

No. S260240
Vancouver Registry

- FORM 87 -
Notice and Statement of the Receiver
(Subsections 245(1) and 246(1) of the Act)

IN THE MATTER OF THE RECEIVERSHIP OF
COASTAL CRAFT YACHTS LTD.

The Receiver gives notice and declares that:

1. On the 15th day of January 2026, BDO Canada Limited became the Receiver (the "Receiver") in respect of the assets, undertakings and properties (the "Assets") of Coast Craft Yachts Ltd. (the "Company").
2. BDO Canada Limited became a Receiver by virtue of being appointed by the Supreme Court of British Columbia pursuant to a receivership order dated 15th of January 2026, in Action No. S260240. A copy of the Court Order is attached.
3. The Receiver has taken possession of the Assets on the 15th day of January 2025.
4. The following information relates to the receivership:
 - (a) Addresses: 4430 Hilltop Road, Sechelt, BC, V7Z 0A4 and 1178 Stewart Road, Gibsons, BC, V0N 1V7
 - (b) Principal line of business: Boat Manufacturing
 - (c) Locations of business: Sechelt, BC and Gibsons, BC
 - (d) Amount owed to each creditor who holds a security on the Assets described above:

Hardy Island Investments Ltd.	\$1,200,000.00
CRA - Source Deductions	\$98,831.51
RBC Royal Bank	\$97,492.00
1089362 B.C. Ltd.	Unknown
Sonoma Capital Corp	Unknown
5. The list of other creditors and the amount owed to each creditor and the total amount due is attached as Appendix A.
6. The Receiver is still assessing its options to dispose of the Assets.

7. Contact person for Receiver:

BDO Canada Limited
Unit 1100, 1055 W Georgia St
Vancouver, BC V6E 3P3

Attention: Alykhan Bandali
E: abandali@bdo.ca
Tel: (604) 331-6063
Fax: (604) 688-5132

Dated at the City of Vancouver in the Province of British Columbia, this 20th day of January 2026.

BDO CANADA LIMITED
In its Capacity as Court Appointed Receiver of
Coastal Craft Yachts Ltd.
And Not in its Personal Capacity
Per:



Chris Bowra
Licensed Insolvency Trustee

Secured Creditors:

Creditor	Address	City	Province	Country	Postal Code	Estimated Balance Owning (\$)
CRA - Source Deductions	9755 King George Boulevard	Surrey	BC	Canada	V3T 5E1	98,831.51
RBC Royal Bank	36 York Mills Road, 4th Floor	Toronto	ON	Canada	M2P 0A4	97,492.00
Hardy Island Investments Ltd.	1800 - 510 West Georgia Street	Vancouver	BC	Canada	V6B 0M3	1,200,000.00
1089362 B.C. Ltd.	1028 Gibsons Way	Gibsons	BC	Canada	V0N 1V7	1.00
Sonoma Capital Corp	102 - 865 Waverley Street	Winnipeg	MB	Canada	R3T 5P4	1.00

Total secured creditors

\$1,396,325.51

Unsecured creditors:

