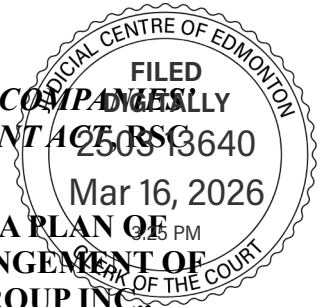


COURT FILE NUMBER 2503-13640
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE EDMONTON

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.**



DOCUMENT

FOURTH REPORT OF BDO CANADA, 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.

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

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**FOURTH REPORT OF THE MONITOR
BDO CANADA LIMITED
March 16, 2026**

TABLE OF CONTENTS

INTRODUCTION	2
PURPOSE	7
TERMS OF REFERENCE	7
UPDATE SINCE THE SECOND SUPPLEMENT TO THE THIRD REPORT	8
STAY PERIOD EXTENSION AND FIFTH REVISED CASH FLOW FORECAST	9
CONCLUSION.....	11

APPENDICES

Appendix “A” – Fifth Revised Cash Flow Forecast

INTRODUCTION

1. On July 16, 2025, upon application (the “**CCAA Application**”) by the Bank of Montreal (“**BMO**”) in its capacity as senior secured lender to Coast North Vancouver Auto Sales Inc. (“**Coast North Van**”), Coast Auto Drayton Inc. (“**Coast Drayton Valley**”), and 2461765 Alberta Ltd. (“**246**”), the Honourable Justice M.E. Burns of the Court of King’s Bench of Alberta (the “**Court**”) issued an order (the “**Initial Order**”) granting protection to Coast North Van, Coast Drayton Valley, 246 and Coast Automotive Group Inc. (“**Coast Automotive**” and together with Coast North Van, Coast Drayton Valley, and 246, the “**Coast Auto Group**”, or the “**Company**”) from their creditors under the *Companies’ Creditors Arrangement Act*, RSC 1985, c. C-36, as amended (the “**CCAA**”, and the proceedings in relation to the Company, the “**CCAA Proceedings**”). Pursuant to the Initial Order, BDO Canada Limited (“**BDO**”) was appointed as monitor of the Company (in such capacity, the “**Monitor**”).
2. Among other things, pursuant to the Initial Order, the Court granted:
 - a. an initial stay of proceedings in favour of the Company until and including July 26, 2025, to stabilize the Company’s operations and permit the Monitor to devise a Court-supervised sale and investment solicitation process with a view to ultimately preserving the business as a going concern and maximizing value;
 - b. a charge over the Company’s assets to stand as security for payment by the Company of the professional fees and disbursements of BMO’s legal counsel, the Monitor, and legal counsel to the Monitor, in an aggregate amount not to exceed \$275,000 (the “**Administration Charge**”);
 - c. approval of an interim financing term sheet dated July 16, 2025 (the “**Interim Financing Term Sheet**”) providing for borrowings up to \$350,000, plus interest, costs and fees and an interim lender’s charge (the “**Interim Lender’s Charge**”) to secure all obligations under the Interim Financing Term Sheet; and
 - d. expanded powers of the Monitor in the CCAA Proceedings.

3. On July 25, 2025, the Initial Order was amended and restated (the “**ARIO**”). The ARIO, among other things:
 - a. extended the initial stay of proceedings until and including October 19, 2025 (the “**Stay of Proceedings**”);
 - b. approved an increase to the Administration Charge up to the maximum amount of \$600,000;
 - c. approved an increase to the borrowings under the Interim Financing Term Sheet and the Interim Lender’s Charge up to the maximum amount of \$2.5 million (plus interest, costs, and fees);
 - d. granted a charge in favour of Dealer Solutions North America, Inc., as sales agent (in such capacity, the “**Sales Agent**”) up to the maximum amount of \$350,000;
 - e. granted a charge in favour of the directors and officers of the Company as security for the Company’s obligation to indemnify the directors and officers for any liabilities they may incur in such capacity from and after the commencement of the CCAA Proceedings, up to the maximum amount of \$250,000;
 - f. approved the key employee retention plan (“**KERP**”) and granted a charge in favour of certain key personnel of the Company to secure the Company’s obligations under the KERP, up to the maximum amount of \$125,000;
 - g. authorized the Company, with the consent of BMO, to make payments on account of goods and services supplied to them prior to the date of the Initial Order, provided that (a) in the view of the Monitor, such supplier or service provider is critical to the business of the Coast Auto Group, and (b) such payments do not, in the aggregate, exceed \$50,000; and
 - h. further expanded the powers of the Monitor in the CCAA Proceedings.
4. On the same day, the Court also granted an Order approving and authorizing the Monitor and the Sales Agent to conduct a sale and investment solicitation process for the marketing and sale of the equity of the Company and/or the Company’s

