

COURT FILE NUMBER 2501 13057
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
MATTER IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT, RSC
1985, c C-36, as amended

AND IN THE MATTER OF A PLAN OF
COMPROMISE OR ARRANGEMENT OF
2345137 ALBERTA LTD., 2351497
ALBERTA LTD., 2497902 ALBERTA LTD.,
SUMMIT S AUTO LTD., SUMMIT V AUTO
LTD., MK AUTO K-M LTD., 2437342
ALBERTA LTD., 1972207 ALBERTA LTD.,
1175104 B.C. LTD., 1262113 B.C. LTD.,
AND 1272986 B.C. LTD., 2412170
ALBERTA LTD. AND 2416326 ALBERTA
LTD.

APPLICANT 1292709 ALBERTA LTD. o/a THE LOAN
STORE

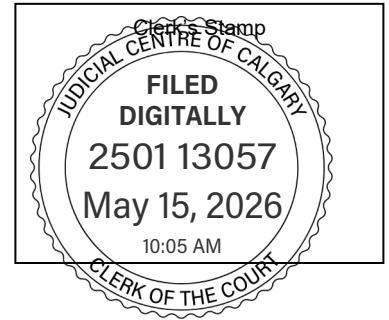
RESPONDENTS 2345137 ALBERTA LTD., 2351497
ALBERTA LTD., 2497902 ALBERTA LTD.,
SUMMIT S AUTO LTD., SUMMIT V AUTO
LTD., MK AUTO K-M LTD., 2437342
ALBERTA LTD., 1972207 ALBERTA LTD.,
1175104 B.C. LTD., 1262113 B.C. LTD.,
1272986 B.C. LTD., 2412170 ALBERTA
LTD. AND 2416326 ALBERTA LTD.

DOCUMENT **APPLICATION**

ADDRESS FOR
SERVICE AND
CONTACT
INFORMATION OF
PARTY FILING THIS
DOCUMENT

OGILVIE LLP
Barristers & Solicitors
2800 Stantec Tower
10220 103 Avenue NW
Edmonton, AB T5J 0K4

Attention: Susy Trace; Aaron Hymes; Andrew McDaniel
Phone: 780.421.1818
Fax: 780.429.4453
File No.: 73948.1
Email: strace@ogilvielaw.com/
ahymes@ogilvielaw.com/
AMcDaniel@ogilvielaw.com



NOTICE TO THE RESPONDENTS:

This application is made against you. You are a respondent. You have the right to state your side of this matter before the Presiding Justice.

To do so, you must be in Court when the application is heard as shown below:

Date: May 22, 2026

Time: 10:00 am

Where: Calgary Courts Centre, via WEBEX
(<https://albertacourts.webex.com/meet/virtual.courtroom60>)

Before Whom: The Honourable Justice C. Simard

Go to the end of this document to see what else you can do and when you must do it.

Remedy Claimed or Sought:

1. 1292709 Alberta Ltd. o/a The Loan Store ("**The Loan Store**") seeks an Order:
 - a. Granting legal counsel for The Loan Store the opportunity to conduct an examination under oath (the "**Examination**") of Mr. Lionel Robbins, representative of the Chief Restructuring Officer Full Circle Automotive Solutions Inc. (the "**CRO**"), and in his capacity as director and officer of 2412170 Alberta Ltd. and 2416326 Alberta Ltd. (the "**Westcastle GMC Entities**"), concerning the CRO's findings and assertions regarding The Loan Store, Mr. Robbins' role in the events of December 19, 2025 and the Westcastle Transaction (as hereinafter defined), the replacement of Mr. Koch, the alleged relationship between The Loan Store and 2279148 Alberta Ltd., and the transfer of vehicles to The Loan Store as part of the settlement arrangement.
 - b. Varying paragraph 8 of the January 9, 2026, Amended and Restated Order (the "**Westcastle ARIO**") to remove counsel to Bank of Montreal ("**BMO**") as a beneficiary of the Westcastle GMC Administration Charge and to direct that no fees or disbursements of BMO's counsel be paid from the Westcastle GMC Assets.
 - c. Such further and other relief as The Loan Store may request and this Honourable Court may grant.

Grounds for making this application:

Background and Relevant Facts

1. The Westcastle GMC Entities were not original CCAA debtors; they were added to these proceedings on January 7, 2026, on the Monitor's application.
2. The Loan Store advanced \$1,900,000 to the Westcastle GMC Entities under a loan agreement dated April 3, 2026. The advances were made in cash in several tranches

between April 3, 2023, and November 26, 2024, were personally collected by Mr. Koch, and were acknowledged in Borrower Acknowledgement of Funds and Running Balance Receipt documents.

3. The loan agreement grants The Loan Store security in real property formerly owned by one of the Westcastle Entities (the "**Westcastle Lands**"). The Loan Store registered a caveat against the Westcastle Lands and is a material secured creditor of the Westcastle GMC Entities; BMO is not a creditor of those entities.