Creditor	Address	City	Province	Country	Postal Code	Estimated Balance Owning (\$)
1295392 B.C. LTD	1178 Stewart Road	Gibsons	BC	Canada	V0N 1V7	8,339.10
3D Technics Systems Incorporated	8773 Cambie Street	Vancouver	BC	Canada	V6P 3J9	139.66
Acrylco Mfg. Ltd.	711 Derwent Way	New Westminster	BC	Canada	V3M 5P9	247.95
Air Liquide Canada Inc.	23231 Fraserwood Way	Richmond	BC	Canada	V6V 3B3	541.24
Alaskan Copper & Brass Company	PO Box 6400 Station Terminal	Vancouver	BC	Canada	V6B 6R3	1,086.76
All Parts Industrial & Marine Ltd.	PO Box 1246	Gibsons	BC	Canada	V0N 1V0	130.83
Andrew Sheret Limited	#401-740 Hillside Avenue	Victoria	BC	Canada	V8T 1Z4	60.11
B.C. Air Filter Ltd.	2809 Norland Avenue	Burnaby	BC	Canada	V5B 3A9	274.89
BC Hydro	PO Box 9501 Stn Terminal	Vancouver	BC	Canada	V6B 4N1	1,680.00
Bell Mobility Inc.	P.O. Box 5480	Vancouver	BC	Canada	V6B 4B5	810.00
Boutris Automotive Inc.	8053 Birch Way	Halfmoon Bay	BC	Canada	V0N 1Y2	933.30
Brooks Yacht Transport	1238 Tecumseh Trail	Pensacola	FL	USA	32514	9,804.53
Burnewin, Inc.	620 Columbia Ave	Hood River	OR	USA	97031	284.83
Canada Border Services	Canada Border Services Agency	Ottawa	ON	Canada	K1A 0L8	10,657.35
Canadian Body Shop Supply Ltd.	3780 William Street	Burnaby	BC	Canada	V5C 3H7	3,019.35
Charthouse Lawyers	Suite 201 - 5710 Teredo Street	Sechelt	BC	Canada	V0N 3A0	417.64
City Transfer	7141 Duncan Street	Powell River	BC	Canada	V8A 1W3	10,700.37
CJM Technologies Ltd.	7481 Vantage Way	Delta	BC	Canada	V4G 1C9	107,436.00
Coast Bin Rentals Ltd.	218 Williamsons Landing Road	Gibsons	BC	Canada	V0N 1V6	650.48
Coast Builders Sechelt	5644 Wharf Ave	Sechelt	BC	Canada	V0N 3A0	1,471.87
Coastal Curved Glass	#507 - 19100 Airport Way	Pitt Meadows	BC	Canada	V3Y 0E2	10.00
Cole International Inc. - Vancouver Branch	PO Box 2718 Stn M	Calgary	AB	Canada	T2P 3C2	1,883.26
Cole International Inc. CCY	201, 17637 - 1st Avenue	Surrey	BC	Canada	V3Z 9S1	9,936.90
Columbia Fuels/Bluewave	349 West Georgia Street	Vancouver	BC	Canada	V6B 4G3	2,487.02
Comox Pacific Express Ltd.	PO Box 2129	Winnipeg	MB	Canada	R3C 3R4	310.52
Custom Flooring Centres Limited - Sechelt	PO Box 166	Sechelt	BC	Canada	V0N 3A0	1,014.27
Digi-Key	PO Box 677	Thief River Falls	MN	USA	56701-0677	732.44
EcoPoxy	Box 220	Morris	MB	Canada	ROG 1K0	81.08
Eecol Electric Corp.	Unit #201, 1870 Cosyan Place	Sechelt	BC	Canada	V0N 3A1	395.05
Endura Manufacturing Co. Ltd.	12425 149 Street	Edmonton	AB	Canada	T5L 2J6	2,411.76
Energy Solutions (UK) Ltd.	52-54 Riverside 2 Sir Thomas	Rochester	Kent	UK	ME2	609.61
Everlast Welding Products	35 Milburn Road	Hamilton	ON	Canada	L8E 3A3	3,040.00
Federal Express Canada Corporation	PO Box 4626	Toronto	ON	Canada	M5W 5B4	522.46
Fischer Panda Generators LLC	351 S Andrews Ave	Pompano Beach	FL	USA	33069	24,541.66
Fisheries Supply Company Inc.	1900 N. Northlake Way, #10	Seattle	WA	USA	98103	6,520.66
FLIR Maritime US, Inc.	9 Townsend West	Nashua	NH	Canada	03063	42,519.75
Garmin International Inc.	1200 E 151st Street	Olathe	KS	USA	66062	80.36
Gemsen	266 Applewood Crescent	Concord	ON	Canada	L4K 4B4	2,263.80
Gibsons Fasteners Ltd.	670 Industrial Way	Gibsons	BC	Canada	V0N 1V7	4,308.67
Gibsons Marina	PO Box 570	Gibsons	BC	Canada	V0N 1V0	13,463.79
Hardy Island Investments Ltd.	5525 Parthenon Place	West Vancouver	BC	Canada	V7W 2V7	4,931.50
Hooker Electric, Inc.	5094 NE 12th Ave	Oakland Park	FL	USA	33334	5,855.63
Imtra Corporation	30 Samuel Barnet Boulevard	New Bedford	MA	USA	02745	12,246.84
Indel Webasto Marine Inc.	3391 SW 42 Street	Hollywood	FL	USA	33312	22.59
J. Ennis Fabrics Ltd.	6111 - 91 St NW	Edmonton	AB	Canada	T6E 6V6	2,380.41
K2 Corrosion Fasteners Incorporated	#3-8118 North Fraser Way	Burnaby	BC	Canada	V5J 0E5	834.49
Kenmac Parts (1967) Ltd.	1045 Gibsons Way	Gibsons	BC	Canada	V0N 1V0	22.26
KMS Tools and Equipment Ltd.	110 Woolridge Street	Coquitlam	BC	Canada	V3K 5V4	2,261.75
Lippert Components, Inc. #124	1900 47th TER E	Bradenton	FL	USA	34203-3701	8,385.51
London Drugs	12831 Horseshoe Place	Richmond	BC	Canada	V7A 4X5	22.39
Loomis Express	200 Westcreek Blvd	Brampton	ON	Canada	L6T 5T7	1,051.00
Lordco Auto Parts	22866 Dewdney Trunk Road	Maple Ridge	BC	Canada	V2X 3K6	103.72
Mackay Communications - Canada, Inc.	7 Mellor Avenue, Unit 16	Dartmouth	NS	Canada	B3B 0E8	38,965.50
McClary Swift & Co. Blaine Inc	8105 Birch Bay Sq St, Ste 201	Blaine	WA	USA	98230	1,066.76
McMaster-Carr	200 Aurora Industrial Pkwy	Aurora	OH	USA	44202-8087	1,646.99
Mercury Marine Limited	P.O. Box 57438 Station A	Toronto	ON	Canada	M5W 5M5	75,336.73
Messer Canada Inc.	P.O. Box 15687 Station A	Toronto	ON	Canada	M5W 1C1	22,422.96
Minister of Finance - EHT	PO Box 9445	Victoria	BC	Canada	V8W 9V5	42,050.74
Minister of Finance - PST	PO Box 9445	Victoria	BC	Canada	V8W 9V5	49.38
Mouser Electronics	137 Glasgow Street, Unit 475 A	Kitchener	ON	Canada	N2G 4X8	229.28
MRO Electronic Supply Ltd.	2240 Pegasus Rd. N.E.	Calgary	AB	Canada	T2E 8G8	234.86
Navis Marine	1201 570 Granville Street	Vancouver	BC	Canada	V6C 3P1	44,598.51