- business and assets, including two dealerships comprised of: (1) a franchised Chrysler, Dodge, Jeep, and RAM (“**Stellantis**”) dealership located in North Vancouver, British Columbia, and (2) a franchised Stellantis dealership located in Drayton Valley, Alberta, and certain ancillary and related relief.
5. On October 16, 2025, the Court granted, among other things, the following orders:
 - a. an order (the “**Drayton Valley AVO**”) which, among other things, approved a purchase and sale agreement between Coast Drayton Valley and 246 as vendors and Stetson CDJR Ltd. and Stetson CDJR Properties Ltd. as purchasers dated as of October 7, 2025, and the transactions contemplated therein (the “**Drayton Valley Transaction**”);
 - b. an order (the “**North Van AVO**”, together with the Drayton Valley AVO the “**Approval and Vesting Orders**”) which, among other things, approved a purchase and sale agreement between Coast North Van as vendor and 1559054 B.C. Limited as purchaser dated as of October 6, 2025, and the transactions contemplated therein (the “**North Van Transaction**”, and together with the Drayton Valley Transaction, the “**Transactions**”);
 6. The Coast Auto Group was represented by counsel at the hearing for the Approval and Vesting Orders and did not oppose approval of the Transactions. The Coast Auto Group has not sought to appeal the Drayton Valley AVO or the North Van AVO and both Transactions have closed.
 7. In connection with the Initial Order application, BDO, as proposed monitor, prepared a pre-filing report dated July 8, 2025 (the “**Pre-Filing Report**”) to provide information to the Court for its consideration in respect of the BMO’s CCAA Application.
 8. In connection with the ARIO application, the Monitor filed its first report on July 21, 2025 (the “**First Report**”);
 9. In connection with the application to approve the Transactions and various ancillary relief, the Monitor filed its second report on October 8, 2025 (the “**Second Report**”)

10. On December 3, 2025, the Monitor filed its third report (the “**Third Report**”, and together with the Pre-Filing Report, First Report and Second Report, the “**Previous Reports**”) and brought an application returnable December 9, 2025 (the “**Application**”) seeking an order:
 - a. extending the Stay of Proceedings from December 12, 2025, until and including January 30, 2026;
 - b. terminating the CCAA Proceedings upon the filing of a certificate (the “**CCAA Termination Certificate**”) by the Monitor;
 - c. terminating the Administration Charge, Interim Lender’s Charge, Sales Agent Charge, D&O Charge and KERP Charge, all as defined in and created pursuant to the ARIIO upon filing of the CCAA Termination Certificate;
 - d. discharging the Monitor and granting certain releases in favour of the Monitor, and its counsel effective upon filing of the CCAA Termination Certificate;
 - e. authorizing each of the Coast Auto Group entities to file an assignment in bankruptcy under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”), prior to or following the termination of the CCAA Proceedings and authorizing the Monitor to take all steps necessary to make the assignments in bankruptcy, including transferring amounts from the Bankruptcy Reserve to the Trustee (as defined below) to fund the BIA proceedings;
 - f. authorizing BDO to act as Licensed Insolvency Trustee of the Coast Auto Group entities’ estates in BIA proceedings;
 - g. authorizing the Monitor to make distributions of any remaining funds less the Bankruptcy Reserve to BMO in its capacity as both Interim Lender and senior secured lender;
 - h. approving the fees of the Monitor and of its legal counsel, Blake, Cassels & Graydon LLP;

