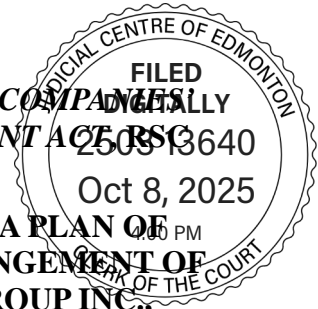


COURT FILE NUMBER 2503-13640
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE EDMONTON

MATTER

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

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



DOCUMENT

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

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

MONITOR

BDO Canada Limited
20 Wellington E, Suite 500
Toronto, Ontario M5E 1C5
Attention: Clark Lonergan
Telephone: (416) 865-0210
Fax: (416) 865-0904
Email: Clonergan@bdo.ca

COUNSEL

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

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

**SECOND REPORT OF THE MONITOR
BDO CANADA LIMITED
October 8, 2025**

TABLE OF CONTENTS

| | |
|--|----|
| INTRODUCTION..... | 2 |
| PURPOSE..... | 4 |
| TERMS OF REFERENCE AND DISCLAIMER..... | 6 |
| BACKGROUND INFORMATION | 7 |
| ACTIVITIES OF THE MONITOR SINCE THE FIRST REPORT..... | 7 |
| RESPONDENTS’ RECEIPTS AND DISBURSEMENTS SINCE THE FILING DATE.... | 9 |
| SECOND REVISED CASH FLOW FORECAST | 10 |
| BACKGROUND TO COURT-APPROVED SALE PROCESS | 12 |
| PROPOSED DRAYTON VALLEY TRANSACTION AND DRAYTON VALLEY SALE AGREEMENT..... | 13 |
| PROPOSED NORTH VAN TRANSACTION AND NORTH VAN SALE AGREEMENT | 16 |
| MONITOR’S COMMENTS ON THE PROPOSED DRAYTON VALLEY TRANSACTION AND PROPOSED NORTH VAN TRANSACTION | 19 |
| PROPOSED DISTRIBUTION TO BMO..... | 22 |
| REQUESTED STAY EXTENSION..... | 23 |
| APPROVAL OF FEES, REPORTS, AND ACTIVITIES..... | 24 |
| RESTRICTED ACCESS ORDER..... | 25 |
| CONCLUSION | 26 |

APPENDICES

Appendix “A” – SISP

Appendix “B” – Revised Cash Flow Forecast

Appendix “C” – Second Revised Cash Flow Forecast

Appendix “D” – Redacted Drayton Valley Sale Agreement

Appendix “E” – Redacted North Van Sale Agreement

INTRODUCTION

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

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

4. On the same day, the Court also granted an Order approving and authorizing the Monitor and the Sales Agent to conduct a sale and investment solicitation process (“**SISP**”) for the marketing and sale of the equity of the Company and/or the Company’s business and assets, including two dealerships comprised of: (1) a franchised Chrysler, Dodge, Jeep, and RAM (“**Stellantis**”) dealership located in North Vancouver, British Columbia (“**North Van Dealership**”), and (2) a franchised Stellantis dealership located in Drayton Valley, Alberta (the “**Drayton Valley Dealership**”, together with the North Van Dealership, the “**Dealerships**”), and certain ancillary and related relief. A copy of the SISP is attached hereto as **Appendix “A”**.
5. In connection with the Initial Order application, BDO, as proposed monitor, prepared a pre-filing report dated July 8, 2025 (the “**Pre-Filing Report**”) to provide information to the Court for its consideration in respect of the Applicant’s CCAA Application.
6. In connection with the ARIO application, the Monitor filed its first report on July 21, 2025 (the “**First Report**”, and together with the Pre-Filing Report, the “**Previous Reports**”). The Previous Reports and other Court materials in connection with the CCAA Proceedings are available on the Monitor’s website at <https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/coast-automotive-group> (the “**Monitor’s Website**”).
7. Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Previous Reports.

PURPOSE

8. The purpose of this second report of the Monitor (the “**Second Report**”, and together with the Previous Reports, the “**Reports**”) is to provide information to the Court with respect to:
 - a. the activities of the Monitor since the date of the First Report;

- b. the Company’s actual cash flow results for the 11-week period ended September 28, 2025, versus the budgeted results for that period, as outlined in the Company’s consolidated cash flow forecast for the period of July 16, 2025, to October 19, 2025, which was set out in the First Report (the **“Revised Cash Flow Forecast”**);
- c. an overview of the Company’s updated 11-week consolidated cash flow forecast (the **“Second Revised Cash Flow Forecast”**) for the period of September 29, 2025, to December 14, 2025 (the **“Second Revised Cash Flow Period”**).
- d. the Monitor’s comments and recommendations with respect to its application returnable on October 16, 2025 (the **“Application”**) seeking:
 - i. an order (the **“Drayton Valley AVO”**) which, among other things, approves a purchase and sale agreement (the **“Drayton Valley Sale Agreement”**) between Coast Drayton Valley and 246 as vendors (the **“Drayton Valley Vendors”**) and Stetson CDJR Ltd. (the **“Operating Purchaser”**) and Stetson CDJR Properties Ltd. (the **“Real Property Purchaser”**) as purchasers (the **“Drayton Valley Purchasers”**) dated as of October 7, 2025, and the transactions contemplated therein (the **“Proposed Drayton Valley Transaction”**);
 - ii. an order (the **“North Van AVO”**) which, among other things, approves a purchase and sale agreement (the **“North Van Sale Agreement”**) between Coast North Van as vendor (the **“North Van Vendor”**) and 1559054 B.C. Limited as purchaser (the **“North Van Purchaser”**) dated as of October 6, 2025, and the transactions contemplated therein (the **“Proposed North Van Transaction”**);
 - iii. an order (the **“Restricted Access Order”**) sealing the Confidential Supplement (as defined herein);
 - iv. an order (the **“Ancillary Relief Order”**) which seeks, among other things, the following relief:

- (a) extending the Stay of Proceedings from October 19, 2025, until and including December 12, 2025;
- (b) approving the fees, reports, and activities of the Monitor and of its legal counsel;
- (c) authorizing the Monitor to make distributions to BMO in its capacity as both Interim Lender and senior secured lender; and
- (d) such further and other relief as the Court may deem just and equitable.

TERMS OF REFERENCE AND DISCLAIMER

- 9. In preparing this Second Report, the Monitor has relied on certain unaudited financial information, the Company's books and records, the Affidavit of Shehryar Syed dated July 9, 2025 (the "**Syed Affidavit**") filed in support of the CCAA Application, and discussions with the Company's management ("**Management**") (collectively, the "**Information**").
- 10. The Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information in such a manner that would wholly or partially comply with standards as set out in the *Chartered Professional Accountants Canada Handbook* (the "**CPA Handbook**") and, accordingly, the Monitor expresses no opinion or other form of assurance in respect of such Information.
- 11. Some of the information referenced in this Second Report relates to weekly cash flow forecasts, projections, and related assumptions. An examination or review of cash flow forecasts, projections, and related assumptions as outlined in the CPA Handbook has not been performed. The Monitor has not performed an examination or review of these forecasts, projections, or assumptions in accordance with the standards outlined in the CPA Handbook.

12. The Second Revised Cash Flow Forecast (defined below), representing future oriented financial information, is based on Management's assumptions regarding future events. Actual results will vary from the Second Revised Cash Flow Forecast, and such variations may be material.
13. All monetary amounts contained herein are expressed in Canadian dollars.

BACKGROUND INFORMATION

14. This Second Report should be read in conjunction with the Syed Affidavit and the Previous Reports, which can be found on the Monitor's Website and contain background information with respect to the Company's business and operations as well as matters leading up to the commencement of these CCAA Proceedings and the SISP.

ACTIVITIES OF THE MONITOR SINCE THE FIRST REPORT

15. Since the date of the First Report the Monitor has:
 - a. held regular discussions with BMO, the Company and key stakeholders regarding operations, liquidity, and broader restructuring initiatives;
 - b. continued to assist the Company with employee, vendor and supplier communications;
 - c. continued to respond to creditor and vendor inquiries relating to these CCAA Proceedings;
 - d. provided oversight and support to the Company's treasury functions, including interim financing reporting requirements through:
 - i. implementing a weekly treasury monitoring protocol;
 - ii. conducting variance analysis between actual and forecasted cash flow and submitting variance updates to BMO; and
 - iii. facilitating interim financing requests;
 - e. prepared an operational and financial key performance indicator dash-board;
 - f. supervised and assisted with activities related to the SISP, including:

- i. assisting the Company and Sales Agent in corresponding and providing additional information and analysis to Potential Bidders and Bidders (each as defined in the SISP), as required;
 - ii. participating in various meetings with Bidders and the Sales Agent;
 - iii. reviewing expressions of interest (“**EOIs**”) and summarizing Potential Bidders’ initial offers;
 - iv. facilitating Potential Bidders’ communications and meetings with original equipment manufacturer Stellantis Canada Inc. (“**Stellantis Canada**”);
 - v. reviewing letters of intent and mark-ups of template asset purchase agreements;
 - vi. vetting qualified potential purchasers and providing BMO with analysis regarding the same; and
 - vii. working with legal counsel to update and finalize the terms of the Proposed Drayton Valley Transaction and the Proposed North Van Transaction;
- g. performed reviews of the Company’s pre-filing obligations;
 - h. corresponded with independent counsel to the Monitor, Blake, Cassels & Graydon LLP (“**Blakes**”) and counsel to BMO regarding matters related to these CCAA Proceedings;
 - i. prepared the Second Revised Cash Flow Forecast with the assistance of the Company;
 - j. prepared for the sale of any vehicles (i.e. used or 2024 vehicles) that are not ultimately purchased by the Drayton Valley Purchasers or the North Van Purchaser;
 - k. analysed the economics of each potential transaction and compared it to liquidation alternatives; and
 - l. prepared this Second Report.

RESPONDENTS' RECEIPTS AND DISBURSEMENTS SINCE THE FILING DATE

16. The Monitor's First Report attached the Revised Cash Flow Forecast for the 14-week period from July 16, 2025, to the week ending October 19, 2025. A copy of the Revised Cash Flow Forecast is attached hereto as **Appendix "B"**.
17. The Monitor has reviewed the actual cash flow from operations for the first 11-week period ended September 28, 2025 (the **"First Review Period"**), through monitoring the banking activities of the Company.
18. The Company's actual cash flow from operations for the First Review Period resulted in a reduction of the projected cash outflow/(loss) for that same period of approximately \$1,047,000. This variance is a combination of timing differences of receipts and disbursements, as follows (variances over \$100,000 are noted below):
 - a. the positive variance is largely due to:
 - i. approximately \$2.6 million positive variance in new vehicle sales, largely due to more units sold via dealer trade and higher dollar amounts per sold unit;
 - ii. reduction in vendor payments of \$355,000 due to controls implemented by the Monitor as well as vendors extending payment terms;
 - iii. net HST/GST collections/payments/remittances were lower than forecasted which resulted in a positive variance of \$340,000 versus budgeted amounts;
 - iv. timing variance of professional fees of approximately \$250,000;
 - v. a reduction in payroll of approximately \$230,000 mostly due to several employee departures and terminations;
 - vi. a contingency of \$230,000 to account for unexpected expenditures which to date have not materialized;
 - vii. decreased lien payouts by \$174,000 due to trade-ins having fewer liens than forecast; and

- viii. increased parts and service sales versus projected parts and service sales of \$145,000; and
- b. the above positive variance is partially offset by:
 - i. negative variance of approximately \$1.9 million due to increased floorplan payments corresponding to higher total vehicle sales;
 - ii. approximately \$1.2 million in lower used vehicle sales than forecast; and
 - iii. negative variance of approximately \$365,000 in new vehicle purchases from other dealerships that were not anticipated.

SECOND REVISED CASH FLOW FORECAST

- 19. The Company has, with the assistance of the Monitor, prepared the Second Revised Cash Flow Forecast for the 11-week period from September 29, 2025, to the week ending December 14, 2025, projecting the Company's estimated liquidity needs during the Second Revised Cash Flow Period. A copy of the Second Revised Cash Flow Forecast is attached hereto as **Appendix "C"**.
- 20. The Second Revised Cash Flow Forecast is presented on a weekly basis and represents Management's estimates of the projected cash flow during the Second Revised Cash Flow Period. The Second Revised Cash Flow Forecast has been prepared by the Company, with the assistance of the Monitor, using probable and hypothetical assumptions (the "**Assumptions**") as set out in the notes to the Second Revised Cash Flow Forecast.
- 21. The Monitor has reviewed the Second Revised Cash Flow Forecast to the standard required of a Court-appointed monitor by section 23(1)(b) of the CCAA. In accordance with this standard, the Monitor conducted inquiries, performed analytical procedures, held discussions, and read documents related to the information supplied to it by certain key members of Management and employees of the Company. Based on the Monitor's review, nothing has come to its attention that causes it to believe, in all material respects, that:

- a. the Assumptions are not consistent with the purpose of the Second Revised Cash Flow Forecast;
 - b. as at the date of this Second Report, the Assumptions are not suitably supported and consistent with the plans of the Company or do not provide a reasonable basis for the Second Revised Cash Flow Forecast, given the probable and hypothetical assumptions; or
 - c. the Second Revised Cash Flow Forecast does not reflect the Assumptions.
22. The Monitor notes that the Second Revised Cash Flow Forecast has been prepared solely for the purpose described above and since the Second Revised Cash Flow Forecast is based on Assumptions regarding future events, actual results will vary from the information presented even if the Assumptions occur, and the variations could be material. Readers are cautioned that it may not be appropriate for other purposes.
23. The Second Revised Cash Flow Forecast shows that during the Second Revised Cash Flow Period, the Company will experience a net cash outflow of approximately \$1,652,000, which brings the total cumulative net cash outflow since the commencement of the CCAA Proceedings to \$2,399,942. The Second Revised Cash Flow Forecast projects that during the Second Revised Cash Flow Period the Company should have sufficient liquidity, with the support of the Interim Financing Facility.

BACKGROUND TO COURT-APPROVED SALE PROCESS

- 24. Following court-approval of the SISP on July 25, 2025, the Monitor together with the Sales Agent conducted the SISP in accordance therewith.
- 25. The SISP contemplated the following key features and milestones which could each be extended at the discretion of the Monitor, in consultation with the Sales Agent and the Interim Lender:

| Milestone | Deadline |
|--|---|
| Go to Market | Tuesday, August 5, 2025 |
| Expression of Interest Date | Friday, September 5, 2025 (12:00 PM MT) |
| EOI Selection Date | Tuesday, September 9, 2025 |
| Binding Bid Deadline | Friday, September 26, 2025(12:00 PM MT) |
| Selection of Qualified Bids | Tuesday, September 30, 2025 |
| Selection of Successful Bidder(s) and Execution of Definitive Transaction Agreement(s) | October 3, 2025 |
| Hearing of the Sale Approval Motion | Subject to Court availability, week of October 13, 2025 |
| Closing the Transaction (Outside Date) | No later than Wednesday, November 12, 2025 |

- 26. As set out above, the SISP established a binding bid deadline of September 26, 2025 (the “**Bid Deadline**”).
- 27. A summary of the SISP results is as follows:

| Dealership | Parties Contacted | NDA Signed | EOIs Received | Invited to Bid | Bids Received |
|------------------------|--------------------------|-------------------|----------------------|-----------------------|----------------------|
| North Vancouver | 8,416 | 23 | 6 | 5 | 2 |
| Drayton Valley | 6,845 | 9 | 1 | 1 | 1 |
| Total | 15,261 | 32 | 7 | 6 | 3 |

- 28. Additional details concerning the outcome of the SISP, including the number and nature of bids submitted, are set out in the confidential supplement to the Second

Report (the “**Confidential Supplement**”). As discussed in greater detail below, the Monitor is seeking the Restricted Access Order with respect to the Confidential Supplement. Disclosure of this information in the public version of the Report could prejudice the integrity of the sales process and adversely impact stakeholder value and, therefore, is not included in this Second Report.

PROPOSED DRAYTON VALLEY TRANSACTION AND DRAYTON VALLEY SALE AGREEMENT¹

29. The Confidential Supplement includes additional details of the results of the SISP as it pertains to the Drayton Valley Dealership. The Monitor determined that the binding bid submitted by the Drayton Valley Purchasers (the “**Drayton Valley Bid**”) to acquire substantially all of the assets of Coast Drayton Valley and the real property owned by 246 represented the highest and best offer received under the SISP for the assets of Coast Drayton Valley and 246. Accordingly, the Monitor designated the Drayton Valley Bid as the Successful Bid on October 2, 2025.
30. On October 7, 2025, subject to Court approval, the Monitor, for and on behalf of the Company, entered into the Drayton Valley Sale Agreement. A copy of the Drayton Valley Sale Agreement which has been redacted for commercially sensitive information is attached hereto as **Appendix “D”**.
31. An unredacted copy of the Drayton Valley Sale Agreement is included in the Confidential Supplement.
32. The Drayton Valley Sale Agreement contemplates a transaction whereby the Drayton Valley Purchasers will acquire substantially all of the assets and business operations of the Drayton Valley Vendors (the “**Drayton Valley Purchased Assets**”), excluding only those assets expressly identified in the Drayton Valley Sale Agreement as “Excluded Assets”.
33. The Drayton Valley Purchased Assets include, among other things:

¹ Capitalized terms not otherwise defined herein have the meanings given to them in the Drayton Valley Sale Agreement.

- a. all new, deferred new, and demonstrator vehicles as of closing, and certain used vehicles identified in advance of closing;
 - b. the Drayton Valley Dealership real property located at 4099/3731 50th Street Drayton Valley, Alberta, which is owned by 246;
 - c. parts, accessories, prepaid expenses, prepaid rents, and customer deposits as of closing;
 - d. equipment, fixtures, furniture, and related assets used in the business; and
 - e. goodwill, licenses, permits, assigned contracts, warranty rights, work in progress, telephone and fax numbers, domain names, social media accounts, trade names, and software/hardware used in the business.
34. The Excluded Assets include any assets not specifically identified as “Purchased Assets” in the Drayton Valley Sale Agreement, including, among other things, cash, bank accounts, corporate records unrelated to the Drayton Valley Purchased Assets, certain vehicles, tax refunds, inter-company debt, personal vehicles or property, life insurance policies, excluded contracts, and two identified excluded vehicles.
35. Given that inventory levels and other Purchased Assets (i.e. customer deposits) may fluctuate before closing, the Drayton Valley Sale Agreement provides for a purchase price adjustment mechanism to align the cash purchase price with the assets on hand at closing.
36. No less than two (2) days before the closing date, the Drayton Valley Vendors must provide the Monitor and Operating Purchaser with a reconciliation (the “**Drayton Valley Reconciliation**”) including counts and listings of vehicles, parts, accessories, customer deposits, work in progress, and obsolete inventory.
37. Based on the Drayton Valley Reconciliation, the Drayton Valley Vendors will prepare a statement of adjustments reflecting agreed values for vehicles, parts, deposits, and work in progress as of the reconciliation time. Where figures cannot be finalized, the parties will agree on reasonable estimates that will be used and deemed final for closing.

38. This mechanism ensures the purchase price accurately reflects the Drayton Valley Dealership's actual vehicle inventory and other Purchased Assets at closing.
39. The Drayton Valley Sale Agreement provides for the assignment of certain contracts (the "**Drayton Valley Assigned Contracts**") which will assist the Purchaser in preserving continued operation of the Drayton Valley Dealership following closing. The Monitor is working with the Drayton Valley Purchaser to obtain consent to assignment of the Drayton Valley Assigned Contracts from applicable counterparties.
40. None of the Drayton Valley Assigned Contracts have been designated by the Drayton Valley Purchaser as "Critical Contracts" and, accordingly, the Drayton Valley Transaction is not dependent on whether or not consent is obtained.

Employees

41. Under the Drayton Valley Sale Agreement, the Operating Purchaser is required to provide a list of employees to whom it will offer employment at least fourteen (14) days before closing of the Proposed Drayton Valley Transaction. Those employees that accept offers will be "Transferred Employees".
42. The Operating Purchaser will assume obligations for wages, benefits, and termination pay of the Transferred Employees on a post-hire basis, whereas vacation pay and overtime will be assumed on a pre-hire basis. Coast Drayton Valley remains responsible for obligations to employees who are not transferred, as well as for all other pre-closing obligations (excluding the pre-hire vacation pay and overtime assumed by the Operating Purchaser) and for certain KERP payments pursuant to the ARIIO.
43. The Proposed Drayton Valley Transaction is conditional upon, among other things, (i) approval of the Drayton Valley Sale Agreement by this Court, (ii) delivery of customary transfer documents, and (iii) regulatory and manufacturer approvals

necessary to complete the transaction, including approval from Stellantis Canada and the Alberta Motor Vehicle Industry Council.

44. Closing of the Proposed Drayton Valley Transaction is targeted for the third business day following issuance of the Drayton Valley AVO and must occur no later than the “Outside Date”, being November 12, 2025, or such other date as mutually agreed by the Drayton Valley Vendors and Drayton Valley Purchasers, with the consent of the Monitor and BMO.

PROPOSED NORTH VAN TRANSACTION AND NORTH VAN SALE AGREEMENT²

45. At the Bid Deadline, the Monitor did not receive any acceptable bids for the assets of Coast North Van that, in the determination of the Monitor, represented a better alternative to liquidation. Additional details concerning the outcome of the SISP, including the number and nature of bids submitted for the assets of Coast North Van, are set out in the Confidential Supplement.
46. On September 30, 2025, after the Bid Deadline, the Monitor received a binding offer submitted by the North Van Purchaser (the “**North Van Bid**”). The Monitor reviewed the North Van Bid and determined that it was a viable offer that represented the highest and best offer received under the SISP for the assets of Coast North Van. The Monitor selected the North Van Bid as the Successful Bid on October 2, 2025.
47. On October 6, 2025, subject to Court approval, the Monitor, for and on behalf of the Company, and pursuant to the North Van Bid, entered into the North Van Sale Agreement. A redacted copy of the North Van Sale Agreement is attached hereto as **Appendix “E”**. An unredacted copy of the North Van Sale Agreement is included in the Confidential Supplement.
48. The North Van Sale Agreement contemplates the sale by Coast North Van to the North Van Purchaser of substantially all of the assets and business operations of

² Capitalized terms not otherwise defined herein have the meanings given to them in the North Van Sale Agreement.

Coast North Van (the “**North Van Purchased Assets**”), excluding only those assets expressly identified as “Excluded Assets” in the North Van Sale Agreement.

49. The North Van Purchased Assets include, among other things:
 - a. all new, deferred new, and demonstrator vehicles as of closing, and certain used vehicles identified in advance;
 - b. parts and accessories inventory (with customary treatment of obsolete items);
 - c. machinery, equipment, tools, furniture, hardware, and other operational assets used in the business;
 - d. goodwill and other intangible assets associated with the business; and
 - e. assigned contracts, permits, licences, warranty rights, work in progress, customer deposits, and certain receivables, in each case to the extent transferable.
50. The Excluded Assets are specifically defined in the North Van Sale Agreement and include cash and bank accounts, corporate records unrelated to the North Van Purchased Assets, certain vehicles, tax refunds, inter-company amounts, certain contracts that are not assigned, tools personally owned by mechanics or third parties, and other specifically identified assets.
51. Given that inventory levels and other Purchased Assets (i.e. customer deposits) may fluctuate before closing, the North Van Sale Agreement provides for a purchase price adjustment mechanism to align the cash purchase price with the assets on hand at closing.
52. No less than two (2) days before the closing date, the North Van Vendor must provide the Monitor and North Van Purchaser with a reconciliation (the “**North Van Reconciliation**”) including counts and listings of vehicles, parts, accessories, customer deposits, and work in progress.
53. Based on the North Van Reconciliation, the North Van Vendor will prepare a statement of adjustments reflecting agreed values for vehicles, parts, deposits, and

work in progress as of the reconciliation time. Where figures cannot be finalized, the parties will agree on reasonable estimates that will be used and deemed final for closing.

54. This mechanism ensures the purchase price accurately reflects the North Van Dealership's actual vehicle inventory and other Purchased Assets at closing.
55. The North Van Sale Agreement provides for the assignment of certain contracts and dealership-related agreements (collectively, the "**North Van Assigned Contracts**") necessary to preserve the continued operation of the North Van Dealership following closing.
56. As part of the relief sought in the North Van AVO, the Monitor is seeking approval of the assignment of the North Van Assigned Contracts to the North Van Purchaser pursuant to section 11.3 of the CCAA.
57. The Monitor has reviewed the North Van Assigned Contracts and understands that there are no outstanding monetary defaults under such contracts as of the date of this Second Report.

Employees

58. At least fourteen (14) days before closing of the Proposed North Van Transaction, the North Van Purchaser will deliver to Coast North Van a list of non-unionized employees to whom offers will be extended (the "**Transferred North Van Employees**") and will issue those offers no later than ten (10) days before closing of the Proposed North Van Transaction.
59. In accordance with the North Van Sale Agreement, the North Van Purchaser, among other things, will be responsible for salary, wages (including overtime), bonuses, commissions, vacation/vacation pay and other compensation and benefits for Transferred North Van Employees on and after their respective hire dates. The North Van Purchaser will assume obligations for wages, benefits, and termination pay of

the Transferred North Van Employees on a post-hire basis, whereas vacation pay and overtime will be assumed on a pre-hire basis.

60. Coast North Van will remain responsible for all other pre-closing obligations (excluding the pre-hire vacation pay and overtime assumed by the North Van Purchaser) and any KERP payments payable in respect of the Transferred North Van Employees.
61. With respect to the unionized employees of Coast North Van, effective as of closing of the Proposed North Van Transaction, the North Van Purchaser will continue the employment of unionized employees in accordance with applicable law, will recognize the applicable unions as exclusive bargaining agents, and will be bound by the collective agreements identified in the North Van Sale Agreement.
62. The Proposed North Van Transaction is conditional upon, among other things, (i) approval of the North Van Sale Agreement by this Court, (ii) assignment of critical contracts, (iii) delivery of customary transfer documents, and (iv) regulatory and manufacturer approvals necessary to complete the transaction, including approval from Stellantis Canada and the Vehicle Sales Authority of British Columbia.
63. Closing of the Proposed North Van Transaction is targeted for the third business day following issuance of the North Van AVO, and must occur no later than December 1, 2025, or such other date as mutually agreed.

MONITOR'S COMMENTS ON THE PROPOSED DRAYTON VALLEY TRANSACTION AND PROPOSED NORTH VAN TRANSACTION

64. As set out above, the Monitor is of the view that the Drayton Valley Bid represents the highest and best offer for the assets of Coast Drayton Valley and 246 received in the SISP. The Monitor is also of the view that the North Van Bid represents the highest and best offer received for the assets of Coast North Van.
65. The Monitor believes that the SISP was conducted in a fair, transparent, and professional manner. The Monitor is satisfied that the process appropriately canvassed the market and that the Proposed Drayton Valley Transaction and Proposed North Van Transaction represent the best outcomes available in the

circumstances.

66. In reviewing the Drayton Valley Bid and the North Van Bid, the Monitor considered the following factors:
- a. the Drayton Valley Bid represents the highest and best offer for the assets of Coast Drayton Valley and 246. The North Van Bid represents the highest and best offer for the assets of Coast North Van;
 - b. completion of the Proposed Drayton Valley Transaction and Proposed North Van Transaction will maintain the goodwill, customer base, and operating continuity for both Dealerships, which would be lost in a liquidation;
 - c. completion of the Proposed Drayton Valley Transaction and Proposed North Van Transaction creates the potential for continued employment for existing employees of Coast Drayton Valley and Coast North Van, respectively, that are ultimately designated as Transferred Employees;
 - d. BMO and Stellantis Canada were consulted in the selection of Successful Bids and are supportive of the Proposed Drayton Valley Transaction and Proposed North Van Transaction, reducing closing risk; and
 - e. both the Proposed Drayton Valley Transaction and Proposed North Van Transaction are structured to close prior to the end of this calendar year, reducing closing risk.
67. Based on this analysis, the Monitor is satisfied that:
- a. the SISP was transparent, fair, and reasonable, given the circumstances;
 - b. BMO, who is expected to suffer a significant shortfall on outstanding amounts owed to it by the Company (as set out in greater detail below), was

consulted throughout the SISP and supports the Proposed Drayton Valley Transaction and Proposed North Van Transaction;

- c. the Proposed Drayton Valley Transaction and Proposed North Van Transaction maximize value for stakeholders relative to available alternatives;
- d. the Proposed Drayton Valley Transaction and Proposed North Van Transaction provide a going-concern outcome for the Dealerships; and
- e. in the Monitor's view, the Proposed Drayton Valley Transaction and Proposed North Van Transaction are a superior outcome when compared to anticipated recoveries in a bankruptcy proceeding, which would materially erode value available to the Company's creditors and stakeholders through forced liquidation of assets and result in a cessation of the Company's business;

68. In regard to the assignment of the North Van Assigned Contracts, the Monitor views their assignment as appropriate and commercially reasonable in the circumstances, having regard to the factors in section 11.3(3) of the CCAA. The Monitor notes in particular that:

- a. the North Van Assigned Contracts relate to the leased real property on which the business of the North Van Dealership is conducted and are, accordingly, critical to maintaining the continuity of the North Van Dealership and its business;

- b. the North Van Purchaser is part of an established automotive group with demonstrated financial wherewithal;
 - c. the Monitor is not aware of any rights and obligations under the North Van Assigned Contracts that are not assignable by reason of their nature;
 - d. the Monitor is not aware of any monetary defaults under the North Van Assigned Contracts; and
 - e. the assignment will not result in economic prejudice to any counterparty, as all rights and obligations will continue on substantially the same terms.
69. Accordingly, the Monitor supports and recommends that the Court approve the assignment of the North Van Assigned Contracts as part of the Proposed North Van Transaction pursuant to section 11.3 of the CCAA, if required.
70. The Monitor is of the view that the Proposed Drayton Valley Transaction and Proposed North Van Transaction represent fair value in the circumstances and recommends that this Honourable Court approve the Proposed Drayton Valley Transaction and Proposed North Van Transaction.

PROPOSED DISTRIBUTION TO BMO

71. As of July 9, 2025, BMO was owed in excess of \$36 million under the Pre-Filing Credit Facilities, and as of October 6, 2025, BMO has advanced approximately \$1,690,000 under the Interim Financing Term Sheet (together with all applicable interest, fees and expenses, the “**Indebtedness**”).
72. Based on the Second Revised Cash Flow Forecast as well as the anticipated proceeds arising from the Proposed Drayton Valley Transaction and the Proposed North Van Transaction, the Monitor is of the view that: (a) insufficient proceeds will be generated to pay the full amount of the Indebtedness owing to BMO described immediately above, and (b) the Monitor will, subject to maintaining a reserve from distributions to BMO, hold sufficient cash to fund the post-filing obligations of the Company during the period of the Stay of Proceedings.

73. Accordingly, the Monitor requests authority from this Honourable Court to distribute the proceeds generated from any sale of the Company's assets to BMO from time-to-time, subject only to a reasonable holdback, as determined by the Monitor, in consultation with BMO, sufficient to enable the Company to meet any post-filing obligations during the course of the CCAA Proceedings, including any necessary wind-down activities.
74. As described in the First Report, the Monitor has been provided with an independent legal opinion from Blakes which addresses the laws of Alberta and British Columbia, and provides that, subject to the customary assumptions and qualifications contained therein, the security granted to BMO by 246, Coast Drayton Valley and Coast North Van is valid and enforceable.

REQUESTED STAY EXTENSION

75. The Stay of Proceedings currently expires on October 19, 2025. The Monitor is seeking an extension to the Stay of Proceeding until and including December 12, 2025, to close the Proposed Drayton Valley Transaction and the Proposed North Van Transaction and to advance the general wind-down of the Company's operations.
76. The Monitor expects that a substantial majority of the remaining wind-down activities will be completed within the extended Stay of Proceedings. Any residual activities at that time are anticipated to relate to sale of any remaining assets and ancillary administrative tasks, including final financial statements and tax returns. Prior to the expiry of the extended Stay of Proceedings, the Monitor will return to Court if further relief or an additional extension of the Stay of Proceedings is required to conclude the wind-down.
77. The Monitor is of the view that: (a) there will be no material prejudice to the Company's creditors and stakeholders as a result of the proposed extension of the Stay of Proceedings; (b) the Second Revised Cash Flow Forecast shows sufficient liquidity; (c) the extension of the Stay of Proceedings will allow the Monitor to complete the Proposed Drayton Valley Transaction and the Proposed North Van

Transaction and to continue the wind-down of the Company; and (d) the Company has acted, and is acting, in good faith and with due diligence.

APPROVAL OF FEES, REPORTS, AND ACTIVITIES

78. Pursuant to paragraphs 31 and 32 of the ARIO, the Monitor and its counsel, Blakes, shall:
- a. be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to or subsequent to the date of the ARIO, as part of the costs of the CCAA Proceedings; and
 - b. pass their accounts from time-to-time.
79. The Monitor and counsel to the Monitor have maintained detailed records of their time and disbursements as they relate to the CCAA Proceedings. The Monitor now requests approval of its fees and disbursements for the period of July 1, 2025, to September 26, 2025, and the fees and disbursements of its counsel for the period of July 1, 2025, to August 31, 2025, as set out in the affidavit of Clark Lonergan sworn on October 8, 2025 (the “**Fee Affidavit**”).
80. The Fee Affidavit includes, at **Exhibit “A”** thereto, copies of the invoices rendered by the Monitor in respect of these CCAA Proceedings that have been redacted to protect certain privileged and commercially sensitive information.
81. For the period from July 1, 2025, to September 26, 2025, the Monitor’s accounts total \$398,530.84 in fees, comprised of \$434,264, less a courtesy discount of \$60,000, \$5,289.18 in expenses and disbursements, and \$18,977.66 in GST. A summary of the personnel, hours and hourly rates charged by the Monitor in respect of these CCAA Proceedings is included at **Exhibit “B”** to the Fee Affidavit.
82. The Fee Affidavit includes, at **Exhibit “C”**, copies of the invoices rendered by counsel to the Monitor in respect of these CCAA Proceedings that have been redacted to protect certain privileged and commercially sensitive information.

83. For the period from July 1, 2025, to August 31, 2025, counsel to the Monitor's accounts total \$203,485.50 in fees, \$2,560.75 in expenses and disbursements subject to GST, \$161.03 for disbursements not subject to GST and \$10,302.32 in GST for a total amount of \$216,509.60. A summary of the total billable hours charged, the total fees charged, and the average hourly rate charged by counsel to the Monitor in respect of these CCAA Proceedings is included at **Exhibit "D"** to the Fee Affidavit.
84. The Monitor has undertaken an expansive mandate throughout the CCAA Proceedings, as reflected in the Initial Order and ARIO, which granted the Monitor expanded powers, including authority to, among other things, for and on behalf of, and in the name of, the Company, conduct and control the financial affairs and operations of the Company, and carry on the Business of the Company.
85. As described in the First Report and above at paragraph 15, the Monitor has been extensively involved in all aspects of this matter since the outset.
86. The Monitor submits that the fees and disbursements incurred by the Monitor and counsel to the Monitor, as more particularly described in the Fee Affidavit, are reasonable in the circumstances and have been validly incurred in accordance with the provisions of the ARIO in respect of these CCAA Proceedings. Additionally, the Monitor believes that the hourly rates charged by its counsel are consistent with the rates charged by corporate law firms practicing in the area of corporate insolvency and restructuring law in Calgary.
87. The Monitor respectfully requests the approval of the fees and disbursements of the Monitor and its counsel as set out in the Fee Affidavit.
88. The Monitor also respectfully requests the approval of the Reports and the activities of the Monitor described therein.