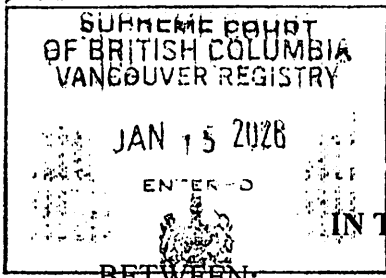
Noble British Columbia	PO Box 84578, Nordel Way	Surrey	BC	Canada	V3W 6Y7	668.20
Pacific Yacht Systems Inc.	1641 Powell Street	Vancouver	BC	Canada	V5L 1H5	99.61
Purolator Inc	PO Box 4800 Stn Main	Concord	ON	Canada	L4K 0K1	167.92
Quality Saw & Knife Ltd.	3108 - 585 Seabome Ave	Port Coquitlam	BC	Canada	V3B 0M3	2,811.89
R.P. Electronic Components Ltd.	4181 Dawson Street	Burnaby	BC	Canada	V5C 4B3	45.00
Richelieu Hardware Canada Ltd.	71 Braid Street	New Westminster	BC	Canada	V3L 3P2	1,599.57
Robinson	2285 Cambie Street	Vancouver	BC	Canada	V5Z 2T5	67.20
Roton Industries Ltd.	1641 Powell Street	Vancouver	BC	Canada	V5L 1H5	1,477.97
Russel Metals Inc.	300-9087C 198 Street	Langley	BC	Canada	V1M 3B4	8,415.83
Sechelt Sign & Printing	Box 859	Sechelt	BC	Canada	V0N 3A0	168.00
Shell	P.O. Box 100 Station M	Calgary	AB	Canada	T2P 2H5	54.43
Stainless Graphics, LLC	4241 Nicolet Dr.	Green Bay	WI	USA	54311	1,084.99
Sunshine Coast Hangars Ltd.	PO Box 1009	Sechelt	BC	Canada	V0N 3A0	13,230.00
Telus Connect	PO BOX 7575	Vancouver	BC	Canada	V6B 8N9	252.00
The Willis Supply Co. Limited	1149 Pioneer Road	Burlington	ON	Canada	L7M 1K5	3,180.61
Trotac Marine	370 Gorge Road East	Victoria	BC	Canada	V8T 2W2	660.22
Upper Canada Forest Products Ltd.	5768 Trapp Avenue	Burnaby	BC	Canada	V3N 5G4	58,704.19
Venture Fabrication	1011 Venture Way	Gibsons	BC	Canada	V0N 1V7	3,146.85
Vertex Marine Inc.	#1145-11871 Horseshoe Way	Richmond	BC	Canada	V7A 5H5	6,665.37
Waste Management of Canada Corporation - 00	PO Box 15259	Toronto	ON	Canada	M5W 1C1	883.65
Webasto Thermo & Comfort North America Inc.	PO Box 673060	Detroit	MI	USA	48267-3060	73.12
West Bay Shipyards Ltd.	8295 River Road	Delta	BC	Canada	V4G 1B4	78,275.17
Western Marine Company	1494 Powell Street	Vancouver	BC	Canada	V5L 5B5	62,921.68
Worksafe BC	PO Box 5350 Stn Terminal	Vancouver	BC	Canada	V6B 5L5	16,111.46

