

COURT FILE NUMBER 2503-13640

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

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

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

CROSS-APPLICANTS COAST AUTOMOTIVE GROUP INC, COAST NORTH VANCOUVER AUTO SALES INC., COAST AUTO DRAYTON INC., 2461765 ALBERTA LTD., SUNDEEP CHEEMA, DEEPAK PARMAR, HARJOT RANDHAWA, and DEERFOOT ATRIA PARTNERS LTD.

DOCUMENT AFFIDAVIT

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

Blue Rock Law LLP
700, 215 9th Ave SW
Calgary, AB T2P 1K3

Attention: David W. Mann, KC and Scott Chimuk
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File: 1747-00001

AFFIDAVIT OF JOE RANDHAWA

Sworn on December 8, 2025

I, Joe Randhawa, of Edmonton Alberta, swear and say that:

1. I was the President and key decision-maker, and minority shareholder and director within the Coast Companies during the period leading up to BMO's enforcement actions and the commencement of CCAA proceedings. I am an authorized representative of Coast Automotive Group Inc. ("Coast Auto Group"), Coast North Vancouver Auto Sales Inc. ("Coast North Vancouver"), Coast Auto Drayton Inc. ("Coast Drayton"), and 2461765 Alberta Ltd. ("246") (collectively, the "Coast Auto Companies"). I have first-hand knowledge of the operations, financial performance, BMO interactions, BDO oversight, and the events giving rise to this Affidavit.

2. As such, I have personal knowledge of the matters deposed to in this Affidavit, except where stated to be on information and belief, and where so stated I verily believe them to be true.
3. I swear this Affidavit to correct the false and misleading narrative placed before the Court by BMO through the Syed Affidavit and the Monitor's Reports, and to provide accurate operational evidence.

Background

4. Prior to the events described in this Affidavit, the Coast Auto Companies were operating, selling vehicles, paying employees, and servicing their obligations. The Coast Auto Companies were engaged in ongoing improvement initiatives including enhanced used-vehicle retailing, service department process improvements, and marketing and website upgrades.
5. The Coast Auto Companies' financial performance and forecasts for 2025 showed improvement over both 2024 and 2023, particularly when properly normalizing for exorbitant interest costs, restructuring costs, and the impact of unsustainably exorbitant floorplan interest rates. Attached hereto as **Exhibit "A"** are copies of the forecasts and executive summaries concerned these issues.
6. The Coast Auto Group was founded June 28, 2023, taking over both of Coast North Van's and Coast Drayton's operations, with the full knowledge of BMO. The Coast Auto Group was purchased with intention of turning around business performance from 2023 over a course of two to three years. Coast Auto Group was focused on inventory reduction, marketing, sales volume, increasing used sales, finance income, reduction of aged parts, fixed operations margins, software customer database management, hiring qualified General Managers, and a President with substantial Stellantis and automotive experience to support the turnaround of the company.
7. In late 2024, the Coast Auto Group hired a full-time President that quickly placed qualified General Managers at the Coast North Van and Coast Drayton locations, both of which had nearly 20 years each automotive experience, primarily in Stellantis (Chrysler, Dodge, Jeep, Ram). Improvements in operations were being

made by way of a strategic turnaround plan and forecast that was shared with BMO in the beginning of 2025. There was little turnover in key management roles apart from those key roles, as Managers in fixed operations, finance teams, and accounting at both stores had a high degree of consistency and limited turnover.

Operations and Financial Condition

8. Throughout 2023 and 2025, the Coast Auto Companies operated as fully functioning dealerships generating revenue from new and used vehicle sales, service, and parts. Inventory was actively managed and in fact reduced by approximately 47% between December 2023 and July 2025, significantly lowering floorplan interest exposure, notwithstanding the material and exorbitant increase in rates from BMO. Attached hereto as **Exhibit “B”** is evidence of the changing financial conditions imposed by BMO.
9. Stellantis (Chrysler, Dodge, Jeep, Ram) performance reports show that Coast North Van outperformed the British Columbia Zone by 12.6%, and Coast Drayton performed 0.6% above the Alberta Zone average, demonstrating stabilizing and strong operational performance. Evidence of this improved performance is attached hereto at **Exhibit “C”**.
10. The Coast Auto Companies provided a forecast and turnaround plan for BMO in early 2025 and reviewed the performance of the forecast with me in and around May 2025, at which time the Coast Auto Companies were on pace for its net income targets at a group level. Attached hereto as **Exhibit “D”** is evidence of these performance forecasts.
11. These facts contradict any assertion that the Coast Auto Companies were failing operationally or incapable of improvement. Despite this, the BMO drafted and filed the Affidavit of Shehryar Syed on July 9, 2025 (the “Syed Affidavit”) to initiate the CCAA proceedings, where Mr. Syed swears that the Coast Auto Companies had significant employee turnover, poor financial performance since at least 2023, an excess of less desirable used vehicle inventory, mismanagement of inventory,

increased cost of capital.¹ Those allegations are not supported by BDO's own written findings or by the actual dealership performance data.

12. These performance metrics, as outlined in Exhibits "A" to "D" demonstrate that the Coast Auto Companies were not failing businesses in free fall, but viable and improving operations executing a management-led turnaround that BMO fully understood and monitored. The liquidity strain that later emerged was not the result of operational collapse or mismanagement; it was driven, to a significant extent, by BMO's own decisions regarding interest rates, credit restrictions, and funding approvals.

BDO Initial Findings and Errors in the Syed Affidavit

13. In September 2024, BDO prepared and delivered an Initial Summary of Findings Memorandum (the "BDO Memo") following its review of the Companies' operations, accounting records, and inventory. A copy of the BDO Memo is attached hereto as **Exhibit "E"**
14. In the BMO Memo, BDO expressly acknowledged, among other things, that:
 - a. management was transparent and cooperative;
 - b. that BDO had been able to account for all vehicles in inventory; and
 - c. that certain system issues (such as SIVs) were attributable to temporary staff absences and legacy accounting processes rather than any fraud or misappropriation.
15. These findings are fundamentally inconsistent with the later narrative presented in the Syed Affidavit, where Mr. Syed swears to high turnover, poor management, lack of controls, and missing vehicles. Those allegations are not supported by BDO's own written findings or by the actual dealership performance data.

¹ Affidavit of Shehryar Syed filed July 9, 2025 ("Syed Affidavit") at paragraphs 11, 15.

16. The Companies relied upon BDO's written statements as confirmation that their operations were not fundamentally deficient and that any issues identified were remediable and being addressed.

BMOs Misconduct

17. Beginning in late 2024 and continuing into 2025, BMO employed a series of escalating financial pressure tactics that had the effect, and I believe the intention, of destabilizing the Coast Auto Companies' operations, including:
 - a. reducing and restricting overdraft availability;
 - b. repeatedly reducing business credit card limits (from \$100,000 to \$50,000 and then to \$25,000);
 - c. delaying or declining reasonable requests for operational funding and floorplan accommodations; and
 - d. imposing crippling, exorbitant interest rates, which together had the effect—and, in my view, the intention—of creating liquidity strain and suppressing the Companies' ability to operate normally.
18. In addition to the aforementioned measures, BMO cancelled cheques that had been issued to pay out customer liens on trade-in vehicles. When a customer purchases a new vehicle and financing is completed, the dealer is obligated to discharge the lien on the customer's trade-in. By cancelling those lien-payout cheques, BMO knowingly placed the Coast Auto Companies in a position where it could not honour those obligations, exposing the Coast Auto Companies to potential claims of breach of contract or even allegations of fraud. In my view, this conduct went beyond ordinary default management and amounted to deliberate harm of the business and its reputation
19. Among other things, the reduction of credit card limits interfered with timely payment of vendors and operational expenses, despite the Coast Auto Companies continuing to sell vehicles and generate gross margins.

20. BMO also began to interfere with day-to-day decisions, including dictating when parts and service expenses could be paid, directing the timing and nature of marketing spends, and exerting influence over which potential buyers could be entertained in the sale processes. Attached hereto as **Exhibit “F”** is email correspondence concerning these facts.

Forbearance Agreements

21. In late 2024 and early 2025, BMO mandated the Coast Auto Companies enter into a series of forbearance agreements, including:
 - a. a forbearance agreement dated January 10, 2025;
 - b. a forbearance extension dated April 28, 2025; and
 - c. a second forbearance extension dated in or about May 2025 (together, the “Forbearance Agreements”).
22. The Forbearance Agreements were presented by BMO as “take-it-or-leave-it” terms, under significant time pressure and in the context of explicit threats regarding continued availability of floorplan financing, overdraft facilities, and credit card limits under threat of foreclosure by BMO. The Companies were told that failure to sign would result in immediate enforcement and foreclosure. In breach of its good faith obligations under the BMO Contracts, BMO refused to negotiate with the Coast Auto Companies or otherwise engage in or attempt good faith discussions without a signed forbearance agreement.
23. Accordingly, to avoid an immediate foreclosure threat and destruction of the business, the Coast Auto Companies were mandated to enter the Forbearance Agreements. When making this demand, BMO represented, and the Coast Auto Companies relied upon to its detriment, that BMO was making the demand for the Forbearance Agreements in good faith. BMO further represented that if the Forbearance Agreements were entered, and if the Coast Auto Companies implemented the recommendations from the BDO Memo, BMO would consider all defaults to be cured

24. As part of the Forbearance Agreements, BMO demanded that the Coast Auto Companies' majority shareholders, including Mr. Sundeep Cheema and Mr. Dean Parmar, sign what are purported to be personal guarantees (and consent foreclosure orders) in BMO's favour (collectively "Bad Faith Demands").
25. The Coast Auto Companies reasonably relied upon the representations and mandates of BMO, and signed the Forbearance Agreements and implemented the recommendations outlined in the BDO Memo and made legitimate changes to its business to appease BMO.
26. Under these circumstances, the Forbearance Agreement and related documents, including purported personal guarantees and consent foreclosure orders, were signed under economic duress, solely to prevent the immediate destruction of the Coast Auto Companies' business. These documents were not freely negotiated commercial bargains – they were conditions imposed by BMO under threat, with no realistic alternative.

BMO's false representations

27. I have reviewed the Syed Affidavit. It contains material misstatements regarding the timeline of the sales process. BMO further misrepresented the facts and mandated the Coast Auto Companies undertake a management-led sale process and to engage a sales agent to support that process. In the Syed Affidavit, Mr. Syed states that he introduced the Coast Auto Companies' senior management to two separate sales advisory firms and that these introductions occurred in May 2025. I believe this to be false.
28. The first introduction call with DSMA was not scheduled until June 3, 2025, and only after Mr. Syed failed to circulate the meeting times to the BDO team as required. The DSMA call was subsequently rescheduled for June 5, which did occur.
29. On June 4, the Coast Auto Companies' senior management informed Mr. Syed that if the upcoming call (June 10th) with Tim Lamb Group went well, Coast Auto Companies intended to proceed with Tim Lamb. On June 12, Coast Auto Companies' senior management provided Tim Lamb Group with a verbal commitment and

shared draft sale process materials. On June 13, Mr. Syed followed up requesting an update, and the Coast Auto Companies' senior management confirmed that it would move forward with the Tim Lamb Group. A formal agreement with Tim Lamb Group was executed on June 16, 2025, confirming that the management-led sale process was well underway, timely, and actively progressing. By June 20th, required files and details to prepare a sales package for the engagement were provided to the Tim Lamb Group. Attached hereto as **Exhibit "G"** is correspondence concerning these facts.

30. These facts directly contradict Mr. Syed's sworn statement that the Coast Auto Companies failed to engage a sales agent or take steps toward a sale process before July 2025. In reality, a sales process had been materially advanced by early to mid-June, which was done based on BMO's representations and assurances that such a process was appropriate and expected.
31. BMO imposed extensive controls over the Coast Auto Companies' operations, including mandatory reporting, restrictions on payments, and a requirement that BDO be engaged to perform extensive monitoring. Evidence of these controls and mandates is attached hereto as **Exhibit "H"**.

Blackout from CCAA proceedings

32. The representations from BMO to the Coast Auto Companies were that until the business was sold the Coast Auto Companies would be involved in continued operations with the intention of maximizing business value, as referenced in the initial order on July 16. BMO ultimately commenced CCAA proceedings on July 16, 2025, without our involvement.
33. The BMO represented that the CCAA Process would be a collaborative, company led process where BMO, BDO, and the Coast Auto Companies could jointly pursue a sale in a mutually beneficial way. Despite this, the Coast Auto Companies were completely blacked out from information or input on the CCAA process.
34. On or about July 16, 2025, BDO effectively removed the Companies' management and took control of operations as Court-appointed Monitor. However, the Monitor's

reports dated October 8 and October 16, 2025, and the submissions made in the corresponding Court hearings, did not disclose (or intentionally withheld) that ownership and directors had been removed from the dealerships on July 17, 2025, after representing to Court in the initial order that ownership would be continually involved in operations and that continued involvement of ownership and management was critical.

35. On July 18th, the ownership group was removed by BDO, citing that ownership was removed on instruction of BMO. In the lead-up to the initial CCAA hearing and subsequent Court attendances on or about October 8 and October 16, 2025, BDO and BMO orchestrated the removal of the Coast Auto Companies' ownership and directors from operational control of the dealerships.
36. BMO and BDO attended Court on July 25th for extension of fees and super monitor powers, directors and owners insurance and incorrectly stated that ownership was still involved. I believe ownership was not involved at that time.
37. Our prior counsel could not take adverse positions against BDO and BMO. Once we found counsel without those conflicts, the process had already steamrolled ahead.
38. In my view, BMO and BDO used the CCAA process as a vehicle for controlled enforcement.

Faulty Sales Process

39. Despite warnings that CCAA would depress valuations, BMO pushed forward, resulting in a reduced pool of buyers and lower offers. Following the commencement of the CCAA, a sale process was pursued for the Coast assets, involving DSMA and other sale advisors. Tim Lamb warned BMO that pursuing a formal insolvency process would depress valuations and reduce buyer interest compared to a going-concern sale conducted outside a formal proceeding. Copies of these correspondences is attached hereto as **Exhibit "I"**.
40. Despite these warnings, BMO pressed ahead with CCAA which in my view wiped out the equity value of the businesses and enabling a distressed sale at a lower price.

41. In one notable example, a previously negotiated trade involving Dodge Hornet vehicles was cancelled or disrupted following BDO's assumption of control, and approximately 18 Dodge Hornets were liquidated at a loss estimated at roughly \$17,000 per unit. This liquidation occurred while BDO controlled approvals and was acting under BMO's pressure to accelerate collateral recovery, directly eroding BMO's own security and prejudicing all other creditors. While the ownership group had been working with another dealership group at full cost for all 18 units in question (BDO was expressly aware of this deal, but neglected to act on it). Management had completed another successful 17 unit transfer in June showing evidence of success in making large inventory transactions with other dealership groups in the region. DSMA was also engaged to send out sales packages for the dealerships. It was noted that the normalizing items in North Vancouver were materially understated greatly reducing the value a prospective buyer would consider placing on the dealership
42. In my view, the loss of value caused by these decisions, together with the stigma of CCAA and the constraints imposed by BMO and BDO, materially reduced the proceeds available from the sale of the Coast Auto Companies' assets compared to what would have been achievable through a cooperative, good-faith restructuring or sale process.
43. These losses would not have occurred had BMO allowed management to complete the originally negotiated trade transaction.

Conclusion

44. The Coast Auto Companies were actively operating, improving, and implementing the requisite recommendations from the BDO Memo, and a sale process in reliance on BMO's representations that such actions would remedy all defaults.
45. I swear this Affidavit in objection to the relief sought by BDO, and in support of the relief sought in the Cross-application and for no improper purpose.

SWORN BEFORE ME at)
Alberta, this ___ day of December, 2025.)

_____))
Commissioner for Oaths in and for the)
Province of Alberta)


_____))
Joe Randhawa)

This is Exhibit A to the Affidavit of
Joe ~~Radhawa~~ sworn/affirmed before
me this 8 day of December, 2025.

Randhawa

A Commissioner for Oaths in and for
the Province of Alberta

Coast Auto (Combined) YTD vs Forecast	Forecast	Actual	Variance (\$)	Variance (%)
	YTD 25'	YTD 25'		
New Vehicle Volume	143	78	(65)	-45% Note 1
New Front Gross (GPU)	2,249	539	(1,710)	-76%
New F&I Gross (GPU)	4,375	4,077	(299)	-7%
New Gross Adjustment (GPU)	1,822	3,193	1,371	75%
Per Unit Profit	8,446	7,808	(637)	-8% Note 2
Total New Gross (includes Fleet and DT)	964,457	360,509	(603,948)	-63%
Total New Gross (includes Gross adj, Fleet and DT)	1,224,957	611,975	(612,982)	-50% Note 3
Used Vehicle Volume	165	213	48	29% Note 4
Used Front Gross (GPU)	870	1,234	(2,104)	-242%
Used F&I Gross (GPU)	4,083	2,905	(1,178)	-29%
Used Gross Adjustment (GPU)	1,634	2,358	724	44%
Per Unit Profit	6,587	4,029	(2,558)	-39% Note 5
Total Used Gross (includes wholesale)	758,305	366,422	(391,883)	-52%
Total Used Gross (includes Gross adj, and wholesale)	917,305	868,725	(48,580)	-5% Note 6
Parts Sales	2,139,254	1,571,217	(568,037)	-27% Note 7
Parts Gross	738,481	548,614	(189,867)	-26%
Parts GM% (Target 31%)	35%	35%	0	1%
Service Sales	1,061,043	868,746	(192,297)	-18% Note 8
Service Gross	5	4	(1)	-16%
Service GM%	0%	0%	0	3%
Total Dealership Gross Profit	3,738,466	2,798,383	(940,083)	-25%
Profit/Loss	(1,574,752)	(1,590,846)	(16,094)	-1% Note 9

Notes

Note 1: Volume has been strained, which aligns with the limited number of programs we've seen from Stellantis. To address this, we revamped the websites, hired a marketing manager to boost organic traffic, and began enhancing our social media presence. These efforts began in April, and we're starting to see the impact. **Note YTD Both stores under Coast are ahead of their respective zone reports for new vehicles sales!**

Note 2: An average profit of \$7,808 per unit is reasonable in today's market for new Stellantis vehicles.

Note 3: Total New Gross profit for 2025 is below forecast - primarily driven by volume reduction. We expect to see this normalize in Q2 and Q3

Note 4: There's excellent progress being made toward meeting the forecast for both stores which are adapting to new vehicle pressure and focusing on adding volume where we can control it.

Note 5: Total profit per unit for 2025 actuals is \$4,029—below forecast, but in line with pre-COVID levels and industry averages.

Note 6: Even with reduced margins, increased volume has helped offset the impact—positively affecting parts and service performance and expanding our customer database.

Note 7: We reduced the team in certain areas and expect higher net retention for the remainder of the year.

Note 8: We expect monthly revenue to stay near forecasted levels through the remainder of the summer season, supporting more consistent wins for the store. Our continued focus on used vehicle turnover is also driving positive reconditioning results, benefiting the dealership's fixed operations departments.

Note 9: Within the 1% targeted forecast, it's important to note that despite the elevated floorplan and overdraft interest rates, we believe that once normalized, we will be even further ahead of the forecasted targets.

This is Exhibit B to the Affidavit of
Joe ~~Radhawa~~ sworn/affirmed before
me this 8 day of December, 2025.

Randhawa

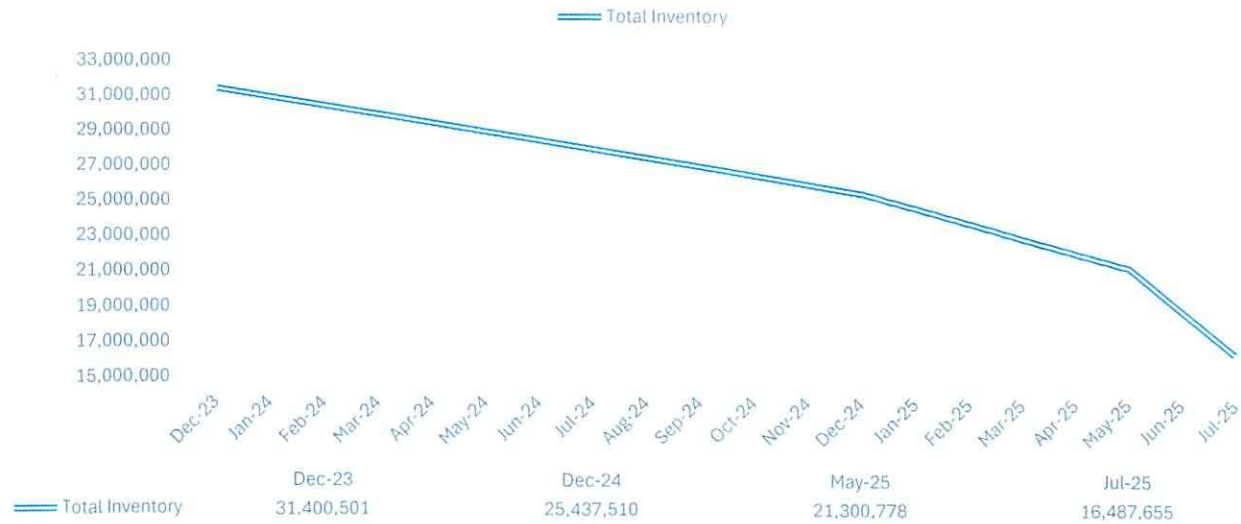
A Commissioner for Oaths in and for
the Province of Alberta

Coast Auto Group
Inventory Change
From 2023 to 2025

Included below is a table representing group level inventory including North Vancouver and Drayton Valley Chrysler dealerships.
These show inventory reduction from \$31.4M to \$16.5M (47.5% decrease)

Inventory	Dec-23	Dec-24	May-25	Jul-25	Reduction
Drayton valley New (DV)	6,944,393	6,347,592	5,343,433	4,044,510	
Drayton valley Demo (DV)	440,834	797,603	625,918	871,200	
Drayton valley Used (DV)	1,280,663	1,195,689	1,181,048	1,131,953	
North Vancouver New (NV)	16,229,691	13,096,624	10,405,901	8,170,652	
North Vancouver Demo (NV)	3,089,582	1,957,614	1,450,702	647,868	
North Vancouver Used (NV)	3,415,338	2,042,388	2,293,776	1621472	
Total New	26,704,500	22,199,433	17,825,954	13,734,230	48.6%
Total Used	4,696,001	3,238,077	3,474,824	2,753,425	41.4%
Total Inventory	31,400,501	25,437,510	21,300,778	16,487,655	47.5%

TOTAL INVENTORY REDUCTION



JR

This is Exhibit _C_ to the Affidavit of
Joe ~~Radhawa~~ sworn/affirmed before
me this 8 day of December, 2025.

Radhawa

A Commissioner for Oaths in and for
the Province of Alberta

Coast Auto Group
 Stellantis New Vehicle Retail Sales Reports
 July 2025 New Vehicle Retail Sales

The purpose of this report is to capture the performance of both North Vancouver and Drayton Valley as compared to their provincial zones. North Vancouver is ahead of the BC region by 12.4% when comparing year over year increase or decrease in volume. Also Drayton Valley improved slightly by 0.6% ahead of its zone, and this includes metro stores not just rural.

Volume YTD	2025 (July)	2024 (July)	2024	2023	2022
North Vancouver	98	185	244	305	387
Drayton Valley	58	73	107	157	126
BC	2,838	7,001	11,415	13,707	14,085
AB	10,025	12,709	21,145	23,968	22,840

Variance to PY (YTD)	2025 (July)	2025 (July)	2024	2023
North Vancouver	-47.0%		-20.0%	-21.2%
BC	-59.5%		-31.8%	24.6%
North Vancouver vs BC	12.4%		-16.7%	-2.7%
			-11.0%	4.9%
Drayton Valley	-20.5%			
AB	-21.1%		-3.3%	-18.5%
Drayton Valley Vs AB	0.6%		-20.1%	19.7%



This is important - it shows North Vancouver ahead of the BC region by 12.4% when comparing year over year increase or decrease in volume. Also Drayton Valley improved slightly by 0.6% ahead of its zone, and this includes metro stores not just rural.

This is Exhibit D to the Affidavit of
Joe ~~Radhawa~~ sworn/affirmed before
me this 8 day of December, 2025.

Randhawa

A Commissioner for Oaths in and for
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Note 2: An average profit of \$7,808 per unit is reasonable in today's market for new Stellantis vehicles.

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Note 6: Even with reduced margins, increased volume has helped offset the impact—positively affecting parts and service performance and expanding our customer database.

Note 7: We reduced the team in certain areas and expect higher net retention for the remainder of the year.

Note 8: We expect monthly revenue to stay near forecasted levels through the remainder of the summer season, supporting more consistent wins for the store. Our continued focus on used vehicle turnover is also driving positive reconditioning results, benefiting the dealership's fixed operations departments.

Note 9: Within the 1% targeted forecast, it's important to note that despite the elevated floorplan and overdraft interest rates, we believe that once normalized, we will be even further ahead of the forecasted targets.

Joe Randhawa

From: Joe Randhawa
Sent: May 16, 2025 10:21 AM
To: Dean Parmar
Subject: Combined Executive YTD Summary for BMO.xlsx
Attachments: Combined Executive YTD Summary for BMO.xlsx

Hi Dean,

A few key summary points to touch on for the call with BMO tomorrow.

1. Net Income: As a combined number we are right on track with 2025 forecast YTD including April (within \$16k or 1% variance) Important to note our cost of interest is massive (cost of floorplan is hurting us but we are still right on pace with forecast)
2. New volume is something we are working on - Volume has been strained, which aligns with the limited number of programs we've seen from Stellantis. To address this, we revamped the websites, hired a marketing manager to boost organic traffic, and began enhancing our social media presence. These efforts began in April, and we're starting to see the impact.
3. Used volume has been a big focus for our group to capitalize on where the customers affordability is. Even with reduced margins, increased volume has helped offset the impact—positively affecting parts and service performance and expanding our customer database.
 - a. April we hit a volume record of 73 deals delivered at North Vancouver - (53 used with a target of 30).
4. Fixed Operations – we will continue to see improvements tied to increases in used volume which helps with reconditioning for used vehicles.

If you need to run through anything let me know.