RESTRICTED ACCESS ORDER

89. An unredacted copy of the Drayton Valley Sale Agreement, an unredacted copy of the North Van Sale Agreement, details of the results of the SISP, and information

regarding appraisals of certain of the assets of the Company is included in the Confidential Supplement.

90. The Monitor is seeking the Restricted Access Order with respect to the Confidential Supplement on the basis that it contains sensitive commercial information, including pricing allocations and appraisal information. The dissemination of this information could prejudice the sales process, undermine ongoing negotiations, impair the successful completion of the Proposed Drayton Valley Transaction and the Proposed North Van Transaction and, in the event that the Proposed Drayton Valley Transaction or the Proposed North Van Transaction do not close, impair any further marketing or sale efforts for the Dealerships.
91. Accordingly, the Monitor considers it appropriate that the Confidential Supplement remain confidential until the conclusion of the CCAA Proceedings and respectfully requests that the Confidential Supplement be temporarily sealed until the conclusion of the CCAA Proceedings, or further order of this Honourable Court.

CONCLUSION

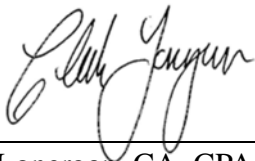
92. For the reasons set out above, the Monitor is of the view that the relief sought by the Monitor in the Application is reasonable and respectfully recommends that the relief sought by the Monitor be granted.

All of which is respectfully submitted this 8th day of October 2025.

BDO Canada Limited

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

Per:



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

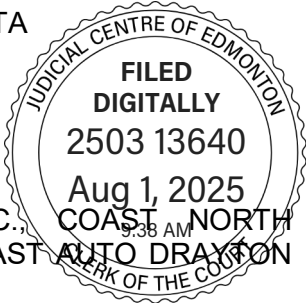
Appendix “A”

SISP

CERTIFIED *E. Wheaton*
by the Court Clerk as a true copy of
the document digitally filed on Aug 1,
2025

Clerk's Stamp

COURT FILE NUMBER 2503-13640
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE EDMONTON
APPLICANT BANK OF MONTREAL
RESPONDENTS COAST AUTOMOTIVE GROUP INC.,
VANCOUVER AUTO SALES INC., COAST AUTO DRAYTON
INC., and 2461765 ALBERTA LTD.



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

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

DOCUMENT **SISP APPROVAL ORDER**

ADDRESS FOR SERVICE
AND CONTACT MILLER THOMSON LLP
INFORMATION OF PARTY Eighth Avenue Place East
FILING THIS DOCUMENT 43rd Floor, 525 8th Avenue S.W.
Calgary, AB, Canada T2P 1G1

Attention: James W. Reid / Monica Faheim / Kira Lagadin
Telephone: 403.298.2418 / 416.597.6087/ 403.206.6355
E-mail: jwreid@millerthomson.com
mfaheim@millerthomson.com
klagadin@millerthomson.com
File No.: 0148746.0131

DATE ON WHICH ORDER WAS PRONOUNCED: July 25, 2025
NAME OF JUSTICE WHO MADE THIS ORDER: The Honourable Justice M.H. Bourque
LOCATION OF HEARING: Calgary Courts Centre

UPON the application of the Bank of Montreal ("**BMO**" or the "**Applicant**");

AND UPON having read the Application, filed July 14, 2025, the Affidavit No.1 of Shehryar Syed sworn July 9, 2025, the pre-filing report of BDO Canada Limited in its capacity as proposed Monitor of Coast Automotive Group Inc., Coast North Vancouver Auto Sales Inc., Coast Auto Drayton Inc., and 2461765 Alberta Ltd. (collectively, the "**Respondents**"), and the first report of BDO Canada Limited in its capacity as Monitor (in such capacity and not in its personal or corporate capacity, the "**Monitor**");

AND UPON reviewing the CCAA Initial Order granted by the Honourable M. E. Burns, in these proceedings on July 16, 2025, as amended and restated by the Amended and Restated Initial Order granted by the Honourable Justice Bourque on July 25, 2025 (the "**ARIO**");

AND UPON hearing counsel for BMO, counsel for the Monitor, and counsel to all other parties present;

IT IS HEREBY ORDERED AND DECLARED THAT:

SERVICE AND INTERPRETATION

1. The time for service of the notice of application for this order (the "**Order**") is hereby abridged and deemed good and sufficient, if applicable, and this application is properly returnable today.

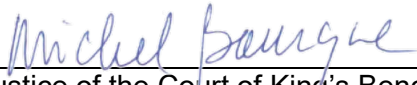
APPROVAL OF SALE AND INVESTMENT SOLICITATION PROCESS

2. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the sales and investment solicitation process (the "**SISP**") attached hereto as **Schedule "A"**.
3. The SISP is hereby approved each of the Monitor and the Sales Agent are hereby authorized and empowered to proceed, carry out, and implement the SISP pursuant to the terms thereof and take any and all actions or steps related thereto that they consider necessary or appropriate in carrying out their obligations under the SISP, subject to approval of this Court being obtained before the completion of any transaction(s) resulting from the SISP.

4. The engagement letter (the “**Sales Agent Engagement Letter**”) between the Monitor for and on behalf of the Respondents and the Sales Agent is hereby approved, and the Monitor is authorized and directed to execute and deliver the Sales Agent Engagement Letter, and to pay all corresponding fees and expenses owed thereunder to the Sales Agent, in accordance with the terms of the Sale Agent Engagement Letter.
5. Each of the Monitor and the Sales Agent and their respective affiliates, partners, directors, employees, advisors, agents, shareholders, and controlling persons, shall have no liability with respect to any losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of the SISP or the conduct thereof, except to the extent of such losses, claims, damages or liabilities resulting from the gross negligence or wilful misconduct of any of the foregoing in performing their obligations under the SISP.
6. In implementing the SISP, the Monitor shall have all of the benefits and protections granted to it under the CCAA, the ARIO and any other Order of this Court in these CCAA proceedings.
7. The Monitor is hereby authorized and empowered to apply to this Honourable Court to amend, vary, or seek any advice, directions, or the approval or vesting of any transactions, in connection with the SISP.
8. Pursuant to section 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS), the Monitor and the Sales Agent are authorized and permitted to send, cause or permit to be sent, commercial electronic messages to electronic addresses of Potential Bidders and their advisors, but only to the extent required to provide information with respect to the SISP.
9. Pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Monitor and the Sales Agent, and their respective advisors are hereby authorized and permitted to disclose and transfer to prospective SISP participants (each, a “**SISP Participant**”) and their advisors personal information of identifiable individuals (“**Personal Information**”), records pertaining to the Respondents’ past and current employees, and information on specific customers, but only to the extent desirable or required to negotiate or attempt to complete a Transaction. Each SISP Participant to whom such Personal Information is disclosed shall maintain and protect the privacy of such Personal Information and limit the use of such Personal Information to its evaluation

of a Transaction, and if it does not complete a Transaction, shall return all such information to the Monitor or the Sales Agent, or in the alternative destroy all such information and provide confirmation of its destruction if requested by the Monitor or the Sales Agent. Any Successful Bidder shall maintain and protect the privacy of such information and, upon closing of the Transaction(s) contemplated in the Successful Bid(s), shall be entitled to use the Personal Information provided to it that is related to the Business and/or Property acquired pursuant to the SISP in a manner that is in all material respects identical to the prior use of such information by the Respondents, and shall return all other Personal Information to the Monitor or the Sales Agent, or ensure that all other Personal Information is destroyed and provide confirmation of its destruction if requested by the Monitor or the Sales Agent.

10. Service of this Order shall be deemed good and sufficient by serving the same by posting a copy of this Order on the Monitor's website at <https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/coast-automotive-group>.



Justice of the Court of King's Bench of Alberta

Schedule "A"

Sale and Investment Solicitation Process

SALE AND INVESTMENT SOLICITATION PROCESS

INTRODUCTION

1. On July 16, 2025, the Bank of Montreal, in its capacity as the senior secured lender to Coast Automotive Group Inc. (“**Coast Automotive**”), Coast North Vancouver Auto Sales Inc. (“**Coast North Van**”), Coast Auto Drayton Inc. (“**Coast Drayton Valley**”) and 2461765 Alberta Ltd. (“**246**”, and together with Coast Automotive, Coast North Van, and Coast Drayton Valley, the “**Respondents**”, the “**Coast Auto Group**” or the “**Company**”), were granted an initial order (as amended and restated on July 25, 2025, and as may be further amended or amended and restated from time to time, the “**Initial Order**”) pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**” and the “**CCAA Proceedings**”) by the Court of King’s Bench of Alberta (the “**Court**”). The Initial Order, among other things:
 - (a) appointed BDO Canada Limited as the monitor of the Respondents (in such capacity and not in its personal or corporate capacity, the “**Monitor**”) and expanded the powers of the Monitor;
 - (b) authorized the Monitor, on behalf of the Company, to enter into an interim financing term sheet with the Bank of Montreal (the “**Interim Lender**”); and
 - (c) authorized the Monitor to pursue all avenues of sale or investment of the Respondents’ assets or business, in whole or in part, subject to prior approval of the Court of any material sale.
2. On July 25, 2025, the Court granted an order (the “**Sale Process Approval Order**”) which, among other things:
 - (a) approved a sale and investment solicitation process (“**SISP**”) for the marketing and sale of the equity in the Company and/or the Company’s business and assets, including its two (2) dealerships and related assets (the “**Dealership Asset(s)**”) and its owned and leased real estate assets (collectively with the Dealership Assets, the “**Property**”) for the purposes of soliciting (i) offers to acquire all or substantially all of the business and Property of the Company, and (ii) offers of investment in the business of the Company;
 - (b) approved the engagement of Dealer Solutions North America Inc. as sales agent (the “**Sales Agent**”) to assist the Monitor with carrying out the SISP; and
 - (c) authorized the Monitor, with the assistance of the Sales Agent, to conduct the SISP.
3. The SISP herein sets out the manner in which: (a) binding offers for executable Transactions (defined below) involving the business and/or all, substantially all or any portion of the Property of the Company will be solicited from interested parties (the “**Opportunity**”); (b) any such offers received will be addressed; (c) any Successful Bid (as defined below) will be selected; and (d) Court approval of any Successful Bid will be sought.
4. The SISP will be conducted by the Sales Agent and the Monitor in the manner set forth herein and in accordance with the Sale Process Approval Order. In the event that there is a disagreement as to the interpretation or application of the SISP, the Court will have exclusive jurisdiction to hear and resolve such dispute.

OPPORTUNITY

- 5. The Opportunity may include one or more of a restructuring, recapitalization or other form of reorganization of the business and affairs of the Company as a going concern or a sale of all, substantially all or one or more components of the Company’s Property as a going concern or otherwise.
- 6. The Sales Agent, with the oversight of the Monitor, intends to provide all qualified interested parties with an opportunity to participate in the SISP.
- 7. The Company's management and/or any of the Company’s equity holders shall not be privy to any of the bid information submitted pursuant to the SISP including the evaluation and selection of offers. The Monitor may request, at any time, written confirmation from the Company's management and any of the Company's equity holders as to (a) whether or not they intend to participate in the SISP and (b) disclosure of any interest or involvement any such party may have in or with any party participating in the SISP.

“AS IS, WHERE IS BASIS”

- 8. Any transaction involving all or any portion of the Property (each a “**Transaction**”) will be completed with Court approval on an “as is, where is” basis and without surviving representations, warranties, covenants or indemnities of any kind, nature or description by the Company, Sales Agent, the Monitor, or any of their respective agents, estates, advisors, professionals or otherwise, except to the extent expressly set forth in the relevant Definitive Transaction Agreement (as defined herein).

TIMELINE

- 9. The SISP shall commence immediately following the issuance of the Sale Process Approval Order. The table below sets out subsequent key deadlines in the SISP that interested parties should note (terms within the table are defined in subsequent paragraphs):

| <u>Milestone</u> | <u>Deadline</u> |
|--|--|
| Go to market | Tuesday, August 5, 2025 |
| Expression of Interest Date (EOI Deadline) | Friday, September 5, 2025 (12:00 PM MT) |
| EOI Selection Date | Tuesday, September 9, 2025 |
| Binding Bid Deadline | Friday, September 26, 2025 (12:00 PM MT) |
| Selection of Qualified Bids | Tuesday September 30, 2025 |
| Selection of Successful Bidder(s) and Execution of Definitive Transaction Agreement(s) | October 3, 2025 |

| | |
|--|---|
| Hearing of the Sale Approval Motion | Subject to Court availability, week of October 13, 2025 |
| Closing the Transaction (Outside Date) | No later than Wednesday, November 12, 2025 |

10. As set out at paragraph 38 below, the various deadlines herein may be extended by and at the discretion of the Monitor, in consultation with the Sales Agent and the Interim Lender.

Solicitation of Interest: Notice of the SISP

11. As soon as reasonably practicable, but in any event by no later than **Monday, August 4, 2025**
- (a) The Sales Agent, with approval of the Monitor, will prepare a list of potentially interested parties, including (i) parties that have approached the Company, Monitor or the Sales Agent indicating an interest in the Opportunity, and (ii) local and international strategic and financial parties that the Sales Agent in consultation with the Monitor, believes may be interested in purchasing all or part of the Property or investing in the Company pursuant to the SISP (collectively, the “**Known Potential Bidders**”); and
 - (b) the Sales Agent, with the approval of the Monitor, will prepare:
 - (i) a process summary (the “**Teaser Letter**”) describing the Opportunity, outlining the process under the SISP and inviting recipients of the Teaser Letter to express their interest pursuant to the SISP; and
 - (ii) a non-disclosure agreement in form and substance satisfactory to the Monitor which inures to the benefit of any purchaser of the business or Property of the Company, or any portion thereof (the “**NDA**”).
12. The Sales Agent will send the Teaser Letter and NDA to all Known Potential Bidders, and to any other party who requests a copy of the Teaser Letter and NDA or who is identified to the Company or the Sales Agent as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

Potential Bidders and Due Diligence Materials

13. Any party who wishes to participate in the SISP (“**Potential Bidder(s)**”) must provide to the Sales Agent an executed NDA and a letter (“**Interest Letter**”) setting forth (a) the identity of the Potential Bidder, (b) the contact information for such Potential Bidder, (c) full disclosure of the direct and indirect principals of the Potential Bidder, and (d) evidence of financial wherewithal to close a Transaction. Additionally, the Sales Agent, with the approval of the Monitor, may require that a Potential Bidder provide the Sales Agent with a statement of qualification (“**SoQ**”) which addresses the financial capabilities, operational capabilities and ownership details of a Potential Bidder.
14. The Sales Agent, with the approval of the Monitor, shall in its reasonable business judgment and subject to competitive and other business considerations, afford each Potential Bidder who has signed and delivered the NDA, Interest Letter and (if applicable) SoQ to the Sales Agent, such access to due diligence material and information relating to the Property as the Sales Agent and the Monitor deem appropriate.

15. Due diligence shall include access to a virtual data room (“VDR”) containing information about the Company, including its Property, and may also include management presentations, on-site inspections, and other matters which a Potential Bidder may reasonably request and which the Sales Agent, with the approval of the Monitor, may agree to provide. The Sales Agent will designate a representative to coordinate all reasonable requests for additional information and due diligence access from Potential Bidders and the manner in which such requests must be communicated.
16. Neither the Sales Agent, Company nor Monitor will be obligated to furnish any information relating to the Company or Property to any person other than to Potential Bidders. Furthermore, and for the avoidance of doubt, select due diligence materials may be withheld from certain Potential Bidders if the Monitor, in consultation with the Sales Agent, determines such information to represent proprietary or sensitive competitive information as it relates to such Potential Bidder or otherwise.
17. Neither the Sales Agent, the Monitor nor the Company is responsible for, and will bear no liability with respect to, any information provided and obtained by any party in connection with the sale of the Property and makes no representation or warranty with respect to the accuracy or completeness thereof. Potential Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Property in connection with their participation in the SISP and any Transaction they enter into with respect to the Opportunity.

Non-Binding Expressions of Interest

18. To be considered for inclusion in the next round of the process, a Potential Bidder must deliver an Expression of Interest (“EOI”) so as to be received by the Monitor and Sales Agent at the address specified in Schedule “1” hereto (including by e-mail) not later than **12:00 PM (Mountain Time) on September 5, 2025**, or as may be modified in the bid process letter that may be circulated by the Sales Agent to Potential Bidders, with the approval of the Monitor. While EOI’s may be non-binding, at a minimum an EOI should describe in sufficient detail all material matters relating to the proposed Transaction and include clear statements with respect to the following:
 - (a) Indication of deal structure, including but not limited to, particulars setting out whether the Potential Bidder intends to: (i) make an investment in Coast Auto Group (subscribe for the issuance of shares or refinance Coast Auto Group, etc., being an “**Investment Proposal**”), (ii) acquire all, substantially all, or a portion of the Property (with an outright purchase of the shares of Coast Auto Group, being a “**Share Purchase Proposal**” and a purchase of select, all or substantially all of the assets of the Coast Auto Group, being an “**Asset Purchase Proposal**”, and collectively with a Share Purchase Proposal or Investment Proposal, a “**Proposal**”;
 - (b) Identity of the entity or entities seeking to enter into a Transaction, including the identity of any entity that controls such entity. Additionally, given the nature of this Company’s business, if the Proposal involves an acquisition of one or more Dealership Asset, then the EOI must state the individual/party that will be the dealer principal with Stellantis Canada Inc. (“**Stellantis**”).
 - (c) Cash purchase price (in Canadian dollars) that is to be paid in connection with the Transaction, including an explanation of the methods and key assumptions used to determine the purchase price (the “**Purchase Price**”);
 - (d) Proposed financing for the Transaction and, if the Transaction is to be financed by means other than internal funds, the expected sources of such financing, the expected timing for commitment of funds and the steps required to secure such commitment;
 - (e) Nature of additional diligence required before entering into a Binding Bid (defined below);

- (f) Assumptions and intentions with respect to retention of management and employees;
- (g) Any regulatory, shareholder, lender or other third-party approvals that would be required or potentially required and the estimated timetable required to conclude a Transaction and whether the EOI and/or submission of a Binding Bid is conditional on any other items;
- (h) The Property included or excluded from the Transaction;
- (i) The liabilities, if any, to be assumed as part of the Transaction;
- (j) Any conditions to closing or any other terms and conditions that would be required in order to complete the Transaction;
- (k) Contact information for those individuals who should be contacted with respect to the EOI; and
- (l) Disclosure of any other matters that may be helpful in the evaluation of the EOI and complete the Transaction on a timely basis.

Evaluation and Selection of EOIs

- 19. An EOI will be evaluated based upon several factors including, without limitation: (i) the Purchase Price and the net value provided by such bid, (ii) the identity, circumstances and ability of the Potential Bidder to successfully complete such Proposal, (iii) factors affecting the speed, certainty and value of the Transaction, including, without limitation, the terms and conditions required to complete the Transaction, (iv) the assets included or excluded from the Proposal, (v) the liabilities that are to be assumed as part of the Proposal, (vi) any restructuring costs that would arise from the Proposal, and (vii) the likelihood and timing of consummating such Transaction, each as determined by the Monitor in consultation with the Sales Agent and the Interim Lender.
- 20. The Sales Agent shall notify each Potential Bidder who submitted an EOI in writing as to whether its EOI was selected to continue in the SISP (the “**Selected EOIs**”) by no later than **Tuesday September 9, 2025**, or at such later time as the Monitor deems appropriate, in consultation with the Sales Agent and the Interim Lender.

Binding Bid

- 21. Potential Bidders with Selected EOIs that wish to make a formal Proposal (a “**Bidder**”) shall submit a binding bid (the “**Binding Bid**”) that complies with all of the following requirements of the Monitor and the Sales Agent at the Monitor's and Sales Agent's address specified in Schedule “1” hereto (including by e-mail), so as to be received by the Monitor and Sales Agent not later than **12:00 PM (Mountain Time) on Friday September 26, 2025** or as may be modified in the bid process letter that may be circulated by the Sales Agent to Potential Bidders, with the approval of the Monitor (the “**Binding Bid Deadline**”):
 - (a) the Binding Bid must be a binding offer in respect of:
 - (i) an Investment Proposal;
 - (ii) a Share Purchase Proposal; and/or
 - (iii) an Asset Purchase Proposal,

and in each case, delivered in the form of a signed agreement based upon the relevant template, if any, included in the VDR with all exhibits and schedules thereto completed (a “**Definitive Transaction Agreement**”) and accompanied by (i) a blackline against the

relevant template, and (ii) a letter stating that the Binding Bid is irrevocable until the selection of the Successful Bidder (as defined below), or Backup Bidder (as defined below), as applicable provided that if such Bidder is selected as the Successful Bidder or the Backup Bidder, its offer shall remain irrevocable until the closing of the Transaction with the Successful Bidder.

- (b) the Binding Bid is accompanied by written evidence of a firm, irrevocable commitment for financing or other evidence of ability to consummate the proposed Transaction, that will allow the Monitor and the Sales Agent to make a determination as to the Bidder's financial and other capabilities to consummate the proposed Transaction;
- (c) the Binding Bid is not conditional on, (i) the outcome of unperformed due diligence by the Bidder, or (ii) obtaining financing, or (iii) the Company or the Binding Bidder receiving any approvals or amendments relating to the supply management, distribution and licence agreements required to operate any Dealership Asset (other than the dealer principal individual/party approval by Stellantis);
- (d) the Binding Bid fully discloses the identity of each entity that will be entering into the Transaction or the financing, or that is otherwise participating or benefiting from such Binding Bid (including the dealer principal individual/party with Stellantis);
- (e) for a Share Purchase Proposal or Asset Purchase Proposal, the Binding Bid includes:
 - (i) the Purchase Price in Canadian dollars (by asset type and Coast Auto Group entity) and a description of any non-cash consideration, including details of any liabilities to be assumed by the Bidder and key assumptions supporting the valuation;
 - (ii) a description of the Property that is expected to be subject to the Transaction and any of the Property expected to be excluded;
 - (iii) a specific indication of the financial capability of the Bidder and the manner in which the Transaction will be funded;
 - (iv) a description of the conditions and approvals required to close the Transaction;
 - (v) a description of those liabilities and obligations (including operating liabilities) which the Bidder intends to assume and the liabilities and obligations it does not intend to assume;
 - (vi) any other terms or conditions of the Proposal to the Transaction; and
 - (vii) a commitment by the Bidder to provide a non-refundable deposit in an amount equal to the greater of: 10% of the Purchase Price offered or \$250,000 per Dealership Asset, upon the Bidder being selected as the Successful Bidder, which deposit shall be dealt with in accordance with the relevant Definitive Transaction Agreement.
- (f) for an Investment Proposal, the Binding Bid includes:
 - (i) a description of how the Bidder proposes to structure the proposed investment, restructuring, recapitalization, refinancing, or reorganization, and a description of any non-cash consideration;
 - (ii) the aggregate amount of the equity and/or debt investment to be made in the business or the Company in Canadian dollars;
 - (iii) the underlying assumptions regarding the pro forma capital structure;

- (iv) a specific indication of the sources of capital for the Bidder and the structure and financing of the Transaction;
 - (v) a description of the conditions and approvals required to complete the closing of the Transaction;
 - (vi) a description of those liabilities and obligations (including operating liabilities) which the Bidder intends to assume and those liabilities and obligations it does not intend to assume;
 - (vii) any other terms or conditions of the Investment Proposal; and
 - (viii) a commitment by the Bidder to provide a non-refundable deposit in an amount equal to the greater of: 10% of the total new investment contemplated or \$250,000 per Dealership Asset, upon the Bidder being selected as the Successful Bidder, which deposit will be dealt with in accordance with the relevant Definitive Transaction Agreement.
- (g) the Binding Bid includes acknowledgements and representations of the Bidder that the Bidder:
- (i) has had an opportunity to conduct any and all due diligence regarding the Property, and the Company prior to making its offer;
 - (ii) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Property in making its Binding Bid; and
 - (iii) did not rely upon any written or oral statements, representations, warranties, or guarantees whatsoever, whether expressed, implied, statutory, or otherwise, regarding the Company, or the Property, or accuracy or completeness of any information provided in connection therewith;
- (h) the Binding Bid is received by the Binding Bid Deadline; and
- (i) the Binding Bid contemplates closing the Transaction set out therein no later than **Wednesday, November 12, 2025**, subject to obtaining Court approval.
22. Following the Binding Bid Deadline, the Sales Agent, the Monitor and the Interim Lender will assess the Binding Bids received. The Sales Agent, with the approval of the Monitor, will, based on the factors set out at paragraph 27 below, designate the most competitive Binding Bids that comply with the foregoing requirements to be “**Qualified Bids**”. Only Bidders whose bids have been designated as Qualified Bids (“**Qualified Bidder(s)**”) are eligible to become the Successful Bidder(s).
23. The Sales Agent shall notify each Bidder in writing as to whether its Binding Bid constitutes a Qualified Bid by no later than **Tuesday September 30, 2025**, or at such later time as the Monitor deems appropriate.
24. The Monitor, in consultation with the Sales Agent and the Interim Lender, may waive strict compliance with any one or more of the requirements specified above and deem such non-compliant Binding Bid to be a Qualified Bid.
25. In the event that the Monitor, in consultation with the Sales Agent, is not satisfied with the number or terms of the Qualified Bids, the Monitor may, in consultation with the Sales Agent and Interim Lender, extend the Binding Bid Deadline or otherwise amend the SISF as provided for herein.

26. The Monitor may, in consultation with the Sales Agent, aggregate separate and non-overlapping Bids from unaffiliated Bidders to create one Qualified Bid.

Evaluation of Competing Bids

27. A Qualified Bid will be evaluated based upon several factors including, without limitation: (i) the Purchase Price and the net value provided by such bid, (ii) the identity, circumstances and ability of the Bidder to successfully complete such Transaction, (iii) the proposed Definitive Transaction Agreement and any accompanying or related transaction documents, (iv) factors affecting the speed, certainty and value of the Transaction, (v) the assets included or excluded from the Transaction, (vi) the Liabilities that are to be assumed as part of the Transaction, (vii) any restructuring costs that would arise from such Transaction, and (viii) the likelihood and timing of consummating such Transaction, each as determined by the Sales Agent, the Monitor and the Interim Lender.

Finalization of Definitive Transaction Agreement(s)

28. Each Qualified Bidder shall complete and execute all agreements, contracts, instruments or other documents including the Definitive Transaction Agreement by **Friday October 3, 2025**, unless extended by the Monitor, in consultation with and approval from the Interim Lender, subject to the milestones or deadlines set forth in paragraph 9.

Selection of Successful Bid

29. The Monitor, in consultation with the Sales Agent and the Interim Lender, will, by **Friday October 3, 2025**:
- (a) review each Qualified Bid, the finalized Definitive Transaction Agreement and accompanying transaction documents with consideration of the following:
 - (i) the amount of consideration being offered, and, if applicable, the proposed form, composition, and allocation of same;
 - (ii) the value of any assumption of liabilities or waiver of liabilities;
 - (iii) the likelihood of Stellantis accepting the purchaser and identified individual/party as the dealer principal;
 - (iv) the likelihood of the Bidder's ability to close a Transaction by **November 12, 2025** or earlier (including factors such as the Transaction structure and execution risk, including conditions to, timing of, and certainty of closing; termination provisions; availability of financing and financial wherewithal to meet all commitments and required governmental or other approvals); the likelihood of the Court's approval of the Successful Bid, if required; the net benefit to the Company; and
 - (v) any other factors the Monitor may reasonably deem relevant;
 - (b) identify and select the highest or otherwise best bid received (the "**Successful Bid**", and the Bidder making such bid, the "**Successful Bidder**"), and notify or inform the Successful Bidder that its bid or Qualified Bid is the Successful Bid; and
 - (c) if the Monitor, in consultation with the Sales Agent and the Interim Lender, determines it to be appropriate to do so, the Monitor may identify a particular bid other than the Successful Bid as a backup bid (the "**Backup Bid**", and the bidder making such bid the

“**Backup Bidder**”), and notify or inform the Backup Bidder that its bid or Qualified Bid is the Backup Bid.

Sale Approval Motion Hearing

30. A Court date will be scheduled to hear a motion to approve any Transaction with the Successful Bidder (the “**Sale Approval Motion**”). At the Sale Approval Motion, the Monitor or the Company shall seek, among other things, approval from the Court to consummate the Successful Bid. All Qualified Bids other than the Successful Bid and Backup Bid, if any, shall be deemed to be rejected by the Monitor on and as of the date of approval of the Successful Bid by the Court (with such Backup Bid to be held in abeyance in the event that the Transaction contemplated in the Successful Bid fails to close on or before November 12, 2025, for whatever reason).

Confidentiality and Access to Information

31. All discussions regarding a Proposal or bid in the SISP should be directed through the Sales Agent. Under no circumstances should the management or employees of the Company be contacted directly without the prior consent of the Sales Agent. Any such unauthorized contact or communication could result in exclusion of the interested party from the SISP.
32. Participants and prospective participants in the SISP shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Potential Bidders, Bidders, Qualified Bids, the details of any bids submitted or the details of any confidential discussions or correspondence between the Company, the Sales Agent and such other Bidders or Potential Bidders in connection with the SISP, except to the extent the Monitor, in consultation with the Sales Agent, and consent of the applicable participants, are seeking to combine separate bids from Potential Bidders or Bidders.
33. Following the Binding Bid Deadline, copies of all Binding Bids shall be shared by the Sales Agent and the Monitor with the Interim Lender for its exclusive review and the Monitor is entitled to consult with the Interim Lender throughout the SISP, provided that the Interim Lender is not entitled to participate in the SISP as a Bidder.

Supervision of the SISP

34. The Sales Agent shall conduct the SISP, with the oversight of the Monitor in the manner set out in this SISP procedure and is entitled to receive all information in relation to the SISP.
35. This SISP does not and will not be interpreted to create any contractual or other legal relationship between the Company or the Sales Agent or the Monitor and any Potential Bidder, any Bidder, Qualified Bidder or any other party, other than as specifically set forth in a definitive agreement that may be entered into with the Company and/or Monitor.
36. Without limiting the preceding paragraph, the Sales Agent and Monitor shall not have any liability whatsoever to any person or party, including without limitation any Potential Bidder, Bidder, Qualified Bidder, the Successful Bidder, the Company, or any other creditor or other stakeholder of the Company, for any act or omission related to the process contemplated by this SISP, except to the extent such act or omission is the result of gross negligence or wilful misconduct of the Sales Agent or Monitor. By submitting a bid or otherwise participating in the SISP, each Potential Bidder, Bidder, Qualified Bidder and Successful Bidder shall be deemed to have agreed that it has no claim

against the Sales Agent and Monitor for any reason whatsoever, except to the extent that such claim is the result of gross negligence or wilful misconduct of the Sales Agent or Monitor.

37. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Bid, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a Transaction.
38. Notwithstanding the process and deadlines outlined above with respect to the SISP, the Monitor may at any time in consultation with the Sales Agent and the Interim Lender: (i) pause, terminate, amend or modify the SISP; (ii) remove any portion of the business and the Property from the SISP; (iii) bring a motion to the Court to seek approval of a sale of, or investment in, all or part of the Property or the business whether or not such sale or investment is in accordance with the terms or timelines set out in the SISP; and (iv) establish further or other procedures for the SISP, provided that (a) notwithstanding any other provision of the SISP, the deadline to close any Transaction in respect of the Property or the business (the “**Outside Date**”) may not be extended later than November 12, 2025 without the consent of the Interim Lender; and (b) the service list in the CCAA Proceedings shall be advised of any substantive modification to the procedures set forth herein and a copy thereof shall be posted on the Monitor’s website.