The Westcastle Sale and The Loan Store Settlement

4. On September 22, 2025, the Westcastle GMC Entities entered into sale agreements to sell their assets to 4216326 Alberta Ltd. (the "**Westcastle Transaction**"). The agreements required shareholder approval, and the purchaser did not want certain vehicles located at the dealership premises.
5. To permit closing, The Loan Store, represented by counsel, agreed to discharge its caveat and release or compromise its claims against the Westcastle GMC Entities in exchange for: the transfer of 26 vehicles (the "**Vehicles**"); payment of \$500,000 from sale proceeds; and replacement security by way of a mortgage over Mr. Koch's personal lands (the "**Settlement**").
6. The Settlement was integral to closing of the Westcastle Transaction: it removed the title impediment created by The Loan Store's caveat, addressed vehicles the Purchaser did not want, and gave The Loan Store partial recovery on its secured claim.
7. The sale closed on December 19, 2025, for approximately \$9.184 million as the Westcastle Entities believed it had the consent of all of its secured creditors, including TD Bank (who has been paid in full).
8. The Loan store received the Vehicles, TD Bank received partial repayment, and the purchaser took operational control of the dealership, but the Loan Store did not receive the \$500,000 or the replacement security. This was due to TD Bank no longer supporting the Westcastle Transaction and the Monitor not providing its consent to the Westcastle Transaction although it had closed.
9. On December 19, 2025, the Monitor refused shareholder consent for the Westcastle Transactions, removed Mr. Koch as a director and officer of the Westcastle GMC Entities, and replaced him with Mr. Lionel Robbins of Full Circle Automotive Solutions Inc.
10. Between December 19, 2025 and January 7, 2026, neither the Monitor nor its counsel contacted The Loan Store or its counsel about the loan, the caveat, the Settlement, or the Vehicles, despite having The Loan Store's contact information or the means to obtain it.
11. During the same period, the Monitor and its counsel coordinated with TD Bank, BMO, and their respective counsel about vesting the Westcastle property in the purchaser, free and clear of the Loan Store's interests, and other relief. The Loan Store was excluded from

that process, although its caveat, Settlement, and entitlement to the Vehicles were directly implicated.

12. The Monitor then applied to bring the Westcastle GMC Entities into the CCAA proceedings and to approve the Westcastle Transaction without addressing The Loan Store's settlement in the materials and only providing the Loan Store with two days notice by email.

The Proposed Examination of Mr. Robbins

13. Mr. Robbins is the appropriate witness. He signed reports on behalf of the CRO that have been placed before the Court by the Monitor, including the CRO Report dated September 9, 2025, and the Second CRO Report dated January 4, 2026. He was also appointed as director and officer of the Westcastle GMC Entities on December 19, 2025, after the Monitor exercised MK Auto's shareholder rights to replace Mr. Koch.
14. The Examination is necessary to test the factual foundation for the CRO's reports. The CRO Report appended as Appendix "F" to the Second Report identifies serious alleged irregularities, including wholesale transactions said to have caused losses exceeding \$1 million, alleged undisclosed revenue-sharing arrangements, and finance "pod" issues, but the materials filed do not attach the transaction-level backup documentation necessary for The Loan Store to test those conclusions insofar as they are relied upon against the Loan Store.
15. The Second CRO Report appended as Appendix "H" to the Fourth Report is directly relevant to The Loan Store. It states that vehicles were sold to 1292709 Alberta Ltd. or 2279148 Alberta Ltd., treats those entities collectively as "Loan Store", states that 2279148 Alberta Ltd. is believed to be affiliated with 1292709 Alberta Ltd., asserts that vehicles were transferred without corresponding cash proceeds or consideration, and identifies at least 26 Unpaid TD Bank vehicles with an aggregate TD Bank floorplan balance of approximately \$739,891. The reports do not disclose sufficient backup documentation for The Loan Store to understand or test those assertions, including the basis for treating 2279148 Alberta Ltd. as related to The Loan Store, which has no known affiliation with the Loan Store.
16. The alleged relationship between The Loan Store and 2279148 Alberta Ltd. is material and disputed. The Seventh Report identifies six additional vehicles as having been transferred to 2279148 Alberta Ltd., while The Loan Store says no evidence has been produced establishing that 2279148 Alberta Ltd. is related to The Loan Store, that The Loan Store received bills of sale for those vehicles, or that The Loan Store has possession of them.
17. Mr. Robbins' evidence is also relevant to the events of December 19, 2025. The Monitor was requested to provide shareholder consent under section 190 of the *Business Corporations Act (Alberta)*. It says that, after learning the Westcastle Transaction had closed without the required shareholder resolution, it urgently exercised MK Auto's shareholder rights to remove Mr. Koch and appoint Mr. Robbins as a director. The Examination should address what Mr. Robbins knew, did, or directed concerning the refusal to provide shareholder consent, the purported removal and replacement of Mr.