Thanks,

Joe

Joe Randhawa
President



C:780.263.2464
5241 Calgary Trail NW,
Edmonton, AB T6H 5G8
CoastAuto.ca

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This is Exhibit E to the Affidavit of
Joe ~~Radhawa~~ sworn/affirmed before
me this 8 day of December, 2025.

Randhawa

A Commissioner for Oaths in and for
the Province of Alberta



Tel: 416 775 7829
 Fax: 416 865 0904
 www.bdo.ca

BDO Canada Limited
 20 Wellington Street E., Suite 500
 Toronto, ON M5E 1C5

September 23, 2024

Coast Automotive Group Inc.
 1600 Marine Dr,
 North Vancouver, BC
 V7P 1T9

Attention: Mr. Sundeep Cheema and Mr. Dean Parmar of the Coast Automotive Group Inc. and Mr. Shehryar Syed and Mr. Joshua Seager of the Bank of Montreal

RE: Coast Automotive Group Inc., Coast North Vancouver Auto Sales Inc., Coast Auto Drayton Inc., and 2461765 Alberta Ltd. (collectively, the “Company”)

We understand that the Bank of Montreal (“BMO” or the “Bank”) has extended certain credit facilities, in the amount of -\$47 million, to the Company (collectively, the “Credit Facilities”), and that the Bank is concerned with the Company’s current financial position and the go-forward financial plan. This summary of our initial memorandum of findings is being provided to the Company as per the engagement letter of BDO Canada Limited (“BDO”) dated August 28th, 2024 (the “Memorandum”).

The urgency of this update is based on our initial findings from our Fieldwork (herein defined), namely the Company’s current liquidity situation and inventory analysis.

COMPANY BACKGROUND

Initial Acquisition

In June 2023, Coast Automotive Group Inc. (“Coast Automotive Group”) acquired two (2) Chrysler/Dodge/Jeep/Ram dealerships from Foundation Automotive Corp. (“Foundation”), (the “Acquisition”) including:

- Coast North Vancouver Auto Sales Inc. (“North Van Dodge”); and
- Coast Auto Drayton Inc. (“Drayton Valley Dodge”).

Additionally, 2461765 Alberta Ltd. (“LandCo”) purchased the real estate associated with the Drayton Valley Dodge location.

The Acquisition was likely over-leveraged at the time of close given that both Sundeep and Dean (both herein defined) were supposed to inject \$2 million of pseudo equity each (non-interest-bearing debt) for a total of \$4 million, however we understand that only \$2.75 million was injected. Additionally, the Acquisition also included a \$4 million vendor take back loan (the “VTB”) from Foundation (detailed in later sections of this memorandum).

Ownership Structure

50% and 40% of the Coast Automotive Group Inc. is owned by Sundeep Cheema (“Sundeep”) and Dean Parmar (“Dean”) respectively, with the remaining 10% owned by Joe Randhawa (“Joe”).

	Coast North Vancouver Auto Sales Inc. ("North Van Dodge")	Coast Auto Drayton Inc. ("Drayton Valley Dodge")	2461765 AB Ltd. ("LandCo")
Coast Automotive Group Inc.	100%	90%	100%
Gary Dhillon	0%	10%	0%
Total	100%	100%	100%

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As shown above, Coast Automotive Group owns 100% of North Van Dodge and LandCo, and 90% of Drayton Valley Dodge, the remaining 10% of Drayton Valley Dodge is owned by Gary Dhillon ("Gary").

Company Operations

North Van Dodge: operates a leased (from FCA Canada Inc. o/a Chrysler Canada) retail automotive showroom and garage out of 1600 Marine Dr, North Vancouver, BC (the "Primary Location"). North Van Dodge also has rented/leased two (2) outdoor offsite facilities to house most of its inventory:

- One (1) at Capilano Mall parking lot (the "Mall"); and
- One (1) at an old transit depot (together with the Mall, the "Offsite Lots").

The Offsite Lots are unattended, with the Mall location patrolled only by mall security. North Van Dodge also has a satellite sales office stationed at the Mall as required by the Mall lease (the "Satellite Office", and together with Offsite Lots and Primary Location, the "North Van Premises").

- Absent the Mall's lease requirements, the Company would not have the secondary sales location and its associated costs.

Drayton Valley Dodge: operates an owned showroom and garage out of 4099 50 Street, Drayton Valley, AB (the "Drayton Valley Premise", and together North Van Premises, the "Premises").

Management

Since Acquisition, the Company has experienced significant management turnover. Most notably, North Van Dodge has had three (3) different general managers ("GM") since Acquisition. Mr. Kris Laughton ("Kris"), who was the previous GM of North Van Dodge, has recently been replaced by Mr. Gary Dhillon ("Gary").

Other key management include:

- Joe - interim COO/CFO - not yet involved on a full-time basis;
- Mr. Sachian Gounden ("Sachian") - director of dealership accounting/treasury: oversees the current financial reporting and treasury functions;
- Gary - Dealer Principal at Drayton Valley Dodge and GM at North Van Dodge; and
- Mr. Brian Candelaria ("Brian") - GM at Drayton Valley Dodge.

Together, Joe, Sachian, Gary and Brian form the Company's management team (the "Management").

Management to date has been extremely transparent and helpful to BDO in gathering information and performing analysis in an effective/efficient manner.

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EXECUTIVE SUMMARY - EQUITY INJECTION REQUIRED

Based on BDO's preliminary findings we believe that \$15 million to \$19 million of equity (and/or additional collateral support) is required to be injected into the business over the short and medium term as outlined below:

Coast Automotive Group			
Required Equity Injection Assessment			
Short-term Liquidity Requirements			
		Limit	O/S Sept 19 (Deficit)/Surplus
North Vancouver	Operating Line Over Advance (Section B)	\$ 1,000,000	\$ 5,269,427
Drayton Valley	Operating Line Over Advance (Section B)	\$ 1,000,000	\$ 1,489,864
			\$ (4,269,427)
			\$ (489,864)
			\$ (4,759,291) A
North Vancouver	Re-Chatteling (Section C)		\$ (2,493,680)
Drayton Valley	Re-Chatteling (Section C)		\$ (575,650)
	<i>Note: inventory monetization will reduce this amount to the "crystalized" vehicle loss on its sale</i>		\$ (3,069,330) B
Drayton Valley	SIV unit (Section C)		\$ (86,000) C
North Vancouver	Re-Classification - Additional Curtailments (Section C)		\$ (500,000)
Drayton Valley	Re-Classification - Additional Curtailments (Section C)		\$ (250,000)
	<i>Note: inventory monetization will reduce this amount to the "crystalized" vehicle loss on its sale</i>		\$ (750,000) D
North Vancouver	Annualized Operating Losses (Section A)		\$ (1,480,866)
Drayton Valley	Annualized Operating Losses (Section A)		\$ (78,054)
			\$ (1,558,920) E
North Vancouver	Annualized Debt Servicing Costs (Section A)		\$ (2,600,795)
Drayton Valley	Annualized Debt Servicing Costs (Section A)		\$ (1,979,794)
			\$ (4,580,589) F
Equity Required in the Short-Term (excluding VTB which can be postponed)			\$ (14,804,130)
VTB	Current Portion of VTB (August 1, 2024)		\$ (730,000)
VTB	Current Portion of VTB (February 1, 2025)		\$ (780,000)
VTB	Current Portion of VTB (August 1, 2025)		\$ (780,000)
	(Section C)		\$ (2,290,000) G
Equity Required in the Short-Term (including current portion of VTB)			\$ (17,094,130)
Longer Term Liquidity Issues			
VTB	To be repaid by August 1, 2027 (Section C)		\$ (3,120,000) H
Goodwill Loan Impairment Analysis			
		O/S Financing	Market Value
North Vancouver	FAC C - GOODWILL LOAN	\$ 2,083,333	\$ 1,250,000
Drayton Valley	FAC C - GOODWILL LOAN	\$ 1,666,667	\$ 750,000
			\$ (833,333)
			\$ (916,667)
			\$ (1,750,000) I
Excess Equity in Real Estate Assets			
		90% of Appraisal	O/S Financing
Drayton Valley		\$ 7,200,000	\$ 3,645,544
			\$ 3,554,456 J
Equity Required in the Long-Term (assuming dealerships returns to profitability)			\$ (18,409,674)

The detailed analysis surrounding the figures in the above chart is contained in the remainder of the Memorandum.

Goodwill and excess equity in real estate assessments have been completed at a "high-level" based on current market conditions surrounding recent Stellantis dealership sales and based on a real estate appraisal (not yet provided by Management).



SECTION A: P&L / CASH ANALYSIS/ OPERATION ISSUES

Operation Issues

The Company has faced several operational challenges since Acquisition, impacting both profitability and cash flow. The main issues are:

- **Inexperienced Ownership/Management:** the majority owners ventured into the Acquisition with little or no retail automotive dealership experience and relied on their chosen CEO (Romy Sachdeva) and several of his key hires to run the businesses. This initial management team lacked sufficient experience in dealership operations, leading to poor decision-making, particularly in the sales and inventory management functions;
- **Stellantis Banner:** this original equipment manufacturer (“OEM”) has experienced significant headwinds over the last decade, culminating in high inventory levels which are being pushed to its dealer network and reduced new “desired” platforms resulting in a significant decline in customer demand. The OEM’s dealership network has been forced to pivot to a used car dealership model to maintain profitability.
- **Inventory Mismanagement:** overstock of new and used vehicles due to inventory levels at Acquisition and continued mismanagement thereafter lead to significant aged inventory, and increased storage costs;
- **Low New Inventory Turnover:** the Company has struggled to sell its new vehicle inventory, resulting in aged units remaining on the lot and tying up liquidity to buy more used inventory, which has higher profit margins. Due to low new vehicle sales, trade-in volume for used vehicles has also been reduced;
- **Underperforming Service Department:** North Van Dodge is underperforming primarily due to higher labor costs associated with its workforce being unionized, while Drayton Valley Dodge is experiencing low customer traffic resulting in underutilized resources; and
- **Failed U.S Venture:** a failed venture to attempt to export used vehicles in Q4 2023 resulted in \$600,000 in expenses, including a 5-year lease signed without approval, further straining liquidity.

Profit & Loss / Cashflow

To quickly assess the Company’s financial performance, BDO conducted an analysis using the average financials (in blue) of a good month and bad month at each dealership (in blue) to reflect a typical month’s financial performance. This monthly average was then annualized to calculate the projected annual cash burn rate from operations and debt servicing. It should be noted that the dealerships are finishing their peak summer-fall season and about to enter the winter off-season which historically is the “bad” months/higher cash burn. Hopefully, Management’s efforts to date to improve financial performance will minimize this risk (i.e. improved performance vs. 2023/early 2024).

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	North Vancouver			Drayton Valley			Total
	Aug-24	Mar-24	Average	Aug-24	Mar-24	Average	
Net Income/(loss)	\$ (238,354)	\$ (398,293)	\$ (318,324)	\$ (93,310)	\$ (171,661)	\$ (132,486)	
add back:							
Interest	\$ 172,636	\$ 201,306	\$ 186,971	\$ 103,237	\$ 135,187	\$ 119,212	
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Amortization	\$ 7,947	\$ 7,947	\$ 7,947	\$ 6,769	\$ 6,769	\$ 6,769	
Estimated Monthly EBITDA	\$ (57,771)	\$ (189,040)	\$ (123,406)	\$ 16,696	\$ (29,705)	\$ (6,505)	\$ (129,910)
Debt Servicing							
Mortgage P&I	\$ -	\$ -	\$ -	\$ (45,880)	\$ (48,196)	\$ (47,038)	
Principal - Term Loan	\$ (29,762)	\$ (29,762)	\$ (29,762)	\$ (23,810)	\$ (23,810)	\$ (23,810)	
Interest - Term Loan	\$ (14,871)	\$ (17,626)	\$ (16,249)	\$ (12,457)	\$ (15,457)	\$ (13,957)	
New/Used Floorplan Int	\$ (114,485)	\$ (122,046)	\$ (118,266)	\$ (55,121)	\$ (54,944)	\$ (55,033)	
OD Interest	\$ (43,280)	\$ (61,634)	\$ (52,457)	\$ (11,740)	\$ (38,551)	\$ (25,146)	
Total Debt Servicing	\$ (202,398)	\$ (231,068)	\$ (216,733)	\$ (149,008)	\$ (180,958)	\$ (164,983)	\$ (381,716)
CapEx	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Monthly Cash Inflow/(Outflow)	\$ (260,169)	\$ (420,108)	\$ (340,138)	\$ (132,312)	\$ (210,663)	\$ (171,487)	\$ (511,626)
Annualized EBITDA			\$ (1,480,866)			\$ (78,054)	\$ (1,558,920)
Annualized Debt Servicing			\$ (2,600,795)			\$ (1,979,794)	\$ (4,580,589)
Annualized Total			\$ (4,081,661)			\$ (2,057,848)	\$ (6,139,509)

- The analysis above shows that the Company is projected to burn -\$1.5 million cash annually from operations and -\$4.6 million annually through debt servicing.

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SECTION B: BDO DEBT SUMMARY (AS AT SEPT 19TH, 2024)

Due to slow moving new vehicle inventory, the Company has been using its operating lines to meet its debt obligations such as curtailment and interest expenses. BDO conducted the following analysis, which shows \$4.8 million overdrawn on their operating line.

Coast Automotive Group
Debt Analysis September 2024

# of Facilities	Name	Product Name	Original (June 2023)	Auth Amt (Sept 19)	Outstanding (Sept 19)	Availability	Notes
1	North Vancouver	OPERATING LINE	1,000,000	1,000,000	5,269,427	(4,269,427)	Note 1
2	North Vancouver	FAC B - NEW FLOORING LINE	15,000,000	20,000,000	19,921,146	78,854	Note 2
3	North Vancouver	FAC C - USED FLOORING LINE	5,000,000	3,000,000	2,017,914	982,086	
4	North Vancouver	FAC C - GOODWILL LOAN	2,500,000	2,083,333	2,083,333	-	Note 3
5	North Vancouver	CORPORATE MC	100,000	100,000	31,257	68,743	
			23,600,000	26,183,333	29,323,076	(3,139,743)	
6	Drayton Valley	OPERATING LINE	1,000,000	1,700,000	1,489,864	210,136	Note 1
7	Drayton Valley	FAC B - NEW FLOORING LINE	10,000,000	10,000,000	9,161,609	838,391	
8	Drayton Valley	FAC C - USED FLOORING LINE	5,000,000	2,000,000	1,628,764	371,236	
9	Drayton Valley	FAC C - GOODWILL LOAN	2,000,000	1,666,667	1,666,667	-	Note 3
10	Drayton Valley	CORPORATE MC	100,000	100,000	21,235	78,765	
			18,100,000	15,466,667	13,968,138	1,498,528	
11	2461765 Alberta Ltd.	MORTGAGE ON DRAYTON PROPERTY	4,650,000	3,645,544	3,645,544	-	Note 4
		Total	46,350,000	45,295,545	46,936,759		

Over Limit Analysis

North Vancouver	OPERATING LINE		1,000,000	5,269,427	(4,269,427)
Drayton Valley	OPERATING LINE	Note 1	1,000,000	1,489,864	(489,864)
					<u>(4,759,291)</u>

Note 1: We understand the BMO currently provided a temporary bulge of \$700,000 on the Drayton Valley operating line to assist with over draft ("OD") interest relief. Additionally, in the past we understand BMO has provided a bulge on the North Vancouver operating line to assist with OD interest relief. For purposes of this analysis we have assumed the original operating line facility limits of \$1 million each respectively.

Note 2: North Vancouver is extremely tight to its New Floor Line facility limit.

Note 3: Based on current market trends relating to the Stellantis banner and the Company's losses we have assumed a goodwill valuation of \$1.25 million and \$750,000 for the North Vancouver and Drayton Valley dealerships

Goodwill Loan Impairment Analysis

			Market Value	
North Vancouver	FAC C - GOODWILL LOAN	2,083,333	1,250,000	(833,333)
Drayton Valley	FAC C - GOODWILL LOAN	1,666,667	750,000	(916,667)
				<u>(1,750,000)</u>

Note 4: We have not seen the Company's appraisal for the Drayton Valley property, however we understand their may be \$3-\$4 million of equity based on current debt levels.

Floor Line Facility Assessment

Given how close North Van Dodge is to its new Floor Line facility limit, we have worked with Management to assess anticipated OEM shipments over the next 2-3 months.

Historically, the Floor Line limit for North Van Dodge has been \$15-\$23 million, and it currently stands at \$20 million. Given the Credit Agreements allow for reallocation between North Van Dodge and Drayton Valley Dodge's new Floor Line, a maximum of \$30 million of new vehicles can be chatted.



Incoming New Vehicles <u>Status</u>	North Van Dodge		Drayton Valley Dodge		Total	
	# of Vehicles	Value	# of Vehicles	Value	# of Vehicles	Value
Unscheduled	4	431,780	7	613,915	11	1,045,695
Scheduled	1	77,945	-	-	1	77,945
Insystem	11	820,320	-	-	11	820,320
To be Added to the Floor Plan	16	1,330,045	7	613,915	23	1,943,960

BDO notes the Company has 23 vehicles due to arrive within the next 3 months, which will add \$1,943,960 to the floor line, which absent sufficient sales may exceed its current combined new Floor Line facility cap by \$917,245. It is imperative that the Company continues to sell its inventory to pay down the Floor Line facility.

- As well, in December 2023, Stellantis unexpectedly sent the Company ~\$3+ million of inventory, which was a strain on liquidity as December is the beginning of the low-season. Accordingly, shipments from Stellantis must be actively managed in the short term to ensure this situation does not occur again in 2024.

VTB Loan

The VTB loan of \$4 million used to fund the Acquisition is a non-revolving term loan with a maturity date of July 1, 2027. The debt repayment schedule is as follows:

VTB Loan Schedule			
Time	Interest	Principle	Total Payment
8/1/2024	330,000	400,000	730,000
2/1/2025	180,000	600,000	780,000
8/1/2025	180,000	600,000	780,000
2/1/2026	180,000	600,000	780,000
8/1/2026	180,000	600,000	780,000
2/1/2027	180,000	600,000	780,000
8/1/2027	180,000	600,000	780,000
Total	1,410,000	4,000,000	5,410,000

Per the VTB loan agreement, BMO holds first-priority security over all assets of the Company, secured by a General Security Agreement (“GSA”). The VTB loan is also secured by a GSA (including unlimited guarantees from Sundeep/Dean) but is subordinated to BMO’s security.

- Additionally, there is a cross-default clause between the BMO and VTB loan, a default under one loan triggers a default under the other.

If there is a default on the BMO Credit Facilities and/or a payment to Foundation would cause a default on the Credit Facilities, then payments to Foundation are deferred until the defaults are remedied.

Foundation has been requesting payment of the August amounts due and/or an update on a payment plan regarding the same. Irrespective of when these amounts are paid, there are significant payments due over the next two (2) years (which will increase with an extra 5% default interest rate) on underperforming assets.



SECTION C: INVENTORY ANALYSIS

BDO's on-site work was limited to three (3) days beginning on September 16, 2024, through to September 18, 2024 (the "Fieldwork"). On or around the beginning of our Fieldwork, BDO understands the Company was in the process of paying off vehicles that were previously sold in violation ("SIV(s)") units due to the accounting staff being away.

Management provided vehicle inventory listing as of September 16, 2024 (the "Company Inventory Listing") indicated a total of 515 vehicles combined for the two (2) dealerships:

- 367 vehicles in inventory at North Van Dodge; and
- 148 vehicles at Drayton Valley Dodge.

BDO also inquired with BMO prior to the beginning of the Fieldwork to receive a copy of the Company's floor line of financed vehicles as of September 13th, 2024 (the "Sept 13 Floor Line"), which indicated a total of 474 financed vehicles combined for the two (2) dealerships:

- 321 vehicles at North Van Dodge; and
- 153 vehicles at Drayton Valley Dodge.

BDO's comparison of data noted above identified 29 additional vehicles that were still financed on the Sept 13 Floor Line but did not appear on the Company Inventory Listing, as follows:

- 10 vehicles which were still on the Sept 13 Floor Line but did not appear on the North Van Inventory Listing ("North Van Extra Vehicles"); and
- 19 vehicles which were still on the Sept 13 Floor Line but did not appear on the Drayton Valley Inventory Listing ("Drayton Valley Extra Vehicles", and together with North Van Extra Vehicles, "Extra Financed Vehicles").

For purposes of our analysis, the Extra Financed Vehicles are included as part of the Company's total vehicle population examined (the "Company Vehicle Population"). As such the Company Vehicle Population represents the following:

	North Vancouver Dodge	Drayton Valley Dodge	Total
Company Inventory Listing	367	148	515
Plus: Extra Financed Vehicles	10	19	29
Company Vehicle Population	377	167	544

The Company Inventory Listing shows, among other things, vehicle information such as make, model, year, and purchase price/cost. BDO used the Company Vehicle Population/Sept 13 Floor Line and created the below summary extract:

Company Vehicle Population Summary

As of September 13, 2024	North Vancouver Dodge			Drayton Valley Dodge			Total		
	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount
New - Financed	245	17,467,427	17,805,521	113	9,001,497	8,708,117	358	26,468,924	26,513,638
New (Demo) - Financed	31	2,120,103	2,192,167	4	384,819	361,667	35	2,504,923	2,553,834
Used - Financed	45	1,974,291	1,803,999	36	1,891,045	1,583,864	81	3,865,337	3,387,863
New - Self-Funded	5	330,175	-	1	90,652	-	6	420,827	-
New (Demo) - Self-Funded	1	42,755	-	-	-	-	1	42,755	-
Used - Self-Funded	50	758,333	-	13	301,310	-	63	1,059,644	-
	377	22,693,086	21,801,687	167	11,669,324	10,653,648	544	34,362,409	32,455,335

Note: Extra Financed Vehicles assumed book cost is the same as the financed amount for purposes of this analysis.

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- BDO notes that the Company Vehicle Population has a total book value of ~\$34 million, of which BMO provided total financing of \$32.5 million (\$26.5 million for 358 new vehicles, \$2.6 million for 35 new (demo) vehicles, and \$3.4 million for 81 used vehicles).
- Self-funded vehicles refer to vehicles that are not financed according to Sept 13 Floor Line.

Based on Company Vehicle Population information, BDO carried out the below procedures as part of our Fieldwork.

Existence of Vehicles

To verify the existence of all vehicles, BDO conducted a full inventory count (the “Inventory Count”) of vehicles on the Premises. To ensure every vehicle was accounted for, BDO took photos of each vehicle and the Vehicle Identification Numbers (“VIN(s)”) and visually inspected new and demo/loaner vehicles for signs of exterior damage.

- BDO was able to account for every vehicle on the Company Vehicle Population (herein defined) listing.

Based on the Inventory Count, BDO notes the following:

Inventory Count Reconciliation

As of September 13, 2024	North Vancouver Dodge			Drayton Valley Dodge			Total		
	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount
Company Vehicle Population	377	22,693,086	21,801,687	167	11,669,324	10,653,648	544	34,362,409	32,455,335
Vehicles Counted	320	18,825,279	18,038,032	137	9,451,896	8,523,684	457	28,277,175	26,561,715
Variance	57	3,867,807	3,763,656	30	2,217,428	2,129,964	87	6,085,234	5,893,620
Variance Explanations:									
At Body Shop	(1)	(29,683)	(25,200)	-	-	-	(1)	(29,683)	(25,200)
Dealership Shuttle	(1)	(68,828)	(66,639)	-	-	-	(1)	(68,828)	(66,639)
Employee Demo	(6)	(401,888)	(426,179)	(2)	(146,264)	(116,673)	(8)	(548,153)	(542,852)
In Transit	(21)	(1,742,968)	(1,692,564)	(3)	(268,651)	(268,651)	(24)	(2,011,619)	(1,961,214)
Out on Loan	(11)	(572,732)	(598,540)	(1)	(82,784)	(58,000)	(12)	(655,516)	(656,540)
Owner Driven	(1)	(321,883)	(272,000)	(4)	(404,948)	(387,481)	(5)	(726,831)	(659,481)
Sale Pending	(2)	(36,559)	(65,598)	-	-	-	(2)	(36,559)	(65,598)
Sold	(14)	(693,266)	(616,935)	(20)	(1,314,780)	(1,299,160)	(34)	(2,008,046)	(1,916,096)
Unexplained Variance	-	-	-	-	-	-	-	-	-

Out of the 544 Company Vehicle Population, BDO counted 457 vehicles during the Inventory Count resulting in a variance of 87 vehicles which are explained as follows:

- **Sold Vehicles (34):** 12 of which were not yet removed from the Company Inventory Listing and should be adjusted out of inventory (discussed below);
- **Body Shop Vehicle (1):** a used vehicle worth \$29,683 (financed for \$25,200) at North Van Dodge was at third-party body shop;
- **Shuttle Vehicle (1):** a new (demo) vehicle worth \$68,828 (financed for \$66,639) was being used as shuttle vehicle during the Fieldwork. BDO was not able to take photos of this vehicle and verify the VINs;
- **Demo Vehicles (8):** new (demo) vehicles worth \$548,153 were employee driven demos. All 8 vehicles are financed for \$542,852;
 - 2 of these vehicles are incorrectly financed as new vehicles on the Sept 13 Floor Line for \$120,968 and should be subject to additional curtailments.
- **Vehicles In Transit (24):** new vehicles with book value of \$2,011,619 are still in transit, of which 22 were financed for \$1,961,214 per Sept 13 Floor Line. The 2 vehicles not yet financed were invoiced on Sept 16, 2024, and financed at that time;



- **Loaners (12):** vehicles with book value of \$655,516 were out as loaners, BDO examined the loaner agreements in absence of physical inspection. 11 of the 12 of the vehicles are financed for \$656,540;
 - 4 of these financed vehicles are incorrectly financed as new vehicles on the Sept 13 Floor Line for \$205,406 and should be subject to additional curtailments.
- **Family Vehicles (5):** vehicles with book value of \$726,831, including a 2022 Porsche 911 (the “Porsche”), are driven by the owners in Alberta (vehicle and registrations not viewed). All vehicles are financed for \$659,481; and
 - 2 of these vehicles are incorrectly financed as new vehicles on the Sept 13 Floor Line for \$187,805.
 - The Porsche was purchased for \$321,883 and is being driven by the owner in Alberta. The vehicle is financed by BMO for \$272,000.
- **Pending Auction Sales (2):** vehicles worth \$36,559 are pending sale and held at the auction lot, these vehicles are financed for \$65,598.

Sold Vehicle Analysis

As mentioned above, BDO noted 34 vehicles totaling \$2,008,046 in Company Vehicle Population were sold prior to Fieldwork (the “Sold Vehicles”).

- Of the Sold Vehicles, 12 vehicles totaling \$361,599 remained on Company Inventory Listing waiting for deals to be sent by the operations team to the accounting department to be posted in the system.

Based on BDO’s review of the BMO credit agreements dated June 5, 2023 (the “Credit Agreements”), BDO created the following matrix which outlines when the Floor Line facility financing of vehicles sold are due to be repaid.

	North Vancouver Dodge	Drayton Valley Dodge
New	Lesser of: - 10 business days from sale date - 5 business days after receiving payment	Lesser of: - 7 business days from sale date - 2 business days after receiving payment
New (Demo)	Lesser of: - 10 business days from sale date - 5 business days after receiving payment	Lesser of: - 10 business days from sale date - 5 business days after receiving payment
Used	Lesser of: - 10 business days from sale date - 5 business days after receiving payment	Lesser of: - 10 business days from sale date - 5 business days after receiving payment

For each Sold Vehicle, BDO performed the following procedures:

- Reviewed bill of sale documents to verify sale date and payment date for flagging financed units not repaid in time (sold in violation (“SIV”) units);
- Compared sale price to cost to identify possible inventory valuation issues; and
- Reviewed payment receipt to corroborate the purchase price noted in bill of sale document.



Upon review of Sold Vehicles, BDO noted the following:

SIV Summary

As of September 13, 2024	North Vancouver Dodge			Drayton Valley Dodge			Total		
	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount
New - Financed	1	48,564	48,564	9	712,246	712,246	10	760,810	760,810
New (Demo) - Financed	-	-	-	-	-	-	-	-	-
Used - Financed	-	-	-	2	122,300	119,300	2	122,300	119,300
	1	48,564	48,564	11	834,546	831,546	12	883,110	880,110
As of September 19, 2024	-	-	-	1	93,450	86,000	1	93,450	86,000

- 12 vehicles on the Sept 13 Floor Line financed for \$880,110 were identified as SIV units; and
 - We note that the Company paid off these 11 units subsequent to BDO’s arrival resulting in increased Operating Line facilities borrowings.
 - 1 unit for \$86,000 still needs to be repaid as of September 19, 2024.
 - BDO understands that the Company has not had any SIVs highlighted through BMO’s floorplan audits since the beginning of 2024, and that these SIVs were due to the accounting staff being away on vacation.
- Through review of sale price to cost, BDO notes multiple vehicles were sold for less than the book value, which indicates possible inventory valuation issues.

Floor Plan Adherence

Prior to/during Fieldwork, BDO was made aware that the Company was re-chatteling vehicles that were previously paid off/fully curtailed to manage liquidity from July to September 2024 only on fully curtailed inventory. BDO conducted a historical review of the Floor Line facilities by vehicle VIN and identified a number of vehicles that had been re-chatteled by the Company (“Re-chatteled Vehicles”). Below is a summary of all current Re-chatteled Vehicles that is on the Sept 13 Floor Line:

Rechattel Vehicles Summary

As of September 13, 2024	North Vancouver Dodge			Drayton Valley Dodge			Total		
	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount
New - Financed	19	1,125,082	1,319,109	-	-	-	19	1,125,082	1,319,109
New (Demo) - Financed	10	770,718	801,427	-	-	-	10	770,718	801,427
Used - Financed	9	344,373	406,342	9	656,772	575,650	18	1,001,145	981,992
	38	2,240,173	2,526,878	9	656,772	575,650	47	2,896,945	3,102,528
As of September 19, 2024	37	2,240,173	2,493,680	9	656,772	575,650	46	2,896,945	3,069,330

In total, 47 vehicles, on the Sept 13 Floor Line, were Re-chatteled Vehicles and financed for \$3,102,528. The 47 vehicles include the following:

- Owner driven Porsche was originally chatteled for 320,695 in September 2023 as a used vehicle. The vehicle was curtailed for a number of months, then fully repaid in April 2024 and subsequently re-chatteled in that same month for \$320,000. The vehicle’s financed balance is currently \$272,000, the owner plans to buy out the vehicle in the near future; and
- One (1) vehicle was repaid as of September 19, 2024.

A repayment of \$3,408,351 is required to be made to bring the Floor Line facilities back in line with credit terms.

- See Appendix 1 for Management explanation and BDO response re: the same.



Inventory Reclass

The Company has approximately 29 vehicles misclassified between new, used, and demo/loaner categories, which has monetary implications due to varying interest rates and curtailment timelines. BDO noted the misclassified vehicles (net of those vehicles already captured in the re-chattel analysis above) and summarized them below:

Reclass Summary

As of September 13, 2024	North Van			Drayton Valley			Total		
	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount
New (Demo) Chatted as New	8	421,543	490,399	3	252,344	266,417	11	673,887	756,815
New (Demo) Chatted as Used	-	-	-	1	52,544	37,200	1	52,544	37,200
Used Chatted as New (Demo)	-	-	-	1	83,401	89,879	1	83,401	89,879
Used Chatted as New	-	-	-	1	64,789	55,043	1	64,789	55,043
	8	421,543	490,399	6	453,079	448,539	14	874,621	938,937

As shown above, 11 vehicles chatted as new are actually being used as demos or loaners. This misclassification results in the vehicles not being curtailed right away, and also overfunded as GST is not funded for demo/loaners.

Per Management, Stellantis allows for demo/loaner fleets to be classified as such for no longer than 3 months or no more than 10,000 kilometers, after which it's brought back into new vehicle inventory by Management as per Stellantis guidelines.

- BDO notes that per the Credit Agreements, a new vehicle has to have less than 500 kilometers, and once vehicles are classified as a demo/loaner, the vehicle may not revert back to its original status under the new flooring facility.

Absent a detailed analysis regarding the timing of curtailments associated with the above identified vehicles we suggest that \$750,000 (500K for North Van Dodge and \$250K for Drayton Valley Dodge) be curtailed immediately to address inventory valuation issues (used vehicles being financed as new).

KEY CONSIDERATIONS

VTB Loan and Next Steps:

The Company's BMO facilities are currently in default, Management should determine whether the VTB lender requires formal notification of these defaults and assess the potential impact on VTB loan terms. Longer term, ownership should decide how to settle on this significant amount owed to Foundation given the current state of the assets purchased.

Inventory and Floor Line Facilities:

Re-chatted vehicles be repaid out of the Floor Line facilities and carved out into their own facility with the respective aged/non-compliant vehicles as specific collateral. The Company should develop an inventory monetization plan for these aged vehicles to crystalize the loss on these vehicles (as then age value is only going down), improve liquidity (monetize inventory for -\$2 million) and reduce inventory carrying costs.

- Floor Line limits should be reduced by the amount of vehicles chatted on the new credit facility.

Floor Line Facilities Limits:

To avoid the Company exceeding its new vehicle Floor Line limit, Management/Bank should contemplate whether prior approval is required for adding additional chattels (prevent December 2023 from happening again). Gary has indicated that the OEM is under control and that no extra units will be allocated to the dealerships.

Inventory Valuation:



A comprehensive inventory valuation should be conducted as soon as possible (kms on vehicles and black book valuations) due to inventory misclassifications and re-chatteling of vehicles.

- All vehicles not subject to OEM buy back should be valued.

Liquidity Monitoring and Risk Management:

Given the Company's tight liquidity position, monitoring of sales and floorplan repayments should be increased to help avoid SIVs. Ownership should examine all possibilities to improve the Company's undercapitalized balance including selling one or both dealerships.

- Longer term, the Stellantis lease, which includes an first option to buy, should be examined to see if there is equity in the lease and/or equity value to redevelop the land.

Should you have any questions with respect to the above please contact the undersigned.

Yours,

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



Appendix 1

Management identified the following as potential reasons for the re-chatteling of vehicles:

1. **Re-traded in Unit:** Customer traded in a purchased vehicle within a year (“Re-Trade In”) as part of a new vehicle purchase and is now on the used Floor Line facility - this is examined later.
2. **Dealer Swap:** A dealer swap vehicle was returned and placed back on the new Floor Line facility - this is practice is questionable and likely should not be on the new Floor Line.
3. **Marketing Loaner:** A vehicle loaned to the Vancouver Canucks was placed back on the new Floor Line - this was a mistake and should be on the used Floor Line if at all.
4. **Re-curtailed Demo:** A fully curtailed vehicle was re-added to the Floor Lines - BDO does not agree with this practice.

Based on the above explanations, BDO reviewed all Re-Trade In vehicles on the used line, and noted that out of the 21 vehicles, only 3 vehicles are not rechatted within the same month of repayment. BDO will further inquire Management to corroborate regarding the 3 vehicles. BDO’s summary of repayment date vs. re-chattel date is shown below:

Dealer	VIN	Payoff Date	Rechattel Date
Drayton Valley	1C4SJVDP6PS503315	8/1/2024	8/9/2024
Drayton Valley	1C4SJVBP1PS522521	9/3/2024	9/11/2024
Drayton Valley	1C4RJYB6XP8908701	9/3/2024	9/6/2024
Drayton Valley	1FTFW1E86PFA92364	9/3/2024	9/11/2024
Drayton Valley	1C4RJYC69N8734941	8/1/2024	8/6/2024
Drayton Valley	2C3CDZKG9PH659219	12/28/2023	9/3/2024 Note 1
Drayton Valley	1GTU9DEL4LZ279356	9/6/2024	9/13/2024
Drayton Valley	3C63R3FL9PG599578	8/1/2024	8/9/2024
Drayton Valley	3C6RR7LG7PG599149	9/3/2024	9/6/2024
Drayton Valley	3C6RR7KG6PG599371	9/3/2024	9/6/2024
North Van	WP0AC2A93NS268671	4/1/2024	4/25/2024
North Van	1C6SRFFT3NN117771	5/23/2024	7/9/2024
North Van	1C4RJHDG2PC542140	8/1/2024	8/23/2024
North Van	1C4HJXEG5MW833097	9/3/2024	9/5/2024
North Van	1C4PJXAN5RW156687	11/28/2023	6/10/2024 Note 1
North Van	1C4RJHAG4PC647668	12/6/2023	7/16/2024 Note 1
North Van	KNDCC3LG5N5160187	7/16/2024	9/17/2024
North Van	3C4NJDAB8KT811934	7/1/2024	7/9/2024
North Van	3C6UR5JL8KG584053	5/1/2024	5/3/2024
North Van	3C6RR7KGXLG277133	4/1/2024	4/12/2024
North Van	NM0LS7W22L1481969	2/1/2024	3/5/2024

Note 1

BDO will inquire Management and obtain sales documents to corroborate these are indeed Re-Trade Ins.

This is Exhibit F to the Affidavit of Joe Radhawa sworn/affirmed before me this 8 day of December, 2025.

Radhawa

A Commissioner for Oaths in and for the Province of Alberta

Joe Randhawa

From: Sachian Gounden
Sent: July 4, 2025 5:02 PM
To: Syed, Shehryar; jwreid@millerthomson.com
Cc: Joe Randhawa; dean@brixinvest.ca; Tejani, Ameen
Subject: Urgent Cash Extension

Hello Shehryar and James,

We've become aware that BMO is bouncing cheques as early as yesterday. The promised extension of overdraft for the additional funds hasn't been executed.

Without a reasonable overdraft level increase, our ability to continue operations will be severely impacted. Failure to meet payroll will clearly destroy business value.

The reduction in credit cards limits was also made without our knowledge. This pressure will force us to close down the stores and foreclose.

These actions will result in the closure of our stores and a material reduction in the value of our business.

Regards,

Sachian Gounden, CPA
Director, Dealership Accounting/ Treasury
COAST AUTO GROUP
1600 Marine Drive | North Vancouver, BC | V7P 1T9
Email: sgounden@coastauto.ca
Phone: (604) 980 8501 ext. 3124



Joe Randhawa

From: Sachian Gounden
Sent: July 2, 2025 12:22 PM
To: Syed, Shehryar
Cc: Joe Randhawa; Dean Parmar
Subject: Coast Auto BMO Mastercard limits

Hey Shehryar,

I've been notified that the corporate limit for our Mastercard has been reduced further from \$100k to \$50k and now is \$25k. Reducing our limit further to only \$25k is an issue as it's resulting in vendor payments not being processed due to unavailable credit.

You see, the BMO credit card payment schedule is set by the bank and is processed 3 weeks after month-end. For Example, if we spend \$25k on the corporate card in June, the outstanding balance is only paid and processed in the third week of July by the bank. This means that all transactions which occur from beginning July 1 – 20th are not processed, due to insufficient credit available.

In order to fix this, we will need to increase our limit so that we have enough available room to process the new month of transactions and until the prior months outstanding balance is paid. Can you please increase our limit back to \$50k at each store so that we can avoid having this issue moving forward.

Let me know if you have any further questions,

Thanks,

Sachian Gounden, CPA
Director, Dealership Accounting/ Treasury
COAST AUTO GROUP
1600 Marine Drive | North Vancouver, BC | V7P 1T9
Email: sgounden@coastauto.ca
Phone: (604) 980 8501 ext. 3124



This is Exhibit _G_ to the Affidavit of
Joe Radhawa- sworn/affirmed before
me this 8 day of December, 2025.

Radhawa

A Commissioner for Oaths in and for
the Province of Alberta

Joe Randhawa

From: Syed, Shehryar <Shehryar.Syed@bmo.com>
Sent: June 17, 2025 7:21 AM
To: Joe Randhawa
Cc: Sundeep Cheema; dean@brixinvest.ca
Subject: RE: BMO/Coast Auto
Attachments: Second Amending and Extension Agreement BMO- Coast Auto Group

Thanks Joe. Our counsel Miller Thomson sent over to Dentons the attached forbearance agreement and consent for the bank's financial advisor.

Please let me know if you would like to discuss once you have had a chance to review.

Regards,
Shehryar

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Joe Randhawa <JRandhawa@coastauto.ca>
Sent: June 16, 2025 12:30 PM
To: Syed, Shehryar <Shehryar.Syed@bmo.com>
Cc: Sundeep Cheema <sundeep@brixinvest.ca>; dean@brixinvest.ca
Subject: Re: BMO/Coast Auto

We are finalizing with them this week.

Joe Randhawa
President



C:780.263.2464
5241 Calgary Trail NW,
Edmonton, AB T6H 5G8
CoastAuto.ca

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From: Syed, Shehryar <Shehryar.Syed@bmo.com>
Sent: June 13, 2025 1:11 PM
To: Joe Randhawa <JRandhawa@coastauto.ca>
Cc: Sundeep Cheema <sundeep@brixinvest.ca>; dean@brixinvest.ca <dean@brixinvest.ca>
Subject: RE: BMO/Coast Auto

Thanks for the update, Joe. Is there going to be a formal engagement letter between Tim Lamb Group and Coast and what is the expected date of that being put in place?

Thanks

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Joe Randhawa <JRandhawa@coastauto.ca>
Sent: June 13, 2025 2:32 PM
To: Syed, Shehryar <Shehryar.Syed@bmo.com>
Cc: Sundeep Cheema <sundeep@brixinvest.ca>; dean@brixinvest.ca
Subject: Re: BMO/Coast Auto

Good morning Shehryar,

We had a good conversation with Gordie and are satisfied with moving forward with him. He has sent over a list of information he requires to get a market evaluation set up and we are working on putting that together for early next week.

Joe

Joe Randhawa
President

 **COAST AUTO**
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From: Syed, Shehryar <Shehryar.Syed@bmo.com>
Sent: June 13, 2025 10:03 AM
To: Joe Randhawa <JRandhawa@coastauto.ca>
Cc: Sundeeep Cheema <sundeeep@brixinvest.ca>; dean@brixinvest.ca <dean@brixinvest.ca>
Subject: RE: BMO/Coast Auto

Joe,
Checking in to see how the meeting with Gordie went on Tuesday. Has the ownership group made a decision on engaging a sales advisor?

Thank you.
Shehryar

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Joe Randhawa <JRandhawa@coastauto.ca>
Sent: June 4, 2025 1:36 PM
To: Syed, Shehryar <Shehryar.Syed@bmo.com>
Subject: Re: BMO/Coast Auto

Let us meet with Gordie first - it all goes well we might just go with him

Joe Randhawa
President

CoastAuto.ca
[780.263.2464](tel:780.263.2464)

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On Jun 4, 2025, at 08:40, Syed, Shehryar <Shehryar.Syed@bmo.com> wrote:

Joe – unfortunately BDO is not available on Thursday and Friday. Is there a time that works for you Monday or Tuesday next week?

Thank you

Shehryar Syed

Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com

(647) 455-3695

From: Syed, Shehryar

Sent: June 3, 2025 6:23 PM

To: Joe Randhawa <JRandhawa@coastauto.ca>

Subject: RE: BMO/Coast Auto

OK, I'll try and book both calls for Thursday. Will check DSMA's and BDO's availability.

Shehryar Syed

Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com

(647) 455-3695

From: Joe Randhawa <JRandhawa@coastauto.ca>

Sent: June 3, 2025 4:35 PM

To: Syed, Shehryar <Shehryar.Syed@bmo.com>

Subject: Re: BMO/Coast Auto

Can you add him to Thursday?

The DSMA call is going to conflict with flights can we move that to this Thursday or Friday ? (Same time)

Joe Randhawa

President

CoastAuto.ca

780.263.2464

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On Jun 3, 2025, at 13:12, Syed, Shehryar <Shehryar.Syed@bmo.com> wrote:

Hi Joe,

I wanted to check if you are still OK to connect with Ryan Farkas at BDO. I realized I didn't actually circulate an invite for this afternoon. Is there another time slot that works this week?

Thanks

Shehryar Syed

Director - National Accounts
Special Accounts Management Unit

BMO Financial Group

100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com

(647) 455-3695

From: Syed, Shehryar

Sent: June 2, 2025 12:01 PM

To: Joe Randhawa <JRandhawa@coastauto.ca>

Subject: RE: BMO/Coast Auto

Hi Joe,

Yes, Ryan is part of BDO's M&A team. He has transaction experience in various industries including automotive. Here is his profile: [Ryan Farkas | BDO Canada LLP](#)

Shehryar Syed

Director - National Accounts
Special Accounts Management Unit

BMO Financial Group

100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com

(647) 455-3695

From: Joe Randhawa <JRandhawa@coastauto.ca>

Sent: June 2, 2025 11:31 AM

To: Syed, Shehryar <Shehryar.Syed@bmo.com>

Subject: Re: BMO/Coast Auto

Hi Shehryar,

Is Ryan part of a dealership buy/sell division inside BDO?

Dean and I wanted to confirm this isn't any consulting consideration

Thanks,

Joe

Joe Randhawa
President

CoastAuto.ca
[780.263.2464](tel:780.263.2464)

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On Jun 2, 2025, at 06:03, Syed, Shehryar <Shehryar.Syed@bmo.com> wrote:

Hi Joe, yes we can schedule a session with BDO on June 3rd. BDO has suggested 2pm MST. I will forward you an invite from Ryan Farkas.

Thanks,
Shehryar

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Joe Randhawa <JRandhawa@coastauto.ca>
Sent: May 30, 2025 1:56 PM
To: Syed, Shehryar <Shehryar.Syed@bmo.com>
Cc: Sundeep Cheema <sundeep@brixinvest.ca>; Dean Parmar <dean@brixinvest.ca>; Seager, Joshua <Joshua.Seager@bmo.com>
Subject: Re: BMO/Coast Auto

Can we add an additional meeting on the 3rd in the afternoon?

Joe Randhawa
President

CoastAuto.ca
780.263.2464

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On May 30, 2025, at 10:52, Syed, Shehryar <Shehryar.Syed@bmo.com> wrote:

Joe,
Is the Coast team available on Thursday June 5th for an intro to BDO's M&A team?

Thanks

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Syed, Shehryar
Sent: May 28, 2025 1:56 PM
To: Joe Randhawa <JRandhawa@coastauto.ca>
Cc: Sundeep Cheema <sundeep@brixinvest.ca>; Dean Parmar <dean@brixinvest.ca>; SEAGER, JOSHUA <JOSHUA.SEAGER@bmo.com>
Subject: RE: BMO/Coast Auto

Thanks. Please hold both the Tuesday & Wednesday time slots for now and I'll try and book 2 intros. Also please let me know a 3rd time slot.

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Joe Randhawa <JRandhawa@coastauto.ca>
Sent: May 28, 2025 1:05 PM
To: Syed, Shehryar <Shehryar.Syed@bmo.com>
Cc: Sundeep Cheema <sundeep@brixinvest.ca>; Dean Parmar <dean@brixinvest.ca>; SEAGER, JOSHUA

<JOSHUA.SEAGER@bmo.com>

Subject: Re: BMO/Coast Auto

Sounds good. No objections

Let's set up intros for next week to get the ball rolling - Dean and I can take the call on Tuesday or Wednesday starting 11am both days.

Thanks,

Joe

Joe Randhawa
President

CoastAuto.ca
[780.263.2464](tel:780.263.2464)

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On May 28, 2025, at 09:24, Syed, Shehryar <Shehryar.Syed@bmo.com> wrote:

Coast team,

Following up on my email below as I would like to get your consent before making introductions to the advisors below. Its important to keep the ball rolling.

Thanks
Shehryar

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Syed, Shehryar

Sent: May 26, 2025 5:53 PM

To: Sundeep Cheema <sundeep@brixinvest.ca>; Dean Parmar <dean@brixinvest.ca>; Joe Randhawa <JRandhawa@coastauto.ca>

Cc: SEAGER, JOSHUA <JOSHUA.SEAGER@bmo.com>

Subject: BMO/Coast Auto

Sundeep, Dean and Joe,

Thanks for the call earlier today. As discussed, I have connected with 3 potential sale advisors and provided them a high level overview on a no-names basis.

Please let me know if you have any concerns with introductory calls with the names below. I can then coordinate availabilities for an initial call where they can walk you through their process, timelines, fees, etc. Also open to considering other names as Joe mentioned during the call.

John Raymond, DSMA

Gordie Gerbrandt, Tim Lamb Group

Ryan Farkas, BDO Corporate Finance

Thanks,
Shehryar

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Joe Randhawa <JRandhawa@coastauto.ca>

Sent: May 26, 2025 11:12 AM

To: Syed, Shehryar <Shehryar.Syed@bmo.com>; Sundeep Cheema <sundeep@brixinvest.ca>

Cc: Dean Parmar <dean@brixinvest.ca>

Subject: Re: Update Call

Yes I be on the call for 11.

Thanks,
Joe

Joe Randhawa

President



C:780.263.2464

5241 Calgary Trail NW,
Edmonton, AB T6H 5G8

CoastAuto.ca

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From: Syed, Shehryar <Shehryar.Syed@bmo.com>
Sent: May 26, 2025 8:54 AM
To: Sundeep Cheema <sundeep@brixinvest.ca>
Cc: Dean Parmar <dean@brixinvest.ca>; Joe Randhawa <JRandhawa@coastauto.ca>
Subject: RE: Update Call

Yes, 11am works for me. I received a Tentative from Joe, so please let me know if the timing still works on your end.

Thanks

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Sundeep Cheema <sundeep@brixinvest.ca>
Sent: May 26, 2025 10:52 AM
To: Syed, Shehryar <Shehryar.Syed@bmo.com>
Cc: Dean Parmar <dean@brixinvest.ca>; Joe Randhawa <jrandhawa@coastauto.ca>
Subject: Re: Update Call

Hi Shehryar,

I noticed the calendar invite has our call scheduled for 11 am. Can you please confirm if this time still works for you?

Thanks,
Sundeep

On Thu, May 22, 2025, 3:14 p.m. Syed, Shehryar <Shehryar.Syed@bmo.com> wrote:

Hi Sundeep,
Thanks for the update. I can reschedule our call to Monday. Does 10am MST work?

Thanks,
Shehryar

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
[100 King Street West, 19th Floor](https://www.bmo.com)
[Toronto, ON M5X 1A1](https://www.bmo.com)

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Sundeep Cheema

t: +1 (780) 907-8281

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Suite 400, 5241 Calgary Trail NW
Edmonton, Alberta, T6H 5G8
www.brixinvest.ca | sundeep@brixinvest.ca

VANCOUVER | EDMONTON | TORONTO

From: Sundeep Cheema <sundeep@brixinvest.ca>
Sent: May 22, 2025 4:31 PM
To: Syed, Shehryar <Shehryar.Syed@bmo.com>
Cc: Dean Parmar <dean@brixinvest.ca>; Joe Randhawa <jrandhawa@coastauto.ca>
Subject: Re: Update Call

Hi Shehryar,

Just wanted to let you know that our conversation with Joe went well, and he is on board.

Unfortunately, we won't be available for a call until Monday.

Thanks,
Sundeep

On Thu, May 22, 2025, 1:58 p.m. Syed, Shehryar <Shehryar.Syed@bmo.com> wrote:

Hi Sundeep,
I didn't hear back from you, but I have sent an invite for 10am your time tomorrow. Hope that works.

Thanks,
Shehryar

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

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www.brixinvest.ca | sundeep@brixinvest.ca

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From: Sundeep Cheema <sundeep@brixinvest.ca>

Sent: May 21, 2025 7:53 PM

To: Syed, Shehryar <Shehryar.Syed@bmo.com>

Cc: Dean Parmar <dean@brixinvest.ca>

Subject: Re: Update Call

Hi Shehryar,

I'll be speaking with Joe tomorrow morning. Would you be available for a call with Joe, Dean, and myself on Friday?

Thanks,
Sundeep

On Wed, May 21, 2025, 1:03 p.m. Syed, Shehryar <Shehryar.Syed@bmo.com> wrote:

Hi Sundeep,

Just touching base to see if you have had any further discussions with Joe regarding our conversation last Friday about launching a sale process for the dealerships.

I am in the process of figuring out sales advisors to run the process for Coast, but I wanted to confirm that you/Dean & Joe are onside before I progress those conversations.

Thanks,
Shehryar

Shehryar Syed

Director - National Accounts

Special Accounts Management Unit

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From: Sundeep Cheema <sundeep@brixinvest.ca>

Sent: May 15, 2025 11:34 AM

To: Syed, Shehryar <Shehryar.Syed@bmo.com>

Cc: Dean Parmar <dean@brixinvest.ca>; SEAGER, JOSHUA <JOSHUA.SEAGER@bmo.com>

Subject: Update Call

External Email: Use caution with links and attachments. | **Courriel externe** : Faites preuve de prudence en ce qui a trait aux liens et aux pièces jointes.