Schedule "1"

Address of the Monitor and Sales Agent

To the Monitor:

BDO Canada Limited
20 Wellington Street East
Suite 500
Toronto, Ontario
M5E 1C5

Attention: Clark Lonergan or Heron Yin

Email: clonergan@bdo.ca

Email: hyin@bdo.ca

To the Sales Agent:

Dealer Solutions North America Inc.
305 Renfrew Drive, #202
Markham, Ontario
L3R 9S7

Attention: John Raymond or Etienne Demeules

Email: john.raymond@dsma.com

Email: etienne.demeules@dsma.com

Appendix “B”

Revised Cash Flow Forecast

Coast Automotive Group Inc., Coast North Vancouver Auto Sales Inc., Coast Auto Drayton Inc., and 2461765 Alberta Ltd. ("Coast Auto Group" or the "Company")

Combined Cash Flow Forecast for the Period

July 16th, 2025 to October 19, 2025

(\$ CAD)

| Week Beginning | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | Total |
|---|-------|------------------|------------------|------------------|------------------|--------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Week Ending | | 2025-07-20 | 2025-07-27 | 2025-08-03 | 2025-08-10 | 2025-08-17 | 2025-08-24 | 2025-08-31 | 2025-09-07 | 2025-09-14 | 2025-09-21 | 2025-09-28 | 2025-10-05 | 2025-10-12 | 2025-10-19 | |
| Receipts | Notes | | | | | | | | | | | | | | | |
| New Vehicle Sales | 1 | 81,416 | 122,124 | 284,956 | 81,416 | 162,832 | 284,956 | 284,956 | 81,416 | 162,832 | 284,956 | 284,956 | 81,416 | 162,832 | 284,956 | 2,646,017 |
| Used Vehicle Sales | 1 | 201,542 | 302,313 | 705,396 | 201,542 | 403,083 | 705,396 | 705,396 | 201,542 | 403,083 | 705,396 | 705,396 | 201,542 | 403,083 | 705,396 | 6,550,104 |
| Parts & Service Sales | 2 | 49,147 | 79,800 | 99,750 | 87,400 | 92,150 | 99,750 | 99,750 | 87,400 | 92,150 | 99,750 | 99,750 | 87,400 | 92,150 | 99,750 | 1,266,097 |
| GST/PST Collected | 3 | 32,905 | 48,740 | 106,218 | 34,704 | 63,295 | 106,218 | 106,218 | 34,704 | 63,295 | 106,218 | 106,218 | 34,704 | 63,295 | 106,218 | 1,012,952 |
| Total Receipts | | 365,009 | 552,976 | 1,196,320 | 405,061 | 721,361 | 1,196,320 | 1,196,320 | 405,061 | 721,361 | 1,196,320 | 1,196,320 | 405,061 | 721,361 | 1,196,320 | 11,475,170 |
| Operating Disbursements | | | | | | | | | | | | | | | | |
| Lien Payouts | 4 | 71,009 | 106,513 | 248,531 | 71,009 | 142,018 | 248,531 | 248,531 | 71,009 | 142,018 | 248,531 | 248,531 | 71,009 | 142,018 | 248,531 | 2,307,788 |
| Vehicle Purchases | 5 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Parts Purchases | 6 | 28,500 | 28,500 | 30,125 | 30,125 | 30,125 | 30,125 | 30,125 | 30,125 | 30,125 | 30,125 | 30,125 | 30,125 | 30,125 | 30,125 | 418,500 |
| Payroll (Including Taxes) | 7 | - | 210,000 | - | - | 320,000 | - | 210,000 | - | 320,000 | - | 210,000 | - | - | 320,000 | 1,590,000 |
| KERP | 8 | - | - | - | - | - | - | - | - | - | - | - | - | - | 125,000 | 125,000 |
| Consultants | 9 | 14,000 | - | 17,500 | - | 56,500 | - | 17,500 | - | - | 56,500 | - | 17,500 | - | 56,500 | 236,000 |
| Employee Benefits | 10 | - | - | 17,600 | - | - | - | - | - | - | - | - | 17,600 | - | - | 35,200 |
| WCB | 11 | - | - | - | - | 9,000 | - | - | - | - | 9,000 | - | - | - | 9,000 | 27,000 |
| Property Taxes | 12 | - | - | 220,000 | - | - | - | - | - | - | - | - | - | - | - | 220,000 |
| Corporate Credit Card Repayment | 13 | - | 45,000 | - | - | - | 45,000 | - | - | - | - | 45,000 | - | - | - | 135,000 |
| Vendor Payments | 14 | 33,029 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 65,000 | 878,029 |
| Rent Payments | 15 | - | - | 63,487 | - | - | - | - | 63,487 | - | - | - | 63,487 | - | - | 190,461 |
| Insurance Payments | 16 | - | - | 42,974 | - | - | - | - | 42,974 | - | - | - | 42,974 | - | - | 128,922 |
| Professionals & Restructuring Costs | 17 | 165,000 | - | 135,000 | - | 175,000 | - | 125,000 | 10,000 | 125,000 | - | 125,000 | 10,000 | 125,000 | - | 995,000 |
| Contingency | 18 | 25,000 | 25,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 20,000 | 290,000 |
| GST/PST Paid | 19 | 15,089 | 12,438 | 23,237 | 8,869 | 17,619 | 12,869 | 15,119 | 16,987 | 15,119 | 8,869 | 19,119 | 16,987 | 15,119 | 8,869 | 206,307 |
| GST/PST Remittance (Refund) | 20 | - | - | - | - | - | 126,786 | - | - | - | 365,699 | - | - | - | 272,987 | 765,471 |
| Debt Service | | | | | | | | | | | | | | | | |
| Floor Plan Payments to/(from) BMO | 21 | 169,754 | 254,631 | 542,513 | 155,004 | 310,008 | 542,513 | 542,513 | 155,004 | 310,008 | 542,513 | 542,513 | 155,004 | 310,008 | 542,513 | 5,074,500 |
| BMO Floor Plan Interest | 22 | - | - | 125,000 | - | - | - | - | 115,000 | - | - | - | 105,000 | - | - | 345,000 |
| Interim Financing Facility Interest | 23 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Disbursements | | 521,380 | 747,082 | 1,550,968 | 350,006 | 1,145,269 | 1,090,824 | 1,273,788 | 589,586 | 1,027,269 | 1,346,237 | 1,305,288 | 614,686 | 707,269 | 1,698,525 | 13,968,177 |
| Net Cash Inflow/(Outflow) | | (156,371) | (194,106) | (354,648) | 55,055 | (423,909) | 105,496 | (77,468) | (184,525) | (305,909) | (149,917) | (108,968) | (209,625) | 14,091 | (502,205) | |
| Cumulative Net Cash Flow | | (156,371) | (350,477) | (705,125) | (650,070) | (1,073,978) | (968,483) | (1,045,951) | (1,230,476) | (1,536,384) | (1,686,301) | (1,795,269) | (2,004,894) | (1,990,803) | (2,493,007) | (2,493,007) |
| Opening Cash Balance | | - | 3,629 | 23 | 5,375 | 60,430 | 6,522 | 112,017 | 34,549 | 24 | 4,116 | 4,199 | 5,231 | 5,606 | 19,697 | - |
| Interim Financing Facility Funding | 23 | 160,000 | 190,500 | 360,000 | - | 370,000 | - | - | 150,000 | 310,000 | 150,000 | 110,000 | 210,000 | - | 485,000 | 2,495,500 |
| Net Cash Inflow/(Outflow) | | (156,371) | (194,106) | (354,648) | 55,055 | (423,909) | 105,496 | (77,468) | (184,525) | (305,909) | (149,917) | (108,968) | (209,625) | 14,091 | (502,205) | (2,493,007) |
| Closing Cash Balance | | 3,629 | 23 | 5,375 | 60,430 | 6,522 | 112,017 | 34,549 | 24 | 4,116 | 4,199 | 5,231 | 5,606 | 19,697 | 2,493 | 2,493 |
| Cumulative Interim Financing Drawn | 23 | 160,000 | 350,500 | 710,500 | 710,500 | 1,080,500 | 1,080,500 | 1,080,500 | 1,230,500 | 1,540,500 | 1,690,500 | 1,800,500 | 2,010,500 | 2,010,500 | 2,495,500 | 2,495,500 |

Coast Automotive Group Inc., Coast North Vancouver Auto Sales Inc. ("North Van"), Coast Auto Drayton Inc. ("Drayton Valley"), and 2461765 Alberta Ltd. (together, the "Debtors", or the "Company", or "Coast Automotive")
Combined Cash Flow Forecast for the Period
July 16th, 2025 to October 19, 2025
(\$ CAD)

Notes to the Unaudited 14-Week Cash Flow Forecast of the Applicants

In preparing this cash flow forecast (the "14-Week Cash Flow Forecast") the Debtors have relied upon unaudited financial information and the Debtors have not attempted to further verify the accuracy or completeness of such information. The 14-Week Cash Flow Forecast includes estimates concerning the operations of the Debtors and additional information discussed below with respect to the requirements of a Companies Creditors Arrangements Act ("CCAA") filing. Since the 14-Week Cash Flow Forecast is based upon assumptions of future events and conditions that are not ascertainable, the actual results achieved during the period will vary from the 14-Week Cash Flow Forecast, even if the assumptions materialize, and such variation may be material. There is no representation, warranty or other assurances that any of the estimates, forecasts or projections will be realized.

Overview

The 14-Week Cash Flow Forecast includes the receipts and disbursements of all of the Debtors during the 14-Week Cash Flow Forecast period. The Debtors, with the assistance of BDO Canada Limited in its capacity as the monitor of the Debtors (the "Monitor") have prepared the 14-Week Cash Flow Forecast based primarily on estimated disbursements related to the ongoing operations and to the CCAA proceedings.

Assumptions:

- 1 Estimated vehicle sales net of vehicle trade-ins. Developed while considering current market conditions, and the cyclical sales cycle. Sales forecast in the first two weeks are reduced amid CCAA filing
- 2 Parts and service receipts calculated based on historical sales figures and sales mix.
- 3 GST and PST collected on receipts.
- 4 Projected potential lien payout amounts calculated based on forecasted trade-in vehicles, percentage of trade-in vehicles with liens, and an average lien amount.
- 5 Vehicle purchases at \$nil as the Debtors does not anticipate purchasing any vehicles for resale.
- 6 Calculated using historical average gross margin on projected parts sales.
- 7 Payroll made up of salaried employee and hourly employee amounts. Employee payroll is administered 210000
- 8 Key employee retention program to incentivize eligible employees to remain through the CCAA process, with \$15,000 of contingencies built in.
- 9 Payment for full time controller paid as a contractor instead of regular payroll.
- 10 Continuation of employee benefit plan with the Company's current insurance provider, First Canadian.
- 11 Monthly payments for Workers Compensation Board projected based on historical payments.
- 12 Projected property tax lump sum payment for North Van location.
- 13 Periodic repayment of the BMO Mastercard used for operating expenses.
- 14 Payment of go-forward vendor payments, consistent with historical weekly run rate.
- 15 Rent payments for North Van's main dealership lot and 2 offsite car lots.
- 16 Continuation of insurance policy premiums to be paid as scheduled.
- 17 Costs of the Monitor and its counsel, the Debtors' counsel, Debtors sales agent, and Interim Lender professional fees.
- 18 Contingency (inclusive of GST/PST) is assumed to cover unanticipated costs.
- 19 GST and PST paid on disbursements.
- 20 GST and PST remittance paid monthly for previous month's net GST collected and PST collected.
- 21 Represents the net of principal repayment of floor line financing on vehicles sold and/or financing provided for vehicles traded in.
- 22 Estimated based on previous floor line interest run rates, with slight reduction later in the period to account for projected floor line paydowns.
- 23 Relates to interim financing from Interim Lender, up to a maximum of \$2,500,000. Interests are accrued and settled outside of the 14-Week Cash Flow Forecast period pursuant to the terms of the Interim Financing Term Sheet.

Appendix “C”

Second Revised Cash Flow Forecast

Coast Automotive Group Inc., Coast North Vancouver Auto Sales Inc., Coast Auto Drayton Inc., and 2461765 Alberta Ltd. (the "Companies" or the "Debtors")

Cash Flow Forecast for the Period

September 28th, 2025 to December 14th, 2025

(\$ CAD)

| Week Beginning | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | Total |
|-------------------------------------|--------------|------------------|------------------|------------------|------------------|--------------------|------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Week Ending | | 2025-10-05 | 2025-10-12 | 2025-10-19 | 2025-10-26 | 2025-11-02 | 2025-11-09 | 2025-11-16 | 2025-11-23 | 2025-11-30 | 2025-12-07 | 2025-12-14 | |
| Receipts | Notes | | | | | | | | | | | | |
| New Vehicle Sales | 1 | 269,003 | 255,003 | 408,183 | 444,174 | 276,858 | 275,003 | 275,003 | 442,327 | 311,214 | 344,681 | 275,003 | 3,576,453 |
| Used Vehicle Sales | 1 | 209,415 | 285,393 | 346,851 | 368,581 | 245,441 | 248,664 | 314,122 | 346,851 | 242,144 | 32,729 | 65,459 | 2,705,650 |
| Parts & Service Sales | 2 | 69,800 | 69,800 | 89,750 | 77,400 | 82,150 | 89,750 | 89,750 | 77,400 | 82,150 | 89,750 | 89,750 | 907,450 |
| GST/PST Collected | 3 | 49,262 | 54,652 | 79,456 | 85,644 | 59,596 | 53,359 | 61,215 | 79,337 | 63,718 | 44,051 | 39,617 | 669,906 |
| Total Receipts | | 597,480 | 664,848 | 924,240 | 975,799 | 664,044 | 666,776 | 740,090 | 945,915 | 699,227 | 511,212 | 469,829 | 7,859,460 |
| Operating Disbursements | | | | | | | | | | | | | |
| Lien Payouts | 4 | 104,707 | 142,696 | 173,426 | 184,290 | 121,072 | 124,332 | 157,061 | 173,426 | 121,072 | 16,365 | 32,729 | 1,351,177 |
| Vehicle Purchases | 5 | - | - | - | - | - | - | - | - | - | - | - | - |
| Parts Purchases | 6 | 35,800 | 35,800 | 35,800 | 35,800 | 35,800 | 35,800 | 35,800 | 35,800 | 35,800 | 35,800 | 35,800 | 393,800 |
| Payroll (Including Taxes) | 7 | 136,824 | - | 238,380 | - | 136,824 | - | 238,380 | - | - | 136,824 | - | 887,232 |
| KERP | 8 | - | - | - | - | 125,000 | - | - | - | - | - | - | 125,000 |
| Consultants | 9 | - | - | 31,421 | - | - | 17,456 | - | 31,421 | - | 17,456 | - | 97,755 |
| Employee Benefits | 10 | 21,900 | - | - | - | 21,900 | - | - | - | - | 21,900 | - | 65,700 |
| WCB | 11 | - | - | - | - | - | - | - | - | - | 9,000 | - | 9,000 |
| Property Taxes | 12 | - | - | - | - | - | - | - | - | - | - | - | - |
| Corporate Credit Card Repayment | 13 | - | 12,000 | - | 35,000 | - | - | - | 45,000 | - | - | - | 92,000 |
| Vendor Payments | 14 | 36,000 | 36,000 | 36,000 | 36,000 | 36,000 | 36,000 | 36,000 | 36,000 | 36,000 | 36,000 | 36,000 | 396,000 |
| Rent Payments | 15 | 53,990 | - | - | - | 53,990 | - | - | - | - | 53,990 | - | 161,970 |
| Insurance Payments | 16 | 2,741 | - | - | - | 16,442 | - | - | - | 13,701 | 2,741 | - | 35,625 |
| Professionals & Restructuring Costs | 17 | 200,000 | - | 150,000 | - | 150,000 | - | 125,000 | - | 100,000 | - | 100,000 | 825,000 |
| Contingency | 18 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 25,000 | 275,000 |
| GST/PST Paid | 19 | 18,772 | 5,440 | 13,911 | 6,590 | 16,957 | 5,713 | 11,090 | 8,661 | 10,525 | 10,094 | 9,840 | 117,593 |
| GST/PST Remittance (Refund) | 20 | - | - | 175,000 | - | - | - | 25,000 | 150,000 | - | - | 75,000 | 425,000 |
| Debt Service | | | | | | | | | | | | | |
| Floor Plan Payments to/(from) BMO | 21 | 301,948 | 316,640 | 468,354 | 506,551 | 320,080 | 320,785 | 343,696 | 497,376 | 349,282 | 304,434 | 256,663 | 3,985,809 |
| BMO Floor Plan Interest | 22 | 83,700 | - | - | - | 44,500 | 34,200 | - | - | - | 30,400 | - | 192,800 |
| DIP Interest | 23 | - | - | - | - | - | - | - | - | - | - | 75,000 | 75,000 |
| Total Disbursements | | 1,021,382 | 573,577 | 1,347,292 | 829,231 | 1,103,564 | 599,286 | 997,027 | 1,002,684 | 691,381 | 700,005 | 646,032 | 9,511,460 |
| Net Cash Inflow/(Outflow) | | (423,902) | 91,271 | (423,051) | 146,567 | (439,520) | 67,490 | (256,937) | (56,769) | 7,846 | (188,793) | (176,204) | (1,652,000) |
| Cumulative Net Cash Flow | | (423,902) | (332,631) | (755,682) | (609,115) | (1,048,635) | (981,144) | (1,238,081) | (1,294,850) | (1,287,004) | (1,475,797) | (1,652,000) | (1,652,000) |
| Opening Cash Balance | | 1,042,570 | 618,667 | 709,938 | 486,887 | 633,455 | 393,935 | 461,425 | 279,489 | 297,720 | 305,566 | 216,773 | 1,042,570 |
| DIP Facility Funding | 23 | - | - | 200,000 | - | 200,000 | - | 75,000 | 75,000 | - | 100,000 | 75,000 | 725,000 |
| Net Cash Inflow/(Outflow) | | (423,902) | 91,271 | (423,051) | 146,567 | (439,520) | 67,490 | (256,937) | (56,769) | 7,846 | (188,793) | (176,204) | (1,652,000) |
| Closing Cash Balance | | 618,667 | 709,938 | 486,887 | 633,455 | 393,935 | 461,425 | 279,489 | 297,720 | 305,566 | 216,773 | 115,569 | 115,569 |
| Cumulative DIP Drawn | 23 | 1,690,000 | 1,690,000 | 1,890,000 | 1,890,000 | 2,090,000 | 2,090,000 | 2,165,000 | 2,240,000 | 2,240,000 | 2,340,000 | 2,415,000 | 2,415,000 |

Coast Automotive Group Inc., Coast North Vancouver Auto Sales Inc. ("North Van"), Coast Auto Drayton Inc. ("Drayton Valley"), and 2461765 Alberta Ltd. (together, the "Companies" or the "Debtors")
Combined Cash Flow Forecast for the Period
September 28th, 2025 to December 14th, 2025
(\$ CAD)

Notes to the Unaudited 11-Week Cash Flow Forecast of the Applicants

In preparing this cash flow forecast (the "11-Week Cash Flow Forecast") the Debtors have relied upon unaudited financial information and the Debtors have not attempted to further verify the accuracy or completeness of such information. The 11-Week Cash Flow Forecast includes estimates concerning the operations of the Debtors and additional information discussed below with respect to the requirements of a Companies Creditors Arrangements Act ("CCAA") filing. Since the 11-Week Cash Flow Forecast is based upon assumptions of future events and conditions that are not ascertainable, the actual results achieved during the period will vary from the 11-Week Cash Flow Forecast, even if the assumptions materialize, and such variation may be material. There is no representation, warranty or other assurances that any of the estimates, forecasts or projections will be realized.

Overview

The 11-Week Cash Flow Forecast includes the receipts and disbursements of all of the Debtors during the 11-Week Cash Flow Forecast period. The Debtors, with the assistance of BDO Canada Limited in its capacity as the monitor of the Debtors (the "Monitor") have prepared the 11-Week Cash Flow Forecast based primarily on estimated disbursements related to the ongoing operations and to the CCAA proceedings. The 11-Week Cash Flow Forecast excludes any amounts or proceeds expected to be realized from the sale of assets pursuant to the "SISP".

Assumptions:

- 1 Estimated vehicle sales net of vehicle trade-ins. Developed while considering current market conditions, and the cyclical sales cycle.
- 2 Parts and service receipts calculated based on historical sales figures and sales mix.
- 3 GST and PST collected on receipts.
- 4 Projected potential lien payout amounts calculated based on forecasted trade-in vehicles, percentage of trade-in vehicles with liens, and an average lien amount.
- 5 Vehicle purchases at \$nil as the Debtors does not anticipate purchasing any vehicles for resale.
- 6 Calculated using historical average gross margin on projected parts sales.
- 7 Payroll made up of salaried employee and hourly employee amounts. Employee payroll is administered twice a month through an external service provider (inclusive of taxes).
- 8 Key employee retention program to incentivize eligible employees to remain through the CCAA process.
- 9 Payment for full time controller paid as a contractor instead of regular payroll.
- 10 Continuation of employee benefit plan with the Company's current insurance provider, First Canadian.
- 11 Monthly payments for Workers Compensation Board projected based on historical payments.
- 12 2025 Property tax paid up-to date.
- 13 Periodic repayment of the BMO Mastercard used for operating expenses.
- 14 Payment of go-forward vendor payments, consistent with historical weekly run rate.
- 15 Rent payments for North Van's main dealership lot and 1 offsite car lots.
- 16 Continuation of insurance policy premiums to be paid as scheduled.
- 17 Costs of the Monitor and its counsel, the Debtors' counsel, Debtors sales agent, and DIP Lender professional fees.
- 18 Contingency (inclusive of GST/PST) is assumed to cover unanticipated costs.
- 19 GST and PST paid on disbursements.
- 20 GST and PST remittance paid monthly for previous month's net GST collected and PST collected.
- 21 Represents the net of principal repayment of floor line financing on vehicles sold and/or financing provided for vehicles traded in.
- 22 Estimated based on previous floor line interest run rates, with slight reduction later in the period to account for projected floor line paydowns.
- 23 Relates to DIP financing from lender, up to a maximum of \$2,500,000. Interests are accrued and settled outside of the 11-Week Cash Flow Forecast period.

Appendix “D”

Drayton Valley Sale Agreement

COAST AUTO DRAYTON INC. AND 2461765 ALBERTA LTD.

and -

STETSON CDJR LTD. AND STETSON CDJR PROPERTIES LTD.

ASSET PURCHASE AGREEMENT

DATED AS OF October 7, 2025

TABLE OF CONTENTS

Page

| | |
|--|----|
| Article 1 INTERPRETATION | 2 |
| 1.1 Definitions | 2 |
| 1.2 Actions on Non-Business Days | 11 |
| 1.3 Currency and Payment Obligations | 11 |
| 1.4 Calculation of Time | 11 |
| 1.5 Tender | 11 |
| 1.6 Additional Rules of Interpretation | 11 |
| 1.7 Schedules | 12 |
| Article 2 PURCHASE OF ASSETS AND ASSUMPTION OF LIABILITIES | 12 |
| 2.1 Purchase and Sale of Purchased Assets | 12 |
| 2.2 Assumption of Assumed Liabilities | 12 |
| 2.3 Assignment of Contracts | 13 |
| 2.4 Transfer and Assignment of Permits and Licences | 14 |
| Article 3 PURCHASE PRICE & TAXES..... | 15 |
| 3.1 Purchase Price | 15 |
| 3.2 Allocation of Purchase Price | 15 |
| 3.3 Satisfaction of Purchase Price | 15 |
| 3.4 Purchase Price Adjustment..... | 15 |
| 3.5 Taxes..... | 16 |
| 3.6 Tax Gross Up..... | 16 |
| 3.7 Tax Elections | 16 |
| Article 4 Procedures..... | 17 |
| 4.1 SISP; Approval and Vesting Order | 17 |
| Article 5 REPRESENTATIONS AND WARRANTIES | 17 |
| 5.1 Representations and Warranties of the Purchasers | 17 |
| 5.2 Representations and Warranties of the Vendors | 18 |
| 5.3 As is, Where is..... | 19 |
| Article 6 EMPLOYEES | 21 |
| 6.1 Offers of Employment and Employee Liabilities | 21 |
| 6.3 Other Benefit Matters | 22 |
| Article 7 COVENANTS..... | 23 |
| 7.1 Access During Interim Period..... | 23 |
| 7.2 Transaction Personal Information | 23 |
| 7.3 Risk of Loss | 23 |

TABLE OF CONTENTS

| | Page |
|---|-------------|
| 7.4 Indemnity | 24 |
| 7.5 Books and Records..... | 24 |
| 7.6 Certain Information Technology Assets..... | 24 |
| 7.7 Regulatory Approvals..... | 24 |
| 7.8 Manufacturer and Motor Vehicle Council Consent | 25 |
| 7.9 Cooperation and Consultation with Governmental Authorities..... | 25 |
| Article 8 CLOSING ARRANGEMENTS | 25 |
| 8.1 Closing..... | 25 |
| 8.2 Vendors' Closing Deliveries | 25 |
| 8.3 Purchasers' Closing Deliveries..... | 26 |
| Article 9 CONDITIONS OF CLOSING | 27 |
| 9.1 Purchasers' Conditions | 27 |
| 9.2 Vendors' Conditions | 28 |
| 9.3 Monitor's Certificate | 28 |
| Article 10 TERMINATION | 28 |
| 10.1 Grounds for Termination | 28 |
| 10.2 Effect of Termination | 29 |
| 10.3 Treatment of Deposit | 29 |
| Article 11 GENERAL..... | 30 |
| 11.1 Survival..... | 30 |
| 11.2 Expenses..... | 30 |
| 11.3 Public Announcements | 30 |
| 11.4 Notices..... | 30 |
| 11.5 Time of Essence | 31 |
| 11.6 Further Assurances..... | 31 |
| 11.7 Monitor's Capacity.. .. | 32 |
| 11.8 Entire Agreement..... | 32 |
| 11.9 Amendment | 32 |
| 11.10 Waiver. | 32 |
| 11.11 Severability | 32 |
| 11.12 Remedies Cumulative..... | 32 |
| 11.13 Governing Law..... | 32 |
| 11.14 Dispute Resolution..... | 32 |
| 11.15 Attornment | 33 |
| 11.16 Successors and Assigns | 33 |

TABLE OF CONTENTS

| | Page |
|--------------------------------------|-------------|
| 11.17 Assignment..... | 33 |
| 11.18 Third Party Beneficiaries..... | 33 |
| 11.19 Counterparts..... | 33 |

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement dated as of October 7, 2025 is made by and between:

COAST AUTO DRAYTON INC. AND 2461765 ALBERTA LTD.

(each, a “**Vendor**” and collectively, the “**Vendors**”)

- and -

STETSON CDJR LTD.

(the “**Operating Purchaser**”)

AND STETSON CDJR PROPERTIES LTD.

(the “**Real Property Purchaser**” and together with the Operating Purchaser, the “**Purchasers**”)

RECITALS:

WHEREAS on July 16, 2025, the Court of King’s Bench of Alberta (the “**Court**”) issued an Initial Order (as amended and restated on July 25, 2025 and as may be further amended or amended and restated from time to time, the “**Initial Order**”) granting the Vendors protection under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**” and the proceedings commenced thereunder, the “**CCAA Proceedings**”). Pursuant to the Initial Order, BDO Canada Limited was appointed as Monitor of the Vendors (in such capacity, the “**Monitor**”).

AND WHEREAS on July 25, 2025, the Court granted an Order approving a sale and investment solicitation process (“**SISP**”) which, among other things, authorized the Monitor, with the assistance of Dealer Solutions North America Inc. (the “**Sales Agent**”), to conduct the SISP.

AND WHEREAS the Vendors’ business (the “**Business**”) primarily consists of operating a retail automotive dealership for Chrysler, Dodge, Jeep and Ram vehicles in Drayton Valley, Alberta (the “**Coast Drayton Valley Dealership**”) operated by Coast Auto Drayton Inc.

AND WHEREAS 2461765 Alberta Ltd. (“**246**”) is a real estate holding company which owns the real estate upon which the Coast Drayton Valley Dealership operates located at 4099/3731 50 Street, Drayton Valley, Alberta, with the legal description set out on Schedule “D” hereto (the “**Owned Real Property**”).

AND WHEREAS the Purchasers wishes to purchase the Purchased Assets (as defined herein) upon the terms and subject to the conditions set out herein.

NOW THEREFORE, in consideration of the promises, mutual covenants and agreements contained in this Agreement (as defined herein), and for other good and valuable consideration, the receipt and sufficiency of which are each hereby acknowledged by the Parties (as defined herein), the Parties agree as follows:

**ARTICLE 1
INTERPRETATION**

1.1 Definitions. In this Agreement, in addition to the terms defined in the preamble and recitals, the following terms have the following meanings:

“Accounts Payable” means any and all amounts owing by any Vendor to any Person which are incurred in connection with the purchase of goods and/or the provision of services.

“Acquired Intellectual Property” means all Intellectual Property of the Vendors other than Excluded Intellectual Property.

“Action” means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, order, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity and by or before a Governmental Authority.

“Affiliate” means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate. A Person shall be deemed to **“control”** another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; and the term **“controlled”** shall have a similar meaning.

“Agreement” means this Asset Purchase Agreement, including the preamble and the Recitals, and all the Schedules attached hereto, as they may be amended, restated or supplemented from time to time in accordance with the terms hereof.

“Applicable Law” means, with respect to any Person, property, transaction, event or other matter, (i) any foreign or domestic constitution, treaty, law, statute, regulation, code, ordinance, principle of common law or equity, rule, municipal by-law, Order or other requirement having the force of law, (ii) any policy, practice, protocol, standard or guideline of any Governmental Authority which, although not necessarily having the force of law, is regarded by such Governmental Authority as requiring compliance as if it had the force of law (collectively, in the foregoing clauses (i) and (ii), **“Law”**), in each case relating or applicable to such Person, property, transaction, event or other matter and also includes, where appropriate, any interpretation of Law (or any part thereof) by any Person having jurisdiction over it, or charged with its administration or interpretation.

“Approval and Vesting Order” means an order of the Court issued in the CCAA Proceedings approving the transactions contemplated by this Agreement and vesting in the Purchasers all of the Vendors’ right, title and interest in and to the Purchased Assets free and clear of all Encumbrances (other than Permitted Encumbrances), in form and substance satisfactory to the Parties, acting reasonably.

“Approval Motion” has the meaning set out in Section 4.1(3).

“Assigned Contracts” means, collectively, the Critical Contracts, the Personal Property Leases and the other Contracts listed on Schedule “B”.

“Assignment and Assumption Agreement” means an assignment and assumption agreement, in form and substance satisfactory to the Parties, acting reasonably, evidencing the assignment to each of the Purchasers, as applicable, of each Vendor’s rights, benefits and interests in, to and under the Assigned Contracts and the assumption by each of the Purchasers of all of the Assumed Liabilities under or in respect of the Assigned Contracts.

“Assignment Order” means an order of the Court issued in the CCAA Proceedings in form and substance satisfactory to the Parties, each acting reasonably, assigning to each of the Purchasers, as applicable, each Vendor’s right, benefit and interest in and to any of the Assigned Contracts for which any necessary consent to assign has not been obtained, in form and content acceptable to the Parties, acting reasonably.

“Assumed Liabilities” means the following Liabilities of each Vendor:

- (a) all Liabilities under the Assigned Contracts and Permits and Licences (in each case to the extent such Assigned Contract or Permit and Licence is effectively assigned to the Purchaser) arising on or after the Closing Date;
- (b) all Liabilities relating to the Purchased Assets or Related to the Business arising on or after the Closing Date, including, for greater certainty, any and all omitted or reassessed municipal or property Taxes that arise or result from a reassessment of the Owned Real Property that occurs or is concluded after Closing, irrespective of whether such omitted or reassessed municipal or property Taxes are owing for a period before or after Closing, and irrespective of when such omitted or reassessed municipal or property Taxes are deemed to be due and owing pursuant to applicable legislation;
- (c) all Liabilities on account of the trade accounts, payables and other current Accounts Payable, in each case incurred or accrued by any of the Purchasers on or after the Closing Date in the ordinary course of business and Related to the Business; and
- (d) all liabilities related to Employees that are specifically assumed by the Operating Purchaser pursuant to Section 6.1(3), including, for greater certainty, the unused vacation pay and time accrued or banked and overtime pay accrued or banked in respect of each Transferred Employee under the Vendors’ Employee Plans;

and, for greater certainty, does not include Excluded Liabilities.

“Backup Bid” has the meaning given to it in the SISP.

“Books and Records” means the books, records, files, papers, books of account and other financial data of the Vendors which are solely Related to the Business or related to the Purchased Assets, including drawings, engineering information, manuals and Data, sales and advertising materials, sales and purchase correspondence, trade association files, research and development records, lists of present and former customers and suppliers, marketing lists and marketing consent records, personnel, employment and other records, and all records, Data and information stored electronically, digitally or on computer-related or any other media.

“Business” has the meaning set out in the Recitals hereto.

“Business Day” means any day except Saturday, Sunday or any day on which banks are generally not open for business in the City of Edmonton, Alberta but does not include a Saturday, Sunday or statutory holiday in the Province of Alberta.

“Cash Purchase Price” has the meaning set out in Section 3.1(1).

“Casualty” has the meaning set out in Section 7.3.

“CCAA” has the meaning set out in the Recitals hereto.

“CCAA Proceedings” has the meaning set out in the Recitals hereto.

“Claims” means any and all claims, demands, complaints, grievances, actions, applications, suits, causes of action, orders, charges, indictments, prosecutions or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, including loss of value, professional fees, including solicitor and client costs and disbursements, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing, related to the Vendors or the Purchased Assets, and **“Claim”** means any one of them;

“Closing” means the completion of the purchase and sale of the Vendors’ right, title and interest in and to the Purchased Assets and the assignment and assumption of the Assumed Liabilities by the Purchasers in accordance with the provisions of this Agreement.

“Closing Date” means the date on which Closing occurs, which date is intended to be the Target Closing Date.

“Closing Time” means the time of day on the Closing Date when Closing occurs.

“Conditions Certificate” has the meaning set out in Section 9.3.

“Contracts” means all pending and executory contracts, agreements, leases, understandings and arrangements (whether oral or written) to which any Vendor is a party or by which any Vendor or any of the Purchased Assets are bound or under which any Vendor has rights, including any Personal Property Leases.

“Court” has the meaning set out in the recitals hereto.

“Critical Contracts” means those Contracts that are, in the opinion of the Purchasers, acting reasonably, necessary and critical to the operation of the Business and the Purchased Assets as a going concern after the Closing Date as listed and specified as **“Critical Contracts”** on Schedule “B”.

“Cure Costs” means, with respect to any Assigned Contract, the amounts, if any, required to be paid to remedy all of the applicable Vendor’s monetary defaults existing as of the Closing Date under the applicable Assigned Contract.

“Customer Contracts” means any and all unfilled orders, commitments and other engagements entered into between any of the Vendors and one or more third parties relating to the sale of vehicles or vehicle parts and accessories or the provision of vehicle maintenance or repair services by any of the Vendors to such third parties in the ordinary course of Business.

“Customer Deposit” means deposit held by the Vendor as at Closing pursuant to the terms of a Customer Contract entered into prior to Closing.

“Damages” means any loss, cost, Liability, claim, interest, fine, penalty, assessment, Taxes, damages available at Law or in equity (including incidental, consequential, special, aggravated, exemplary or punitive damages unless paid to a third party), expense (including consultant’s and expert’s fees and expenses and reasonable costs, fees and expenses of legal counsel on a full indemnity basis, without reduction for tariff rates or similar reductions and reasonable costs, fees and expenses of investigation, defence or settlement) or diminution in value.

“Data” means any information or data collected or received by, processed by, or output from software (including reports, analytics, and alerts), and any other information or data Related to the Business, including information and data contained in any databases.

“Deferred New Vehicles” means undamaged new model vehicles owned by the Vendors and used by them in the Business and for which the Manufacturer has invoiced the Vendors.

“Demonstrator Vehicles” means undamaged New Vehicles owned by the Vendors and used by them in the Business immediately prior to Closing for demonstration purposes and which have not been registered as sold vehicles with the Manufacturer.

“Deposit” has the meaning set forth in Section 3.3(1).

“Employee Plans” means all written or oral employee benefit welfare, supplemental unemployment benefit, bonus, pension, profit sharing, executive compensation, current or deferred compensation, incentive compensation, stock compensation, stock purchase, stock option, stock appreciation, phantom stock option, savings, overtime pay, vacation pay, severance or termination pay, retirement, supplementary retirement, hospitalization insurance, salary continuation, legal, health or other medical, dental, life, disability or other insurance (whether insured or self-insured) plan, program, agreement or arrangement, including post-retirement health and life insurance benefit plans, and every other written or oral benefit plan, program, agreement or arrangement sponsored, maintained or contributed to or required to be contributed to by any of the Vendors or any Affiliate of the Vendors for the benefit of the Employees or former Employees and their dependents or beneficiaries by which any of the Vendors are bound or with respect to which any of the Vendors participate or have any actual or potential Liability.

“Employees” means all individuals who, as of the Closing Date, are employed in the Business by any of the Vendors, whether on a full-time or part-time basis, whether unionized or non-unionized, including all individuals who are on an approved and unexpired leave of absence, all individuals who have been placed on temporary lay-off that has not expired, and all individuals who have recall rights that have not expired under any collective bargaining agreements.

“Encumbrances” means all claims, Liabilities (direct, indirect, absolute or contingent), obligations, prior claims, right of retention, liens, security interests, floating charges, mortgages, pledges, assignments, conditional sales, warrants, adverse claims, charges, hypothecs, trusts, deemed trusts (statutory or otherwise), judgments, writs of seizure or execution, notices of sale, contractual rights (including purchase options, rights of first refusal, rights of first offer or any other pre-emptive contractual rights), encumbrances, whether or not they have been registered, published or filed and whether secured, unsecured or otherwise.

“ETA” means the *Excise Tax Act*, R.S.C. 1985, c. E-15, as amended.

“Excluded Assets” means each Vendor’s right, title and interest in and to any assets other than the Purchased Assets, including, without limitation:

- (a) any of the Vendors’ cash, cash equivalents and short term-investments, including the Deposit;
- (b) all bank accounts of the Vendors;
- (c) original tax records and books and records pertaining thereto, minute books, corporate records, corporate seals, taxpayer and other identification numbers and other documents relating to the organization, maintenance and existence of the Vendors that do not relate exclusively or primarily to any of the Purchased Assets;
- (d) any income tax refunds and other Tax refunds receivable by the Vendors and any Tax Returns;

- (e) all Receivables;
- (f) the interest of the Vendors in any litigation and in the proceeds of any judgement or order thereof;
- (g) the interest of the Vendors in any insurance policies, including any cash surrender value thereof;
- (h) those tools used by mechanics employed in the Business which are owned by the mechanics or any third party;
- (i) 2024 Dodge Charger Daytona with VIN# 2C3CDBCK9RR205754;
- (j) 2018 Ford F-150 with VIN# 1FTFW1E50JFD06729;
- (k) Excluded Intellectual Property; and
- (l) the Excluded Contracts.

“Excluded Contracts” means contracts or agreements to which the Vendors are a party that are not Assigned Contracts.

“Excluded Intellectual Property” means (i) trade-marks, corporate names and business names, registered domain names, and (ii) social media usernames and other internet identities and all account information relating thereto.

“Excluded Liabilities” means all Liabilities not expressly assumed by the Purchasers hereunder as Assumed Liabilities.

