

Form 13-31
(Rule 13-31)

COURT FILE NUMBER **KBG-SA-01002 -2024**

**COURT OF KING'S BENCH FOR SASKATCHEWAN
IN BANKRUPTCY AND INSOLVENCY**

JUDICIAL CENTRE **SASKATOON**

APPLICANT **ROYAL BANK OF CANADA**

RESPONDENT **MOOSE JAW AUTO & LEISURE LTD.**

IN THE MATTER OF THE RECEIVERSHIP OF MOOSE JAW AUTO & LEISURE LTD.

AFFIDAVIT OF KERRY ORTH

I, Kerry Orth, of Moose Jaw, Saskatchewan, make oath and say (or affirm) that:

1. I am a Senior Manager, Special Loans and Advisory Services, employed by the Applicant, Royal Bank of Canada ("**RBC**"), in Moose Jaw, Saskatchewan. In such capacity I have access to RBC's records, reports, and correspondence in respect of its lending relationship with the Respondent, Moose Jaw Auto & Leisure Ltd. ("**Moose Jaw Auto**"), and, therefore, I have personal knowledge of the matters and facts herein deposed to, except where otherwise stated, and where so stated I verily believe the same to be true.

2. I make this affidavit in support of RBC's application to appoint BDO Canada Limited ("**BDO**") as the receiver over the assets, undertakings, and properties of Moose Jaw Auto (the "**Property**").

I. CORPORATE STATUS AND NATURE OF BUSINESS

3. Moose Jaw Auto is a corporation incorporated pursuant to the laws of Saskatchewan. Attached to this affidavit as Exhibit “A” is a true copy of a corporate profile report dated July 8, 2024 from the Saskatchewan Corporate Registry.

4. Moose Jaw Auto carried on business of the retail sale and lease of motor vehicles, trailers, and recreational equipment. They also were a parts dealer and attended to repairs.

5. Attached to this affidavit as Exhibit “B” is a true copy of bankruptcy and insolvency records searches from the Office of the Superintendent of Bankruptcy Canada dated July 8, 2024, evidencing that Moose Jaw Auto has not previously made an assignment in bankruptcy under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “BIA”).

II. LENDING HISTORY AND BACKGROUND

A. Credit Agreement

6. RBC and Moose Jaw Auto are parties to a credit agreement dated July 20, 2022 as amended October 25, 2022 and January 31, 2024 (the “Credit Agreement”). A true copy of the original credit agreement and the amendments is attached to this affidavit as Exhibits “C”, “D” and “E”, respectively.

7. The Credit Agreement describes the loan facilities that RBC made available to, or advanced to, Moose Jaw Auto (the “Loans”) to finance the business operated by Moose Jaw Auto. The Loans include floor plan financing facilities, an operating facility, and a credit card facility. Each of the Loans is repayable on demand by RBC.

B. Security

8. To secure repayment of the indebtedness owed and to be owed to RBC in relation to, among other agreements, the Credit Agreement, Moose Jaw Auto executed and delivered the following security agreements in favour of RBC (the “Security”):

- (a) a general security agreement dated July 25, 2022 (the “**GSA**”) granting RBC a security interest in all of Moose Jaw Auto’s present and after-acquired personal property; and
- (b) a security agreement (dealer inventory) dated July 25, 2022 (the “**Inventory Agreement**”) granting RBC an interest in all of Moose Jaw Auto’s dealer inventory, including all related parts, accessories, attachments, special tools and additions.

A true copy of the GSA and the Inventory Agreement is attached to this affidavit as Exhibits “F” and “G”, respectively.

9. The security interests created by the Security were perfected by RBC in Saskatchewan by the registration of a financing statement in the Saskatchewan Personal Property Registry (the “**Saskatchewan PPR**”) on July 28, 2022 as interest registration number 302320253. Attached to this affidavit as Exhibit “H” is a true copy of a Saskatchewan PPR search result dated August 7, 2024 in respect of Moose Jaw Auto.

10. The security interests created by the Security were perfected by RBC in Manitoba by the registration of a financing statement in the Manitoba Personal Property Registry (the “**Manitoba PPR**”) on July 18, 2024 as interest registration number 202412417706. Attached to this affidavit as Exhibit “I” is a true copy of a Manitoba PPR search dated August 6, 2024 in respect of Moose Jaw Auto.

11. The majority of the Property is comprised of Moose Jaw Auto’s motor vehicle and trailer inventory (the “**Inventory**”) that was held for sale by Moose Jaw Auto. The Inventory is subject to the Security and the security interests in favour of RBC. The Inventory also consists of, among other things, parts and supplies.

12. The Inventory includes motor vehicles and trailers which are serial numbered assets (the “**Serial Numbered Assets**”), the majority of which I verily believe are located in Moose Jaw, Saskatchewan on lands legally described as Block K, Plan No. 80MJ15709 (the “**Lands**”). Attached to this affidavit collectively as Exhibit “J” is a true copy of photographs of the Lands that I took on July 29, 2024.

13. Moose Jaw Auto leases the Lands from 4089074 Manitoba Ltd. (the “**Landlord**”). The Landlord executed a landlord consent and waiver in favour of RBC dated July 25, 2022 (the “**Landlord Waiver**”). A true copy of the Landlord Waiver is attached to this affidavit as Exhibit “K”.

14. RBC believes, based on discussions on July 5, 2024 between Mladen Rakic, an RBC employee, and Murray Kurte, the general manager of Moose Jaw Auto, that some of the Inventory may be located in Winnipeg, Manitoba (the “**Manitoba Assets**”). The Manitoba Assets are subject to the Security and to RBC’s security interests.

15. A spreadsheet prepared by me, itemizing the Serial Numbered Assets, is attached this affidavit as Exhibit “L”.

III. DETERIORATION OF FINANCIAL CONDITION

16. RBC’s lending relationship with Moose Jaw Auto began deteriorating in 2023 when Moose Jaw Auto committed multiple acts of default under the Credit Agreement by, among other defaults, failing to maintain a ratio of current assets to current liability of not less than 1.2:1.

17. On May 3, 2024 an RBC representative contacted Moose Jaw Auto’s controller, Geraldine Cruz, to advise that Moose Jaw Auto’s operating account with RBC was overdrawn. On May 8, 2024 an entity related to Moose Jaw Auto named “Vickar Ford” transferred sufficient funds into the account to cover the overdraft.

18. On July 3, 2024 Lawrence Chang (“**Mr. Chang**”), a director and officer of Moose Jaw Auto, sent an email to Trevor LaBossiere, an RBC employee, advising that Moose Jaw Auto was no longer operating. Attached to this affidavit as Exhibit “M” is a true copy of the email received by RBC from Mr. Chang dated July 3, 2024.

19. On or about July 5, 2024 I was advised by Moose Jaw Auto’s service manager that Moose Jaw Auto laid off seven of its employees in early July, 2024. RBC understands based on conversations with Mr. Chang that Moose Jaw Auto currently has two employees on its payroll. By email dated August 1, 2024 Mr. Chang advised RBC that any liabilities owed to Canada

Revenue Agency (“CRA”) are “nil to minimal”. Mr. Chang also advised RBC that Moose Jaw Auto is engaged in ongoing disputes with former employees regarding their entitlement to a severance payment. Attached to this affidavit as Exhibit “N” is a true copy of the email that RBC received from Mr. Chang dated August 1, 2024.

20. RBC has not received a voluntary liquidation plan, or any other restructuring plan, from Moose Jaw Auto.

IV. DEMANDS AND BIA NOTICES

21. By letter dated July 16, 2024 (the “**Demand Letter**”) RBC demanded payment from Moose Jaw Auto of the indebtedness then owed to RBC. Enclosed with the Demand Letter was a notice of intention pursuant to section 244 of the BIA to Moose Jaw Auto (the “**BIA Notice**”). The Demand Letter and the BIA Notice was delivered to the registered office of Moose Jaw Auto on July 16, 2024. Attached to this affidavit as Exhibit “O” and “Exhibit “P”, respectively is a true copy of the Demand Letter and the BIA Notice.

V. PARTICULARS OF THE INDEBTEDNESS

22. As of July 15, 2024 the indebtedness owed by Moose Jaw Auto to RBC was as follows:

Operating Loan #85953090001:	\$200,599.80
Credit Card #486584****9927:	\$36,947.50
Credit Line EI4133	\$340,096.43
Credit Line EI4135:	\$180,242.50
Credit Line EI4129:	\$54,333.41
Credit Line EI4134:	\$119,094.27
<u>Credit Line EI4132:</u>	<u>\$561,932.14</u>
Total:	\$1,493,246.05

together with ongoing interest and costs, including RBC's legal fees and disbursements. The indebtedness remains outstanding.

VI. JUSTIFICATION FOR APPOINTMENT OF A RECEIVER

23. As described at paragraph 7 of this affidavit, RBC made available or advanced the Loans to finance Moose Jaw Auto's business. That business is no longer operating and the employment of all but two employees has been terminated.

24. RBC has lost confidence in Moose Jaw Auto's management, including management's ability to address Moose Jaw Auto's solvency issues, including because Moose Jaw Auto has failed to provide RBC with a restructuring or liquidation plan.

25. RBC is very concerned that if the Inventory is not secured, and liquidated as soon as possible, its Security may become imperiled or further imperiled. Additionally, because the Serial Numbered Assets are vehicles and trailers that can readily be transported, RBC is concerned that they may be relocated by Moose Jaw Auto, its agents, or a third-party to an unknown location or locations.

26. A receiver will be well positioned to attend to the following matters:

- (a) investigate and address any property disputes and determine priority claims;
- (b) investigate, review and respond to potential claims brought by third-parties, including (if applicable) unpaid suppliers, customers and former employees;
- (c) to the extent required, engage the *Wage Earner Protection Program Act*, S.C. 2005, c. 47 and facilitate payments to employees;
- (d) investigate and deal with outstanding obligations owed to various taxing authorities, including (if applicable) CRA and the Saskatchewan Ministry of Finance;
- (e) review Moose Jaw Auto's books and records to determine if there are outstanding receivables that may be pursued for the benefit of Moose Jaw Auto's stakeholders; and

(f) investigate and review any transactions made by Moose Jaw Auto, including any not made in the ordinary course of its business.

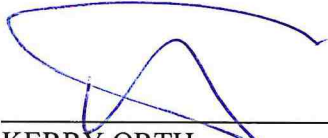
VII. RELIEF SOUGHT

27. RBC respectfully requests that this Honourable Court appoint BDO as receiver over the Property, on and subject to the terms outlined in the draft receivership order. BDO is a licensed insolvency trustee and has consented to the prospective appointment.

28. I make this affidavit in support of the application by RBC for an Order appointing BDO as the receiver of all of the Property and for no improper purpose.

SWORN BEFORE ME at the City of)
Regina, in the Province of)
Saskatchewan,)
this 13th day of August, 2024.)
)
)
)
)
)
)


A COMMISSIONER FOR OATHS
for the Province of Saskatchewan,
Being a Solicitor


KERRY ORTH

CONTACT INFORMATION AND ADDRESS FOR SERVICE:

Name of firm: McDougall Gauley LLP
Name of lawyer in charge of file: Michael Milani, K.C./Paul Fedoroff
Address of legal firm: 500-616 Saskatoon, SK S7H 0J6
Telephone number: (306) 565-5117/(306) 665-5405
Fax number: (306) 652-1323
Email address: mmilani@mcdougallgauley.com
pfedoroff@mcdougallgauley.com




Saskatchewan
Corporate Registry

This is Exhibit 'A' referred to in the Affidavit of
Kerry Orth sworn before me this 13th day of
August, 2024.

Profile Report

Entity Number: 102152140

Entity Name: MOOSE JAW AUTO & LEISURE LTD.


A COMMISSIONER FOR OATHS
for the Province of Saskatchewan,
Being a Solicitor

Page 1 of 3

Report Date: 08-Jul-2024

Entity Details

Entity Type	Business Corporation
Entity Subtype	Saskatchewan Corporation
Entity Status	Active
Incorporation Date	08-Jul-2022
Annual Return Due Date	31-Aug-2024
Nature of Business	Motor vehicle and parts dealers
MRAS indicator	No

Registered Office Addresses

Physical Address	1000-2002 VICTORIA AVENUE, REGINA, Saskatchewan, Canada, S4P 0R7
Attention To	JESSICA WALLER
Mailing Address	MOOSE JAW AUTO & LEISURE LTD., 1400 LAKEVIEW ROAD, MOOSE JAW, Saskatchewan, Canada, S6H 4R3

Directors/Officers

LAWRENCE CHANG (Director)	Effective Date:	08-Jul-2022
Physical Address:	68 FORESTGATE AVENUE, WINNIPEG, Manitoba, Canada, R3P 2L3	
Mailing Address:	68 FORESTGATE AVENUE, WINNIPEG, Manitoba, Canada, R3P 2L3	
LAWRENCE CHANG (Officer)	Effective Date:	08-Jul-2022
Physical Address:	68 FORESTGATE AVENUE, WINNIPEG, Manitoba, Canada, R3P 2L3	
Mailing Address:	68 FORESTGATE AVENUE, WINNIPEG, Manitoba, Canada, R3P 2L3	Office Held: PRESIDENT



Entity Number: 102152140

Page 2 of 3

Entity Name: MOOSE JAW AUTO & LEISURE LTD.

Report Date: 08-Jul-2024

STEPHEN VICKAR (Director)

Effective Date:

08-Jul-2022

Physical Address: 1505 DUGALD ROAD, WINNIPEG,
Manitoba, Canada, R2J 0H3

Mailing Address: 1505 DUGALD ROAD, WINNIPEG,
Manitoba, Canada, R2J 0H3

STEPHEN VICKAR (Officer)

Effective Date:

08-Jul-2022

Physical Address: 1505 DUGALD ROAD, WINNIPEG,
Manitoba, Canada, R2J 0H3

Mailing Address: 1505 DUGALD ROAD, WINNIPEG, Office Held:
Manitoba, Canada, R2J 0H3

VICE PRESIDENT

Power of Attorney

JESSICA WALLER

Physical Address: 1000-2002 VICTORIA AVENUE, REGINA, Saskatchewan, Canada, S4P 0R7

Mailing Address: 1000-2002 VICTORIA AVENUE, REGINA, Saskatchewan, Canada, S4P 0R7

MATTHEW PARK

Physical Address: 1000-2002 VICTORIA AVENUE, REGINA, Saskatchewan, Canada, S4P 0R7

Mailing Address: 1000-2002 VICTORIA AVENUE, REGINA, Saskatchewan, Canada, S4P 0R7

Shareholders

Shareholder Name	Mailing Address	Share Class	Shares Held
RVANA LEISURE GROUP INC	2585 MCGILLIVRAY BOULEVARD, OAK BLUFF, MANITOBA, CANADA, R4G 0B3	A	100

Articles

Minimum Number of Directors: 1 Maximum Number of Directors: 8

Share Structure:

Class Name	Voting Rights	Authorized Number	Number Issued
A	Yes	Unlimited	100
B	Yes	Unlimited	



Entity Number: 102152140

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Entity Name: MOOSE JAW AUTO & LEISURE LTD.

Report Date: 08-Jul-2024

C	No	Unlimited
D	No	Unlimited
E	Yes	Unlimited
F	Yes	Unlimited
G	No	Unlimited
H	No	Unlimited
I	No	Unlimited
J	Yes	Unlimited

Business Names Owned By Corporation

Number	Name	Type
102154414	MOOSE JAW RV & MARINE	Saskatchewan Business Name - Sole Proprietor

Event History

Type	Date
Business Corporation - Annual Return	31-Aug-2023
Notice of Change of Directors/Officers	29-Jul-2022
Notice of Shareholders	19-Jul-2022
Business Corporation - Incorporation	08-Jul-2022



Search results - Bankruptcy and Insolvency Records Search

i To see detailed information on any listing, click on the name of the business or individual below. Don't forget to print the information or save it to your desktop.

Search Criteria Moose Jaw Auto & Leisure Ltd. > Both

[BIA \(Bankruptcy and Insolvency Act\) Records](#)

[Search](#)

[CCAA \(Companies' Creditors Arrangement Act\) Records](#)

i **Matches found: 0 Tokens Remaining: 0**

Note: Don't forget to print or save the details of the results of your search, even if only to show that there has been no bankruptcy or insolvency.

[View details of the results](#)

This is Exhibit 'B' referred to in the Affidavit of Kerry Orth sworn before me this 13th day of August, 2024.

A COMMISSIONER FOR OATHS
for the Province of Saskatchewan,
Being a Solicitor



Government
of Canada

Gouvernement
du Canada

Search results - Bankruptcy and Insolvency Records Search

i To see detailed information on any listing, click on the name of the business or individual below. **Don't forget to print the information or save it to your desktop.**

Search Criteria Moose Jaw Auto & Leisure Ltd. > Both

[BIA \(Bankruptcy and Insolvency Act\) Records](#)

[Search](#)

[CCAA \(Companies' Creditors Arrangement Act\) Records](#)

i **Matches found: 0**

Search results

Name	CCAA File Number	Date of Proceeding	Monitor
No records found			

This is Exhibit 'C' referred to in the Affidavit of Kerry Orth sworn before me this 13th day of August, 2024.



[Signature]
 A COMMISSIONER FOR OATHS
 for the Province of Saskatchewan,
 Being a Solicitor

Royal Bank of Canada
 RBC Automotive Finance
 100-220 Portage Avenue,
 Winnipeg, MB R3C 0A5
 Tel: (204) 229-6748

July 20, 2022

Private and Confidential

MOOSE JAW AUTO & LEISURE LTD.
 1400 Lakeview Road
 Moose Jaw, Saskatchewan S6H 4R3

ROYAL BANK OF CANADA (the “Bank”) hereby offers the credit facilities described below (each a “Credit Facility” and collectively the “Credit Facilities”) subject to the terms and conditions set forth below and in the attached Terms & Conditions and Schedules (collectively the “Agreement”). Unless otherwise provided, all dollar amounts are in Canadian currency.

The Bank reserves all of its rights and remedies at any time and from time to time in connection with any or all breaches or Events of Default now existing or hereafter arising under this Agreement or any other agreement delivered to the Bank, and whether known or unknown, and this Agreement shall not be construed as a waiver of any such breach or Event of Default.

BORROWER

MOOSE JAW AUTO & LEISURE LTD. (the “Borrower”).

CREDIT FACILITIES

The following Credit Facilities are available in favour of the Borrower in the amount(s) set out below and at the interest rate(s) set out below:

Form of Credit Facility	Amount	Interest Rate (per annum)
New Floor Plan Facility – Segment 1 (Crossroads RV)	*Up to \$6,000,000.00 (inclusive of any Advances in USD after conversion to the Equivalent Amount in CDN)	CF Rate (CDN Float) + 0.50% CF Rate (USD Float) + 0.50%
New Floor Plan Facility – Segment 2 (Glacier RV)	*Up to \$6,000,000.00 (inclusive of any Advances in USD after conversion to the Equivalent Amount in CDN)	CF Rate (CDN Float) + 0.50% CF Rate (USD Float) + 0.50%
New Floor Plan Facility – Segment 3 (Lund Marine Products)	Up to \$1,500,000.00 (inclusive of any Advances in USD after conversion to the Equivalent Amount in CDN)	CF Rate (CDN Float) + 0.50% CF Rate (USD Float) + 0.50%
Used Floor Plan Facility (RV)	Up to \$500,000.00	CF Rate (CDN Float) + 0.50%
Operating Facility	Up to \$200,000.00	RBP + 0.00%
Other – Credit Card	Up to \$205,000.00	To be set out in a separate Agreement between the Borrower and the Bank

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*Notwithstanding the Credit Facility amounts described above, the total amount of Advances outstanding under all New Floor Plan Facilities on a combined basis shall not at any time exceed \$6,000,000.00.