- i. approving the Previous Reports, and the actions, conduct and activities of the Monitor set out therein; and
 - j. such further and other relief as the Court may deem just and equitable.
11. On December 9, 2025, the Coast Auto Group and certain of its former principals and owners (the “**Founders**” and together with the Coast Auto Group, the “**Cross Applicants**”) brought a cross-application (the “**Cross-Application**”) seeking certain relief, including an adjournment of the Application.
12. On December 9, 2025, the Court issued an Order extending the Stay Period to February 27, 2026, approving a final distribution to BMO, adjourning the balance of the relief sought in the Application and Cross-Application to February 18, 2026 and setting out a litigation timetable (the “**Litigation Timetable**”) in connection with the remainder of the relief sought in the Application and the Cross-Application.
13. Pursuant to the Litigation Timetable, on January 8, 2026, the Coast Auto Group delivered written interrogatories to the Monitor which were stated to be in respect of the Third Report. In accordance with the Litigation Timetable, the Monitor’s response to the interrogatories was delivered on January 15, 2026.
14. The Litigation Timetable also contemplated questioning on the Affidavit of Joe Randhawa sworn December 8, 2025 and the Fee Affidavit of Clark Lonergan sworn December 2, 2025 (the “**Second Fee Affidavit**”). Such questioning took place on January 22 and 23, 2026.
15. On February 4, 2026 the Coast Auto Group, Sundeep Cheema and Deepak Parmar brought an urgent application (the “**Urgent Application**”) for an order (i) compelling the oral examination of Paul Clark Lonergan, a corporate representative of BDO Canada Limited, in its capacity as court-appointed Monitor of the Coast Group on the Third Report, or, in the alternative, compelling the Monitor to provide answers to certain questions by way of affidavit, (ii) ordering the re-attendance for cross examination of Mr. Lonergan, as a representative of the Monitor, concerning the Second Fee Affidavit, and (iii) varying the Litigation Timetable such that the

- filing of briefs and the full day hearing be adjourned *sine die* and that the Urgent Application be heard during the full day hearing scheduled for February 18, 2026.
16. On February 6, 2026, BMO brought an application for an order, among other things, directing the Founders to post security for costs (the “**Security for Costs Application**”).
 17. On February 6, 2026, the Court granted an Order (i) varying the Litigation Timetable, (ii) adjourning the Application and Cross-Application to a date to be set by the Court, (iii) setting dates and deadlines for the service of materials in relation to the Urgent Application, and (iv) scheduling the balance of the Urgent Application and Security for Costs Application to be heard on February 18, 2026.
 18. The Previous Reports and other Court materials in connection with the CCAA Proceedings are available on the Monitor’s website at <https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/coast-automotive-group> (the “**Monitor’s Website**”).
 19. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Previous Reports.

PURPOSE

20. The purpose of this Fourth Report is to provide information to the Court with respect to the current status of the CCAA Proceedings and the Monitor’s request for an extension of the Stay Period to the earlier of April 19, 2026 and filing of the CCAA Termination Certificate.

TERMS OF REFERENCE

21. In preparing this Fourth Report, the Monitor has relied on certain unaudited financial information and the Company’s books and records (collectively, the “**Information**”).
22. The Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. The Monitor has not audited,

- reviewed or otherwise attempted to verify the accuracy or completeness of such information in such a manner that would wholly or partially comply with standards as set out in the *Chartered Professional Accountants Canada Handbook* (the “**CPA Handbook**”) and, accordingly, the Monitor expresses no opinion or other form of assurance in respect of such Information.
23. Some of the information referenced in this Fourth Report relates to weekly cash flow forecasts, projections, and related assumptions. An examination or review of cash flow forecasts, projections, and related assumptions as outlined in the CPA Handbook has not been performed. The Monitor has not performed an examination or review of these forecasts, projections, or assumptions in accordance with the standards outlined in the CPA Handbook.
 24. The Fifth Revised Cash Flow Forecast (defined below), representing future oriented financial information, is based on Management’s assumptions regarding future events. Actual results will vary from the Fifth Revised Cash Flow Forecast, and such variations may be material.
 25. All monetary amounts contained herein are expressed in Canadian dollars.
 26. Capitalized terms not otherwise defined herein have the meanings given to them in the Third Report.

UPDATE SINCE THE SECOND SUPPLEMENT TO THE THIRD REPORT

27. On February 18, 2026, the Court heard the Urgent Application and Security for Costs Application.
28. Concurrently with the Urgent Application and the Security for Costs Application, the Court heard an application by the Monitor to extend the stay of proceedings to and including March 27, 2026. This order was granted by the Court on February 18, 2026.
29. On March 10, 2026, the Court released its decision on the Urgent Application and Security for Costs Application, dismissing the Urgent Application in its entirety and allowing the Security for Costs Application in the amount of \$100,000, to be posted by March 24, 2026.