Total unsecured creditors

\$ 801,304.05

Total creditors

\$2,197,629.56



No. S260240
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

HARDY ISLAND INVESTMENTS LTD.

Petitioner

AND:

**COASTAL CRAFT YACHTS LTD.
1089362 B.C. LTD.
ROYAL BANK OF CANADA
SONOMA CAPITAL CORP.
HIS MAJESTY THE KING IN RIGHT OF CANADA**

Respondents

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE)
JUSTICE McDonald) January 15, 2026
)
)

ON THE WITHOUT NOTICE APPLICATION of the Petitioner for an Order pursuant to Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “BIA”) and Section 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, as amended (the “LEA”) appointing BDO Canada Limited as Receiver and Manager (in such capacity, the “Receiver”) without security, of all of the assets, undertakings and property of Coastal Craft Yachts Ltd. (the “Debtor”) acquired for, or used in relation to a business carried on by the Debtor, coming on for hearing this day at Vancouver, British Columbia.

AND ON READING the Affidavit #1 of Mark Shuparski sworn January 13, 2026 and the consent of BDO Canada Limited. to act as the Receiver; AND ON HEARING Tim Louman-Gardiner, counsel for the Petitioner and other counsel as listed on Schedule “A” hereto, and no one else appearing.

THIS COURT ORDERS AND DECLARES that:

APPOINTMENT

1. Pursuant to Section 243(1) of the BIA Section 39 of the LEA, BDO Canada Limited is appointed Receiver, without security, of all of the assets, undertakings and property of the Debtor, including all proceeds (the “Property”).