TEMPORARY INCREASE

At any time or times upon receipt of a request from the Borrower for a temporary increase in the amount of a Floor Plan Facility, the Bank may, in its discretion and without any obligation to do so, agree to a temporary increase in the amount of such Credit Facility by way of a written notice given to the Borrower specifying the amount of such temporary increase and the date on which such temporary increase shall expire, and upon the giving of such written notice by the Bank this Agreement shall be deemed to be amended so as to increase the amount of such Credit Facility for the period of time commencing on the delivery of such notice and ending on (i) the expiration date specified in such notice, or (ii) where no expiration date is specified in such notice, the date that is sixty (60) days after the date that such notice is given, and upon the expiration of such period of time the amount of such Credit Facility shall automatically return to the amount in effect before such increase was granted; provided that any temporary increase pursuant to this provision shall be subject to all other applicable provisions of this Agreement and be without prejudice to all rights and remedies of the Bank hereunder including, without limitation, the right of the Bank to terminate or demand payment of, or to cancel or restrict availability of any unutilized portion of, any demand or other discretionary Credit Facility. Unless otherwise set out in the written notice delivered to the Borrower, during the period that the temporary increase is in effect, the combined limit of all New RV Facilities made available to the Borrower, as set out above, shall increase by the amount of the temporary increase.

NEW FLOOR PLAN FACILITIES

Each Credit Facility referred to above as a "New Floor Plan Facility" consists of a revolving demand facility that may be borrowed by way of (i) CF Rate Advances (CDN Float) or (ii) CF rate Advances (USD Float) at the interest rate set out above opposite such Credit Facility.

AVAILABILITY

Subject to the terms hereof, the Borrower of a New Floor Plan Facility may, by making Advance Requests, borrow, repay and re-borrow up to the amount of such Credit Facility provided that (i) such Credit Facility is made available at the sole discretion of the Bank and the Bank may cancel or restrict the availability of any unutilized portion at any time and from time to time without notice, and (ii) an Event of Default shall not have occurred and be continuing at the time of any Advance.

Advances under a New Floor Plan shall be made available subject to the following:

- a) each Advance under Segment 1 shall only be made to finance the purchase of a Crossroads brand New RV; each Advance under Segment 2 shall only be made to finance the purchase of a Glacier brand New RV; each Advance under Segment 3 shall only be made to finance the purchase of a Lund brand New Marine Unit;
- b) the amount of any Advance made to finance the purchase of a New Floor Plan Unit shall not exceed 100% of the Acquisition Cost (including USD exchange rate if applicable) of such New Floor Plan Unit;
- c) the total amount outstanding in respect of Advances made to finance the purchase of New Floor Plan Units that have not been repaid 365 days after the date of the initial Advance thereof shall not at any time exceed 10% of the total amount authorized under the Credit Facility;
- d) the total amount outstanding in respect of Advances made to finance the purchase of New Demonstrator Units financed under Segments 1 or 2 shall not at any time exceed 10% of the total amount authorized under the applicable Segment;
- e) the amount outstanding in respect of any Advance made to finance the purchase of a New Floor Plan Unit shall not at any time be less than \$5,000 unless such Advance is otherwise being reduced by scheduled monthly repayments or otherwise repaid in full in accordance with the repayment provisions of the Credit Facility;
- f) no further Advances shall be made in respect of a New Floor Plan Unit following the repayment in full of any prior Advance made in respect of such unit.

REPAYMENT

Notwithstanding compliance with the covenants and all other terms and conditions of this Agreement, Advances under a New Floor Plan Facility are repayable on demand.

Without otherwise limiting the Bank's right to make demand hereunder, the Borrower of a New Floor Plan Facility shall repay Advances made under such Credit Facility as follows:

- a) the principal amount outstanding in respect of each Advance shall be repaid in full by the Borrower immediately upon the earlier of: (i) receipt of a demand for payment from the Bank; (ii) five (5) Business Days from the date of delivery of the related New Floor Plan Unit to a third party purchaser; and (iii) the date of the Borrower's receipt of proceeds of any recoveries under insurance policies in respect of the related New Floor Plan Unit;
- b) if the principal amount outstanding in respect of any Advance related to a New Floor Plan Unit has not been repaid in full on the date that is sixty (60) days from the date that such Advance was made, then the Borrower shall repay the amount equal to the GST/HST component of such Advance;
- c) if the principal amount outstanding in respect of any Advance related to a New Floor Plan Unit has not been repaid in full on the date that is 365 days after the date that such Advance was made, then the Borrower shall repay on the next following Interest Payment Date and on each successive Interest Payment Date thereafter the amount equal to 10% of the original Advance with full repayment to occur on the date that is 635 days after the date that such Advance was made;
- d) if at any time the aggregate principal amount outstanding in respect of all Advances related to New Floor Plan Units are greater than 365 days old exceeds 10% of the total amount authorized under the Credit Facility, then the Borrower shall immediately repay the amount of such excess;
- e) with respect to any Advance related to a New RV that has been converted into a New Demonstrator Unit, the Borrower shall repay on the next following Interest Payment Date and on each successive Interest Payment Date thereafter the amount equal to 10% of the original Advance with the balance of such Advance to be repaid in full on the date that is 180 days after the date of such conversion.

USED RV FACILITY

The Credit Facility referred to above as a "Used RV Facility" consists of a revolving demand facility that may be borrowed by way of CF Rate Advances (CDN Float) at the interest rate set out above opposite such Credit Facility.

AVAILABILITY

Subject to the terms hereof, the Borrower of a Used RV Facility may, by making Advance Requests, borrow, repay and reborrow up to the amount of such Credit Facility provided that (i) such Credit Facility is made available at the sole discretion of the Bank and the Bank may cancel or restrict the availability of any unutilized portion at any time and from time to time without notice, and (ii) an Event of Default shall not have occurred and be continuing at the time of any Advance.

Advances under a Used RV Facility shall be made available subject to the following:

- a) each Advance shall only be made to finance the purchase of a Used RV;
- b) the amount of any Advance made to finance the purchase of a Used RV shall not exceed the lesser of (i) 100% of the Acquisition Cost of such Used RV and (ii) 100% of the current Wholesale Value of such Used RV;
- c) the total amount outstanding in respect of Advances made to finance the purchase of Used RV's that have not been repaid 180 days after the date of the initial Advance thereof shall not at any time exceed 10% of the total amount outstanding under the Credit Facility;
- d) the total amount outstanding in respect of Advances made to finance the purchase of Used Demonstrator Unit shall not at any time exceed 5% of the total amount authorized under the Credit Facility;
- e) the amount outstanding in respect of any Advance made to finance the purchase of a Used RV shall not be less than \$5,000 unless such Advance is otherwise being reduced by scheduled monthly repayments or otherwise repaid in full in accordance with the repayment provisions of the Credit Facility;
- f) no further Advances shall be made in respect of a Used RV following the repayment in full of any prior Advance made in respect of such vehicle.

REPAYMENT

Notwithstanding compliance with the covenants and all other terms and conditions of this Agreement, Advances under a Used RV Facility are repayable on demand.

Without otherwise limiting the Bank's right to make demand hereunder, the Borrower of a Used RV Facility shall repay Advances made under such Credit Facility as follows:

- a) the principal amount outstanding in respect of each Advance shall be repaid in full by the Borrower immediately upon the earlier of: (i) receipt of a demand for payment from the Bank; (ii) five (5) Business Days from the date of delivery of the related RV to a third party purchaser, and (iii) the date of the Borrower's receipt of proceeds of any recoveries under insurance policies in respect of the related RV;

- b) if the principal amount outstanding in respect of any Advance related to a Used RV has not been repaid in full on the date that is 180 days after the date that such Advance was made, then the Borrower shall repay on the next following Interest Payment Date and on each successive Interest Payment Date thereafter the amount equal to 10% of the original Advance, with full repayment to occur on the date that is 450 days after the date that such Advance was made;
- c) if at any time the aggregate principal amount outstanding in respect of all Advances related to Used RV's are greater than 180 days old exceeds 10% of the total amount authorized under this Credit Facility, then the Borrower shall immediately repay the amount of such excess;
- d) with respect to any Advance related to a Used RV that has been converted into a Used Demonstrator Unit, the Borrower shall repay on the next following Interest Payment Date and on each successive Interest Payment Date thereafter the amount equal to 10% of the original Advance with the balance of such Advance to be repaid in full on the date that is 180 days after the date of such conversion.

OPERATING FACILITY

The Credit Facility referred to above as an "Operating Facility" consists of a revolving demand facility that may be borrowed by way of:

- a) RBP Advances

Revolve in increments of:	\$5,000.00	Minimum retained balance:	\$0.00
Revolved by:	Bank	Interest rate (per annum):	As set out above opposite such Credit Facility

- b) Letters of Credit

Fees to be advised on a transaction-by-transaction basis. Fees and drawings to be charged to Borrower's accounts.

- c) Letters of Guarantee

Fees to be advised on a transaction-by-transaction basis. Fees and drawings to be charged to Borrower's accounts. Minimum fee of \$100.

AVAILABILITY

Subject to the terms hereof, the Borrower of an Operating Facility may borrow, repay and reborrow up to the amount of such Credit Facility provided that (i) such Credit Facility is made available at the sole discretion of the Bank and the Bank may cancel or restrict the availability of any unutilized portion at any time and from time to time without notice, and (ii) an Event of Default shall not have occurred and be continuing at the time of any Advance.

REPAYMENT

Notwithstanding compliance with the covenants and all other terms and conditions of this Agreement, and regardless of the maturities of any outstanding instruments or contracts, Advances under an Operating Facility are repayable on demand.

GENERAL ACCOUNT

The Borrower of an Operating Facility shall establish a current account with the Bank (the "General Account") for the conduct of the Borrower's day-to-day banking business. The Borrower authorizes the Bank daily or otherwise as and when determined by the Bank, to ascertain the balance of the General Account and:

- a) if such position is a debit balance the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, make available RBP Advances under the Credit Facility;
- b) if such position is a credit balance, where the Credit Facility is indicated to be Bank revolved, the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, apply the amount of such credit balance or any part as a repayment of any outstanding RBP Advances under the Credit Facility.

OTHER FACILITIES

The Credit Facilities described above as "Other" will be governed by this Agreement and separate agreements between the Borrower and the Bank. In the event of a conflict between this Agreement and any such separate agreement, the terms of the separate agreement will govern.

FEES

The following fees shall be payable in respect of the Credit Facilities:

- a) Late reporting/default fee in the amount of \$250.00 per occurrence.

SECURITY

Security for the Advances and all other obligations of the Borrower to the Bank (collectively, the "Security"), shall include the following together with such other security as may reasonably be required by the Bank from time to time in order to preserve and protect the interest of the Bank in the property, assets and undertaking of the Borrower or any Guarantor if applicable:

- a) General security agreement on the Bank's form 924 signed by the Borrower constituting a security interest in all personal property of the Borrower;
- b) Security agreement (Dealer Inventory) on Bank's form 926 signed by the Borrower constituting a security interest in all motor vehicle inventory/RV inventory;
- c) Postponement and assignment of claim on the Bank's form 918 signed by RVANA Leisure Group Inc. in respect of the indebtedness of the Borrower;
- d) Landlord consent and waiver signed by 4089074 Manitoba Ltd.

FINANCIAL COVENANTS

In the event that the Borrower, and any Guarantor, if applicable, changes accounting standards, accounting principles and/or the application of accounting principles during the term of this Agreement, all financial covenants shall be calculated using the accounting standards and principles applicable at the time this Agreement was entered into.

Without affecting or limiting the right of the Bank to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of any demand or other discretionary Credit Facility, the Borrower covenants and agrees with the Bank that it will:

- a) maintain a ratio of Total Liabilities to Tangible Net Worth of not more than 4.5:1, to be measured as at the end of each fiscal quarter;
- b) maintain a ratio of Current Assets to Current Liabilities of not less than 1.2:1, to be measured as at the end of each fiscal quarter;

Additionally, the Borrower covenants and agrees with the Bank that it will not, without the Bank's prior written consent, make any Corporate Distribution if an Event of Default has occurred and is continuing at the time of such Corporate Distribution or if the making of such Corporate Distribution will otherwise result in an Event of Default.

REPORTING REQUIREMENTS

The Borrower, and any Guarantor, if applicable, will provide the following financial information to the Bank in a form satisfactory to the Bank, together with such other financial and operating statements and reports as and when the Bank may reasonably require:

- a) monthly internally prepared financial statements for the Borrower within 30 days of each month end;
- b) annual financial statements for the Borrower prepared on a review engagement basis, within 120 days of each fiscal year end;
- c) quarterly Compliance Certificate, substantially in the form of Schedule "F" to this Agreement signed by an authorized signing officer of the Borrower, within 30 days of each fiscal quarter end, certifying compliance with this Agreement including the financial covenants set forth in this Agreement.

CONDITIONS PRECEDENT

In no event will the Credit Facilities or any part thereof or any Advance thereunder be available unless the Bank has received:

- a) a duly executed copy of this Agreement;
- b) the Security provided for herein, registered, as required, to the satisfaction of the Bank;
- c) a copy of the Borrower's franchise, sales and service, repurchase or similar agreements, if any;
- d) a certificate as to corporate and general matters certified by a director or officer of the Borrower or any Guarantor if applicable to which shall be attached certified copies of: (i) its constating documents, including its by-laws dealing with the borrowing of money, the giving of financial assistance and security and the execution of documents; and (ii) the corporate proceedings taken by it authorizing it to execute, deliver and perform its obligations under this Agreement and any other Credit Documents;
- e) certificate(s) of insurance noting the Bank as loss payee, mortgagee and/or additional insured, as applicable, evidencing that the covenants and conditions of this Agreement concerning insurance coverage are being complied with and containing the standard mortgage clause, as applicable;
- f) such financial and other information or documents relating to the Borrower or any Guarantor if applicable as the Bank may reasonably require; and
- g) such other authorizations, approvals, opinions and documentation as the Bank may reasonably require.

Additionally:

- h) all documentation to be received by the Bank shall be in form and substance satisfactory to the Bank;
- i) (i) all representations and warranties contained in this Agreement and the other Credit Documents are true and accurate as of the date of each Advance hereunder; (ii) such Advance will not require any third party consent or entitle any third party to accelerate a debt owing to it; and (iii) the Security remains in full force and effect;
- j) no breach or default in respect of this Agreement or any other Credit Document has occurred and is continuing, or would result from the making of such Advance;
- k) no event or circumstances has occurred and is continuing, or would result from the making of such Advance, which by itself or together with other past or then existing events or circumstances, constitutes or may constitute or cause or may cause a material adverse change in the business prospects or financial condition or property or assets of the Borrower since the end of the respective periods covered by the last financial statements in respect of the Borrower that have been delivered to the Bank;
- l) no Advance under a Floor Plan Facility shall be made available unless the Bank has received an Advance Request from the Borrower;
- m) with respect to any New Floor Plan Unit or Used Floor Plan being financed hereunder, the Bank shall have received (i) at its request, a copy of the invoice/bill of sale (including any value added options) and/or the vehicle registration relating to such unit; and (ii) an executed copy of an assignment in favour of the Bank of any and all conditional sales contracts between the Borrower and the manufacturer of such unit;
- n) at the request of the Bank, the Borrower will complete a Bank Environmental Questionnaire to the satisfaction of the Bank;
- o) the Bank shall have received an executed copy of the asset purchase agreement to acquire the Moose Jaw RV Property and the associated dealership (the "**Moose Jaw RV Transactions**") together with applicable assignment / nomination documentation to reflect the Borrower as the purchaser of the Property and Moose Jaw Auto & Leisure Ltd. as the purchaser of the dealership;
- p) the closing of the Moose Jaw RV Transactions shall have occurred (or satisfactory escrow arrangements shall have been established).

GOVERNING LAW JURISDICTION

Province of Saskatchewan.

ACCEPTANCE

Please acknowledge your acceptance of this Agreement by signing in space provided for below and returning a fully executed copy of this Agreement to the Bank.

ROYAL BANK OF CANADA

Per: 
 Name: Christine Laforge
 Title: Senior Commercial Account Manager

We acknowledge and accept the terms and conditions of this Agreement on this 2nd day of July, 2022

MOOSE JAW AUTO & LEISURE LTD.

Per:

Name: Stefan Vecz

Title: Vice President

I have authority to bind the Borrower



Dan Hamilton

CFO

Attachments:

Terms and Conditions

Schedules:

- A. Definitions
- B. Calculation and Payment of Interest and Fees
- C. Locations and Jurisdictions
- D. Shareholders
- E. Additional Advance Conditions
- F. Compliance Certificate

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TERMS AND CONDITIONS

The Bank is requested to make the Credit Facilities available 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 Terms and Conditions below or the Schedules attached hereto have the meaning given to such terms as so defined. In the event that there are multiple Borrowers listed in the Credit Facilities section of this Agreement then each reference in these Terms and Conditions and Schedules to "the Borrower" shall mean each such Borrower or all such Borrowers or the relevant Borrower under the applicable Credit Facility, as the context so provides.

In consideration of the Bank making the Credit Facilities available, the Borrower, agrees with the Bank as follows:

REPAYMENT

Amounts outstanding under the Credit Facilities, together with interest, shall become due in the manner and at the rates and times specified in this Agreement and shall be paid in the currency of the Advance. Unless the Bank otherwise agrees, any payment hereunder must be made in money that is legal tender at the time of payment. In the case of a demand Credit Facility of any kind, the Borrower shall repay all principal sums outstanding under such Credit Facility upon demand including, without limitation, an amount equal to the face amount of all LCs and LGs that are unmaturing or unexpired, which amount shall be held by the Bank as security for the Borrower's obligations to the Bank in respect of such Advances.

PREPAYMENT

Where Advances are by way of CF Rate Advance (Float), CF Rate US Advance (Float), RBP Advances, the Borrower may prepay such Advances in whole or in part without fee or premium, provided that, in the case of a prepayment of any Advance used to finance the purchase of an RV, such prepayment does not reduce such Advance below any minimum balance requirement set out in this Agreement.

EVIDENCE OF INDEBTEDNESS

The Bank shall maintain accounts and records (the "Accounts") evidencing the Advances made available to the Borrower by the Bank under this Agreement. The Bank shall record the principal amount of such Advances, the payment of principal and interest on account of the Advances, and all other amounts becoming due to the Bank under this Agreement. The Accounts constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Bank pursuant to this Agreement. The Borrower authorizes and directs the Bank to automatically debit, by mechanical, electronic or manual means, any bank account of the Borrower for all amounts payable under this Agreement, including, but not limited to, the repayment of principal and the payment of interest, fees and all charges for the keeping of such bank accounts.

RBC OVERDRIVE SERVICE

The Borrower of a Floor Plan Facility shall use the RBC-OVERDRIVE service (the "Service") in connection with such Credit Facility. The Service will permit the Borrower to perform certain transactions on its accounts via the internet, using security passwords and user identification numbers (collectively, the "Access Codes") selected by the Bank. More particularly, the Service will permit the Borrower to communicate with the Bank by electronic means for the purpose of (a) viewing account information, (b) viewing billing statements, (c) making an Advance Request, (d) authorizing loan payments and (e) performing any additional transactions as may be available using features added to the Service by the Bank from time to time.

The Borrower agrees that use of the Service will be conducted in accordance with the terms and conditions outlined in a separate agreement entered into between the Bank and the Borrower in connection with the Service (the "Overdrive Agreement"), as revised from time to time, and the Bank's rules and manuals of operation, copies of which have been made available to the Borrower concurrent with the execution of the Agreement and that the Borrower acknowledges having reviewed.

The Borrower authorizes the person named as the System Administrator (as defined in Schedule "A" to the Overdrive Agreement) to receive from the Bank any software and any security devices, including Access Codes, related to the Service, to determine and set levels and limits of authority applicable to security devices, including Access Codes, to designate alternate(s) and to receive revisions to the Bank's rules and manuals of operation related to the Service.

RBC DEALER PORTAL

The Borrower of a Floor Plan Facility may use the dealer portal service located at <https://rbc.portalsubmission.com> (the "Dealer Portal") in connection with such Credit Facility. The Dealer Portal will permit the Borrower to perform certain reporting functions with respect to its accounts via the internet. More particularly, the Dealer Portal will permit the Borrower to communicate with the Bank by electronic means for the purpose of (a) uploading financial statements, Compliance Certificates and related reporting documents and (b) performing any additional functions as may be available using features added to the Dealer Portal by the Bank from time to time.