30. The Court has reserved April 17, 2026 for a full day hearing of the Application and Cross Application.

STAY PERIOD EXTENSION AND FIFTH REVISED CASH FLOW FORECAST

31. As set out above, the Stay Period currently expires on March 27, 2026. As the return date for the Application and Cross-Application is not until April 17, 2026, the Monitor will not be in a position to terminate the CCAA proceedings before expiry of the Stay Period and a further extension of the Stay Period is required. The Monitor is requesting an extension of the Stay Period to the earlier of April 19, 2026 and filing of the CCAA Termination Certificate.
32. The Fifth Revised Cash Flow Forecast has been prepared for the 5-week period from March 16, 2026 to the week ending April 19, 2026 (the “**Fifth Revised Cash Flow Period**”), projecting the Company’s estimated liquidity needs during the Fifth Revised Cash Flow Period. A copy of the Fifth Revised Cash Flow Forecast is attached hereto as **Appendix “A”**.
33. The Fifth Revised Cash Flow Forecast is presented on a weekly basis and represents the Monitor’s estimates of the projected cash flow during the Fifth Revised Cash Flow Period. The Fifth Revised Cash Flow Forecast has been prepared by the Monitor in consultation with former management (the “**Management**”) of the Company, using probable and hypothetical assumptions (the “**Assumptions**”) as set out in the notes to the Fifth Revised Cash Flow Forecast.
34. The Monitor has reviewed the Fifth Revised Cash Flow Forecast to the standard required of a Court-appointed monitor by section 23(1)(b) of the CCAA. In accordance with this standard, the Monitor conducted inquiries, performed analytical procedures, held discussions, and read documents related to the Information. Based on the Monitor’s review, nothing has come to its attention that causes it to believe, in all material respects, that:
- a. the Assumptions are not consistent with the purpose of the Fifth Revised Cash Flow Forecast;

- b. as at the date of this Fourth Report, the Assumptions are not suitably supported and consistent with the plans of the Company or do not provide a reasonable basis for the Fifth Revised Cash Flow Forecast, given the probable and hypothetical assumptions; or
 - c. the Fifth Revised Cash Flow Forecast does not reflect the Assumptions.
35. The Monitor notes that the Fifth Revised Cash Flow Forecast has been prepared solely for the purpose described above and since the Fifth Revised Cash Flow Forecast is based on Assumptions regarding future events, actual results will vary from the information presented even if the Assumptions occur, and the variations could be material. Readers are cautioned that it may not be appropriate for other purposes.
36. The Monitor is of the view that the requested extension of the of the Stay Period is appropriate including because (a) the Monitor is unable to terminate the CCAA proceedings before the current expiry of the Stay Period due to the adjournment of the Monitor's Application and the Cross-Application to April 17, 2026, (b) the Fifth Cash Flow Forecast demonstrates that sufficient funds are available to satisfy remaining operating expenses, professional fees and disbursements and the Bankruptcy Reserve; and (c) the Company, under the supervision of the Monitor and through the exercise of the Monitor's expanded powers under the ARIO, has acted, and is acting, in good faith and with due diligence
37. The Fifth Revised Cash Flow Forecast shows that during the Fifth Revised Cash Flow Period, if the CCAA proceedings cannot be terminated at an earlier date, the Company will have a closing cash balance of \$1,383. This assumes that (i) anticipated receipts of \$35,000 are received during the forecast, and (ii) the costs of the Application and Cross-Application and steps associated therewith remain below the reserve taken by the Monitor in connection with such costs. The cumulative net cash outflow during the Fifth Revised Cash Flow Period is anticipated to be \$530,610, which funds will be expended almost solely in connection with the payment of outstanding GST/PST amounts and the costs associated with the Application and Cross-Application. If the costs of the

Application and Cross-Application exceed the reserve taken by the Monitor in connection therewith, or if these proceedings extend beyond the Fifth Revised Cash Flow Period, the Monitor may be required to seek advice and direction from the Court relating to its ongoing mandate as court-officer.

CONCLUSION

38. For the reasons set out above, the Monitor is of the view that the requested extension of the Stay Period is reasonable and respectfully recommends that the relief sought by the Monitor be granted.

All of which is respectfully submitted this 16th day of March 2026.

BDO Canada Limited

In its capacity as the Monitor of 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: _____

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

Appendix "A"

Fifth Revised Cash Flow Forecast

Coast Automotive Group Inc., Coast North Vancouver Auto Sales Inc., Coast Auto Drayton Inc., and 2461765 Alberta Ltd. (the "Companies" or the "Debtors")
 Combined Cash Flow Forecast for the Period
 March 16th, 2026 to April 19th, 2026
 (\$ CAD)