“Final Order” means, at the relevant time or date, an order of the Court that has not been vacated, stayed, amended, reversed or modified, as to which no appeal or application for leave to appeal therefrom has been filed, or if any appeal(s) or application(s) for leave to appeal therefrom have been filed, any (and all) such appeal(s) or application(s) have been dismissed, quashed, determined, withdrawn or disposed of.

“General Conveyance” means a general conveyance and assumption of Liabilities, in form and substance satisfactory to the Parties, acting reasonably, evidencing the conveyance to the Purchasers of the Vendors’ right, title and interest in and to the Purchased Assets and the assumption by the Purchasers of the Assumed Liabilities.

“Governmental Authority” means:

- (a) any domestic or foreign government, whether national, federal, provincial, state, territorial, municipal or local (whether administrative, legislative, executive or otherwise);
- (b) any agency, authority, ministry, department, regulatory body, court, central bank, bureau, board or other instrumentality having legislative, judicial, taxing, regulatory, prosecutorial or administrative powers or functions of, or pertaining to, government;
- (c) any court, tribunal, commission, individual, arbitrator, arbitration panel or other body having adjudicative, regulatory, judicial, quasi-judicial, administrative or similar functions; and

- (d) any other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange, securities commission or professional association.

“GST/HST” means all goods and services tax and harmonized sales tax imposed under Part IX of the ETA.

“Hardware” has the meaning set forth in Section 7.6.

“Hire Date” means the effective date of employment with the Operating Purchaser of a Transferred Employee which shall be the Closing Date.

“Hire List” has the meaning set forth in 6.1(2).

“Incentives” means any rebates payable by the Manufacturer with respect to New Vehicles and New 2024 Vehicles.

“Initial Order” has the meaning given to it in the recitals.

“Intellectual Property” means all intellectual property and industrial property, throughout the world, whether or not registerable, patentable or otherwise formally protectable, and whether or not registered, patented, otherwise formally protected or the subject of a pending application for registration, patent or any other formal protection, including all (i) trade-marks, corporate names and business names, (ii) inventions, (iii) works and subject matter in which copyright, neighbouring rights or moral rights subsist, (iv) industrial designs, patents, (v) know-how, trade secrets, proprietary information, confidential information and information of a sensitive nature that have value to the Business or relate to business opportunities for the Business, in whatever form communicated, maintained or stored, (vi) telephone numbers and facsimile numbers, (vii) registered domain names, and (viii) social media usernames and other internet identities and all account information relating thereto.

“Interim Lender” means the Bank of Montreal;

“Interim Period” means the period from the date that this Agreement is entered into by the Parties to the Closing Time.

“ITA” means the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supplement), and the regulations thereto.

“KERP Payments” means any payments owing under the Key Employee Retention Plan approved pursuant to the Initial Order.

“Law” has the meaning set out in the definition of **“Applicable Law”**.

“Legal Proceeding” means any litigation, Action, application, demand, suit, investigation, hearing, claim, complaint, deemed complaint, grievance, civil, administrative, regulatory or criminal, arbitration proceeding or other similar proceeding, before or by any court or other tribunal or Governmental Authority and includes any appeal or review thereof and any application for leave for appeal or review.

“Liability” means, with respect to any Person, any liability, debt, dues, guarantee, surety, indemnity obligation, or other obligation of such Person of any kind, character or description, whether legal, beneficial or equitable, known or unknown, present or future, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due or accruing due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

“Manufacturer” means Stellantis Canada Inc.

“Material Casualty” means a Casualty in respect of all or substantially all of the Purchased Assets.

“Monitor” has the meaning set out in the recitals hereto.

“Monitor’s Certificate” has the means the certificate substantially in the form attached as Schedule “A” to the Approval and Vesting Order, to be delivered by the Monitor to the Purchasers on Closing and thereafter filed by the Monitor with the Court certifying that it has received, among other things, the Conditions Certificates.

“New Vehicles” means 2025 and 2026 models which are undamaged and with less than 200 kilometres and which have not been registered as sold vehicles with the Manufacturer thereof and which comprise part of the Vendors’ inventory of vehicles immediately prior to Closing.

“New 2024 Vehicles” means 2024 models which are undamaged and with less 200 kilometres and which have not been registered as sold vehicles with the Manufacturer thereof and which comprise part of the Vendors’ inventory of vehicles immediately prior to Closing.

“New 2024 Vehicle Price” means, with respect to each New 2024 Vehicle, the price attributed to such New 2024 Vehicle by the Monitor, and agreed to by the Operating Purchaser plus any Incentives.

“Non-Used Net Price” means with respect to Non-Used Vehicles, the factory invoice cost for such Non-Used Vehicle, plus accepted dealer installed accessories at new car department cost, less any Incentives which have been received, or which are payable to the Vendors.

“Non-Used Vehicles” means New Vehicles, New 2024 Vehicles, Deferred New Vehicles and Demonstrator Vehicles.

“Obsolete Inventory” means all Manufacturer parts and accessories which are more than twelve months old from September 1, 2025, including parts and accessories which were not initially provided by the Manufacturer and includes operating supplies such as cleaning materials, washer fluid, brake cleaner and other automotive related supplies.

“Operating Purchaser” has the meaning set out in the preamble hereto.

“Order” means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

“Owned Real Property” has the meaning set out in the recitals hereto.

“Outside Date” means November 12, 2025 or such later date as the Parties may mutually agree, with the consent of the Monitor and the Interim Lender.

“Parts and Accessories” means the current new parts and accessories comprising part of the Vendors’ inventory immediately prior to Closing but specifically excludes Obsolete Inventory.

“Party” means a party to this Agreement and any reference to a Party includes its successors and permitted assigns and **“Parties”** means more than one of them.

“Permits and Licences” means any and all licences, permits, approvals, authorizations, certificates, directives, orders, variances, registrations, rights, privileges, concessions, granted, conferred or otherwise created by any Governmental Authority and held by or on behalf of any Vendor or other evidence of authority Related to the Business issued to, granted to, conferred upon, or otherwise created for, any Vendor which relate to the ownership, maintenance, operation of the Business or the Purchased Assets.

“Permitted Encumbrances” means, collectively:

- (a) Encumbrances related to Taxes and utilities arising by operation of law (statutory or otherwise) required in the ordinary course of business but only insofar as they relate to any obligations or amounts not due as at the Closing Date; and
- (b) Any Encumbrances permitted by a Final Order, before Closing.

“Person” is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Authority, and the executors, administrators or other legal representatives of an individual in such capacity.

“Personal Information” has the meaning set out in Section 6.1(1).

“Personal Property” means any and all vehicles, machinery, equipment, parts, chattels, inventory of spare parts, parts and supplies, furniture and any other tangible personal and movable property in which any Vendor has a beneficial right, title or interest (whether owned or leased), in all cases to the extent qualifying as Property, wherever situate (including those in possession of suppliers, customers and other third parties).

“Personal Property Leases” means a personal or movable property lease, chattel lease, equipment lease, financing lease, conditional or instalment sales contract and other similar agreement relating to Personal Property to which any Vendor is a party or under which they have rights to use Personal Property as listed and specified as “Personal Property Leases” on Schedule “B”.

“Privacy Law” means the *Personal Information Protection and Electronic Documents Act* (Canada) and any Applicable Law of any other Province or territory of Canada.

“Purchase Price” has the meaning set out in Section 3.1.

“Purchased Assets” means, collectively, those assets of any Vendor as set out in Schedule “A”, but, for greater certainty, does not include any Excluded Assets.

“Purchasers” has the meaning set out in the preamble hereto and includes any successor or permitted assignee thereof in accordance with Section 11.16.

“Real Property Purchaser” has the meaning set out in the preamble hereto.

“Receivables” means, in respect of a Person all accounts receivable, bills receivable, trade accounts, holdbacks, retention, book debts and insurance claims due or accruing due to such Person, together with any unpaid interest accrued on such items and any security or collateral for such items, but excluding any Customer Deposits and Work in Progress.

“Reconciliation” means has the meaning set out in Section 3.4.

“Reconciliation Time” has the meaning set out in Section 3.4(2).

“Related to the Business” means primarily (i) used in, (ii) arising from or (iii) otherwise related to the Business or any part thereof.

“Replacement Permit or Licence” means a new permit, licence, authorization, approval or other similar item providing substantially equivalent rights to the Operating Purchaser or Real Property Purchaser (as applicable) as any applicable Vendor is entitled to as of the Closing Date pursuant to the applicable Permit and Licence.

“Representative” when used with respect to a Person means each director, officer, employee, consultant, subcontractor, financial adviser, legal counsel, accountant and other agent, adviser or representative of that Person.

“Sales Agent” has the meaning set out in the recitals hereto.

“SISP” has the meaning set out in the recitals hereto.

“SISP Order” has the meaning set out in the recitals hereto.

“Successful Bid” has the meaning given to it in the SISP.

“Target Closing Date” means the third Business Day following the issuance of the Approval and Vesting Order or as soon as reasonably practicable thereafter, but in any event no later than the Outside Date.

“Tax Returns” means all returns, reports, declarations, elections, notices, filings, information returns, statements and forms in respect of Taxes that are filed or required to be filed with any applicable Governmental Authority, including all amendments, schedules, attachments or supplements thereto and whether in tangible or electronic form.

“Taxes” means, with respect to any Person, all supranational, national, federal, provincial, state, local or other taxes, including income taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, severance taxes, *ad valorem* taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, licence taxes, excise taxes, franchise taxes, environmental taxes, transfer taxes (including land transfer taxes), withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, government pension plan premiums and contributions, social security premiums, workers’ compensation premiums, employment/unemployment insurance or compensation premiums and contributions, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, GST/PST/HST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority and any instalments in respect thereof of another taxpayer or entity, together with any interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties, and whether disputed or not, and **“Tax”** means any one of such Taxes.

“Transaction Personal Information” means any Personal Information (i) in the possession, custody or control of any Vendor at the Closing Time, including Personal Information about suppliers, customers, directors, officers or shareholders that is disclosed to any of the Purchasers or any Representative of the Purchasers prior to the Closing Time by any Vendor or its Representatives, or (ii) collected by any of the Purchasers or any Representative of the Purchasers prior to the Closing Time from any Vendor or its Representatives, in either case in connection with the transactions contemplated by this Agreement.

“Transfer Taxes” means all applicable Taxes, including any applicable land transfer taxes and/or GST/PST/HST, payable upon or in connection with the transactions contemplated by this Agreement and any filing, registration, recording or transfer fees payable in connection with the instruments of transfer provided for in this Agreement.

“Transferred Employees” means all Employees who accept the Purchaser’s offer of employment under Section 6.1.

“Used Vehicle” means unsold vehicles, if any (together with all options thereon) owned by the Vendors and comprising part of the Vendors’ inventory of vehicles immediately prior to Closing that are not Non-Used Vehicles.

“Used Vehicle Value” means the Canadian Black Book value of a Used Vehicle.

“Warranty Rights” means the full benefit of all warranties, warranty rights, performance bonds and indemnities (implied, express or otherwise) of the Vendors against manufacturers,

contractors or any other Person which apply to the Purchased Assets, but only to the extent that the same are capable of being assigned.

“Work in Progress” means all unbilled service, repairs and/or body work performed to a customer’s vehicle and/or parts supplied to a customer or added to a customer’s vehicle, including, without limitation, sublet repairs excluding, in each case: (i) any service, repairs and/or body work performed or parts supplied more than 60 days prior to the Closing Date, and (ii) any Work in Progress that has not been completed as at the Closing Date.

1.2 Actions on Non-Business Days. If any payment is required to be made or other action (including the giving of notice) is required to be taken pursuant to this Agreement on a day which is not a Business Day, then such payment or action shall be considered to have been made or taken in compliance with this Agreement if made or taken on the next succeeding Business Day.

1.3 Currency and Payment Obligations. Except as otherwise expressly provided in this Agreement: (i) all dollar amounts referred to in this Agreement are stated in the lawful currency of Canada; and (ii) any payment contemplated by this Agreement shall be made to the Monitor by wire transfer of immediately available funds to an account specified by the Monitor, or by any other method that provides immediately available funds as agreed to between the Parties and the Monitor.

1.4 Calculation of Time. In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. Mountain time on the last day of the period. If any period of time is to expire hereunder on any day that is not a Business Day, the period shall be deemed to expire at 5:00 p.m. Mountain time on the next succeeding Business Day.

1.5 Tender. Any tender of documents hereunder may be made upon the Parties or, or their respective counsel.

1.6 Additional Rules of Interpretation.

(1) *Gender and Number.* In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and vice versa.

(2) *Headings and Table of Contents.* The inclusion in this Agreement of headings of Articles and Sections and the provision of a table of contents are for convenience of reference only and are not intended to be full or precise descriptions of the text to which they refer.

(3) *Section References.* Unless the context requires otherwise, references in this Agreement to Articles, Sections or Schedules are to Articles or Sections of this Agreement, and Schedules to this Agreement.

(4) *Words of Inclusion.* Wherever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation” and the words following “include”, “includes” or “including” shall not be considered to set forth an exhaustive list.

(5) *References to this Agreement.* The words “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions shall be construed as referring to this Agreement in its entirety and not to any particular Section or portion of it.

(6) *Statute References.* Unless otherwise indicated, all references in this Agreement to any statute include the regulations thereunder, in each case as amended, re-enacted, consolidated or replaced from time to time and in the case of any such amendment, re-enactment, consolidation or replacement, reference herein to a particular provision shall be read as referring to such amended, re-enacted, consolidated or replaced provision and also include, unless the context otherwise requires, all applicable guidelines, bulletins or policies made in connection therewith.

(7) *Document References.* All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, includes all schedules attached thereto.

1.7 Schedules. The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

SCHEDULES

| | |
|--------------|---------------------------|
| Schedule "A" | Purchased Assets |
| Schedule "B" | Assigned Contracts |
| Schedule "C" | Purchase Price Allocation |
| Schedule "D" | Owned Real Property |

Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Schedules and the interpretation provisions set out in this Agreement apply to the Schedules. Unless the context otherwise requires, or a contrary intention appears, references in the Schedules to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement.

**ARTICLE 2
PURCHASE OF ASSETS AND ASSUMPTION OF LIABILITIES**

2.1 Purchase and Sale of Purchased Assets. At the Closing Time, on and subject to the terms and conditions of this Agreement, the SISP, the Approval and Vesting Order, and the Assignment Order (if applicable) the Vendors shall: (i) sell to the Operating Purchaser and the Operating Purchaser shall purchase from the Vendors, all of the Vendors' right, title and interest in to the Purchased Assets (other than the Owned Real Property), free and clear of all Encumbrances other than Permitted Encumbrances, to the extent and as provided for in the Approval and Vesting Order; and (ii) sell to the Real Property Purchaser and the Real Property Purchaser shall purchase from the Vendors, all of the Vendors' right, title and interest in and to the Owned Real Property, free and clear of all Encumbrances other than Permitted Encumbrances, to the extent and as provided for in the Approval and Vesting Order. For greater certainty, notwithstanding any other provision of this Agreement, this Agreement does not constitute an agreement by the Purchasers to purchase, or by the Vendors to sell, any Excluded Assets.

2.2 Assumption of Assumed Liabilities. At the Closing Time, on and subject to the terms and conditions of this Agreement, the Purchasers shall assume and agree to pay when due and perform and discharge in accordance with their terms, the Assumed Liabilities. Notwithstanding

any other provision of this Agreement, the Purchasers shall not assume any Liabilities hereunder other than the Assumed Liabilities, except as required under Applicable Law.

2.3 Assignment of Contracts.

(1) *Obtaining Consents.* Prior to the filing of the Approval Motion, at the written request of the Purchasers, the Vendors, with the assistance of the Purchasers, shall use commercially reasonable efforts to obtain all consents required to assign the Assigned Contracts to the Purchasers.

(2) *Assignment Order.* To the extent that any Assigned Contract is not assignable without the consent of the counterparty or any other Person and such consent has not been obtained prior to the filing of the Approval Motion, (i) the Vendors' rights, benefits and interests in, to and under such Assigned Contract may be conveyed to the Purchasers pursuant to an Assignment Order, (ii) the Vendors will use commercially reasonable efforts to obtain an Assignment Order in respect of such Assigned Contract on or prior to the Closing Date in form and substance acceptable to the Purchasers, acting reasonably, (iii) the Purchasers, at their own expense, will promptly provide to the Vendors all such information within its possession or under its control as the Vendors may reasonably request to obtain the Assignment Order, and (iv) if an Assignment Order is obtained in respect of such Assigned Contract in form and substance acceptable to the Purchaser, acting reasonably, the Purchasers shall accept the assignment of such Assigned Contract on such terms.

(3) *Cure Costs.* Unless the Parties otherwise agree, to the extent that any Cure Costs are payable with respect to any Assigned Contract, the Purchasers shall (i) where such Assigned Contract is assigned pursuant to an Assignment Order, pay the entirety of all such Cure Costs in the manner set out in the Assignment Order, and (ii) where such Assigned Contract is not assigned pursuant to an Assignment Order, pay all such Cure Costs in the manner set out in the consent of the applicable counterparty or as otherwise may be agreed to by the Purchasers and such counterparty. Any Cure Costs as paid by the Purchasers shall be in addition to the Cash Purchase Price for the Purchased Assets.

(4) *Assignment.* At the Closing Time, on and subject to the terms and conditions of this Agreement (including Section 2.3(5) below), the Approval and Vesting Order and the Assignment Order (if applicable), all of the Vendors' rights, benefits and interests in, to and under the Assigned Contracts shall be assigned to the Purchasers, the consideration for which is included in the Purchase Price.

(5) *Where Consent Required.* Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign any Assigned Contract to the extent such Assigned Contract is not assignable under Applicable Law, or the terms of the applicable Assigned Contract provide that it is not assignable without the consent of another Person, unless such consent has been obtained or the assignment is subject to an Assignment Order.

(6) *No Adjustment.* For greater certainty, in respect of any Assigned Contract other than the Critical Contracts, if the consent of any Person is required to assign such Contract but such consent is not obtained prior to Closing and such Contract is not assigned pursuant to an Assignment Order, such Contract shall not form part of the Purchased Assets and (i) neither Party shall be considered to be in breach of this Agreement, (ii) the failure to assign or otherwise transfer

such Assigned Contract shall not be a condition to Closing, (iii) the Purchase Price shall not be subject to any adjustment, and (iv) the Closing shall not be delayed.

2.4 Transfer and Assignment of Permits and Licences.

(1) *Obtaining Consents.* Prior to Closing, to the extent that a Permit and Licence is assignable or otherwise transferable by the Vendors to the Purchasers, the Vendors, with the assistance of the Purchasers, shall use commercially reasonable efforts to obtain all necessary consents or approvals to assign or otherwise transfer such Permits and Licences to the Purchasers. The Purchasers (i) shall pay all costs required to be paid to third parties and/or Governmental Authorities in connection with obtaining the assignment or transfer of any Permit and Licence to the Purchasers, or reissuance thereof (which costs shall be in addition to the Purchase Price), and (ii) shall reimburse the Vendors to the extent of any third party costs and/or any costs payable to Governmental Authorities that are incurred by the Vendors in connection with obtaining the assignment or transfer of any Permit and Licence to the Purchasers or obtaining any Replacement Permit or Licence (which costs shall be in addition to the Purchase Price), provided, however, that the Vendors provide evidence of such third party costs and/or Governmental Authority costs satisfactory to the Purchasers, acting reasonably, and such third party costs and/or Governmental Authority costs shall exclude all salaries, fees and costs of any and all consultants, employees, counsel or other Representatives of the Vendors related to such assignment and transfer.

(2) *Transfer and Assignment.* At the Closing Time, on and subject to the terms and conditions of this Agreement and the Approval and Vesting Order, all of the Vendors' rights, benefits and interests in, to and under the Permits and Licences, to the extent assignable, shall be assigned to the Purchasers, the consideration for which is included in the Purchase Price.

(3) *Where Consent Required.* Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign or otherwise transfer any Permit and Licence to the extent such Permit and Licence is not assignable or transferable under Applicable Law or the terms of the applicable Permit and Licence provide that it is not assignable without the consent of another Person, unless such consent has been obtained.

(4) *Post-Closing Assignment.* Notwithstanding anything in this Agreement to the contrary, if the consent or approval of any Person is required to assign or otherwise transfer a Permit and Licence, but such consent or approval is not obtained prior to Closing, (i) the Vendors and the Purchasers shall use their commercially reasonable efforts to obtain the necessary consents or approvals to the assignment or transfer of such Permit and Licence to the Purchasers or the Purchasers shall use its commercially reasonable efforts to obtain (with commercially reasonable assistance from the Vendors) a Replacement Permit or Licence thereof, in each case, as soon as practicable following Closing, (ii) neither Party shall be considered to be in breach of this Agreement, (iii) the failure to assign or otherwise transfer such Permit and Licence or obtain any Replacement Permit or Licence, shall not be a condition to Closing, (iv) the Purchase Price shall not be subject to adjustment, and (v) the Closing shall not be delayed.

(5) *Obtaining Replacement Permits and Licences.* To the extent that a Permit and Licence is not assignable or otherwise transferrable by the Vendors to the Purchasers, the Purchasers, with the assistance of the Vendors, shall use commercially reasonable efforts to obtain a Replacement Permit or Licence in connection with the purchase and sale of the Purchased Assets. The Purchasers shall pay all costs required in connection with obtaining any Replacement Permit or Licence (which shall be in addition to the Purchase Price).

**ARTICLE 3
PURCHASE PRICE & TAXES**

3.1 Purchase Price. The consideration payable by the Purchasers to the Monitor for the Vendors' right, title and interest in and to the Purchased Assets (the "**Purchase Price**") shall be the aggregate of:

- (1) [REDACTED] (the "**Cash Purchase Price**"), subject to the Purchase Price Adjustment set out in Section 3.4.
- (2) the Cure Costs, which are to be paid in accordance with Section 8.3(3); and
- (3) the agreed value of the Assumed Liabilities which shall be reflected in the allocation of the Purchase Price made in accordance with Section 3.2.

3.2 Allocation of Purchase Price. The Vendors and the Purchasers agree to allocate the Purchase Price in a manner to be agreed to by the Parties, each acting reasonably, at least seven (7) days before Closing, but in substantially the form included as Schedule "C" and to report the sale and purchase of the Purchased Assets for all federal, provincial and local Tax purposes in a manner consistent with such allocation. If such allocation is disputed by any Governmental Authority with respect to Taxes, the Party receiving notice of such dispute will promptly notify the other Party and the Parties will use their commercially reasonable efforts to sustain the final allocation. The Parties will share information and cooperate to the extent reasonably necessary to permit the transaction contemplated by this Agreement to be properly, timely and consistently reported.

3.3 Satisfaction of Purchase Price. The Purchase Price shall be paid and satisfied as follows:

- (1) a deposit in the amount of [REDACTED] (the "**Deposit**") which shall accompany the Purchasers' binding offer pursuant to the SISP and be paid by the Purchasers to the Monitor on submission of such binding offer and shall be applied against the Cash Purchase Price on Closing;
- (2) the balance of the Cash Purchase Price, after crediting the Deposit in Section 3.3(1), shall be paid by the Purchasers to the Monitor at Closing;
- (3) the Cure Costs, shall be paid or otherwise satisfied by the Purchasers on behalf of each Vendor at Closing in accordance with Section 8.3(3); and
- (4) an amount equal to the agreed value of the Assumed Liabilities, shall be satisfied at Closing by the assumption by the Purchasers of the Assumed Liabilities by the execution and delivery of the Assignment and Assumption Agreement.

3.4 Purchase Price Adjustment.

- (1) Subject to Sections 3.4(2), 3.4(3), 3.4(4) and 3.4(5), the Purchase Price shall be adjusted as of the Closing Time in a manner and amount to be agreed upon by the Parties, acting reasonably, solely for any property Taxes (including interest thereon), utilities and any other items which are usually adjusted in purchase transactions involving assets similar to the Owned Real

Property in the context of a Court-supervised sale, including, without limitation, prepaid rents and security deposits (if any), real property/municipal Taxes and utilities (if any).

(2) No less than two days prior to the Closing Date, the Vendors shall provide to the Monitor and the Operating Purchaser (i) a physical count of all Non-Used Vehicles, Used Vehicles and Obsolete Inventory on hand, (ii) a list of Customer Deposits held by the Vendor, (iii) a list of all Work in Progress, and (iv) a physical count of all Parts and Accessories on hand (the **"Reconciliation"**). The Cash Purchase Price shall be adjusted to accurately represent, (i) the Non-Used Net Price of New Vehicles and Deferred New Vehicles and New 2024 Vehicle Price of New 2024 Vehicles that will be on hand immediately prior to Closing, (ii) the Non-Used Net Price for Demonstrator Vehicles that will be on hand immediately prior to Closing, less depreciation, (iii) the Used Vehicle Value of the Used Vehicles that constitute Purchased Assets, (iv) the agreed upon value of the Obsolete Inventory, (v) the value of the Parts and Accessories on hand, (vi) an amount equal to the amount owing to the Vendor at Closing for Work in Progress, and (vii) an amount equal to the actual face value of the Customer Deposits held by the Vendor at Closing.

(3) Based on the Reconciliation, the Vendors shall prepare a statement of adjustments and deliver same with all supporting documentation to the Operating Purchaser for its approval by no later than 5:00 p.m. Mountain Time on the day immediately prior to the Closing Date (the **"Reconciliation Time"**).

(4) If the amount of any adjustments required to be made pursuant to this Agreement cannot be reasonably determined as of the Reconciliation Time, an estimate shall be agreed upon by the Parties as of the Closing Date based upon the best information available to the Parties at such time, each Party acting reasonably, and such estimate shall serve as a final determination.

(5) Other than as expressly provided in this Section 3.4, there shall be no adjustments whatsoever to the Purchase Price.

3.5 Taxes. In addition to the Purchase Price, the Purchasers shall be liable for and shall, at Closing or at such later time as required by Applicable Law, pay all applicable Transfer Taxes.

3.6 Tax Gross Up. In the event that any payment or forfeiture under this Agreement is deemed by the *Excise Tax Act* (Canada) to include GST/HST, or is deemed by any applicable provincial or territorial legislation to include a similar value added or multi-staged tax, the amount of such payment or forfeiture shall be increased accordingly. If the Purchasers are required by Applicable Law to deduct or withhold any amount from the Purchase Price payable hereunder, then the Purchase Price shall be increased by an additional amount such that the amount received by the Monitor after such deduction or withholding (including deduction or withholding from such additional amount) is equal to the amount that the Monitor would have received absent any such deduction or withholding.

3.7 Tax Elections.

(1) *Section 167 Tax Election.* If available, at the Closing, the Vendors and the Purchasers shall execute jointly an election under section 167 of the *Excise Tax Act* (Canada), to have the sale of the Purchased Assets take place on a GST/HST-free basis under Part IX of the *Excise Tax Act* (Canada). The Purchasers shall file the election in the manner and within the time prescribed by the relevant legislation. Notwithstanding anything to the contrary in this Agreement, the Purchasers shall indemnify and hold harmless the Vendors in respect of any GST/HST, penalties, and interest that may be assessed against the Vendors as a result of the transactions

under this Agreement not being eligible for such election or as a result of the Purchasers' failure to file the election within the prescribed time.

(2) *Subsection 20(24) Tax Election.* The Purchasers and the Vendors shall, if applicable and requested by either party, jointly execute and file an election under subsection 20(24) of the *ITA* in the manner required by subsection 20(25) of the *ITA* and under the equivalent or corresponding provisions of any other applicable provincial or territorial statute, in the prescribed forms and within the time period permitted under the *ITA* and under any other applicable provincial or territorial statute, as to such amount paid by the Vendors to the Purchasers for assuming future obligations. In this regard, the Purchasers and the Vendors acknowledge that a portion of the Purchased Assets transferred by the Vendors pursuant to this Agreement and having a value equal to the amount elected under subsection 20(24) of the *ITA* and the equivalent provisions of any applicable provincial or territorial statute, is being transferred by the Vendors as a payment for the assumption of such future obligations by the Purchasers.

(3) *Section 56.4 Tax Election.* At the request of the Vendors and to the extent permitted by the *ITA*, the Parties shall make, and the Vendors shall file, any election or amended election in prescribed form (or such other form as the Purchasers or the Vendors may reasonably request) and within the prescribed time limits pursuant to section 56.4 of the *ITA* by the Minister of Finance (Canada) and any analogous provision of provincial or territorial Tax legislation.

ARTICLE 4 PROCEDURES

4.1 SISP; Approval and Vesting Order. The Parties acknowledge and agree that:

(1) *Backup Bidder.* In accordance with the SISP, the transaction subject to this Agreement may be designated as the Backup Bid (as defined in the SISP).

(2) *Court Approval & Successful Bid.* This Agreement is subject to (i) this Agreement being determined to be the Successful Bid in accordance with the SISP, and (ii) the issuance of the Approval and Vesting Order.

(3) *Motion for Approval and Vesting Order.* If this Agreement is determined to be the Successful Bid in accordance with the SISP, the Monitor shall file with the Court, as soon as reasonably practicable thereafter, a motion seeking the Court's issuance of the Approval and Vesting Order (the "**Approval Motion**"). The Purchasers shall cooperate with the Monitor in its efforts to obtain the issuance and entry of the Approval and Vesting Order. The Purchasers, at their own expense, will promptly provide to the Monitor all such information within its possession or under its control as the Monitor may reasonably request to obtain the Approval and Vesting Order.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of the Purchasers. As a material inducement to the Vendors entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Vendors are entering into this Agreement in reliance upon the representations and warranties of the Purchasers set out in this Section 5.1, the Purchasers represents and warrants to each Vendor as follows:

(1) *Incorporation and Corporate Power.* The Purchasers are corporations incorporated, organized and subsisting under the Laws of the jurisdiction of its incorporation. The Purchasers have the corporate power, authority and capacity to execute and deliver this Agreement and all other agreements and instruments to be executed by it as contemplated herein and to perform its obligations under this Agreement and under all such other agreements and instruments.

(2) *Authorization by Purchasers.* The execution and delivery of this Agreement and all other agreements and instruments to be executed by it as contemplated herein and the completion of the transactions contemplated by this Agreement and all such other agreements and instruments have been duly authorized by all necessary corporate action on the part of the Purchasers.

(3) *Approvals.* No consent, waiver, authorization or approval of any Person and no notice or declaration to or filing or registration with any Governmental Authority is required in connection with the execution and delivery by the Purchasers of this Agreement or all other agreements and instruments to be executed by the Purchasers or the performance by the Purchasers of their obligations hereunder or thereunder.

(4) *Enforceability of Obligations.* This Agreement constitutes a valid and binding obligation of the Purchasers enforceable against the Purchasers in accordance with its terms. There is no Legal Proceeding in progress, pending against or threatened against or affecting the Purchasers, and there are no grounds on which any such Legal Proceeding might be commenced and there is no Order outstanding against or affecting the Purchasers which, in any such case, affects adversely or might affect adversely the ability of the Purchasers to enter into this Agreement or to perform its obligations hereunder.

(5) *Excise Tax Act.* The Purchasers are, or upon Closing shall be, registered for GST/HST purposes under Part IX of the *Excise Tax Act* (Canada), and shall provide its registration number to the Vendors at or prior to Closing.

(6) *Commissions.* Neither the Vendors nor Monitor will be liable for any brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated by this Agreement because of any action taken by, or agreement or understanding reached by, the Purchasers.

(7) *Sufficient Funds.* The Purchasers have sufficient financial resources or has arranged sufficient financing for it, on Closing (which financing is not subject to any conditions other than the conditions to Closing set out herein), to pay the Cash Purchase Price, the Cure Costs and the Transfer Taxes payable on Closing and any and all other amounts payable by the Purchasers, if any, pursuant to this Agreement.

5.2 Representations and Warranties of the Vendors. As a material inducement to the Purchasers entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Purchasers are entering into this Agreement in reliance upon the representations and warranties of the Vendors set out in this Section 5.2, the Vendors represent and warrant to the Purchasers as follows:

(1) *Incorporation and Corporate Power.* The Vendors are corporations incorporated, organized and subsisting under the Laws of the jurisdiction of its incorporation. Provided that Court approval is obtained for this Agreement and subject to the granting of the Approval and

Vesting Order, the Vendors have the corporate power, authority and capacity to execute and deliver this Agreement and all other agreements and instruments to be executed by it as contemplated herein and to perform its obligations under this Agreement and under all such other agreements and instruments.

(2) *Enforceability of Obligations.* Subject to the Approval and Vesting Order having been granted and being a Final Order, this Agreement constitutes a valid and binding obligation of the Vendors enforceable against the Vendors in accordance with its terms.

(3) *ITA.* The Vendors are not non-residents of Canada for purposes of the *ITA*.

(4) *Excise Tax Act.* The Vendors are registered for GST/HST purposes under Part IX of the *Excise Tax Act* (Canada) with the following GST/HST number:

Coast Auto Drayton Inc. 756885349-RT001

2461765 Alberta Ltd. 700936305-RT001

(5) *Commissions.* The Purchasers will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated by this Agreement because of any action taken by, or agreement or understanding reached by, the Vendors and/or the Monitor.

5.3 As is, Where is. Notwithstanding any other provision of this Agreement, the Purchasers acknowledge, agree and confirm that:

(1) except for the representations and warranties of the Vendors set forth in Section 5.2, it is entering into this Agreement, acquiring the Purchased Assets and assuming the Assumed Liabilities on an "as is, where is" basis as they exist as of the Closing Time and will accept the Purchased Assets in their state, condition and location as of the Closing Time except as expressly set forth in this Agreement and the sale of the Purchased Assets is made without legal warranty and at the risk of the Purchasers;

(2) they have conducted to their satisfaction such independent searches, investigations and inspections of the Purchased Assets, the Business and the Assumed Liabilities as it deemed appropriate, and based solely thereon, has determined to proceed with the transactions contemplated by this Agreement;

(3) except as expressly stated in Section 5.2, neither the Vendors, the Monitor, the Sales Agent, nor any of their Representatives, have made or are making, and the Purchasers are not relying on, any representations, warranties, statements or promises, express or implied, statutory or otherwise, concerning the Purchased Assets, the Vendors' right, title or interest in or to the Purchased Assets, the Business or the Assumed Liabilities, including with respect to merchantability, physical or financial condition, description, fitness for a particular purpose, existence of any parts/and/or components, latent defects, quality, warranty, quantity or any other thing affecting any of the Purchased Assets or the Assumed Liabilities, or normal operation thereof, or in respect of any other matter or thing whatsoever, including any and all conditions, warranties or representations expressed or implied pursuant to any Applicable Law in any jurisdiction, which the Purchasers confirm do not apply to this Agreement and are hereby waived in their entirety by the Purchasers;

(4) without limiting the generality of the foregoing, no representation, warranty or covenant is given by the Vendors that any of the Purchased Assets are or can be made operational within a specified time frame or will achieve any particular result, level of service, use, production, capacity or actual production if made operational;

(5) without limiting the generality of the foregoing, except as expressly stated in Section 5.2, the Vendors, the Sales Agent, the Monitor and their respective Representatives have made no representation or warranty as to any regulatory approvals, licenses, permits, consents or authorizations, including the Permits and Licences that may be needed to complete the transactions contemplated by this Agreement or to operate or carry on the Business or any portion thereof, and the Purchasers are relying entirely on its own investigation, due diligence and inquiries in connection with such matters;

(6) all written and oral information obtained from the Vendors, the Sales Agent, the Monitor or their Representatives, including in any teaser letter or other document made available to the Purchasers (including in certain "data rooms", management presentations, site visits and diligence meetings or telephone calls), with respect to the Purchased Assets, the Business, and the Assumed Liabilities has been obtained for the convenience of the Purchasers only, and neither the Vendors, the Sales Agent, the Monitor nor their Representatives have made any representation or warranty, express or implied, statutory or otherwise as to the accuracy or completeness of any such information;

(7) any information regarding or describing the Purchased Assets, the Business or the Assumed Liabilities in this Agreement (including the Schedules hereto), or in any other agreement or instrument contemplated hereby, is for identification purposes only, is not relied upon by the Purchaser, and no representation, warranty or condition, express or implied, has or will be given by the Vendors, the Monitor or its Representatives, or any other Person concerning the completeness or accuracy of such information or descriptions;

(8) except as otherwise expressly provided in this Agreement, the Purchasers hereby unconditionally and irrevocably waive any and all actual or potential rights or claims the Purchasers might have against the Vendors, the Sales Agent, the Monitor or any of their respective Representatives pursuant to any warranty, express or implied, legal or conventional, of any kind or type, other than those representations and warranties of the Vendors expressly set forth in Section 5.2. Such waiver is absolute, unlimited, and includes, but is not limited to, waiver of express warranties, implied warranties, warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and claims of every kind and type, including claims regarding defects, whether or not discoverable or latent, product liability claims, or similar claims, and all other claims that may be later created or conceived in strict liability or as strict liability type claims and rights;

(9) none of the representations and warranties of the Vendors contained in this Agreement shall survive Closing and, subject to Section 10.3(2), the Purchasers' sole recourse for any breach of representation or warranty of the Vendors in Section 5.2 shall be for the Purchasers not to complete the transactions as contemplated by this Agreement and for greater certainty the Purchasers shall have no recourse or claim of any kind against the Vendors or the proceeds of the transactions contemplated by this Agreement following Closing; and

(10) this Section 5.3 shall not merge on Closing and is deemed incorporated by reference in all closing documents and deliveries.

**ARTICLE 6
EMPLOYEES**

6.1 Offers of Employment and Employee Liabilities.

(1) The Vendors shall: (a) as soon as reasonably practicable following execution of this Agreement, provide the Operating Purchaser with all necessary information relating to each Employee as the Operating Purchaser may reasonably request in connection with the employment or engagement of such individuals and/or in connection with the Operating Purchaser's offers of employment under Section 6.1(2), including the names, positions, ages, initial employment dates, termination dates and re-employment dates, if applicable, length of service, hours of work, and compensation information; and (b) as soon as reasonably practicable following execution of this Agreement and receipt of confirmation from the Operating Purchaser that an Employee will be on the Hire List as at Closing, provide the Operating Purchaser with the social insurance numbers, email addresses, mailing addresses and Tax withholding history of such Employee. All of the information provided pursuant to clauses (a) and (b) of this Section 6.1(1) shall be in a form that shall be usable by the Operating Purchaser and such information shall be true and correct in all respects. The Operating Purchaser shall at all times comply with all privacy laws, with respect to personal information or personal health information (collectively, "**Personal Information**") disclosed or otherwise provided to it under this Agreement. The Operating Purchaser shall only collect, use or disclose such Personal Information for the purposes of reasonably investigating the affairs of the Business, possibly offering employment to the Employees pursuant to Section 6.1(2), and employing or engaging any Transferred Employees. The Operating Purchaser shall safeguard all Personal Information collected from the Vendors in a manner consistent with the degree of sensitivity of the Personal Information and, furthermore, maintain at all times the security and integrity of the Personal Information. The Operating Purchaser covenants and agrees that it will not make any copies of the Personal Information or any excerpts thereof or in any way re-create the substance or contents of the Personal Information if the Closing does not occur for any reason, and that any and all Personal Information will be returned to the Vendors or destroyed upon the Vendors' request and, if requested by the Vendors, the Operating Purchaser shall certify in writing compliance with such obligation.

(2) *Transferred Employees.* At least 14 days before Closing, the Operating Purchaser shall provide the Vendors with a list (the "**Hire List**") of all Employees who will receive an offer of employment, and such offers of employment shall be made by the Operating Purchaser at least 10 days before Closing. The Operating Purchaser shall recognize the past service of Transferred Employees with the Vendors or their Affiliates (including any predecessor of the Vendors or their Affiliates) for all purposes, including any required notice of termination, termination or severance pay (contractual, statutory or at common law). The Operating Purchaser shall offer employment, effective as of the Closing Date, to the Employees identified in the Hire List on terms and conditions which are substantially similar to those under which such Employees are employed immediately prior to the Closing Date. The Vendors shall cooperate in the Operating Purchaser's efforts to make offers of employment as contemplated by this Section 6.1(2).

(3) *Purchaser Liabilities.* The Operating Purchaser shall be responsible for all Liabilities:

- (a) for salary, wages (including overtime pay), bonuses, commissions, vacations, vacation pay and other compensation and benefits relating to the employment of

all Transferred Employees or the termination of such employment on and after their respective Hire Date;

- (b) for unused vacation pay accrued or banked and overtime pay accrued or banked, relating to the employment of all Transferred Employees prior to their respective Hire Date; and
- (c) to an Employee who is listed on the Hire List but does not receive an offer of employment pursuant to Section 6.1(2), and which arises directly or indirectly out of, as a result of, in connection with or pursuant to the Vendors' termination of the employment of such Employee.

(4) *Vendors' Liabilities.* Subject to Section (c) and to the extent permitted by the Initial Order, the Vendors shall be responsible for all Liabilities:

- (a) for all salary, wages, bonuses, commissions and other compensation and benefits, other than severance and termination pay, relating to the employment of all Transferred Employees prior to their respective Hire Date, but, for greater certainty, excluding any Liabilities in respect of the unused vacation pay and time accrued or banked and the overtime pay accrued or banked as at the Closing Date in respect of any of the Transferred Employees;
- (b) for all salary, wages, bonuses, commissions and other compensation and benefits, other than severance and termination pay, relating to the employment of Employees that are not Transferred Employees;
- (c) for KERP Payments, if any, that are payable in respect of all Transferred Employees and other Employees.

6.2 Vacation and Overtime.

(1) *Employee Vacation and Overtime.* Notwithstanding anything else contained herein, from and after their respective Hire Date, Transferred Employees shall be entitled to use their unused vacation pay and time accrued or banked and overtime pay accrued or banked under the Vendors' Employee Plans (including, for greater certainty, pursuant to any collective bargaining agreements set out on Schedule "D" hereto), determined as of the Closing Date, and the Operating Purchaser shall be solely responsible for all payments and administration thereof. For greater certainty, and without restricting any other Liabilities assumed by the Operating Purchaser under Section 6.1(3), such accrued/banked vacation and overtime amounts shall constitute a Liability assumed by the Operating Purchaser.

6.3 Other Benefit Matters.

(1) *Employee Benefit Plans Accruals.* All Transferred Employees shall cease to accrue benefits under all Employee Plans, effective as of the respective Transferred Employee's Hire Date. Following the Hire Date, the Purchasers shall provide all Transferred Employees with benefits under a replacement Employee Plan providing for substantially the same degree of benefit coverage available to such Transferred Employees under the Vendors' existing Employee Plan.

(2) *Responsibility for Accrued Claims.* Except to the extent assumed by the

Purchaser under this Agreement, the Vendors, their Affiliates and the Employee Plans shall retain Liability for all amounts payable by reason of or in connection with any and all claims for payment or benefits by a Transferred Employee and their eligible dependents or beneficiaries incurred under any Employee Plan prior to the Transferred Employee's Hire Date. For purposes of this Section 6.3, a claim shall be deemed to have been incurred: (a) with respect to a death or dismemberment claim, on the actual date of death or dismemberment; (b) with respect to a short-term or long-term disability claim, the date of occurrence of the injury or accident or the date of diagnosis of the illness or other event giving rise to such claim; (c) with respect to an extended health care claim, including vision, dental and medical treatments, the date of diagnosis of the illness or condition or other event giving rise to the claim or treatment; and (d) with respect to a prescription drug claim, the date the prescription is filled.

ARTICLE 7 COVENANTS

7.1 Access During Interim Period. During the Interim Period, the Vendors shall, subject to any confidentiality, privacy, regulatory or safety restrictions, give reasonable access to the Purchasers and their Representatives during normal business hours to the Purchased Assets (where situated), or request for reasonable access to be given (to the extent that such Purchased Assets are located on the premise of third parties), and personnel of the Vendors reasonably required by the Purchasers in order to allow for and assist the Purchasers with the inspection of, and integration and transition of, the Purchased Assets into the Purchasers' overall operations and business and in order to allow for an orderly passing of the Purchased Assets to the Purchasers following Closing in accordance herewith. Notwithstanding the foregoing, the Purchasers acknowledges that the Vendors will be continuing to operate the Purchased Assets in the ordinary course during the Interim Period and, accordingly, that the Purchasers' access to the Purchased Assets and personnel before Closing will be (i) permitted only on reasonable notice to the Vendors, (ii) on the condition that such access does not interfere with or interrupt the operation of the Purchased Assets, (iii) limited to two requests or with additional requests for access as otherwise agreed to at the sole discretion of the Vendors, and (iv) in accordance with Applicable Law.

7.2 Transaction Personal Information. Each Party shall comply with Privacy Law in the course of collecting, using and disclosing Transaction Personal Information. The Purchasers shall cause their Representatives to observe the terms of this Section 7.2 and to protect and safeguard Transaction Personal Information in their possession in accordance with Privacy Law. The Purchasers shall collect Transaction Personal Information prior to Closing only for purposes related to the transactions contemplated by this Agreement. The Purchasers shall not, without the consent of the individuals to whom such Personal Information relates or as permitted or required by Applicable Law, use or disclose Transaction Personal Information (i) for purposes other than those for which such Transaction Personal Information was collected by the Vendors prior to the Closing and (ii) for a purpose which does not relate directly to the carrying on of the Business or to the carrying out of the purposes for which the transactions contemplated by this Agreement were implemented.

7.3 Risk of Loss. The Purchased Assets shall be at the risk of the Vendors until Closing. If, between the date hereof and Closing, any of the Purchased Assets are destroyed, lost or materially damaged (each a "**Casualty**"), the Purchasers shall still complete the purchase of the Purchased Assets on an "as is, where is" basis without any adjustment to the Cash Purchase Price payable hereunder and take an assignment from the Vendors of all insurance proceeds payable to the Vendors in respect of the Casualty, provided that, in the event of a Material

Casualty, the Purchasers shall have the option, in their discretion, to terminate this Agreement. For greater certainty, in no event shall the aggregate total of the insurance proceeds assigned to the Purchasers in accordance with this Section 7.3 and the fair market value of any remaining Purchased Assets exceed the Cash Purchase Price.

7.4 Indemnity. The Purchasers hereby indemnify the Vendors and their respective Representatives, and saves them fully harmless against, and will reimburse or compensate them for, any Damages arising from, in connection with or related in any manner whatsoever to:

- (1) any Transfer Taxes (including penalties and interest) which may be assessed against the Vendor, including any Taxes which may be assessed in the event that any election made pursuant to Section 3.7 is challenged by the relevant Tax authority as being inapplicable to the transactions under this Agreement, or as a result of the Purchasers' failure to file such elections within the prescribed time;
- (2) the Purchasers' access in accordance with Section 7.1;
- (3) the collection, use or disclosure of Transaction Personal Information by the Purchasers and their Representatives; and
- (4) the Purchasers' failure to pay when due and perform and discharge the Assumed Liabilities in accordance with their terms.

7.5 Books and Records. The Purchasers shall preserve and keep the Books and Records acquired by it pursuant to this Agreement for a period of six (6) years after Closing, or for any longer periods as may be required by any Laws applicable to such Books and Records. The Purchasers shall make such Books and Records, as well as electronic copies of such Books and Records (to the extent reasonably feasible), available to the Vendors and the Monitor, and their respective Representatives and successors, and the trustee in bankruptcy of the Vendors, and shall permit any of the foregoing persons to take copies of such Books and Records as they may require.

7.6 Certain Information Technology Assets. With respect to any information technology assets primarily Related to the Business to be acquired by the Purchasers hereunder (such as desktops, laptops, mobile phones, servers and related hardware) (collectively, "**Hardware**"), the Purchasers will co-operate with the Vendors, at the Purchasers' cost and expense, in causing data contained or stored in such Hardware not relating primarily to the Business, the Purchased Assets or the Assumed Liabilities to be removed from such Hardware in a manner reasonably satisfactory to the Vendors prior to the Closing Date or within a reasonable period of time thereafter, provided that such removal shall be carried out in a manner that does not damage or otherwise interfere with any data contained or stored in such Hardware primarily Related to the Business or the Purchased Assets. Any third party provider selected by the Purchasers and the Vendors to provide such services shall be agreed upon by the Purchasers and the Vendors, acting reasonably.

7.7 Regulatory Approvals. The Purchasers, with the assistance of the Vendors shall, as promptly as possible, (i) make, or cause or be made, all filings and submissions, as applicable, required under any Law applicable to such Party or any of its Affiliates; and (ii) use commercially reasonable efforts to obtain, or cause to be obtained, all consents, authorizations, orders and approvals from all Governmental Authorities that may be or become necessary for its execution and delivery of this Agreement and the performance of its obligations pursuant to this Agreement.

The Vendors shall cooperate reasonably with the Purchasers and their Affiliates in promptly seeking to obtain all such consents, authorizations, orders, approvals and clearance certificates. The Parties shall not willfully take any action that will have the effect of delaying, impairing or impeding the receipt of any required consents, authorizations, orders and approvals.

7.8 Manufacturer and Motor Vehicle Council Consent. The Purchasers, with the assistance of the Vendors shall take all reasonable steps on a timely basis to apply for the requisite approvals of the Manufacturer, the Alberta Motor Vehicle Industry Council.

7.9 Cooperation and Consultation with Governmental Authorities. All meetings, submissions, filings, and proposals made by or on behalf of either Party before any Governmental Authority or the staff or regulators of any Governmental Authority, in connection with the consummation of the transactions contemplated hereunder (but, for the avoidance of doubt, not including any interactions between the Vendors or the Purchasers with Governmental Authorities in the ordinary course of business, any disclosure which is not permitted by Law or any disclosure containing confidential information) shall be disclosed to the other Party hereunder in advance of any filing, submission or attendance, it being the intent that the Parties will consult and cooperate with one another, and consider in good faith the views of one another, in connection with any such filings, meetings, submissions and proposals. Each Party shall give notice to the other Party with respect to any meeting, submission, discussion, appearance or contact with any Governmental Authority or the staff or regulators of any Governmental Authority, with such notice being sufficient to provide the other Party with the opportunity to attend and participate in such meeting, discussion, appearance or contact (except where such Governmental Authority expressly requests that such Party not attend or participate in such meeting, discussion, appearance or contact). Notwithstanding any requirement under this Section 7.8, a Party shall not be required to provide the other Party with any information required to be provided under this Section 7.8 where the information is confidential and competitively sensitive, in which case the supplying Party shall provide a redacted version to the requesting Party and shall provide the information on a non-redacted basis to the receiving Party's external counsel, and the receiving Party agrees that it shall neither request nor receive such non-redacted information from its external counsel.

ARTICLE 8 CLOSING ARRANGEMENTS

8.1 Closing. The Closing will take place virtually, whereby required executed closing deliverables, which may be executed by electronic signature, are circulated by electronic mail in pdf and released at such time and pursuant to such protocols and confirmations as the Parties may agree.

8.2 Vendors' Closing Deliveries. At the Closing, the Vendors shall deliver or cause to be delivered to the Purchasers the following:

- (1) the Purchased Assets, with delivery to occur *in situ* wherever such Purchased Assets are located at the Closing Time;
- (2) a copy of the Approval and Vesting Order, which shall be a Final Order;
- (3) a copy of any Assignment Order, if applicable, in respect of any Critical Contracts for which consents to assignment were required which have not been obtained, which Assignment Order shall be a Final Order;

- (4) the General Conveyance, duly executed by the Vendors;
- (5) all consents to the assignment of the Assigned Contracts and Permits and Licences, but only to the extent obtained by the Vendors prior to Closing;
- (6) the Assignment and Assumption Agreement, duly executed by the Vendors; and
- (7) a bring-down certificate of the Vendors dated as of the Closing Date, in form and substance satisfactory to the Purchasers, acting reasonably, certifying that (i) all of the representations and warranties of the Vendors hereunder remain true and correct in all material respects as of the Closing Date as if made on and as of such date or, if made as of a date specified therein, as of such date, and (ii) all of the terms and conditions set out in this Agreement to be complied with or performed by the Vendors at or prior to Closing have been complied with or performed by the Vendors in all material respects.

8.3 Purchasers' Closing Deliveries. At the Closing, the Purchasers shall deliver or cause to be delivered to the Vendors (or as otherwise indicated below), the following:

- (1) the payment referred to in Section 3.3(1);
- (2) the payment of all Transfer Taxes to the applicable Governmental Authority required to be paid on Closing;
- (3) to the extent payable on Closing, evidence that Cure Costs (if any) in respect of each Assigned Contract have been paid in accordance with (i) the Assignment Order where such Assigned Contract is assigned pursuant to an Assignment Order, and (ii) the consent of the applicable counterparty or as otherwise agreed upon by the Purchasers and such counterparty, where such Assigned Contract is not assigned pursuant to an Assignment Order;
- (4) the General Conveyance, duly executed by the Purchasers;
- (5) the Assignment and Assumption Agreement, duly executed by the Purchasers;
- (6) executed dealer agreement between the Manufacturer and the Operating Purchaser or binding letter of intent to enter into a dealer agreement;
- (7) a bring-down certificate executed by a senior officer of the Purchasers dated as of the Closing Date, in form and substance satisfactory to the Vendors, acting reasonably, certifying that (i) all of the representations and warranties of the Purchasers hereunder remain true and correct in all material respects as of the Closing Date as if made on and as of such date or, if made as of a date specified therein, as of such date, and (ii) all of the terms and conditions set out in this Agreement to be complied with or performed by the Purchasers at or prior to Closing have been complied with or performed by the Purchasers in all material respects; and
- (8) such other agreements, documents and instruments as may be reasonably required by the Vendors or the Monitor to complete the transactions provided for in this Agreement, or as are required to be delivered by the Purchasers or the

Purchasers' counsel under this Agreement, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

ARTICLE 9 CONDITIONS OF CLOSING

9.1 Purchasers' Conditions. The Purchasers shall not be obligated to complete the transactions contemplated by this Agreement unless, at or before the Outside Date, each of the conditions listed below in this Section 9.1 have been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Purchasers, and may be waived by the Purchasers in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall only be binding on the Purchasers if made in writing:

(1) *Court Approval.* The Approval and Vesting Order and, if applicable, the Assignment Order, shall each have been issued and entered by the Court and be a Final Order.

(2) *Successful Bid.* The Monitor shall have determined in accordance with the SISP that this Agreement is the Successful Bid.

(3) *Critical Contracts Consents.* All consents necessary to assign the Critical Contracts to the Purchasers shall have been obtained, or an Assignment Order shall have been issued and entered by the Court in respect of such Critical Contracts where necessary consents have not been obtained, and any such Assignment Order shall not have been vacated, set aside or stayed.

(4) *Vendors' Deliveries.* Each Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchasers at the Closing all the documents contemplated in Section 8.2.

(5) *No Violation of Orders or Law.* During the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any Final Order or Law which has the effect of (i) making any of the transactions contemplated by this Agreement illegal, or (ii) otherwise prohibiting, preventing or restraining the consummation of any of the transactions contemplated by this Agreement.

(6) *No Breach of Representations and Warranties.* Each of the representations and warranties contained in Section 5.2 shall be materially true and correct (i) as of the Closing Date as if made on and as of such date or (ii) if made as of a date specified therein, as of such date.

(7) *No Breach of Covenants.* The Vendors shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Vendors on or before the Closing.

(8) *Manufacturer Approval.* The Manufacturer shall have approved the Purchasers as a dealer authorized to sell and service the Manufacturer's vehicles, such approval to be on terms and conditions satisfactory to the Purchasers, acting reasonably.

(9) *Motor Vehicle Council Approval.* Alberta Motor Vehicle Industry Council shall have approved the application for registration of the Purchasers.

9.2 Vendors' Conditions. The Vendors shall not be obligated to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the conditions listed below in this Section 9.2 have been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Vendors, and may be waived by the Vendors in whole or in part, without prejudice to its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall only be binding on the Vendors if made in writing.

(1) *Court Approval.* The Approval and Vesting Order and, if applicable, the Assignment Order shall each have been issued and entered by the Court and be a Final Order.

(2) *Successful Bid.* The Monitor shall have determined in accordance with the SISF that this Agreement is the Successful Bid.

(3) *Purchaser's Deliverables.* The Purchasers shall have executed and delivered or caused to have been executed and delivered to the Vendors at the Closing all the documents and payments contemplated in Section 8.3.

(4) *No Violation of Orders or Law.* During the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any Final Order or Law which has the effect of (i) making any of the transactions contemplated by this Agreement illegal, or (ii) otherwise prohibiting, preventing or restraining the consummation of any of the transactions contemplated by this Agreement.

(5) *No Breach of Representations and Warranties.* Each of the representations and warranties contained in Section 5.1 shall be materially true and correct (i) as of the Closing Date as if made on and as of such date or (ii) if made as of a date specified therein, as of such date.

(6) *No Breach of Covenants.* The Purchasers shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Purchasers, on or before the Closing.

9.3 Monitor's Certificate. When the conditions to Closing set out in Section 9.1 and 9.2, have been satisfied and/or waived by the Purchasers or the Vendors, as applicable, the Purchasers or their counsel will deliver to the Monitor written confirmation (i) that such conditions of Closing, as applicable, have been satisfied and/or waived; and (ii) of the amounts of Transfer Taxes required to be paid at Closing (if any is payable) and the Cure Costs payable by the Purchasers on Closing (the "**Conditions Certificate**"). Upon (a) receipt of payment in full of the Cash Purchase Price, Transfer Taxes required to be paid at Closing (if any is payable) and of the Cure Costs payable by the Purchasers on Closing, and (b) receipt of the Conditions Certificate, the Monitor shall (x) issue forthwith the Monitor's Certificate, and (y) file as soon as practicable a copy of the Monitor's Certificate with the Court (and shall provide a true copy of such filed certificate to the Purchasers). In the case of clauses (x) and (y), above, the Monitor will be relying exclusively on the basis of the Conditions Certificates and without any obligation whatsoever to verify the satisfaction or waiver of the applicable conditions.

ARTICLE 10 TERMINATION

10.1 Grounds for Termination. This Agreement may be terminated prior to the Closing Time:

- (1) Automatically and without any action or notice by either the Vendors to the Purchasers or the Purchasers to the Vendors, (i) immediately (a) upon the selection by the Vendors, in consultation with the Monitor, of a Successful Bid if this Agreement is neither the Successful Bid nor the Backup Bid selected at such time (in each case, as defined in the SISF), or (ii) upon Closing of the Successful Bid(s) if this Agreement is the Backup Bid;
- (2) by the mutual written agreement of the Parties, with the written consent of the Monitor;
- (3) by written notice from the Purchasers to the Vendors in accordance with Section 7.3;
- (4) by written notice from the Purchasers to the Vendors if there has been a material breach by the Vendors of any representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Purchasers, and such breach is not curable and has rendered the satisfaction of any condition in Section 9.1 impossible by the Outside Date, provided that at the time of providing such notice of termination, the Purchasers are not in breach of any of its obligations under this Agreement;
- (5) by written notice from the Vendors to the Purchasers if there has been a material breach by the Purchasers of any representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Vendors and such breach is not curable and has rendered the satisfaction of any condition in Section 9.2 impossible by the Outside Date, provided that at the time of providing such notice of termination, the Vendors are not in breach of any of its obligations under this Agreement; and
- (6) by the Purchasers, on the one hand, or by the Vendors, on the other hand, upon written notice to the other Party if the Closing has not occurred by the Outside Date, provided, however, that the right to terminate this Agreement pursuant to this Section 10.1(6) shall not be available to any Party whose breach hereof has been the principal cause of, or has directly resulted in the Closing not occurring by the Outside Date.

10.2 Effect of Termination. If this Agreement is terminated pursuant to Section 10.1, all further obligations of the Parties under this Agreement will terminate and no Party will have any Liability or further obligations hereunder, except as contemplated in Sections 7.2 (*Transaction Personal Information*), 7.4 (Indemnity), 10.2 (*Effect of Termination*), 10.3 (*Treatment of Deposit*), 11.2 (*Expenses*), 11.3 (*Public Announcements*), 11.4 (*Notices*), 11.8 (*Entire Agreement*), 11.9 (*Amendment*), 11.11 (*Severability*), 11.13 (*Governing Law*), 11.14 (*Dispute Resolution*), 11.15 (*Attornment*), 11.16 (*Successors and Assigns*), 11.17 (*Assignment*), and 11.18 (*Third Party Beneficiaries*), which shall survive such termination.

10.3 Treatment of Deposit.

(1) *Retention of Deposit.* In the event that this Agreement is terminated by the Vendors pursuant to (i) Section 10.1(5), or (ii) 10.1(6) and the reason that Closing did not occur by the Outside Date was the result of a breach by the Purchasers of any representation, warranty or covenant contained in this Agreement, the Deposit shall be forfeited by the Purchasers and

retained by the Monitor, for and on behalf of the Vendors, as a genuine estimate of liquidated damages, and not as a penalty.

(2) *Return of Deposit.* In the event that this Agreement is terminated pursuant to any Section of this Agreement other than (i) Section 10.1(5) or (ii) 10.1(6) and the reason that Closing did not occur by the Outside Date was the result of a breach by the Vendors of any representation, warranty or covenant contained in this Agreement, the Deposit shall be promptly returned to the Purchasers by the Monitor. The return of the Deposit shall be the Purchasers' sole and exclusive remedy for any termination of this Agreement.

ARTICLE 11 GENERAL

11.1 Survival. All representations, warranties, covenants and agreements of the Vendors or the Purchasers made in this Agreement or any other agreement, certificate or instrument delivered pursuant to this Agreement shall merge and shall not survive the Closing except where, and only to the extent that, the terms of any such covenant or agreement expressly provide for rights, duties or obligations extending after the Closing, or as otherwise expressly provided in this Agreement. For greater certainty, the following sections shall survive Closing: 2.2 (*Assumption of Assumed Liabilities*), 2.4(4) (*Post-Closing Assignment*), 3.2 (*Allocation of Purchase Price*), 3.5 (*Taxes*), 3.6 (*GST/HST Gross Up*), 3.7 (*Tax Elections*), 5.2(5) (*Commissions*), 5.3 (*As is, Where is*), 7.2 (*Transaction Personal Information*); 7.4 (*Indemnity*), 7.5 (*Books and Records*), 9.3 (*Monitor's Certificate*), 10.3 (*Treatment of Deposit*), 11.1 (*Survival*), 11.2 (*Expenses*), 11.3 (*Public Announcements*), 11.4 (*Notices*), 11.5 (*Time of Essence*), 11.6 (*Further Assurances*), 11.6 (*Post-Closing Wind-Up of NOI Proceedings*), 11.7 (*Monitor's Capacity*), 11.8 (*Entire Agreement*), 11.9 (*Amendment*), 11.10 (*Waiver*), 11.11 (*Severability*), 11.12 (*Remedies*), 11.13 (*Governing Law*), 11.14 (*Dispute Resolution*), 11.15 (*Attornment*), 11.16 (*Successors and Assigns*), 11.17 (*Assignment*), and 11.18 (*Third Party Beneficiaries*).

11.2 Expenses. Except as otherwise expressly provided herein, each Party shall be responsible for all costs and expenses (including any Taxes imposed on such expenses) incurred by it in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisers).

11.3 Public Announcements. The Vendors and Monitor shall be entitled to disclose this Agreement (on an unredacted basis) and all information provided by the Purchasers in connection herewith to the Court and parties of interest in the CCAA Proceedings, and a copy of this Agreement may be posted on the Monitor's website maintained in connection with the CCAA Proceedings. Notwithstanding any other provision of this Agreement, unless such information is otherwise publicly disclosed or, upon the advice of counsel, required by Applicable Law or by any Governmental Authority to be disclosed (including in any Tax Returns), the Purchasers shall not disclose the quantum of the Purchase Price, Cash Purchase Price, Deposit, Cure Costs, Assumed Liabilities or allocation of Purchase Price without the prior written consent of the Vendors and Monitor.

11.4 Notices.

(1) *Mode of Giving Notice.* Any notice, direction, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement shall be in

writing and shall be effectively given and made if sent by e-mail or other similar means of electronic communication, in each case to the applicable address set out below:

- (2) if to the Vendors, to:

c/o the Monitor

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

Attention: Clark Lonergan
Email: clonergan@bdo.ca

with a copy (which shall not constitute notice) to:

Blake, Cassels & Graydon LLP
199 Bay Street, Suite 4000
Toronto, ON, Canada M5L 1A9

Attention: Kelly Bourassa / Aryo Shalviri
Email: kelly.bourassa@blakes.com / aryo.shalviri@blakes.com

- (3) if to the Purchasers, to:

Stetson CDJR Ltd. and Stetson CDJR Properties Ltd.

Attention: Cole Swendseid
Email: cole@stetsonautogroup.com

with a copy (which shall not constitute notice) to:

Duncan Craig LLP
Attention: Mae L. Chow, KC
Email: mchow@dcllp.com

(4) *Deemed Delivery of Notice.* Any such communication so given or made shall be deemed to have been given or made on the day of e-mailing, provided that such day is a Business Day and the communication is so e-mailed before 5:00 p.m. Mountain time on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day.

(5) *Change of Address.* Any Party may from time to time change its address under this Section 11.4 by notice to the other Party given in the manner provided by this Section 11.4.

11.5 Time of Essence. Time shall be of the essence of this Agreement in all respects.

11.6 Further Assurances. The Vendors and the Purchasers shall, at the sole expense of the requesting Party, from time to time promptly execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such

further acts and things in connection with this Agreement that the other Party may reasonably require as being necessary or desirable in order to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement or any provision hereof.

11.7 Monitor's Capacity. In addition to all of the protections granted to the Monitor under the CCAA and any Order of the Court in the CCAA Proceedings, the Vendors and Purchasers acknowledge and agree that the Monitor, acting in its capacity as Monitor of the Vendors and not in its personal capacity, shall have no Liability, in its personal capacity or otherwise, in connection with this Agreement or the transaction contemplated herein whatsoever.

11.8 Entire Agreement. Other than any confidentiality agreement, non-disclosure agreement or similar undertaking or agreement signed by the Purchasers in favour the Vendors, which remains in full force and effect, except as amended by this Agreement, this Agreement and the agreements contemplated hereby constitute the entire agreement between the Parties or any of them pertaining to the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written (including any letter of intent or expression of interest submitted by the Purchasers). There are no conditions, representations, warranties, obligations or other agreements between the Parties in connection with the subject matter of this Agreement (whether oral or written, express or implied, statutory or otherwise) except as explicitly set out in this Agreement.

11.9 Amendment. No amendment of this Agreement shall be effective unless made in writing and signed by the Parties, with the consent of the Monitor.

11.10 Waiver. A waiver of any default, breach or non-compliance under this Agreement shall not be effective unless in writing and signed by the Party to be bound by the waiver and then only in the specific instance and for the specific purpose for which it has been given. No waiver shall be inferred from or implied by any failure to act or delay in acting by a Party in respect of any default, breach or non-observance or by anything done or omitted to be done by the other Party. The waiver by a Party of any default, breach or non-compliance under this Agreement will not operate as a waiver of that Party's rights under this Agreement in respect of any continuing or subsequent default, breach or non-observance (whether of the same or any other nature).

11.11 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and will be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

11.12 Remedies Cumulative. The rights, remedies, powers and privileges herein provided to a Party are cumulative and in addition to and not exclusive of or in substitution for any rights, remedies, powers and privileges otherwise available to that Party.

11.13 Governing Law. This Agreement shall be governed by and construed in accordance with the Laws of the Province of Alberta and the Laws of Canada applicable therein.

11.14 Dispute Resolution. If any dispute arises with respect to the interpretation or enforcement of this Agreement, including as to what constitutes a breach or material breach of this Agreement for the purposes of Article 10, such dispute shall be determined by the Court within the CCAA Proceedings, or by such other Person or in such other manner as the Court

may direct. Without prejudice to the ability of the Vendors or the Purchasers to enforce this Agreement in any other proper jurisdiction, the Purchasers and the Vendors irrevocably submit and attorn to the non-exclusive jurisdiction of the Court.

11.15 Attornment. Each Party agrees (i) that any Legal Proceeding relating to this Agreement must be brought before the Court in the CCAA Proceedings, and for that purpose now irrevocably and unconditionally attorns and submits to the jurisdiction of the Court; (ii) that it irrevocably waives any right to, and shall not, oppose any such Legal Proceeding in the Province of Alberta on any jurisdictional basis, including *forum non conveniens*; and (iii) not to oppose the enforcement against it in any other jurisdiction of any Order duly obtained from the Court as contemplated by this Section 11.15. Each Party agrees that service of process on such Party as provided in Section 11.4 shall be deemed effective service of process on such Party.

11.16 Successors and Assigns. This Agreement shall enure to the benefit of, and be binding on, the Parties and their respective successors and permitted assigns.

11.17 Assignment. Prior to the issuance of the Approval and Vesting Order, the Purchasers may assign all of their rights and obligations under this Agreement to an Affiliate, provided that (i) the Purchasers shall remain jointly and severally liable with such Affiliate to perform all of its obligations hereunder, and (ii) the Purchasers and its assignee execute and deliver to the Vendors an assignment and assumption agreement, in form and substance satisfactory to the Vendor, evidencing such assignment. Other than in accordance with the preceding sentence, the Purchasers may not assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its rights or obligations under this Agreement.

11.18 Third Party Beneficiaries. Except as set forth in Section 7.4 and 11.7, this Agreement is for the sole benefit of the Parties, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

11.19 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original and both of which taken together shall be deemed to constitute one and the same instrument. To evidence its execution of an original counterpart of this Agreement, a Party may send a copy of its original signature on the execution page hereof to the other Party by e-mail in pdf format or by other electronic transmission and such transmission shall constitute delivery of an executed copy of this Agreement to the receiving Party.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

**COAST AUTO DRAYTON INC. AND 2461765
ALBERTA LTD.**

**by BDO CANADA LIMITED solely in its capacity
as court-appointed Monitor and not in its
personal or corporate capacity**



By: _____
Name: Clark Lonergan
Title: Senior Vice President

STETSON CDJR LTD.

By: _____
Name: Cole Swendseid
Title: Director

STETSON CDJR PROPERTIES LTD.

By: _____
Name: Cole Swendseid
Title: Director

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

**COAST AUTO DRAYTON INC. AND 2461765
ALBERTA LTD.**

**by BDO CANADA LIMITED solely in its capacity
as court-appointed Monitor and not in its
personal or corporate capacity**

By: _____
Name:
Title:

STETSON CDJR LTD.

Signed by:
By: Cole Swendseid
42A33D44885B431
Name: Cole Swendseid
Title: Director

STETSON CDJR PROPERTIES LTD.

Signed by:
By: Cole Swendseid
42A33D44885B431
Name: Cole Swendseid
Title: Director

**SCHEDULE "A"
PURCHASED ASSETS**

"Purchased Assets" means, other than Excluded Assets, collectively the following assets of each Vendor:

- (a) the Owned Real Property;
- (b) all New Vehicles, New 2024 Vehicles, Deferred New Vehicles and Demonstrator Vehicles of the Business as at the Closing Date;
- (c) all Used Vehicles which have been identified by the Vendors and the Purchasers to be included in the Purchased Assets not less than fifteen (15) Business Days prior to the Closing Date. In the event that the Vendors and the Purchasers have not specifically identified a Used Vehicle to be included in the Purchased Assets, such Used Vehicle shall be an Excluded Asset;
- (d) the Parts and Accessories inventory of the Business as of the Closing Date;
- (e) the Assigned Contracts, but only to the extent transferable to the Purchasers or the Purchasers' permitted assignees;
- (f) the Permits and Licence Rights, but only to the extent transferable to the Purchasers or the Purchasers' permitted assignees;
- (g) all machinery, equipment, tools, furniture, furnishings, computer hardware and other miscellaneous items owned by the Vendors and used in or relating to the Business but, for greater certainty, excluding those tools owned by the mechanics of the Business or any third party;
- (h) the goodwill of the Business (including, without limitation, Acquired Intellectual Property);
- (i) Obsolete Inventory;
- (j) Customer Deposits;
- (k) Work in Progress; and
- (l) the Warranty Rights.

**SCHEDULE "B"
ASSIGNED CONTRACTS**

Critical Contracts

None.

Personal Property Leases

None.

Other Assigned Contracts

- (a) All Customer Contracts.
- (b) Lease Agreement (#001-0247539-000) dated October 21, 2019 between Ricoh Canada Inc. and Foundation Auto Drayton Valley Inc., as assigned to Coast Auto Drayton Inc. on August 28, 2023 pursuant to an Assumption Agreement
- (c) Service Agreement dated October 21, 2019 between Ricoh Canada Inc. and Foundation Auto Drayton Valley Inc., as assigned to Coast Auto Drayton Inc.

SCHEDULE "C"
PURCHASE PRICE ALLOCATION

| Purchased Asset | Allocation |
|---|-------------------|
| Owned Real Property | ██████████ |
| New Vehicles – Model Year 2026 | ██████████ |
| New Vehicles – Model Year 2025 | ██████████ |
| New 2024 Vehicles | ██████████ |
| New Vehicle Incentives | ██████████ |
| Demonstrator Vehicles | ██████████ |
| Used Vehicles | ██████████ |
| Parts and Accessories Inventory | ██████████ |
| Assigned Contracts | ██ |
| Permits and License Rights | ██ |
| Machinery, equipment tools, furniture, furnishings, computer hardware and other miscellaneous items | ██████████ |
| Goodwill of the Business | ██████████ |
| Obsolete Inventory | ██ |
| Customer Deposits | ██ |
| Work in Progress | ██████████ |
| Warranty Rights | ██ |
| Total | ██████████ |

SCHEDULE "D"
OWNED REAL PROPERTY

Plan 8120760, Block 70, Lot 4

Plan 9624199, Block 70, Lot 7

Appendix “E”

North Van Sale Agreement

COAST NORTH VANCOUVER AUTO SALES INC.

- and -

1559054 B.C. Ltd.

ASSET PURCHASE AGREEMENT

DATED AS OF October 6, 2025

TABLE OF CONTENTS

Page

| | |
|--|----|
| Article 1 INTERPRETATION | 1 |
| 1.1 Definitions | 1 |
| 1.2 Actions on Non-Business Days | 10 |
| 1.3 Currency and Payment Obligations | 11 |
| 1.4 Calculation of Time | 11 |
| 1.5 Tender | 11 |
| 1.6 Additional Rules of Interpretation | 11 |
| 1.7 Schedules | 12 |
| Article 2 PURCHASE OF ASSETS AND ASSUMPTION OF LIABILITIES | 12 |
| 2.1 Purchase and Sale of Purchased Assets | 12 |
| 2.2 Assumption of Assumed Liabilities | 12 |
| 2.3 Assignment of Contracts | 12 |
| 2.4 Transfer and Assignment of Permits and Licences | 13 |
| Article 3 PURCHASE PRICE & TAXES | 14 |
| 3.1 Purchase Price | 14 |
| 3.2 Allocation of Purchase Price | 15 |
| 3.3 Satisfaction of Purchase Price | 15 |
| 3.4 Purchase Price Adjustment | 15 |
| 3.5 Taxes | 16 |
| 3.6 Tax Gross Up | 16 |
| 3.7 Tax Elections | 16 |
| Article 4 Procedures | 16 |
| 4.1 SISP; Approval and Vesting Order | 16 |
| Article 5 REPRESENTATIONS AND WARRANTIES | 17 |
| 5.1 Representations and Warranties of the Purchaser | 17 |
| 5.2 Representations and Warranties of the Vendor | 18 |
| 5.3 As is, Where is | 18 |
| Article 6 EMPLOYEES | 20 |
| 6.1 Offers of Employment and Employee Liabilities | 20 |
| 6.2 Vacation and Overtime | 22 |
| 6.3 Other Benefit Matters | 22 |
| Article 7 COVENANTS | 23 |
| 7.1 Access During Interim Period | 23 |
| 7.2 Transaction Personal Information | 23 |

TABLE OF CONTENTS

| | Page |
|---|-------------|
| 7.3 Risk of Loss | 23 |
| 7.4 Indemnity | 23 |
| 7.5 Books and Records..... | 24 |
| 7.6 Certain Information Technology Assets..... | 24 |
| 7.7 Regulatory Approvals..... | 24 |
| 7.8 Manufacturer and Motor Vehicle Council Consent | 24 |
| 7.9 Cooperation and Consultation with Governmental Authorities..... | 25 |
| Article 8 CLOSING ARRANGEMENTS | 25 |
| 8.1 Closing..... | 25 |
| 8.2 Vendor's Closing Deliveries | 25 |
| 8.3 Purchaser's Closing Deliveries..... | 26 |
| Article 9 CONDITIONS OF CLOSING | 26 |
| 9.1 Purchaser's Conditions | 26 |
| 9.2 Vendor's Conditions | 27 |
| 9.3 Monitor's Certificate | 28 |
| Article 10 TERMINATION | 28 |
| 10.1 Grounds for Termination | 28 |
| 10.2 Effect of Termination..... | 29 |
| 10.3 Treatment of Deposit | 29 |
| Article 11 GENERAL..... | 30 |
| 11.1 Survival..... | 30 |
| 11.2 Expenses..... | 30 |
| 11.3 Public Announcements | 30 |
| 11.4 Notices..... | 30 |
| 11.5 Time of Essence | 31 |
| 11.6 Further Assurances..... | 31 |
| 11.7 Monitor's Capacity | 32 |
| 11.8 Entire Agreement..... | 32 |
| 11.9 Amendment | 32 |
| 11.10 Waiver..... | 32 |
| 11.11 Severability | 32 |
| 11.12 Remedies Cumulative..... | 32 |
| 11.13 Governing Law..... | 32 |
| 11.14 Dispute Resolution..... | 32 |
| 11.15 Attornment | 33 |

TABLE OF CONTENTS

| | Page |
|---------------------------------------|-------------|
| 11.16 Successors and Assigns | 33 |
| 11.17 Assignment | 33 |
| 11.18 Third Party Beneficiaries | 33 |
| 11.19 Counterparts | 33 |

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement dated as of October 6, 2025 is made by and between:

COAST NORTH VANCOUVER AUTO SALES INC.

(the “**Vendor**”)

- and -

1559054 B.C. Ltd.

(the “**Purchaser**”)

RECITALS:

WHEREAS on July 16, 2025, the Court of King’s Bench of Alberta (the “**Court**”) issued an Initial Order (as amended and restated on July 25, 2025 and as may be further amended or amended and restated from time to time, the “**Initial Order**”) granting the Vendor and certain Affiliates protection under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**” and the proceedings commenced thereunder, the “**CCAA Proceedings**”). Pursuant to the Initial Order, BDO Canada Limited was appointed as Monitor of the Vendor (in such capacity, the “**Monitor**”).

AND WHEREAS on July 25, 2025, the Court granted an Order approving a sale and investment solicitation process (“**SISP**”) which, among other things, authorized the Monitor, with the assistance of Dealer Solutions North America Inc. (the “**Sales Agent**”), to conduct the SISP.

AND WHEREAS the Vendor’s business (the “**Business**”) primarily consists of operating a retail automotive dealership for Chrysler, Dodge, Jeep and Ram vehicles in North Vancouver, British Columbia operated by Coast North Vancouver Auto Sales Inc., (the “**Coast North Vancouver Dealership**”).

AND WHEREAS the Purchaser wishes to purchase the Purchased Assets (as defined herein) upon the terms and subject to the conditions set out herein.

NOW THEREFORE, in consideration of the promises, mutual covenants and agreements contained in this Agreement (as defined herein), and for other good and valuable consideration, the receipt and sufficiency of which are each hereby acknowledged by the Parties (as defined herein), the Parties agree as follows:

**ARTICLE 1
INTERPRETATION**

1.1 Definitions. In this Agreement, in addition to the terms defined in the preamble and recitals, the following terms have the following meanings:

“Accounts Payable” means any and all amounts owing by any Vendor to any Person which are incurred in connection with the purchase of goods and/or the provision of services.

“Acquired Intellectual Property” means all Intellectual Property of the Vendors other than Excluded Intellectual Property.

“Action” means any claim, action, cause of action, demand, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, order, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at law or in equity and by or before a Governmental Authority.

“Affiliate” means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate. A Person shall be deemed to **“control”** another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; and the term **“controlled”** shall have a similar meaning.

“Agreement” means this Asset Purchase Agreement, including the preamble and the Recitals, and all the Schedules attached hereto, as they may be amended, restated or supplemented from time to time in accordance with the terms hereof.

“Applicable Law” means, with respect to any Person, property, transaction, event or other matter, (i) any foreign or domestic constitution, treaty, law, statute, regulation, code, ordinance, principle of common law or equity, rule, municipal by-law, Order or other requirement having the force of law, (ii) any policy, practice, protocol, standard or guideline of any Governmental Authority which, although not necessarily having the force of law, is regarded by such Governmental Authority as requiring compliance as if it had the force of law (collectively, in the foregoing clauses (i) and (ii), **“Law”**), in each case relating or applicable to such Person, property, transaction, event or other matter and also includes, where appropriate, any interpretation of Law (or any part thereof) by any Person having jurisdiction over it, or charged with its administration or interpretation.

“Approval and Vesting Order” means an order of the Court issued in the CCAA Proceedings approving the transactions contemplated by this Agreement and vesting in the Purchaser all of the Vendor’s right, title and interest in and to the Purchased Assets free and clear of all Encumbrances (other than Permitted Encumbrances), in form and substance satisfactory to the Parties, acting reasonably.

“Approval Motion” has the meaning set out in Section 4.1(3).

“Assigned Contracts” means, collectively, the Critical Contracts, the Personal Property Leases and the other Contracts listed on Schedule “B”.

“Assignment and Assumption Agreement” means an assignment and assumption agreement, in form and substance satisfactory to the Parties, acting reasonably, evidencing the assignment to the Purchaser of the Vendor’s rights, benefits and interests in, to and under the Assigned Contracts and the assumption by the Purchaser of all of the Assumed Liabilities under or in respect of the Assigned Contracts.

“Assignment Order” means an order of the Court issued in the CCAA Proceedings in form and substance satisfactory to the Parties, each acting reasonably, assigning to the Purchaser the Vendor’s right, benefit and interest in and to any of the Assigned Contracts for which any necessary consent to assign has not been obtained, in form and content acceptable to the Parties, acting reasonably.

“Assumed Liabilities” means the following Liabilities of the Vendor:

- (a) all Liabilities under the Assigned Contracts and Permits and Licences (in each case to the extent such Assigned Contract or Permit and Licence is effectively assigned to the Purchaser) arising on or after the Closing Date;
- (b) all Liabilities relating to the Purchased Assets or Related to the Business arising on or after the Closing Date;
- (c) all Liabilities on account of the trade accounts, payables and other current Accounts Payable, in each case incurred or accrued by any Purchaser on or after the Closing Date in the ordinary course of business and Related to the Business; and
- (d) all liabilities related to Employees that are specifically assumed by the Purchaser pursuant to Section 6.1(4), including, for greater certainty, the unused vacation pay and time accrued or banked and overtime pay accrued or banked in respect of each Transferred Employee under the Vendor’s Employee Plans;

and, for greater certainty, does not include Excluded Liabilities.

“Backup Bid” has the meaning given to it in the SISP.

“Books and Records” means the books, records, files, papers, books of account and other financial data of the Vendor which are solely Related to the Business or related to the Purchased Assets, including drawings, engineering information, manuals and Data, sales and advertising materials, sales and purchase correspondence, trade association files, research and development records, lists of present and former customers and suppliers, marketing lists and marketing consent records, personnel, employment and other records, and all records, Data and information stored electronically, digitally or on computer-related or any other media.

“Business” has the meaning set out in the Recitals hereto.

“Business Day” means any day except Saturday, Sunday or any day on which banks are generally not open for business in the City of Edmonton, Alberta but does not include a Saturday, Sunday or statutory holiday in the Province of Alberta.

“Cash Purchase Price” has the meaning set out in Section 3.1(1).

“Casualty” has the meaning set out in Section 7.3.

“CCAA” has the meaning set out in the Recitals hereto.

“CCAA Proceedings” has the meaning set out in the Recitals hereto.

“Claims” means any and all claims, demands, complaints, grievances, actions, applications, suits, causes of action, orders, charges, indictments, prosecutions or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, including loss of value, professional fees, including solicitor and client costs and disbursements, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing, related to the Vendor or the Purchased Assets, and **“Claim”** means any one of them;

“Closing” means the completion of the purchase and sale of the Vendor’s right, title and interest in and to the Purchased Assets and the assignment and assumption of the Assumed Liabilities by the Purchaser in accordance with the provisions of this Agreement.

“Closing Date” means the date on which Closing occurs, which date is intended to be the Target Closing Date.

“Closing Time” means the time of day on the Closing Date when Closing occurs.

“Conditions Certificate” has the meaning set out in Section 9.3.

“Contracts” means all pending and executory contracts, agreements, leases, understandings and arrangements (whether oral or written) to which any Vendor is a party or by which any Vendor or any of the Purchased Assets are bound or under which any Vendor has rights, including any Personal Property Leases.

“Court” has the meaning set out in the recitals hereto.

“Critical Contracts” means those Contracts that are, in the opinion of the Purchaser, acting reasonably, necessary and critical to the operation of the Business and the Purchased Assets as a going concern after the Closing Date as listed and specified as “Critical Contracts” on Schedule “B”.

“Cure Costs” means, with respect to any Assigned Contract, the amounts, if any, required to be paid to remedy all of the applicable Vendor’s monetary defaults existing as of the Closing Date under the applicable Assigned Contract.

“Customer Contracts” means any and all unfilled orders, commitments and other engagements entered into between any of the Vendor and one or more third parties relating to the sale of vehicles or vehicle parts and accessories or the provision of vehicle maintenance or repair services by any of the Vendor to such third parties in the ordinary course of Business.

“Customer Deposit” means deposit held by the Vendor as at Closing pursuant to the terms of a Customer Contract entered into prior to Closing.

“Damages” means any loss, cost, Liability, claim, interest, fine, penalty, assessment, Taxes, damages available at Law or in equity (including incidental, consequential, special, aggravated, exemplary or punitive damages unless paid to a third party), expense (including consultant’s and expert’s fees and expenses and reasonable costs, fees and expenses of legal counsel on a full indemnity basis, without reduction for tariff rates or similar reductions and reasonable costs, fees and expenses of investigation, defence or settlement) or diminution in value.

“Data” means any information or data collected or received by, processed by, or output from software (including reports, analytics, and alerts), and any other information or data Related to the Business, including information and data contained in any databases.

“Deferred New Vehicles” means undamaged new model vehicles owned by the Vendor and used by them in the Business and for which the Manufacturer has invoiced the Vendor.

“Demonstrator Vehicles” means undamaged New Vehicles owned by the Vendor and used by it in the Business immediately prior to Closing for demonstration purposes and which have not been registered as sold vehicles with the Manufacturer.

“Deposit” has the meaning set forth in Section 3.3(1).

“Employee Plans” means all written or oral employee benefit welfare, supplemental unemployment benefit, bonus, pension, profit sharing, executive compensation, current or deferred compensation, incentive compensation, stock compensation, stock purchase, stock option, stock appreciation, phantom stock option, savings, overtime pay, vacation pay, severance or termination pay, retirement, supplementary retirement, hospitalization insurance, salary continuation, legal, health or other medical, dental, life, disability or other insurance

(whether insured or self-insured) plan, program, agreement or arrangement, including post-retirement health and life insurance benefit plans, and every other written or oral benefit plan, program, agreement or arrangement sponsored, maintained or contributed to or required to be contributed to by any of the Vendor or any Affiliate of the Vendor for the benefit of the Employees or former Employees and their dependents or beneficiaries by which the Vendor is bound or with respect to which any of the Vendor participate or have any actual or potential Liability.

“Employees” means all individuals who, as of the Closing Date, are employed in the Business by the Vendor, whether on a full-time or part-time basis, whether unionized or non-unionized, including all individuals who are on an approved and unexpired leave of absence, all individuals who have been placed on temporary lay-off that has not expired, and all individuals who have recall rights that have not expired under any collective bargaining agreements, including the Unionized Employees.

“Encumbrances” means all claims, Liabilities (direct, indirect, absolute or contingent), obligations, prior claims, right of retention, liens, security interests, floating charges, mortgages, pledges, assignments, conditional sales, warrants, adverse claims, charges, hypothecs, trusts, deemed trusts (statutory or otherwise), judgments, writs of seizure or execution, notices of sale, contractual rights (including purchase options, rights of first refusal, rights of first offer or any other pre-emptive contractual rights), encumbrances, whether or not they have been registered, published or filed and whether secured, unsecured or otherwise.

“ETA” means the *Excise Tax Act*, R.S.C. 1985, c. E-15, as amended.

“Excluded Assets” means the Vendor’s right, title and interest in and to any assets other than the Purchased Assets, including, without limitation:

- (a) any of the Vendor’s cash, cash equivalents and short term-investments, including the Deposit;
- (b) all bank accounts of the Vendor;
- (c) original tax records and books and records pertaining thereto, minute books, corporate records, corporate seals, taxpayer and other identification numbers and other documents relating to the organization, maintenance and existence of the Vendor that do not relate exclusively or primarily to any of the Purchased Assets;
- (d) any income tax refunds and other Tax refunds receivable by the Vendor and any Tax Returns;
- (e) all Receivables;
- (f) the interest of the Vendor in any litigation and in the proceeds of any judgement or order thereof;
- (g) the interest of the Vendor in any insurance policies, including any cash surrender value thereof;
- (h) those tools used by mechanics employed in the Business which are owned by the mechanics or any third party;
- (i) Excluded Intellectual Property; and

(j) the Excluded Contracts.

“Excluded Contracts” means contracts or agreements to which the Vendor is a party that are not Assigned Contracts.

“Excluded Intellectual Property” means (i) trade-marks, corporate names and business names, (ii) the following registered domains: www.coastauto.ca and www.coastchryslerdraytonvalley.ca, and (iii) any social media accounts that do not relate solely to the Coast North Vancouver Dealership, together with all usernames and other internet identities and account information relating thereto.

“Excluded Liabilities” means all Liabilities not expressly assumed by the Purchaser hereunder as Assumed Liabilities.

“Final Order” means, at the relevant time or date, an order of the Court that has not been vacated, stayed, amended, reversed or modified, as to which no appeal or application for leave to appeal therefrom has been filed, or if any appeal(s) or application(s) for leave to appeal therefrom have been filed, any (and all) such appeal(s) or application(s) have been dismissed, quashed, determined, withdrawn or disposed of.

“General Conveyance” means a general conveyance and assumption of Liabilities, in form and substance satisfactory to the Parties, acting reasonably, evidencing the conveyance to the Purchaser of the Vendor’s right, title and interest in and to the Purchased Assets and the assumption by the Purchaser of the Assumed Liabilities.

“Governmental Authority” means:

- (a) any domestic or foreign government, whether national, federal, provincial, state, territorial, municipal or local (whether administrative, legislative, executive or otherwise);
- (b) any agency, authority, ministry, department, regulatory body, court, central bank, bureau, board or other instrumentality having legislative, judicial, taxing, regulatory, prosecutorial or administrative powers or functions of, or pertaining to, government;
- (c) any court, tribunal, commission, individual, arbitrator, arbitration panel or other body having adjudicative, regulatory, judicial, quasi-judicial, administrative or similar functions; and
- (d) any other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing, including any stock or other securities exchange, securities commission or professional association.

“GST/HST” means all goods and services tax and harmonized sales tax imposed under Part IX of the ETA.

“Hardware” has the meaning set forth in Section 7.6.

“Hire Date” means the effective date of employment with the Purchaser of a Transferred Employee which shall be the Closing Date.

“Hire List” has the meaning set forth in 6.1(2).

“Incentives” means any rebates payable by the Manufacturer with respect to New Vehicles and New 2024 Vehicles.

“Initial Order” has the meaning given to it in the recitals.

“Intellectual Property” means all intellectual property and industrial property, throughout the world, whether or not registerable, patentable or otherwise formally protectable, and whether or not registered, patented, otherwise formally protected or the subject of a pending application for registration, patent or any other formal protection, including all (i) trade-marks, corporate names and business names, (ii) inventions, (iii) works and subject matter in which copyright, neighbouring rights or moral rights subsist, (iv) industrial designs, patents, (v) know-how, trade secrets, proprietary information, confidential information and information of a sensitive nature that have value to the Business or relate to business opportunities for the Business, in whatever form communicated, maintained or stored, (vi) telephone numbers and facsimile numbers, (vii) registered domain names, and (viii) social media usernames and other internet identities and all account information relating thereto.

“Interim Lender” means the Bank of Montreal;

“Interim Period” means the period from the date that this Agreement is entered into by the Parties to the Closing Time.

“ITA” means the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supplement), and the regulations thereto.

“KERP Payments” means any payments owing under the Key Employee Retention Plan approved pursuant to the Initial Order.

“Law” has the meaning set out in the definition of **“Applicable Law”**.

“Legal Proceeding” means any litigation, Action, application, demand, suit, investigation, hearing, claim, complaint, deemed complaint, grievance, civil, administrative, regulatory or criminal, arbitration proceeding or other similar proceeding, before or by any court or other tribunal or Governmental Authority and includes any appeal or review thereof and any application for leave for appeal or review.

“Liability” means, with respect to any Person, any liability, debt, dues, guarantee, surety, indemnity obligation, or other obligation of such Person of any kind, character or description, whether legal, beneficial or equitable, known or unknown, present or future, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due or accruing due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

“Manufacturer” means Stellantis Canada Inc.

“Material Casualty” means a Casualty in respect of all or substantially all of the Purchased Assets.

“Monitor” has the meaning set out in the recitals hereto.

“Monitor’s Certificate” has the means the certificate substantially in the form attached as Schedule “A” to the Approval and Vesting Order, to be delivered by the Monitor to the Purchaser on Closing and thereafter filed by the Monitor with the Court certifying that it has received, among other things, the Conditions Certificate.

“New Vehicles” means 2025 and 2026 models which are undamaged and with less than 200 kilometres and which have not been registered as sold vehicles with the Manufacturer thereof and which comprise part of the Vendor’s inventory of vehicles immediately prior to Closing.

“New 2024 Vehicles” means 2024 models which are undamaged and with less than 200 kilometres and which have not been registered as sold vehicles with the Manufacturer thereof and which comprise part of the Vendors’ inventory of vehicles immediately prior to Closing.

“New 2024 Vehicle Price” means, with respect to each New 2024 Vehicle, the price attributed to such New 2024 Vehicle by the Monitor, and agreed to by the Purchaser. A sense of the value of the New 2024 Vehicles on hand as of the date hereof is set out on Schedule A-1 hereto.

“Non-Unionized Employees” means all Employees of the Vendor that are not a part of a Union.

“Non-Used Net Price” means with respect to Non-Used Vehicles, the factory invoice cost for such Non-Used Vehicle, plus accepted dealer installed accessories at new car department cost, less any Incentives which have been received, or which are payable to the Vendor.

“Non-Used Vehicles” means New Vehicles, New 2024 Vehicles Deferred New Vehicles and Demonstrator Vehicles.

“Obsolete Inventory” means all Manufacturer parts and accessories which are more than twelve months old from September 1, 2025, including parts and accessories which were not initially provided by the Manufacturer and includes operating supplies such as cleaning materials, washer fluid, brake cleaner and other automotive related supplies.

“Order” means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Authority.

“Outside Date” means December 1, 2025 or such later date as the Parties may mutually agree, with the consent of the Monitor and the Interim Lender.

“Parts and Accessories” means the current new parts and accessories comprising part of the Vendor’s inventory immediately prior to Closing but specifically excludes Obsolete Inventory.

“Party” means a party to this Agreement and any reference to a Party includes its successors and permitted assigns and **“Parties”** means more than one of them.

“Permits and Licences” means any and all licences, permits, approvals, authorizations, certificates, directives, orders, variances, registrations, rights, privileges, concessions, granted, conferred or otherwise created by any Governmental Authority and held by or on behalf of any Vendor or other evidence of authority Related to the Business issued to, granted to, conferred upon, or otherwise created for, any Vendor which relate to the ownership, maintenance, operation of the Business or the Purchased Assets.

“Permitted Encumbrances” means, collectively:

- (a) Encumbrances related to Taxes and utilities arising by operation of law (statutory or otherwise) required in the ordinary course of business but only insofar as they relate to any obligations or amounts not due as at the Closing Date; and
- (b) Any Encumbrances permitted by a Final Order, before Closing.

“Person” is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Authority, and the executors, administrators or other legal representatives of an individual in such capacity.

“Personal Information” has the meaning set out in Section 6.1(1).

“Personal Property” means any and all vehicles, machinery, equipment, parts, chattels, inventory of spare parts, parts and supplies, furniture and any other tangible personal and movable property in which any Vendor has a beneficial right, title or interest (whether owned

or leased), in all cases to the extent qualifying as Property, wherever situate (including those in possession of suppliers, customers and other third parties).

“Personal Property Leases” means a personal or movable property lease, chattel lease, equipment lease, financing lease, conditional or instalment sales contract and other similar agreement relating to Personal Property to which any Vendor is a party or under which they have rights to use Personal Property as listed and specified as “Personal Property Leases” on Schedule “B”.

“Privacy Law” means the *Personal Information Protection and Electronic Documents Act* (Canada) and any Applicable Law of any other Province or territory of Canada.

“Purchase Price” has the meaning set out in Section 3.1.

“Purchased Assets” means, collectively, those assets of the Vendor as set out in Schedule “A”, but, for greater certainty, does not include any Excluded Assets.

“Purchaser” has the meaning set out in the preamble hereto and includes any successor or permitted assignee thereof in accordance with Section 11.16.

“Receivables” means, in respect of a Person all accounts receivable, bills receivable, trade accounts, holdbacks, retention, book debts and insurance claims due or accruing due to such Person, together with any unpaid interest accrued on such items and any security or collateral for such items, but excluding any Work in Progress and Customer Deposits.

“Reconciliation” means has the meaning set out in Section 3.4.

“Reconciliation Time” has the meaning set out in Section 3.4(1).

“Related to the Business” means primarily (i) used in, (ii) arising from or (iii) otherwise related to the Business or any part thereof.

“Replacement Permit or Licence” means a new permit, licence, authorization, approval or other similar item providing substantially equivalent rights to the Purchaser as any applicable Vendor is entitled to as of the Closing Date pursuant to the applicable Permit and Licence.

“Representative” when used with respect to a Person means each director, officer, employee, consultant, subcontractor, financial adviser, legal counsel, accountant and other agent, adviser or representative of that Person.

“Sales Agent” has the meaning set out in the recitals hereto.

“SISP” has the meaning set out in the recitals hereto.

“SISP Order” has the meaning set out in the recitals hereto.

“Successful Bid” has the meaning given to it in the SISP.

“Target Closing Date” means the third Business Day following the issuance of the Approval and Vesting Order or as soon as reasonably practicable thereafter, but in any event no later than the Outside Date.

“Tax Returns” means all returns, reports, declarations, elections, notices, filings, information returns, statements and forms in respect of Taxes that are filed or required to be filed with any applicable Governmental Authority, including all amendments, schedules, attachments or supplements thereto and whether in tangible or electronic form.

“Taxes” means, with respect to any Person, all supranational, national, federal, provincial, state, local or other taxes, including income taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, severance taxes, *ad*

valorem taxes, property taxes, capital taxes, net worth taxes, production taxes, sales taxes, use taxes, licence taxes, excise taxes, franchise taxes, environmental taxes, transfer taxes (including land transfer taxes), withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, government pension plan premiums and contributions, social security premiums, workers' compensation premiums, employment/unemployment insurance or compensation premiums and contributions, stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, GST/PST/HST, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority and any instalments in respect thereof of another taxpayer or entity, together with any interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties, and whether disputed or not, and "**Tax**" means any one of such Taxes.

"Transaction Personal Information" means any Personal Information (i) in the possession, custody or control of any Vendor at the Closing Time, including Personal Information about suppliers, customers, directors, officers or shareholders that is disclosed to the Purchaser or any Representative of the Purchaser prior to the Closing Time by any Vendor or its Representatives, or (ii) collected by the Purchaser or any Representative of the Purchaser prior to the Closing Time from any Vendor or its Representatives, in either case in connection with the transactions contemplated by this Agreement.

"Transfer Taxes" means all applicable Taxes, including any applicable land transfer taxes and/or GST/PST/HST, payable upon or in connection with the transactions contemplated by this Agreement and any filing, registration, recording or transfer fees payable in connection with the instruments of transfer provided for in this Agreement.

"Transferred Employees" means (a) all Non-Unionized Employees who accept the Purchaser's offer of employment under Section 6.1, and (b) all Unionized Employees.

"Union" means any union, works council, employee association, labour organization or similar entity which has been certified as the collective bargaining agent of a bargaining unit of employees.

"Unionized Employees" means all Employees who are members of a Union immediately prior to the Closing Date.

"Used Vehicle" means unsold vehicles, if any (together with all options thereon) owned by the Vendor and comprising part of the Vendor's inventory of vehicles immediately prior to Closing that are not Non-Used Vehicles.

"Used Vehicle Value" means the Canadian Black Book value of a Used Vehicle.

"Warranty Rights" means the full benefit of all warranties, warranty rights, performance bonds and indemnities (implied, express or otherwise) of the Vendor against manufacturers, contractors or any other Person which apply to the Purchased Assets, but only to the extent that the same are capable of being assigned.

"Work in Progress" means all unbilled service, repairs and/or body work performed to a customer's vehicle and/or parts supplied to a customer or added to a customer's vehicle, including, without limitation, sublet repairs excluding, in each case: (i) any service, repairs and/or body work performed or parts supplied more than 60 days prior to the Closing Date, and (ii) any Work in Progress that has not been completed as at the Closing Date.

1.2 Actions on Non-Business Days. If any payment is required to be made or other action (including the giving of notice) is required to be taken pursuant to this Agreement on a day which is not a Business Day, then such payment or action shall be considered to have been made or taken in compliance with this Agreement if made or taken on the next succeeding Business Day.

1.3 Currency and Payment Obligations. Except as otherwise expressly provided in this Agreement: (i) all dollar amounts referred to in this Agreement are stated in the lawful currency of Canada; and (ii) any payment contemplated by this Agreement shall be made to the Monitor by wire transfer of immediately available funds to an account specified by the Monitor, or by any other method that provides immediately available funds as agreed to between the Parties and the Monitor.

1.4 Calculation of Time. In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. Mountain time on the last day of the period. If any period of time is to expire hereunder on any day that is not a Business Day, the period shall be deemed to expire at 5:00 p.m. Mountain time on the next succeeding Business Day.

1.5 Tender. Any tender of documents hereunder may be made upon the Parties or, or their respective counsel.

1.6 Additional Rules of Interpretation.

(1) *Gender and Number.* In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and vice versa.

(2) *Headings and Table of Contents.* The inclusion in this Agreement of headings of Articles and Sections and the provision of a table of contents are for convenience of reference only and are not intended to be full or precise descriptions of the text to which they refer.

(3) *Section References.* Unless the context requires otherwise, references in this Agreement to Articles, Sections or Schedules are to Articles or Sections of this Agreement, and Schedules to this Agreement.

(4) *Words of Inclusion.* Wherever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation” and the words following “include”, “includes” or “including” shall not be considered to set forth an exhaustive list.

(5) *References to this Agreement.* The words “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions shall be construed as referring to this Agreement in its entirety and not to any particular Section or portion of it.

(6) *Statute References.* Unless otherwise indicated, all references in this Agreement to any statute include the regulations thereunder, in each case as amended, re-enacted, consolidated or replaced from time to time and in the case of any such amendment, re-enactment, consolidation or replacement, reference herein to a particular provision shall be read as referring to such amended, re-enacted, consolidated or replaced provision and also include, unless the context otherwise requires, all applicable guidelines, bulletins or policies made in connection therewith.

(7) *Document References.* All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance

with the terms thereof and, unless otherwise specified therein, includes all schedules attached thereto.

1.7 Schedules. The following are the Schedules attached to and incorporated in this Agreement by reference and deemed to be a part hereof:

SCHEDULES

| | |
|----------------|---------------------------------|
| Schedule "A" | Purchased Assets |
| Schedule "A-1" | Vehicle Listing |
| Schedule "B" | Assigned Contracts |
| Schedule "C" | Purchase Price Allocation |
| Schedule "D" | Collective Bargaining Agreement |

Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Schedules and the interpretation provisions set out in this Agreement apply to the Schedules. Unless the context otherwise requires, or a contrary intention appears, references in the Schedules to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement.

**ARTICLE 2
PURCHASE OF ASSETS AND ASSUMPTION OF LIABILITIES**

2.1 Purchase and Sale of Purchased Assets. At the Closing Time, on and subject to the terms and conditions of this Agreement, the SISP, the Approval and Vesting Order, and the Assignment Order (if applicable) the Vendor shall sell to the Purchaser, and the Purchaser shall purchase from the Vendor, all of the Vendor's right, title and interest in and to the Purchased Assets, free and clear of all Encumbrances other than Permitted Encumbrances, to the extent and as provided for in the Approval and Vesting Order. For greater certainty, notwithstanding any other provision of this Agreement, this Agreement does not constitute an agreement by the Purchaser to purchase, or by the Vendor to sell, any Excluded Assets.

2.2 Assumption of Assumed Liabilities. At the Closing Time, on and subject to the terms and conditions of this Agreement, the Purchaser shall assume and agree to pay when due and perform and discharge in accordance with their terms, the Assumed Liabilities. Notwithstanding any other provision of this Agreement, the Purchaser shall not assume any Liabilities hereunder other than the Assumed Liabilities, except as required under Applicable Law.

2.3 Assignment of Contracts.

(1) *Obtaining Consents.* Prior to the filing of the Approval Motion, at the written request of the Purchaser, the Vendor, with the assistance of the Purchaser, shall use commercially reasonable efforts to obtain all consents required to assign the Assigned Contracts to the Purchaser.

(2) *Assignment Order.* To the extent that any Assigned Contract is not assignable without the consent of the counterparty or any other Person and such consent has not been obtained prior to the filing of the Approval Motion, (i) the Vendor's rights, benefits and interests in, to and under such Assigned Contract may be conveyed to the Purchaser pursuant to an Assignment Order, (ii) the Vendor will use commercially reasonable efforts to obtain an Assignment Order in respect of such Assigned Contract on or prior to the Closing Date in form

and substance acceptable to the Purchaser, acting reasonably, (iii) the Purchaser, at its own expense, will promptly provide to the Vendor all such information within its possession or under its control as the Vendor may reasonably request to obtain the Assignment Order, and (iv) if an Assignment Order is obtained in respect of such Assigned Contract in form and substance acceptable to the Purchaser, acting reasonably, the Purchaser shall accept the assignment of such Assigned Contract on such terms.