The Borrower agrees that use of the Dealer Portal will be conducted in accordance with the legal terms of use outlined in the Dealer Portal, as revised from time to time, and the Bank's rules and manuals of operation, copies of which have been made available to the Borrower concurrent with the execution of the Agreement and that the Borrower acknowledges having reviewed.

GENERAL COVENANTS

Without affecting or limiting the right of the Bank to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of, any demand or other discretionary Credit Facility, the Borrower covenants and agrees with the Bank that it:

- a) will pay all sums of money when due under the terms of this Agreement;
- b) will do or cause to be done all things necessary to keep in full force and effect its corporate existence and all rights, franchises, sales and service agreements, licenses, permits, approvals and qualifications necessary to carry on its business or own property in each jurisdiction in which it carries on business or owns property;
- c) will use the proceeds of the Credit Facilities as contemplated herein and not for the benefit or on behalf of any Person other than the Borrower;
- d) will immediately advise the Bank of any event that constitutes or which, with notice, lapse of time or both, would constitute an Event of Default;
- e) will promptly notify the Bank of any environmental investigation, charge, study, audit, order or similar action or proceeding with respect to any property or assets, or of any contamination of any property or assets, of the Borrower;
- f) will file all material tax returns that are or will be required to be filed by it, pay or make provision for payment of all material taxes (including interest and penalties) and Potential Prior-Ranking Claims, which are or will become due and payable and provide adequate reserves for the payment of any tax, the payment of which is being contested;
- g) will comply with all Applicable Laws, including, without limitation, all Environmental and Health and Safety Laws;
- h) will immediately advise the Bank of any action requests or violation notices received concerning the Borrower and hold the Bank harmless from and against any losses, costs or expenses that the Bank may suffer or incur for any environment related liabilities existent now or in the future with respect to the Borrower;
- i) will deliver to the Bank such financial and other information as the Bank may reasonably request from time to time, including, but not limited to, the reports and other information set out under Reporting Requirements;
- j) will immediately advise the Bank of any unfavourable change in its financial position that may adversely affect its ability to pay or perform its obligations in accordance with the terms of this Agreement and the Security;
- k) will keep its assets fully insured against such perils and in such manner as would be customarily insured by Persons carrying on a similar business or owning similar assets including, business interruption, liability, property insurance, contingent lessor's automobile insurance, and in addition, for any buildings located in areas prone to flood and/or earthquake, will insure and keep fully insured such buildings against such perils;
- l) will ensure that all insurance policies will be in form and substance satisfactory to the Bank and will: (a) contain a breach of warranty clause in favour of the Bank, (b) provide that no cancellation, material reduction in amount or material change in coverage will be effective until at least 30 days after receipt of written notice thereof by the Bank, (c) name the Bank as loss payee as its interest may appear or, in the case of liability policies, as additional insured;
- m) will advise the Bank of any change in the information contained in Schedule "C" annexed hereto;
- n) will give the Bank thirty (30) days prior notice in writing of any intended change in its ownership structure or composition or that of any Guarantor, as set out in Schedule "D" annexed hereto and will not make or facilitate any such changes without the prior written consent of the Bank;
- o) except for Permitted Encumbrances, will not, without the prior written consent of the Bank, grant, create, assume or suffer to exist any Encumbrance affecting any of its properties, assets or other rights;
- p) will not, without the prior written consent of the Bank, sell, transfer, convey, lease or otherwise dispose of any of its properties or assets other than in the ordinary course of business and on commercially reasonable terms;

- q) will not, without the prior written consent of the Bank, merge, amalgamate, or otherwise enter into any other form of business combination with any other Person;
- r) will permit the Bank or its representatives, from time to time, i) to visit and inspect the Borrower's premises, properties and assets and examine and obtain copies of the Borrower's records or other information, ii) to collect information from any entity regarding any Potential Prior-Ranking Claims and iii) to discuss the Borrower's affairs with the auditors, counsel and other professional advisers of the Borrower. The Borrower hereby authorizes and directs any such third party to provide to the Bank or its representatives all such information, records or documentation requested by the Bank. Without limiting the generality of the foregoing, the Bank may at any time and from time to time in its sole and absolute discretion perform an audit and/or physical inspection of the vehicle inventory of the Borrower;
- s) will not create, assume, incur or permit to exist any indebtedness or liabilities (including Contingent Liabilities) except for (i) indebtedness in favour of the Bank, (ii) unsecured accounts payable and accrued liabilities incurred by the Borrower in the ordinary course of business, (iii) indebtedness incurred in relation to Permitted Encumbrances, and (iv) any indebtedness or liabilities to which the Bank specifically consents in writing from time to time;
- t) will not avail itself of any Credit Facilities established in its favour where such availment would cause the total amount of Advances made thereunder to exceed the maximum principal amount authorized at the time of availment;

REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Bank that:

- a) it is duly incorporated, validly existing and duly registered or qualified to carry on business in each jurisdiction in which its business or assets are located;
- b) the execution, delivery and performance by it of this Agreement have been duly authorized by all necessary actions, do not violate its constating documents or any Applicable Laws or other agreements to which it is subject or by which it is bound;
- c) no event has occurred that constitutes, or which, with notice, lapse of time, or both, would constitute, an Event of Default;
- d) it has no liabilities (including Contingent Liabilities) that are not fully disclosed herein or reflected in the financial statements provided to the Bank for its most recently completed fiscal period, other than liabilities incurred in the ordinary course of its business since the end of such fiscal period or liabilities otherwise consented to by the Bank, and all financial statements that have been furnished by it to the Bank are complete and accurate and present fairly its assets, liabilities and financial position as of the dates referred to therein;
- e) it is conducting its business and operations in compliance with its articles and by-laws and all Applicable Laws in all material respects (including Environmental and Health and Safety Laws) and it has obtained and maintained in good standing all licences, permits and approvals required in respect of its operations;
- f) it is not insolvent nor will it be insolvent immediately following the completion of the transactions contemplated by, or referred to in, any of the Credit Documents;
- g) it does not carry on business or otherwise have assets in any jurisdiction or at any address other than the jurisdictions and at the addresses within those jurisdictions set forth in Schedule "C" to this Agreement; its registered office, principal place of business and chief executive office, and the location where most of its record are kept, are as set out in Schedule "C" to this Agreement;
- h) other than as disclosed to the Bank as at the date hereof, it does not own any real property or have any interests therein and is not bound by any agreement to own or lease any real property;
- i) all the direct and indirect issued and outstanding shares in its capital and the registered and beneficial ownership of such shares is as set forth in Schedule "D" to this Agreement, and there are no outstanding warrants, options or rights to purchase or otherwise acquire any shares in its capital and no such securities are convertible into or exchangeable for any such shares;
- j) all information provided, or to be provided from time to time, to the Bank in connection with the Credit Facilities is true and correct and none of the documentation furnished to the Bank omits or will omit as of such time a material fact necessary to make the statements contained therein not misleading;
- k) there is no claim, action, prosecution or other proceeding of any kind pending or threatened against it or any of its assets or properties before any court or administrative agency that (i) relates to any non-compliance with any Environmental and Health and Safety Laws, or (ii) which, if adversely determined, might have a material adverse effect upon its financial condition or operations or its ability to perform its obligations under this Agreement or any Security, and there are no circumstances of which it is aware that might give rise to any such proceeding that it has not fully disclosed to the Bank; and

- l) it has good and marketable title to all of its properties and assets, free and clear of any Encumbrances, other than as may be provided for herein.

Representations and warranties are deemed to be given jointly and severally by all Borrowers and deemed to be repeated as at the time of each Advance hereunder.

EVENTS OF DEFAULT

Without affecting or limiting the right of the Bank to terminate or demand payment of, or to cancel or restrict availability of any unutilized portion of, any demand or other discretionary Credit Facility, each of the following shall constitute an "Event of Default" which shall entitle the Bank, in its sole discretion, to cancel any Credit Facilities, demand immediate repayment in full of any amounts outstanding under any Credit Facilities, together with outstanding accrued interest and any other indebtedness under or with respect to any Credit Facilities, and to realize on all or any portion of any Security:

- a) failure of the Borrower to pay any principal, interest or other amount when due pursuant to this Agreement;
- b) failure of the Borrower, or any Guarantor if applicable, to observe any covenant, term or condition contained in this Agreement, the Security, or any other agreement delivered to the Bank or in any documentation relating hereto or thereto;
- c) the Borrower, or any Guarantor if applicable, is unable to pay its debts as such debts become due, or is, or is adjudged or declared to be, or admits to being, bankrupt or insolvent;
- d) if any proceeding is taken to effect a compromise or arrangement with the creditors of the Borrower, or any Guarantor if applicable, or to have the Borrower, or any Guarantor if applicable, declared bankrupt or wound up, or to have a receiver appointed for any part of the assets or operations of the Borrower, or any Guarantor if applicable, or if any encumbrancer takes possession of any part thereof;
- e) if in the opinion of the Bank there is a material adverse change in the financial condition, ownership or operation of the Borrower, or any Guarantor if applicable;
- f) if any representation or warranty made under this Agreement or in any other document relating hereto or under any Security shall be false in any material respect;
- g) if the Borrower, or any Guarantor if applicable, defaults in the payment of any other indebtedness, whether owing to the Bank or to any other Person, or defaults in the performance or observance of any agreement in respect of such indebtedness where, as a result of such default, the maturity of such indebtedness is or may be accelerated;
- h) if the Borrower, or any Guarantor if applicable, ceases (voluntarily or involuntarily) or threatens to cease to carry on its business, or changes the nature or the scope of its business, without the Bank's prior written consent;
- i) if the Borrower, or any Guarantor if applicable, permits any other event of default that might reasonably be expected to materially and adversely affect the assets of the Borrower, or any Guarantor if applicable, secured by the Security to occur and to continue after any applicable grace period specified in such agreements or instruments;
- j) if the Borrower, or any Guarantor if applicable, denies its obligations under any Credit Documents to which it is a party or claims any of the Credit Documents to which it is a party to be invalid or withdrawn in whole or in part; or any of the Credit Documents is invalidated by any act, regulation or governmental action or is determined to be invalid by a court or other judicial entity and such determination has not been stayed pending appeal;
- k) if a final judgment, writ of execution, garnishment or attachment or similar process is issued or levied against any of the assets, undertaking or property of the Borrower, or any Guarantor if applicable, and such judgment, writ, execution, garnishment, attachment or similar process is not released, bonded, satisfied, discharged, vacated or stayed within the permitted timeframe following its entry, commencement or levy;
- l) if in the opinion of the Bank there is a material adverse change in the environmental condition of the assets, undertaking or property or business activities of the Borrower, or any Guarantor if applicable.

Should the Bank demand immediate repayment in full of any amounts outstanding under any Credit Facilities due to an Event of Default, the Borrower shall immediately repay all principal sums outstanding under such Credit Facilities and all other obligations in connection with any such Credit Facilities including, without limitation, an amount equal to the face amount of all LCs and LGs that are unmatured or unexpired, which amount shall be held by the Bank as security for the Borrower's obligations to the Bank in respect of such Advances.

FEES, COSTS AND EXPENSES

The Borrower agrees to pay the Bank all fees, as stipulated in this Agreement. The Borrower also agrees to pay all fees (including legal fees), costs and expenses incurred by the Bank in connection with the preparation, operation, enforcement or termination of this Agreement and the Security. The Borrower shall indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank if any Credit Facility is repaid or prepaid other than on its Maturity Date. The determination by the Bank of such loss, cost or expense shall be conclusive and binding for all purposes and shall include, without limitation, any loss incurred by the Bank in liquidating or redeploying deposits acquired to make or maintain any Credit Facility.

GENERAL INDEMNITY

The Borrower hereby agrees to indemnify and hold the Bank and its directors, officers, employees and agents harmless from and against any and all claims, suits, actions, demands, debts, damages, costs, losses, obligations, judgements, charges, expenses and liabilities of any nature which are suffered, incurred or sustained by, imposed on or asserted against any such Person as a result of, in connection with or arising out of i) any Event of Default, ii) the Bank acting upon instructions given or agreements made by electronic transmission of any type, iii) the presence of Contaminants at, on or under or the discharge or likely discharge of Contaminants from, any properties now or previously used by the Borrower or any Guarantor if applicable, and iv) the breach of or non-compliance with any Applicable Law by the Borrower or any Guarantor if applicable.

AMENDMENTS AND WAIVERS

Save and except for any waiver or extension of the deadline for acceptance of this Agreement at the Bank's sole discretion, which may be communicated in writing, verbally, or by conduct, no amendment or waiver of any provision of this Agreement will be effective unless it is in writing, signed by the Borrower and the Bank. No failure or delay, on the part of the Bank, in exercising any right or power hereunder or under any Security or any other agreement delivered to the Bank shall operate as a waiver thereof. Each Guarantor, if applicable, agrees that the amendment or waiver of any provision of this Agreement (other than agreements, covenants or representations expressly made by any Guarantor herein, if any) may be made without and does not require the consent or agreement of, or notice to, any Guarantor. Any amendments requested by the Borrower will require review and agreement by the Bank and its counsel. Unless otherwise agreed to by the Bank in writing, costs related to this review will be for the Borrower's account.

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 Bank. The Bank may assign or transfer all or any part of its rights and obligations under this Agreement to any Person. The Bank 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 Bank) and shall not be liable for any such disclosure.

GAAP

Unless otherwise provided, all accounting terms used in this Agreement shall be interpreted in accordance with Canadian Generally Accepted Accounting Principles, as appropriate, for publicly accountable enterprises, private enterprises, not-for-profit organizations, pension plans and in accordance, as appropriate, with Public Sector Accounting Standards for government organizations in effect from time to time, applied on a consistent basis from period to period. All financial statements and/or reports shall be prepared using one of the above bases of presentation, as appropriate. Except for the transition of accounting standards in Canada, any change in accounting principles or the application of accounting principles is only permitted with the prior written consent of the Bank.

SEVERABILITY

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and such invalid provision shall be deemed to be severable.

GOVERNING LAW

This Agreement shall be construed in accordance with and governed by the laws of the Province identified in the Governing Law Jurisdiction section of this Agreement and the laws of Canada applicable therein. The Borrower and any Guarantor if applicable, 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.

DEFAULT BY LAPSE OF TIME

The mere lapse of time fixed for performing an obligation shall have the effect of putting the Borrower, or a Guarantor if applicable, in default thereof.

SET-OFF

The Bank is authorized (but not obligated), at any time and without notice, to apply any credit balance (whether or not then due) in any account in the name of the Borrower, or to which the Borrower is beneficially entitled (in any currency) at any branch or agency of the Bank in or towards satisfaction of the indebtedness of the Borrower due to the Bank under the Credit Facilities and the other obligations of the Borrower under this Agreement. For that purpose, the Bank 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.

NOTICES

Any notice or demand to be given by the Bank shall be given in writing by way of a letter addressed to the Borrower. If the letter is sent by email transmission or telecopier, it shall be deemed received on the date of transmission, provided such transmission is sent prior to 5:00 p.m. on a Business Day, and otherwise on the next such Business Day. If the letter is sent by ordinary mail to the address of the Borrower, it shall be deemed received on the date falling five (5) Business 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 delivery. The Borrower must advise the Bank at once about any changes in the Borrower's address, email or telecopier number.

CONSENT OF DISCLOSURE

The Borrower hereby grants permission to any Person having information in such Person's possession relating to any Potential Prior-Ranking Claim, to release such information to the Bank (upon its written request), solely for the purpose of assisting the Bank to evaluate the financial condition of the Borrower.

NON-MERGER

The provisions of this Agreement shall not merge with any Security provided to the Bank, but shall continue in full force for the benefit of the parties hereto.

JOINT AND SEVERAL

Where more than one Person is liable as Borrower or Guarantor if applicable for any obligation under this Agreement, then the liability of each such Person for such obligation is joint and several with each other such Person.

COUNTERPART EXECUTION

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.

ELECTRONIC MAIL AND FAX TRANSMISSION

The Bank is entitled to rely on any agreement, document or instrument provided to the Bank by the Borrower or any Guarantor as applicable, by way of electronic mail or fax transmission as though it were an original document. The Bank 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.

ELECTRONIC IMAGING

The parties hereto agree that, at any time, the Bank may convert paper records of this Agreement and all other documentation delivered to the Bank (each, a "Paper Record") into electronic images (each, an "Electronic Image") as part of the Bank'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.

LANGUAGE

The parties hereto 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.

WHOLE AGREEMENT

This Agreement and any documents or instruments referred to in, or delivered pursuant to, or in connection with, this Agreement constitute the whole and entire agreement between the Borrower and the Bank with respect to the Credit Facilities.

EXCHANGE RATE FLUCTUATIONS

If, for any reason, the amount of Advances outstanding under any Credit Facility, when converted to the Equivalent Amount in Canadian currency, exceeds the amount available under such Credit Facility, the Borrower shall immediately repay such excess or shall secure such excess to the satisfaction of the Bank.

JUDGEMENT CURRENCY

If for the purpose of obtaining judgement in any court in any jurisdiction with respect to this Agreement, it is necessary to convert into the currency of such jurisdiction (the "**Judgement Currency**") any amount due hereunder in any currency other than the Judgement Currency, then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgement is given. For this purpose "rate of exchange" means the rate at which the Bank would, on the relevant date, be prepared to sell a similar amount of such currency in the Toronto foreign exchange market, against the Judgement Currency, in accordance with normal banking procedures.

In the event that there is a change in the rate of exchange prevailing between the Business Day before the day on which judgement is given and the date of payment of the amount due, the Borrower will, on the date of payment, pay such additional amounts as may be necessary to ensure that the amount paid on such date is the amount in the Judgement Currency which, when converted at the rate of exchange prevailing on the date of payment, is the amount then due under this Agreement in such other currency together with interest at RBP and expenses (including legal fees on a solicitor and client basis). Any additional amount due from the Borrower under this section will be due as a separate debt and shall not be affected by judgement being obtained for any other sums due under or in respect of this Agreement.

CONSULTANT

If the Bank reasonably believes that the financial condition of the Borrower has significantly deteriorated, or the accounting or business procedures of the Borrower are materially flawed, or if the Bank or the Borrower disagrees with regard to the compliance with any term or condition of this Agreement and such disagreement has remained unresolved for a period of thirty (30) days, then in addition to, or in substitution for any inspection otherwise permitted hereunder or pursuant to any other agreement between the parties hereto, at the request of the Bank the Borrower will appoint a consultant from a list of major, nationally recognized accounting firms presented to the Borrower by the Bank, at the Borrower's expense and on such terms as are acceptable to the Bank. Such consultant will be given the full and complete cooperation of the Borrower including, without limitation, unrestricted access to land and premises of the Borrower and any documents and records of or related to the Borrower's business. The Borrower acknowledges and agrees that the appointment of the consultant will not constitute the consultant or the Bank to be managing the business and affairs of the Borrower.

FURTHER ASSURANCES

The Borrower, and any Guarantor if applicable, shall from time to time do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents (including certificates, declarations, affidavits, reports and opinions) and things as the Bank may reasonably request for the purpose of giving effect to this Agreement and any other Credit Documents, perfecting, protecting and maintaining the Encumbrances created by the Security or establishing compliance with the representations, warranties and conditions of this Agreement or any other Credit Documents.

CONFLICT

It is agreed that to the extent that any term, condition, representation, covenant or other provision contained in any other Credit Documents is at any time inconsistent or conflicts with any term, condition, representation, covenant or other provision contained in this Agreement, then unless otherwise provided herein, this Agreement shall govern, other than as to amount.

DEFINITIONS

For the purpose of this Agreement, the following terms and phrases shall have the following meanings:

“Acquisition Cost” means the price paid by the Borrower to acquire an RV, whether to the manufacturer, dealer, auction house or other unrelated seller, as evidenced by a manufacturer's invoice, bill of sale or auction invoice (as applicable), including without duplication, the price paid for any value added options, less any discounts, rebates, incentives, reductions, trade-in allowances, deposits and down payments of any kind, and which:

- a) in respect of a New RV or New Marine Unit, shall also include without duplication, GST/HST and freight charges, except in the case of a Dealer Trade in which case GST/HST and freight charges shall be excluded;
- b) in respect of a Used RV, shall exclude GST/HST and freight charges.

