walkout out basement, out buildings, riding arena, 48 x 64 shop, and no mountain view on 119 acres
2	03/21	\$1,400,000	2,260 sf 1998 vintage house without basement, out buildings, riding arena, and mountain view on 113 acres
3	10/20	\$1,300,000	2,260 sq.ft. 1997 vintage, includes 4 care garage, old school house serving as shop, stable and corrals, on 80 acres, mountain view but not from house
4	08/20	\$1,256,000	1,703 sf bungalow, built 1992, good condition and dated to 1992, double att. garage, 2,900 sq.ft. shop, on 151 acres and mountain view
5	08/19	\$1,700,000	1,417 sf bungalow, built 2002, good condition develop[ed] basement, double att. garage, second 1,539 sq.ft. bungalow, and 3 shops, and mountain view

The subject consists of 155.5 acres improved with a bungalow style house with walkout basement, high quality shop building, horse shelter, and corral. Subject has spectacular mountain view. Five indices are presented, and analyzed to estimate the subject's market value. Other comparable sales were reviewed, but not presented. The value of the existing property is estimated first.

Adjustment Rationale

No adjustments have been made for financing or conditions of sale. Adjustments to the indices have been made for time of sale, location, site size, building size, age/condition, basement development, outbuildings, topography, and views.

Index 3 to 5 are adjusted upward for time of sale. Index 1, 2 and 5 are adjusted downward for location.

Regarding location, Index 1, 2 and 5 are adjusted downward for location by virtue of proximity to High River, Black Diamond, or Okotoks.

Index 1, 2 and 3 have site areas that are 40 to 75 acres less than the subject. Upward adjustment is warranted, and are made to these indices.

All indices are adjusted down by \$15,000 to recognise that the subject requires some minor repairs, cleaning of the yard around the house, and completing of the basement wiring. All indices have a developed basement, and are adjusted down because the subject basement is not developed.

Adjustments are made accordingly for house size, garage, and relative contributory value of outbuildings. This includes the second house on the Index 5 property. Topography, views, trees, and vegetation are taken into account.

Analysis

The analysis and adjustments were completed on a spread sheet, and are discussed and summarized following.

Index 1 is a recent sale of a 1,771 sq.ft. house on 119 acres. Property had 2002 vintage house with basement, heated shop, barn and corral, and outdoor riding arena. It sold for \$1,822,000. This index is adjusted down for location, basement development, condition, and superior outbuildings. Upward adjustments are made for lack of a view, house size, and site size. A small net downward adjustment is made, and a value in the range of \$1,770,000 is supported.

Index 2 is a recent sale of a 2,260 sq.ft. house on 113 acres. Property had 1998 vintage house with no basement, heated shop, barn and corral, and outdoor riding arena. It sold for \$1,400,000.

This index is adjusted down for location, house size, and age/condition. Upward adjustments are made for lack of a basement, and site size. A small net upward adjustment is made, and a value in the range of \$1,520,000 is supported.

Index 3 is a recent sale of a 2,260 sq.ft. house on 80 acres. Property had 1997 vintage house that was updated, had fully developed basement, four car garage, and an old school house on site that served as a shop. It sold for \$1,300,000.

This index is adjusted up for site size, inferior view, and inferior outbuildings. Downward adjustment is made for basement development, house size, updated condition, and four car garage. A net upward adjustment is made, and a value in the range of \$1,570,000 is supported.

Index 4 is the sale of a 1,703 sq.ft. house on 151 acres. Property had 1992 vintage house with fully developed basement, double attached garage, 2,900 sq.ft. shop. It sold for \$1,256,000.

This index is adjusted up for time of sale, house size, age, and inferior outbuildings. Downward adjustment is made for basement development and garage. A net upward adjustment is made and a value in the range of \$1,370,000 is supported.

Index 5 is a 2019 sale of a 1,417 sq.ft. house on 149 acres. Property had 2002 vintage house with fully developed basement, double attached garage, second bungalow house, and three shop buildings. It sold for \$1,700,000.

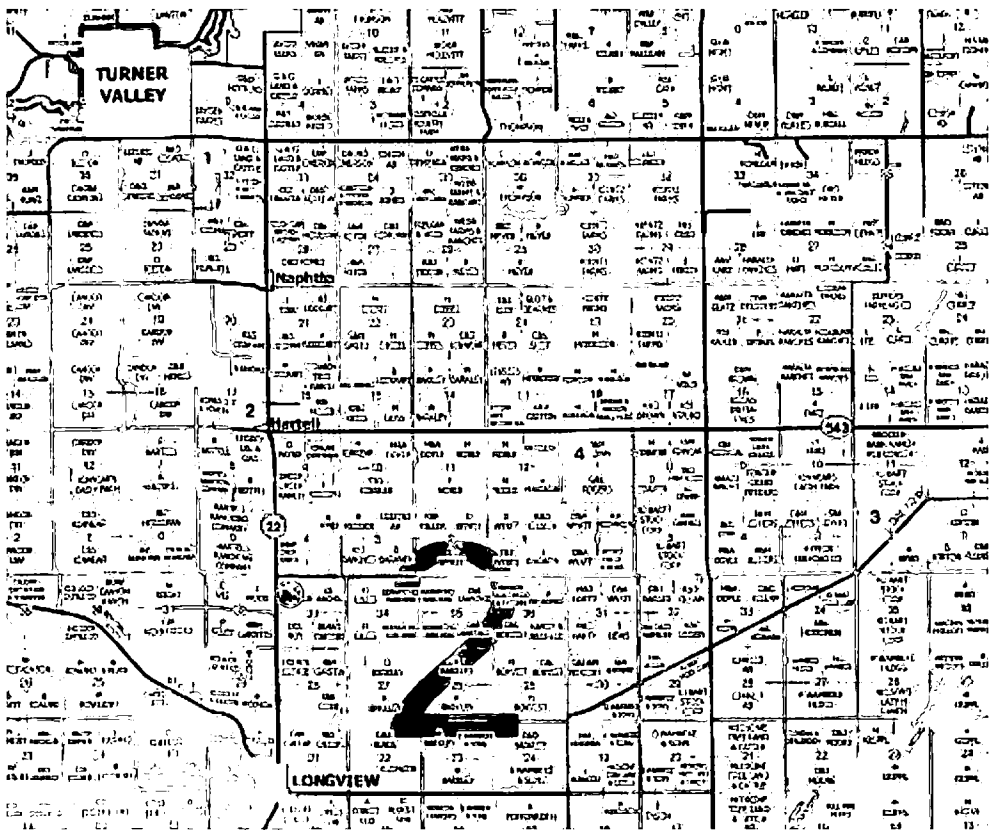
This index is adjusted up for time of sale and house size. Downward adjustment is made for location, basement development, garage, and superior out buildings that include a second house. A net downward adjustment is made, and a value in the range of \$1,650,000 is supported.