Week Beginning	1	2	3	4	5	Total	
Week Ending	2026-03-22	2026-03-29	2026-04-05	2026-04-12	2026-04-19		
Receipts	Notes						
New Vehicle Sales	-	-	-	-	-	-	
Used Vehicle Sales	-	-	-	-	-	-	
Parts & Service Sales	1	25,000	-	10,000	-	35,000	
GST/PST Collected	-	-	-	-	-	-	
Total Receipts		25,000	-	10,000	-	35,000	
Operating Disbursements							
Lien Payments	-	-	-	-	-	-	
Vehicle Purchases	-	-	-	-	-	-	
Parts Purchases	-	-	-	-	-	-	
Payroll (Including Taxes)	-	-	-	-	-	-	
KERP	-	-	-	-	-	-	
Consultants	2	13,500	-	13,500	-	27,000	
Employee Benefits	-	-	-	-	-	-	
WCB	-	-	-	-	-	-	
Property Taxes	-	-	-	-	-	-	
Corporate Credit Card Repayment	-	-	-	-	-	-	
Vendor Payments	3	10,000	10,000	-	-	20,000	
Rent Payments	-	-	-	-	-	-	
Insurance Payments	-	-	-	-	-	-	
Professionals & Restructuring Costs	4	150,000	100,000	-	-	250,000	
Contingency	5	1,000	1,000	1,000	1,000	5,000	
GST/PST Paid	-	-	-	-	-	-	
GST/PST Remittance (Refund)	6	-	263,610	-	-	263,610	
Debt Service							
Floor Plan Payments to/(from) BMO	-	-	-	-	-	-	
BMO Floor Plan Interest	-	-	-	-	-	-	
DIP Interest	-	-	-	-	-	-	
Total Disbursements		174,500	1,000	374,610	14,500	1,000	565,610
Net Cash Inflow/(Outflow)		(149,500)	(1,000)	(374,610)	(4,500)	(1,000)	(530,610)
Cumulative Net Cash Flow		(149,500)	(150,500)	(525,110)	(529,610)	(530,610)	
Opening Cash Balance		306,993	382,493	381,493	6,883	2,383	306,993
Net Funds held by the Monitor after Reserves for Charges, Priorities and Bankruptcy Costs	7	225,000	-	-	-	-	225,000
Net Cash Inflow/(Outflow)		(149,500)	(1,000)	(374,610)	(4,500)	(1,000)	(530,610)
Closing Cash Balance		382,493	381,493	6,883	2,383	1,383	1,383
Cumulative DIP Drawn	8	-	-	-	-	-	-

Coast Automotive Group Inc., Coast North Vancouver Auto Sales Inc. ("North Van"), Coast Auto Drayton Inc. ("Drayton Valley"), and 2461765 Alberta Ltd. (together, the "Companies" or the "Debtors")
Combined Cash Flow Forecast for the Period
March 16th, 2026 to April 19th, 2026
(\$ CAD)

Notes to the Unaudited 5-Week Cash Flow Forecast of the Applicants

In preparing this 5-week cash flow forecast (the "Fifth Revised Cash Flow Forecast") the Debtors have relied upon unaudited financial information and the Debtors have not attempted to further verify the accuracy or completeness of such information. The Fifth Revised Cash Flow Forecast includes estimates concerning the operations of the Debtors and additional information discussed below with respect to the requirements of a Companies Creditors Arrangements Act ("CCAA") filing. Since the Fifth Revised Cash Flow Forecast is based upon assumptions of future events and conditions that are not ascertainable, the actual results achieved during the period will vary from the Fifth Revised Cash Flow Forecast, even if the assumptions materialize, and such variation may be material. There is no representation, warranty or other assurances that any of the estimates, forecasts or projections will be realized.

Overview

The Fifth Revised Cash Flow Forecast includes the receipts and disbursements of all of the Debtors during the Fifth Revised Cash Flow Forecast Period. The Debtors, with the assistance of BDO Canada Limited in its capacity as the monitor of the Debtors (the "Monitor") have prepared the Fifth Revised Cash Flow Forecast based primarily on estimated disbursements related to the ongoing operations and to the CCAA proceedings.

The Fifth Revised Cash Flow Forecast excludes the gross amounts or proceeds realized from the sale of the North Van and Drayton Valley dealership assets and distributions of the proceeds thereof to the Bank of Montreal which have occurred to date.

Assumptions:

- 1 Based on estimated works orders submitted and the collection of outstanding receivables after the close of both sale transactions.
- 2 Payment for the corporate controller and Coast North Van's general manager who continue to assist the Monitor with various wind-down and litigation matters.
- 3 Payment of the remaining vendor payments.
- 4 Costs of the Monitor and its counsel associated with the on-going litigation claim.
- 5 Contingency (inclusive of GST/PST) is assumed to cover unanticipated costs.
- 6 Remaining GST and PST remittances and/or refunds.
- 7 Cash proceeds from the sale transactions net of reserves for the Court charges, potential priorities, bankruptcy costs, etc.
- 8 The Interim DIP financing provided by the Bank of Montreal has been repaid inclusive of interest.