“Advance” means each use of a Credit Facility and all such usages outstanding at any time are **“Advances”**.

“Advance Request” means a request for an Advance by the Borrower using the Service or other format agreed upon by the Borrower and the Bank.

“Applicable Laws” means, with respect to any Person, property, transaction or event, all present or future applicable laws, statutes, regulations, rules, policies, guidelines, rulings, interpretations, directives (whether or not having the force of law), orders, codes, treaties, conventions, judgements, awards, determinations and decrees of any governmental, quasi-governmental, regulatory, fiscal or monetary body or agency or court of competent jurisdiction in any applicable jurisdiction.

“Business Day” means a day, excluding Saturday, Sunday and any other day that shall be a legal holiday or a day on which banking institutions are closed throughout Canada.

“CDN” means lawful money of Canada.

“CF Rate Advance (CDN Float)” means an Advance in CDN bearing interest based on the CF Rate (Float) in effect from time to time, as provided in this Agreement.

“CF Rate (Float)” means on any given date, the variable rate of interest expressed as a percentage per annum based on RBC Automotive Finance cost of funds in CDN adjusted by the Bank and published weekly on the Service.

“CF Rate Advance (USD Float)” means an Advance in USD bearing interest at a variable rate based on the CF Rate US (Float) in effect from time to time, as provided in this Agreement.

“CF Rate US (Float)” means on any given date, the variable rate of interest expressed as a percentage per annum based on RBC Automotive Finance cost of funds in USD adjusted by the Bank and published weekly on the Service.

“Contaminant” includes, without limitation, any pollutant, dangerous substance, liquid waste, industrial waste, hazardous material, hazardous substance or contaminant including any of the foregoing as defined in any Environmental and Health and Safety Law.

“Contingent Liabilities” means, with respect to any Person, (i) any obligation of such Person guaranteeing or indemnifying, or in effect guaranteeing or indemnifying, any indebtedness or other monetary obligations (the **“primary obligations”**) of any other Person (the **“primary obligor”**) in any manner, whether directly or indirectly, (ii) any obligation of such Person to assure or hold harmless the obligee under such primary obligation against loss in respect of such primary obligation, and (iii) any obligation of such Person to redeem or otherwise repurchase any of its shares or other ownership interests (unless such obligation has been postponed by the owner of such shares or other ownership interests or otherwise restricted in favour of the Bank).

“Corporate Distribution” means any payment to any shareholder, director or officer of the Borrower, or to any associate or holder of debt of the Borrower (whether or not such debt is postponed or subordinated), or to any shareholder, director or officer of any associate or holder of debt of the Borrower, including, without limitation, bonuses, dividends, interest, salaries or repayment of debt or making of loans to any such Person, but excluding salaries to officers or other employees in the ordinary course of business.

“Credit Documents” means this Agreement, the Security and any other document or agreement relating to the Credit Facilities, the Security and/or this Agreement, as the same may be added to, amended, superseded or replaced from time to time.

“Current Assets” means, at any time, those assets ordinarily realizable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year other than advances to related parties and other than receivables owing by related parties unless such receivables are trade receivables arising in the ordinary course of business.

“Current Liabilities” means, at any time, amounts payable within one year from the date of determination or within the normal operating cycle, where such cycle is longer than a year (the operating cycle must correspond with that used for current assets).

“Dealer Trade” means the acquisition by the Borrower of a New RV or New Marine Unit from another dealer.

“Encumbrance” means any mortgage, debenture, pledge, hypothec, lien, charge, assignment by way of security, consignment, lease, security or other security agreement, trust or arrangement having the effect of security for the payment of any debt, liability or obligation (including Contingent Liabilities).

“Environmental Activity” means any activity, event or circumstance in respect of a Contaminant, including, without limitation, its storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation, or its Release into the natural environment, including movement through or in the air, soil, surface water or groundwater.

“Environmental and Health and Safety Laws” means all Applicable Laws relating to the environment or occupational health and safety, or any Environmental Activity.

“Equity” means the total of share capital, (excluding the redeemable value of preferred shares that are not otherwise postponed to the Bank) contributed surplus and retained earnings plus Postponed Debt less any future income tax liability.

“Equivalent Amount” means, with respect to an amount of any currency, the amount of any other currency required to purchase that amount of the first mentioned currency through the Bank, in accordance with normal banking procedures.

“Floor Plan Facility” means a New Floor Plan Facility and a Used Floor Plan Facility.

“Guarantor” means any Person who has guaranteed the obligations of the Borrower under this Agreement.

“Interest Payment Date” means the 1st day of each calendar month or such other day as may be agreed to between the Borrower and the Bank.

“Letter of Credit” or **“LC”** means a documentary credit issued by the Bank on behalf of the Borrower for the purpose of paying suppliers of goods.

“Letter of Guarantee” or **“LG”** means a documentary credit issued by the Bank on behalf of the Borrower for the purpose of providing security to a third party that the Borrower or a person designated by the Borrower will perform a contractual obligation owed to such third party.

“Maturity Date” means the date on which a Credit Facility is due and payable in full.

“New Floor Plan Unit” means a New RV or a New Marine Unit;

“New Marine Unit” means a boat or other marine product from the current model year or immediately prior model year (based on a calendar year) of a make and model acceptable to the Bank which is to be sold or held for sale by the Borrower at its place of business.

“New RV” means an RV from the current model year or immediately prior model year (based on a calendar year) which: (i) is to be acquired by the Borrower from the manufacturer or from another dealer by way of a Dealer Trade;

(ii) has not been driven more than 300 kilometres; and (iii) has not previously been plated and/or registered to an owner under Applicable Laws except to another dealer if acquired by way of a Dealer Trade.

“**New Demonstrator Unit**” means a New RV which is used by the Borrower as a demonstrator/courtesy vehicle at its place of business.

“**Permitted Encumbrances**” means, in respect of the Borrower:

- a) Encumbrances arising by operation of law for amounts not yet due or delinquent, minor Encumbrances on real property such as easements and rights of way that 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 Encumbrance consented to in writing by the Bank; and
- c) any Encumbrance granted in favour of the Bank.

“**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.

“**Postponed Debt**” means indebtedness that is fully postponed and subordinated, both as to principal and interest, on terms satisfactory to the Bank, to the obligations owing to the Bank hereunder and that for purposes of this definition also includes the postponement of all redemption rights in respect of any redeemable preferred shares.

“**Potential Prior-Ranking Claims**” means all amounts owing or required to be paid, where the failure to pay any such amount could give rise to a claim pursuant to any law, statute, regulation or otherwise, which ranks or is capable of ranking in priority to the Security or otherwise in priority to any claim by the Bank for repayment of any amounts owing under this Agreement.

“**RBP Advance**” means an Advance in Canadian currency bearing interest based on Royal Bank Prime as provided for in this Agreement.

“**RBC Automotive Finance**” means the Automotive Finance Group of the Royal Bank of Canada.

“**RBP**” and “**Royal Bank Prime**” each means the annual rate of interest announced by the Bank from time to time as being a reference rate then in effect for determining interest rates on commercial loans made in Canadian currency in Canada.

“**Release**” includes discharge, spray, inject, inoculate, abandon, deposit, spill, leak, seep, pour, emit, empty, throw, dump, place and exhaust, and when used as a noun has a similar meaning.

“**RV**” means a recreational vehicle or trailer of a make and model acceptable to the Bank which is to be sold or held for sale by the Borrower at its place of business.

“**Tangible Net Worth**” means the total of Equity less intangible assets, including but not limited to prepaid expenses and deposits, deferred charges, leasehold improvements, deferred tax credits, goodwill, unsecured advances to related parties and accounts receivable from related parties arising outside the normal course of business.

“**Total Liabilities**” means all liabilities (including the value of any Contingent Liabilities), exclusive of deferred tax liabilities and Postponed Debt.

“**US**” means United States of America.

“**USD**” means lawful money of the United States of America.

“**Used Floor Plan Unit**” means a used RV of model years acceptable to the Bank and which does not otherwise qualify as a New RV.

“**Used Demonstrator Unit**” means a Used Floor Plan Unit which is used by the Borrower as a demonstrator/courtesy vehicle at its place of business.

“Wholesale Value” means with respect to a Used RV, (i) the “clean” designation value of such vehicle as determined by the current Canadian Black Book, or (ii) where the said vehicle is not included in the Canadian Black Book, the wholesale value determined by the Bank may, in its discretion, based on NADA, Price Digests, Kelly Blue Book, Auto Trader or other market data or market sources, together with any applicable regional adjustments.

CALCULATION AND PAYMENT OF INTEREST AND FEES**LIMIT ON INTEREST**

The Borrower shall not be obligated to pay any interest, fees or costs under or in connection with this Agreement in excess of what is permitted by Applicable Law.

OVERDUE PAYMENTS

Any amount that is not paid when due hereunder shall, unless interest is otherwise payable in respect thereof in accordance with the terms of this Agreement or the instrument or contract governing same, bear interest until paid at the rate of RBP plus 5% per annum or, in the case of an amount in US currency if applicable, RBUSBR plus 5% per annum. Such interest on overdue amounts shall be computed daily, compounded monthly and shall be payable both before and after any or all of default, maturity date, demand and judgement.

EQUIVALENT YEARLY RATES

The annual rates of interest or fees 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 in which such calculation is made and divided by 365.

The Borrower confirms that it fully understands and is able to calculate the rate of interest applicable to the Credit Facility(ies) based on the methodology for calculating per annum rates provided for in this Agreement. The Borrower hereby irrevocably agrees not to plead or assert, whether by way of defence or otherwise, in any proceeding relating to this Agreement, that the interest payable under this Agreement and the calculation thereof has not been adequately disclosed to the Borrower, whether pursuant to section 4 of the *Interest Act* (Canada) or any other applicable law or legal principle.

TIME AND PLACE OF PAYMENT

Amounts payable by the Borrower hereunder shall be paid at such place as the Bank may advise from time to time in the applicable currency. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day. Interest and fees payable under this Agreement are payable both before and after any or all of default, maturity date, demand and judgement.

RBP ADVANCES

The Borrower shall pay interest on each RBP Advance, monthly in arrears, on the 26th day of each month or such other day as may be agreed to between the Borrower and 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 and shall be paid in the currency of the applicable Advance.

CF RATE ADVANCE (FLOAT)

The Borrower shall pay interest on each CF Rate Advance (Float), monthly in arrears, on each Interest Payment Date. Such interest will be calculated and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days and shall be paid in the currency of the applicable Advance.

LETTER OF CREDIT FEES

The Borrower shall pay a LC fee on the date of issuance of any LC calculated on the face amount of the LC issued, based upon the number of days in the term and a year of 365 days.

LETTER OF GUARANTEE FEES

The Borrower shall pay LG fees in advance on a quarterly basis calculated on the face amount of the LG issued and based on the number of days in the upcoming quarter or remaining term thereof and a year of 365 days. LG fees are non-refundable.

LOCATIONS AND JURISDICTIONS

1. REGISTERED OFFICES, PRINCIPAL PLACE OF BUSINESS, CHIEF EXECUTIVE OFFICE AND LOCATION OF RECORDS (ADDRESSES):

1400 Lakeview Road Moose Jaw, Saskatchewan S6H 4R3

And

1000-2002 Victoria Avenue, Regina, Saskatchewan, Canada, S4P 0R7

2. ADDRESSES OF LOCATIONS OF ASSETS:

1400 Lakeview Road Moose Jaw, Saskatchewan S6H 4R3

And

1000-2002 Victoria Avenue, Regina, Saskatchewan, Canada, S4P 0R7

SHAREHOLDERS

Company	Shareholder	Number of Shares	Class of Shares
	Rvana Leisure Group Inc.	100	Class A

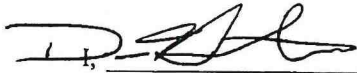
ADDITIONAL ADVANCE CONDITIONS

LCs or LGs:

Advances made by way of LCs or LGs will be subject to the following terms and conditions:

- a) each LC and LG shall expire on a Business Day and shall have a term of not more than 365 days;
- b) at least 2 Business Days prior to the issue of an LC or LG, the Borrower shall execute a duly authorized application with respect to such LC or LG and each LC and LG shall be governed by the terms and conditions of the relevant application for such contract;
- c) an LC or LG may not be revoked prior to its expiry date unless the consent of the beneficiary of the LC or LG has been obtained;
- d) any LC or LG issued under a term facility must have an expiry date on or before the Maturity Date of the term facility, unless otherwise agreed by the Bank; and
- e) if there is any inconsistency at any time between the terms of this Agreement and the terms of the application for LC or LG, the terms of the application for LC or LG shall govern.

COMPLIANCE CERTIFICATE



_____, representing Moose Jaw Auto & Leisure Ltd. hereby certify as of [insert last day fiscal quarter]:

1. I am familiar with and have examined the provisions of the Agreement dated July 20, 2022 and any amendments thereto, between Moose Jaw Auto & Leisure Ltd., as Borrower, and Royal Bank of Canada, as the Bank, and have made reasonable investigations of corporate records and inquiries of other officers and senior personnel of the Borrower and any Guarantor if applicable. Terms defined in the Agreement have the same meanings where used in this certificate.
2. The representations and warranties contained in the Agreement are true and correct.
3. No event or circumstance has occurred which constitutes or which, with the giving of notice, lapse of time, or both, would constitute an Event of Default and there is no reason to believe that during the next fiscal quarter of the Borrower, any such event or circumstance will occur.
4. The ratio of Current Assets to Current Liabilities of the Borrower is ●:1, being not less than the required ratio of 1.2:1.
5. The ratio of Total Liabilities to Tangible Net Worth of the Borrower is ●:1, being not more than the required ratio of 4.5:1.
6. The detailed calculations of the foregoing ratios and covenants is set forth in the addendum annexed hereto and are true and correct in all respects.


Dated this ____ day of _____, 20__.

Per: _____
 Name: _____
 Title: _____

Per: _____
 Name: _____
 Title: _____



This is Exhibit 'D' referred to in the Affidavit of Kerry Orth sworn before me this 13th day of August, 2024.



 A COMMISSIONER FOR OATHS
 for the Province of Saskatchewan,
 Being a Solicitor

Royal Bank of Canada
 RBC Automotive Finance
 RBC Automotive Finance
 100-220 Portage Avenue,
 Winnipeg, Manitoba R3C 0A5
 Tel.: 204-229-6748

October 25, 2022

Attention: Christine Laforge
 Senior Commercial Account
 Manager
 E-mail: christine.laforge@rbc.com

Private and Confidential

MOOSE JAW AUTO & LEISURE LTD.
 1400 Lakeview Road
 Moose Jaw, Saskatchewan S6H 4R3

Dear Sirs/Mesdames:

Re: First Amending Agreement to Credit Facilities issued by Royal Bank of Canada (the “Bank”) in favour of Moose Jaw Auto & Leisure Ltd. the “Borrower”

The Bank established certain credits in favour of the Borrower pursuant to an amended and restated credit agreement issued by the Bank to the Borrower on July 20, 2022 on the terms and conditions set out therein (collectively the “Credit Agreement”).

The Borrower and the Bank wish to amend the Credit Agreement in the manner set forth herein for the purpose of, among other things, granting the Borrower a new segment under the New Floor Plan (Heartland RV) and a Used Floor Plan Facility.

Interpretation

All words and expressions defined in the Credit Agreement have the same meaning when used herein. Reference to the Credit Agreement includes amendments thereto from time to time including the amendments made by this Amending Agreement. All references herein to sections of or schedules to an agreement other than this Amending Agreement are to section of and schedules to the Credit Agreement, unless otherwise expressly stated. Clause headings are for reference only.

Effective Date

The provisions of the Credit Agreement shall be amended as set out in this Amending Agreement effective as of and from the date first written above.

Amendments

1. The Section of the Credit Agreement entitled “**CREDIT FACILITIES**” is hereby deleted in its entirety and replaced with the following:

CREDIT FACILITIES

The following Credit Facilities are available in favour of the Borrower in the amount(s) set out below and at the interest rate(s) set out below:

Form of Credit Facility	Amount	Interest Rate (per annum)
New Floor Plan Facility – Segment 1 (Crossroads RV)	*Up to \$6,000,000.00 (inclusive of any Advances in USD after conversion to the Equivalent Amount in CDN)	CF Rate (CDN Float) + 0.50% CF Rate (USD Float) + 0.50%

Form of Credit Facility	Amount	Interest Rate (per annum)
New Floor Plan Facility – Segment 2 (Glacier RV)	*Up to \$6,000,000.00 (inclusive of any Advances in USD after conversion to the Equivalent Amount in CDN)	CF Rate (CDN Float) + 0.50% CF Rate (USD Float) + 0.50%
New Floor Plan Facility – Segment 3 (Heartland RV)	*Up to \$6,000,000.00 (inclusive of any Advances in USD after conversion to the Equivalent Amount in CDN)	CF Rate (CDN Float) + 0.50% CF Rate (USD Float) + 0.50%
New Floor Plan Facility – Segment 4 (Lund Marine Products)	*Up to \$1,500,000.00 (inclusive of any Advances in USD after conversion to the Equivalent Amount in CDN)	CF Rate (CDN Float) + 0.50% CF Rate (USD Float) + 0.50%
Used Floor Plan Facility	Up to \$1,000,000.00	CF Rate (CDN Float) + 0.15%
Used Floor Plan Facility (RV)	Up to \$500,000.00	CF Rate (CDN Float) + 0.50%
Operating Facility	Up to \$200,000.00	RBP + 0.00%
Other – Credit Card	Up to \$205,000.00	To be set out in a separate Agreement between the Borrower and the Bank

*Notwithstanding the Credit Facility amounts described above, the total amount of Advances outstanding under all New Floor Plan Facilities on a combined basis shall not at any time exceed \$6,000,000.00.

2. The Section of the Credit Agreement entitled “**NEW FLOOR PLAN FACILITIES**” is hereby amended by deleting (a) under the Subsection entitled “**AVAILABILITY**” and replacing it with the following:
 - (a) each Advance under: (i) Segment 1 shall only be made to finance the purchase of a Crossroads brand New RV; (ii) Segment 2 shall only be made to finance the purchase of a Glacier brand New RV; (iii) Segment 3 shall only be made to finance the purchase of a Heartland brand New RV; and (iv) Segment 4 shall only be made to finance the purchase of a Lund brand New Marine Unit.
3. The Credit Agreement is hereby amended by adding the following Section entitled “**USED FLOOR PLAN FACILITY**” immediately following the Section entitled “**NEW FLOOR PLAN FACILITY**” and immediately before the Section entitled “**USED RV FACILITY**”:

USED FLOOR PLAN FACILITY

The Credit Facility referred to above as a “**Used Floor Plan Facility**” consists of a revolving demand facility that may be borrowed by way of CF Rate Advances (CDN Float) at the interest rate set out above opposite such Credit Facility.

AVAILABILITY

Subject to the terms hereof, the Borrower of a Used Floor Plan Facility may, by making Advance Requests, borrow, repay and reborrow up to the amount of such Credit Facility provided that (i) such Credit Facility is made available at the sole discretion of the Bank and the Bank may cancel or restrict the availability of any unutilized portion at any time and from time to time without notice, and (ii) an Event of Default shall not have occurred and be continuing at the time of any Advance.