Koch, and the Monitor's position that no Settlement agreement exists and extant application to set aside the transfer of the Vehicles to the Loan Store as a fraudulent preference.

18. The Examination should further address the failure to contact The Loan Store before the January 7, 2026, application. The Monitor's own materials state that its counsel learned on December 17, 2025 that The Loan Store was a potential creditor, requested credit or security documents relating to The Loan Store that day, received documents from Westcastle GMC's insolvency counsel on December 18, 2025, and then, between December 30, 2025 and January 4, 2026, coordinated with TD Bank, BMO, and their respective counsel about bringing the Westcastle GMC Entities into the CCAA proceedings and vesting the Westcastle properties. The Monitor and CRO had contact information for The Loan Store and could have obtained The Loan Store's counsel's information from Westcastle GMC's then-counsel but made no meaningful inquiry before seeking relief that directly affected The Loan Store's rights.
19. The transfer of the Vehicles is central to the requested Examination. The Monitor now seeks to void the transfer as a fraudulent preference under section 95 of the *Bankruptcy and Insolvency Act*, as incorporated by section 36.1 of the *Companies' Creditors Arrangement Act*, and has characterized the transfer as lacking documentation, lacking cash consideration, occurring within three months of the CCAA proceedings, and preferring The Loan Store over other creditors. The Loan Store's position is that the transfer formed part of the Settlement by which The Loan Store agreed to discharge its caveat over the Westcastle Lands and release its rights against the Westcastle GMC Entities in exchange for the transfer of Vehicles, \$500,000 from sale proceeds, and replacement security by way of a mortgage over Mr. Koch's personal lands. The Loan Store also questions whether the Westcastle GMC Entities were insolvent on December 19, 2026, which the CRO would have knowledge of.
20. In these circumstances, the Examination is narrow, proportionate, and necessary to test the factual basis for the Monitor's and CRO's assertions before the Court determines the Monitor's requested fraudulent preference, vehicle disposition, and claims process relief, and to permit The Loan Store meaningful participation as a creditor whose asserted proprietary and priority rights are directly affected.
21. Such further and other grounds as counsel may advise and this Honourable Court may permit.

Administration Charge and Application to BMO

22. Section 11.52 of the *Companies' Creditors Arrangement Act* permits the Court to grant an administration charge for professional fees where justified.
23. The Westcastle ARIO grants a \$250,000 charge over the property of the Westcastle GMC Entities in favour of the Monitor, counsel to the Monitor, counsel to BMO, and the CRO, while expressly preserving the right of any interested party to apply to vary the order.
24. BMO is not a creditor of the Westcastle GMC Entities and has no identified role necessary to preserve or administer those assets.

25. Including BMO's counsel creates unwarranted duplication. Any proper submissions about the administration of the Westcastle estate can be advanced by the Monitor and its counsel, who are already beneficiaries of the Westcastle GMC Administration Charge and owe duties to the Court and stakeholders.
26. The quantum and secured-creditor factors also favour variation. The charge ranks against assets in which The Loan Store asserts proprietary and priority claims; requiring Westcastle creditors to fund BMO's counsel is neither fair nor reasonable where BMO can fund its own participation.
27. Such further and other grounds as counsel may advise and this Honourable Court may permit.

Material or evidence to be relied on:

40. Affidavit of Martin Hausner, sworn January 22, 2026;
41. Affidavit of Michael Koch, sworn January 22, 2026;
42. Affidavit of Michael Koch, sworn February 22, 2026;
43. Affidavit of Michael Koch, sworn April 9, 2026;
44. Affidavit of Martin Hausner, sworn May 14, 2026;
45. Second Report of the Monitor, dated September 10, 2025, including Appendix "F", the CRO Report dated September 9, 2025;
46. Fourth Report of the Monitor, dated January 5, 2026;
47. Second CRO Report dated January 4, 2026, attached as Appendix "H" to the Fourth Report of the Monitor;
48. Fifth Report of the Monitor, dated January 14, 2026;
49. Sixth Report of the Monitor, dated March 18, 2026;
50. Seventh Report of the Monitor, filed May 12, 2026;
51. Supplement to the Seventh Report of the Monitor, filed May 12, 2026; and
52. Such further and other materials and evidence as counsel may advise and this Honourable Court may permit.

Applicable Acts and regulations:

53. *Alberta Rules of Court*, Alta. Reg. 124/2010, including rules 1.2, 1.3, 6.1, 6.2, 6.3, 6.28 - 6.33;

54. *Companies' Creditors Arrangement Act*, RSC 1985, c C-36, including ss. 11, 11.02, 11.2, 11.52, 23, 36, and 36.1;

55. *Bankruptcy and Insolvency Act*, RSC 1985 c B-3, including ss. 95 and 96; and

56. Such further and other Acts and regulations as counsel may advise and this Honourable Court may permit.

Any irregularity complained of or objection relied on:

57. None.

How the application is proposed to be heard or considered:

58. Via Webex before the Honourable Justice C.D. Simard on the Commercial List.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered