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20, 2025

COURT FILE NUMBER

2503-13640

COURT

COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE

EDMONTON

MATTER

IN THE MATTER OF THE COMPANIES
CREDITORS ARRANGEMENT ACT, RSC
1985, c. C-36, as amended

AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF
COAST AUTOMOTIVE GROUP INC., COAST
NORTH VANCOUVER AUTO SALES INC.,
COAST AUTO DRAYTON INC., AND 2461765
ALBERTA LTD.

APPLICANT

BDO CANADA LIMITED, IN ITS CAPACITY AS
COURT-APPOINTED MONITOR OF COAST
AUTOMOTIVE GROUP INC., COAST NORTH
VANCOUVER AUTO SALES INC., COAST
AUTO DRAYTON INC., AND 2461765
ALBERTA LTD.

DOCUMENT

APPROVAL AND VESTING ORDER
(North Vancouver)

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF PARTY
FILING THIS DOCUMENT

BLAKE CASSELS & GRAYDON LLP
3500, 855 2nd Street SW
Calgary, Alberta T2P 4J8

Attention: Kelly Bourassa / Aryo Shalviri
Telephone: (403) 260-9697 / (416)863-2962
Email: kelly.bourassa@blakes.com /
aryo.shalviri@blakes.com

DATE ON WHICH ORDER WAS PRONOUNCED: October 16, 2025

LOCATION WHERE ORDER WAS PRONOUNCED: Edmonton Law Courts

NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice D.R. Mah

UPON THE APPLICATION by BDO Canada Limited in its capacity as the Court-appointed monitor (the "**Monitor**") of Coast Automotive Group Inc., Coast North Vancouver Auto Sales Inc., Coast Auto Drayton Inc. and 2461765 Alberta Ltd. (collectively, the "**Debtors**") for an order approving the sale transaction (the "**Transaction**") contemplated by a purchase and sale agreement (as may be amended from time to time in accordance with the terms hereof, the "**Sale**

Agreement") between Coast North Vancouver Auto Sales Inc., as vendor (the "**Vendor**") and 1559054 B.C. Ltd. as purchaser (the "**Purchaser**") dated as of October 6, 2025 and appended to the second report of the Monitor dated October 8, 2025 (the "**Second Report**"), and vesting in the Purchaser the Vendor's right, title and interest in and to the Purchased Assets (as defined in the Sale Agreement);

AND UPON HAVING READ the Amended and Restated Initial Order dated July 25, 2025 (the "**ARIO**"), the First Report of the Monitor dated July 21, 2025, the Second Report, the confidential supplement to the Second Report and the Affidavit of Service; **AND UPON HEARING** the submissions of counsel for the Monitor, and any other interested parties that may be present, no one appearing for any other person on the service list, although properly served as appears from the Affidavit of Service, filed;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE

1. Service of notice of this application and supporting materials is hereby declared to be good and sufficient, no other person is required to have been served with notice of this application and time for service of this application is abridged to that actually given.

CAPITALIZED TERMS

2. Capitalized terms used but not otherwise defined in this Order shall have the meaning given to such terms in the Sale Agreement.

APPROVAL OF TRANSACTION

3. The Transaction is hereby approved and execution of the Sale Agreement by the Monitor, on behalf of the Vendor, is hereby authorized and approved, with such minor amendments as the Monitor, on behalf of the Vendor, and the Purchaser may agree. The Monitor, on behalf of the Vendor, is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for completion of the Transaction and conveyance of the Purchased Assets to the Purchaser pursuant to the Sale Agreement.

VESTING OF PROPERTY

4. Subject to the terms of the Sale Agreement, upon delivery of a Monitor's certificate to the Purchaser substantially in the form set out in **Schedule "A"** hereto (the "**Monitor's Certificate**"), all of the Vendor's right, title and interest in and to the Purchased Assets shall vest absolutely in the name of the Purchaser, free and clear of and from any and all caveats, security interests, hypothecs, pledges, mortgages, liens, trusts or deemed trusts, reservations of ownership, royalties, options, rights of pre-emption, privileges, interests, assignments, actions, judgements, executions, levies, taxes, writs of enforcement, charges, or other claims, whether contractual, statutory, financial, monetary or otherwise, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, "**Claims**") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the ARIO;
- (b) any charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Alberta), *Personal Property Security Act* (British Columbia) or any other personal property registry system; and
- (c) any liens or claims of lien under the *Builders' Lien Act* (British Columbia).

(all of which are collectively referred to as the "**Encumbrances**", which term shall not include the Permitted Encumbrances set out on **Schedule "B"** hereto) and for greater certainty, this Court orders that all Claims including Encumbrances other than Permitted Encumbrances, affecting or relating to the Purchased Assets are hereby expunged, discharged and terminated as against the Purchased Assets.