Advances under a Used Floor Plan Facility shall be made available subject to the following:

- a) each Advance shall only be made to finance the purchase of a Used Floor Plan Vehicle or a Used Demonstrator Vehicle;
- b) the amount of any Advance made to finance the purchase of a Used Floor Plan Vehicle or a Used Demonstrator Vehicle shall not exceed the lesser of: (i) 100% of the Acquisition Cost of such Used Floor Plan Vehicle or Used Demonstrator Vehicle, (ii) 100% of the current Wholesale Value of such Used Floor Plan Vehicle or Used Demonstrator Vehicle; provided however that for vehicles purchased at a recognized auction (as determined by

- the Bank), the amount of the Advance shall be equal to the auction invoice amount plus dealer installed parts and equipment;
- c) the total amount outstanding in respect of Advances made to finance the purchase of Used Floor Plan Vehicles that have not been repaid 180 days after the date of the initial Advance thereof shall not at any time exceed 10% of the total amount authorized under the Credit Facility;
 - d) the total amount outstanding in respect of Advances made to finance the purchase of Used Demonstrator Vehicles shall not at any time exceed 5% of the total amount authorized under the Credit Facility;
 - e) the amount outstanding in respect of any Advance made to finance the purchase of a Used Floor Plan Vehicle and a Used Demonstrator Vehicle shall not be less than \$1,000 unless such Advance is otherwise being reduced by scheduled monthly repayments or otherwise repaid in full in accordance with the repayment provisions of the Credit Facility;
 - f) no further Advances shall be made in respect of a Used Floor Plan Vehicle or a Used Demonstrator Vehicle following the repayment in full of any prior Advance made in respect of such vehicle.

REPAYMENT

Notwithstanding compliance with the covenants and all other terms and conditions of this Agreement, Advances under a Used Floor Plan Facility are repayable on demand.

Without otherwise limiting the Bank's right to make demand hereunder, the Borrower of a Used Floor Plan Facility shall repay Advances made under such Credit Facility as follows:

- a) the principal amount outstanding in respect of each Advance shall be repaid in full by the Borrower immediately upon the earlier of: (i) five (5) Business Days from the date of delivery of the related Floor Plan Vehicle to a third party purchaser, and (ii) the date of the Borrower's receipt of proceeds of any recoveries under insurance policies in respect of the related Floor Plan Vehicle;
 - b) if the principal amount outstanding in respect of any Advance related to a Used Floor Plan Vehicle has not been repaid in full on the date that is 180 days after the date that such Advance was made, then the Borrower shall repay on the next following Interest Payment Date and on each successive Interest Payment Date thereafter the amount equal to 10% of the original amount of such Advance with the balance of such Advance to repaid in full on the date that is 365 days after the date that such Advance was made;
 - c) if the principal amount outstanding in respect of any Advance related to a Used Demonstrator Vehicle has not been repaid in full on the date that is 180 days after the date that such Advance was made, then the Borrower shall immediately repay the balance of such Advance on such date.
4. Schedule "A" of the Credit Agreement entitled "**DEFINITIONS**" is hereby amended by inserting the following definitions into the list of existing definitions in alphabetical order:

"**Floor Plan Vehicle**" means a passenger car or Light Duty Truck of a make and model acceptable to the Bank which is to be sold or held for sale by the Borrower at its place of business.

"**Used Demonstrator Vehicles**" means a Used Floor Plan Vehicle which: (i) is to be used by the Borrower as a demonstrator/courtesy vehicle at its place of business; and (ii) has been driven not more than 24,000 kilometres per model year.

"**Used Floor Plan Vehicle**" means a used Floor Plan Vehicle from the current model year or any of the six (6) immediately prior model years (based on a calendar year).

5. Schedule "A" of the Credit Agreement entitled "**DEFINITIONS**" is hereby amended by inserting the following subsection (c) into the existing definition of "**Acquisition Cost**":

(c) in respect of a Used Floor Plan Vehicle or Used Demonstrator Vehicle, shall also exclude without duplication GST/HST, auction fees and freight charges;

6. Schedule "A" of the Credit Agreement entitled "**DEFINITIONS**" is hereby amended by deleting "Wholesale Value" definition and replacing it with the following into the list of existing definitions in alphabetical order:

"**Wholesale Value**" means with respect to: (a) a Used Floor Plan Vehicle (i) the "clean" designation value of such vehicle as determined by the current Canadian Black Book, or (ii) where the said vehicle is not included in the Canadian Black Book, the wholesale value determined by the Bank may, in its discretion, based on NADA,

Price Digests, Kelly Blue Book, Auto Trader or other market data or market sources, together with any applicable regional adjustments; and (b) Used RV, (i) the “clean” designation value of such vehicle as determined by the current Canadian Black Book, or (ii) where the said vehicle is not included in the Canadian Black Book, the wholesale value determined by the Bank may, in its discretion, based on NADA, Price Digests, Kelly Blue Book, Auto Trader or other market data or market sources, together with any applicable regional adjustments.

Representations and Warranties

The Borrower represents and warrants to the Bank that, except as otherwise amended by this Amending Agreement, the representations and warranties made by it in the Credit Agreement are true and correct on and as of the date hereof, with the same effect as if those representations and warranties had been made on and as of the date hereof.

The Borrower further represents and warrants to the Bank as follows:

1. it has full power and authority to enter into, give and perform this Amending Agreement;
2. the entering into and performance by it of this Amending Agreement has been duly authorized by all necessary action and will not violate or conflict with its constating documents or any amendments thereto or any provisions of any agreement, indenture or arrangement to which it is a party or is bound;
3. this Amending Agreement is, and each of the Credit Documents continue to be, a valid and legally binding obligation enforceable against such Borrower in accordance with its terms; and
4. no Event of Default has occurred and is continuing.

Acknowledgement

The Borrower acknowledges its obligations under the Security or other Credit Documents to which it is a party and confirms that it remains bound by each of the obligations expressed to be binding upon it in the Security and Credit Documents and agrees to punctually pay and perform its obligations under the Security and Credit Documents in accordance with their respective terms.

The invalidity or unenforceability of any provision of this Amending Agreement shall not affect the validity or enforceability of any other provision of this Amending Agreement or of the Credit Agreement and such invalid provision shall be deemed to be severable.

This Amending Agreement may be executed in any number of counterparts and by separate parties in different counterparts, each of which shall be an original and all of which when taken together shall constitute one and the same agreement.

<<<SIGNATURE PAGES TO FOLLOW>>>

Please indicate your acceptance of this Amending Agreement by signing and returning the enclosed duplicate copy of this letter.

Yours truly,

ROYAL BANK OF CANADA

Per: 
Name: Christine Laforge
Title: Senior Commercial Account Manager

#5452953 v1 | 4129629

<<<BANK SIGNATURE PAGE>>>

We acknowledge and accept the terms and conditions of this Amending Agreement on this 26th day of October, 2022.

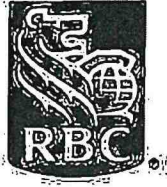
MOOSE JAW AUTO & LEISURE LTD.

Per: 
Name: Dan Hamilton
Title: CFO

I have authority to bind the Borrower

<<<BORROWER SIGNATURE PAGE>>>

This is Exhibit 'E' referred to in the Affidavit of Kerry Orth sworn before me this 13th day of August, 2024.




A COMMISSIONER FOR OATHS
for the Province of Saskatchewan,
Being a Solicitor

Royal Bank of Canada
RBC Automotive Finance
100-220 Portage Avenue,
Winnipeg, Manitoba R3C 0A5
Tel.: 204-229-6748

Attention: Christine Laforge
Senior Commercial Account
Manager
E-mail: christinc.laforge@rbc.com

January 31, 2024

Private and Confidential

MOOSE JAW AUTO & LEISURE LTD.
1400 Lakeview Road
Moose Jaw, Saskatchewan S6H 4R3

Dear Sirs/Mesdames:

Re: Second Amending Agreement to Credit Facilities issued by Royal Bank of Canada (the "Bank") in favour of Moose Jaw Auto & Leisure Ltd. the "Borrower"

The Bank established certain credits in favour of the Borrower pursuant to an amended and restated credit agreement issued by the Bank to the Borrower on July 20, 2022, as amended by a first amending agreement dated October 25, 2022, on the terms and conditions set out therein (collectively the "**Credit Agreement**").

The Borrower and the Bank wish to further amend the Credit Agreement in the manner set forth herein.

Interpretation

All words and expressions defined in the Credit Agreement have the same meaning when used herein. Reference to the Credit Agreement includes amendments thereto from time to time including the amendments made by this Amending Agreement. All references herein to sections of or schedules to an agreement other than this Amending Agreement are to section of and schedules to the Credit Agreement, unless otherwise expressly stated. Clause headings are for reference only.

Effective Date

The provisions of the Credit Agreement shall be amended as set out in this Amending Agreement effective as of and from the date first written above.

Amendments

1. The Section of the Credit Agreement entitled "**CREDIT FACILITIES**" is hereby deleted in its entirety and replaced with the following:

CREDIT FACILITIES

The following Credit Facilities are available in favour of the Borrower in the amount(s) set out below and at the interest rate(s) set out below:

Form of Credit Facility	Amount	Interest Rate (per annum)
New Floor Plan Facility – Segment 1 (Crossroads RV)	Up to \$4,500,000.00 (inclusive of any Advances in USD after conversion to the Equivalent Amount in CDN)	CF Rate (CDN Float) + 0.50% CF Rate (USD Float) + 0.50%

Form of Credit Facility	Amount	Interest Rate (per annum)
New Floor Plan Facility – Segment 2 (Glacier RV)	*Up to \$4,500,000.00 (inclusive of any Advances in USD after conversion to the Equivalent Amount in CDN)	CF Rate (CDN Float) + 0.50% CF Rate (USD Float) + 0.50%
New Floor Plan Facility – Segment 3 (Heartland RV)	*Up to \$4,500,000.00 (inclusive of any Advances in USD after conversion to the Equivalent Amount in CDN)	CF Rate (CDN Float) + 0.50% CF Rate (USD Float) + 0.50%
New Floor Plan Facility – Segment 4 (Lund Marine Products)	*Up to \$1,500,000.00 (inclusive of any Advances in USD after conversion to the Equivalent Amount in CDN)	CF Rate (CDN Float) + 0.50% CF Rate (USD Float) + 0.50%
New Floor Plan Facility – Segment 5 (Segway Powersports)	*Up to \$250,000.00 (inclusive of any Advances in USD after conversion to the Equivalent Amount in CDN)	CF Rate (CDN Float) + 0.50% CF Rate (USD Float) + 0.50%
Used Floor Plan Facility	Up to \$1,000,000.00	CF Rate (CDN Float) + 0.15%
Used Floor Plan Facility (RV)	Up to \$1,000,000.00	CF Rate (CDN Float) + 0.50%
Operating Facility	Up to \$200,000.00	RBP + 0.00%
Other – Credit Card	Up to \$205,000.00	To be set out in a separate Agreement between the Borrower and the Bank

*Notwithstanding the Credit Facility amounts described above, the total amount of Advances outstanding under all New Floor Plan Facilities on a combined basis shall not at any time exceed \$4,500,000.00.

2. The Section of the Credit Agreement entitled "**NEW FLOOR PLAN FACILITIES**" is hereby amended by deleting (a) under the Subsection entitled "**AVAILABILITY**" and replacing it with the following:
 - (a) each Advance under: (i) Segment 1 shall only be made to finance the purchase of a Crossroads brand New RV; (ii) Segment 2 shall only be made to finance the purchase of a Glacier brand New RV; (iii) Segment 3 shall only be made to finance the purchase of a Heartland brand New RV; (iv) Segment 4 shall only be made to finance the purchase of a Lund brand New Marine Unit; and (v) Segment 5 shall only be made to finance the purchase of a Segway brand unit
3. The Section of the Credit Agreement entitled "**FINANCIAL COVENANTS**" is hereby deleted and replaced with the following:

FINANCIAL COVENANTS

In the event that the Borrower, and any Guarantor, if applicable, changes accounting standards, accounting principles and/or the application of accounting principles during the term of this Agreement, all financial covenants shall be calculated using the accounting standards and principles applicable at the time this Agreement was entered into.

Without affecting or limiting the right of the Bank to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of any demand or other discretionary Credit Facility, the Borrower covenants and agrees with the Bank that it will:

- a) maintain a ratio of Total Liabilities to Tangible Net Worth of not more than: 15:1 until March 31, 2024; stepping down to 7:1 on April 1, 2024 until June 30, 2024; stepping down to 5.5:1 on July 1, 2024 until September 30, 2024; stepping down to 4.5:1 on October 1, 2024 and thereafter; to be measured as at the end of each fiscal quarter;
- b) maintain a ratio of Current Assets to Current Liabilities of not less than: 1.15:1 until December 31, 2023; stepping up to 1.2:1 on January 1, 2024 and thereafter; to be measured as at the end of each fiscal quarter;

Additionally, the Borrower covenants and agrees with the Bank that it will not, without the Bank's prior written consent, make any Corporate Distribution if an Event of Default has occurred and is continuing at the time of such Corporate Distribution or if the making of such Corporate Distribution will otherwise result in an Event of Default.

4. Schedule "A" of the Credit Agreement entitled "**DEFINITIONS**" is hereby amended by deleting the definition of Acquisition Cost and the definition of New Floor Plan Unit and replacing each as follows and by also inserting the following new definition of New Powersports Unit:

"**Acquisition Cost**" means the price paid by the Borrower to acquire an approved unit, whether to the manufacturer, dealer, auction house or other unrelated seller, as evidenced by a manufacturer's invoice, bill of sale or auction invoice (as applicable), including without duplication, the price paid for any value added options, less any discounts, rebates, incentives, reductions, trade-in allowances, deposits and down payments of any kind, and which:

- a) in respect of a New Floor Plan Unit shall also include without duplication, GST/HST and freight charges, except in the case of a Dealer Trade in which case GST/HST and freight charges shall be excluded;
- b) in respect of a Used RV, shall exclude GST/HST and freight charges.

"**New Floor Plan Unit**" means a New RV, New Marine Unit or New Powersports Unit.

"**New Powersports Unit**" means a new power sports unit in the form of an all-terrain vehicle, side by side vehicle or other similar unit approved by the Bank and which is purchased from a Bank approved manufacturer.

Representations and Warranties

The Borrower represents and warrants to the Bank that, except as otherwise amended by this Amending Agreement, the representations and warranties made by it in the Credit Agreement are true and correct on and as of the date hereof, with the same effect as if those representations and warranties had been made on and as of the date hereof.

The Borrower further represents and warrants to the Bank as follows:

1. it has full power and authority to enter into, give and perform this Amending Agreement;
2. the entering into and performance by it of this Amending Agreement has been duly authorized by all necessary action and will not violate or conflict with its constituting documents or any amendments thereto or any provisions of any agreement, indenture or arrangement to which it is a party or is bound;
3. this Amending Agreement is, and each of the Credit Documents continue to be, a valid and legally binding obligation enforceable against such Borrower in accordance with its terms; and
4. no Event of Default has occurred and is continuing.

Acknowledgement

The Borrower acknowledges its obligations under the Security or other Credit Documents to which it is a party and confirms that it remains bound by each of the obligations expressed to be binding upon it in the Security and Credit Documents and agrees to punctually pay and perform its obligations under the Security and Credit Documents in accordance with their respective terms.

The invalidity or unenforceability of any provision of this Amending Agreement shall not affect the validity or enforceability of any other provision of this Amending Agreement or of the Credit Agreement and such invalid provision shall be deemed to be severable.

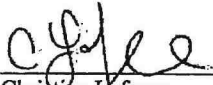
This Amending Agreement may be executed in any number of counterparts and by separate parties in different counterparts, each of which shall be an original and all of which when taken together shall constitute one and the same agreement.

<<<SIGNATURE PAGES TO FOLLOW>>>

Please indicate your acceptance of this Amending Agreement by signing and returning the enclosed duplicate copy of this letter.

Yours truly,

ROYAL BANK OF CANADA

Per: 
Name: Christine Laforge
Title: Director, Senior Commercial Markets – Automotive Finance

<<<BANK SIGNATURE PAGE>>>

We acknowledge and accept the terms and conditions of this Amending Agreement on this _____ day of _____, 2024.

MOOSE JAW AUTO & LEISURE LTD.

Per: _____
Name: _____
Title: _____


Per: _____
Name: _____
Title: _____

We have authority to bind the Borrower

<<<BORROWER SIGNATURE PAGE>>>

We acknowledge and accept the terms and conditions of this Amending Agreement on this 14th day of FEBRUARY, 2024.

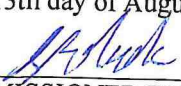
MOOSE JAW AUTO & LEISURE LTD.

Per: 
Name: Stephen Vickar
Title: President

Per: 
Name: Dan Hamilton
Title: Chief Financial Officer

We have authority to bind the Borrower

<<<BORROWER SIGNATURE PAGE>>>


A COMMISSIONER FOR OATHS
for the Province of Saskatchewan,
Being a Solicitor 1.

GENERAL SECURITY AGREEMENT

E-FORM 924 (03/2008)

1. SECURITY INTEREST

(a) For value received, the undersigned (the "Debtor"), hereby grants to **ROYAL BANK OF CANADA** ("RBC"), a security interest (the "Security Interest") in the undertaking of Debtor and in all of Debtor's present and after acquired personal property including, without limitation, in 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 in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called "Collateral"), and including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (i) all inventory of whatever kind and wherever situate;
- (ii) 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;
- (iii) 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 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");
- (iv) all lists, records and files relating to Debtor's customers, clients and patients;
- (v) 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;
- (vi) all contractual rights and insurance claims;
- (vii) 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
- (viii) all property described in Schedule "C" or any schedule now or hereafter annexed hereto.

(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", "proceed", "Inventory", "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 referred to in Clause 14(s), as amended from time to time, 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 within one year of execution 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 (Ontario). 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 obligations, 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 the Debtor, the 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, liens, claims, charges, licenses, leases, infringements by third parties, encumbrances or other adverse claims 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 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 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 situate at one of such locations; and

(e) 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, licenses which are compulsory under federal or provincial legislation and those shown on 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, 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 in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to RBC on request;

(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 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;

(i) to deliver to RBC from time to time promptly upon request:

- (i) any Documents of Title, Instruments, Securities and Chattel Paper 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, the 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 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;

(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., 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 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 bulk sale of assets without complying with applicable law 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 distress or analogous process is levied upon the assets of Debtor or any part thereof;

(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.

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 his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, 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 wherein Collateral may be situated, 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 his/her 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, license, lease 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 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 reasonably incurred by RBC or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, 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..

(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 whomever 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 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 situated) 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.

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

(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 the 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 of the Province of Saskatchewan, or any provision 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 of Saskatchewan and the laws of Canada applicable therein.

15. COPY OF AGREEMENT

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

(b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by RBC or of any verification statement with respect to any financing statement or financing change statement registered by RBC. (Applies in all P.P.S.A. Provinces except Ontario).

16. Debtor represents and warrants that the following information is accurate:

INDIVIDUAL DEBTOR

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

BUSINESS DEBTOR


NAME OF BUSINESS DEBTOR MOOSE JAW AUTO & LEISURE LTD.			
ADDRESS OF BUSINESS DEBTOR 1400 LAKEVIEW ROAD	CITY MOOSE JAW	PROVINCE SK	POSTAL CODE S6H 4R3


TRADE NAME (IF APPLICABLE)

TRADE NAME OF DEBTOR			
PRINCIPAL ADDRESS (IF DIFFERENT FROM ABOVE)	CITY	PROVINCE	POSTAL CODE

IN WITNESS WHEREOF Debtor has executed this Security Agreement this 25 day of July, 2022.

MOOSE JAW AUTO & LEISURE LTD.

Per: 
Name: Stephen Vickar
Title: vice president

Per: 
Name: Lawrence Cheng
Title: president

I/We have the authority to bind the corporation.

BRANCH ADDRESS

RBC Automotive Finance
100-220 Portage Avenue
Winnipeg, MB R3C 0A5

SCHEDULE "A"

(ENCUMBRANCES AFFECTING COLLATERAL)

SCHEDULE "B"

1. Locations of Debtor's Business Operations

1400 LAKEVIEW ROAD
MOOSE JAW, SASKATCHEWAN
S6H 4R3

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

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

SCHEDULE "C"
(DESCRIPTION OF PROPERTY)

This is Exhibit 'G' referred to in the Affidavit of Kerry Orth sworn before me this 13th day of August, 2024.