Hi Shehryar,

Could we please reschedule our call to tomorrow morning? Dean and I are currently reviewing the options you outlined during our last conversation. We'll be ready to share our decision with you then.

Thanks,
Sundeep

Sundeep Cheema

t: +1 (780) 907-8281

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[Edmonton, Alberta, T6H 5G8](#)

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Joe Randhawa

From: gordie timlambgroup.com <gordie@timlambgroup.com>
Sent: June 20, 2025 4:23 PM
To: Joe Randhawa
Cc: Dean Parmar
Subject: Re: Valuation Items & Sellers Agreement

All is well Joe, I can access them without issue.

Gordie Gerbrandt
VP- Western USA & Canada
Commercial Real Estate Agent



West- Call/Text 780.953.5000
East- Call Only 647.951.1484

On Jun 20, 2025, at 12:10 PM, Joe Randhawa <JRandhawa@coastauto.ca> wrote:

Hi Gordie,

I have a folder full of data for your review to determine a good value for the businesses. Compressed files attached. --> If you cant get them this way feel free to send me a share point link and I will upload them for you.

List of items:

- **Attached in the link:**
 - Last 5 year-end internal financial statements (20-2024)
 - Last 5 years accountant prepared statements if significantly different from Operating statements (outside of shareholder dividends)
 - Current YTD operating statement (May 25)
 - Most recent appraisal or estimated value of the current stores Real Estate?
 - Sq footage of facility and how much land is it situated on?
 - For the lower mainland store, can you please provide the current lease terms or actual leases for the dealership as well as the satellite location
-
- **Responded below**
 - Are there any environmental issues? **No**

- Are there any re-imaging requirements (eg. charging station), what is the approximate cost? **Not formally something FCA is asking for at the moment.**
- Provide an estimate of annual non-operational related expenses (boats, personal vehicles, season tickets etc.)- The expenses are over stated in the following areas:
 - **Floorplan interest is at prime +250BPs which is high for both new and used**
 - **Over draft interest is also high**
 - **We have interest as part of the VTB which is showing in other fixed expenses**
 - **Nearly \$150k per month that is above standard rates.**
 - **In other expenses we charge a monthly management fee to both stores \$18k north van and \$15k drayton to normalize out**
- Are there any non-operational people on the company payroll other than shareholders? if so, can you specify who and how much they are compensated annually for the last 5 years on the operating statement - **No**
- What amount of government support was received in 2020/2021? Was it credited on your internal operating statements and if so, which line is it posted to? **This was before we purchased.**
- Provide salaries that any shareholders have received over the last 5 years expensed on the operating statement. **zero part of the management fee mentioned above (\$18k+15K)**
- Current DMS System? **PBS**
- How many hoists in the shop/how many dry/wet detail bays? **On Stats page for both stores**
- Do you have a re-insurance/offshore policy? If so, what is the annual income per year and is it posted to your internal statement? - **Yes, but volume was not high enough for a payout**
- Would you say the current GM would stay at your lower mainland location (I assume Lance is at DV?)? **Lance is at the DV store, I would not stop him if he wants to stay BUT I would prefer to keep him and move him to Edmonton.**

Awaiting information

- What is your annual new vehicle planning volume for each store?

Thanks,
Joe

Joe Randhawa
President

<Outlook-b25uo13p.png>

C:780.263.2464
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Edmonton, AB T6H 5G8
CoastAuto.ca

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From: gordie timlambgroup.com <gordie@timlambgroup.com>

Sent: June 13, 2025 1:21 PM

To: dean@brixinvest.ca <dean@brixinvest.ca>; Joe Randhawa <JRandhawa@coastauto.ca>

Subject: Re: Valuation Items & Sellers Agreement

Good Afternoon Gentlemen,

Just thought I would circle back to you to confirm you received the below/previously attached.

Again, if you have any further questions please dont hesitate to call text or email.

Have a great weekend!

Gordie Gerbrandt
VP- Western USA & Canada
Commercial Real Estate Agent

<attachment.png>
West- Call/Text 780.953.5000
East- Call Only 647.951.1484

On Jun 11, 2025, at 11:55 AM, gordie timlambgroup.com <gordie@timlambgroup.com> wrote:

Dean & Joe,

Thanks again for your time yesterday and nice to meet you both.

Below is a list of items I would require for the valuation. As mentioned, once you get me the answers/items, it will take me a couple days to complete and I can get you a pretty clear picture of how much the market will pay with respect to good-will/blue-sky as well can be used to form the fee structure. I would require the below for each store.

For the attached Sellers agreement, we do charge a fee on real estate but given that the lower mainland store is current under a head lease, there would be no fee payable on that is there would likely be no monetary benefit for you.

- Last 5 year-end internal financial statements (20-2024)
- Last 5 years accountant prepared statements if significantly different from Operating statements (outside of shareholder dividends)
- Current YTD operating statement (May 25)
- Most recent appraisal or estimated value of the current stores Real Estate?
- Sq footage of facility and how much land is it situated on?
- Are there any environmental issues?
- Are there any re-imaging requirements (eg. charging station), what is the approximate cost?
- For the lower mainland store, can you please provide the current lease terms or actual leases for the dealership as well as the satellite location
- Provide an estimate of annual non-operational related expenses (boats, personal vehicles, season tickets etc.)-
- Are there any non-operational people on the company payroll other than shareholders? if so, can you specify who and how much they are compensated annually for the last 5 years on the operating statement.
- What is your annual new vehicle planning volume for each store?
- What amount of government support was received in 2020/2021? Was it credited on your internal operating statements and if so, which line is it posted to?
- Provide salaries that any shareholders have received over the last 5 years expensed on the operating statement.
- Do you have a re-insurance/offshore policy? If so, what is the annual income per year and is it posted to your internal statement?
- Current DMS System?
- How many hoists in the shop/how many dry/wet detail bays?
- Would you say the current GM would stay at your lower mainland location (I assume Lance is at DV?)?

Gordie Gerbrandt
VP- Western USA & Canada
Commercial Real Estate Agent

<attachment.png>

West- Call/Text 780.953.5000
East- Call Only 647.951.1484

<sellers agreement Coast.doc>

<DV.zip><NV.zip>

This is Exhibit _H_ to the Affidavit of
Joe ~~Radhawa~~ sworn/affirmed before
me this 8 day of December, 2025.

Randhawa

A Commissioner for Oaths in and for
the Province of Alberta

Joe Randhawa

From: Syed, Shehryar <Shehryar.Syed@bmo.com>
Sent: October 2, 2024 9:56 AM
To: Dean; Sundeep Cheema
Cc: Joe Randhawa; Sachian Gounden; Clark Lonergan; Bowra, Chris; Yin, Heron; SEAGER, JOSHUA
Subject: RE: FW: BDO Initial Summary of Findings Memorandum
Attachments: BMO Personal Financial Statement Form.pdf
Importance: High

Dean & team,

Thank you for the call yesterday. As a follow up to our discussion, please see a list of requirements below. As discussed, we will schedule a separate discussion with Dean and Sundeep on the timing of the equity injection, so **please let me know your availability**.

- 1) **Statements of Net Worth** - Updated statements of net worth required for Dean and Sundeep on the Bank's standard form (please see attached).
- 2) **Equity Injection** - ~\$12 million injection required immediately (noting slow season is starting and cash burn will increase)
 - i. **Operating lines to be fully repaid, currently \$5.8 million plus \$2.2 million = \$8 million** (then the Company will have \$2 million (\$1 million on each facility) in available credit which can be used to fund operating losses, curtailments, etc.)
 - ii. An **additional \$4 million** is required to recapitalize the balance sheet (operating losses, inventory valuation issues, reclassification curtailments, etc.)
 - b. Timing of amounts to be provided by Dean and Sundeep
 - c. Porsche to be bought out by the respective owner
 - d. Additional collateral to be required by the Bank to give the Company time to turnaround its operations
 - e. BMO to set up call with just owners for the end of this week
- 3) **Estimated Security Position ("ESP")** - BMO has requested BDO to increase its current scope to complete the ESP with regards to the Bank's facilities currently extended to the Company
 - a. Company acknowledged on the call that BDO is to complete this ask for the Bank
 - b. Valuation of vehicles being completed by the Company which will be required for the ESP
 - c. Require appraisal of the Drayton Valley real property
- 4) **Inventory Monetization Plan** – to be developed for re-chattelred and reclassified vehicles
 - a. Re-classified vehicles – use valuation above to adjust financing on the line and/or BDO to assess the appropriate curtailments necessary
 - b. Loaner/Demo/Family vehicle levels to be assessed/monetized given the significant number of them
- 5) **Prior Approval** – Company to assess its ability to control Stellantis shipments of new vehicles and may request that the Bank initiate prior approval notices with Stellantis to minimize new vehicle shipments/allocations. Note: Stellantis is actually pre-billing on its vehicle production (vehicles hitting Floor Lines early and OEM giving interest credit per vehicle to assist with that practice).
- 6) **Foundation** – no payments are to be made to Foundation while the Company is in default of its credit agreements with the Bank
 - a. Ownership to detail how Foundation will be dealt with as default interest of 5% will/has kicked in
 - b. Ownership acknowledged that no funds are to be paid to Foundation while the BMO facilities are in default
- 7) **Items to Consider**
 - a. Interest pricing and fees TBD

- b. New aged inventory facility – and associated monetization plan with required payment milestones
 - c. Equity amounts & milestones
 - d. Additional collateral to be provided
 - e. Joe’s remuneration to be paid out of ownership companies vs. borrowers
 - i. Company to provide Joe resignation letter
 - f. Bank to change repayment terms of all facilities for both dealerships to the lesser of:
 - i. within 7 business from delivery of vehicle; or
 - ii. within 2 business days from receipt of payment
- 8) **BDO Monitoring Requirements** – given the significant over-draft balances, significant monitoring in required to start immediately

Weekly Reporting. The Companies shall provide BDO with the following information (for the prior weekly reporting period) which shall be received on Wednesday, commencing and continuing on a weekly basis thereafter until sufficient equity is injected:

- a. a summary of the receipts and disbursements (bank statements to be included), including a list of any material vendor payment over \$10,000;
- b. a list of the motor vehicle sales, bill of sales and cash receipts;
- c. a list of the motor vehicle purchases, bill of sales and cash payment receipts; and
- d. details of any transactions / payments completed to related parties.

Thanks,
Shehryar

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Sundeep Cheema <sundeep@brixinvest.ca>
Sent: Wednesday, September 25, 2024 2:38 PM
To: Syed, Shehryar <Shehryar.Syed@bmo.com>
Cc: Dean <dean@simplexinvestment.com>; Joe Randhawa <JRandhawa@coastauto.ca>; Sachian Gounden <SGounden@coastauto.ca>; SEAGER, JOSHUA <JOSHUA.SEAGER@bmo.com>; Clark Lonergan <clonergan@bdo.ca>; Bowra, Chris <cbowra@bdo.ca>; Yin, Heron <hyin@bdo.ca>
Subject: Re: FW: BDO Initial Summary of Findings Memorandum

Hi Shehryar,

October 1st 12pm MST works for us?

On Wed, Sep 25, 2024, 12:30 p.m. Syed, Shehryar <Shehryar.Syed@bmo.com> wrote:

Sundeep, Dean Joe, and Sachian,

We have reviewed BDO’s findings and I wanted to schedule a time to discuss. Please let me know the Coast team’s availability for a call.

Regards,

Shehryar

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

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Sundeep Cheema
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From: Yin, Heron <hyin@bdo.ca>
Sent: Monday, September 23, 2024 6:57 PM
To: sundeep@brixinvest.ca; dean@simplexinvestment.com; SEAGER, JOSHUA <JOSHUA.SEAGER@bmo.com>; Syed, Shehryar <Shehryar.Syed@bmo.com>
Cc: Joe Randhawa <jrandhawa@coastauto.ca>; Sachian Gounden <SGounden@coastauto.ca>; Lonergan, Clark <clonergan@bdo.ca>; Bowra, Chris <cbowra@bdo.ca>
Subject: BDO Initial Summary of Findings Memorandum

External Email: Use caution with links and attachments. | **Courriel externe :** Faites preuve de prudence en ce qui a trait aux liens et aux pièces jointes.

Sent on behalf of Clark:

Hey folks,

please find attach our preliminary summary of findings memorandum for you review and consideration.

We have reviewed this Memorandum with Management, and we are happy to answer any questions, comment, or concerns that you may have at your convenience.

Kind regards

Clark

Heron Yin, CPA

Senior Associate, *Business Restructuring & Turnaround Services*

Financial Advisory Services

Direct: 647 798 9849

hyin@bdo.ca

20 Wellington Street East, Suite 500

Toronto, Ontario, Canada M5E 1C5

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This is Exhibit 1 to the Affidavit of
Joe ~~Radhawa~~ sworn/affirmed before
me this 8 day of December, 2025.

Randhawa

A Commissioner for Oaths in and for
the Province of Alberta

Joe Randhawa

From: gordie timlambgroup.com <gordie@timlambgroup.com>
Sent: July 4, 2025 11:21 AM
To: Joe Randhawa; Dean Parmar
Subject: Fwd: Summary of Discussion and Proposed Next Steps – CCAA Considerations & Transaction Process

FYI,

Please see my responses to BMO and their counsels request set yesterday.

Gordie Gerbrandt
VP- Western USA & Canada
Commercial Real Estate Agent



West- Call/Text 780.953.5000
East- Call Only 647.951.1484

Begin forwarded message:

From: Gordie G <gordie@timlambgroup.com>
Subject: Summary of Discussion and Proposed Next Steps – CCAA Considerations & Transaction Process
Date: July 3, 2025 at 1:50:19 PM MDT
To: "Reid, James" <jwreid@millerthomson.com>
Cc: Shehryar Syed <shehryar.syed@bmo.com>

Gentlemen,

Thank you again for your time today. As discussed, I've summarized our key points and outlined the potential impacts, risks, and recommended approach in the event the CCAA process proceeds.

CCAA – Potential Impacts and Considerations

Upon further review, my primary concerns are as follows:

- **Valuation Impact:** Given the public and court-supervised nature of a CCAA proceeding, it is likely that the stores would attract offers below market value. To date, during the forbearance

discussions, we've successfully positioned the businesses as distressed but not insolvent, which has preserved Good-Will and Flag values at current market levels. A formal insolvency process may undermine this positioning.

- **Lease Risk** – Coast North Vancouver: Based on my review of prior case studies, there may be a risk associated with the lease at Coast North Vancouver. My understanding is that the landlord is FCA Canada (Stellantis) and that the lease is nearing expiry. While the CCAA process may allow the court to disclaim portions of franchise agreements to facilitate a transaction (including bypassing OEM approval), there remains some risk that the landlord may not approve a new tenant, particularly under court-directed terms. While the probability is low, it's worth noting.
- **Buyer Concerns**: The uncertainty surrounding CCAA proceedings—including the duration of the process, assumed liabilities (employee obligations, creditor claims, etc.), and court approval timelines—will likely deter some buyers and depress Good-Will values further.

Proposed Solutions (Assuming CCAA Proceeding)

1. **Clarity on Buyer Obligations**: It will be critical to clearly outline which liabilities, if any, will be assumed by the buyer. I would anticipate that both the court and lenders would be receptive to an asset sale structure, which simplifies the assumption of obligations.
2. **Stalking Horse Bid**: Given that I already have several interested parties for North Vancouver and a recent LOI on Drayton Valley, we should consider securing a stalking horse bid to establish a Good-Will floor prior to initiating a formal Sale and Investment Solicitation Process (SISP). Alternatively, we can assign a minimum bid threshold to guide incoming offers.

Time Lines- Sale and Investment Solicitation Process (SISP)

Milestone	Date
Execution of Tim Lamb Group Engagement/Exclusivity Agreement	July 2, 2025
Completion of Presentation Packages	July 21, 2025 (Financials are finalized; awaiting photos July 14–15)
Teaser Sent to Priority Buyers (~50 per store)	July 21, 2025
Go to General Market	July 22, 2025 (Access to 1,400 franchised dealers in Canada, 3,000+ LinkedIn contacts, 300+ non-franchise buyers)
Expression of Interest (EOI) Deadline	August 29, 2025
Court/Bank Review of EOI & Invitation for LOIs	September 12, 2025
Letter of Intent (LOI) Submission Deadline	September 19, 2025 (10% deposit or \$100,000, whichever is greater – non-refundable except for OEM rejection. 7–14 day due diligence)
Winning Bidder Selected & Due Diligence Begins	September 26, 2025
APA Signed & OEM Notified	October 10, 2025
OEM Approval Period	60–90 days (Stellantis currently averaging 120 days, though these may be prioritized given the situation)
Projected Closing	Between January 31 and February 28, 2026

Accelerated Option

As mentioned, I've already reached out to several interested parties regarding Coast North Vancouver and may be in a position to present Letters of Intent as early as next Friday. If the vendors and lender are aligned, we could potentially close a transaction by November 1, 2025.

For Drayton Valley, a recent LOI was received, and I believe I can re-engage that buyer, along with additional interested parties, to match the same timeline.

Tim Lamb Group Consulting Fee

The calculation of our fee is as follows for each store;

Drayton Valley

4% of Good-Will/Blue Sky received

4% of Fixed Assets at Net Book Value

3% of The Real Estate if Sold or 3% of the lease payments received by the vendor (paid annually).

North Vancouver

4% of Good-Will/Blue Sky received

4% of Fixed Assets at Net Book Value

Nothing is paid on the real estate as it is currently leased.

Brief Bio- Gordie Gerbrandt

With over 25 years of experience in the Canadian automotive retail industry, I bring a deep operational and transactional background to every engagement. My career spans ownership and leadership roles across a diverse portfolio of franchised dealerships, including Mercedes-Benz, General Motors, Kia, Volkswagen, and a sub-prime lending institution. I also spent over a decade in the Chrysler/Stellantis network, serving as Dealer Principal at Southtown Chrysler in Edmonton.

Since divesting from my automotive holdings in 2018, I've been exclusively focused on M&A with the Tim Lamb Group, the largest automotive buy/sell advisory firm in North America (www.timlambgroup.com). I've personally led over 80 successful dealership transactions across Canada, leveraging my operator insight, OEM relationships, and market intelligence to deliver exceptional outcomes for both buyers and sellers.

I'm based in Edmonton and maintain strong relationships with dealer groups in and around Drayton Valley, where my family resides. In Metro Vancouver, I've very recently represented the successful sale of Kia West in Coquitlam—the largest Kia transaction in Canadian history—and Freeway Mazda in Surrey, in addition to many other transactions across the province of British Columbia.

If you have any further questions or wish to discuss any of the above points in more detail, I would be more than happy to jump on a call or Zoom with you at your convenience.

Gordie Gerbrandt
VP- Western USA & Canada
Commercial Real Estate Agent



West- Call/Text 780.953.5000
East- Call Only 647.951.1484

On Jul 3, 2025, at 10:58 AM, Reid, James <jwreid@millerthomson.com> wrote:

Hi Gordie. Shehryar and I left you a voice message.

Call me on my direct line below when you get a chance.

Sincerely,

JAMES W. REID
Partner

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525-8th Avenue S.W., 43rd Floor
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jwreid@millerthomson.com

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From: Reid, James <jwreid@millerthomson.com>
Sent: Thursday, July 3, 2025 9:29 AM
To: gordie timlambgroup.com <gordie@timlambgroup.com>
Cc: Joe Randhawa <JRandhawa@coastauto.ca>; Dean Parmar <dean@brixinvest.ca>; Shehryar Syed <shehryar.syed@bmo.com>
Subject: RE: Amended agreement

Hi Gordie,

Shehryar and I will call you at 1030 MT (1230 ET).

Sincerely,

JAMES W. REID

Partner

MILLER THOMSON LLP

525-8th Avenue S.W., 43rd Floor

Eighth Avenue Place East

Calgary, Alberta | T2P 1G1

T +1 403.298.2418

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jwreid@millerthomson.com

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<image001.png>

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From: gordie timlambgroup.com <gordie@timlambgroup.com>

Sent: Wednesday, July 2, 2025 6:01 PM

To: Reid, James <jwreid@millerthomson.com>

Cc: Joe Randhawa <JRandhawa@coastauto.ca>; Dean Parmar <dean@brixinvest.ca>; Shehryar Syed <shehryar.syed@bmo.com>

Subject: Re: Amended agreement

Hi James.

Sorry for the delay. I'm available anytime after 9am MST...let me know what works for you both?

Gordie Gerbrandt

VP North America

Tim Lamb Group

780.953.5000

On Jul 2, 2025, at 1:58 PM, Reid, James <jwreid@millerthomson.com> wrote:

Thanks Joe,

Gordie, can you please advise times tomorrow morning that you are available to meet with Shehryar and I.

Sincerely,

JAMES W. REID

Partner

MILLER THOMSON LLP

525-8th Avenue S.W., 43rd Floor

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Calgary, Alberta | T2P 1G1

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<[imageec8cf5.PNG](#)>

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From: Joe Randhawa <JRandhawa@coastauto.ca>
Sent: Wednesday, July 2, 2025 1:31 PM
To: Reid, James <jwreid@millerthomson.com>
Cc: gordie timlambgroup.com <gordie@timlambgroup.com>; Dean Parmar <dean@brixinvest.ca>; Syed, Shehryar <shehryar.syed@bmo.com>
Subject: [****EXT****] Fw: Amended agreement

Hi James,

Meet Gordie - he is our agent/broker on the sale of the Coast North Vancouver and Coast Drayton Valley dealerships.

Gordie can you attach a copy of the signed agreement, James will be looking to connect with you this week to chat about the sale process.

Thanks,

Joe

Joe Randhawa
President

<[image001.jpg](#)>
C:780.263.2464
5241 Calgary Trail NW,
Edmonton, AB T6H 5G8
CoastAuto.ca

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From: gordie timlambgroup.com <gordie@timlambgroup.com>
Sent: June 16, 2025 4:44 PM
To: Joe Randhawa <JRandhawa@coastauto.ca>; dean@brixinvest.ca <dean@brixinvest.ca>
Subject: Amended agreement

Gentlemen,

Please see the attached and amended per Joe's email earlier. If required, I can convert this to a e-sign document just let me know?

Gordie Gerbrandt
VP- Western USA & Canada
Commercial Real Estate Agent

<image002.png>

West- Call/Text 780.953.5000
East- Call Only 647.951.1484

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COURT FILE NUMBER 2503-13640

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

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

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

CROSS-APPLICANTS COAST AUTOMOTIVE GROUP INC, COAST NORTH VANCOUVER AUTO SALES INC., COAST AUTO DRAYTON INC., 2461765 ALBERTA LTD., SUNDEEP CHEEMA, DEEPAK PARMAR, HARJOT RANDHAWA, and DEERFOOT ATRIA PARTNERS LTD.

DOCUMENT **AFFIDAVIT**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Blue Rock Law LLP
700, 215 9th Ave SW
Calgary, AB T2P 1K3

Attention: David W. Mann, KC and Scott Chimuk
T. 403.605.3992 / 587.390.7041
E. david.mann@bluerocklaw.com / scott.chimuk@bluerocklaw.com
File: 1747-00001

AFFIDAVIT OF JOE RANDHAWA

Sworn on December 8, 2025

I, Joe Randhawa, of Edmonton Alberta, swear and say that:

1. I was the President and key decision-maker, and minority shareholder and director within the Coast Companies during the period leading up to BMO's enforcement actions and the commencement of CCAA proceedings. I am an authorized representative of Coast Automotive Group Inc. ("Coast Auto Group"), Coast North Vancouver Auto Sales Inc. ("Coast North Vancouver"), Coast Auto Drayton Inc. ("Coast Drayton"), and 2461765 Alberta Ltd. ("246") (collectively, the "Coast Auto Companies"). I have first-hand knowledge of the operations, financial performance, BMO interactions, BDO oversight, and the events giving rise to this Affidavit.

2. As such, I have personal knowledge of the matters deposed to in this Affidavit, except where stated to be on information and belief, and where so stated I verily believe them to be true.
3. I swear this Affidavit to correct the false and misleading narrative placed before the Court by BMO through the Syed Affidavit and the Monitor's Reports, and to provide accurate operational evidence.

Background

4. Prior to the events described in this Affidavit, the Coast Auto Companies were operating, selling vehicles, paying employees, and servicing their obligations. The Coast Auto Companies were engaged in ongoing improvement initiatives including enhanced used-vehicle retailing, service department process improvements, and marketing and website upgrades.
5. The Coast Auto Companies' financial performance and forecasts for 2025 showed improvement over both 2024 and 2023, particularly when properly normalizing for exorbitant interest costs, restructuring costs, and the impact of unsustainably exorbitant floorplan interest rates. Attached hereto as **Exhibit "A"** are copies of the forecasts and executive summaries concerned these issues.
6. The Coast Auto Group was founded June 28, 2023, taking over both of Coast North Van's and Coast Drayton's operations, with the full knowledge of BMO. The Coast Auto Group was purchased with intention of turning around business performance from 2023 over a course of two to three years. Coast Auto Group was focused on inventory reduction, marketing, sales volume, increasing used sales, finance income, reduction of aged parts, fixed operations margins, software customer database management, hiring qualified General Managers, and a President with substantial Stellantis and automotive experience to support the turnaround of the company.
7. In late 2024, the Coast Auto Group hired a full-time President that quickly placed qualified General Managers at the Coast North Van and Coast Drayton locations, both of which had nearly 20 years each automotive experience, primarily in Stellantis (Chrysler, Dodge, Jeep, Ram). Improvements in operations were being

made by way of a strategic turnaround plan and forecast that was shared with BMO in the beginning of 2025. There was little turnover in key management roles apart from those key roles, as Managers in fixed operations, finance teams, and accounting at both stores had a high degree of consistency and limited turnover.