Adjusted values range from \$1,370,000 to \$1,770,000. All are relied on, and a value of \$1,600,000 is concluded. It is noted that this analysis treats the existing shop as an outbuilding rather than an industrial building that can serve as an automotive service building.

Land Value Estimate

The intended user of this report requested that the subject's land value be included in this appraisal. The sales below were taken from the Calgary Real Estate Board.

Land Index	Location	Sale Date	Sale Price	Acres	Price per Acre
1	NW ¼ 32-19-2W5	09/21	\$1,100,000	152	\$7,236
2	SE ¼ 17-19-2W5	08/21	\$550,000	120	\$4,640
3	NW ¼ 2-19-2W5	06/21	\$1,020,000	156	\$6,538
4	NW ¼ 7-19-1W5	03/21	\$700,000	150	\$4,667
Subject	NW ¼ 33-18-2W5			155.5	



Index 1 the sale of a parcel located adjacent to the Town of Turner Valley. The property has a mountain view, seasonal stream, some trees, and is partially cultivated. It is considered superior to the subject, particularly for being adjacent to a town. It sold for \$7,236/acre and supports a lesser value of about \$6,200/acre.

Index 2 the sale of a parcel 3.2 kilometers north of the subject along Highway 22. It is considered inferior to the subject as much of it slopes to the east. The mountain view can be seen from only part of the site. It sold for \$4,640/acre, and supports a value over \$5,000/acre.

Index 3 the sale of a parcel that is held under two titles. The property has a mountain view, water well, and is a mix of pasture and cultivated land. It is considered superior to the subject, It sold for \$6,538/acre, and supports a value under \$6,000/acre.

Index 4 is the sale of a parcel with mountain view, water well, and is mostly cultivated. It sold early in 2021, and as such warrant an upward time adjustment. It sold for \$4,667/acre, and supports a value over \$5,000/acre.

Sale prices define a range between \$4,640 and \$7,236 per acre. The range is narrowed by adjustments, and subject land value is estimated to be \$5,750 per acre or $(155.52 \times \$5,750/\text{acre})$ \$894,240. This is rounded to **\$890,000**.

Direct Control Redesignation for Portion of Site

The intended user of this report requested that the contributory value of the rezoning be estimated. The existing shop and 2.5 acres of land around it has been reclassified from Agricultural District to Direct Control District #27 to allow Home Based Business Major. The appraiser contacted the Planning Department at Foothills County, and they indicated that the existing shop and 2.5 acre has been redesignated Direct Control District #27. This permits the owner to operate a truck sales and service business on the identified 2.5 acres of the quarter section.

In the course of selling a rural property, matching an approved Direct Control Use and purchaser is not usually achieved. However, if such DC use has been granted, the precedent is helpful for obtaining approval for a similar use when a new owner takes the property.

The appraiser researched and found a few examples of properties that sold with specific use amendments. One was an automotive service shop that was sold from a car mechanic to a motor cycle service provider. Contributory value of the use amendment was less than \$100,000.

Foothills County Assessment was contacted, and they indicated that they do not assess site with zoning amendments differently than if the amendment was not there. They tend to find little data to justify their values. Some polling of Foothills County realtors familiar with the rural market was conducted. They tended to indicate that amendment uses tend to have little contributory value.

In the final analysis, it is concluded the reclassification of 2.5 acres to Direct Control adds a small contributory value. A value of \$75,000 is estimated.

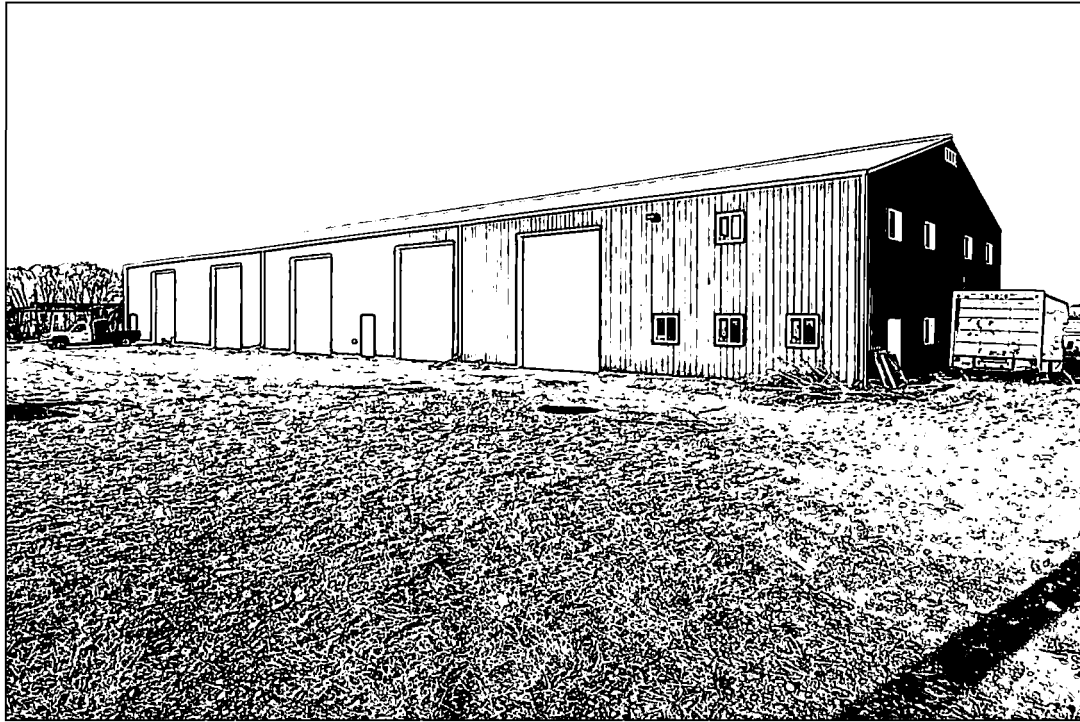
Contributory Value of Proposed 9,680 sq.ft. Shop

The contributory value of the proposed 9,680 sq.ft. shop is estimated by reference to agricultural property sales that included or comprised high quality agricultural structures. Three are presented and summarized on following pages. They are analyzed to estimate the contributory value of the proposed 9,680 sq.ft. shop.

They are referred to as Indices 6, 7 and 8.