A COMMISSIONER FOR OATHS
for the Province of Saskatchewan,
Being a Solicitor

**SECURITY AGREEMENT
(DEALER INVENTORY)**

1. SECURITY INTEREST

(a) For value received, the undersigned (the "Debtor") hereby grants to **ROYAL BANK OF CANADA** ("RBC") a security interest (the "Security Interest") in the following property now or hereafter owned or acquired by or on behalf of the Debtor:

- (i) Inventory of the Debtor wherever situate, consisting of all Motor Vehicles and all related parts, accessories, attachments, special tools, additions and Accessions thereto, and including all such Inventory as may be returned to or repossessed by the Debtor from time to time ("Dealer Inventory");
- (ii) all contractual rights and insurance claims relating to the Dealer Inventory;
- (iii) all Accounts, claims, book debts, dues, choses in action and demands of every nature and kind howsoever arising, which are now due, owing or accruing or growing due to or owned by or which may hereafter come due, owing or accruing or growing due to or owned by the Debtor, in respect of the Dealer Inventory and including, without limitation any credit (including any past-model allowance and factory rebate) payable from time to time to the Debtor by the manufacturer ("Manufacturer") of any Dealer Inventory ("Debt");
- (iv) all deeds, documents, writings, papers, ledgers, books of account, records, computer print-outs and other computer prepared information, microfilm, and all other books relating to or being records of Dealer Inventory and/or Debt and all Proceeds thereof or by which the Dealer Inventory and/or Debt or the Proceeds thereof are or may hereafter be secured, made payable, evidenced or acknowledged, including all Instruments, Documents of Title (whether negotiable or not) and Chattel Paper or by which such are or may hereafter be secured, evidenced, acknowledged or made payable; and
- (v) all Proceeds and renewals of the foregoing, and all accretions thereto and substitutions therefor;

all of the foregoing being hereinafter collectively called "Collateral".

(b) The Security Interest granted by the Debtor to RBC 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, the Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

(c) Unless otherwise limited herein, the terms "Goods", "Chattel Paper", "Money", "Motor Vehicles", "Documents of Title", "Consumer Goods", "Instruments", "Proceeds", "Inventory", "Accession", "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 (Ontario), and the regulations made thereunder, as amended from time to time, which Act and regulations, including amendments thereto and any act or regulations substituted therefor and amendments thereto, are herein referred to as the "PPSA". Provided always that the term "Goods" when used herein shall not include Consumer Goods. Any reference hereto to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof". The term "Proceeds", whenever used herein and interpreted as above, shall by way of example include trade-ins, cash, bank accounts, notes, Chattel Paper, Goods, contract rights, accounts and any other personal property or obligation received when such Collateral or Proceeds are sold, exchanged, collected or otherwise disposed.

(d) The Debtor and RBC hereby acknowledge that (i) value has been given; (ii) the Debtor has rights, or will have rights in the case of after acquired property, in the Collateral and (iii) the Security Interest is intended to attach when this Agreement is signed by the Debtor and delivered to RBC and when after acquired property is acquired.

2. INDEBTEDNESS SECURED

The Security Interest granted by the Debtor to RBC hereby secures payment and performance of any and all obligations, indebtedness and liability of the 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 the 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 the Debtor, the Debtor acknowledges and agrees that the 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

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

(a) except for Dealer Inventory sold to customers of the Debtor in the ordinary course of business, the Collateral is genuine and owned by the Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "Encumbrances") save for the Security Interest and those Encumbrances shown on Schedule "A" ("Permitted Encumbrances") or hereafter approved in writing by RBC, prior to their creation or assumption;

(b) the Debtor has the power and authority and the legal right to execute and deliver, to perform its obligations under, and to grant the Security Interest on the Collateral pursuant to this Agreement;

(c) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same ("Account Debtor") and the amount represented by the 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 the 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 the Dealer Inventory, save for any Dealer Inventory in transit to such locations; and

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

4. COVENANTS OF DEBTOR

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

(a) to insure the Dealer Inventory for an amount which is not less than the outstanding amount of the financing obtained by the Debtor from RBC with respect to such Dealer Inventory and against such risks as would customarily be insured by a prudent owner of similar property including, without limitation, against loss or damage by fire and theft, and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and the Debtor as insured, as their respective interests may appear, and to pay all premiums therefore and deliver copies of policies and evidence of renewal to RBC on request; should the Debtor neglect to ensure that any such insurance is effected and maintained, RBC may do so and any premiums or charges paid by RBC shall form part of the Indebtedness, shall be secured hereunder and shall be paid by the Debtor to RBC upon demand with interest at the rate applicable from time to time to the rate of interest payable on the Indebtedness.

(b) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to keep Collateral free from all Encumbrances, except for the Permitted Encumbrances or those hereafter approved in writing by RBC prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease or otherwise dispose of the Collateral or any interest therein without the prior written consent of RBC; provided always that, until Default, the Debtor may, in the ordinary course of the Debtor's business, sell Dealer Inventory and, subject to Clause 6 hereof, use Money received in respect thereof in a manner not inconsistent with the provisions hereof or any other agreement between the Debtor and RBC;

(c) to notify RBC promptly of:

(i) any change in the information contained herein or in the Schedules hereto relating to the Debtor, the Debtor's business or the Collateral;

(ii) the details of any claims or litigation affecting the Debtor or the Collateral;

(iii) any loss or damage to Collateral; and

(iv) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral;

(d) to keep the Collateral in good order and condition for sale and not use it or any part thereof in violation of the provisions of this Agreement or any other agreement relating to the Collateral or any policy insuring the Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;

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

(f) 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 the Debtor or Collateral as and when the same become due and payable;

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

(h) to carry on and conduct the business of the Debtor in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the 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) to deliver to RBC from time to time promptly upon request:

(i) any Documents of Title, Instruments, and Chattel Paper 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 policies and certificates of insurance relating to Collateral; and

(iv) such other information concerning Collateral, the Debtor and the Debtor's business and affairs as RBC may reasonably request from time to time.

5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with the Debtor's covenants contained herein and Clause 6 hereof, the Debtor may, until Default, sell and deal with the Dealer Inventory in the ordinary course of its business, in any manner not inconsistent with the provisions hereof or any other agreement between the Debtor and RBC; provided always that all Proceeds of sale or other disposition collected or received by the Debtor in respect of the Collateral shall be received as trustee for RBC and, unless otherwise authorized in writing by RBC, shall be forthwith paid over to RBC in repayment of the related Indebtedness; and provided always that RBC shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner RBC may consider appropriate and the 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 or any such information may be located and to all premises occupied by the Debtor

6. COLLECTION OF DEBTS

Before or after Default under this 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. Without limiting the foregoing, RBC may, before or after Default, direct any Manufacturer to make payment directly to RBC of all or any credits referred to in Clause 1(a)(iii) hereof. The Debtor acknowledges that any payments on or other Proceeds of Collateral received by the Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after Default under this Agreement, shall be received and held by the Debtor in trust for RBC and shall be turned over to RBC in accordance with the terms of any agreement between the Debtor and RBC providing for the repayment of Indebtedness, or otherwise upon the request of RBC.

7. DISPOSITION OF MONEY

Subject to any applicable requirements of the PPSA, 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 the Debtor, all without prejudice to the liability of the Debtor or the rights of RBC hereunder, and any surplus shall be accounted for as required by law.

8. 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 the Debtor to observe or perform any obligation, covenant, term provision or condition contained in this Agreement or any other agreement between the Debtor and RBC;
- (b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to the Debtor, if an individual;
- (c) the bankruptcy or insolvency of the Debtor, the filing against the Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by the Debtor, the appointment of a receiver or trustee for the Debtor or for any assets of the Debtor; or the institution by or against the Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act, as the same may be amended or replaced from time to time, or otherwise;
- (d) the institution by or against the Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of the Debtor;
- (e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;
- (f) if the Debtor changes the nature or scope of its business or ceases or threatens to cease to carry on business or makes or agrees to make a sale in bulk of its assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;
- (g) if all or a material part of the assets of the Debtor are lost or destroyed;
- (h) if there occurs any change in the ownership of the Debtor;
- (i) if any execution, sequestration, extent or other process, of any court becomes enforceable against the Debtor or if a distress or analogous process is levied upon the assets of the Debtor or any part thereof;
- (j) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of the Debtor pursuant to or in connection with this Agreement, or otherwise (including, without limitation, the representations and warranties contained herein) or an inducement to RBC to extend any credit to or to enter into this or any other agreement with the 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 the Debtor; or if upon the date of execution of this Agreement, there shall have been any material adverse change in any of the facts disclosed to RBC at or prior to the time of such execution;
- (k) if RBC in good faith believes and has commercially reasonable grounds to believe that the prospect of payment and performance of the Indebtedness is or is about to be impaired or that the Collateral is or is about to be placed in jeopardy.

9. 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 otherwise 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.

10. 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 his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of the Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, 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 the 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 the Debtor, enter upon, use and occupy all premises owned or occupied

by the Debtor 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 the Debtor's business or as security for loans or advances to enable the Receiver to carry on the 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 his/her 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 or 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 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 RBC may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between the 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 PPSA. 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 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, 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) The 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 the 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) The Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating the Debtor's accounts, in preparing or enforcing this Agreement, 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 and shall be payable by the Debtor to RBC on demand.

(g) RBC will give the 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 PPSA.

11. MISCELLANEOUS

(a) The Debtor hereby authorizes RBC to file such financing statements, financing change statements 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 the 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 the 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 the Debtor, with full power of substitution, to do any of the foregoing in the name of the 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 the 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 the 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 the 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 the Debtor, debtors of the Debtor, sureties and others and with the Collateral and other security as RBC in its sole discretion may see fit without prejudice to the liability of the Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either the Debtor's or RBC's name, at RBC's option, and may endorse the 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 the 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 the 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) The Debtor waives protest of any Instrument constituting Collateral at any time held by RBC on which the Debtor is in any way liable and, subject to Clause 10 (g) hereof, notice of any other action taken by RBC.

(g) This 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 Agreement and the Security Interest or any part thereof to enforce any rights hereunder the Debtor shall not assert against the assignee any claim or defence which the Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Agreement the obligations of such Debtors hereunder shall be joint and several.

(h) RBC may provide any financial and other information it has about the Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from RBC or any one 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 provisions of this 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 Clause 10(g) and 11(k) hereof and subject to any applicable requirements of the PPSA or similar legislation in any jurisdiction where Collateral is located, 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 the 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 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 Agreement are for convenience only and are not to be considered a part of this Agreement and do not in any way limit or amplify the terms and provisions of this Agreement. 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 necessarily dependant upon the person referred to being a male, female, firm or corporation.

(m) In the event any provision of this 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 Agreement shall remain in full force and effect.

(n) 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.

(o) The 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 the 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 the 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.

(p) This Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of Saskatchewan as the same may from time to time be in effect, including where applicable, the PPSA.

12. COPY OF AGREEMENT

The Debtor hereby acknowledges receipt of a copy of this Agreement.

13. The Debtor represents and warrants that the following information is accurate:

INDIVIDUAL DEBTOR

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

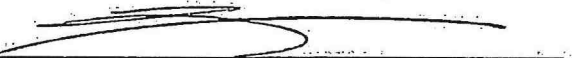
BUSINESS DEBTOR

NAME OF BUSINESS DEBTOR MOOSE JAW AUTO & LEISURE LTD.			
ADDRESS OF BUSINESS DEBTOR 1400 LAKEVIEW ROAD	CITY MOOSE JAW	PROVINCE SK	POSTAL CODE S6H 4R3

IN WITNESS WHEREOF the Debtor has executed this Agreement this July 25 2022
(Month) (Day) (Year)

MOOSE JAW AUTO & LEISURE LTD.

Per: 
Name: Stephen Vickar
Title: vice president

Per: 
Name: Lawrence Cheng
Title: president

I/We have the authority to bind the corporation.

d

BRANCH ADDRESS
RBC Automotive Finance
100-220 Portage Avenue
Winnipeg, MB R3C 0A5

SCHEDULE "A"

(Permitted Encumbrances)

SCHEDULE "B"

1. Locations of the Debtor's Business Operations

1400 LAKEVIEW ROAD
MOOSE JAW, SASKATCHEWAN
S6H 4R3

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

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



**Saskatchewan
Personal Property Registry
Search Result**

Searching Party: McDougall Gauley LLP
Search Date: 07-Aug-2024 09:47:18
Search Type: Standard

Search #: 204503337
Client Reference: 507002.806
Control #:

Search Criteria

Search By: Business Debtor Name
Business Name

Moose Jaw Auto & Leisure Ltd.

The following list displays all matches & indicates the ones that were selected.
 2 Registration(s) Found: Exacts (2) - Similar (0)

Selected	Match	Reg #	Registration Type	Debtor Name	City	Enforcement Instruction Reg #
Yes	Exact	302320253	Personal Property Security Agreement	Moose Jaw Auto & Leisure Ltd.	Moose Jaw	N/A
Yes	Exact	302573769	Personal Property Security Agreement	Moose Jaw Auto & Leisure Ltd.	Moose Jaw	N/A

This is Exhibit 'H' referred to in the Affidavit of Kerry Orth sworn before me this 13th day of August, 2024.

 A COMMISSIONER FOR OATHS
 for the Province of Saskatchewan,
 Being a Solicitor



**Saskatchewan
Personal Property Registry
Search Result**

Current - Exact

Registration Type: Personal Property Security Agreement
Registration Date: 28-Jul-2022 11:54:43

Registration #: 302320253
Expiry Date: 28-Jul-2032

Event Type: Setup
Transaction Reason: Regular

Notations

Trust Indenture: No

Registrant

Party ID:	150340087-1	Address:	1000, 2002 VICTORIA AVENUE
Entity Type:	Business		REGINA, Saskatchewan
Name:	OLIVE WALLER ZINKHAN & WALLER LLP		S4P0R7 Canada

Secured Party

Item #:	1	Address:	36 York Mills Road, 4th Floor
Party ID:	151745789-1		Toronto, Ontario
Entity Type:	Business		M2P0A4
Name:	ROYAL BANK OF CANADA		Canada

Debtor Party

* Item #:	1	Address:	1400 Lakeview Road
Party ID:	153962819-1		Moose Jaw, Saskatchewan
Entity Type:	Business		S6H4R3
Name:	Moose Jaw Auto & Leisure Ltd.		Canada

General Property

All of the Debtor's Present and After Acquired Personal Property and all Proceeds thereof.



Saskatchewan Personal Property Registry Search Result

Current - Exact

Registration Type: Personal Property Security Agreement
Registration Date: 12-Jul-2024 10:48:02

Registration #: 302573769
Expiry Date: 28-Jul-2032

Event Type: Amendment
Transaction Reason: Regular

Notations

Trust Indenture: No

Registrant

Party ID:	152330264-1	Address:	500 - 616 Main Street
Entity Type:	Business		Saskatoon, Saskatchewan
Name:	McDougall Gauley LLP		S7H0J6 Canada

Secured Party

Item #:	1	Address:	36 York Mills Road, 4th Floor
Party ID:	151745789-1		Toronto, Ontario
Entity Type:	Business		M2P0A4
Name:	ROYAL BANK OF CANADA		Canada

Debtor Party

* Item #:	1	Address:	1400 Lakeview Road
Party ID:	153962819-1		Moose Jaw, Saskatchewan
Entity Type:	Business		S6H4R3
Name:	Moose Jaw Auto & Leisure Ltd.		Canada

Serial Property

Item #:	1	Year:	2012
Serial Type:	Motor Vehicle	Make/Desc:	GMC Sierra Reg Cab 2WD
Serial #:	1GTN1TEAXCZ127005	Model:	1500
Override:	No	Color:	White
Item #:	2	Year:	2020
Serial Type:	Motor Vehicle	Make/Desc:	Used Skidsteer
Serial #:	JAFSV280LLM486600	Model:	
Override:	Yes	Color:	Black
Item #:	3	Year:	2022
Serial Type:	Trailer	Make/Desc:	Heartland RV Trailer
Serial #:	5SFPB2628PE516419	Model:	
Override:	No	Color:	
Item #:	4	Year:	2022
Serial Type:	Trailer	Make/Desc:	Heartland RV Trailer
Serial #:	5SFPB2827PE516957	Model:	
Override:	No	Color:	



Saskatchewan Personal Property Registry Search Result

Item #:	5	Year:	2022
Serial Type:	Motor Vehicle	Make/Desc:	Heartland Travel RV Trailer
Serial #:	5SFPB3727PE519932	Model:	
Override:	No	Color:	
Item #:	6	Year:	2023
Serial Type:	Trailer	Make/Desc:	Crossroads RV Trailer
Serial #:	4YDFVLR28P6360400	Model:	Volante
Override:	No	Color:	
Item #:	7	Year:	2024
Serial Type:	Trailer	Make/Desc:	Heartland Travel Trailer
Serial #:	5SFPB3224PE524691	Model:	
Override:	No	Color:	
Item #:	8	Year:	2023
Serial Type:	Trailer	Make/Desc:	Heartland RV Trailer
Serial #:	5SFPB3720PE523143	Model:	Prowler 320S
Override:	No	Color:	
Item #:	9	Year:	2023
Serial Type:	Trailer	Make/Desc:	Crossroads RV Trailer
Serial #:	4YDFVLU28P6360307	Model:	Volante
Override:	No	Color:	
Item #:	10	Year:	2023
Serial Type:	Trailer	Make/Desc:	Crossroads RV Trailer
Serial #:	4YDFVLU26P6360368	Model:	Volante
Override:	No	Color:	
Item #:	11	Year:	2023
Serial Type:	Trailer	Make/Desc:	Crossroads Travel RV Trailer
Serial #:	4YDTCRP22P6320201	Model:	
Override:	No	Color:	
Item #:	12	Year:	2023
Serial Type:	Trailer	Make/Desc:	Crossroads RV Trailer
Serial #:	4YDFCEV29P9310076	Model:	Fifth Wheel
Override:	No	Color:	
Item #:	13	Year:	2023
Serial Type:	Trailer	Make/Desc:	Heartland RV Trailer
Serial #:	5SFPB3121PE526979	Model:	Prowler Lynx
Override:	No	Color:	
Item #:	14	Year:	2022
Serial Type:	Trailer	Make/Desc:	Crossroads RV Trailer
Serial #:	4YDTSSH17N5353648	Model:	SS186BH22
Override:	No	Color:	
Item #:	15	Year:	2024
Serial Type:	Trailer	Make/Desc:	Crossroads RV Trailer



Saskatchewan Personal Property Registry Search Result

Serial #:	4YDTSSM25PS351027	Model:	Sunset 258RD
Override:	No	Color:	
Item #:	16	Year:	2023
Serial Type:	Trailer	Make/Desc:	Crossroads RV Trailer
Serial #:	4YDFCEV27P9310142	Model:	Cameo
Override:	No	Color:	
Item #:	17	Year:	2023
Serial Type:	Trailer	Make/Desc:	Crossroads RV Trailer
Serial #:	4YDFCET21P9310057	Model:	Fifth Wheel
Override:	No	Color:	
Item #:	18	Year:	2023
Serial Type:	Trailer	Make/Desc:	Glacier RV Trailer
Serial #:	4T91A1829PB213307	Model:	Explorer
Override:	No	Color:	
Item #:	19	Year:	2023
Serial Type:	Motor Vehicle	Make/Desc:	Segway Quad
Serial #:	H0MAAPX34P8000135	Model:	Snarler
Override:	No	Color:	
Item #:	20	Year:	2023
Serial Type:	Motor Vehicle	Make/Desc:	Segway Quad
Serial #:	H0MAAPX35P8000337	Model:	Snarler
Override:	No	Color:	
Item #:	21	Year:	2023
Serial Type:	Trailer	Make/Desc:	Glacier RV Trailer
Serial #:	4T91A1827RB213003	Model:	Explorer
Override:	No	Color:	
Item #:	22	Year:	2023
Serial Type:	Motor Vehicle	Make/Desc:	Segway Quad
Serial #:	H0MAAPX38P8000347	Model:	Snarler
Override:	No	Color:	
Item #:	23	Year:	2023
Serial Type:	Motor Vehicle	Make/Desc:	Segway Quad
Serial #:	H0MSBWX60P8000199	Model:	Villan
Override:	Yes	Color:	
Item #:	24	Year:	2023
Serial Type:	Trailer	Make/Desc:	Glacier RV Trailer
Serial #:	4T91A1716PC213333	Model:	
Override:	No	Color:	
Item #:	25	Year:	2023
Serial Type:	Motor Vehicle	Make/Desc:	Segway Quad
Serial #:	H0MAAPX34P8000362	Model:	Snarler
Override:	No	Color:	