Operations and Financial Condition

8. Throughout 2023 and 2025, the Coast Auto Companies operated as fully functioning dealerships generating revenue from new and used vehicle sales, service, and parts. Inventory was actively managed and in fact reduced by approximately 47% between December 2023 and July 2025, significantly lowering floorplan interest exposure, notwithstanding the material and exorbitant increase in rates from BMO. Attached hereto as **Exhibit “B”** is evidence of the changing financial conditions imposed by BMO.
9. Stellantis (Chrysler, Dodge, Jeep, Ram) performance reports show that Coast North Van outperformed the British Columbia Zone by 12.6%, and Coast Drayton performed 0.6% above the Alberta Zone average, demonstrating stabilizing and strong operational performance. Evidence of this improved performance is attached hereto at **Exhibit “C”**.
10. The Coast Auto Companies provided a forecast and turnaround plan for BMO in early 2025 and reviewed the performance of the forecast with me in and around May 2025, at which time the Coast Auto Companies were on pace for its net income targets at a group level. Attached hereto as **Exhibit “D”** is evidence of these performance forecasts.
11. These facts contradict any assertion that the Coast Auto Companies were failing operationally or incapable of improvement. Despite this, the BMO drafted and filed the Affidavit of Shehryar Syed on July 9, 2025 (the “Syed Affidavit”) to initiate the CCAA proceedings, where Mr. Syed swears that the Coast Auto Companies had significant employee turnover, poor financial performance since at least 2023, an excess of less desirable used vehicle inventory, mismanagement of inventory,

increased cost of capital.¹ Those allegations are not supported by BDO's own written findings or by the actual dealership performance data.

12. These performance metrics, as outlined in **Exhibits "A" to "D"** demonstrate that the Coast Auto Companies were not failing businesses in free fall, but viable and improving operations executing a management-led turnaround that BMO fully understood and monitored. The liquidity strain that later emerged was not the result of operational collapse or mismanagement; it was driven, to a significant extent, by BMO's own decisions regarding interest rates, credit restrictions, and funding approvals.

BDO Initial Findings and Errors in the Syed Affidavit

13. In September 2024, BDO prepared and delivered an Initial Summary of Findings Memorandum (the "BDO Memo") following its review of the Companies' operations, accounting records, and inventory. A copy of the BDO Memo is attached hereto as **Exhibit "E"**
14. In the BMO Memo, BDO expressly acknowledged, among other things, that:
 - a. management was transparent and cooperative;
 - b. that BDO had been able to account for all vehicles in inventory; and
 - c. that certain system issues (such as SIVs) were attributable to temporary staff absences and legacy accounting processes rather than any fraud or misappropriation.
15. These findings are fundamentally inconsistent with the later narrative presented in the Syed Affidavit, where Mr. Syed swears to high turnover, poor management, lack of controls, and missing vehicles. Those allegations are not supported by BDO's own written findings or by the actual dealership performance data.

¹ Affidavit of Shehryar Syed filed July 9, 2025 ("Syed Affidavit") at paragraphs 11, 15.

16. The Companies relied upon BDO's written statements as confirmation that their operations were not fundamentally deficient and that any issues identified were remediable and being addressed.

BMOs Misconduct

17. Beginning in late 2024 and continuing into 2025, BMO employed a series of escalating financial pressure tactics that had the effect, and I believe the intention, of destabilizing the Coast Auto Companies' operations, including:
 - a. reducing and restricting overdraft availability;
 - b. repeatedly reducing business credit card limits (from \$100,000 to \$50,000 and then to \$25,000);
 - c. delaying or declining reasonable requests for operational funding and floorplan accommodations; and
 - d. imposing crippling, exorbitant interest rates, which together had the effect—and, in my view, the intention—of creating liquidity strain and suppressing the Companies' ability to operate normally.
18. In addition to the aforementioned measures, BMO cancelled cheques that had been issued to pay out customer liens on trade-in vehicles. When a customer purchases a new vehicle and financing is completed, the dealer is obligated to discharge the lien on the customer's trade-in. By cancelling those lien-payout cheques, BMO knowingly placed the Coast Auto Companies in a position where it could not honour those obligations, exposing the Coast Auto Companies to potential claims of breach of contract or even allegations of fraud. In my view, this conduct went beyond ordinary default management and amounted to deliberate harm of the business and its reputation
19. Among other things, the reduction of credit card limits interfered with timely payment of vendors and operational expenses, despite the Coast Auto Companies continuing to sell vehicles and generate gross margins.

20. BMO also began to interfere with day-to-day decisions, including dictating when parts and service expenses could be paid, directing the timing and nature of marketing spends, and exerting influence over which potential buyers could be entertained in the sale processes. Attached hereto as **Exhibit “F”** is email correspondence concerning these facts.

Forbearance Agreements

21. In late 2024 and early 2025, BMO mandated the Coast Auto Companies enter into a series of forbearance agreements, including:
 - a. a forbearance agreement dated January 10, 2025;
 - b. a forbearance extension dated April 28, 2025; and
 - c. a second forbearance extension dated in or about May 2025 (together, the “Forbearance Agreements”).
22. The Forbearance Agreements were presented by BMO as “take-it-or-leave-it” terms, under significant time pressure and in the context of explicit threats regarding continued availability of floorplan financing, overdraft facilities, and credit card limits under threat of foreclosure by BMO. The Companies were told that failure to sign would result in immediate enforcement and foreclosure. In breach of its good faith obligations under the BMO Contracts, BMO refused to negotiate with the Coast Auto Companies or otherwise engage in or attempt good faith discussions without a signed forbearance agreement.
23. Accordingly, to avoid an immediate foreclosure threat and destruction of the business, the Coast Auto Companies were mandated to enter the Forbearance Agreements. When making this demand, BMO represented, and the Coast Auto Companies relied upon to its detriment, that BMO was making the demand for the Forbearance Agreements in good faith. BMO further represented that if the Forbearance Agreements were entered, and if the Coast Auto Companies implemented the recommendations from the BDO Memo, BMO would consider all defaults to be cured

24. As part of the Forbearance Agreements, BMO demanded that the Coast Auto Companies' majority shareholders, including Mr. Sundeep Cheema and Mr. Dean Parmar, sign what are purported to be personal guarantees (and consent foreclosure orders) in BMO's favour (collectively "Bad Faith Demands").
25. The Coast Auto Companies reasonably relied upon the representations and mandates of BMO, and signed the Forbearance Agreements and implemented the recommendations outlined in the BDO Memo and made legitimate changes to its business to appease BMO.
26. Under these circumstances, the Forbearance Agreement and related documents, including purported personal guarantees and consent foreclosure orders, were signed under economic duress, solely to prevent the immediate destruction of the Coast Auto Companies' business. These documents were not freely negotiated commercial bargains – they were conditions imposed by BMO under threat, with no realistic alternative.

BMO's false representations

27. I have reviewed the Syed Affidavit. It contains material misstatements regarding the timeline of the sales process. BMO further misrepresented the facts and mandated the Coast Auto Companies undertake a management-led sale process and to engage a sales agent to support that process. In the Syed Affidavit, Mr. Syed states that he introduced the Coast Auto Companies' senior management to two separate sales advisory firms and that these introductions occurred in May 2025. I believe this to be false.
28. The first introduction call with DSMA was not scheduled until June 3, 2025, and only after Mr. Syed failed to circulate the meeting times to the BDO team as required. The DSMA call was subsequently rescheduled for June 5, which did occur.
29. On June 4, the Coast Auto Companies' senior management informed Mr. Syed that if the upcoming call (June 10th) with Tim Lamb Group went well, Coast Auto Companies intended to proceed with Tim Lamb. On June 12, Coast Auto Companies' senior management provided Tim Lamb Group with a verbal commitment and

shared draft sale process materials. On June 13, Mr. Syed followed up requesting an update, and the Coast Auto Companies' senior management confirmed that it would move forward with the Tim Lamb Group. A formal agreement with Tim Lamb Group was executed on June 16, 2025, confirming that the management-led sale process was well underway, timely, and actively progressing. By June 20th, required files and details to prepare a sales package for the engagement were provided to the Tim Lamb Group. Attached hereto as **Exhibit "G"** is correspondence concerning these facts.

30. These facts directly contradict Mr. Syed's sworn statement that the Coast Auto Companies failed to engage a sales agent or take steps toward a sale process before July 2025. In reality, a sales process had been materially advanced by early to mid-June, which was done based on BMO's representations and assurances that such a process was appropriate and expected.
31. BMO imposed extensive controls over the Coast Auto Companies' operations, including mandatory reporting, restrictions on payments, and a requirement that BDO be engaged to perform extensive monitoring. Evidence of these controls and mandates is attached hereto as **Exhibit "H"**.

Blackout from CCAA proceedings

32. The representations from BMO to the Coast Auto Companies were that until the business was sold the Coast Auto Companies would be involved in continued operations with the intention of maximizing business value, as referenced in the initial order on July 16. BMO ultimately commenced CCAA proceedings on July 16, 2025, without our involvement.
33. The BMO represented that the CCAA Process would be a collaborative, company led process where BMO, BDO, and the Coast Auto Companies could jointly pursue a sale in a mutually beneficial way. Despite this, the Coast Auto Companies were completely blacked out from information or input on the CCAA process.
34. On or about July 16, 2025, BDO effectively removed the Companies' management and took control of operations as Court-appointed Monitor. However, the Monitor's

reports dated October 8 and October 16, 2025, and the submissions made in the corresponding Court hearings, did not disclose (or intentionally withheld) that ownership and directors had been removed from the dealerships on July 17, 2025, after representing to Court in the initial order that ownership would be continually involved in operations and that continued involvement of ownership and management was critical.

35. On July 18th, the ownership group was removed by BDO, citing that ownership was removed on instruction of BMO. In the lead-up to the initial CCAA hearing and subsequent Court attendances on or about October 8 and October 16, 2025, BDO and BMO orchestrated the removal of the Coast Auto Companies' ownership and directors from operational control of the dealerships.
36. BMO and BDO attended Court on July 25th for extension of fees and super monitor powers, directors and owners insurance and incorrectly stated that ownership was still involved. I believe ownership was not involved at that time.
37. Our prior counsel could not take adverse positions against BDO and BMO. Once we found counsel without those conflicts, the process had already steamrolled ahead.
38. In my view, BMO and BDO used the CCAA process as a vehicle for controlled enforcement.

Faulty Sales Process

39. Despite warnings that CCAA would depress valuations, BMO pushed forward, resulting in a reduced pool of buyers and lower offers. Following the commencement of the CCAA, a sale process was pursued for the Coast assets, involving DSMA and other sale advisors. Tim Lamb warned BMO that pursuing a formal insolvency process would depress valuations and reduce buyer interest compared to a going-concern sale conducted outside a formal proceeding. Copies of these correspondences is attached hereto as **Exhibit "I"**.
40. Despite these warnings, BMO pressed ahead with CCAA which in my view wiped out the equity value of the businesses and enabling a distressed sale at a lower price.

41. In one notable example, a previously negotiated trade involving Dodge Hornet vehicles was cancelled or disrupted following BDO's assumption of control, and approximately 18 Dodge Hornets were liquidated at a loss estimated at roughly \$17,000 per unit. This liquidation occurred while BDO controlled approvals and was acting under BMO's pressure to accelerate collateral recovery, directly eroding BMO's own security and prejudicing all other creditors. While the ownership group had been working with another dealership group at full cost for all 18 units in question (BDO was expressly aware of this deal, but neglected to act on it). Management had completed another successful 17 unit transfer in June showing evidence of success in making large inventory transactions with other dealership groups in the region. DSMA was also engaged to send out sales packages for the dealerships. It was noted that the normalizing items in North Vancouver were materially understated greatly reducing the value a prospective buyer would consider placing on the dealership
42. In my view, the loss of value caused by these decisions, together with the stigma of CCAA and the constraints imposed by BMO and BDO, materially reduced the proceeds available from the sale of the Coast Auto Companies' assets compared to what would have been achievable through a cooperative, good-faith restructuring or sale process.
43. These losses would not have occurred had BMO allowed management to complete the originally negotiated trade transaction.

Conclusion

44. The Coast Auto Companies were actively operating, improving, and implementing the requisite recommendations from the BDO Memo, and a sale process in reliance on BMO's representations that such actions would remedy all defaults.
45. I swear this Affidavit in objection to the relief sought by BDO, and in support of the relief sought in the Cross-application and for no improper purpose.

SWORN BEFORE ME at _____ ,)
Alberta, this 8 day of December, 2025.)




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

Joe Randhawa

CHARLOTTE PITTMAN
A Commissioner for Oaths and
a Notary Public in and for Alberta
being a Student-at-Law.

This is Exhibit A to the Affidavit of
~~Joe Radhawa~~ sworn/affirmed before
~~me~~ ^{Joe Radhawa} this 8 day of December, 2025.



A Commissioner for Oaths in and for
the Province of Alberta

CHARLOTTE PITTMAN
A Commissioner for Oaths and
a Notary Public in and for Alberta
being a Student-at-Law.

Coast Auto (Combined) YTD vs Forecast	Forecast	Actual	Variance (\$)	Variance (%)
	YTD 25'	YTD 25'		
New Vehicle Volume	143	78	(65)	-45% Note 1
New Front Gross (GPU)	2,249	539	(1,710)	-76%
New F&I Gross (GPU)	4,375	4,077	(299)	-7%
New Gross Adjustment (GPU)	1,822	3,193	1,371	75%
Per Unit Profit	8,446	7,808	(637)	-8% Note 2
Total New Gross (includes Fleet and DT)	964,457	360,509	(603,948)	-63%
Total New Gross (includes Gross adj, Fleet and DT)	1,224,957	611,975	(612,982)	-50% Note 3
Used Vehicle Volume	165	213	48	29% Note 4
Used Front Gross (GPU)	870	1,234	(2,104)	-242%
Used F&I Gross (GPU)	4,083	2,905	(1,178)	-29%
Used Gross Adjustment (GPU)	1,634	2,358	724	44%
Per Unit Profit	6,587	4,029	(2,558)	-39% Note 5
Total Used Gross (includes wholesale)	758,305	366,422	(391,883)	-52%
Total Used Gross (includes Gross adj. and wholesale)	917,305	868,725	(48,580)	-5% Note 6
Parts Sales	2,139,254	1,571,217	(568,037)	-27% Note 7
Parts Gross	738,481	548,614	(189,867)	-26%
Parts GM% (Target 31%)	35%	35%	0	1%
Service Sales	1,061,043	868,746	(192,297)	-18% Note 8
Service Gross	5	4	(1)	-16%
Service GM%	0%	0%	0	3%
Total Dealership Gross Profit	3,738,466	2,798,383	(940,083)	-25%
Profit/Loss	(1,574,752)	(1,590,846)	(16,094)	-1% Note 9

Notes

Note 1: Volume has been strained, which aligns with the limited number of programs we've seen from Stellantis. To address this, we revamped the websites, hired a marketing manager to boost organic traffic, and began enhancing our social media presence. These efforts began in April, and we're starting to see the impact. **Note YTD Both stores under Coast are ahead of their respective zone reports for new vehicles sales!**

Note 2: An average profit of \$7,808 per unit is reasonable in today's market for new Stellantis vehicles.

Note 3: Total New Gross profit for 2025 is below forecast - primarily driven by volume reduction. We expect to see this normalize in Q2 and Q3

Note 4: There's excellent progress being made toward meeting the forecast for both stores which are adapting to new vehicle pressure and focusing on adding volume where we can control it.

Note 5: Total profit per unit for 2025 actuals is \$4,029—below forecast, but in line with pre-COVID levels and industry averages.

Note 6: Even with reduced margins, increased volume has helped offset the impact—positively affecting parts and service performance and expanding our customer database.

Note 7: We reduced the team in certain areas and expect higher net retention for the remainder of the year.

Note 8: We expect monthly revenue to stay near forecasted levels through the remainder of the summer season, supporting more consistent wins for the store. Our continued focus on used vehicle turnover is also driving positive reconditioning results, benefiting the dealership's fixed operations departments.

Note 9: Within the 1% targeted forecast, it's important to note that despite the elevated floorplan and overdraft interest rates, we believe that once normalized, we will be even further ahead of the forecasted targets.

This is Exhibit B to the Affidavit of
Joe Radhawa ^{Radhawa} sworn/affirmed before
me this 8 day of December, 2025.



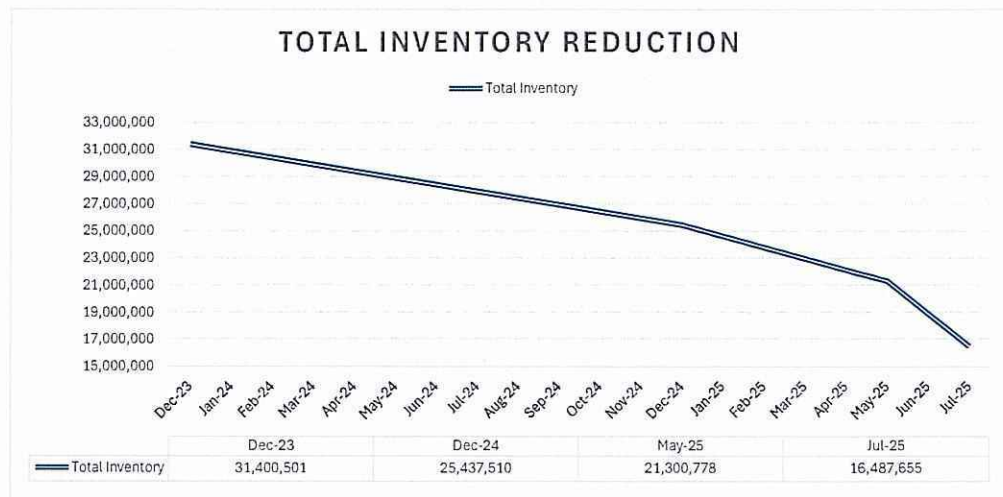
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being a Student-at-Law.

Coast Auto Group
Inventory Change
From 2023 to 2025

Included below is a table representing group level inventory including North Vancouver and Drayton Valley Chrysler dealerships.
These show inventory reduction from \$31.4M to \$16.5M (47.5% decrease)

Inventory	Dec-23	Dec-24	May-25	Jul-25	Reduction
Drayton valley New (DV)	6,944,393	6,347,592	5,343,433	4,044,510	
Drayton valley Demo (DV)	440,834	797,603	625,918	871,200	
Drayton valley Used (DV)	1,280,663	1,195,689	1,181,048	1,131,953	
North Vancouver New (NV)	16,229,691	13,096,624	10,405,901	8,170,652	
North Vancouver Demo (NV)	3,089,582	1,957,614	1,450,702	647,868	
North Vancouver Used (NV)	3,415,338	2,042,388	2,293,776	1621472	
Total New	26,704,500	22,199,433	17,825,954	13,734,230	48.6%
Total Used	4,696,001	3,238,077	3,474,824	2,753,425	41.4%
Total Inventory	31,400,501	25,437,510	21,300,778	16,487,655	47.5%



This is Exhibit C to the Affidavit of
~~Joe Radhawa~~^{Radhawa} sworn/affirmed before
me this 8 day of December, 2025.



A Commissioner for Oaths in and for
the Province of Alberta

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A Commissioner for Oaths and
a Notary Public in and for Alberta
being a Student-at-Law.

CHARLOTTE PITTMAN
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a Notary Public in and for Alberta
being a Student-at-Law.

Coast Auto Group
 Stellantis New Vehicle Retail Sales Reports
 July 2025 New Vehicle Retail Sales

The purpose of this report is to capture the performance of both North Vancouver and Drayton Valley as compared to their provincial zones. North Vancouver is ahead of the BC region by 12.4% when comparing year over year increase or decrease in volume. Also Drayton Valley improved slightly by 0.6% ahead of its zone, and this includes metro stores not just rural.

Volume YTD	2025 (July)	2024 (July)	2024	2023	2022
North Vancouver	98	185	244	305	387
Drayton Valley	58	73	107	157	126
BC	2,838	7,001	11,415	13,707	14,085
AB	10,025	12,709	21,145	23,968	22,840

Variance to PY (YTD)	2025 (July)	2025 (July)	2024	2023
North Vancouver	-47.0%		-20.0%	-21.2%
BC	-59.5%		-31.8%	24.6%
North Vancouver vs BC	12.4%		-16.7%	-2.7%
Drayton Valley	-20.5%		-11.0%	4.3%
AB	-21.1%		-3.3%	-18.5%
Drayton Valley Vs AB	0.6%		-20.1%	19.7%



This is important - it shows North Vancouver ahead of the BC region by 12.4% when comparing year over year increase or decrease in volume. Also Drayton Valley improved slightly by 0.6% ahead of its zone, and this includes metro stores not just rural.

This is Exhibit D to the Affidavit of
^{Sandhu}
Joe Radhawa Sworn/affirmed before
me this 8 day of December, 2025.



A Commissioner for Oaths in and for
the Province of Alberta

CHARLOTTE PITTMAN
A Commissioner for Oaths and
a Notary Public in and for Alberta
being a Student-at-Law.

Coast Auto (Combined) YTD vs Forecast	Forecast	Actual	Variance (\$)	Variance (%)
	YTD 25'	YTD 25'		
New Vehicle Voume	143	78	(65)	-45% Note 1
New Front Gross (GPU)	2,249	539	(1,710)	-76%
New F&I Gross (GPU)	4,375	4,077	(299)	-7%
New Gross Adjustment (GPU)	1,822	3,193	1,371	75%
Per Unit Profit	8,446	7,808	(637)	-8% Note 2
Total New Gross (includes Fleet and DT)	964,457	360,509	(603,948)	-63%
Total New Gross (includes Gross adj, Fleet and DT)	1,224,957	611,975	(612,982)	-50% Note 3
Used Vehicle Volume	165	213	48	29% Note 4
Used Front Gross (GPU)	870	1,234	(2,104)	-242%
Used F&I Gross (GPU)	4,083	2,905	(1,178)	-29%
Used Gross Adjustment (GPU)	1,634	2,358	724	44%
Per Unit Profit	6,587	4,029	(2,558)	-39% Note 5
Total Used Gross (includes wholesale)	758,305	366,422	(391,883)	-52%
Total Used Gross (includes Gross adj, and wholesale)	917,305	868,725	(48,580)	-5% Note 6
Parts Sales	2,139,254	1,571,217	(568,037)	-27% Note 7
Parts Gross	738,481	548,614	(189,867)	-26%
Parts GM% (Target 31%)	35%	35%	0	1%
Service Sales	1,061,043	868,746	(192,297)	-18% Note 8
Service Gross	5	4	(1)	-16%
Service GM%	0%	0%	0	3%
Total Dealership Gross Profit	3,738,466	2,798,383	(940,083)	-25%
Profit/Loss	(1,574,752)	(1,590,846)	(16,094)	-1% Note 9

Notes

Note 1: Volume has been strained, which aligns with the limited number of programs we've seen from Stellantis. To address this, we revamped the websites, hired a marketing manager to boost organic traffic, and began enhancing our social media presence. These efforts began in April, and we're starting to see the impact. **Note YTD Both stores under Coast are ahead of their respective zone reports for new vehicles sales!**

Note 2: An average profit of \$7,808 per unit is reasonable in today's market for new Stellantis vehicles.

Note 3: Total New Gross profit for 2025 is below forecast - primarily driven by volume reduction. We expect to see this normalize in Q2 and Q3

Note 4: There's excellent progress being made toward meeting the forecast for both stores which are adapting to new vehicle pressure and focusing on adding volume where we can control it.

Note 5: Total profit per unit for 2025 actuals is \$4,029—below forecast, but in line with pre-COVID levels and industry averages.

Note 6: Even with reduced margins, increased volume has helped offset the impact—positively affecting parts and service performance and expanding our customer database.

Note 7: We reduced the team in certain areas and expect higher net retention for the remainder of the year.

Note 8: We expect monthly revenue to stay near forecasted levels through the remainder of the summer season, supporting more consistent wins for the store. Our continued focus on used vehicle turnover is also driving positive reconditioning results, benefiting the dealership's fixed operations departments.

Note 9: Within the 1% targeted forecast, it's important to note that despite the elevated floorplan and overdraft interest rates, we believe that once normalized, we will be even further ahead of the forecasted targets.

Joe Randhawa

From: Joe Randhawa
Sent: May 16, 2025 10:21 AM
To: Dean Parmar
Subject: Combined Executive YTD Summary for BMO.xlsx
Attachments: Combined Executive YTD Summary for BMO.xlsx

Hi Dean,

A few key summary points to touch on for the call with BMO tomorrow.

1. Net Income: As a combined number we are right on track with 2025 forecast YTD including April (within \$16k or 1% variance) Important to note our cost of interest is massive (cost of floorplan is hurting us but we are still right on pace with forecast)
2. New volume is something we are working on - Volume has been strained, which aligns with the limited number of programs we've seen from Stellantis. To address this, we revamped the websites, hired a marketing manager to boost organic traffic, and began enhancing our social media presence. These efforts began in April, and we're starting to see the impact.
3. Used volume has been a big focus for our group to capitalize on where the customers affordability is. Even with reduced margins, increased volume has helped offset the impact—positively affecting parts and service performance and expanding our customer database.
 - a. April we hit a volume record of 73 deals delivered at North Vancouver - (53 used with a target of 30).
4. Fixed Operations – we will continue to see improvements tied to increases in used volume which helps with reconditioning for used vehicles.

If you need to run through anything let me know.

Thanks,

Joe

Joe Randhawa
President



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This is Exhibit E to the Affidavit of
Joe Radnawa sworn/affirmed before
me this 8 day of December, 2025.



A Commissioner for Oaths in and for
the Province of Alberta

CHARLOTTE PITTMAN
A Commissioner for Oaths and
a Notary Public in and for Alberta
being a Student-at-Law.



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BDO Canada Limited
 20 Wellington Street E., Suite 500
 Toronto, ON M5E 1C5

September 23, 2024

Coast Automotive Group Inc.
 1600 Marine Dr,
 North Vancouver, BC
 V7P 1T9

Attention: Mr. Sundeep Cheema and Mr. Dean Parmar of the Coast Automotive Group Inc. and Mr. Shehryar Syed and Mr. Joshua Seager of the Bank of Montreal

RE: Coast Automotive Group Inc., Coast North Vancouver Auto Sales Inc., Coast Auto Drayton Inc., and 2461765 Alberta Ltd. (collectively, the “Company”)

We understand that the Bank of Montreal (“BMO” or the “Bank”) has extended certain credit facilities, in the amount of ~\$47 million, to the Company (collectively, the “Credit Facilities”), and that the Bank is concerned with the Company’s current financial position and the go-forward financial plan. This summary of our initial memorandum of findings is being provided to the Company as per the engagement letter of BDO Canada Limited (“BDO”) dated August 28th, 2024 (the “Memorandum”).

The urgency of this update is based on our initial findings from our Fieldwork (herein defined), namely the Company’s current liquidity situation and inventory analysis.

COMPANY BACKGROUND

Initial Acquisition

In June 2023, Coast Automotive Group Inc. (“Coast Automotive Group”) acquired two (2) Chrysler/Dodge/Jeep/Ram dealerships from Foundation Automotive Corp. (“Foundation”), (the “Acquisition”) including:

- Coast North Vancouver Auto Sales Inc. (“North Van Dodge”); and
- Coast Auto Drayton Inc. (“Drayton Valley Dodge”).

Additionally, 2461765 Alberta Ltd. (“LandCo”) purchased the real estate associated with the Drayton Valley Dodge location.

The Acquisition was likely over-leveraged at the time of close given that both Sundeep and Dean (both herein defined) were supposed to inject \$2 million of pseudo equity each (non-interest-bearing debt) for a total of \$4 million, however we understand that only \$2.75 million was injected. Additionally, the Acquisition also included a \$4 million vendor take back loan (the “VTB”) from Foundation (detailed in later sections of this memorandum).

Ownership Structure

50% and 40% of the Coast Automotive Group Inc. is owned by Sundeep Cheema (“Sundeep”) and Dean Parmar (“Dean”) respectively, with the remaining 10% owned by Joe Randhawa (“Joe”).

	Coast North Vancouver Auto Sales Inc. (“North Van Dodge”)	Coast Auto Drayton Inc. (“Drayton Valley Dodge”)	2461765 AB Ltd. (“LandCo”)
Coast Automotive Group Inc.	100%	90%	100%
Gary Dhillon	0%	10%	0%
Total	100%	100%	100%



As shown above, Coast Automotive Group owns 100% of North Van Dodge and LandCo, and 90% of Drayton Valley Dodge, the remaining 10% of Drayton Valley Dodge is owned by Gary Dhillon ("Gary").

Company Operations

North Van Dodge: operates a leased (from FCA Canada Inc. o/a Chrysler Canada) retail automotive showroom and garage out of 1600 Marine Dr, North Vancouver, BC (the "Primary Location"). North Van Dodge also has rented/leased two (2) outdoor offsite facilities to house most of its inventory:

- One (1) at Capilano Mall parking lot (the "Mall"); and
- One (1) at an old transit depot (together with the Mall, the "Offsite Lots").

The Offsite Lots are unattended, with the Mall location patrolled only by mall security. North Van Dodge also has a satellite sales office stationed at the Mall as required by the Mall lease (the "Satellite Office", and together with Offsite Lots and Primary Location, the "North Van Premises").

- Absent the Mall's lease requirements, the Company would not have the secondary sales location and its associated costs.

Drayton Valley Dodge: operates an owned showroom and garage out of 4099 50 Street, Drayton Valley, AB (the "Drayton Valley Premise", and together North Van Premises, the "Premises").

Management

Since Acquisition, the Company has experienced significant management turnover. Most notably, North Van Dodge has had three (3) different general managers ("GM") since Acquisition. Mr. Kris Laughton ("Kris"), who was the previous GM of North Van Dodge, has recently been replaced by Mr. Gary Dhillon ("Gary").

Other key management include:

- Joe - interim COO/CFO - not yet involved on a full-time basis;
- Mr. Sachian Gounden ("Sachian") - director of dealership accounting/treasury: oversees the current financial reporting and treasury functions;
- Gary - Dealer Principal at Drayton Valley Dodge and GM at North Van Dodge; and
- Mr. Brian Candelaria ("Brian") - GM at Drayton Valley Dodge.

Together, Joe, Sachian, Gary and Brian form the Company's management team (the "Management").

Management to date has been extremely transparent and helpful to BDO in gathering information and performing analysis in an effective/efficient manner.

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EXECUTIVE SUMMARY - EQUITY INJECTION REQUIRED

Based on BDO's preliminary findings we believe that \$15 million to \$19 million of equity (and/or additional collateral support) is required to be injected into the business over the short and medium term as outlined below:

Coast Automotive Group			
Required Equity Injection Assessment			
Short-term Liquidity Requirements			
		Limit	O/S Sept 19 (Deficit)/Surplus
North Vancouver	Operating Line Over Advance (Section B)	\$ 1,000,000	\$ 5,269,427
Drayton Valley	Operating Line Over Advance (Section B)	\$ 1,000,000	\$ 1,489,864
			<u>\$ (4,759,291) A</u>
North Vancouver	Re-Chatteling (Section C)		\$ (2,493,680)
Drayton Valley	Re-Chatteling (Section C)		\$ (575,650)
	<i>Note: inventory monetization will reduce this amount to the "crystalized" vehicle loss on its sale</i>		<u>\$ (3,069,330) B</u>
Drayton Valley	SIV unit (Section C)		<u>\$ (86,000) C</u>
North Vancouver	Re-Classification - Additional Curtailments (Section C)		\$ (500,000)
Drayton Valley	Re-Classification - Additional Curtailments (Section C)		\$ (250,000)
	<i>Note: inventory monetization will reduce this amount to the "crystalized" vehicle loss on its sale</i>		<u>\$ (750,000) D</u>
North Vancouver	Annualized Operating Losses (Section A)		\$ (1,480,866)
Drayton Valley	Annualized Operating Losses (Section A)		\$ (78,054)
			<u>\$ (1,558,920) E</u>
North Vancouver	Annualized Debt Servicing Costs (Section A)		\$ (2,600,795)
Drayton Valley	Annualized Debt Servicing Costs (Section A)		\$ (1,979,794)
			<u>\$ (4,580,589) F</u>
Equity Required in the Short-Term (excluding VTB which can be postponed)			\$ (14,804,130)
VTB	Current Portion of VTB (August 1, 2024)		\$ (730,000)
VTB	Current Portion of VTB (February 1, 2025)		\$ (780,000)
VTB	Current Portion of VTB (August 1, 2025)		\$ (780,000)
	(Section C)		<u>\$ (2,290,000) G</u>
Equity Required in the Short-Term (including current portion of VTB)			\$ (17,094,130)
Longer Term Liquidity Issues			
VTB	To be repaid by August 1, 2027 (Section C)		<u>\$ (3,120,000) H</u>
Goodwill Loan Impairment Analysis			
		O/S Financing	Market Value
North Vancouver	FAC C - GOODWILL LOAN	\$ 2,083,333	\$ 1,250,000
Drayton Valley	FAC C - GOODWILL LOAN	\$ 1,666,667	\$ 750,000
			<u>\$ (1,750,000) I</u>
Excess Equity in Real Estate Assets			
		90% of Appraisal	O/S Financing
Drayton Valley		\$ 7,200,000	\$ 3,645,544
			<u>\$ 3,554,456 J</u>
Equity Required in the Long-Term (assuming dealerships returns to profitability)			\$ (18,409,674)

The detailed analysis surrounding the figures in the above chart is contained in the remainder of the Memorandum.

Goodwill and excess equity in real estate assessments have been completed at a "high-level" based on current market conditions surrounding recent Stellantis dealership sales and based on a real estate appraisal (not yet provided by Management).



SECTION A: P&L / CASH ANALYSIS/ OPERATION ISSUES

Operation Issues

The Company has faced several operational challenges since Acquisition, impacting both profitability and cash flow. The main issues are:

- **Inexperienced Ownership/Management:** the majority owners ventured into the Acquisition with little or no retail automotive dealership experience and relied on their chosen CEO (Romy Sachdeva) and several of his key hires to run the businesses. This initial management team lacked sufficient experience in dealership operations, leading to poor decision-making, particularly in the sales and inventory management functions;
- **Stellantis Banner:** this original equipment manufacturer (“OEM”) has experienced significant headwinds over the last decade, culminating in high inventory levels which are being pushed to its dealer network and reduced new “desired” platforms resulting in a significant decline in customer demand. The OEM’s dealership network has been forced to pivot to a used car dealership model to maintain profitability.
- **Inventory Mismanagement:** overstock of new and used vehicles due to inventory levels at Acquisition and continued mismanagement thereafter lead to significant aged inventory, and increased storage costs;
- **Low New Inventory Turnover:** the Company has struggled to sell its new vehicle inventory, resulting in aged units remaining on the lot and tying up liquidity to buy more used inventory, which has higher profit margins. Due to low new vehicle sales, trade-in volume for used vehicles has also been reduced;
- **Underperforming Service Department:** North Van Dodge is underperforming primarily due to higher labor costs associated with its workforce being unionized, while Drayton Valley Dodge is experiencing low customer traffic resulting in underutilized resources; and
- **Failed U.S Venture:** a failed venture to attempt to export used vehicles in Q4 2023 resulted in \$600,000 in expenses, including a 5-year lease signed without approval, further straining liquidity.

Profit & Loss / Cashflow

To quickly assess the Company’s financial performance, BDO conducted an analysis using the average financials (in blue) of a good month and bad month at each dealership (in blue) to reflect a typical month’s financial performance. This monthly average was then annualized to calculate the projected annual cash burn rate from operations and debt servicing. It should be noted that the dealerships are finishing their peak summer-fall season and about to enter the winter off-season which historically is the “bad” months/higher cash burn. Hopefully, Management’s efforts to date to improve financial performance will minimize this risk (i.e. improved performance vs. 2023/early 2024).

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	North Vancouver			Drayton Valley			Total
	Aug-24	Mar-24	Average	Aug-24	Mar-24	Average	
Net Income/(loss)	\$ (238,354)	\$ (398,293)	\$ (318,324)	\$ (93,310)	\$ (171,661)	\$ (132,486)	
add back:							
Interest	\$ 172,636	\$ 201,306	\$ 186,971	\$ 103,237	\$ 135,187	\$ 119,212	
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Amortization	\$ 7,947	\$ 7,947	\$ 7,947	\$ 6,769	\$ 6,769	\$ 6,769	
Estimated Monthly EBITDA	\$ (57,771)	\$ (189,040)	\$ (123,406)	\$ 16,696	\$ (29,705)	\$ (6,505)	\$ (129,910)
Debt Servicing							
Mortgage P&I	\$ -	\$ -	\$ -	\$ (45,880)	\$ (48,196)	\$ (47,038)	
Principal - Term Loan	\$ (29,762)	\$ (29,762)	\$ (29,762)	\$ (23,810)	\$ (23,810)	\$ (23,810)	
Interest - Term Loan	\$ (14,871)	\$ (17,626)	\$ (16,249)	\$ (12,457)	\$ (15,457)	\$ (13,957)	
New/Used Floorplan Int	\$ (114,485)	\$ (122,046)	\$ (118,266)	\$ (55,121)	\$ (54,944)	\$ (55,033)	
OD Interest	\$ (43,280)	\$ (61,634)	\$ (52,457)	\$ (11,740)	\$ (38,551)	\$ (25,146)	
Total Debt Servicing	\$ (202,398)	\$ (231,068)	\$ (216,733)	\$ (149,008)	\$ (180,958)	\$ (164,983)	\$ (381,716)
CapEx	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Monthly Cash Inflow/(Outflow)	\$ (260,169)	\$ (420,108)	\$ (340,138)	\$ (132,312)	\$ (210,663)	\$ (171,487)	\$ (511,626)
Annualized EBITDA			\$ (1,480,866)			\$ (78,054)	\$ (1,558,920)
Annualized Debt Servicing			\$ (2,600,795)			\$ (1,979,794)	\$ (4,580,589)
Annualized Total			\$ (4,081,661)			\$ (2,057,848)	\$ (6,139,509)

- The analysis above shows that the Company is projected to burn -\$1.5 million cash annually from operations and -\$4.6 million annually through debt servicing.

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SECTION B: BDO DEBT SUMMARY (AS AT SEPT 19TH, 2024)

Due to slow moving new vehicle inventory, the Company has been using its operating lines to meet its debt obligations such as curtailment and interest expenses. BDO conducted the following analysis, which shows \$4.8 million overdrawn on their operating line.

Coast Automotive Group
Debt Analysis September 2024

# of Facilities	Name.	Product Name	Original (June 2023)	Auth Amt (Sept 19)	Outstanding (Sept 19)	Availability	Notes
1	North Vancouver	OPERATING LINE	1,000,000	1,000,000	5,269,427	(4,269,427)	Note 1
2	North Vancouver	FAC B - NEW FLOORING LINE	15,000,000	20,000,000	19,921,146	78,854	Note 2
3	North Vancouver	FAC C - USED FLOORING LINE	5,000,000	3,000,000	2,017,914	982,086	
4	North Vancouver	FAC C - GOODWILL LOAN	2,500,000	2,083,333	2,083,333	-	Note 3
5	North Vancouver	CORPORATE MC	100,000	100,000	31,257	68,743	
		Total	23,600,000	26,183,333	29,323,076	(3,139,743)	
6	Drayton Valley	OPERATING LINE	1,000,000	1,700,000	1,489,864	210,136	Note 1
7	Drayton Valley	FAC B - NEW FLOORING LINE	10,000,000	10,000,000	9,161,609	838,391	
8	Drayton Valley	FAC C - USED FLOORING LINE	5,000,000	2,000,000	1,628,764	371,236	
9	Drayton Valley	FAC C - GOODWILL LOAN	2,000,000	1,666,667	1,666,667	-	Note 3
10	Drayton Valley	CORPORATE MC	100,000	100,000	21,235	78,765	
		Total	18,100,000	15,466,667	13,968,138	1,498,528	
11	2461765 Alberta Ltd.	MORTGAGE ON DRAYTON PROPERTY	4,650,000	3,645,544	3,645,544	-	Note 4
		Total	46,350,000	45,295,545	46,936,759		

Over Limit Analysis

North Vancouver	OPERATING LINE		1,000,000	5,269,427	(4,269,427)
Drayton Valley	OPERATING LINE	Note 1	1,000,000	1,489,864	(489,864)
					<u>(4,759,291)</u>

Note 1: We understand the BMO currently provided a temporary bulge of \$700,000 on the Drayton Valley operating line to assist with over draft ("OD") interest relief. Additionally, in the past we understand BMO has provided a bulge on the North Vancouver operating line to assist with OD interest relief. For purposes of this analysis we have assumed the original operating line facility limits of \$1 million each respectively.

Note 2: North Vancouver is extremely tight to its New Floor Line facility limit.

Note 3: Based on current market trends relating to the Stellantis banner and the Company's losses we have assumed a goodwill valuation of \$1.25 million and \$750,000 for the North Vancouver and Drayton Valley dealerships

Goodwill Loan Impairment Analysis

			Market Value	
North Vancouver	FAC C - GOODWILL LOAN		2,083,333	1,250,000 (833,333)
Drayton Valley	FAC C - GOODWILL LOAN		1,666,667	750,000 (916,667)
				<u>(1,750,000)</u>

Note 4: We have not seen the Company's appraisal for the Drayton Valley property, however we understand their may be \$3-\$4 million of equity based on current debt levels.

Floor Line Facility Assessment

Given how close North Van Dodge is to its new Floor Line facility limit, we have worked with Management to assess anticipated OEM shipments over the next 2-3 months.

Historically, the Floor Line limit for North Van Dodge has been \$15-\$23 million, and it currently stands at \$20 million. Given the Credit Agreements allow for reallocation between North Van Dodge and Drayton Valley Dodge's new Floor Line, a maximum of \$30 million of new vehicles can be chatted.

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Incoming New Vehicles <u>Status</u>	North Van Dodge		Drayton Valley Dodge		Total	
	# of Vehicles	Value	# of Vehicles	Value	# of Vehicles	Value
Unscheduled	4	431,780	7	613,915	11	1,045,695
Scheduled	1	77,945	-	-	1	77,945
Insystem	11	820,320	-	-	11	820,320
To be Added to the Floor Plan	16	1,330,045	7	613,915	23	1,943,960

BDO notes the Company has 23 vehicles due to arrive within the next 3 months, which will add \$1,943,960 to the floor line, which absent sufficient sales may exceed its current combined new Floor Line facility cap by \$917,245. It is imperative that the Company continues to sell its inventory to pay down the Floor Line facility.

- As well, in December 2023, Stellantis unexpectedly sent the Company ~\$3+ million of inventory, which was a strain on liquidity as December is the beginning of the low-season. Accordingly, shipments from Stellantis must be actively managed in the short term to ensure this situation does not occur again in 2024.

VTB Loan

The VTB loan of \$4 million used to fund the Acquisition is a non-revolving term loan with a maturity date of July 1, 2027. The debt repayment schedule is as follows:

VTB Loan Schedule			
Time	Interest	Principle	Total Payment
8/1/2024	330,000	400,000	730,000
2/1/2025	180,000	600,000	780,000
8/1/2025	180,000	600,000	780,000
2/1/2026	180,000	600,000	780,000
8/1/2026	180,000	600,000	780,000
2/1/2027	180,000	600,000	780,000
8/1/2027	180,000	600,000	780,000
Total	1,410,000	4,000,000	5,410,000

Per the VTB loan agreement, BMO holds first-priority security over all assets of the Company, secured by a General Security Agreement (“GSA”). The VTB loan is also secured by a GSA (including unlimited guarantees from Sundeep/Dean) but is subordinated to BMO’s security.

- Additionally, there is a cross-default clause between the BMO and VTB loan, a default under one loan triggers a default under the other.

If there is a default on the BMO Credit Facilities and/or a payment to Foundation would cause a default on the Credit Facilities, then payments to Foundation are deferred until the defaults are remedied.

Foundation has been requesting payment of the August amounts due and/or an update on a payment plan regarding the same. Irrespective of when these amounts are paid, there are significant payments due over the next two (2) years (which will increase with an extra 5% default interest rate) on underperforming assets.



SECTION C: INVENTORY ANALYSIS

BDO’s on-site work was limited to three (3) days beginning on September 16, 2024, through to September 18, 2024 (the “Fieldwork”). On or around the beginning of our Fieldwork, BDO understands the Company was in the process of paying off vehicles that were previously sold in violation (“SIV(s)”) units due to the accounting staff being away.

Management provided vehicle inventory listing as of September 16, 2024 (the “Company Inventory Listing”) indicated a total of 515 vehicles combined for the two (2) dealerships:

- 367 vehicles in inventory at North Van Dodge; and
- 148 vehicles at Drayton Valley Dodge.

BDO also inquired with BMO prior to the beginning of the Fieldwork to receive a copy of the Company’s floor line of financed vehicles as of September 13th, 2024 (the “Sept 13 Floor Line”), which indicated a total of 474 financed vehicles combined for the two (2) dealerships:

- 321 vehicles at North Van Dodge; and
- 153 vehicles at Drayton Valley Dodge.

BDO’s comparison of data noted above identified 29 additional vehicles that were still financed on the Sept 13 Floor Line but did not appear on the Company Inventory Listing, as follows:

- 10 vehicles which were still on the Sept 13 Floor Line but did not appear on the North Van Inventory Listing (“North Van Extra Vehicles”); and
- 19 vehicles which were still on the Sept 13 Floor Line but did not appear on the Drayton Valley Inventory Listing (“Drayton Valley Extra Vehicles”, and together with North Van Extra Vehicles, “Extra Financed Vehicles”).

For purposes of our analysis, the Extra Financed Vehicles are included as part of the Company’s total vehicle population examined (the “Company Vehicle Population”). As such the Company Vehicle Population represents the following:

	North Vancouver Dodge	Drayton Valley Dodge	Total
Company Inventory Listing	367	148	515
Plus: Extra Financed Vehicles	10	19	29
Company Vehicle Population	377	167	544

The Company Inventory Listing shows, among other things, vehicle information such as make, model, year, and purchase price/cost. BDO used the Company Vehicle Population/Sept 13 Floor Line and created the below summary extract:

Company Vehicle Population Summary

As of September 13, 2024	North Vancouver Dodge			Drayton Valley Dodge			Total		
	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount
New - Financed	245	17,467,427	17,805,521	113	9,001,497	8,708,117	358	26,468,924	26,513,638
New (Demo) - Financed	31	2,120,103	2,192,167	4	384,819	361,667	35	2,504,923	2,553,834
Used - Financed	45	1,974,291	1,803,999	36	1,891,045	1,583,864	81	3,865,337	3,387,863
New - Self-Funded	5	330,175	-	1	90,652	-	6	420,827	-
New (Demo) - Self-Funded	1	42,755	-	-	-	-	1	42,755	-
Used - Self-Funded	50	758,333	-	13	301,310	-	63	1,059,644	-
	377	22,693,086	21,801,687	167	11,669,324	10,653,648	544	34,362,409	32,455,335

Note: Extra Financed Vehicles assumed book cost is the same as the financed amount for purposes of this analysis.

AD



- BDO notes that the Company Vehicle Population has a total book value of ~\$34 million, of which BMO provided total financing of \$32.5 million (\$26.5 million for 358 new vehicles, \$2.6 million for 35 new (demo) vehicles, and \$3.4 million for 81 used vehicles).
- Self-funded vehicles refer to vehicles that are not financed according to Sept 13 Floor Line.

Based on Company Vehicle Population information, BDO carried out the below procedures as part of our Fieldwork.

Existence of Vehicles

To verify the existence of all vehicles, BDO conducted a full inventory count (the “Inventory Count”) of vehicles on the Premises. To ensure every vehicle was accounted for, BDO took photos of each vehicle and the Vehicle Identification Numbers (“VIN(s)”) and visually inspected new and demo/loaner vehicles for signs of exterior damage.

- BDO was able to account for every vehicle on the Company Vehicle Population (herein defined) listing.

Based on the Inventory Count, BDO notes the following:

Inventory Count Reconciliation

As of September 13, 2024	North Vancouver Dodge			Drayton Valley Dodge			Total		
	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount
Company Vehicle Population	377	22,693,086	21,801,687	167	11,669,324	10,653,648	544	34,362,409	32,455,335
Vehicles Counted	320	18,825,279	18,038,032	137	9,451,896	8,523,684	457	28,277,175	26,561,715
Variance	57	3,867,807	3,763,656	30	2,217,428	2,129,964	87	6,085,234	5,893,620
Variance Explanations:									
At Body Shop	(1)	(29,683)	(25,200)	-	-	-	(1)	(29,683)	(25,200)
Dealership Shuttle	(1)	(68,828)	(66,639)	-	-	-	(1)	(68,828)	(66,639)
Employee Demo	(6)	(401,888)	(426,179)	(2)	(146,264)	(116,673)	(8)	(548,153)	(542,852)
In Transit	(21)	(1,742,968)	(1,692,564)	(3)	(268,651)	(268,651)	(24)	(2,011,619)	(1,961,214)
Out on Loan	(11)	(572,732)	(598,540)	(1)	(82,784)	(58,000)	(12)	(655,516)	(656,540)
Owner Driven	(1)	(321,883)	(272,000)	(4)	(404,948)	(387,481)	(5)	(726,831)	(659,481)
Sale Pending	(2)	(36,559)	(65,598)	-	-	-	(2)	(36,559)	(65,598)
Sold	(14)	(693,266)	(616,935)	(20)	(1,314,780)	(1,299,160)	(34)	(2,008,046)	(1,916,096)
Unexplained Variance	-	-	-	-	-	-	-	-	-

Out of the 544 Company Vehicle Population, BDO counted 457 vehicles during the Inventory Count resulting in a variance of 87 vehicles which are explained as follows:

- **Sold Vehicles (34):** 12 of which were not yet removed from the Company Inventory Listing and should be adjusted out of inventory (discussed below);
- **Body Shop Vehicle (1):** a used vehicle worth \$29,683 (financed for \$25,200) at North Van Dodge was at third-party body shop;
- **Shuttle Vehicle (1):** a new (demo) vehicle worth \$68,828 (financed for \$66,639) was being used as shuttle vehicle during the Fieldwork. BDO was not able to take photos of this vehicle and verify the VINs;
- **Demo Vehicles (8):** new (demo) vehicles worth \$548,153 were employee driven demos. All 8 vehicles are financed for \$542,852;
 - 2 of these vehicles are incorrectly financed as new vehicles on the Sept 13 Floor Line for \$120,968 and should be subject to additional curtailments.
- **Vehicles In Transit (24):** new vehicles with book value of \$2,011,619 are still in transit, of which 22 were financed for \$1,961,214 per Sept 13 Floor Line. The 2 vehicles not yet financed were invoiced on Sept 16, 2024, and financed at that time;





- **Loaners (12):** vehicles with book value of \$655,516 were out as loaners, BDO examined the loaner agreements in absence of physical inspection. 11 of the 12 of the vehicles are financed for \$656,540;
 - 4 of these financed vehicles are incorrectly financed as new vehicles on the Sept 13 Floor Line for \$205,406 and should be subject to additional curtailments.
- **Family Vehicles (5):** vehicles with book value of \$726,831, including a 2022 Porsche 911 (the "Porsche"), are driven by the owners in Alberta (vehicle and registrations not viewed). All vehicles are financed for \$659,481; and
 - 2 of these vehicles are incorrectly financed as new vehicles on the Sept 13 Floor Line for \$187,805.
 - The Porsche was purchased for \$321,883 and is being driven by the owner in Alberta. The vehicle is financed by BMO for \$272,000.
- **Pending Auction Sales (2):** vehicles worth \$36,559 are pending sale and held at the auction lot, these vehicles are financed for \$65,598.

Sold Vehicle Analysis

As mentioned above, BDO noted 34 vehicles totaling \$2,008,046 in Company Vehicle Population were sold prior to Fieldwork (the "Sold Vehicles").

- Of the Sold Vehicles, 12 vehicles totaling \$361,599 remained on Company Inventory Listing waiting for deals to be sent by the operations team to the accounting department to be posted in the system.

Based on BDO's review of the BMO credit agreements dated June 5, 2023 (the "Credit Agreements"), BDO created the following matrix which outlines when the Floor Line facility financing of vehicles sold are due to be repaid.

	North Vancouver Dodge	Drayton Valley Dodge
New	Lesser of: - 10 business days from sale date - 5 business days after receiving payment	Lesser of: - 7 business days from sale date - 2 business days after receiving payment
New (Demo)	Lesser of: - 10 business days from sale date - 5 business days after receiving payment	Lesser of: - 10 business days from sale date - 5 business days after receiving payment
Used	Lesser of: - 10 business days from sale date - 5 business days after receiving payment	Lesser of: - 10 business days from sale date - 5 business days after receiving payment

For each Sold Vehicle, BDO performed the following procedures:

- Reviewed bill of sale documents to verify sale date and payment date for flagging financed units not repaid in time (sold in violation ("SIV") units);
- Compared sale price to cost to identify possible inventory valuation issues; and
- Reviewed payment receipt to corroborate the purchase price noted in bill of sale document.



Upon review of Sold Vehicles, BDO noted the following:

SIV Summary

As of September 13, 2024	North Vancouver Dodge			Drayton Valley Dodge			Total		
	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount
New - Financed	1	48,564	48,564	9	712,246	712,246	10	760,810	760,810
New (Demo) - Financed	-	-	-	-	-	-	-	-	-
Used - Financed	-	-	-	2	122,300	119,300	2	122,300	119,300
	1	48,564	48,564	11	834,546	831,546	12	883,110	880,110
As of September 19, 2024	-	-	-	1	93,450	86,000	1	93,450	86,000

- 12 vehicles on the Sept 13 Floor Line financed for \$880,110 were identified as SIV units; and
 - We note that the Company paid off these 11 units subsequent to BDO’s arrival resulting in increased Operating Line facilities borrowings.
 - 1 unit for \$86,000 still needs to be repaid as of September 19, 2024.
 - BDO understands that the Company has not had any SIVs highlighted through BMO’s floorplan audits since the beginning of 2024, and that these SIVs were due to the accounting staff being away on vacation.
- Through review of sale price to cost, BDO notes multiple vehicles were sold for less than the book value, which indicates possible inventory valuation issues.

Floor Plan Adherence

Prior to/during Fieldwork, BDO was made aware that the Company was re-chatteling vehicles that were previously paid off/fully curtailed to manage liquidity from July to September 2024 only on fully curtailed inventory. BDO conducted a historical review of the Floor Line facilities by vehicle VIN and identified a number of vehicles that had been re-chatteled by the Company (“**Re-chatteled Vehicles**”). Below is a summary of all current Re-chatteled Vehicles that is on the Sept 13 Floor Line:

Rechattel Vehicles Summary

As of September 13, 2024	North Vancouver Dodge			Drayton Valley Dodge			Total		
	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount
New - Financed	19	1,125,082	1,319,109	-	-	-	19	1,125,082	1,319,109
New (Demo) - Financed	10	770,718	801,427	-	-	-	10	770,718	801,427
Used - Financed	9	344,373	406,342	9	656,772	575,650	18	1,001,145	981,992
	38	2,240,173	2,526,878	9	656,772	575,650	47	2,896,945	3,102,528
As of September 19, 2024	37	2,240,173	2,493,680	9	656,772	575,650	46	2,896,945	3,069,330

In total, 47 vehicles, on the Sept 13 Floor Line, were Re-chatteled Vehicles and financed for \$3,102,528. The 47 vehicles include the following:

- Owner driven Porsche was originally chatteled for 320,695 in September 2023 as a used vehicle. The vehicle was curtailed for a number of months, then fully repaid in April 2024 and subsequently re-chatteled in that same month for \$320,000. The vehicle’s financed balance is currently \$272,000, the owner plans to buy out the vehicle in the near future; and
- One (1) vehicle was repaid as of September 19, 2024.

A repayment of \$3,408,351 is required to be made to bring the Floor Line facilities back in line with credit terms.

- See Appendix 1 for Management explanation and BDO response re: the same.



Inventory Reclass

The Company has approximately 29 vehicles misclassified between new, used, and demo/loaner categories, which has monetary implications due to varying interest rates and curtailment timelines. BDO noted the misclassified vehicles (net of those vehicles already captured in the re-chattel analysis above) and summarized them below:

Reclass Summary

As of September 13, 2024	North Van			Drayton Valley			Total		
	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount	# of Vehicles	Book Value	Financed Amount
New (Demo) Chatteled as New	8	421,543	490,399	3	252,344	266,417	11	673,887	756,815
New (Demo) Chatteled as Used	-	-	-	1	52,544	37,200	1	52,544	37,200
Used Chatteled as New (Demo)	-	-	-	1	83,401	89,879	1	83,401	89,879
Used Chatteled as New	-	-	-	1	64,789	55,043	1	64,789	55,043
	8	421,543	490,399	6	453,079	448,539	14	874,621	938,937

As shown above, 11 vehicles chattedled as new are actually being used as demos or loaners. This misclassification results in the vehicles not being curtailed right away, and also overfunded as GST is not funded for demo/loaners.

Per Management, Stellantis allows for demo/loaner fleets to be classified as such for no longer than 3 months or no more than 10,000 kilometers, after which it's brought back into new vehicle inventory by Management as per Stellantis guidelines.

- BDO notes that per the Credit Agreements, a new vehicle has to have less than 500 kilometers, and once vehicles are classified as a demo/loaner, the vehicle may not revert back to its original status under the new flooring facility.

Absent a detailed analysis regarding the timing of curtailments associated with the above identified vehicles we suggest that \$750,000 (500K for North Van Dodge and \$250K for Drayton Valley Dodge) be curtailed immediately to address inventory valuation issues (used vehicles being financed as new).

KEY CONSIDERATIONS

VTB Loan and Next Steps:

The Company's BMO facilities are currently in default, Management should determine whether the VTB lender requires formal notification of these defaults and assess the potential impact on VTB loan terms. Longer term, ownership should decide how to settle on this significant amount owed to Foundation given the current state of the assets purchased.

Inventory and Floor Line Facilities:

Re-chattedled vehicles be repaid out of the Floor Line facilities and carved out into their own facility with the respective aged/non-compliant vehicles as specific collateral. The Company should develop an inventory monetization plan for these aged vehicles to crystalize the loss on these vehicles (as then age value is only going down), improve liquidity (monetize inventory for ~\$2 million) and reduce inventory carrying costs.

- Floor Line limits should be reduced by the amount of vehicles chattedled on the new credit facility.

Floor Line Facilities Limits:

To avoid the Company exceeding its new vehicle Floor Line limit, Management/Bank should contemplate whether prior approval is required for adding additional chattels (prevent December 2023 from happening again). Gary has indicated that the OEM is under control and that no extra units will be allocated to the dealerships.

Inventory Valuation:



A comprehensive inventory valuation should be conducted as soon as possible (kms on vehicles and black book valuations) due to inventory misclassifications and re-chatteling of vehicles.

- All vehicles not subject to OEM buy back should be valued.

Liquidity Monitoring and Risk Management:

Given the Company's tight liquidity position, monitoring of sales and floorplan repayments should be increased to help avoid SIVs. Ownership should examine all possibilities to improve the Company's undercapitalized balance including selling one or both dealerships.

- Longer term, the Stellantis lease, which includes an first option to buy, should be examined to see if there is equity in the lease and/or equity value to redevelop the land.

Should you have any questions with respect to the above please contact the undersigned.

Yours,

A handwritten signature in black ink, appearing to read 'Clark Lonergan'. The signature is written in a cursive, flowing style.

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



Appendix 1

Management identified the following as potential reasons for the re-chatteling of vehicles:

1. **Re-traded in Unit:** Customer traded in a purchased vehicle within a year (“Re-Trade In”) as part of a new vehicle purchase and is now on the used Floor Line facility - this is examined later.
2. **Dealer Swap:** A dealer swap vehicle was returned and placed back on the new Floor Line facility - this is practice is questionable and likely should not be on the new Floor Line.
3. **Marketing Loaner:** A vehicle loaned to the Vancouver Canucks was placed back on the new Floor Line - this was a mistake and should be on the used Floor Line if at all.
4. **Re-curtailed Demo:** A fully curtailed vehicle was re-added to the Floor Lines - BDO does not agree with this practice.

Based on the above explanations, BDO reviewed all Re-Trade In vehicles on the used line, and noted that out of the 21 vehicles, only 3 vehicles are not rechatted within the same month of repayment. BDO will further inquire Management to corroborate regarding the 3 vehicles. BDO’s summary of repayment date vs. re-chattel date is shown below:

Dealer	VIN	Payoff Date	Rechattel Date
Drayton Valley	1C4SJVDP6PS503315	8/1/2024	8/9/2024
Drayton Valley	1C4SJVBP1PS522521	9/3/2024	9/11/2024
Drayton Valley	1C4RJYB6XP8908701	9/3/2024	9/6/2024
Drayton Valley	1FTFW1E86PFA92364	9/3/2024	9/11/2024
Drayton Valley	1C4RJYC69N8734941	8/1/2024	8/6/2024
Drayton Valley	2C3CDZKG9PH659219	12/28/2023	9/3/2024 Note 1
Drayton Valley	1GTU9DEL4LZ279356	9/6/2024	9/13/2024
Drayton Valley	3C63R3FL9PG599578	8/1/2024	8/9/2024
Drayton Valley	3C6RR7LG7PG599149	9/3/2024	9/6/2024
Drayton Valley	3C6RR7KG6PG599371	9/3/2024	9/6/2024
North Van	WP0AC2A93NS268671	4/1/2024	4/25/2024
North Van	1C6SRFFT3NN117771	5/23/2024	7/9/2024
North Van	1C4RJHDG2PC542140	8/1/2024	8/23/2024
North Van	1C4HJXEG5MW833097	9/3/2024	9/5/2024
North Van	1C4PJXAN5RW156687	11/28/2023	6/10/2024 Note 1
North Van	1C4RJHAG4PC647668	12/6/2023	7/16/2024 Note 1
North Van	KNDCC3LG5N5160187	7/16/2024	9/17/2024
North Van	3C4NJDAB8KT811934	7/1/2024	7/9/2024
North Van	3C6UR5JL8KG584053	5/1/2024	5/3/2024
North Van	3C6RR7KGXLG277133	4/1/2024	4/12/2024
North Van	NM0LS7W22L1481969	2/1/2024	3/5/2024

Note 1

BDO will inquire Management and obtain sales documents to corroborate these are indeed Re-Trade Ins.

This is Exhibit F to the Affidavit of
Joe Radhawa ^{Sandhu} sworn/affirmed before
me this 8 day of December, 2025.



A Commissioner for Oaths in and for
the Province of Alberta

CHARLOTTE PITTMAN
A Commissioner for Oaths and
a Notary Public in and for Alberta
being a Student-at-Law.

Joe Randhawa

From: Sachian Gounden
Sent: July 4, 2025 5:02 PM
To: Syed, Shehryar; jwreid@millerthomson.com
Cc: Joe Randhawa; dean@brixinvest.ca; Tejani, Ameen
Subject: Urgent Cash Extension

Hello Shehryar and James,

We've become aware that BMO is bouncing cheques as early as yesterday. The promised extension of overdraft for the additional funds hasn't been executed.

Without a reasonable overdraft level increase, our ability to continue operations will be severely impacted. Failure to meet payroll will clearly destroy business value.

The reduction in credit cards limits was also made without our knowledge. This pressure will force us to close down the stores and foreclose.

These actions will result in the closure of our stores and a material reduction in the value of our business.

Regards,

Sachian Gounden, CPA
Director, Dealership Accounting/ Treasury
COAST AUTO GROUP
1600 Marine Drive | North Vancouver, BC | V7P 1T9
Email: sgounden@coastauto.ca
Phone: (604) 980 8501 ext. 3124



Joe Randhawa

From: Sachian Gounden
Sent: July 2, 2025 12:22 PM
To: Syed, Shehryar
Cc: Joe Randhawa; Dean Parmar
Subject: Coast Auto BMO Mastercard limits

Hey Shehryar,

I've been notified that the corporate limit for our Mastercard has been reduced further from \$100k to \$50k and now is \$25k. Reducing our limit further to only \$25k is an issue as it's resulting in vendor payments not being processed due to unavailable credit.

You see, the BMO credit card payment schedule is set by the bank and is processed 3 weeks after month-end. For Example, if we spend \$25k on the corporate card in June, the outstanding balance is only paid and processed in the third week of July by the bank. This means that all transactions which occur from beginning July 1 – 20th are not processed, due to insufficient credit available.

In order to fix this, we will need to increase our limit so that we have enough available room to process the new month of transactions and until the prior months outstanding balance is paid. Can you please increase our limit back to \$50k at each store so that we can avoid having this issue moving forward.

Let me know if you have any further questions,

Thanks,

Sachian Gounden, CPA
Director, Dealership Accounting/ Treasury
COAST AUTO GROUP
1600 Marine Drive | North Vancouver, BC | V7P 1T9
Email: sgounden@coastauto.ca
Phone: (604) 980 8501 ext. 3124



CP

This is Exhibit G to the Affidavit of
Joe Radhawa sworn/affirmed before
me this 8 day of December, 2025.



A Commissioner for Oaths in and for
the Province of Alberta

CHARLOTTE PITTMAN
A Commissioner for Oaths and
a Notary Public in and for Alberta
being a Student-at-Law.

Joe Randhawa

From: Syed, Shehryar <Shehryar.Syed@bmo.com>
Sent: June 17, 2025 7:21 AM
To: Joe Randhawa
Cc: Sundeeep Cheema; dean@brixinvest.ca
Subject: RE: BMO/Coast Auto
Attachments: Second Amending and Extension Agreement BMO- Coast Auto Group

Thanks Joe. Our counsel Miller Thomson sent over to Dentons the attached forbearance agreement and consent for the bank's financial advisor.

Please let me know if you would like to discuss once you have had a chance to review.

Regards,
Shehryar

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Joe Randhawa <JRandhawa@coastauto.ca>
Sent: June 16, 2025 12:30 PM
To: Syed, Shehryar <Shehryar.Syed@bmo.com>
Cc: Sundeeep Cheema <sundeeep@brixinvest.ca>; dean@brixinvest.ca
Subject: Re: BMO/Coast Auto

We are finalizing with them this week.

Joe Randhawa
President

 **COAST AUTO**
C:780.263.2464
5241 Calgary Trail NW,
Edmonton, AB T6H 5G8
CoastAuto.ca

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From: Syed, Shehryar <Shehryar.Syed@bmo.com>
Sent: June 13, 2025 1:11 PM
To: Joe Randhawa <JRandhawa@coastauto.ca>
Cc: Sundeep Cheema <sundeep@brixinvest.ca>; dean@brixinvest.ca <dean@brixinvest.ca>
Subject: RE: BMO/Coast Auto

Thanks for the update, Joe. Is there going to be a formal engagement letter between Tim Lamb Group and Coast and what is the expected date of that being put in place?

Thanks

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Joe Randhawa <JRandhawa@coastauto.ca>
Sent: June 13, 2025 2:32 PM
To: Syed, Shehryar <Shehryar.Syed@bmo.com>
Cc: Sundeep Cheema <sundeep@brixinvest.ca>; dean@brixinvest.ca
Subject: Re: BMO/Coast Auto

Good morning Shehryar,

We had a good conversation with Gordie and are satisfied with moving forward with him. He has sent over a list of information he requires to get a market evaluation set up and we are working on putting that together for early next week.

Joe

Joe Randhawa
President

 **COAST AUTO**
C:780.263.2464
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From: Syed, Shehryar <Shehryar.Syed@bmo.com>
Sent: June 13, 2025 10:03 AM
To: Joe Randhawa <JRandhawa@coastauto.ca>
Cc: Sundeep Cheema <sundeep@brixinvest.ca>; dean@brixinvest.ca <dean@brixinvest.ca>
Subject: RE: BMO/Coast Auto

Joe,
Checking in to see how the meeting with Gordie went on Tuesday. Has the ownership group made a decision on engaging a sales advisor?

Thank you.
Shehryar

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Joe Randhawa <JRandhawa@coastauto.ca>
Sent: June 4, 2025 1:36 PM
To: Syed, Shehryar <Shehryar.Syed@bmo.com>
Subject: Re: BMO/Coast Auto

Let us meet with Gordie first - it all goes well we might just go with him

Joe Randhawa
President

CoastAuto.ca
[780.263.2464](tel:780.263.2464)

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On Jun 4, 2025, at 08:40, Syed, Shehryar <Shehryar.Syed@bmo.com> wrote:

Joe – unfortunately BDO is not available on Thursday and Friday. Is there a time that works for you Monday or Tuesday next week?



Thank you

Shehryar Syed

Director - National Accounts
Special Accounts Management Unit

BMO Financial Group

100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com

(647) 455-3695

From: Syed, Shehryar

Sent: June 3, 2025 6:23 PM

To: Joe Randhawa <JRandhawa@coastauto.ca>

Subject: RE: BMO/Coast Auto

OK, I'll try and book both calls for Thursday. Will check DSMA's and BDO's availability.

Shehryar Syed

Director - National Accounts
Special Accounts Management Unit

BMO Financial Group

100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com

(647) 455-3695

From: Joe Randhawa <JRandhawa@coastauto.ca>

Sent: June 3, 2025 4:35 PM

To: Syed, Shehryar <Shehryar.Syed@bmo.com>

Subject: Re: BMO/Coast Auto

Can you add him to Thursday?

The DSMA call is going to conflict with flights can we move that to this Thursday or Friday ? (Same time)

Joe Randhawa

President

CoastAuto.ca

[780.263.2464](tel:780.263.2464)

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On Jun 3, 2025, at 13:12, Syed, Shehryar <Shehryar.Syed@bmo.com> wrote:

Hi Joe,

I wanted to check if you are still OK to connect with Ryan Farkas at BDO. I realized I didn't actually circulate an invite for this afternoon. Is there another time slot that works this week?

Thanks

Shehryar Syed

Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Syed, Shehryar
Sent: June 2, 2025 12:01 PM
To: Joe Randhawa <JRandhawa@coastauto.ca>
Subject: RE: BMO/Coast Auto

Hi Joe,

Yes, Ryan is part of BDO's M&A team. He has transaction experience in various industries including automotive. Here is his profile: [Ryan Farkas | BDO Canada LLP](#)

Shehryar Syed

Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Joe Randhawa <JRandhawa@coastauto.ca>
Sent: June 2, 2025 11:31 AM
To: Syed, Shehryar <Shehryar.Syed@bmo.com>
Subject: Re: BMO/Coast Auto

Hi Shehryar,

Is Ryan part of a dealership buy/sell division inside BDO?

Dean and I wanted to confirm this isn't any consulting consideration

Thanks,
Joe

Joe Randhawa
President

CoastAuto.ca
780.263.2464

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On Jun 2, 2025, at 06:03, Syed, Shehryar <Shehryar.Syed@bmo.com> wrote:

Hi Joe, yes we can schedule a session with BDO on June 3rd. BDO has suggested 2pm MST. I will forward you an invite from Ryan Farkas.

Thanks,
Shehryar

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Joe Randhawa <JRandhawa@coastauto.ca>
Sent: May 30, 2025 1:56 PM
To: Syed, Shehryar <Shehryar.Syed@bmo.com>
Cc: Sundeep Cheema <sundeep@brixinvest.ca>; Dean Parmar <dean@brixinvest.ca>; Seager, Joshua <Joshua.Seager@bmo.com>
Subject: Re: BMO/Coast Auto

Can we add an additional meeting on the 3rd in the afternoon?

Joe Randhawa
President

CoastAuto.ca
780.263.2464

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On May 30, 2025, at 10:52, Syed, Shehryar <Shehryar.Syed@bmo.com> wrote:

Joe,

Is the Coast team available on Thursday June 5th for an intro to BDO's M&A team?

Thanks

Shehryar Syed

Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Syed, Shehryar

Sent: May 28, 2025 1:56 PM

To: Joe Randhawa <JRandhawa@coastauto.ca>

Cc: Sundeep Cheema <sundeep@brixinvest.ca>; Dean Parmar <dean@brixinvest.ca>; SEAGER, JOSHUA <JOSHUA.SEAGER@bmo.com>

Subject: RE: BMO/Coast Auto

Thanks. Please hold both the Tuesday & Wednesday time slots for now and I'll try and book 2 intros. Also please let me know a 3rd time slot.

Shehryar Syed

Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Joe Randhawa <JRandhawa@coastauto.ca>

Sent: May 28, 2025 1:05 PM

To: Syed, Shehryar <Shehryar.Syed@bmo.com>

Cc: Sundeep Cheema <sundeep@brixinvest.ca>; Dean Parmar <dean@brixinvest.ca>; SEAGER, JOSHUA

<JOSHUA.SEAGER@bmo.com>

Subject: Re: BMO/Coast Auto

Sounds good. No objections

Let's set up intros for next week to get the ball rolling - Dean and I can take the call on Tuesday or Wednesday starting 11am both days.

Thanks,

Joe

Joe Randhawa

President

CoastAuto.ca

780.263.2464

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On May 28, 2025, at 09:24, Syed, Shehryar <Shehryar.Syed@bmo.com> wrote:

Coast team,

Following up on my email below as I would like to get your consent before making introductions to the advisors below. Its important to keep the ball rolling.

Thanks

Shehryar

Shehryar Syed

Director - National Accounts

Special Accounts Management Unit

BMO Financial Group

100 King Street West, 19th Floor

Toronto, ON M5X 1A1

shehryar.syed@bmo.com

(647) 455-3695

From: Syed, Shehryar

Sent: May 26, 2025 5:53 PM

To: Sundeep Cheema <sundeep@brixinvest.ca>; Dean Parmar <dean@brixinvest.ca>; Joe Randhawa

<JRandhawa@coastauto.ca>

Cc: SEAGER, JOSHUA <JOSHUA.SEAGER@bmo.com>

Subject: BMO/Coast Auto

Sundeep, Dean and Joe,

Thanks for the call earlier today. As discussed, I have connected with 3 potential sale advisors and provided them a high level overview on a no-names basis.

Please let me know if you have any concerns with introductory calls with the names below. I can then coordinate availabilities for an initial call where they can walk you through their process, timelines, fees, etc. Also open to considering other names as Joe mentioned during the call.

John Raymond, DSMA

Gordie Gerbrandt, Tim Lamb Group

Ryan Farkas, BDO Corporate Finance

Thanks,
Shehryar

Shehryar Syed

Director - National Accounts
Special Accounts Management Unit

BMO Financial Group

100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com

(647) 455-3695

From: Joe Randhawa <JRandhawa@coastauto.ca>

Sent: May 26, 2025 11:12 AM

To: Syed, Shehryar <Shehryar.Syed@bmo.com>; Sundeep Cheema <sundeep@brixinvest.ca>

Cc: Dean Parmar <dean@brixinvest.ca>

Subject: Re: Update Call

Yes I be on the call for 11.

Thanks,
Joe

Joe Randhawa

President

Cc: SEAGER, JOSHUA <JOSHUA.SEAGER@bmo.com>

Subject: BMO/Coast Auto

Sundeep, Dean and Joe,

Thanks for the call earlier today. As discussed, I have connected with 3 potential sale advisors and provided them a high level overview on a no-names basis.

Please let me know if you have any concerns with introductory calls with the names below. I can then coordinate availabilities for an initial call where they can walk you through their process, timelines, fees, etc. Also open to considering other names as Joe mentioned during the call.

John Raymond, DSMA

Gordie Gerbrandt, Tim Lamb Group

Ryan Farkas, BDO Corporate Finance

Thanks,
Shehryar

Shehryar Syed

Director - National Accounts
Special Accounts Management Unit

BMO Financial Group

100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com

(647) 455-3695

From: Joe Randhawa <JRandhawa@coastauto.ca>

Sent: May 26, 2025 11:12 AM

To: Syed, Shehryar <Shehryar.Syed@bmo.com>; Sundeep Cheema <sundeep@brixinvest.ca>

Cc: Dean Parmar <dean@brixinvest.ca>

Subject: Re: Update Call

Yes I be on the call for 11.

Thanks,
Joe

Joe Randhawa

President





C:780.263.2464

5241 Calgary Trail NW,

Edmonton, AB T6H 5G8

CoastAuto.ca

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From: Syed, Shehryar <Shehryar.Syed@bmo.com>

Sent: May 26, 2025 8:54 AM

To: Sundeep Cheema <sundeep@brixinvest.ca>

Cc: Dean Parmar <dean@brixinvest.ca>; Joe Randhawa <JRandhawa@coastauto.ca>

Subject: RE: Update Call

Yes, 11am works for me. I received a Tentative from Joe, so please let me know if the timing still works on your end.

Thanks

Shehryar Syed

Director - National Accounts
Special Accounts Management Unit

BMO Financial Group

100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com

(647) 455-3695

From: Sundeep Cheema <sundeep@brixinvest.ca>

Sent: May 26, 2025 10:52 AM

To: Syed, Shehryar <Shehryar.Syed@bmo.com>

Cc: Dean Parmar <dean@brixinvest.ca>; Joe Randhawa <jrandhawa@coastauto.ca>

Subject: Re: Update Call

Hi Shehryar,

I noticed the calendar invite has our call scheduled for 11 am. Can you please confirm if this time still works for you?

Thanks,
Sundeep

On Thu, May 22, 2025, 3:14 p.m. Syed, Shehryar <Shehryar.Syed@bmo.com> wrote:

Hi Sundeep,

Thanks for the update. I can reschedule our call to Monday. Does 10am MST work?

Thanks,
Shehryar

Shehryar Syed

Director - National Accounts
Special Accounts Management Unit

BMO Financial Group

100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com

(647) 455-3695

CP



Sundeep Cheema
t: +1 (780) 907-8281

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Edmonton, Alberta, T6H 5G8
www.brixinvest.ca | sundeep@brixinvest.ca

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From: Sundeep Cheema <sundeep@brixinvest.ca>
Sent: May 22, 2025 4:31 PM
To: Syed, Shehryar <Shehryar.Syed@bmo.com>
Cc: Dean Parmar <dean@brixinvest.ca>; Joe Randhawa <jrandhawa@coastauto.ca>
Subject: Re: Update Call

Hi Shehryar,

Just wanted to let you know that our conversation with Joe went well, and he is on board.

Unfortunately, we won't be available for a call until Monday.

Thanks,
Sundeep

On Thu, May 22, 2025, 1:58 p.m. Syed, Shehryar <Shehryar.Syed@bmo.com> wrote:

Hi Sundeep,
I didn't hear back from you, but I have sent an invite for 10am your time tomorrow. Hope that works.

Thanks,
Shehryar

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
[100 King Street West, 19th Floor](https://www.bmo.com)
[Toronto, ON M5X 1A1](https://www.bmo.com)

shehryar.syed@bmo.com
(647) 455-3695

A handwritten signature in black ink, appearing to be "CAP".