(3) *Cure Costs.* Unless the Parties otherwise agree, to the extent that any Cure Costs are payable with respect to any Assigned Contract, the Purchaser shall (i) where such Assigned Contract is assigned pursuant to an Assignment Order, pay the entirety of all such Cure Costs in the manner set out in the Assignment Order, and (ii) where such Assigned Contract is not assigned pursuant to an Assignment Order, pay all such Cure Costs in the manner set out in the consent of the applicable counterparty or as otherwise may be agreed to by the Purchaser and such counterparty. Any Cure Costs as paid by the Purchaser shall be in addition to the Cash Purchase Price for the Purchased Assets.

(4) *Assignment.* At the Closing Time, on and subject to the terms and conditions of this Agreement (including Section 2.3(5) below), the Approval and Vesting Order and the Assignment Order (if applicable), all of the Vendor's rights, benefits and interests in, to and under the Assigned Contracts shall be assigned to the Purchaser, the consideration for which is included in the Purchase Price.

(5) *Where Consent Required.* Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign any Assigned Contract to the extent such Assigned Contract is not assignable under Applicable Law, or the terms of the applicable Assigned Contract provide that it is not assignable without the consent of another Person, unless such consent has been obtained or the assignment is subject to an Assignment Order.

(6) *No Adjustment.* For greater certainty, in respect of any Assigned Contract other than the Critical Contracts, if the consent of any Person is required to assign such Contract but such consent is not obtained prior to Closing and such Contract is not assigned pursuant to an Assignment Order, such Contract shall not form part of the Purchased Assets and (i) neither Party shall be considered to be in breach of this Agreement, (ii) the failure to assign or otherwise transfer such Assigned Contract shall not be a condition to Closing, (iii) the Purchase Price shall not be subject to any adjustment, and (iv) the Closing shall not be delayed.

2.4 Transfer and Assignment of Permits and Licences.

(1) *Obtaining Consents.* Prior to Closing, to the extent that a Permit and Licence is assignable or otherwise transferable by the Vendor to the Purchaser, the Vendor, with the assistance of the Purchaser, shall use commercially reasonable efforts to obtain all necessary consents or approvals to assign or otherwise transfer such Permits and Licences to the Purchaser. The Purchaser (i) shall pay all costs required to be paid to third parties and/or Governmental Authorities in connection with obtaining the assignment or transfer of any Permit and Licence to the Purchaser, or reissuance thereof (which costs shall be in addition to the Purchase Price), and (ii) shall reimburse the Vendor to the extent of any third party costs and/or any costs payable to Governmental Authorities that are incurred by the Vendor in connection with obtaining the assignment or transfer of any Permit and Licence to the Purchaser or obtaining any Replacement Permit or Licence (which costs shall be in addition to the Purchase Price), provided, however, that the Vendor provide evidence of such third party costs and/or Governmental

Authority costs satisfactory to the Purchaser, acting reasonably, and such third party costs and/or Governmental Authority costs shall exclude all salaries, fees and costs of any and all consultants, employees, counsel or other Representatives of the Vendor related to such assignment and transfer.

(2) *Transfer and Assignment.* At the Closing Time, on and subject to the terms and conditions of this Agreement and the Approval and Vesting Order, all of the Vendor's rights, benefits and interests in, to and under the Permits and Licences, to the extent assignable, shall be assigned to the Purchaser, the consideration for which is included in the Purchase Price.

(3) *Where Consent Required.* Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an agreement to assign or otherwise transfer any Permit and Licence to the extent such Permit and Licence is not assignable or transferable under Applicable Law or the terms of the applicable Permit and Licence provide that it is not assignable without the consent of another Person, unless such consent has been obtained.

(4) *Post-Closing Assignment.* Notwithstanding anything in this Agreement to the contrary, if the consent or approval of any Person is required to assign or otherwise transfer a Permit and Licence, but such consent or approval is not obtained prior to Closing, (i) the Vendor and the Purchaser shall use their commercially reasonable efforts to obtain the necessary consents or approvals to the assignment or transfer of such Permit and Licence to the Purchaser or the Purchaser shall use its commercially reasonable efforts to obtain (with commercially reasonable assistance from the Vendor) a Replacement Permit or Licence thereof, in each case, as soon as practicable following Closing, (ii) neither Party shall be considered to be in breach of this Agreement, (iii) the failure to assign or otherwise transfer such Permit and Licence or obtain any Replacement Permit or Licence, shall not be a condition to Closing, (iv) the Purchase Price shall not be subject to adjustment, and (v) the Closing shall not be delayed.

(5) *Obtaining Replacement Permits and Licences.* To the extent that a Permit and Licence is not assignable or otherwise transferrable by the Vendor to the Purchaser, the Purchaser, with the assistance of the Vendor, shall use commercially reasonable efforts to obtain a Replacement Permit or Licence in connection with the purchase and sale of the Purchased Assets. The Purchaser shall pay all costs required in connection with obtaining any Replacement Permit or Licence (which shall be in addition to the Purchase Price).

ARTICLE 3 PURCHASE PRICE & TAXES

3.1 Purchase Price. The consideration payable by the Purchaser to the Monitor for the Vendor's right, title and interest in and to the Purchased Assets (the "**Purchase Price**") shall be the aggregate of:

- (1) ██████████ (the "**Cash Purchase Price**"), subject to the Purchase Price Adjustment set out in Section 3.4.
- (2) the Cure Costs; and
- (3) the agreed value of the Assumed Liabilities which shall be reflected in the allocation of the Purchase Price made in accordance with Section 3.2.

3.2 Allocation of Purchase Price. The Vendor and the Purchaser agree to allocate the Purchase Price in a manner to be agreed to by the Parties, each acting reasonably, at least seven (7) days before Closing, but in substantially the form included as Schedule "C" and to report the sale and purchase of the Purchased Assets for all federal, provincial and local Tax purposes in a manner consistent with such allocation. If such allocation is disputed by any Governmental Authority with respect to Taxes, the Party receiving notice of such dispute will promptly notify the other Party and the Parties will use their commercially reasonable efforts to sustain the final allocation. The Parties will share information and cooperate to the extent reasonably necessary to permit the transaction contemplated by this Agreement to be properly, timely and consistently reported.

3.3 Satisfaction of Purchase Price. The Purchase Price shall be paid and satisfied as follows:

- (1) a deposit in the amount of [REDACTED] (the "**Deposit**") which shall accompany the Purchaser's binding offer pursuant to the SISP and be paid by the Purchaser to the Monitor on submission of such binding offer and shall be applied against the Cash Purchase Price on Closing;
- (2) the balance of the Cash Purchase Price, after crediting the Deposit in Section 3(1), shall be paid by the Purchaser to the Monitor at Closing;
- (3) the Cure Costs, shall be paid or otherwise satisfied by the Purchaser on behalf of the Vendor at Closing in accordance with Section 8.3(3); and
- (4) an amount equal to the agreed value of the Assumed Liabilities, shall be satisfied at Closing by the assumption by the Purchaser of the Assumed Liabilities by the execution and delivery of the Assignment and Assumption Agreement.

3.4 Purchase Price Adjustment.

- (1) No less than two days prior to the Closing Date, the Vendor shall provide to the Monitor and Purchaser (i) a physical count of all Non-Used Vehicles and Used Vehicles on hand, (ii) a list of Customer Deposits held by the Vendor, (iii) a list of all Work in Progress, and (iv) a physical count of all Parts and Accessories on hand (the "**Reconciliation**"). The Cash Purchase Price shall be adjusted to accurately represent, (i) the Non-Used Net Price of New Vehicles and Deferred New Vehicles and New 2024 Vehicle Price of New 2024 Vehicles that will be on hand immediately prior to Closing, (ii) the Non-Used Net Price for Demonstrator Vehicles that will be on hand immediately prior to Closing, less depreciation, (iii) the Used Vehicle Value of the Used Vehicles that constitute Purchased Assets, (iv) the value of the Parts and Accessories on hand, (v) an amount equal to the amount owing to the Vendor at Closing for Work in Progress, and (vi) an amount equal to the actual face value of the Customer Deposits held by the Vendor at Closing.
- (2) Based on the Reconciliation, the Vendor shall prepare a statement of adjustments and deliver same with all supporting documentation to the Purchaser for its approval by no later than 5:00 p.m. Mountain Time on the day immediately prior to the Closing Date (the "**Reconciliation Time**").
- (3) If the amount of any adjustments required to be made pursuant to this Agreement cannot be reasonably determined as of the Reconciliation Time, an estimate shall be agreed upon by the Parties as of the Closing Date based upon the best information available to the Parties at such time, each Party acting reasonably, and such estimate shall serve as a final determination.

(4) Other than as expressly provided in this Section 3.4, there shall be no adjustments whatsoever to the Purchase Price.

3.5 Taxes. In addition to the Purchase Price, the Purchaser shall be liable for and shall, at Closing or at such later time as required by Applicable Law, pay all applicable Transfer Taxes.

3.6 Tax Gross Up. In the event that any payment or forfeiture under this Agreement is deemed by the *Excise Tax Act* (Canada) to include GST/HST, or is deemed by any applicable provincial or territorial legislation to include a similar value added or multi-staged tax, the amount of such payment or forfeiture shall be increased accordingly. If the Purchaser is required by Applicable Law to deduct or withhold any amount from the Purchase Price payable hereunder, then the Purchase Price shall be increased by an additional amount such that the amount received by the Monitor after such deduction or withholding (including deduction or withholding from such additional amount) is equal to the amount that the Monitor would have received absent any such deduction or withholding.

3.7 Tax Elections.

(1) *Section 167 Tax Election.* If available, at the Closing, the Vendor and the Purchaser shall execute jointly an election under section 167 of the *Excise Tax Act* (Canada), to have the sale of the Purchased Assets take place on a GST/HST-free basis under Part IX of the *Excise Tax Act* (Canada). The Purchaser shall file the election in the manner and within the time prescribed by the relevant legislation. Notwithstanding anything to the contrary in this Agreement, the Purchaser shall indemnify and hold harmless the Vendor in respect of any GST/HST, penalties, and interest that may be assessed against the Vendor as a result of the transactions under this Agreement not being eligible for such election or as a result of the Purchaser's failure to file the election within the prescribed time.

(2) *Subsection 20(24) Tax Election.* The Purchaser and the Vendor shall, if applicable and requested by either party, jointly execute and file an election under subsection 20(24) of the *ITA* in the manner required by subsection 20(25) of the *ITA* and under the equivalent or corresponding provisions of any other applicable provincial or territorial statute, in the prescribed forms and within the time period permitted under the *ITA* and under any other applicable provincial or territorial statute, as to such amount paid by the Vendor to the Purchaser for assuming future obligations. In this regard, the Purchaser and the Vendor acknowledge that a portion of the Purchased Assets transferred by the Vendor pursuant to this Agreement and having a value equal to the amount elected under subsection 20(24) of the *ITA* and the equivalent provisions of any applicable provincial or territorial statute, is being transferred by the Vendor as a payment for the assumption of such future obligations by the Purchaser.

(3) *Section 56.4 Tax Election.* At the request of the Vendor and to the extent permitted by the *ITA*, the Parties shall make, and the Vendor shall file, any election or amended election in prescribed form (or such other form as the Purchaser or the Vendor may reasonably request) and within the prescribed time limits pursuant to section 56.4 of the *ITA* by the Minister of Finance (Canada) and any analogous provision of provincial or territorial Tax legislation.

**ARTICLE 4
PROCEDURES**

4.1 SISP; Approval and Vesting Order. The Parties acknowledge and agree that:

(1) *Backup Bidder.* In accordance with the SISP, the transaction subject to this Agreement may be designated as the Backup Bid (as defined in the SISP).

(2) *Court Approval & Successful Bid.* This Agreement is subject to (i) this Agreement being determined to be the Successful Bid in accordance with the SISP, and (ii) the issuance of the Approval and Vesting Order.

(3) *Motion for Approval and Vesting Order.* If this Agreement is determined to be the Successful Bid in accordance with the SISP, the Monitor shall file with the Court, as soon as reasonably practicable thereafter, a motion seeking the Court's issuance of the Approval and Vesting Order (the "**Approval Motion**"). The Purchaser shall cooperate with the Monitor in its efforts to obtain the issuance and entry of the Approval and Vesting Order. The Purchaser, at its own expense, will promptly provide to the Monitor all such information within its possession or under its control as the Monitor may reasonably request to obtain the Approval and Vesting Order.

ARTICLE 5 REPRESENTATIONS AND WARRANTIES

5.1 Representations and Warranties of the Purchaser. As a material inducement to the Vendor entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Vendor is entering into this Agreement in reliance upon the representations and warranties of the Purchaser set out in this Section 5.1, the Purchaser represents and warrants to the Vendor as follows:

(1) *Incorporation and Corporate Power.* The Purchaser is a corporation incorporated, organized and subsisting under the Laws of the jurisdiction of its incorporation. The Purchaser has the corporate power, authority and capacity to execute and deliver this Agreement and all other agreements and instruments to be executed by it as contemplated herein and to perform its obligations under this Agreement and under all such other agreements and instruments.

(2) *Authorization by Purchaser.* The execution and delivery of this Agreement and all other agreements and instruments to be executed by it as contemplated herein and the completion of the transactions contemplated by this Agreement and all such other agreements and instruments have been duly authorized by all necessary corporate action on the part of the Purchaser.

(3) *Approvals.* No consent, waiver, authorization or approval of any Person and no notice or declaration to or filing or registration with any Governmental Authority is required in connection with the execution and delivery by the Purchaser of this Agreement or all other agreements and instruments to be executed by the Purchaser or the performance by the Purchaser of its obligations hereunder or thereunder.

(4) *Enforceability of Obligations.* This Agreement constitutes a valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms. There is no Legal Proceeding in progress, pending against or threatened against or affecting the Purchaser, and there are no grounds on which any such Legal Proceeding might be commenced and there is no Order outstanding against or affecting the Purchaser which, in any such case, affects adversely or might affect adversely the ability of the Purchaser to enter into this Agreement or to perform its obligations hereunder.

(5) *Excise Tax Act.* The Purchaser is, or upon Closing shall be, registered for GST/HST purposes under Part IX of the *Excise Tax Act* (Canada), and shall provide its registration number to the Vendor at or prior to Closing.

(6) *Commissions.* Neither the Vendor nor Monitor will be liable for any brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated by this Agreement because of any action taken by, or agreement or understanding reached by, the Purchaser.

(7) *Sufficient Funds.* The Purchaser has sufficient financial resources or has arranged sufficient financing for it, on Closing (which financing is not subject to any conditions other than the conditions to Closing set out herein), to pay the Cash Purchase Price, the Cure Costs and the Transfer Taxes payable on Closing and any and all other amounts payable by the Purchaser, if any, pursuant to this Agreement.

5.2 Representations and Warranties of the Vendor. As a material inducement to the Purchaser entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Purchaser is entering into this Agreement in reliance upon the representations and warranties of the Vendor set out in this Section 5.2, the Vendor represents and warrants to the Purchaser as follows:

(1) *Incorporation and Corporate Power.* The Vendor is a corporation incorporated, organized and subsisting under the Laws of the jurisdiction of its incorporation. Provided that Court approval is obtained for this Agreement and subject to the granting of the Approval and Vesting Order, the Vendor has the corporate power, authority and capacity to execute and deliver this Agreement and all other agreements and instruments to be executed by it as contemplated herein and to perform its obligations under this Agreement and under all such other agreements and instruments.

(2) *Enforceability of Obligations.* Subject to the Approval and Vesting Order having been granted and being a Final Order, this Agreement constitutes a valid and binding obligation of the Vendor enforceable against the Vendor in accordance with its terms.

(3) *ITA.* The Vendor is not a non-resident of Canada for purposes of the *ITA*.

(4) *Excise Tax Act.* The Vendor is registered for GST/HST purposes under Part IX of the *Excise Tax Act* (Canada) and for PST with the following GST/HST number and PST number:

GST/HST: 788577617-RT001

PST: 1478-5258

(5) *Commissions.* The Purchaser will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated by this Agreement because of any action taken by, or agreement or understanding reached by, the Vendor and/or the Monitor.

5.3 As is, Where is. Notwithstanding any other provision of this Agreement, the Purchaser acknowledges, agrees and confirms that:

(1) except for the representations and warranties of the Vendor set forth in Section 5.2, it is entering into this Agreement, acquiring the Purchased Assets and assuming the Assumed Liabilities on an “as is, where is” basis as they exist as of the Closing Time and will accept the Purchased Assets in their state, condition and location as of the Closing Time except as expressly set forth in this Agreement and the sale of the Purchased Assets is made without legal warranty and at the risk of the Purchaser;

(2) it has conducted to its satisfaction such independent searches, investigations and inspections of the Purchased Assets, the Business and the Assumed Liabilities as it deemed appropriate, and based solely thereon, has determined to proceed with the transactions contemplated by this Agreement;

(3) except as expressly stated in Section 5.2, neither the Vendor, the Monitor, the Sales Agent, nor any of their Representatives, have made or are making, and the Purchaser is not relying on, any representations, warranties, statements or promises, express or implied, statutory or otherwise, concerning the Purchased Assets, the Vendor’s right, title or interest in or to the Purchased Assets, the Business or the Assumed Liabilities, including with respect to merchantability, physical or financial condition, description, fitness for a particular purpose, existence of any parts/and/or components, latent defects, quality, warranty, quantity or any other thing affecting any of the Purchased Assets or the Assumed Liabilities, or normal operation thereof, or in respect of any other matter or thing whatsoever, including any and all conditions, warranties or representations expressed or implied pursuant to any Applicable Law in any jurisdiction, which the Purchaser confirms do not apply to this Agreement and are hereby waived in their entirety by the Purchaser;

(4) without limiting the generality of the foregoing, no representation, warranty or covenant is given by the Vendor that any of the Purchased Assets are or can be made operational within a specified time frame or will achieve any particular result, level of service, use, production, capacity or actual production if made operational;

(5) without limiting the generality of the foregoing, except as expressly stated in Section 5.2, the Vendor, the Sales Agent, the Monitor and their respective Representatives have made no representation or warranty as to any regulatory approvals, licenses, permits, consents or authorizations, including the Permits and Licences that may be needed to complete the transactions contemplated by this Agreement or to operate or carry on the Business or any portion thereof, and the Purchaser is relying entirely on its own investigation, due diligence and inquiries in connection with such matters;

(6) all written and oral information obtained from the Vendor, the Sales Agent, the Monitor or their Representatives, including in any teaser letter or other document made available to the Purchaser (including in certain “data rooms”, management presentations, site visits and diligence meetings or telephone calls), with respect to the Purchased Assets, the Business, and the Assumed Liabilities has been obtained for the convenience of the Purchaser only, and neither the Vendor, the Sales Agent, the Monitor nor their Representatives have made any representation or warranty, express or implied, statutory or otherwise as to the accuracy or completeness of any such information;

(7) any information regarding or describing the Purchased Assets, the Business or the Assumed Liabilities in this Agreement (including the Schedules hereto), or in any other agreement or instrument contemplated hereby, is for identification purposes only, is not relied upon by the Purchaser, and no representation, warranty or condition, express or implied, has or will be given

by the Vendor, the Monitor or its Representatives, or any other Person concerning the completeness or accuracy of such information or descriptions;

(8) except as otherwise expressly provided in this Agreement, the Purchaser hereby unconditionally and irrevocably waives any and all actual or potential rights or claims the Purchaser might have against the Vendor, the Sales Agent, the Monitor or any of their respective Representatives pursuant to any warranty, express or implied, legal or conventional, of any kind or type, other than those representations and warranties of the Vendor expressly set forth in Section 5.2. Such waiver is absolute, unlimited, and includes, but is not limited to, waiver of express warranties, implied warranties, warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and claims of every kind and type, including claims regarding defects, whether or not discoverable or latent, product liability claims, or similar claims, and all other claims that may be later created or conceived in strict liability or as strict liability type claims and rights;

(9) none of the representations and warranties of the Vendor contained in this Agreement shall survive Closing and, subject to Section 10.3(2), the Purchaser's sole recourse for any breach of representation or warranty of the Vendor in Section 5.2 shall be for the Purchaser not to complete the transactions as contemplated by this Agreement and for greater certainty the Purchaser shall have no recourse or claim of any kind against the Vendor or the proceeds of the transactions contemplated by this Agreement following Closing; and

(10) this Section 5.3 shall not merge on Closing and is deemed incorporated by reference in all closing documents and deliveries.

ARTICLE 6 EMPLOYEES

6.1 Offers of Employment and Employee Liabilities.

(1) The Vendor shall: (a) as soon as reasonably practicable following execution of this Agreement, provide the Purchaser all necessary information relating to each Employee as the Purchaser may reasonably request in connection with the employment or engagement of such individuals and/or in connection with the Purchaser's offers of employment under Section 6.1(2), including the names, positions, ages, initial employment dates, termination dates and re-employment dates, if applicable, length of service, hours of work, and compensation information; (b) as soon as reasonably practicable following execution of this Agreement, provide the Purchaser with social insurance numbers, email addresses, mailing addresses and Tax withholding history of each Unionized Employee; and (c) as soon as reasonably practicable following execution of this Agreement and receipt of confirmation from the Purchaser that a Non-Unionized Employee will be on the Hire List as at Closing, provide the Purchaser with the social insurance numbers, email addresses, mailing addresses and Tax withholding history of such Non-Unionized Employee. All of the information provided pursuant to clauses (a), (b) and (c) of this Section 6.1(1) shall be in a form that shall be usable by the Purchaser and such information shall be true and correct in all respects. The Purchaser shall at all times comply with all privacy laws, with respect to personal information or personal health information (collectively, "**Personal Information**") disclosed or otherwise provided to it under this Agreement. The Purchaser shall only collect, use or disclose such Personal Information for the purposes of reasonably investigating the affairs of the Business, possibly offering employment to the Non-Unionized Employees pursuant to Section 6.1(2), and employing or engaging any Transferred Employees. The Purchaser shall safeguard all Personal Information

collected from the Vendor in a manner consistent with the degree of sensitivity of the Personal Information and, furthermore, maintain at all times the security and integrity of the Personal Information. The Purchaser covenants and agrees that it will not make any copies of the Personal Information or any excerpts thereof or in any way re-create the substance or contents of the Personal Information if the Closing does not occur for any reason, and that any and all Personal Information will be returned to the Vendor or destroyed upon the Vendor's request and, if requested by the Vendor, the Purchaser shall certify in writing compliance with such obligation.

(2) *Transferred Non-Unionized Employees.* At least 14 days before Closing, the Purchaser shall provide the Vendor with a list (the "**Hire List**") of all Non-Unionized Employees who will receive an offer of employment, and such offers of employment shall be made by Purchaser at least 10 days before Closing. The Purchaser shall recognize the past service of Transferred Employees that are Non-Unionized Employees with the Vendor or its Affiliates (including any predecessor of the Vendor or its Affiliates) for all purposes, including any required notice of termination, termination or severance pay (contractual, statutory or at common law). The Purchaser shall offer employment, effective as of the Closing Date, to the Non-Unionized Employees identified in the Hire List on terms and conditions which are substantially similar to those under which such Non-Unionized Employees are employed immediately prior to the Closing Date. The Vendor shall cooperate in the Purchaser's efforts to make offers of employment as contemplated by this Section 6.1(2).

(3) *Transferred Unionized Employees.* Effective as of the Closing Date, the Purchaser shall continue the employment of all Unionized Employees in accordance with Applicable Law, including with recognition of past service. Without limiting the generality of the foregoing, the Purchaser shall:

- (a) recognize the applicable Unions as the sole and exclusive collective bargaining agents as of the Closing Date and immediately thereafter for the Unionized Employees; and
- (b) accept and be bound by the terms and conditions of the collective bargaining agreements between any Union and the Vendor or its Affiliates in the Business that apply to any such Unionized Employees and which are set out in Schedule "D".

(4) *Purchaser Liabilities.* The Purchaser shall be responsible for all Liabilities:

- (a) for salary, wages (including overtime pay), bonuses, commissions, vacations, vacation pay and other compensation and benefits relating to the employment of all Transferred Employees or the termination of such employment on and after their respective Hire Date;
- (b) for unused vacation pay accrued or banked and overtime pay accrued or banked, relating to the employment of all Transferred Employees prior to their respective Hire Date; and
- (c) to a Non-Unionized Employee who is listed on the Hire List but does not receive an offer of employment pursuant to Section 6.1(2), and which arises directly or indirectly out of, as a result of, in connection with or pursuant to the Vendor's termination of the employment of such Non-Unionized Employee.

(5) *Vendor's Liabilities.* Subject to Section 6.2 and to the extent permitted by the Initial Order, the Vendor shall be responsible for all Liabilities:

- (a) for all salary, wages, bonuses, commissions and other compensation and benefits, other than severance and termination pay, relating to the employment of all Transferred Employees prior to their respective Hire Date, but, for greater certainty, excluding any Liabilities in respect of the unused vacation pay and time accrued or banked and the overtime pay accrued or banked as at the Closing Date in respect of any of the Transferred Employees;
- (b) to any Non-Unionized Employee who does not accept an offer of employment that is made pursuant to Section 6.1(2), and which arise directly or indirectly out of, as a result of, in connection with or pursuant to the Vendor's termination of the employment of such Non-Unionized Employee, including severance and termination pay; and
- (c) for KERP Payments, if any, that are payable in respect of all Transferred Employees.

6.2 Vacation and Overtime.

(1) *Employee Vacation and Overtime.* Notwithstanding anything else contained herein, from and after their respective Hire Date, Transferred Employees shall be entitled to use their unused vacation pay and time accrued or banked and overtime pay accrued or banked under the Vendor's Employee Plans (including, for greater certainty, pursuant to any collective bargaining agreements set out on Schedule "D" hereto), determined as of the Closing Date, and the Purchaser shall be solely responsible for all payments and administration thereof. For greater certainty, and without restricting any other Liabilities assumed by the Purchaser under Section 6.1(4), such accrued/banked vacation and overtime amounts shall constitute a Liability assumed by the Purchaser.

6.3 Other Benefit Matters.

(1) *Employee Benefit Plans Accruals.* All Transferred Employees shall cease to accrue benefits under all Employee Plans effective as of the respective Transferred Employee's Hire Date. Following the Hire Date, the Purchaser shall provide all Transferred Employees with benefits under a replacement Employee Plan providing for substantially the same degree of benefit coverage available to such Transferred Employees under the Vendors' existing Employee Plan.

(2) *Responsibility for Accrued Claims.* Except to the extent assumed by the Purchaser under this Agreement, the Vendor, its Affiliates and the Employee Plans shall retain Liability for all amounts payable by reason of or in connection with any and all claims for payment or benefits by a Transferred Employee and their eligible dependents or beneficiaries incurred under any Employee Plan prior to the Transferred Employee's Hire Date. For purposes of this Section 6.3, a claim shall be deemed to have been incurred: (a) with respect to a death or dismemberment claim, on the actual date of death or dismemberment; (b) with respect to a short-term or long-term disability claim, the date of occurrence of the injury or accident or the date of diagnosis of the illness or other event giving rise to such claim; (c) with respect to an extended health care claim, including vision, dental and medical treatments, the date of diagnosis of the illness or condition or other event giving rise to the claim or treatment;

and (d) with respect to a prescription drug claim, the date the prescription is filled.

ARTICLE 7 COVENANTS

7.1 Access During Interim Period. During the Interim Period, the Vendor shall, subject to any confidentiality, privacy, regulatory or safety restrictions, give reasonable access to the Purchaser and its Representatives during normal business hours to the Purchased Assets (where situated), or request for reasonable access to be given (to the extent that such Purchased Assets are located on the premise of third parties), and personnel of the Vendor reasonably required by the Purchaser in order to allow for and assist the Purchaser with the inspection of, and integration and transition of, the Purchased Assets into the Purchaser's overall operations and business and in order to allow for an orderly passing of the Purchased Assets to the Purchaser following Closing in accordance herewith. Notwithstanding the foregoing, the Purchaser acknowledges that the Vendor will be continuing to operate the Purchased Assets during the Interim Period and, accordingly, that the Purchaser's access to the Purchased Assets and personnel before Closing will be (i) permitted only on reasonable notice to the Vendor, (ii) on the condition that such access does not interfere with or interrupt the operation of the Purchased Assets, (iii) limited to two requests or with additional requests for access as otherwise agreed to at the sole discretion of the Vendor, and (iv) in accordance with Applicable Law.

7.2 Transaction Personal Information. Each Party shall comply with Privacy Law in the course of collecting, using and disclosing Transaction Personal Information. The Purchaser shall cause its Representatives to observe the terms of this Section 7.2 and to protect and safeguard Transaction Personal Information in their possession in accordance with Privacy Law. The Purchaser shall collect Transaction Personal Information prior to Closing only for purposes related to the transactions contemplated by this Agreement. The Purchaser shall not, without the consent of the individuals to whom such Personal Information relates or as permitted or required by Applicable Law, use or disclose Transaction Personal Information (i) for purposes other than those for which such Transaction Personal Information was collected by the Vendor prior to the Closing and (ii) for a purpose which does not relate directly to the carrying on of the Business or to the carrying out of the purposes for which the transactions contemplated by this Agreement were implemented.

7.3 Risk of Loss. The Purchased Assets shall be at the risk of the Vendor until Closing. If, between the date hereof and Closing, any of the Purchased Assets are destroyed, lost or materially damaged (each a "**Casualty**"), the Purchaser shall still complete the purchase of the Purchased Assets on an "as is, where is" basis without any adjustment to the Cash Purchase Price payable hereunder and take an assignment from the Vendor of all insurance proceeds payable to the Vendor in respect of the Casualty, provided that, in the event of a Material Casualty, the Purchaser shall have the option, in its discretion, to terminate this Agreement. For greater certainty, in no event shall the aggregate total of the insurance proceeds assigned to the Purchaser in accordance with this Section 7.3 and the fair market value of any remaining Purchased Assets exceed the Cash Purchase Price.

7.4 Indemnity. The Purchaser hereby indemnifies the Vendor and its Representatives, and saves them fully harmless against, and will reimburse or compensate them for, any Damages arising from, in connection with or related in any manner whatsoever to:

- (1) any Transfer Taxes (including penalties and interest) which may be assessed against the Vendor, including any Taxes which may be assessed in the event that any election made pursuant to Section 3.7 is challenged by the relevant Tax authority as being inapplicable to the transactions under this Agreement, or as a result of the Purchaser's failure to file such elections within the prescribed time;
- (2) the Purchaser's access in accordance with Section 7.1;
- (3) the collection, use or disclosure of Transaction Personal Information by the Purchaser and its Representatives; and
- (4) the Purchaser's failure to pay when due and perform and discharge the Assumed Liabilities in accordance with their terms.

7.5 Books and Records. The Purchaser shall preserve and keep the Books and Records acquired by it pursuant to this Agreement for a period of six (6) years after Closing, or for any longer periods as may be required by any Laws applicable to such Books and Records. The Purchaser shall make such Books and Records, as well as electronic copies of such Books and Records (to the extent reasonably feasible), available to the Vendor and the Monitor, and their respective Representatives and successors, and the trustee in bankruptcy of the Vendor, and shall permit any of the foregoing persons to take copies of such Books and Records as they may require.

7.6 Certain Information Technology Assets. With respect to any information technology assets primarily Related to the Business to be acquired by the Purchaser hereunder (such as desktops, laptops, mobile phones, servers and related hardware) (collectively, "**Hardware**"), the Purchaser will co-operate with the Vendor, at the Purchaser's cost and expense, in causing data contained or stored in such Hardware not relating primarily to the Business, the Purchased Assets or the Assumed Liabilities to be removed from such Hardware in a manner reasonably satisfactory to the Vendor prior to the Closing Date or within a reasonable period of time thereafter, provided that such removal shall be carried out in a manner that does not damage or otherwise interfere with any data contained or stored in such Hardware primarily Related to the Business or the Purchased Assets. Any third party provider selected by the Purchaser and the Vendor to provide such services shall be agreed upon by the Purchaser and the Vendor, acting reasonably.

7.7 Regulatory Approvals. The Purchaser, with the assistance of the Vendor shall, as promptly as possible, (i) make, or cause or be made, all filings and submissions, as applicable, required under any Law applicable to such Party or any of its Affiliates; and (ii) use commercially reasonable efforts to obtain, or cause to be obtained, all consents, authorizations, orders and approvals from all Governmental Authorities that may be or become necessary for its execution and delivery of this Agreement and the performance of its obligations pursuant to this Agreement. The Vendor shall cooperate reasonably with the Purchaser and its Affiliates in promptly seeking to obtain all such consents, authorizations, orders, approvals and clearance certificates. The Parties shall not willfully take any action that will have the effect of delaying, impairing or impeding the receipt of any required consents, authorizations, orders and approvals.

7.8 Manufacturer and Motor Vehicle Council Consent. The Purchaser, with the assistance of the Vendor shall take all reasonable steps on a timely basis to apply for the requisite approvals of the Manufacturer, the Vehicle Sales Authority of British Columbia.

7.9 Cooperation and Consultation with Governmental Authorities. All meetings, submissions, filings, and proposals made by or on behalf of either Party before any Governmental Authority or the staff or regulators of any Governmental Authority, in connection with the consummation of the transactions contemplated hereunder (but, for the avoidance of doubt, not including any interactions between the Vendor or the Purchaser with Governmental Authorities in the ordinary course of business, any disclosure which is not permitted by Law or any disclosure containing confidential information) shall be disclosed to the other Party hereunder in advance of any filing, submission or attendance, it being the intent that the Parties will consult and cooperate with one another, and consider in good faith the views of one another, in connection with any such filings, meetings, submissions and proposals. Each Party shall give notice to the other Party with respect to any meeting, submission, discussion, appearance or contact with any Governmental Authority or the staff or regulators of any Governmental Authority, with such notice being sufficient to provide the other Party with the opportunity to attend and participate in such meeting, discussion, appearance or contact (except where such Governmental Authority expressly requests that such Party not attend or participate in such meeting, discussion, appearance or contact). Notwithstanding any requirement under this Section 7.9, a Party shall not be required to provide the other Party with any information required to be provided under this Section 7.9 where the information is confidential and competitively sensitive, in which case the supplying Party shall provide a redacted version to the requesting Party and shall provide the information on a non-redacted basis to the receiving Party's external counsel, and the receiving Party agrees that it shall neither request nor receive such non-redacted information from its external counsel.

ARTICLE 8 CLOSING ARRANGEMENTS

8.1 Closing. The Closing will take place virtually, whereby required executed closing deliverables are circulated by electronic mail in pdf and released at such time and pursuant to such protocols and confirmations as the Parties may agree.

8.2 Vendor's Closing Deliveries. At the Closing, the Vendor shall deliver or cause to be delivered to the Purchaser the following:

- (1) the Purchased Assets, with delivery to occur *in situ* wherever such Purchased Assets are located at the Closing Time;
- (2) a copy of the Approval and Vesting Order, which shall be a Final Order;
- (3) a copy of any Assignment Order, if applicable, in respect of any Critical Contracts for which consents to assignment were required which have not been obtained, which Assignment Order shall be a Final Order;
- (4) the General Conveyance, duly executed by the Vendor;
- (5) all consents to the assignment of the Assigned Contracts and Permits and Licences, but only to the extent obtained by the Vendor prior to Closing;
- (6) the Assignment and Assumption Agreement, duly executed by the Vendor; and
- (7) a bring-down certificate of the Vendor dated as of the Closing Date, in form and substance satisfactory to the Purchaser, acting reasonably, certifying that (i) all of

the representations and warranties of the Vendor hereunder remain true and correct in all material respects as of the Closing Date as if made on and as of such date or, if made as of a date specified therein, as of such date, and (ii) all of the terms and conditions set out in this Agreement to be complied with or performed by the Vendor at or prior to Closing have been complied with or performed by the Vendor in all material respects.