Saskatchewan Personal Property Registry Search Result

Item #:	26	Year:	2023
Serial Type:	Trailer	Make/Desc:	Glacier RV Trailer
Serial #:	4T91A2223PB213270	Model:	Ice House
Override:	No	Color:	
Item #:	27	Year:	2023
Serial Type:	Trailer	Make/Desc:	Glacier RV Trailer
Serial #:	4T91A1718RD213041	Model:	Explorer
Override:	No	Color:	
Item #:	28	Year:	2023
Serial Type:	Trailer	Make/Desc:	Glacier RV Trailer
Serial #:	4T91A171XRD213042	Model:	Explorer
Override:	No	Color:	
Item #:	29	Year:	2023
Serial Type:	Trailer	Make/Desc:	Glacier RV Trailer
Serial #:	4T91A1710RD213082	Model:	Explorer
Override:	No	Color:	
Item #:	30	Year:	2023
Serial Type:	Motor Vehicle	Make/Desc:	Segway Quad
Serial #:	H0MUBWX10P8000250	Model:	Fugelman
Override:	No	Color:	
Item #:	31	Year:	2023
Serial Type:	Boats	Make/Desc:	Lund Boat
Serial #:	LBBHT022H324	Model:	Fury
Override:	No	Color:	
Item #:	32	Year:	2023
Serial Type:	Boats	Make/Desc:	Lund Boat
Serial #:	LBBKJ623F323	Model:	Impact XS
Override:	No	Color:	
Item #:	33	Year:	2024
Serial Type:	Boats	Make/Desc:	Lund Boat
Serial #:	LBBMC082K324	Model:	1650 Angler Sport
Override:	No	Color:	
Item #:	34	Year:	2022
Serial Type:	Trailer	Make/Desc:	Crossroads RV Trailer
Serial #:	4YDTSSM21N5351764	Model:	Sunset 253RB
Override:	No	Color:	
Item #:	35	Year:	2021
Serial Type:	Trailer	Make/Desc:	Della Terra Travel Trailer
Serial #:	5ZT2DEMB6M9006035	Model:	East to West
Override:	No	Color:	
Item #:	36	Year:	2012



Saskatchewan Personal Property Registry Search Result

Serial Type: Trailer Serial #: 4X4TSRG24C3004956 Override: No Item #: 37 Serial Type: Trailer Serial #: 4YDTSSM22N5351854 Override: No Item #: 38 Serial Type: Trailer Serial #: 4YOT26823M5352107 Override: No Item #: 39 Serial Type: Trailer Serial #: 5RXT02820E1030200 Override: No Item #: 40 Serial Type: Boats Serial #: LBBDA661K112 Override: No	Make/Desc: Sabre Fifths Wheels RV Trailer Model: Forest River M-310TBOK Color: Year: 2022 Make/Desc: Crossroads RV Trailer Model: Sunset Color: Year: 2021 Make/Desc: Crossroads RV Trailer Model: Sunset Color: Year: 2014 Make/Desc: Crossroads RV Trailer Model: Shadow Cruiser Color: Year: 2012 Make/Desc: Lund Boat Model: Tye Color:
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History - Setup

Registration Type: Personal Property Security Agreement	Registration #: 302573769
Registration Date: 12-Jul-2024 10:48:02	Transaction #: 1
	Expiry Date: 28-Jul-2032

Event Type: Setup	
Transaction Reason: Regular	

Notations

Trust Indenture: No

Registrant

Party ID: 152330264-1	Address: 500 - 616 Main Street
Entity Type: Business	Saskatoon, Saskatchewan
Name: McDougall Gauley LLP	S7H0J6
	Canada

Secured Party

Item #: 1	Address: 36 York Mills Road, 4th Floor
Party ID: 151745789-1	Toronto, Ontario
Entity Type: Business	M2P0A4
Name: ROYAL BANK OF CANADA	Canada



Saskatchewan Personal Property Registry Search Result

Debtor Party

Item #:	1	Address:	1400 Lakeview Road
Party ID:	153962819-1		Moose Jaw, Saskatchewan
Entity Type:	Business		S6H4R3
Name:	Moose Jaw Auto & Leisure Ltd.		Canada

Serial Property

Item #:	1	Year:	2012
Serial Type:	Motor Vehicle	Make/Desc:	GMC Sierra Reg Cab 2WD
Serial #:	1GTN1TEAXCZ127005	Model:	1500
Override:	No	Color:	White

History - Amendment

Amendment Date: 18-Jul-2024 11:21:21

Registration #: 302573769

Transaction #: 2

Event Type: Amendment
Transaction Reason: Regular

Registrant

Party ID:	152330264-1	Address:	500 - 616 Main Street
Entity Type:	Business		Saskatoon, Saskatchewan
Name:	McDougall Gauley LLP		S7H0J6 Canada

Serial Property

Action:	Add		
Item #:	2	Year:	2020
Serial Type:	Motor Vehicle	Make/Desc:	Used Skidsteer
Serial #:	JAFSV280LLM486600	Model:	
Override:	Yes	Color:	Black

History - Amendment

Amendment Date: 19-Jul-2024 13:44:24

Registration #: 302573769

Transaction #: 3

Event Type: Amendment
Transaction Reason: Regular

Registrant

Party ID:	152330264-1	Address:	500 - 616 Main Street
Entity Type:	Business		Saskatoon, Saskatchewan
Name:	McDougall Gauley LLP		S7H0J6 Canada

Serial Property

Action:	Add		
Item #:	3	Year:	2022



Saskatchewan Personal Property Registry Search Result

Serial Type:	Trailer	Make/Desc:	Heartland RV Trailer
Serial #:	5SFPB2628PE516419	Model:	
Override:	No	Color:	
Action:	Add		
Item #:	4	Year:	2022
Serial Type:	Trailer	Make/Desc:	Heartland RV Trailer
Serial #:	5SFPB2827PE516957	Model:	
Override:	No	Color:	
Action:	Add		
Item #:	5	Year:	2022
Serial Type:	Motor Vehicle	Make/Desc:	Heartland Travel RV Trailer
Serial #:	5SFPB3727PE519932	Model:	
Override:	No	Color:	
Action:	Add		
Item #:	6	Year:	2023
Serial Type:	Trailer	Make/Desc:	Crossroads RV Trailer
Serial #:	4YDFVLR28P6360400	Model:	Volante
Override:	No	Color:	
Action:	Add		
Item #:	7	Year:	2024
Serial Type:	Trailer	Make/Desc:	Heartland Travel Trailer
Serial #:	5SFPB3224PE524691	Model:	
Override:	No	Color:	
Action:	Add		
Item #:	8	Year:	2023
Serial Type:	Trailer	Make/Desc:	Heartland RV Trailer
Serial #:	5SFPB3720PE523143	Model:	Prowler 320S
Override:	No	Color:	
Action:	Add		
Item #:	9	Year:	2023
Serial Type:	Trailer	Make/Desc:	Crossroads RV Trailer
Serial #:	4YDFVLU28P6360307	Model:	Volante
Override:	No	Color:	
Action:	Add		
Item #:	10	Year:	2023
Serial Type:	Trailer	Make/Desc:	Crossroads RV Trailer
Serial #:	4YDFVLU26P6360368	Model:	Volante
Override:	No	Color:	
Action:	Add		
Item #:	11	Year:	2023
Serial Type:	Trailer	Make/Desc:	Crossroads Travel RV Trailer
Serial #:	4YDTCRP22P6320201	Model:	
Override:	No	Color:	



Saskatchewan Personal Property Registry Search Result

Action:	Add	Year:	2023
Item #:	12	Make/Desc:	Crossroads RV Trailer
Serial Type:	Trailer	Model:	Fifth Wheel
Serial #:	4YDFCEV29P9310076	Color:	
Override:	No		
Action:	Add	Year:	2023
Item #:	13	Make/Desc:	Heartland RV Trailer
Serial Type:	Trailer	Model:	Prowler Lynx
Serial #:	5SFPB3121PE526979	Color:	
Override:	No		
Action:	Add	Year:	2022
Item #:	14	Make/Desc:	Crossroads RV Trailer
Serial Type:	Trailer	Model:	SS186BH22
Serial #:	4YDTSSH17N5353648	Color:	
Override:	No		
Action:	Add	Year:	2024
Item #:	15	Make/Desc:	Crossroads RV Trailer
Serial Type:	Trailer	Model:	Sunset 258RD
Serial #:	4YDTSSM25PS351027	Color:	
Override:	No		
Action:	Add	Year:	2023
Item #:	16	Make/Desc:	Crossroads RV Trailer
Serial Type:	Trailer	Model:	Cameo
Serial #:	4YDFCEV27P9310142	Color:	
Override:	No		
Action:	Add	Year:	2023
Item #:	17	Make/Desc:	Crossroads RV Trailer
Serial Type:	Trailer	Model:	Fifth Wheel
Serial #:	4YDFCET21P9310057	Color:	
Override:	No		
Action:	Add	Year:	2023
Item #:	18	Make/Desc:	Glacier RV Trailer
Serial Type:	Trailer	Model:	Explorer
Serial #:	4T91A1829PB213307	Color:	
Override:	No		
Action:	Add	Year:	2023
Item #:	19	Make/Desc:	Segway Quad
Serial Type:	Motor Vehicle	Model:	Snarler
Serial #:	HOMAAPX34P8000135	Color:	
Override:	No		
Action:	Add	Year:	2023
Item #:	20	Make/Desc:	Segway Quad
Serial Type:	Motor Vehicle		



Saskatchewan Personal Property Registry Search Result

Serial #:	H0MAAPX35P8000337	Model:	Snarler
Override:	No	Color:	
Action:	Add		
Item #:	21	Year:	2023
Serial Type:	Trailer	Make/Desc:	Glacier RV Trailer
Serial #:	4T91A1827RB213003	Model:	Explorer
Override:	No	Color:	
Action:	Add		
Item #:	22	Year:	2023
Serial Type:	Motor Vehicle	Make/Desc:	Segway Quad
Serial #:	H0MAAPX38P8000347	Model:	Snarler
Override:	No	Color:	
Action:	Add		
Item #:	23	Year:	2023
Serial Type:	Motor Vehicle	Make/Desc:	Segway Quad
Serial #:	HOMSBWX60P8000199	Model:	Villan
Override:	Yes	Color:	
Action:	Add		
Item #:	24	Year:	2023
Serial Type:	Trailer	Make/Desc:	Glacier RV Trailer
Serial #:	4T91A1716PC213333	Model:	
Override:	No	Color:	
Action:	Add		
Item #:	25	Year:	2023
Serial Type:	Motor Vehicle	Make/Desc:	Segway Quad
Serial #:	H0MAAPX34P8000362	Model:	Snarler
Override:	No	Color:	
Action:	Add		
Item #:	26	Year:	2023
Serial Type:	Trailer	Make/Desc:	Glacier RV Trailer
Serial #:	4T91A2223PB213270	Model:	Ice House
Override:	No	Color:	
Action:	Add		
Item #:	27	Year:	2023
Serial Type:	Trailer	Make/Desc:	Glacier RV Trailer
Serial #:	4T91A1718RD213041	Model:	Explorer
Override:	No	Color:	
Action:	Add		
Item #:	28	Year:	2023
Serial Type:	Trailer	Make/Desc:	Glacier RV Trailer
Serial #:	4T91A171XRD213042	Model:	Explorer
Override:	No	Color:	
Action:	Add		



Saskatchewan Personal Property Registry Search Result

Item #: 29
Serial Type: Trailer
Serial #: 4T91A1710RD213082
Override: No

Year: 2023
Make/Desc: Glacier RV Trailer
Model: Explorer
Color:

Action: Add
Item #: 30
Serial Type: Motor Vehicle
Serial #: H0MUBWX10P8000250
Override: No

Year: 2023
Make/Desc: Segway Quad
Model: Fugelman
Color:

Action: Add
Item #: 31
Serial Type: Boats
Serial #: LBBHT022H324
Override: No

Year: 2023
Make/Desc: Lund Boat
Model: Fury
Color:

Action: Add
Item #: 32
Serial Type: Boats
Serial #: LBBKJ623F323
Override: No

Year: 2023
Make/Desc: Lund Boat
Model: Impact XS
Color:

Action: Add
Item #: 33
Serial Type: Boats
Serial #: LBBMC082K324
Override: No

Year: 2024
Make/Desc: Lund Boat
Model: 1650 Angler Sport
Color:

Action: Add
Item #: 34
Serial Type: Trailer
Serial #: 4YDTSSM21N5351764
Override: No

Year: 2022
Make/Desc: Crossroads RV Trailer
Model: Sunset 253RB
Color:

Action: Add
Item #: 35
Serial Type: Trailer
Serial #: 5ZT2DEMB6M9006035
Override: No

Year: 2021
Make/Desc: Della Terra Travel Trailer
Model: East to West
Color:

Action: Add
Item #: 36
Serial Type: Trailer
Serial #: 4X4TSRG24C3004956
Override: No

Year: 2012
Make/Desc: Sabre Fifths Wheels RV Trailer
Model: Forest River M-310TBOK
Color:

Action: Add
Item #: 37
Serial Type: Trailer
Serial #: 4YDTSSM22N5351854

Year: 2022
Make/Desc: Crossroads RV Trailer
Model: Sunset



Saskatchewan Personal Property Registry Search Result

<p>Override: No</p> <p>Action: Add</p> <p>Item #: 38</p> <p>Serial Type: Trailer</p> <p>Serial #: 4YOT26823M5352107</p> <p>Override: No</p> <p>Action: Add</p> <p>Item #: 39</p> <p>Serial Type: Trailer</p> <p>Serial #: 5RXT02820E1030200</p> <p>Override: No</p>	<p>Color:</p> <p>Year: 2021</p> <p>Make/Desc: Crossroads RV Trailer</p> <p>Model: Sunset</p> <p>Color:</p> <p>Year: 2014</p> <p>Make/Desc: Crossroads RV Trailer</p> <p>Model: Shadow Cruiser</p> <p>Color:</p>
--	--

History - Amendment

Amendment Date: 19-Jul-2024 13:48:46	Registration #: 302573769
	Transaction #: 4

Event Type: Amendment
Transaction Reason: Regular

Registrant

Party ID: 152330264-1	Address: 500 - 616 Main Street
Entity Type: Business	Saskatoon, Saskatchewan
Name: McDougall Gauley LLP	S7H0J6
	Canada

Serial Property

Action: Add	
Item #: 40	Year: 2012
Serial Type: Boats	Make/Desc: Lund Boat
Serial #: LBBDA661K112	Model: Tyee
Override: No	Color:

End of Search Result

Business Debtor



Logon

Services

Search Services

- Individual Debtor
- Business Debtor
- Registration Number
- Serial Number
- Document Copies

Other Services

- Fees
- Party Code
- Registration History
- Contact Us
- eRegistration
- Land Titles Online
- Plan Deposit Submission
- Title Check
- Account Information

- Search Results
- Similar Matches
- Print Requests
- Mailing Information
- Payment

Help

Search by Business Debtor

Date: 2024-08-06
Time: 3:16:34 PM
Transaction Number: 10274695790
User ID:

Business Name: Moose Jaw Auto & Leisure Ltd.

BusinessDebtorSearchResultPrintController#creditCardReceipt
[Credit Card Receipt](#)

- 1 exact match was found.**
- 1 similar match was found.**

EXACT MATCHES

Business Debtor Name	No. of Registrations
1. Moose Jaw Auto & Leisure Ltd.	1

1. Moose Jaw Auto & Leisure Ltd.

1.1 Moose Jaw Auto & Leisure Ltd.: Registration 202412417706 (2024-07-18 12:20:50 PM)	
Registered under	The Personal Property Security Act
Expiry Date (YYYY-MM-DD)	2027-07-18
Debtor Address	1400 Lakeview Road Moose Jaw, Saskatchewan Canada S6H 4R3
Secured Parties (party code, name, address)	Royal Bank of Canada 36 York Mills Road, 4th Floor Toronto, Ontario Canada M2P 0A4
General Collateral Description	*The security interest is taken in all of the debtor's present and after-acquired personal property.
Serial Numbered Goods (serial number, category, year, description)	JAFSV280LLM486600 Motor Vehicle 2020 Used Skidsteer (Black)
Change History	Registration Number: 202412418419 (2024-07-18 12:26:51 PM) Sections Changed: Serial Numbered Goods

[Back to Top](#)

END OF EXACT MATCHES

Additional Options:

To view similar matches, please select the "Similar Matches" tab.
To request Printed Search Results or Printed Registered Documents, please select the "Print Requests" tab.
To start a new search, please select the "New Search" button:

New Search

- Search Results
- Similar Matches
- Print Requests
- Mailing Information
- Payment

[Printer Friendly Version](#)

This is Exhibit 'I' referred to in the Affidavit of Kerry Orth sworn before me this 13th day of August, 2024.

A COMMISSIONER FOR OATHS
for the Province of Saskatchewan,
Being a Solicitor

This is Exhibit 'J' referred to in the Affidavit of Kerry Orth sworn before me this 13th day of August, 2024.



A COMMISSIONER FOR OATHS
for the Province of Saskatchewan,
Being a Solicitor









This is Exhibit 'K' referred to in the Affidavit of Kerry Orth sworn before me this 13th day of August, 2024.



A COMMISSIONER FOR OATHS
for the Province of Saskatchewan,
Being a Solicitor

LANDLORD CONSENT AND WAIVER

TO: ROYAL BANK OF CANADA (the “Bank”)

AND TO: MOOSE JAW AUTO & LEISURE LTD (the “Tenant”)

FROM: 4089074 MANITOBA LTD. (the “Landlord”)

RE: The lands and premises known municipally as 1400 Lakeview Road, Moose Jaw, Saskatchewan (the “Premises”)

AND RE: The lease between the Landlord and the Tenant with respect to the Premises and any other leases (written or oral) entered into from time to time between the Landlord and the Tenant with respect to the Premises, and all amendments thereto and renewals thereof (collectively, the “Lease”)

WHEREAS the Tenant is now and may hereafter be indebted to the Bank;

AND WHEREAS the Tenant has granted and may in the future grant to the Bank security with respect to its indebtedness to the Bank;

FOR VALUE RECEIVED the Landlord hereby covenants and agrees with the Bank and the Tenant as follows:

1. **Status of Lease.** The Landlord represents and warrants that it is the registered and beneficial owner of the Premises and confirms there is no outstanding default under the Lease as at the date of this consent and waiver.
2. **Consent.** The Landlord hereby consents to all mortgages, charges, encumbrances, assignments and other security interests which have been or may in the future be granted by the Tenant to the Bank (collectively, the “Security”) against any of the present and future personal property, assets and undertaking the Tenant including, without limitation, the interest in and to any inventory now or hereafter located at the Premises and the proceeds thereof (collectively, the “Collateral”). For the purposes herein, the Collateral shall specifically exclude any interest or right under the Lease or otherwise in the tenancy, use or occupation of the Premises, plumbing and electrical fixtures, heating, ventilation and air conditioning systems and equipment, wall and floor coverings, leasehold improvements, and all other fixtures not normally considered trade fixtures.
3. **Waiver.** The Landlord hereby waives and disclaims, as against the Bank or any Receiver appointed by the Bank, any and all liens, claims, demands or rights of every nature and kind and however arising (including any right to levy, seize, distrain, execute upon or sell) to or against the Collateral in respect of any indebtedness, liabilities or obligations of the Tenant to the Landlord for rent or other monies owing under the Lease.
4. **Access.** Upon written notice delivered by the Bank to the Landlord, the Landlord shall permit the Bank and its authorized representatives access to the Collateral located on the Premises and shall permit the Bank and its authorized representatives to inspect, or remove the Collateral at all reasonable times without interference. The Bank shall not be

deemed to have taken possession of the Premises as a result of the exercise of its rights under this section 4.