Sundeep Cheema

t: +1 (780) 907-8281

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Suite 400, [5241 Calgary Trail NW](#)

[Edmonton, Alberta, T6H 5G8](#)

www.brixinvest.ca | sundeep@brixinvest.ca

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From: Sundeep Cheema <sundeep@brixinvest.ca>

Sent: May 21, 2025 7:53 PM

To: Syed, Shehryar <Shehryar.Syed@bmo.com>

Cc: Dean Parmar <dean@brixinvest.ca>

Subject: Re: Update Call

Hi Shehryar,

I'll be speaking with Joe tomorrow morning. Would you be available for a call with Joe, Dean, and myself on Friday?

Thanks,
Sundeep

On Wed, May 21, 2025, 1:03 p.m. Syed, Shehryar <Shehryar.Syed@bmo.com> wrote:

Hi Sundeep,

Just touching base to see if you have had any further discussions with Joe regarding our conversation last Friday about launching a sale process for the dealerships.

I am in the process of figuring out sales advisors to run the process for Coast, but I wanted to confirm that you/Dean & Joe are onside before I progress those conversations.

Thanks,
Shehryar

Shehryar Syed

Director - National Accounts

Special Accounts Management Unit

BMO Financial Group

[100 King Street West, 19th Floor](#)

[Toronto, ON M5X 1A1](#)

shehryar.syed@bmo.com

(647) 455-3695



Sundeep Cheema

t: +1 (780) 907-8281

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From: Sundeep Cheema <sundeep@brixinvest.ca>
Sent: May 15, 2025 11:34 AM
To: Syed, Shehryar <Shehryar.Syed@bmo.com>
Cc: Dean Parmar <dean@brixinvest.ca>; SEAGER, JOSHUA <JOSHUA.SEAGER@bmo.com>
Subject: Update Call

External Email: Use caution with links and attachments. | **Courriel externe :** Faites preuve de prudence en ce qui a trait aux liens et aux pièces jointes.

Hi Shehryar,

Could we please reschedule our call to tomorrow morning? Dean and I are currently reviewing the options you outlined during our last conversation. We'll be ready to share our decision with you then.

Thanks,
Sundeep

Sundeep Cheema

t: +1 (780) 907-8281

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Edmonton, Alberta, T6H 5G8
www.brixinvest.ca | sundeep@brixinvest.ca

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Joe Randhawa

From: gordie timlambgroup.com <gordie@timlambgroup.com>
Sent: June 20, 2025 4:23 PM
To: Joe Randhawa
Cc: Dean Parmar
Subject: Re: Valuation Items & Sellers Agreement

All is well Joe, I can access them without issue.

Gordie Gerbrandt
VP- Western USA & Canada
Commercial Real Estate Agent



West- Call/Text 780.953.5000
East- Call Only 647.951.1484

On Jun 20, 2025, at 12:10 PM, Joe Randhawa <JRandhawa@coastauto.ca> wrote:

Hi Gordie,

I have a folder full of data for your review to determine a good value for the businesses. Compressed files attached. --> If you cant get them this way feel free to send me a share point link and I will upload them for you.

List of items:

- **Attached in the link:**
 - Last 5 year-end internal financial statements (20-2024)
 - Last 5 years accountant prepared statements if significantly different from Operating statements (outside of shareholder dividends)
 - Current YTD operating statement (May 25)
 - Most recent appraisal or estimated value of the current stores Real Estate?
 - Sq footage of facility and how much land is it situated on?
 - For the lower mainland store, can you please provide the current lease terms or actual leases for the dealership as well as the satellite location
-
- **Responded below**
 - Are there any environmental issues? No

- Are there any re-imaging requirements (eg. charging station), what is the approximate cost? Not formally something FCA is asking for at the moment.
- Provide an estimate of annual non-operational related expenses (boats, personal vehicles, season tickets etc.)- The expenses are over stated in the following areas:
 - Floorplan interest is at prime +250BPs which is high for both new and used
 - Over draft interest is also high
 - We have interest as part of the VTB which is showing in other fixed expenses
 - **Nearly \$150k per month that is above standard rates.**
 - **In other expenses we charge a monthly management fee to both stores \$18k north van and \$15k drayton to normalize out**
- Are there any non-operational people on the company payroll other than shareholders? if so, can you specify who and how much they are compensated annually for the last 5 years on the operating statement - **No**
- What amount of government support was received in 2020/2021? Was it credited on your internal operating statements and if so, which line is it posted to? **This was before we purchased.**
- Provide salaries that any shareholders have received over the last 5 years expensed on the operating statement. **zero part of the management fee mentioned above (\$18k+15K)**
- Current DMS System? **PBS**
- How many hoists in the shop/how many dry/wet detail bays? **On Stats page for both stores**
- Do you have a re-insurance/offshore policy? If so, what is the annual income per year and is it posted to your internal statement? - **Yes, but volume was not high enough for a payout**
- Would you say the current GM would stay at your lower mainland location (I assume Lance is at DV?)? **Lance is at the DV store, I would not stop him if he wants to stay BUT I would prefer to keep him and move him to Edmonton.**

Awaiting information

- What is your annual new vehicle planning volume for each store?

Thanks,
Joe

Joe Randhawa
President

<Outlook-b25uo13p.png>
C:780.263.2464
5241 Calgary Trail NW,
Edmonton, AB T6H 5G8
CoastAuto.ca

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From: gordie timlambgroup.com <gordie@timlambgroup.com>
Sent: June 13, 2025 1:21 PM

To: dean@brixinvest.ca <dean@brixinvest.ca>; Joe Randhawa <JRandhawa@coastauto.ca>

Subject: Re: Valuation Items & Sellers Agreement

Good Afternoon Gentlemen,

Just thought I would circle back to you to confirm you received the below/previously attached.

Again, if you have any further questions please dont hesitate to call text or email.

Have a great weekend!

Gordie Gerbrandt
VP- Western USA & Canada
Commercial Real Estate Agent

<attachment.png>
West- Call/Text 780.953.5000
East- Call Only 647.951.1484

On Jun 11, 2025, at 11:55 AM, gordie [timlambgroup.com](mailto:gordie@timlambgroup.com) <gordie@timlambgroup.com> wrote:

Dean & Joe,

Thanks again for your time yesterday and nice to meet you both.

Below is a list of items I would require for the valuation. As mentioned, once you get me the answers/items, it will take me a couple days to complete and I can get you a pretty clear picture of how much the market will pay with respect to good-will/blue-sky as well can be used to form the fee structure. I would require the below for each store.

For the attached Sellers agreement, we do charge a fee on real estate but given that the lower mainland store is current under a head lease, there would be no fee payable on that is there would likely be no monetary benefit for you.

- Last 5 year-end internal financial statements (20-2024)
- Last 5 years accountant prepared statements if significantly different from Operating statements (outside of shareholder dividends)
- Current YTD operating statement (May 25)
- Most recent appraisal or estimated value of the current stores Real Estate?
- Sq footage of facility and how much land is it situated on?
- Are there any environmental issues?
- Are there any re-imaging requirements (eg. charging station), what is the approximate cost?
- For the lower mainland store, can you please provide the current lease terms or actual leases for the dealership as well as the satellite location
- Provide an estimate of annual non-operational related expenses (boats, personal vehicles, season tickets etc.)-
- Are there any non-operational people on the company payroll other than shareholders? if so, can you specify who and how much they are compensated annually for the last 5 years on the operating statement.
- What is your annual new vehicle planning volume for each store?
- What amount of government support was received in 2020/2021? Was it credited on your internal operating statements and if so, which line is it posted to?
- Provide salaries that any shareholders have received over the last 5 years expensed on the operating statement.
- Do you have a re-insurance/offshore policy? If so, what is the annual income per year and is it posted to your internal statement?
- Current DMS System?
- How many hoists in the shop/how many dry/wet detail bays?
- Would you say the current GM would stay at your lower mainland location (I assume Lance is at DV)?

Gordie Gerbrandt
VP- Western USA & Canada
Commercial Real Estate Agent

<attachment.png>

West- Call/Text 780.953.5000
East- Call Only 647.951.1484

<sellers agreement Coast.doc>

<DV.zip><NV.zip>

GP

This is Exhibit H to the Affidavit of
Joe ~~Radhawa~~ ^{Ran Ghawa} sworn/affirmed before
me this 8 day of December, 2025.



A Commissioner for Oaths in and for
the Province of Alberta

CHARLOTTE PITTMAN

A Commissioner for Oaths and
a Notary Public in and for Alberta
being a Student-at-Law.

Joe Randhawa

From: Syed, Shehryar <Shehryar.Syed@bmo.com>
Sent: October 2, 2024 9:56 AM
To: Dean; Sundeep Cheema
Cc: Joe Randhawa; Sachian Gounden; Clark Lonergan; Bowra, Chris; Yin, Heron; SEAGER, JOSHUA
Subject: RE: FW: BDO Initial Summary of Findings Memorandum
Attachments: BMO Personal Financial Statement Form.pdf
Importance: High

Dean & team,

Thank you for the call yesterday. As a follow up to our discussion, please see a list of requirements below. As discussed, we will schedule a separate discussion with Dean and Sundeep on the timing of the equity injection, so **please let me know your availability.**

- 1) **Statements of Net Worth** - Updated statements of net worth required for Dean and Sundeep on the Bank's standard form (please see attached).
- 2) **Equity Injection** - ~\$12 million injection required immediately (noting slow season is starting and cash burn will increase)
 - i. Operating lines to be fully repaid, currently \$5.8 million plus \$2.2 million = \$8 million (then the Company will have \$2 million (\$1 million on each facility) in available credit which can be used to fund operating losses, curtailments, etc.)
 - ii. An additional \$4 million is required to recapitalize the balance sheet (operating losses, inventory valuation issues, reclassification curtailments, etc.)
- b. Timing of amounts to be provided by Dean and Sundeep
- c. Porsche to be bought out by the respective owner
- d. Additional collateral to be required by the Bank to give the Company time to turnaround its operations
- e. BMO to set up call with just owners for the end of this week
- 3) **Estimated Security Position ("ESP")** - BMO has requested BDO to increase its current scope to complete the ESP with regards to the Bank's facilities currently extended to the Company
 - a. Company acknowledged on the call that BDO is to complete this ask for the Bank
 - b. Valuation of vehicles being completed by the Company which will be required for the ESP
 - c. Require appraisal of the Drayton Valley real property
- 4) **Inventory Monetization Plan** – to be developed for re-chattelred and reclassified vehicles
 - a. Re-classified vehicles – use valuation above to adjust financing on the line and/or BDO to assess the appropriate curtailments necessary
 - b. Loaner/Demo/Family vehicle levels to be assessed/monetized given the significant number of them
- 5) **Prior Approval** – Company to assess its ability to control Stellantis shipments of new vehicles and may request that the Bank initiate prior approval notices with Stellantis to minimize new vehicle shipments/allocations. Note: Stellantis is actually pre-billing on its vehicle production (vehicles hitting Floor Lines early and OEM giving interest credit per vehicle to assist with that practice.
- 6) **Foundation** – no payments are to be made to Foundation while the Company is in default of its credit agreements with the Bank
 - a. Ownership to detail how Foundation will be dealt with as default interest of 5% will/has kicked in
 - b. Ownership acknowledged that no funds are to be paid to Foundation while the BMO facilities are in default
- 7) **Items to Consider**
 - a. Interest pricing and fees TBD

CP

- b. New aged inventory facility – and associated monetization plan with required payment milestones
 - c. Equity amounts & milestones
 - d. Additional collateral to be provided
 - e. Joe’s remuneration to be paid out of ownership companies vs. borrowers
 - i. Company to provide Joe resignation letter
 - f. Bank to change repayment terms of all facilities for both dealerships to the lesser of:
 - i. within 7 business from delivery of vehicle; or
 - ii. within 2 business days from receipt of payment
- 8) **BDO Monitoring Requirements** – given the significant over-draft balances, significant monitoring in required to start immediately

Weekly Reporting. The Companies shall provide BDO with the following information (for the prior weekly reporting period) which shall be received on Wednesday, commencing and continuing on a weekly basis thereafter until sufficient equity is injected:

- a. a summary of the receipts and disbursements (bank statements to be included), including a list of any material vendor payment over \$10,000;
- b. a list of the motor vehicle sales, bill of sales and cash receipts;
- c. a list of the motor vehicle purchases, bill of sales and cash payment receipts; and
- d. details of any transactions / payments completed to related parties.

Thanks,
Shehryar

Shehryar Syed
Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
(647) 455-3695

From: Sundeep Cheema <sundeep@brixinvest.ca>
Sent: Wednesday, September 25, 2024 2:38 PM
To: Syed, Shehryar <Shehryar.Syed@bmo.com>
Cc: Dean <dean@simplexinvestment.com>; Joe Randhawa <JRandhawa@coastauto.ca>; Sachian Gounden <SGounden@coastauto.ca>; SEAGER, JOSHUA <JOSHUA.SEAGER@bmo.com>; Clark Lonergan <clonergan@bdo.ca>; Bowra, Chris <cbowra@bdo.ca>; Yin, Heron <hyin@bdo.ca>
Subject: Re: FW: BDO Initial Summary of Findings Memorandum

Hi Shehryar,

October 1st 12pm MST works for us?

On Wed, Sep 25, 2024, 12:30 p.m. Syed, Shehryar <Shehryar.Syed@bmo.com> wrote:

Sundeep, Dean Joe, and Sachian,

We have reviewed BDO’s findings and I wanted to schedule a time to discuss. Please let me know the Coast team’s availability for a call.



Regards,

Shehryar

Shehryar Syed

Director - National Accounts
Special Accounts Management Unit

BMO Financial Group
100 King Street West, 19th Floor
Toronto, ON M5X 1A1

shehryar.syed@bmo.com
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Sundeep Cheema

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From: Yin, Heron <hyin@bdo.ca>

Sent: Monday, September 23, 2024 6:57 PM

To: sundeep@brixinvest.ca; dean@simplexinvestment.com; SEAGER, JOSHUA <JOSHUA.SEAGER@bmo.com>; Syed, Shehryar <Shehryar.Syed@bmo.com>

Cc: Joe Randhawa <jrandhawa@coastauto.ca>; Sachian Gounden <SGounden@coastauto.ca>; Lonergan, Clark <clonergan@bdo.ca>; Bowra, Chris <cbowra@bdo.ca>

Subject: BDO Initial Summary of Findings Memorandum

External Email: Use caution with links and attachments. | **Courriel externe :** Faites preuve de prudence en ce qui a trait aux liens et aux pièces jointes.

Sent on behalf of Clark:

Hey folks,

please find attach our preliminary summary of findings memorandum for you review and consideration.

A handwritten signature in blue ink, appearing to be the initials "CP".

We have reviewed this Memorandum with Management, and we are happy to answer any questions, comment, or concerns that you may have at your convenience.

Kind regards

Clark

Heron Yin, CPA

Senior Associate, *Business Restructuring & Turnaround Services*

Financial Advisory Services


Direct: 647 798 9849

hyin@bdo.ca

20 Wellington Street East, Suite 500

Toronto, Ontario, Canada M5E 1C5

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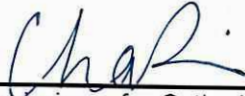
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This is Exhibit 1 to the Affidavit of
Joe Radhawa, sworn/affirmed before
me this 8 day of December, 2025.



A Commissioner for Oaths in and for
the Province of Alberta

CHARLOTTE PITTMAN

A Commissioner for Oaths and
a Notary Public in and for Alberta
being a Student-at-Law.

Joe Randhawa

From: gordie timlambgroup.com <gordie@timlambgroup.com>
Sent: July 4, 2025 11:21 AM
To: Joe Randhawa; Dean Parmar
Subject: Fwd: Summary of Discussion and Proposed Next Steps – CCAA Considerations & Transaction Process

FYI,

Please see my responses to BMO and their counsels request set yesterday.

Gordie Gerbrandt
VP- Western USA & Canada
Commercial Real Estate Agent



West- Call/Text 780.953.5000
East- Call Only 647.951.1484

Begin forwarded message:

From: Gordie G <gordie@timlambgroup.com>
Subject: Summary of Discussion and Proposed Next Steps – CCAA Considerations & Transaction Process
Date: July 3, 2025 at 1:50:19 PM MDT
To: "Reid, James" <jwreid@millerthomson.com>
Cc: Shehryar Syed <shehryar.syed@bmo.com>

Gentlemen,

Thank you again for your time today. As discussed, I've summarized our key points and outlined the potential impacts, risks, and recommended approach in the event the CCAA process proceeds.

CCAA – Potential Impacts and Considerations

Upon further review, my primary concerns are as follows:

- **Valuation Impact:** Given the public and court-supervised nature of a CCAA proceeding, it is likely that the stores would attract offers below market value. To date, during the forbearance

CP

discussions, we've successfully positioned the businesses as distressed but not insolvent, which has preserved Good-Will and Flag values at current market levels. A formal insolvency process may undermine this positioning.

- **Lease Risk** – Coast North Vancouver: Based on my review of prior case studies, there may be a risk associated with the lease at Coast North Vancouver. My understanding is that the landlord is FCA Canada (Stellantis) and that the lease is nearing expiry. While the CCAA process may allow the court to disclaim portions of franchise agreements to facilitate a transaction (including bypassing OEM approval), there remains some risk that the landlord may not approve a new tenant, particularly under court-directed terms. While the probability is low, it's worth noting.
- **Buyer Concerns:** The uncertainty surrounding CCAA proceedings—including the duration of the process, assumed liabilities (employee obligations, creditor claims, etc.), and court approval timelines—will likely deter some buyers and depress Good-Will values further.

Proposed Solutions (Assuming CCAA Proceeding)

1. **Clarity on Buyer Obligations:** It will be critical to clearly outline which liabilities, if any, will be assumed by the buyer. I would anticipate that both the court and lenders would be receptive to an asset sale structure, which simplifies the assumption of obligations.
2. **Stalking Horse Bid:** Given that I already have several interested parties for North Vancouver and a recent LOI on Drayton Valley, we should consider securing a stalking horse bid to establish a Good-Will floor prior to initiating a formal Sale and Investment Solicitation Process (SISP). Alternatively, we can assign a minimum bid threshold to guide incoming offers.

Time Lines- Sale and Investment Solicitation Process (SISP)

Milestone	Date
Execution of Tim Lamb Group Engagement/Exclusivity Agreement	July 2, 2025
Completion of Presentation Packages	July 21, 2025 (Financials are finalized; awaiting photos July 14–15)
Teaser Sent to Priority Buyers (~50 per store)	July 21, 2025
Go to General Market	July 22, 2025 (Access to 1,400 franchised dealers in Canada, 3,000+ LinkedIn contacts, 300+ non-franchise buyers)
Expression of Interest (EOI) Deadline	August 29, 2025
Court/Bank Review of EOI & Invitation for LOIs	September 12, 2025
Letter of Intent (LOI) Submission Deadline	September 19, 2025 (10% deposit or \$100,000, whichever is greater – non-refundable except for OEM rejection. 7–14 day due diligence)
Winning Bidder Selected & Due Diligence Begins	September 26, 2025
APA Signed & OEM Notified	October 10, 2025
OEM Approval Period	60–90 days (Stellantis currently averaging 120 days, though these may be prioritized given the situation)
Projected Closing	Between January 31 and February 28, 2026

Accelerated Option

As mentioned, I've already reached out to several interested parties regarding Coast North Vancouver and may be in a position to present Letters of Intent as early as next Friday. If the vendors and lender are aligned, we could potentially close a transaction by November 1, 2025.

For Drayton Valley, a recent LOI was received, and I believe I can re-engage that buyer, along with additional interested parties, to match the same timeline.

Tim Lamb Group Consulting Fee

The calculation of our fee is as follows for each store;

Drayton Valley

4% of Good-Will/Blue Sky received

4% of Fixed Assets at Net Book Value

3% of The Real Estate if Sold or 3% of the lease payments received by the vendor (paid annually).

North Vancouver

4% of Good-Will/Blue Sky received

4% of Fixed Assets at Net Book Value

Nothing is paid on the real estate as it is currently leased.

Brief Bio- Gordie Gerbrandt

With over 25 years of experience in the Canadian automotive retail industry, I bring a deep operational and transactional background to every engagement. My career spans ownership and leadership roles across a diverse portfolio of franchised dealerships, including Mercedes-Benz, General Motors, Kia, Volkswagen, and a sub-prime lending institution. I also spent over a decade in the Chrysler/Stellantis network, serving as Dealer Principal at Southtown Chrysler in Edmonton.

Since divesting from my automotive holdings in 2018, I've been exclusively focused on M&A with the Tim Lamb Group, the largest automotive buy/sell advisory firm in North America (www.timlambgroup.com). I've personally led over 80 successful dealership transactions across Canada, leveraging my operator insight, OEM relationships, and market intelligence to deliver exceptional outcomes for both buyers and sellers.

I'm based in Edmonton and maintain strong relationships with dealer groups in and around Drayton Valley, where my family resides. In Metro Vancouver, I've very recently represented the successful sale of Kia West in Coquitlam—the largest Kia transaction in Canadian history—and Freeway Mazda in Surrey, in addition to many other transactions across the province of British Columbia.

If you have any further questions or wish to discuss any of the above points in more detail, I would be more than happy to jump on a call or Zoom with you at your convenience.

Gordie Gerbrandt
VP- Western USA & Canada
Commercial Real Estate Agent



West- Call/Text 780.953.5000
East- Call Only 647.951.1484

On Jul 3, 2025, at 10:58 AM, Reid, James <jwreid@millertomson.com> wrote:

Hi Gordie. Shehryar and I left you a voice message.

Call me on my direct line below when you get a chance.

Sincerely,

JAMES W. REID
Partner

MILLER THOMSON LLP
525-8th Avenue S.W., 43rd Floor
Eighth Avenue Place East
Calgary, Alberta | T2P 1G1
T +1 403.298.2418
C +1 403.669.1930
jwreid@millertomson.com

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From: Reid, James <jwreid@millertomson.com>
Sent: Thursday, July 3, 2025 9:29 AM
To: gordie timlambgroup.com <gordie@timlambgroup.com>
Cc: Joe Randhawa <JRandhawa@coastauto.ca>; Dean Parmar <dean@brixinvest.ca>; Shehryar Syed <shehryar.syed@bmo.com>
Subject: RE: Amended agreement

Hi Gordie,

Shehryar and I will call you at 1030 MT (1230 ET).

Sincerely,

JAMES W. REID

Partner

MILLER THOMSON LLP

525-8th Avenue S.W., 43rd Floor

Eighth Avenue Place East

Calgary, Alberta | T2P 1G1

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From: gordie [timlambgroup.com](mailto:gordie@timlambgroup.com) <gordie@timlambgroup.com>

Sent: Wednesday, July 2, 2025 6:01 PM

To: Reid, James <jwreid@millertomson.com>

Cc: Joe Randhawa <JRandhawa@coastauto.ca>; Dean Parmar <dean@brixinvest.ca>; Shehryar Syed <shehryar.syed@bmo.com>

Subject: Re: Amended agreement

Hi James.

Sorry for the delay. I'm available anytime after 9am MST...let me know what works for you both?

Gordie Gerbrandt

VP North America

Tim Lamb Group

780.953.5000

On Jul 2, 2025, at 1:58 PM, Reid, James <jwreid@millertomson.com> wrote:

Thanks Joe,

Gordie, can you please advise times tomorrow morning that you are available to meet with Shehryar and I.

Sincerely,

JAMES W. REID

Partner

MILLER THOMSON LLP

525-8th Avenue S.W., 43rd Floor

Eighth Avenue Place East

Calgary, Alberta | T2P 1G1

CP

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jwreid@millerthomson.com

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From: Joe Randhawa <JRandhawa@coastauto.ca>
Sent: Wednesday, July 2, 2025 1:31 PM
To: Reid, James <jwreid@millerthomson.com>
Cc: gordie timlambgroup.com <gordie@timlambgroup.com>; Dean Parmar <dean@brixinvest.ca>; Syed, Shehryar <shehryar.syed@bmo.com>
Subject: [**EXT**] Fw: Amended agreement

Hi James,

Meet Gordie - he is our agent/broker on the sale of the Coast North Vancouver and Coast Drayton Valley dealerships.

Gordie can you attach a copy of the signed agreement, James will be looking to connect with you this week to chat about the sale process.

Thanks,

Joe

Joe Randhawa
President

<[image001.jpg](#)>
C:780.263.2464
5241 Calgary Trail NW,
Edmonton, AB T6H 5G8
CoastAuto.ca

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From: gordie timlambgroup.com <gordie@timlambgroup.com>
Sent: June 16, 2025 4:44 PM
To: Joe Randhawa <JRandhawa@coastauto.ca>; dean@brixinvest.ca <dean@brixinvest.ca>
Subject: Amended agreement

Gentlemen,

Please see the attached and amended per Joe's email earlier. If required, I can convert this to a e-sign document just let me know?

<image002.png>

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

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

CROSS-APPLICANTS COAST AUTOMOTIVE GROUP INC, COAST NORTH
VANCOUVER AUTO SALES INC., COAST AUTO
DRAYTON INC., 2461765 ALBERTA LTD., SUNDEEP
CHEEMA, DEEPAK PARMAR, HARJOT RANDHAWA, and
DEERFOOT ATRIA PARTNERS LTD.

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Blue Rock Law LLP
700, 215 9th Ave SW
Calgary, AB T2P 1K3

Attention: David W. Mann, KC and Scott Chimuk
T. 403.605.3992 / 587.390.7041
E. david.mann@bluerocklaw.com /
scott.chimuk@bluerocklaw.com
File: 1747-00001

CERTIFICATE OF COMMISSIONER/NOTARY PUBLIC

I, Charlotte Pittman, of the City of Calgary in the Province of Alberta, SWEAR AND SAY THAT:

1. The Deponent, Joe Randhawa, was not physically present before me, but was linked with me utilizing video technology on December 8, 2025. I, Charlotte Pittman, confirm that while connected via video technology, Joe Randhawa, had shown to me the front and back of his government-issued photo identity document and I am reasonably satisfied it is the same person and the document is valid and current. I confirm that I have reviewed each page of this Affidavit and any exhibits with Joe Randhawa and verify that the pages are identical. I am satisfied that the process was necessary because was impossible or unsafe, for medical reasons, for the deponent and the commissioner to be physically present together.



Commissioner for Oaths in and for the
Province of Alberta

CHARLOTTE PITTMAN
A Commissioner for Oaths and
a Notary Public in and for Alberta
being a Student-at-Law.