INDEX NO. 6

LOCATION : 240010 Range Road 255, Wheatland County



LEGAL DESCRIPTION : Plan 0111503 Block 2
 LIST DATE : September 2021
 LIST PRICE : \$1,550,000
 SITE AREA : 74.29 acres
 LAND USE : Agricultural General District (AG)
 BUILDING AREA : 12,000 sq.ft.
 UNIT PRICE : \$67/sq.ft. building residual for above building only

Entire Property comprises a 74 acre parcel with two houses, a second 2,450 sq.ft. shop, and two older outbuildings. The entire property is listed for \$1,550,000. The largest building on the property comprises a 12,000 sq.ft. heated shop with 1,800 sq.ft. mezzanine and seven 18 foot overhead doors. Concrete floor has not been installed. Building is seven years old. Estimated contributory value, by the vendor, of the heated 12,000 sq.ft. shop is \$800,000 or \$67/sq.ft. (vendor's perceived contributory value is adopted for analysis rather than subtracting estimated value of land and other improvements and introducing that margin of error)

INDEX NO. 7

LOCATION : 245039 Township Road 240, Wheatland County

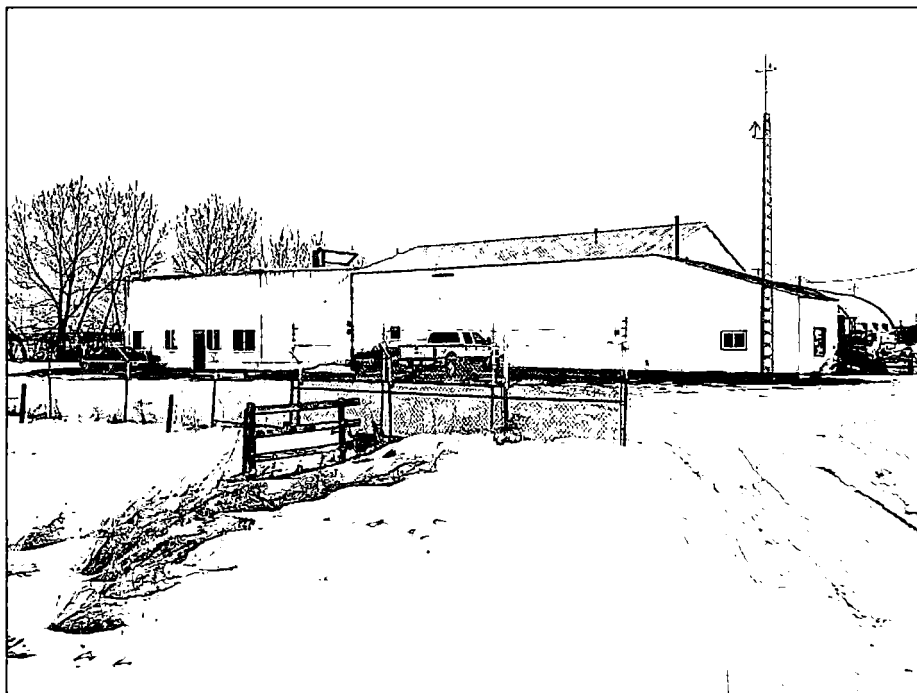


LEGAL DESCRIPTION	:	Ptn of NE ¼ & NW ¼ 30-23-24W4
SALE DATE	:	July 2021
SALE PRICE	:	\$695,000
TRANSFER NUMBER	:	211 146 939
SITE AREA	:	24.3 acres
LAND USE	:	Agricultural General District (AG)
BUILDING AREA	:	5,472 sq.ft.
UNIT PRICE	:	\$127/sq.ft.

Property is two years old, and incorporates slab floor, wood frame structure, overhead door, and a small amount of interior development. Exterior is metal cladding and metal roof cover, and interior walls and ceiling are lined with metal cladding. Building is equipped with radiant overhead heat units, 200 amp power, LED lighting, sump, and camera security. Site improvements include four acres of gravel and RV pads. Property is located adjacent to Eagle Lake.

INDEX NO. 8

LOCATION : 434202 1104 Drive E Rural Foothills County



LEGAL DESCRIPTION : Ptn SE ¼ 32-19-28W4
 SALE DATE : July 30, 2018
 SALE PRICE : \$1,140,000
 TRANSFER NUMBER : 181 159 214
 SITE AREA : 29.2 acres
 LAND USE : Agricultural(A)
 BUILDING AREA : 6,000 sq.ft.
 UNIT PRICE : \$46/sq.ft. building residual for above building only

Index 4 property comprises a 29.2 acre parcel with house and outbuildings. Property has Agricultural zoning with a site specific amendment. The property is located at 434202 1104 Drive East, Foothills County, and is exposed to Highway 2. The entire property sold for \$1,140,000 in June 2018. The largest building on the property a 6,000 sq.ft. heated office/shop building with concrete floor and metal cladding exterior. The structure was constructed in the 1980's. Estimated contributory value to the purchaser, of the 6,000 sq.ft. shop was reported to be \$250,000 to \$300,000. A value of \$275,000 or \$46/sq.ft. is adopted. (purchaser's perceived contributory value is adopted for analysis rather than subtracting estimated value of land and other improvements and introducing that margin of error)

Index No.	Sale Date	Sale Price	Bldg Size (sq.ft.)	Site Size (acres)	Overall Price Per sq.ft.	Building Residual Price per sq.ft.
6	05/21	\$800,000	12,000	74.29	n/a	\$67
7	05/21	\$695,000	5,472	24.3	\$127	\$87
8	07/18	\$275,000	6,000	29.2	n/a	\$46
Subject			25,600	148.42		

Indices reflect building residual prices between \$46 and \$87 per sq.ft. Indices are compared to the subject to estimate market value. Differences between the comparable properties and the subject are taken into account by adjusting for characteristics that are superior or inferior. Building residual prices reflect property sale price less land value. The building residual price allows comparison of properties with varying site sizes and locations.

These indices establish a base value for the subject. They include a new high quality building like Index 7. All indices on agricultural land require upward adjustment for most physical characteristics, but downward adjustment is required for building size. The subject is considered superior Index 6 and 8, and inferior to Index 7

In the final analysis, a unit value of \$65 per sq.ft. is concluded. Therefore, contributory value of the proposed shop as if complete is estimated to be (9,680 sq.ft. x \$65/sq.ft.) \$630,000. Cost new for such a building is understood to be in the range of this amount.

Conclusion & Summary

Property market value of the subject property comprising the house, existing shop, horse shelter, and corrals on the quarter section is estimated to be \$1,600,000, and with the Direct Control designation, its market value is estimated to be \$1,675,000. Land value is estimated to be \$890,000.

The proposed new 9,680 sq.ft. shop, as if complete, has been estimated to have a contributory value of \$630,000.

Therefore, the estimated market value of the existing subject property with the added new shop as if completed is estimated to have market value of **\$2,300,000 rounded**.

CERTIFICATION

RE: NW ¼ 33-18-2W5 located in MD Foothills, Alberta (Title #201076087)

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the subject matter, the property that is the subject of this report, and no personal interest with respect to the parties involved.
- I am not in a conflict of interest to undertake this assignment.
- I have no bias with respect to the subject matter, the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermined results, the amount of the value estimate, or a conclusion favouring the client.
- My analysis, opinions and conclusions were developed, and this report has been prepared, in in conformity with the Canadian Uniform Standards of Professional Appraisal Practice.
- I have the knowledge, skills and experience to complete the assignment competently.
- No one provided professional assistance or third party professional assistance to the person signing this report.
- As of the date of this report, the undersigned has fulfilled the requirements of The Appraisal Institute of Canada Continuing Professional Development Program for Members. I am a licensed real estate appraiser in Alberta as a member of the Real Estate Council of Alberta as member #301402
- The undersigned is a Member in good standing of the Appraisal Institute of Canada and Real Estate Council of Alberta.
- I personally inspected the subject property of this report on September 15, 2021. The effective date of this appraisal is September 15, 2021. This report was signed, and is dated October 7, 2021.