5. Upon delivery of the Monitor's Certificate, and upon filing of a certified copy of this Order, together with any applicable registration fees, all governmental authorities including those referred to below in this paragraph (collectively, "**Governmental Authorities**") are hereby authorized, requested and directed to accept delivery of such Monitor's Certificate and certified copy of this Order as though they were originals and to register such transfers, interest authorizations, discharges and discharge statements of conveyance as may be required to convey to the Purchaser clear title to the Purchased Assets subject only to Permitted Encumbrances. Without limiting the foregoing, the Registrar of the Alberta

Personal Property Registry, the Registrar of the British Columbia Personal Property Registry and any other applicable registrar shall and is hereby directed to forthwith cancel and discharge any registrations at the Alberta Personal Property Registry, British Columbia Personal Property Registry, or any other applicable registry, (whether made before or after the date of this Order) claiming security interests (other than Permitted Encumbrances) in the estate or interest of the Vendor in any of the Purchased Assets which are of a kind prescribed by applicable regulations as serial-number goods.

6. In order to effect the transfers and discharges described above, this Court directs any Governmental Authorities to take such steps as are necessary to give effect to the terms of this Order and the Sale Agreement. Presentment of this Order and the Monitor's Certificate shall be the sole and sufficient authority for the Governmental Authorities to make and register transfers of title or interest and cancel and discharge registrations against any of the Purchased Assets of any Claims including Encumbrances but excluding Permitted Encumbrances.
7. The Monitor is authorized and directed to undertake and perform such activities and obligations as are contemplated to be undertaken or performed by the Monitor (whether on its own accord or for and on behalf of the Vendor) pursuant to this Order or the Sale Agreement or any ancillary document related thereto and shall incur no liability in connection therewith, save and except for any gross negligence or wilful misconduct on its part. Except as provided in the Sale Agreement, no further authorization, approval or other action by and no notice to or filing with any Governmental Authority or regulatory body exercising jurisdiction over the Purchased Assets is required for the due execution, delivery and performance by the Vendor of the Sale Agreement.
8. For the purposes of determining the nature and priority of Claims, net proceeds from sale of the Purchased Assets (the "**North Van Net Proceeds**") (to be held in an interest bearing trust account by the Monitor) shall stand in the place and stead of the Purchased Assets from and after delivery of the Monitor's Certificate and all Claims including Encumbrances (but excluding Permitted Encumbrances) shall not attach to, encumber or otherwise form a charge, security interest, lien, or other Claim against the Purchased Assets and may be asserted against the North Van Net Proceeds with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets

had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

9. Except as expressly provided for in the Sale Agreement or by section 97 of the *British Columbia Employment Standards Act*, the Purchaser shall not, by completion of the Transaction, have liability of any kind whatsoever in respect of any Claims against the Vendor.
10. Upon completion of the Transaction, the Vendor and all persons who claim by, through or under the Vendor in respect of the Purchased Assets, and all persons or entities having any Claims of any kind whatsoever in respect of the Purchased Assets, save and except for persons entitled to the benefit of the Permitted Encumbrances, shall stand absolutely and forever barred, estopped and foreclosed from and permanently enjoined from pursuing, asserting or claiming any and all right, title, estate, interest, royalty, rental, equity of redemption or other Claim whatsoever in respect of or to the Purchased Assets, and to the extent that any such persons or entities remain in the possession or control of any of the Purchased Assets, or any artifacts, certificates, instruments or other indicia of title representing or evidencing any right, title, estate, or interest in and to the Purchased Assets, they shall forthwith deliver possession thereof to the Purchaser.
11. The Purchaser shall be entitled to enter into and upon, hold and enjoy the Purchased Assets for its own use and benefit without any interference of or by the Vendor, or any person claiming by, through or against the Vendor, other than the Permitted Encumbrances.
12. The Monitor is directed to file with the Court a copy of the Monitor's Certificate forthwith after delivery thereof to the Purchaser.
13. The Monitor may rely on written notice from the Purchaser or its counsel regarding the fulfillment of conditions to closing under the Sale Agreement and shall incur no liability with respect to delivery of the Monitor's Certificate.
14. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada), section 20(e) of the *Alberta Personal Information Protection Act*, and section 18(10)(o) of the *Personal Information Protection Act* of British Columbia, the Monitor is authorized and permitted to disclose and transfer to the Purchaser all human

resources and payroll information in the Vendor's records pertaining to the Vendor's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use (of such information) to which the Vendor was entitled.