RECEIVER'S POWERS

2. The Receiver is empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
- (a) to take possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;
 - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
 - (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
 - (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including, without limitation, those conferred by this Order;
 - (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
 - (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting these amounts, including, without limitation, enforcement of any security held by the Debtor;
 - (g) to settle, extend or compromise any indebtedness owing to the Debtor;
 - (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
 - (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
 - (j) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Debtor, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;

- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver considers appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - (i) without the approval of this Court in respect of a single transaction for consideration up to \$250,000.00, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000.00 and
 - (ii) with the approval of this Court in respect of any transaction in which the individual or aggregate purchase price exceeds the limits set out in subparagraph (i) above,and in each such case notice under Section 59(10) of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 shall not be required;
- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers, free and clear of any liens or encumbrances;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if considered necessary or appropriate by the Receiver, in the name of the Debtor;
- (q) to cause the Debtor to make an assignment into bankruptcy;
- (r) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (s) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

3. Each of (i) the Debtor; (ii) all of the Debtor's current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (collectively, "**Persons**" and each a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
4. All Persons, other than governmental authorities, shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the "**Records**") in that Person's possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person's possession or control.
5. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5 or 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to solicitor client privilege or statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may require including, without limitation, providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. No proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

8. No Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are stayed and suspended pending further Order of this Court; provided, however, that nothing in this Order shall prevent any Person from commencing a Proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such Proceeding is not commenced before the expiration of the stay provided by this paragraph and provided that no further step shall be taken in respect of the Proceeding except for service of the initiating documentation on the Debtor and the Receiver.

NO EXERCISE OF RIGHTS OR REMEDIES

9. All rights and remedies (including, without limitation, set-off rights) against the Debtor, the Receiver, or affecting the Property, are stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this Order shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the BIA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any “eligible financial contract” as defined in the BIA.

NO INTERFERENCE WITH THE RECEIVER

10. No Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

11. All Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and the Receiver shall be entitled to the continued use of the Debtor’s current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case

that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

12. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever including, without limitation, the sale of all or any of the Property and the collection of any accounts receivable, in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the “**Post-Receivership Accounts**”) and the monies standing to the credit of such Post-Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

13. Subject to the employees’ right to terminate their employment, all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor’s behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities of the Debtor, including any successor employer liabilities as referred to in Section 14.06(1.2) of the BIA, other than amounts the Receiver may specifically agree in writing to pay or in respect of obligations imposed specifically on receivers by applicable legislation, including sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47. The Receiver shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts relating to any employees that the Receiver may hire in accordance with the terms and conditions of such employment by the Receiver.

PERSONAL INFORMATION

14. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Receiver may disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor,

and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. Nothing in this Order shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release, or deposit of a substance contrary to any federal, provincial or other law relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination (collectively "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.
16. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless the Receiver is actually in possession.
17. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:
 - (a) before the Receiver's appointment; or,
 - (b) after the Receiver's appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
18. Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the BIA section 14.06(4), the Receiver is not personally liable for the failure to comply with the order and is not personally liable for any costs that are or would be incurred by any Person in carrying out the terms of the order.

LIMITATION ON THE RECEIVER'S LIABILITY

19. The Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except:
 - (a) any gross negligence or wilful misconduct on its part; or
 - (b) amounts in respect of obligations imposed specifically on receivers by applicable legislation.

Nothing in this Order shall derogate from the protections afforded the Receiver by Section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

20. The Receiver and its legal counsel, if any, are granted a charge (the "**Receiver's Charge**") on the Property as security for the payment of their fees and disbursements, in each case at their standard rates, in respect of these proceedings, whether incurred before or after the making of this Order. The Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person except for those registered security interests of Royal Bank of Canada, 1089362 B.C. Ltd., and Sonoma Capital Corp. without further Order of this Court, but subject to Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
21. The Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis.
22. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

23. The Receiver is authorized and empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$200,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person except for those registered security interests of Royal Bank of Canada, 1089362 B.C. Ltd., and Sonoma Capital Corp. without further Order of this Court, but subordinate in priority to the Receiver's Charge and the charges as set out in Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
24. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
25. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

26. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ALLOCATION

27. Any interested party may apply to this Court on notice to any other party likely to be affected for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the Property.