5. The Landlord agrees that upon receipt of the written notice provided to it by the Bank pursuant to section 4, the Bank shall have the option of keeping the Collateral on the Premises for purposes of disposing of it or operating the business of the Tenant from the Premises for up to 120 days after the giving of written notice to the Landlord pursuant to section 4 above (the "Option Period"). During the Option Period, the Bank shall only be obligated to pay rent and additional rent on a per diem basis, as specified in the Lease, until such time as the Collateral is removed from the Premises and the Bank has provided the Landlord with at least 30 days' prior written notice that it intends to terminate the Option Period. Notwithstanding the right to remain on the Premises for the full Option Period, the Bank shall have the option of terminating such arrangement at any time during the Option Period upon providing the Landlord with written notice of its intent at least 30 days before such termination date. The Bank shall not be deemed to have taken possession of the Premises as a result of the exercise of its rights under this section.
6. The Bank agrees to repair any damage caused to the Premises resulting from its occupancy or resulting from the removal of any Collateral pursuant to its rights as set out above.
7. The Landlord agrees that without at least 15 days' prior written notice to the Bank (unless otherwise indicated below), and subject to the rights of the Tenant as set out in the Lease, the Landlord shall not: (i) accept any surrender of the Lease; (ii) assign or grant to any other person any interest in the Lease unless such person agrees in writing to be bound by the terms of this Agreement (and no prior written notice to the Bank shall be required prior to this assignment); or (iii) agree to amend or modify the Lease in anyway which is inconsistent or in conflict with the terms of this Agreement, provided that the Landlord shall be entitled, without the Bank's prior written consent, to renew or extend the Lease from time to time in the ordinary course of the Landlord's business acting as a prudent landlord.
8. **Notice.** Any notice hereunder shall be in writing and shall be dispatched by personal delivery or prepaid first class mail to the following address:

4089074 MANITOBA LTD.
964 Regent Avenue west
Winnipeg, Manitoba R2C 3A8

Attention: _____

ROYAL BANK OF CANADA
100-220 Portage Avenue
Winnipeg, MB R3C 0A5

Attention: Regional Manager
Commercial Markets, Automotive Finance

Any notice given by personal delivery shall be deemed to be given and received on the date of said delivery or, if such day is not a business day, on the first business day after

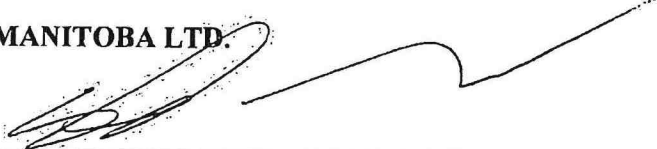
delivery and any notice given by mailing as aforesaid shall be deemed to have been given on the fourth business day following the date upon which the same is mailed.

9. **Counterparts.** This consent and waiver may be executed by the undersigned by telefacsimile transmission and in separate counterparts each of which when so executed and delivered shall be an original and all such counterparts shall together constitute one and the same instrument.
10. **Enurement.** This agreement shall be binding upon the undersigned and their respective administrators, successors and permitted assigns and shall enure to the benefit of the undersigned and their respective administrators, successors and permitted assigns, and for these purposes successors shall include any corporation formed by the amalgamation by any of the undersigned.
11. **Consent by Tenant.** The Tenant hereby consents to the terms of this consent and waiver.

[Signature Page Follows]


DATED the 25 day of July, 2022.

4089074 MANITOBA LTD.

Per: 
Name: Stephen Vickor
Title: Vice President

I have authority to bind the Landlord.

MOOSE JAW AUTO & LEISURE LTD.

Per: 
Name: Lawrence Chang
Title: President

I have authority to bind the Tenant.

ROYAL BANK OF CANADA

Per: _____
Name:
Title:

I have authority to bind the Bank.

DATED the _____ day of _____, 2022.

4089074 MANITOBA LTD.

Per: _____
Name:
Title:

I have authority to bind the Landlord.

MOOSE JAW AUTO & LEISURE LTD.

Per: _____
Name:
Title:

I have authority to bind the Tenant.

ROYAL BANK OF CANADA

Per: 
Name: Christine Laforge
Title: Senior Commercial Account Manager

I have authority to bind the Bank.

Inquiry_No 3132487
Date Completed Jul 05, 2024

Inquiry No	Year	Make	Model	Invoice_No	Serial_No	Description	Current_Amt	Status	WasUnitSeen
3132487	2022	HEARTLAND RV	TRAILER	1269093051	55FPB2628PE516419	NEW - STOCK	11932.8	STK	Y
3132487	2022	HEART LAND	TRAILER	1267980051	55FPB2827PE516957	NEW - STOCK	11995.2	STK	Y
3132487	2022	HEARTLAND	TRAVEL TRAILER	1267984051	55FPB3727PE519932	NEW - STOCK	16924.2	STK	Y

INSPECTION COMMENTS:
1

CHECK INFO:
N/A

SUMMARY BY STATUS CODE:
Status Quantity Current Value
STK 3 40852.2

This is Exhibit 'L' referred to in the Affidavit of
Kerry Orth sworn before me this 13th day of
August, 2024.



A COMMISSIONER FOR OATHS
for the Province of Saskatchewan,
Being a Solicitor

Inquiry_No 3132488
 Date Completed Jul 05, 2024

Inquiry No	Year	Make	Model	Invoice_No	Serial_No	Description	Current_Amt	Status	WasUnitSeen
3132488	2023	CROSSROADS	FIFTH WHEEL	U1386879	4YDFCET21P9310057	NEW - STOCK	60173.3	STK	Y
3132488	2023	CROSS ROAD	CAMEO	U1387754	4YDFCEV27P9310142	NEW - STOCK	74529.22	STK	Y
3132488	2023	CROSSROADS	FIFTH WHEEL	U1386880	4YDFCEV29P9310076	NEW - STOCK	64935.52	STK	Y
3132488	2023	CROSS ROAD	VOLANTE	U1387717	4YDFVLR28P6360400	NEW - STOCK	53645.88	STK	Y
3132488	2023	CROSSROADS	VOLANTE	U1389170	4YDFVLU26P6360368	NEW - STOCK	59182.32	STK	Y
3132488	2023	CROSSROADS	VOLANTE	U1384701	4YDFVLU28P6360307	NEW - STOCK	53882.96	STK	Y
3132488	2023	CROSS ROAD	Travel Trailer	U1383592	4YDTCRP22P6320201	NEW - STOCK	37843.43	STK	Y
3132488	2022	CROSSROADS	SS186BH22		4YDTS5H17N5353648	NEW - STOCK	19068.19	STK	Y
3132488	2024	Sunset 258RD	Sunset 258RD	U1397141	4YDTS5M25PS351027	NEW - STOCK	36109.62	STK	Y
3132488	2023	Heartland RV	PROWLER LYNX	01336494-051	5SFPB3121PE526979	NEW - STOCK	26882.41	STK	Y
3132488	2024	TRAVEL TRAILER	TRAVEL TRAILER	1315305051	5SFPB3224PE524691	NEW - STOCK	31809.04	STK	Y
3132488	2023	PROWLER	320S		5SFPB3720PE523143	NEW - STOCK	43870.25	S	X

INSPECTION COMMENTS:
 1

CHECK INFO:
 N/A

SUMMARY BY STATUS CODE:

Status	Quantity	Current Value
S	1	43870.25
STK	11	518061.89

Inquiry_No 3132489
 Date Completed Jul 05, 2024

Inquiry No	Year	Make	Model	Invoice_No	Serial_No	Description	Current_Amt	Status	WasUnitSeen	MSOSeen(SM/SN/ST/NS/NA)
3132489	2023	EXPLORER	EXPLORER	SLC8171759	4T91A1710RD213082	NEW - STOCK	35909.92	STK	Y	NA
3132489	2023	GLACIER	RD HOUSE	213333	4T91A1716PC213333	NEW - STOCK	29282.34	STK	Y	NA
3132489	2023	GLACIER	RV EXPLORER	213041	4T91A1718RD213041	NEW - STOCK	35761.53	STK	Y	NA
3132489	2023	EXPLORER	EXPLORER	SLC8171691	4T91A171XRD213042	NEW - STOCK	35909.92	STK	Y	NA
3132489	2023	GLACIER	RV EXPLORER	213003	4T91A1827RB213003	NEW - STOCK	39314.61	STK	Y	NA
3132489	2023	GLACIER	RV EXPLORER	213307	4T91A1829PB213307	NEW - STOCK	38524.19	STK	Y	NA
3132489	2023	SEGWAY	SNARLER		H0MAAPX34P8000135	NEW - STOCK	11198.25	STK	Y	NA
3132489	2023	SEGWAY	SNARLER		H0MAAPX35P8000337	NEW - STOCK	8664	STK	Y	NA
3132489	2023	SEGWAY	SNARLER		H0MAAPX38P8000347	NEW - STOCK	8664	STK	Y	NA
3132489	2023	SEGWAY	VILLAN		H0MSBWX60P8000199	NEW - STOCK	26279.4	STK	Y	NA
3132489	2023	GLACIER	GLACIER ICE HOUSE		4T91A2223PB213270	NEW - STOCK	41994.37	M	N	NS
3132489	2023	SEGWAY	SNARLER		H0MAAPX34P8000362	NEW - STOCK	5664	M	N	NS
3132489	2023	SEGWAY	FUGLEMAN		H0MUBWX10P8000250	NEW - STOCK	22929.9	M	N	NS

INSPECTION COMMENTS:
 1

CHECK INFO:
 N/A

SUMMARY BY STATUS CODE:

Status	Quantity	Current Value
M	3	70588.27
STK	10	269508.16

Inquiry_No 3132490
Date Completed Jul 05, 2024

Inquiry No	Year	Make	Model	Invoice_No	Serial_No	Description	Current_Amt	Status	WasUnitSeen
3132490	2023	LUND	FURY		LBBHT022H324	NEW - STOCK	23770.8	STK	Y
3132490	2023	IMPACT	XS		LBBKJ623F323	NEW - STOCK	62132.4	STK	Y
3132490	2024	LUND	1650 ANGLER SPORT		LBBMC082K324	NEW - STOCK	33191.07	STK	Y

INSPECTION COMMENTS:
1

CHECK INFO:
N/A

SUMMARY BY STATUS CODE:
Status Quantity Current Value
STK 3 119094.27

Inquiry_No 3132491
 Date Completed Jul 05, 2024

Inquiry No	Year	Make	Model	Invoice_No	Serial_No	Description	Current_Amt	Status	WasUnitSeen
3132491	2012	FOREST RIVER	SABRE M-310TBOK		4X4TSRG24C3004956	USED - STOCK	13700	STK	Y
3132491	2022	SUNSET TRAILER	253RB		4YDTSSM21N5351764	USED - STOCK	25200	STK	Y
3132491	2022	CROSSROADS	SUNSET		4YDTSSM22N5351854	USED - STOCK	35100	STK	Y
3132491	2021	crossroads	sunset		4YOT26823M5352107	USED - STOCK	25500	STK	Y
3132491	2014	crossroads	shadow cruiser		5RXT02820E1030200	USED - STOCK	17000	STK	Y
3132491	2021	DELLA TERRA	EASDT TO WEST		5ZT2DEMB6M9006035	USED - STOCK	18742.5	STK	Y
3132491	2012		2012 TYEE		LBBDA661K112	USED - STOCK	45000	STK	Y

INSPECTION COMMENTS:
 1

CHECK INFO:
 N/A

SUMMARY BY STATUS CODE:

Status	Quantity	Current Value
STK	7	180242.5

Orth, Kerry (He/Him/His)

From: louchang@shaw.ca
Sent: Wednesday, July 3, 2024 3:28 PM
To: LaBossiere, Trevor
Subject: RE: MOOSE JAW AUTO & LEISURE / RVANA LEISURE GROUP

[External]/[Externe]

Hi Trevor,

I regretfully inform you that Moose Jaw Auto & Leisure and Rvana Leisure Group can no longer continue to operate. Although unfamiliar with the process ahead, I will cooperate where possible.

Regards,

Lawrence Chang
P: 204.333.2568

This is Exhibit 'M' referred to in the Affidavit of Kerry Orth sworn before me this 13th day of August, 2024.



A COMMISSIONER FOR OATHS
for the Province of Saskatchewan,
Being a Solicitor

This is Exhibit 'N' referred to in the Affidavit of Kerry Orth sworn before me this 13th day of August, 2024.



A COMMISSIONER FOR OATHS
for the Province of Saskatchewan,
Being a Solicitor

From: louchang@shaw.ca
Sent: Thursday, August 01, 2024 3:05 PM
To: [Orth, Kerry \(He/Him/His\)](#)
Cc: [Chan, Alice P](#)
Subject: RE: Moose Jaw Auto & Leisure Ltd and RVANA Leisure Group Inc.

[\[External\]/\[Externe\]](#)

Hi Kerry,

I believe CRA liabilities should be nil to minimal, however, we are in a severance dispute with one of the former employees over a nearly 2 year mat leave. I have forwarded this email to Dan to get further information.

Lawrence Chang

From: Orth, Kerry (He/Him/His) <kerry.orth@rbc.com>
Sent: Wednesday, July 31, 2024 7:06 PM
To: louchang@shaw.ca
Cc: Chan, Alice P <alice.p.chan@rbc.com>
Subject: Moose Jaw Auto & Leisure Ltd and RVANA Leisure Group Inc.
Importance: High

Hi Lawrence,

Could you advise me if either company has any CRA and employee severance issues? If so could you please advise of the amounts.

Thank you.

Kerry

Kerry Orth | Senior Manager – Special Loans and Advisory Services | RBC Royal Bank | **Royal Bank of Canada** | 52 High Street West, Moose Jaw, Saskatchewan, S6H 1S3| T. 306 - 313 – 4207
C. 306 – 313 – 4207

If you received this email in error, please advise the sender (by return email or otherwise) immediately. You have consented to receive the attached electronically at the above-noted email address; please retain a copy of this confirmation for future reference.

Si vous recevez ce courriel par erreur, veuillez en aviser l'expéditeur immédiatement, par retour de courriel ou par un autre moyen. Vous avez accepté de recevoir le(s) document(s) ci-joint(s) par voie électronique à l'adresse courriel indiquée ci-dessus; veuillez conserver une copie de cette confirmation pour les fins de référence future.



This is Exhibit 'O' referred to in the Affidavit of Kerry Orth sworn before me this 13th day of August, 2024.

A COMMISSIONER FOR OATHS
for the Province of Saskatchewan,
Being a Solicitor

July 16, 2024

VIA Registered Mail/Delivered by Courier

Moose Jaw Auto & Leisure Ltd.
c/o 1000 – 2002 Victoria Avenue
Regina, SK S4P 0R7

Attention: Jessica Waller

Dear Ms. Waller:

RE: Credit Facilities and Agreements with Royal Bank of Canada (“RBC”)
Moose Jaw Auto & Leisure Ltd. (“Moose Jaw Auto”)

We act as solicitors for RBC.

Moose Jaw Auto is indebted to RBC in respect of, *inter alia*, loans and advances made by RBC to Moose Jaw Auto (the “Loans”) pursuant to or as confirmed by a commitment letter dated July 20, 2022 (as amended October 25, 2022 and January 31, 2024, the “Credit Agreement”).

To secure the repayment of the Loans Moose Jaw Auto executed, *inter alia*, the following agreements in favour of RBC (collectively, the “Security”):

1. a general security agreement dated July 25, 2022 granting RBC an interest in all of Moose Jaw Auto’s present and after-acquired personal property; and
2. a security agreement (dealer inventory) dated July 25, 2022 granting RBC an interest in all of Moose Jaw Auto’s dealer inventory (including all related parts, accessories, attachments, special tools and additions).

As of July 15, 2024, Moose Jaw Auto is indebted to RBC in the following amounts:

Operating Loan #85953090001: \$200,599.80

Mr. Michael W. Milani, K.C.
T: (306) 565-5117
mmilani@mcdougallgauley.com

Bonnie Holzapfel, Assistant
T: (306) 565-5135
bholzapfel@mcdougallgauley.com

FILE NO.: 507002.806 MWM

Credit Card #486584****9927:	\$36,947.50
Credit Line EI4133	\$340,096.43
Credit Line EI4135:	\$180,242.50
Credit Line EI4129 ¹ :	\$54,333.41
Credit Line EI4134:	\$119,094.27
<u>Credit Line EI4132:</u>	<u>\$561,932.14</u>
Total:	\$1,493,246.05

together with interest as described in the Credit Agreement.

In addition to the amounts described above, RBC has incurred and will continue to incur legal and other costs in relation to this matter, and such amounts are and will be payable by Moose Jaw Auto. Such amounts plus interest, together with the amounts and interest described above, are collectively referred to as the "Indebtedness".

Pursuant to the terms of the Credit Agreement the Loans are repayable upon demand. RBC hereby accelerates the repayment of the Loans and demands the repayment of the Indebtedness within ten (10) days of the date of this letter. In addition, any credit otherwise available under any of the Loans may now only be accessed with the express prior written consent of RBC, which may be withheld at the sole discretion of RBC. Moose Jaw Auto will no longer be able to borrow further amounts under Operating Loan #85953090001 or to access credit under the credit card issued to Moose Jaw Auto by RBC.

Payment on account of the Indebtedness is to include interest and costs to the date of payment. If Moose Jaw Auto contacts us on the last business day prior to the date it will make payment, we will advise Moose Jaw Auto of the amount that is to be paid.

We also enclose for service upon Moose Jaw Auto a Notice of Intention to Enforce Security pursuant to section 244(1) of the *Bankruptcy and Insolvency Act* (Canada). RBC requests that

¹ The indebtedness owed under Facility E14129 is in the currency used by the United States of America ("USD"). As of July 15, 2024, the amount in USD owed under this facility was \$40,852.20. The exchange rate from USD to CAD on July 15, 2024 was 1.33%.

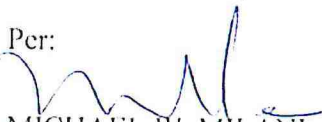
Moose Jaw Auto consent to the immediate enforcement by RBC of the Security, by endorsing the consent at the bottom of the Notice and returning it to us.

All rights and remedies of RBC, including under the Credit Agreement and the Security, are expressly reserved.

Yours truly,

McDougall Gauley LLP

Per:


MICHAEL W. MILANI, K.C.

MWM/bh

Enclosure

FORM 86
PURSUANT TO THE BANKRUPTCY AND INSOLVENCY ACT, RSC 1985, c B-3
(Subsection 244(1))
NOTICE OF INTENTION TO ENFORCE SECURITY

TO: Moose Jaw Auto & Leisure Ltd.
c/o 1000 – 2002 Victoria Avenue
Regina, SK S4P 0R7

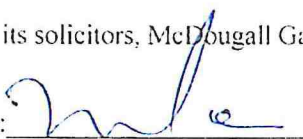
TAKE NOTICE THAT:

1. Royal Bank of Canada (the “Creditor”), a secured creditor, intends to enforce its security over the following property of Moose Jaw Auto & Leisure Ltd. (the “Debtor”):
 - (a) All present and after-acquired personal property.
2. The security that is to be enforced is in the form of the security as follows:
 - (a) General Security Agreement dated July 25, 2022; and
 - (b) Security Agreement dated July 25, 2022.
3. The total amount of indebtedness secured by the security mentioned above, as of July 15, 2024, is \$1,493,246.05 plus costs, fees, expenses, and interest to the date of payment. Particulars of the indebtedness are described in the accompanying demand letter dated July 16, 2024.
4. The Creditor will not have the right to enforce the 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 Regina, Saskatchewan this 16th day of July, 2024.

ROYAL BANK OF CANADA

By its solicitors, McDougall Gauley LLP

Per: 
Name: Michael W. Milani, K.C.

Moose Jaw Auto & Leisure Ltd. hereby consents to the immediate enforcement by Royal Bank of Canada of its security as described above.

Dated this _____ day of _____, 2024.


MOOSE JAW AUTO & LEISURE LTD.

Per: _____

Name: _____

Position: _____

This is Exhibit 'P' referred to in the Affidavit of Kerry Orth sworn before me this 13th day of August, 2024.



A COMMISSIONER FOR OATHS
for the Province of Saskatchewan,
Being a Solicitor