MISCELLANEOUS MATTERS

15. Notwithstanding:

- (a) the pendency of these proceedings and any declaration of insolvency made herein;
- (b) the pendency of any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c.B-3, as amended (the "**BIA**"), in respect of the Debtors, and any bankruptcy order issued pursuant to any such applications;
- (c) any assignment in bankruptcy made in respect of the Vendor; and
- (d) the provisions of any federal or provincial statute:

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Vendor and shall not be void or voidable by creditors of the Vendor, nor shall it constitute nor be deemed to be a transfer at undervalue, settlement, fraudulent preference, assignment, fraudulent conveyance, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

16. The Vendor, the Purchaser, the Monitor and any other interested party, shall be at liberty to apply for further advice, assistance and direction as may be necessary in order to give full force and effect to the terms of this Order and to assist and aid the parties in Closing the Transaction.

17. This Honourable Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any of its provinces or territories or in any foreign jurisdiction, to act in aid of and to be complimentary to this Court in carrying out the terms of this Order, to give effect to this Order and to assist the

Monitor and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such order and to provide such assistance to the Monitor, as an officer of the Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.

18. Service of this Order shall be deemed good and sufficient by:
- (a) Serving the same on:
 - (i) the persons listed on the service list created in these proceedings;
 - (ii) any other person served with notice of the application for this Order;
 - (iii) any other parties attending or represented at the application for this Order;
 - (iv) the Purchaser or the Purchaser's solicitors; and
 - (b) Posting a copy of this Order on the Monitor's website at: <https://www.bdo.ca/services/financial-advisory-services/business-restructuringturnaround-services/current-engagements/coast-automotive-group>.

and service on any other person is hereby dispensed with.

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



Justice of the Court of King's Bench of Alberta

Schedule "A"

Form of Monitor's Certificate

COURT FILE NUMBER	2503-13640
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	EDMONTON
MATTER	IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, RSC 1985, c. C-36, as amended AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF COAST AUTOMOTIVE GROUP INC., COAST NORTH VANCOUVER AUTO SALES INC., COAST AUTO DRAYTON INC., AND 2461765 ALBERTA LTD.
APPLICANT	BDO CANADA LIMITED, IN ITS CAPACITY AS COURT-APPOINTED MONITOR OF COAST AUTOMOTIVE GROUP INC., COAST NORTH VANCOUVER AUTO SALES INC., COAST AUTO DRAYTON INC., AND 2461765 ALBERTA LTD.
DOCUMENT	MONITOR'S CERTIFICATE (North Vancouver)
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	BLAKE CASSELS & GRAYDON LLP 3500, 855 2 nd Street SW Calgary, Alberta T2P 4J8 Attention: Kelly Bourassa / Aryo Shalviri Telephone: (403) 260-9697 / (416)863-2962 Email: kelly.bourassa@blakes.com / aryo.shalviri@blakes.com

RECITALS

- A. Pursuant to an Order of the Honourable Justice M.E. Burns of the Court of King's Bench of Alberta, Judicial District of Edmonton (the "**Court**") dated July 16, 2025 (the "**Initial Order**"), BDO Canada Limited was appointed as monitor (the "**Monitor**") of Coast Automotive Group Inc., Coast North Vancouver Auto Sales Inc., Coast Auto Drayton Inc., and 2461765 Alberta Ltd. Pursuant to an Order of the Honourable Justice M.H. Bourque of the Court dated July 25, 2025, the Initial Order was amended and restated.

- B. Pursuant to an Order of the Court dated **October 16, 2025**, the Court approved the purchase and sale agreement dated as of October 6, 2025 (the “**Sale Agreement**”) between Coast North Vancouver Auto Sales Inc., as vendor (the “**Vendor**”) and 1559054 B.C. Ltd. as purchaser (the “**Purchaser**”) and provided for the vesting in the Purchaser of the Vendor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Cash Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in Article 9 of the Sale Agreement have been satisfied or waived by the Vendor and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Monitor.
- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Sale Agreement.

THE MONITOR CERTIFIES the following:

1. The Purchaser has paid and the Monitor has received the Cash Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in Article 9 of the Sale Agreement have been satisfied or waived by the Vendor and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Monitor.
4. This Certificate was delivered by the Monitor at **[Time]** on **[Date]**.

BDO Canada Limited, in its capacity as Monitor of the Coast Automotive Group Inc., Coast North Vancouver Auto Sales Inc., Coast Auto Drayton Inc., and 2461765 Alberta Ltd., and not in its personal or corporate capacity.

Per: _____

Name:

Title:

Schedule "B"

Permitted Encumbrances

Encumbrances related to Taxes and utilities arising by operation of law (statutory or otherwise) required in the ordinary course of business but only insofar as they relate to any obligations or amounts not due as at the Closing Date.