SERVICE AND NOTICE OF MATERIALS

28. The Receiver shall establish and maintain a website in respect of these proceedings at: <https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements> (the "Website") and shall post there as soon as practicable:
- (a) all materials prescribed by statute or regulation to be made publicly available, including pursuant to Rule 10-2 of the *Supreme Court Civil Rules*; and,
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
29. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Applicant a demand for notice in the form attached as Schedule B (the "Demand for Notice"). The Receiver and the Applicant need only provide further notice in respect of these proceedings to Persons that have delivered a properly completed Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Applicant from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.
30. The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the "Service List"). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.
31. Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials to the numbers or addresses, as applicable, set out on the Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.

32. Notwithstanding paragraph 31 of this Order, service of the Petition and any affidavits filed in support shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c.C-50 and its regulations for the Federal Crown and the *Crown Proceedings Act*, R.S.B.C. 1996 c.89 in respect of the British Columbia Crown.
33. The Receiver and its counsel are authorised to serve or distribute this Order, any other orders and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding copies by facsimile or by email to the Debtor's creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of any legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*.

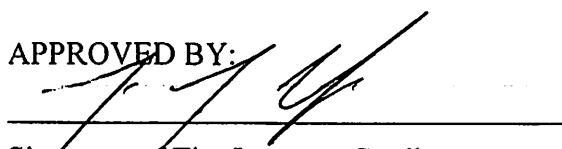
GENERAL

34. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days' notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.
35. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
36. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.
37. This Court requests the aid, recognition and assistance of any court, tribunal, regulatory or administrative body having jurisdiction, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals and regulatory and administrative bodies are respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
38. The Receiver is authorized and empowered to apply to any court, tribunal or regulatory or administrative body, wherever located, for recognition of this Order and for assistance in carrying out the terms of this Order and the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.
39. The Petitioner shall have its costs of this motion, up to and including entry and service of this Order, as provided for by the terms of the Petitioner's security or, if not so provided by the Petitioner's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

40. Endorsement of this Order by counsel appearing on this application other than the Petitioner is dispensed with.

THE FOLLOWING PARTIES APPROVE OF THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

APPROVED BY:



Signature of Tim Louman-Gardiner
lawyer for the Petitioner

BY THE COURT


DISTRICT REGISTRAR

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT

\$ _____

1. THIS IS TO CERTIFY that BDO Canada Limited, the Receiver and Manager (the "Receiver") of all of the assets, undertakings and properties of Coastal Craft Yachts Ltd. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Supreme Court of British Columbia and/or the Supreme Court of British Columbia (In Bankruptcy and Insolvency) (the "Court") dated the ____ day of January, 2026 (the "Order") made in SCBC Action No. _____ and/or SCBC Action No. _____ / has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded monthly not in advance on the ____ day of each month after the date hereof at a notional rate per annum equal to the rate of ____ per cent above the prime commercial lending rate of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of the Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum under this Certificate in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 2026

BDO Canada Limited, solely in its capacity as
Receiver of the Property, and not in its
personal capacity

Per:
Name:
Title:

Schedule "B"

Demand for Notice

TO: Hardy Island Investments Ltd.
c/o Farris LLP, Counsel for the Petitioner
Attention: Tim Louman-Gardiner
Email: tlg@farris.com

AND TO: BDO Canada Limited
c/o •
Attention: •
Email: •

Re: In the matter of the Receivership of Craft Coastal Yachts Ltd.

I hereby request that notice of all further proceedings in the above Receivership be sent to me in the following manner:

- 1. By email, at the following address (or addresses):

OR

- 2. By facsimile, at the following facsimile number (or numbers):

OR

- 3. By mail, at the following address:

Name of Creditor: _____

Name of Counsel (if any): _____

Creditor's Contact Address: _____

Creditor's Contact Phone Number: _____