8.3 Purchaser's Closing Deliveries. At the Closing, the Purchaser shall deliver or cause to be delivered to the Vendor (or as otherwise indicated below), the following:

- (1) the payment referred to in Section 3.3(1);
- (2) the payment of all Transfer Taxes to the applicable Governmental Authority required to be paid on Closing;
- (3) to the extent payable on Closing, evidence that Cure Costs (if any) in respect of each Assigned Contract have been paid in accordance with (i) the Assignment Order where such Assigned Contract is assigned pursuant to an Assignment Order, and (ii) the consent of the applicable counterparty or as otherwise agreed upon by the Purchaser and such counterparty, where such Assigned Contract is not assigned pursuant to an Assignment Order;
- (4) the General Conveyance, duly executed by the Purchaser;
- (5) the Assignment and Assumption Agreement, duly executed by the Purchaser;
- (1) executed dealer agreement between the Manufacturer and the Purchaser or binding letter of intent to enter into a dealer agreement.
- (6) a bring-down certificate executed by a senior officer of the Purchaser dated as of the Closing Date, in form and substance satisfactory to the Vendor, acting reasonably, certifying that (i) all of the representations and warranties of the Purchaser hereunder remain true and correct in all material respects as of the Closing Date as if made on and as of such date or, if made as of a date specified therein, as of such date, and (ii) all of the terms and conditions set out in this Agreement to be complied with or performed by the Purchaser at or prior to Closing have been complied with or performed by the Purchaser in all material respects; and
- (7) such other agreements, documents and instruments as may be reasonably required by the Vendor or the Monitor to complete the transactions provided for in this Agreement, or as are required to be delivered by the Purchaser or the Purchaser's counsel under this Agreement, all of which shall be in form and substance satisfactory to the Parties, acting reasonably.

ARTICLE 9 CONDITIONS OF CLOSING

9.1 Purchaser's Conditions. The Purchaser shall not be obligated to complete the transactions contemplated by this Agreement unless, at or before the Outside Date, each of the conditions listed below in this Section 9.1 have been satisfied, it being understood that the said

conditions are included for the exclusive benefit of the Purchaser, and may be waived by the Purchaser in whole or in part, without prejudice to any of its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall only be binding on the Purchaser if made in writing:

(1) *Court Approval.* The Approval and Vesting Order and, if applicable, the Assignment Order, shall each have been issued and entered by the Court and be a Final Order.

(2) *Successful Bid.* The Monitor shall have determined in accordance with the SISP that this Agreement is the Successful Bid.

(3) *Critical Contracts Consents.* All consents necessary to assign the Critical Contracts to the Purchaser shall have been obtained, or an Assignment Order shall have been issued and entered by the Court in respect of such Critical Contracts where necessary consents have not been obtained, and any such Assignment Order shall not have been vacated, set aside or stayed.

(4) *Vendor's Deliveries.* The Vendor shall have executed and delivered or caused to have been executed and delivered to the Purchaser at the Closing all the documents contemplated in Section 8.2.

(5) *No Violation of Orders or Law.* During the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any Final Order or Law which has the effect of (i) making any of the transactions contemplated by this Agreement illegal, or (ii) otherwise prohibiting, preventing or restraining the consummation of any of the transactions contemplated by this Agreement.

(6) *No Breach of Representations and Warranties.* Each of the representations and warranties contained in Section 5.2 shall be materially true and correct (i) as of the Closing Date as if made on and as of such date or (ii) if made as of a date specified therein, as of such date.

(7) *No Breach of Covenants.* The Vendor shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Vendor on or before the Closing.

(8) *Manufacturer Approval.* The Manufacturer shall have approved the Purchaser as a dealer authorized to sell and service the Manufacturer's vehicles, such approval to be on terms and conditions satisfactory to the Purchaser, acting reasonably.

(9) *Motor Vehicle Council Approval.* Vehicle Sales Authority of British Columbia shall have approved the application for registration of the Purchaser.

9.2 Vendor's Conditions. The Vendor shall not be obligated to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the conditions listed below in this Section 9.2 have been satisfied, it being understood that the said conditions are included for the exclusive benefit of the Vendor, and may be waived by the Vendor in whole or in part, without prejudice to its rights of termination in the event of non-fulfillment of any other condition in whole or in part. Any such waiver shall only be binding on the Vendor if made in writing.

(1) *Court Approval.* The Approval and Vesting Order and, if applicable, the Assignment Order shall each have been issued and entered by the Court and be a Final Order.

(2) *Successful Bid.* The Monitor shall have determined in accordance with the SISP that this Agreement is the Successful Bid.

(3) *Purchaser's Deliverables.* The Purchaser shall have executed and delivered or caused to have been executed and delivered to the Vendor at the Closing all the documents and payments contemplated in Section 8.3.

(4) *No Violation of Orders or Law.* During the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any Final Order or Law which has the effect of (i) making any of the transactions contemplated by this Agreement illegal, or (ii) otherwise prohibiting, preventing or restraining the consummation of any of the transactions contemplated by this Agreement.

(5) *No Breach of Representations and Warranties.* Each of the representations and warranties contained in Section 5.1 shall be materially true and correct (i) as of the Closing Date as if made on and as of such date or (ii) if made as of a date specified therein, as of such date.

(6) *No Breach of Covenants.* The Purchaser shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Purchaser, on or before the Closing.

9.3 Monitor's Certificate. When the conditions to Closing set out in Section 9.1 and 9.2, have been satisfied and/or waived by the Purchaser or the Vendor, as applicable, the Purchaser or its counsel will deliver to the Monitor written confirmation (i) that such conditions of Closing, as applicable, have been satisfied and/or waived; and (ii) of the amounts of Transfer Taxes required to be paid at Closing (if any is payable) and the Cure Costs payable by the Purchaser on Closing (the "**Conditions Certificate**"). Upon (a) receipt of payment in full of the Cash Purchase Price, Transfer Taxes required to be paid at Closing (if any is payable) and of the Cure Costs payable by the Purchaser on Closing, and (b) receipt of the Conditions Certificate, the Monitor shall (x) issue forthwith the Monitor's Certificate, and (y) file as soon as practicable a copy of the Monitor's Certificate with the Court (and shall provide a true copy of such filed certificate to the Purchaser). In the case of clauses (x) and (y), above, the Monitor will be relying exclusively on the basis of the Conditions Certificate and without any obligation whatsoever to verify the satisfaction or waiver of the applicable conditions.

ARTICLE 10 TERMINATION

10.1 Grounds for Termination. This Agreement may be terminated prior to the Closing Time:

- (1) Automatically and without any action or notice by either the Vendor to the Purchaser or the Purchaser to the Vendor, (i) immediately (a) upon the selection by the Vendor, in consultation with the Monitor, of a Successful Bid if this Agreement is neither the Successful Bid nor the Backup Bid selected at such time (in each case, as defined in the SISP), or (ii) upon Closing of the Successful Bid(s) if this Agreement is the Backup Bid;

- (2) by the mutual written agreement of the Parties, with the written consent of the Monitor;
- (3) by written notice from the Purchaser to the Vendor in accordance with Section 7.3;
- (4) by written notice from the Purchaser to the Vendor if there has been a material breach by the Vendor of any representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Purchaser, and such breach is not curable and has rendered the satisfaction of any condition in Section 9.1 impossible by the Outside Date, provided that at the time of providing such notice of termination, the Purchaser is not in breach of any of its obligations under this Agreement;
- (5) by written notice from the Vendor to the Purchaser if there has been a material breach by the Purchaser of any representation, warranty or covenant contained in this Agreement, which breach has not been waived by the Vendor and such breach is not curable and has rendered the satisfaction of any condition in Section 9.2 impossible by the Outside Date, provided that at the time of providing such notice of termination, the Vendor are not in breach of any of its obligations under this Agreement; and
- (6) by the Purchaser, on the one hand, or by the Vendor, on the other hand, upon written notice to the other Party if the Closing has not occurred by the Outside Date, provided, however, that the right to terminate this Agreement pursuant to this Section 10.1(6) shall not be available to any Party whose breach hereof has been the principal cause of, or has directly resulted in the Closing not occurring by the Outside Date.

10.2 Effect of Termination. If this Agreement is terminated pursuant to Section 10.1, all further obligations of the Parties under this Agreement will terminate and no Party will have any Liability or further obligations hereunder, except as contemplated in Sections 7.2 (*Transaction Personal Information*), 7.4 (Indemnity), 10.2 (*Effect of Termination*), 10.3 (*Treatment of Deposit*), 11.2 (*Expenses*), 11.3 (*Public Announcements*), 11.4 (*Notices*), 11.8 (*Entire Agreement*), 11.9 (*Amendment*), 11.11 (*Severability*), 11.13 (*Governing Law*), 11.14 (*Dispute Resolution*), 11.15 (*Attornment*), 11.16 (*Successors and Assigns*), 11.17 (*Assignment*), and 11.18 (*Third Party Beneficiaries*), which shall survive such termination.

10.3 Treatment of Deposit.

(1) *Retention of Deposit.* In the event that this Agreement is terminated by the Vendor pursuant to (i) Section 10.1(5), or (ii) 10.1(6) and the reason that Closing did not occur by the Outside Date was the result of a breach by the Purchaser of any representation, warranty or covenant contained in this Agreement, the Deposit shall be forfeited by the Purchaser and retained by the Monitor, for and on behalf of the Vendor, as a genuine estimate of liquidated damages, and not as a penalty.

(2) *Return of Deposit.* In the event that this Agreement is terminated pursuant to any Section of this Agreement other than (i) Section 10.1(5) or (ii) 10.1(6) and the reason that Closing did not occur by the Outside Date was (i) the result of a breach by the Vendor of any representation, warranty or covenant contained in this Agreement or (ii) the failure of the Purchaser to obtain Manufacturer Approval per 9.1(8), having used commercially reasonable

efforts to obtain such Manufacturer Approval, the Deposit shall be promptly returned to the Purchaser by the Monitor. The return of the Deposit shall be the Purchaser's sole and exclusive remedy for any termination of this Agreement.

ARTICLE 11 GENERAL

11.1 Survival. All representations, warranties, covenants and agreements of the Vendor or the Purchaser made in this Agreement or any other agreement, certificate or instrument delivered pursuant to this Agreement shall merge and shall not survive the Closing except where, and only to the extent that, the terms of any such covenant or agreement expressly provide for rights, duties or obligations extending after the Closing, or as otherwise expressly provided in this Agreement. For greater certainty, the following sections shall survive Closing: 2.2 (*Assumption of Assumed Liabilities*), 2.4(4) (*Post-Closing Assignment*), 3.2 (*Allocation of Purchase Price*), 3.5 (*Taxes*), 3.6 (*GST/HST Gross Up*), 3.7 (*Tax Elections*), 5.2(5) (*Commissions*), 5.3 (*As is, Where is*), 7.2 (*Transaction Personal Information*); 7.4 (*Indemnity*), 7.5 (*Books and Records*), 9.3 (*Monitor's Certificate*), 10.3 (*Treatment of Deposit*), 11.1 (*Survival*), 11.2 (*Expenses*), 11.3 (*Public Announcements*), 11.4 (*Notices*), 11.5 (*Time of Essence*), 11.6 (*Further Assurances*), 11.6 (*Post-Closing Wind-Up of NOI Proceedings*), 11.7 (*Monitor's Capacity*), 11.8 (*Entire Agreement*), 11.9 (*Amendment*), 11.10 (*Waiver*), 11.11 (*Severability*), 11.12 (*Remedies*), 11.13 (*Governing Law*), 11.14 (*Dispute Resolution*), 11.15 (*Attornment*), 11.16 (*Successors and Assigns*), 11.17 (*Assignment*), and 11.18 (*Third Party Beneficiaries*).

11.2 Expenses. Except as otherwise expressly provided herein, each Party shall be responsible for all costs and expenses (including any Taxes imposed on such expenses) incurred by it in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisers).

11.3 Public Announcements. The Vendor and Monitor shall be entitled to disclose this Agreement (on an unredacted basis) and all information provided by the Purchaser in connection herewith to the Court and parties of interest in the CCAA Proceedings, and a copy of this Agreement may be posted on the Monitor's website maintained in connection with the CCAA Proceedings. Notwithstanding any other provision of this Agreement, unless such information is otherwise publicly disclosed or, upon the advice of counsel, required by Applicable Law or by any Governmental Authority to be disclosed (including in any Tax Returns), the Purchaser shall not disclose the quantum of the Purchase Price, Cash Purchase Price, Deposit, Cure Costs, Assumed Liabilities or allocation of Purchase Price without the prior written consent of the Vendor and Monitor.

11.4 Notices.

(1) *Mode of Giving Notice.* Any notice, direction, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement shall be in writing and shall be effectively given and made if sent by e-mail or other similar means of electronic communication, in each case to the applicable address set out below:

- (2) if to the Vendor, to:
c/o the Monitor

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

Attention: Clark Lonergan
Email: clonergan@bdo.ca

with a copy (which shall not constitute notice) to:

Blake, Cassels & Graydon LLP
199 Bay Street, Suite 4000
Toronto, ON, Canada M5L 1A9

Attention: Kelly Bourassa / Aryo Shalviri
Email: kelly.bourassa@blakes.com / aryo.shalviri@blakes.com

(3) if to the Purchaser, to:

1559054 B.C. Ltd. 2300 N Island Highway,
Campbell River, British Columbia V9W 2G8

Attention: Steve Davidson
Email: steve.d@stevemarshallgroup.com

with a copy (which shall not constitute notice) to:

Longstone Law Corporation
310 – 1210 Cedar Street,
Campbell River, British Columbia V9W 2W5

Attention: Gemma Simonett
Email: gemma@longstonelaw.com

(4) *Deemed Delivery of Notice.* Any such communication so given or made shall be deemed to have been given or made on the day of e-mailing, provided that such day is a Business Day and the communication is so e-mailed before 5:00 p.m. Mountain time on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day.

(5) *Change of Address.* Any Party may from time to time change its address under this Section 11.4 by notice to the other Party given in the manner provided by this Section 11.4.

11.5 Time of Essence. Time shall be of the essence of this Agreement in all respects.

11.6 Further Assurances. The Vendor and the Purchaser shall, at the sole expense of the requesting Party, from time to time promptly execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such further acts and things in connection with this Agreement that the other Party may reasonably

require as being necessary or desirable in order to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement or any provision hereof.

11.7 Monitor's Capacity. In addition to all of the protections granted to the Monitor under the CCAA and any Order of the Court in the CCAA Proceedings, the Vendor and Purchaser acknowledge and agree that the Monitor, acting in its capacity as Monitor of the Vendor and not in its personal capacity, shall have no Liability, in its personal capacity or otherwise, in connection with this Agreement or the transaction contemplated herein whatsoever.

11.8 Entire Agreement. Other than any confidentiality agreement, non-disclosure agreement or similar undertaking or agreement signed by the Purchaser in favour the Vendor, which remains in full force and effect, except as amended by this Agreement, this Agreement and the agreements contemplated hereby constitute the entire agreement between the Parties or any of them pertaining to the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written (including any letter of intent or expression of interest submitted by the Purchaser). There are no conditions, representations, warranties, obligations or other agreements between the Parties in connection with the subject matter of this Agreement (whether oral or written, express or implied, statutory or otherwise) except as explicitly set out in this Agreement.

11.9 Amendment. No amendment of this Agreement shall be effective unless made in writing and signed by the Parties, with the consent of the Monitor.

11.10 Waiver. A waiver of any default, breach or non-compliance under this Agreement shall not be effective unless in writing and signed by the Party to be bound by the waiver and then only in the specific instance and for the specific purpose for which it has been given. No waiver shall be inferred from or implied by any failure to act or delay in acting by a Party in respect of any default, breach or non-observance or by anything done or omitted to be done by the other Party. The waiver by a Party of any default, breach or non-compliance under this Agreement will not operate as a waiver of that Party's rights under this Agreement in respect of any continuing or subsequent default, breach or non-observance (whether of the same or any other nature).

11.11 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and will be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

11.12 Remedies Cumulative. The rights, remedies, powers and privileges herein provided to a Party are cumulative and in addition to and not exclusive of or in substitution for any rights, remedies, powers and privileges otherwise available to that Party.

11.13 Governing Law. This Agreement shall be governed by and construed in accordance with the Laws of the Province of British Columbia and the Laws of Canada applicable therein.

11.14 Dispute Resolution. If any dispute arises with respect to the interpretation or enforcement of this Agreement, including as to what constitutes a breach or material breach of this Agreement for the purposes of Article 10, such dispute shall be determined by the Court within the CCAA Proceedings, or by such other Person or in such other manner as the Court may direct. Without prejudice to the ability of the Vendor or the Purchaser to enforce this

Agreement in any other proper jurisdiction, the Purchaser and the Vendor irrevocably submit and attorn to the non-exclusive jurisdiction of the Court.

11.15 Attornment. Each Party agrees (i) that any Legal Proceeding relating to this Agreement must be brought before the Court in the CCAA Proceedings, and for that purpose now irrevocably and unconditionally attorns and submits to the jurisdiction of the Court; (ii) that it irrevocably waives any right to, and shall not, oppose any such Legal Proceeding in the Province of Alberta on any jurisdictional basis, including *forum non conveniens*; and (iii) not to oppose the enforcement against it in any other jurisdiction of any Order duly obtained from the Court as contemplated by this Section 11.15. Each Party agrees that service of process on such Party as provided in Section 11.4 shall be deemed effective service of process on such Party.

11.16 Successors and Assigns. This Agreement shall enure to the benefit of, and be binding on, the Parties and their respective successors and permitted assigns.

11.17 Assignment. Prior to the issuance of the Approval and Vesting Order, the Purchaser may assign all of its rights and obligations under this Agreement to an Affiliate, provided that (i) the Purchaser shall remain jointly and severally liable with such Affiliate to perform all of its obligations hereunder, and (ii) the Purchaser and its assignee execute and deliver to the Vendor an assignment and assumption agreement, in form and substance satisfactory to the Vendor, evidencing such assignment. Other than in accordance with the preceding sentence, the Purchaser may not assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its rights or obligations under this Agreement.

11.18 Third Party Beneficiaries. Except as set forth in Section 7.4 and 11.7, this Agreement is for the sole benefit of the Parties, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

11.19 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original and both of which taken together shall be deemed to constitute one and the same instrument. To evidence its execution of an original counterpart of this Agreement, a Party may send a copy of its original signature on the execution page hereof to the other Party by e-mail in pdf format or by other electronic transmission and such transmission shall constitute delivery of an executed copy of this Agreement to the receiving Party.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

COAST NORTH VANCOUVER AUTO SALES INC.

**by BDO CANADA LIMITED solely in its capacity
as court-appointed Monitor and not in its
personal or corporate capacity**



By: _____
Name: Clark Lonergan
Title: Senior Vice President

1559054 B.C. Ltd.

By: _____
Name: Steven James Davidson
Title: Director

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

COAST NORTH VANCOUVER AUTO SALES INC.

**by BDO CANADA LIMITED solely in its capacity
as court-appointed Monitor and not in its
personal or corporate capacity**

By: _____
Name:
Title:

1559054 B.C. Ltd.

Steve Davidson
By: Steve Davidson (Oct 6, 2025 14:07:26 PDT)
Name: Steven James Davidson
Title: Director

**SCHEDULE "A"
PURCHASED ASSETS**

"Purchased Assets" means, other than Excluded Assets, collectively the following assets of each Vendor:

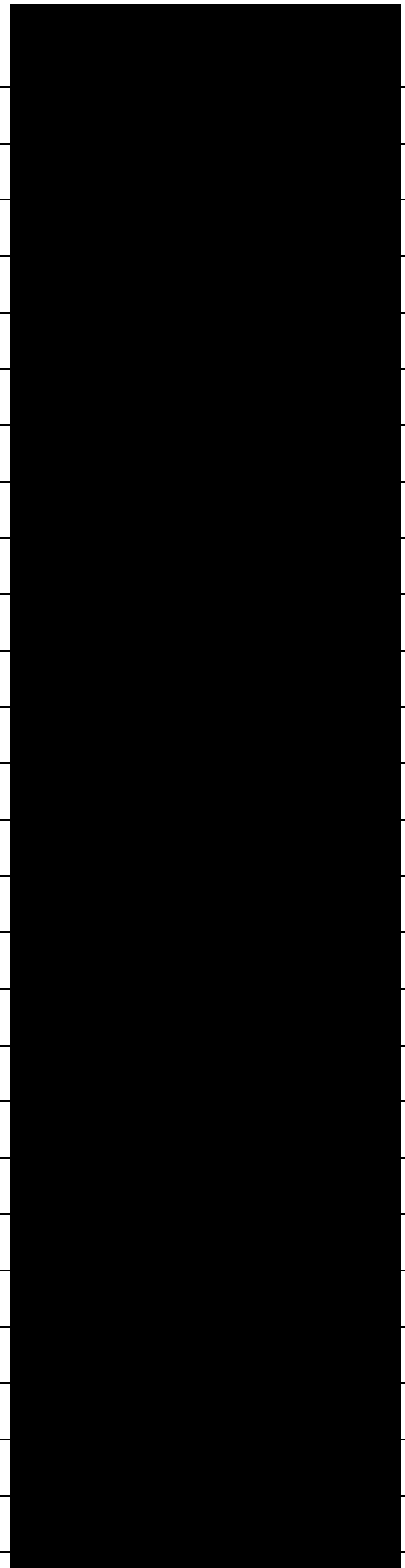
- (a) all New Vehicles, Deferred New Vehicles, New 2024 Vehicles and Demonstrator Vehicles of the Business as at the Closing Date, including those New Vehicles, New 2024 Vehicles, Deferred New Vehicles and Demonstrator Vehicles as more particularly set out on Schedule A-1 as of the date hereof, to the extent that they remain the property of the Vendor at the Closing Date;
- (b) all Used Vehicles which have been identified by the Vendor and the Purchaser to be included in the Purchased Assets from the list of vehicles set out on Schedule A-1 not less than fifteen (15) Business Days prior to the Closing Date. In the event that the Vendor and the Purchaser have not specifically identified a Used Vehicle to be included in the Purchased Assets, such Used Vehicle shall be an Excluded Asset;
- (c) the Parts and Accessories inventory of the Business as of the Closing Date;
- (d) the Assigned Contracts, but only to the extent transferable to the Purchaser or the Purchaser's permitted assignees;
- (e) the Permits and Licence Rights, but only to the extent transferable to the Purchaser or the Purchaser's permitted assignees;
- (f) all machinery, equipment, tools, furniture, furnishings, computer hardware and other miscellaneous items owned by the Vendor and used in or relating to the Business but, for greater certainty, excluding those tools owned by the mechanics of the Business or any third party;
- (g) the goodwill of the Business;
- (h) Customer Deposits;
- (i) Work in Progress;
- (j) Acquired Intellectual Property; and
- (k) the Warranty Rights.

SCHEDULE A-1

| # | Combined Description | Cost Base | Purchase Price |
|----|--|-----------|----------------|
| 1 | 2026 RAM 3500 LIMITED 3C63R3RL9TG184153 | | |
| 2 | 2026 CHRYSLER PACIFICA 2C4RC3BG1TR167083 | | |
| 3 | 2026 CHRYSLER PACIFICA 2C4RC3BG3TR167084 | | |
| 4 | 2026 JEEP COMPASS | | |
| 5 | 2026 JEEP COMPASS 3C4NJDAN0TT153702 | | |
| 6 | 2026 JEEP COMPASS 3C4NJDAN2TT153703 | | |
| 7 | 2026 JEEP COMPASS 3C4NJDAN6TT153705 | | |
| 8 | 2026 CHRYSLER PACIFICA 2C4RC1BG2TR164343 | | |
| 9 | 2026 CHRYSLER PACIFICA 2C4RC1BG2TR164345 | | |
| 10 | 2026 CHRYSLER GRAND CARAVAN | | |
| 11 | 2026 CHRYSLER PACIFICA | | |
| 12 | 2025 JEEP GRAND CHEROKEE L 1C4RJKDG5S8724309 | | |
| 13 | 2025 JEEP GRAND CHEROKEE 1C4RJHEG3S8724214 | | |
| 14 | 2025 RAM PROMASTER CARGO VAN 3C6LRVAG6SE563499 | | |
| 15 | 2025 RAM 1500 3C6SRFGP3S4509110 | | |
| 16 | 2025 JEEP WRANGLER 1C4PJXAN1SW571706 | | |
| 17 | 2025 RAM 1500 1C6SRFHP4SN607325 | | |
| 18 | 2025 JEEP COMPASS 3C4NJDAN5ST607425 | | |
| 19 | 2025 JEEP COMPASS 3C4NJDBN3ST589232 | | |
| 20 | 2025 JEEP COMPASS 3C4NJDBNXST589230 | | |
| 21 | 2025 JEEP COMPASS 3C4NJDFN2ST596330 | | |
| 22 | 2025 JEEP COMPASS 3C4NJDBN1ST589231 | | |
| 23 | 2025 JEEP COMPASS 3C4NJDFN4ST596328 | | |
| 24 | 2025 JEEP COMPASS 3C4NJDBN8ST594345 | | |
| 25 | 2025 JEEP COMPASS 3C4NJDBNXST594346 | | |

| | | |
|----|--|--|
| 26 | 2025 RAM PROMASTER CARGO VAN 3C6MRVHG2SE519929 | |
| 27 | 2025 JEEP COMPASS 3C4NJDDN0ST596331 | |
| 28 | 2025 RAM PROMASTER CARGO VAN 3C6LRVAG4SE563498 | |
| 29 | 2025 CHRYSLER PACIFICA 2C4RC3GGXSR610421 | |
| 30 | 2025 JEEP WRANGLER 1C4PJXDN7SW590126 | |
| 31 | 2025 RAM 1500 1C6SRFUP4SN606696 | |
| 32 | 2025 DODGE DURANGO 1C4SDJH91SC508873 | |
| 33 | 2025 JEEP WRANGLER 1C4PJXFN6SW590132 | |
| 34 | 2025 JEEP WRANGLER 1C4PJXFNXSW590134 | |
| 35 | 2025 JEEP WRANGLER 1C4PJXFN1SW590135 | |
| 36 | 2025 RAM 1500 1C6SRFVP5SN726358 | |
| 37 | 2025 JEEP GRAND CHEROKEE 1C4RJHDG4S8703955 | |
| 38 | 2025 JEEP WRANGLER 1C4PJXDN3SW590124 | |
| 39 | 2025 JEEP WRANGLER 1C4PJXDN5SW590125 | |
| 40 | 2025 JEEP WRANGLER 1C4PJXDN9SW590130 | |
| 41 | 2025 JEEP WRANGLER 1C4PJXFN3SW590136 | |
| 42 | 2025 JEEP WRANGLER 1C4PJXFN8SW590133 | |
| 43 | 2025 JEEP WRANGLER 1C4PJXFN5SW590137 | |
| 44 | 2025 JEEP WRANGLER 1C4PJXDN0SW590128 | |
| 45 | 2025 JEEP WRANGLER 1C4PJXDN2SW590129 | |
| 46 | 2025 JEEP WRANGLER 1C4PJXDN0SW590131 | |
| 47 | 2025 RAM 1500 1C6SRFVP7SN726359 | |
| 48 | 2025 RAM 1500 1C6RRFFG3SN776642 | |
| 49 | 2025 RAM 1500 1C6RRFFGXSN776640 | |
| 50 | 2025 RAM 1500 1C6RRFFG1SN776641 | |
| 51 | 2025 DODGE DURANGO 1C4SDJCT6SC550622 | |
| 52 | 2025 JEEP WAGONEER 1C4SJVBP1SS529929 | |

| | |
|-----|---|
| 53 | 2025 JEEP WAGONEER 1C4SJVPXSS522607 |
| 54 | 2025 RAM 1500 3C6SRFGP7S4509109 |
| 55 | 2024 RAM 1500 1C6SRFJT7RN151158 |
| 56 | 2024 JEEP GRAND WAGONEER 1C4SJVGPXRS127135 |
| 78 | 2024 JEEP GRAND CHEROKEE 1C4RJHAG5RC217022 |
| 79 | 2024 JEEP COMPASS 3C4NJDAN9RT593622 |
| 80 | 2024 RAM 1500 1C6RRFGG8RN150402 |
| 81 | 2024 JEEP COMPASS 3C4NJDDN3RT588878 |
| 82 | 2024 CHRYSLER PACIFICA HYBRID 2C4RC1N74RR141764 |
| 83 | 2024 CHRYSLER PACIFICA HYBRID 2C4RC1S73RR190605 |
| 84 | 2024 CHRYSLER PACIFICA HYBRID 2C4RC1S71RR190604 |
| 85 | 2024 CHRYSLER PACIFICA HYBRID 2C4RC1S7XRR190603 |
| 86 | 2024 CHRYSLER PACIFICA HYBRID 2C4RC1N79RR109036 |
| 87 | 2024 JEEP WRANGLER 1C4PJXAN3RW156686 |
| 88 | 2024 RAM 4500 CHASSIS 3C7WRLBJORG107908 |
| 89 | 2024 JEEP WRANGLER 4XE 1C4RJXP61RW215677 |
| 90 | 2024 JEEP WRANGLER 4XE 1C4RJXP63RW215681 |
| 91 | 2024 JEEP WRANGLER 4XE 1C4RJXP63RW215678 |
| 94 | 2024 JEEP COMPASS 3C4NJDANXRT597999 |
| 97 | 2024 JEEP GRAND CHEROKEE 1C4RJHAG1RC217017 |
| 98 | 2024 JEEP GRAND CHEROKEE 1C4RJHAG3RC217018 |
| 99 | 2024 JEEP GRAND CHEROKEE 1C4RJHAG7RC217023 |
| 100 | 2024 JEEP GRAND CHEROKEE 1C4RJHAG3RC247992 |
| 101 | 2024 JEEP GRAND CHEROKEE L 1C4RJKAG7R8610908 |
| 102 | 2024 JEEP WRANGLER 4XE 1C4RJXP62RW112333 |
| 103 | 2024 JEEP GRAND WAGONEER 1C4SJVGP7RS102208 |
| 104 | 2024 JEEP GRAND CHEROKEE L 1C4RJKAG7R8610908 |



| | |
|-----|---|
| 105 | 2023 JEEP GRAND CHEROKEE 1C4RJYB66PC651002 |
| 107 | 2023 CHRYSLER PACIFICA 2C4RC1BG4PR540739 |
| 108 | 2023 DODGE HORNET ZACNDFAN3P3A05180 |
| 109 | 2025 HONDA CIVIC SEDAN 2HGFE2F27SH103044 |
| 110 | 2024 TOYOTA COROLLA HYBRID JTDBCMFE6R3037253 |
| 111 | 2024 TESLA MODEL 3 LRW3E7ET2RC277297 |
| 112 | 2024 CHEVROLET SILVERADO 1500 3GCNAAED9RG330233 |
| 113 | 2024 KIA SPORTAGE KNDPU3DF9R7228375 |
| 114 | 2024 CHEVROLET MALIBU 1G1ZD5ST3RF170680 |
| 115 | 2023 NISSAN ARIYA JN1AF0BA4PM401467 |
| 116 | 2023 JEEP GLADIATOR 1C6JJTEG8PL500187 |
| 117 | 2023 TOYOTA COROLLA JTDBCMFEXP3015513 |
| 118 | 2023 DODGE CHARGER 2C3CDXJG8PH545363 |
| 119 | 2023 HYUNDAI KONA |
| 120 | 2022 LEXUS NX 2T2GKCEZ6NC009537 |
| 121 | 2022 TESLA MODEL 3 5YJ3E1EB1NF277408 |
| 122 | 2022 JEEP GRAND CHEROKEE 1C4RJYE66N8613569 |
| 123 | 2022 TOYOTA COROLLA HYBRID JTDBAMDE1NJ051558 |
| 124 | 2022 CHEVROLET SPARK KL8CC6SA3NC005933 |
| 125 | 2021 JEEP GLADIATOR 1C6HJTAG5ML614020 |
| 126 | 2021 JEEP GLADIATOR 1C6JJTEG6ML509529 |
| 127 | 2021 JEEP GLADIATOR 1C6HJTAG7ML504134 |
| 128 | 2021 JEEP WRANGLER 1C4HJXDN7MW553181 |
| 129 | 2021 JEEP COMPASS 3C4NJCAB7MT585544 |
| 130 | 2020 RAM 1500 1C6SRFLT8LN206298 |
| 131 | 2020 HONDA CIVIC SEDAN 2HGFC2F53LH025847 |
| 132 | 2020 BMW X4 |



| | | |
|-----|--|--|
| 133 | 2019 FORD ECOSPORT MAJ6S3GL1KC287491 | |
| 134 | 2019 HYUNDAI TUCSON KM8J33A46KU968478 | |
| 135 | 2019 NISSAN ROGUE 5N1AT2MV7KC808095 | |
| 136 | 2019 JEEP COMPASS 3C4NJDBB8KT666957 | |
| 137 | 2018 MERCEDES-BENZ GLC WDC0G4KB7JV014736 | |
| 138 | 2017 RAM 1500 1C6RR7FT4HS606819 | |
| 139 | 2017 DODGE JOURNEY 3C4PDCGG9HT629701 | |
| 141 | 2016 RAM TRUCK 1C6RR7FT6GS128689 | |
| 142 | 2016 JEEP RENEGADE ZACCJAAW3GPD26804 | |
| 143 | 2015 JEEP CHEROKEE 1C4PJMAS9FW544263 | |
| 144 | 2013 CHRYSLER TOWN & COUNTRY 2C4RC1BGXDR625189 | |
| 145 | 2012 PORSCHE CAYENNE WP1AB2A24CLA49424 | |



**SCHEDULE "B"
ASSIGNED CONTRACTS**

1. Critical Contracts

- (a) Lease Agreement re Property No. 5018 dated June 28, 2023 between FCA Canada Inc. and Coast North Vancouver Auto Sales Inc. (as amended, restated, supplemented or modified).
- (b) Lease Agreement # t0037645 re Capilano Mall between bclMC Realty Corporation and Foundation Auto Vancouver Limited Partnership dated February 9th, 2021 (as amended) as assigned to Coast North Vancouver Auto Sales Inc. and amended pursuant to Consent to Assignment and Lease Amending Agreement dated August 2, 2024 with retroactive effect as of June 28, 2023 among bclMC Realty Corporation, Foundation Auto Vancouver Limited Partnership, Coast North Vancouver Auto Sales Inc. and Foundation Automotive Corp.

2. Personal Property Leases

None

3. Other Assigned Contracts

- (a) All Customer Contracts

SCHEDULE "C"
PURCHASE PRICE ALLOCATION

| Purchased Asset | Allocation |
|---|-------------------|
| New Vehicles, Deferred New Vehicles and Demonstrator Vehicles | ██████████ |
| Used Vehicles | ██████████ |
| Parts and Accessories Inventory | ██████████ |
| Assigned Contracts | ████ |
| Permits and License Rights | ████ |
| Machinery, equipment tools, furniture, furnishings, computer hardware and other miscellaneous items | ██████████ |
| Goodwill of the Business | ██████████ |
| Customer Deposits | ████ |
| Work in Progress | ████ |
| Warranty Rights | ████ |
| Total | ██████████ |

SCHEDULE "D"
COLLECTIVE BARGAINING AGREEMENTS

The collective agreement between Foundation North Vancouver Chrysler Dodge Jeep Ram and International Association of Machinists and Aerospace Workers Automotive Lodge 1857
Effective from December, 1, 2022 – November 30, 2025 and renewed until November 30, 2026