Based upon the data, analyses and conclusions contained herein, the current market value of the interest in the property described, as if complete, as at September 15, 2021, is estimated at

TWO MILLION THREE HUNDRED THOUSAND DOLLARS

\$2,300,000

Respectfully submitted,

Furano Appraisal & Advisory Ltd.

A handwritten signature in cursive script, appearing to read "Lou Furano".

Lou Furano, B.Comm, AACI, P.App

ASSUMPTIONS AND LIMITING CONDITIONS

This report has been prepared at the request of Todd Bailey for the purpose of providing an estimate of the market value of NW ¼ -33-18-2W5 located in Foothills County, Alberta. Intended use of the report is to assist with obtaining financing. It is not reasonable for any party other than the party to whom this report is addressed to rely on this appraisal without first obtaining authorization from Todd Bailey and the author of this report. This report has been prepared on the assumption that no other party will rely on it for any other purpose and all liability to all such parties is denied.

The estimated market value of the property which is the object of this appraisal pertains to the value of the fee simple estate in the real property, as described in this report.

The estimate of value contained in this report is founded upon a thorough and diligent examination and analysis of information gathered and obtained from numerous sources. Certain information has been accepted at face value; especially if there was no reason to doubt its accuracy. Other empirical data required interpretive analysis pursuant to the objective of this appraisal. Certain inquiries were outside the scope of this mandate. For these reasons, the analyses, opinions and conclusions contained in this report are subject to the following contingent and limiting conditions.

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP") and the following conditions:

1. This report is prepared at the request of the client and for the specific use referred to herein. It is not reasonable for any other party to rely on this appraisal without first obtaining written authorization from the client, the authors, subject to the qualification below. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed.
2. Because market conditions, including economic, social and political factors change rapidly and, on occasion, without warning, the market value estimate expressed as of the date of this appraisal cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.

3. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The appraiser assumes that the title is good and marketable and free and clear of all encumbrances including leases, encroachments, restrictions or covenants except as may be noted in this report and that there are no pledges, charges, liens or special assessments outstanding against the property other than as described herein. The property is appraised on the basis of it being under responsible ownership. The property has been valued on the basis that there is no action, suit, proceeding or investigation pending or threatened against the real estate or affecting the titular owners of the property, at law or in equity or before or by any federal, provincial, municipal department, commission, board, bureau, agency or instrumentality which may adversely influence the value of the real estate herein appraised. The property has been valued on the basis that all contributions and/or utility installation costs, site servicing, construction or other costs (both direct and indirect), levies, municipal taxes, rates, assessments or other similar charges which may be or become charges against the property, or may be or become due to any municipal or other governmental authority, have been paid in full as at the date of this appraisal.
4. The subject property is presumed to comply with government regulations including zoning, fire department regulations, building codes, and health regulations and, if it doesn't comply, its non-compliance may affect market value.
5. No survey of the property has been made. Any sketch in the appraisal report shows approximate dimensions and is included only to assist the reader of the report in visualizing the property. Description of the property is provided to help the reader visualize it. It should not be relied on for precise or technical information, nor specifics on construction materials, construction methods, or dimensions.
6. This report is completed on the basis that testimony or appearance in court concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and the provision of appropriate compensation.

7. Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical structure, mechanical or other operating systems, its foundation, etc.) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.
8. The appraiser is not qualified to comment on environmental issues that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the subject property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct.
10. The term “inspection” refers to observation and reporting of the general material finishing and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the CUSPAP.

11. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the appraiser's privacy policy and in accordance with the PIPEDA.
12. The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.
13. Written consent from the authors must be obtained before any part of the appraisal report can be used for any use by anyone except the client and other intended users identified in the report. Where the client is the mortgagee and the loan is insured, liability is extended to the mortgage insurer. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee.
14. This appraisal report, its content and all attachments/addendums and their content are the property of the author. The client, intended users and any appraisal facilitator are prohibited, strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
15. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied upon without fault.

16. The data and statistical information contained herein were gathered from reliable sources and are believed to be correct. However, these data are not guaranteed for accuracy, even though every attempt has been made to verify the authenticity of this information as much as possible.
17. The estimated market value of the property does not necessarily represent the value of the underlying shares, if the asset is so held, as the value of the shares could be affected by other considerations. Further, the estimated market value does not include consideration of any extraordinary financing, rental or income guarantees, special tax considerations or any other atypical benefits which may influence the ordinary market value of the property, unless the effects of such special conditions, and the extent of any special value that may arise there from, have been described and measured in this report.
18. Should title to the real estate presently be held (or changed to a holding) by a partnership, in a joint venture, through a co-tenancy arrangement or by any other form of divisional ownership, the value of any fractional interest associated therewith may be more or less than the percentage of ownership appearing in the contractual agreement pertaining to the structure of such divisional ownership.
19. This report is only valid if it bears the original signature(s) of the author(s).
20. These Assumptions and Limiting Conditions shall be read with all changes in number and gender as may be appropriate or required by the context or by the particulars of this mandate
21. Where the intended use of this report is for financing or mortgage lending, it is a condition of reliance on this report that the authorized user has or will conduct loan underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct such loan underwriting and due diligence in accordance with the standards set out by the Office of the Superintendent of Financial Institutions (OSFI) Residential Mortgage Underwriting Practices and Procedures B-20, even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition.

Addenda



Front (East) Side of House



Back (West) Side of House



South Side of House



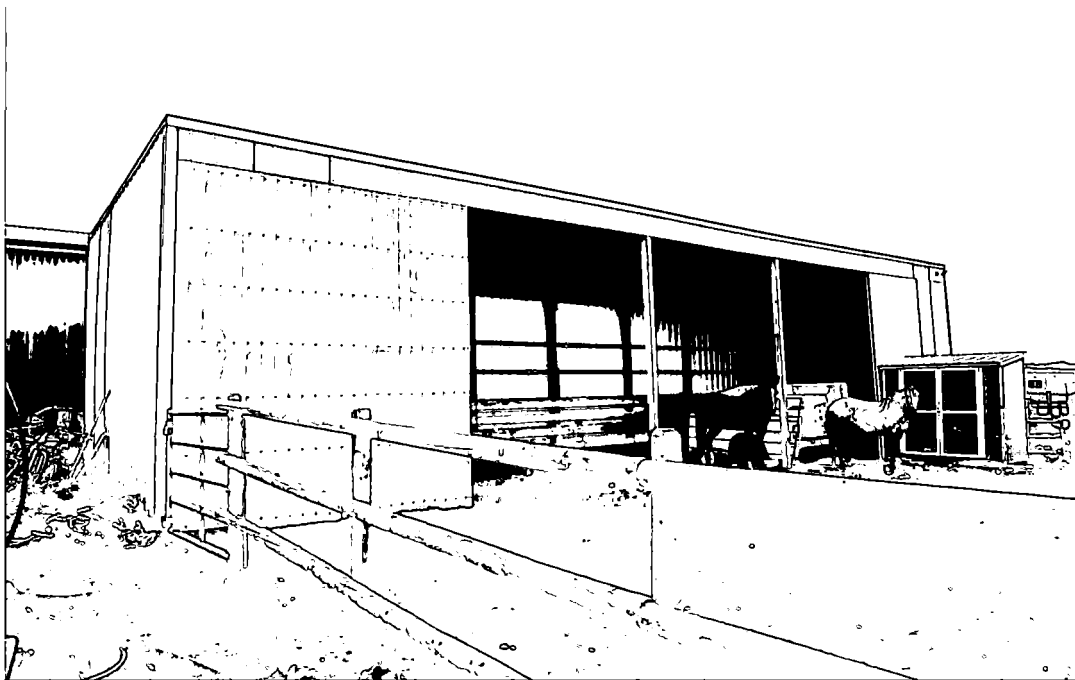
North Side of House



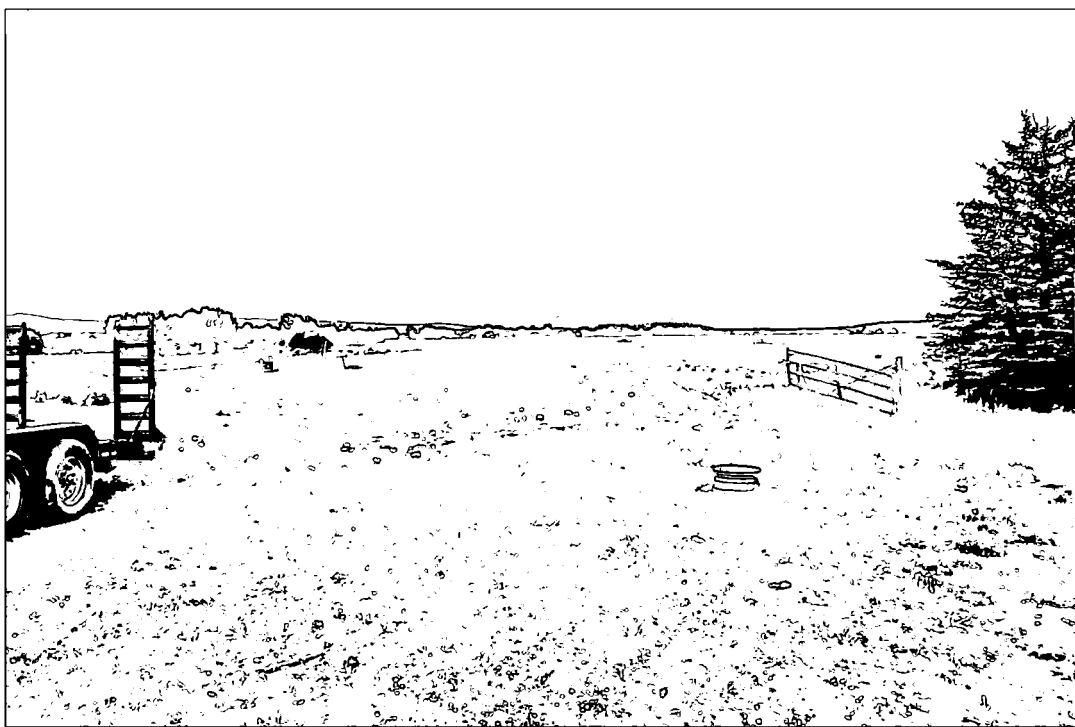
South Side of Shop



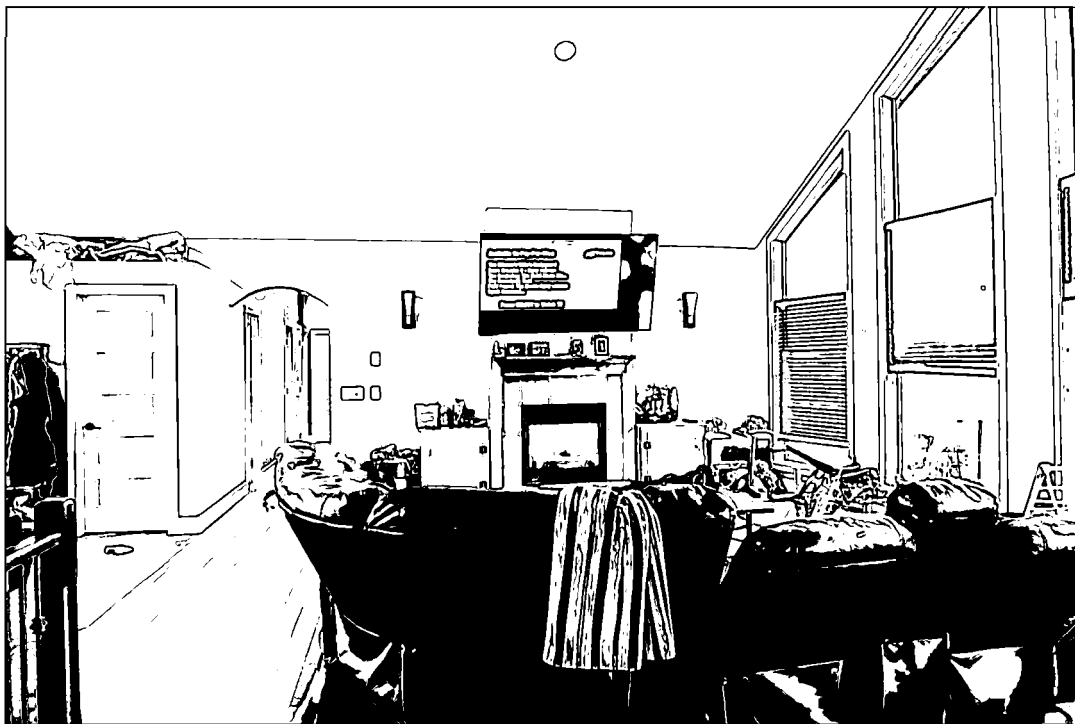
North Side of Shop



Horse Shelter



Site Area of Proposed New Shop



Livingroom



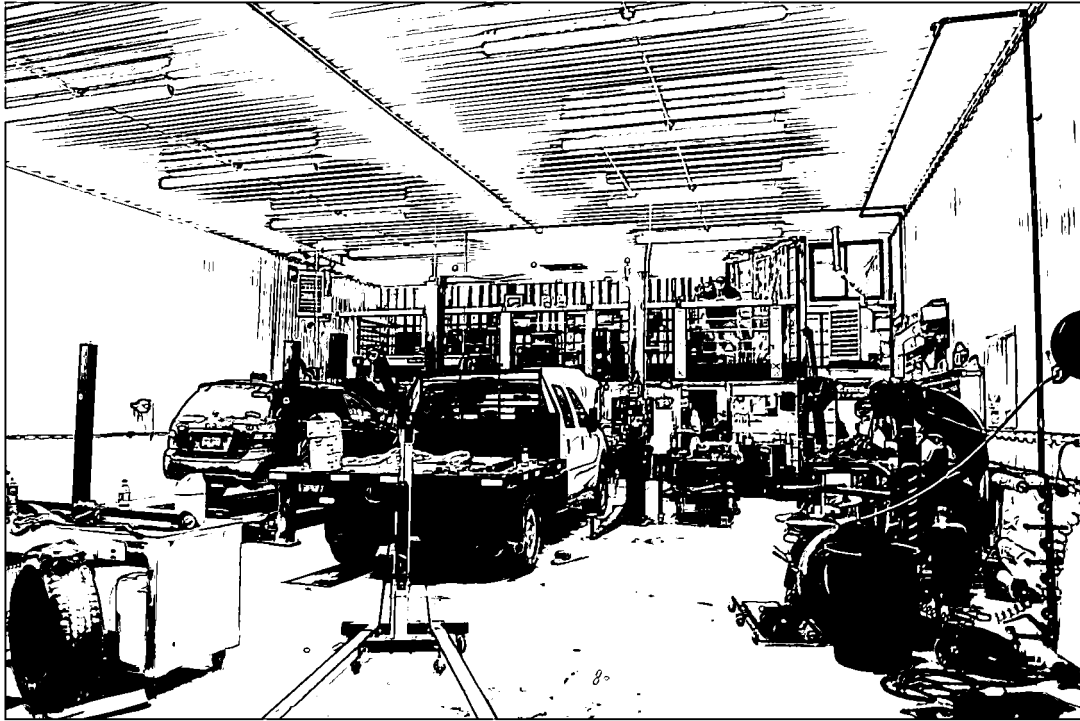
Kitchen & Dining Area



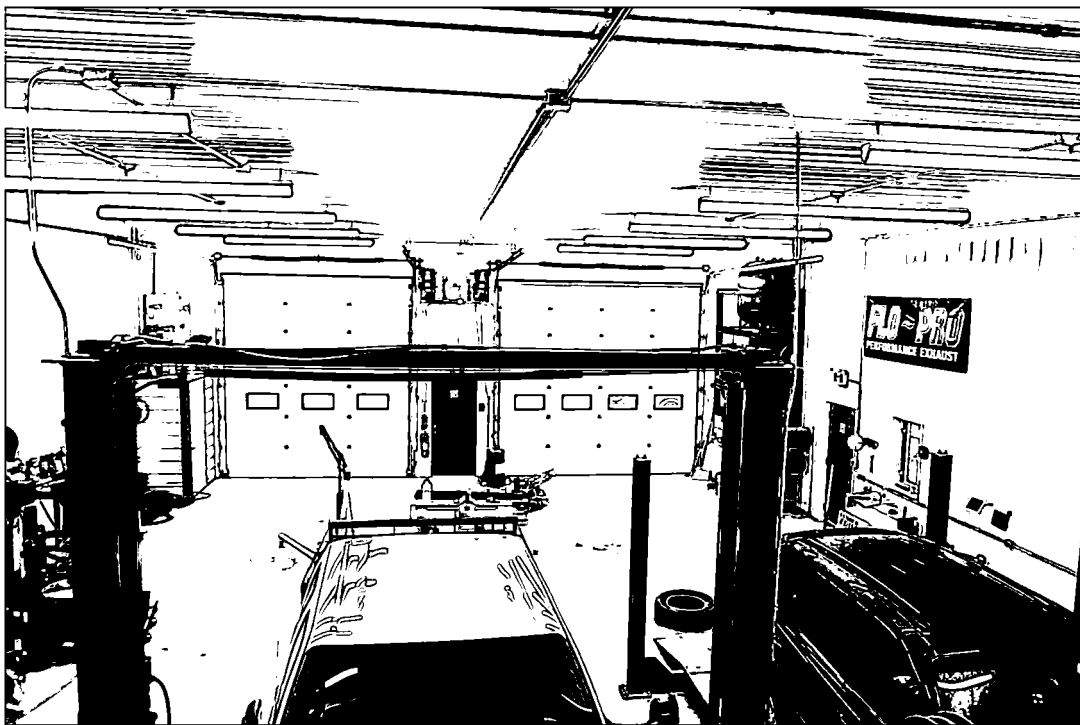
Bedroom



Basement



Existing Shop



Existing Shop



LAND TITLE CERTIFICATE

S
LINC SHORT LEGAL TITLE NUMBER
0028 372 241 5;2;18;33;NW 201 076 087

LEGAL DESCRIPTION

MERIDIAN 5 RANGE 2 TOWNSHIP 18
SECTION 33
QUARTER NORTH WEST
CONTAINING 64.7 HECTARES (160 ACRES) MORE OR LESS
EXCEPTING THEREOUT:
PLAN NUMBER HECTARES (ACRES) MORE OR LESS
ROAD 0011043 1.815 4.48
EXCEPTING THEREOUT ALL MINES AND MINERALS
AND THE RIGHT TO WORK THE SAME

ESTATE: FEE SIMPLE

MUNICIPALITY: FOOTHILLS COUNTY

REFERENCE NUMBER: 081 387 203

REGISTERED OWNER(S)				
REGISTRATION	DATE (DMY)	DOCUMENT TYPE	VALUE	CONSIDERATION
201 076 087	22/04/2020	TRANSFER OF LAND	\$900,000	\$900,000

OWNERS

TODD BAILEY
OF 144133-530 AVE W
FOOTHILLS
ALBERTA T0L 1H0

ENCUMBRANCES, LIENS & INTERESTS

REGISTRATION		
NUMBER	DATE (D/M/Y)	PARTICULARS
4871GB .	21/09/1949	CAVEAT RE : MINES AND MINERALS LEASE INTEREST CAVEATOR - CRESCENT POINT ENERGY CORP. 2000, 585 - 8 AVENUE SW

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2

201 076 087

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

ATTN: VICE PRESIDENT, LAND & CORPORATE DEVELOPMENT
CALGARY

ALBERTA T2P1G1

(DATA UPDATED BY: TRANSFER OF CAVEAT
011075651)

(DATA UPDATED BY: CHANGE OF NAME 021076324)

(DATA UPDATED BY: TRANSFER OF CAVEAT
061441282)

(DATA UPDATED BY: TRANSFER OF CAVEAT
071373616)

(DATA UPDATED BY: TRANSFER OF CAVEAT
101020221)

(DATA UPDATED BY: CHANGE OF NAME 111139683)

(DATA UPDATED BY: CHANGE OF ADDRESS 111292515)

(DATA UPDATED BY: TRANSFER OF CAVEAT
151241147)

2151L . 23/01/1962 PUBLIC UTILITIES BOARD ORDER
IN FAVOUR OF - ATCO GAS AND PIPELINES LTD.
ATT: LAND DEPT
6TH FLR, 909 11TH AVE SW
CALGARY
ALBERTA T2R1L8
"PORTION OUTLINED IN RED ON PLAN ATTACHED"
(DATA UPDATED BY: TRANSFER OF PUBLIC
UTILITIES BOARD ORDER 131080430)

3405IS . 03/04/1963 CAVEAT
RE : EASEMENT
CAVEATOR - CRESCENT POINT ENERGY CORP.
SUITE 2000, 585-8 AVE SW
ATTN: VICE PRESIDENT, LAND AND CORPORATE
DEVELOPMENT
CALGARY
ALBERTA T2P1G1
AFFECTED LAND: 5;2;18;33;NW
(DATA UPDATED BY: TRANSFER OF CAVEAT
101020275)
(DATA UPDATED BY: CHANGE OF NAME 141020515)
(DATA UPDATED BY: TRANSFER OF CAVEAT
151241130)

2558KB . 23/01/1968 PUBLIC UTILITIES BOARD ORDER
IN FAVOUR OF - PLAINS MIDSTREAM CANADA ULC.
1400, 607 8 AVE SW
CALGARY
ALBERTA T2A0A7
AFFECTED PLAN: 4782JK
"3.65 ACRES, ORDER NO. 28328"

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 3

201 076 087

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

(DATA UPDATED BY: TRANSFER OF PUBLIC
UTILITIES BOARD ORDER 031414425)
(DATA UPDATED BY: TRANSFER OF PUBLIC
UTILITIES BOARD ORDER 081090404)

8348KF . 26/02/1969 CAVEAT

RE : UTILITY RIGHT OF WAY
CAVEATOR - CONOCOPHILLIPS CANADA RESOURCES CORP.
BOX 130
STN M
CALGARY
ALBERTA T2P2H7

(DATA UPDATED BY: TRANSFER OF CAVEAT
011074984)
(DATA UPDATED BY: CHANGE OF NAME 021042012)
(DATA UPDATED BY: CHANGE OF NAME 081386190)

761 012 470 03/02/1976 CAVEAT

RE : LEASE INTEREST
CAVEATOR - CRESCENT POINT ENERGY CORP.
SUITE 2000,585-8 AVE SW
ATTN:VICE PRESIDENT, LAND AND CORPORATE
DEVELOPMENT
CALGARY
ALBERTA T2P1G1

(DATA UPDATED BY: TRANSFER OF CAVEAT
091368631)
(DATA UPDATED BY: TRANSFER OF CAVEAT
101103719)
(DATA UPDATED BY: CHANGE OF NAME 111139530)
(DATA UPDATED BY: CHANGE OF ADDRESS 111293503)
(DATA UPDATED BY: TRANSFER OF CAVEAT
151234941)

761 012 471 03/02/1976 CAVEAT

RE : EASEMENT
CAVEATOR - CRESCENT POINT ENERGY CORP.
SUITE 2000,585-8 AVE SW
ATTN:VICE PRESIDENT, LAND AND CORPORATE
DEVELOPMENT
CALGARY
ALBERTA T2P1G1

(DATA UPDATED BY: TRANSFER OF CAVEAT
091368631)
(DATA UPDATED BY: TRANSFER OF CAVEAT
101172646)
(DATA UPDATED BY: CHANGE OF NAME 111139530)
(DATA UPDATED BY: CHANGE OF ADDRESS 111293503)
(DATA UPDATED BY: TRANSFER OF CAVEAT

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 4

REGISTRATION

201 076 087

NUMBER DATE (D/M/Y) PARTICULARS

151234941)

771 078 003 15/06/1977 CAVEAT

RE : EASEMENT

CAVEATOR - CRESCENT POINT ENERGY CORP.

SUITE 2000,585-8 AVE SW

ATTN:VICE PRESIDENT, LAND AND CORPORATE
DEVELOPMENT

CALGARY

ALBERTA T2P1G1

(DATA UPDATED BY: CHANGE OF NAME 071013382)

(DATA UPDATED BY: TRANSFER OF CAVEAT

101019707)

(DATA UPDATED BY: CHANGE OF NAME 111156751)

(DATA UPDATED BY: CHANGE OF ADDRESS 121012963)

(DATA UPDATED BY: TRANSFER OF CAVEAT

151227622)

771 078 004 15/06/1977 CAVEAT

RE : LEASE INTEREST

CAVEATOR - CRESCENT POINT ENERGY CORP.

SUITE 2000,585-8 AVE SW

ATTN:VICE PRESIDENT, LAND AND CORPORATE
DEVELOPMENT

CALGARY

ALBERTA T2P1G1

(DATA UPDATED BY: CHANGE OF NAME 071013382)

(DATA UPDATED BY: TRANSFER OF CAVEAT

101019707)

(DATA UPDATED BY: CHANGE OF NAME 111156756)

(DATA UPDATED BY: CHANGE OF ADDRESS 121013175)

(DATA UPDATED BY: TRANSFER OF CAVEAT

151227622)

771 078 005 15/06/1977 CAVEAT

RE : LEASE INTEREST

CAVEATOR - CRESCENT POINT ENERGY CORP.

SUITE 2000,585-8 AVE SW

ATTN:VICE PRESIDENT, LAND AND CORPORATE
DEVELOPMENT

CALGARY

ALBERTA T2P1G1

(DATA UPDATED BY: CHANGE OF NAME 071013349)

(DATA UPDATED BY: TRANSFER OF CAVEAT

101019707)

(DATA UPDATED BY: CHANGE OF NAME 111156756)

(DATA UPDATED BY: CHANGE OF ADDRESS 121013175)

(DATA UPDATED BY: TRANSFER OF CAVEAT

151227622)

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 5

201 076 087

REGISTRATION

NUMBER	DATE (D/M/Y)	PARTICULARS
781 100 872	27/06/1978	<p>CAVEAT</p> <p>RE : ORDER</p> <p>CAVEATOR - CRESCENT POINT ENERGY CORP.</p> <p>SUITE 2000,585-8 AVE SW</p> <p>ATTN:VICE PRESIDENT, LAND AND CORPORATE DEVELOPMENT</p> <p>CALGARY</p> <p>ALBERTA T2P1G1</p> <p>(DATA UPDATED BY: TRANSFER OF CAVEAT 101019850)</p> <p>(DATA UPDATED BY: CHANGE OF NAME 111146533)</p> <p>(DATA UPDATED BY: CHANGE OF ADDRESS 121013378)</p> <p>(DATA UPDATED BY: TRANSFER OF CAVEAT 151228724)</p>
861 144 486	03/09/1986	<p>CAVEAT</p> <p>RE : RIGHT OF WAY AGREEMENT</p> <p>CAVEATOR - CANADIAN WESTERN NATURAL GAS COMPANY LIMITED.</p> <p>909 - 11TH AVE. S.W., CALGARY</p> <p>ALBERTA</p> <p>AGENT - JOHN M WILLSSHER</p>
971 161 531	06/06/1997	<p>CAVEAT</p> <p>RE : ROADWAY</p> <p>CAVEATOR - HER MAJESTY THE QUEEN IN RIGHT OF ALBERTA</p> <p>AS REPRESENTED BY MINISTER OF TRANSPORTATION AND UTILITIES</p> <p>3RD FLOOR,909-3RD AVE.NORTH</p> <p>LETHBRIDGE</p> <p>ALBERTA T1H0H5</p> <p>AGENT - ALEC WATERS</p>
981 284 419	15/09/1998	<p>CAVEAT</p> <p>RE : UTILITY RIGHT OF WAY</p> <p>CAVEATOR - CANADIAN WESTERN NATURAL GAS COMPANY LIMITED.</p> <p>909 - 11 AVENUE,S.W.</p> <p>CALGARY</p> <p>ALBERTA T2R1L8</p> <p>AGENT - MARSHALL MCCARTHY</p>
001 309 427	30/10/2000	<p>CAVEAT</p> <p>RE : SURFACE LEASE UNDER 20 ACRES</p> <p>CAVEATOR - CRESCENT POINT ENERGY CORP.</p> <p>SUITE 2000,585-8 AVE SW</p> <p>ATTN:VICE PRESIDENT, LAND AND CORPORATE DEVELOPMENT</p>

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 6

201 076 087

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

CALGARY

ALBERTA T2P1G1

(DATA UPDATED BY: TRANSFER OF CAVEAT
101020159)

(DATA UPDATED BY: CHANGE OF NAME 111122407)

(DATA UPDATED BY: CHANGE OF ADDRESS 121013055)

(DATA UPDATED BY: TRANSFER OF CAVEAT
151234997)

001 336 823 23/11/2000 CAVEAT

RE : RIGHT OF WAY AGREEMENT

CAVEATOR - CRESCENT POINT ENERGY CORP.

SUITE 2000,585-8 AVE SW

ATTN:VICE PRESIDENT, LAND AND CORPORATE
DEVELOPMENT

CALGARY

ALBERTA T2P1G1

(DATA UPDATED BY: TRANSFER OF CAVEAT
101020159)

(DATA UPDATED BY: CHANGE OF NAME 111122407)

(DATA UPDATED BY: CHANGE OF ADDRESS 121013055)

(DATA UPDATED BY: TRANSFER OF CAVEAT
151234998)

201 061 324 26/03/2020 CAVEAT

RE : PURCHASERS INTEREST

CAVEATOR - TODD BAILEY

ALTADORE LAW

201, 1680 - 40 AVE SW

CALGARY

ALBERTA T2T6T8

AGENT - ATIF ALI

201 076 088 22/04/2020 MORTGAGE

MORTGAGEE - OLYMPIA TRUST COMPANY.

P.O. BOX 2581, STN CENTRAL

CALGARY

ALBERTA T2P1C8

ORIGINAL PRINCIPAL AMOUNT: \$902,000

201 076 089 22/04/2020 CAVEAT

RE : ASSIGNMENT OF RENTS AND LEASES

CAVEATOR - OLYMPIA TRUST COMPANY.

P.O. BOX 2581, STN CENTRAL

CALGARY

ALBERTA T2P1C8

AGENT - ATIF ALI

201 090 790 14/05/2020 CAVEAT

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 7

201 076 087

REGISTRATION

NUMBER DATE (D/M/Y) PARTICULARS

RE : AMENDING AGREEMENT
CAVEATOR - OLYMPIA TRUST COMPANY.
P.O. BOX 2581, STN CENTRAL
CALGARY
ALBERTA T2P1C8
AGENT - ATIF ALI.

TOTAL INSTRUMENTS: 020

PENDING REGISTRATION QUEUE

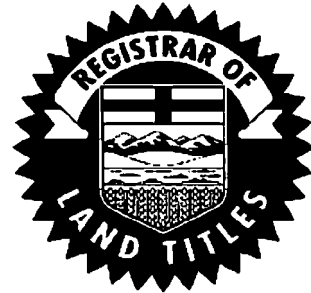
DRR NUMBER	RECEIVED DATE (D/M/Y)	CORPORATE LLP TRADENAME	LAND ID
C0066CR	01/10/2021	EXPLORE SURVEYS INC 587-215-4776 CUSTOMER FILE NUMBER: X045621	
001		MISCELLANEOUS PLAN	0028 372 241

TOTAL PENDING REGISTRATIONS: 001

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 5 DAY OF
OCTOBER, 2021 AT 07:40 P.M.

ORDER NUMBER: 42785920

CUSTOMER FILE NUMBER:



END OF CERTIFICATE

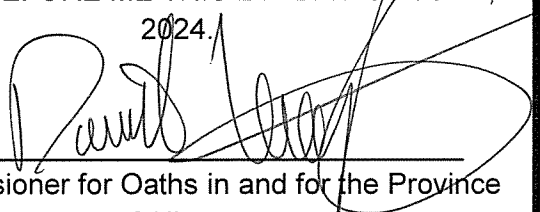
THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED
FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER,
SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM
INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION,
APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS
PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING
OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

IF MORE INFORMATION IS REQUIRED ON A PENDING REGISTRATION WHERE
THE CONTACT INFORMATION DISPLAYS N/A PLEASE EMAIL LTO@GOV.AB.CA.

THIS IS **EXHIBIT "L"** REFERRED TO IN THE
AFFIDAVIT OF **MARLENE J. STARENKY**.

SWORN BEFORE ME THIS 24th DAY OF JUNE,
2024.



A Commissioner for Oaths in and for the Province
of Alberta

David LeGeyt
Barrister & Solicitor

COURT FILE NUMBER 2401-07573

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

APPLICANT ROYAL BANK OF CANADA

RESPONDENTS FOOTHILLS TRUCK SALES & SERVICES LTD. and TODD BAILEY

DOCUMENT **CONSENT TO ACT**

Clerk's Stamp:

ADDRESS FOR SERVICE
AND CONTACT
INFORMATION OF PARTY
FILING THIS DOCUMENT

Burnet, Duckworth & Palmer LLP
2400, 525 – 8 Avenue SW
Calgary, Alberta T2P 1G1
Lawyer: David LeGeyt / Karim Ismail

Phone Number: (403) 260-0210 / (403) 260-0256
Fax Number: (403) 260-0332
Email Address: dlegeyt@bdplaw.com/kismail@bdplaw.com
File No. 55398-92

CONSENT TO ACT

BDO CANADA LIMITED hereby consents to act as receiver and manager over the property, assets, and lands of **FOOTHILLS TRUCK SALES & SERVICES LTD.** and certain lands of **TODD BAILEY** if so appointed by this Honourable Court.

DATED at Calgary, Alberta this 20th day of June, 2024.

BDO CANADA LIMITED

Per:



Kevin Meyler, Senior Vice President