



COURT FILE NUMBER           **2301 – 08305**

COURT                               **COURT OF KING’S BENCH OF ALBERTA**

JUDICIAL CENTRE               **CALGARY**

APPLICANTS                   **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 WALLACE & CAREY INC., LOUDON  
BROS LIMITED and CAREY MANAGEMENT INC.**

DOCUMENT                   **SUPPLEMENT TO THE THIRTEENTH REPORT OF THE  
MONITOR  
NOVEMBER 22, 2024**

ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION OF  
PARTY FILING THIS  
DOCUMENT                   **MONITOR  
KSV Restructuring Inc.  
Suite 1165, 324 – 8<sup>th</sup> Avenue SW  
Calgary, Alberta  
T2P 2Z2**

Attention:           Bobby Kofman / Jason Knight  
Telephone:       416.932.6228 / 587.287.2605  
Facsimile:       416.932.6266  
Email:             bkofman@ksvadvisory.com /  
                          jknight@ksvadvisory.com

**MONITOR’S COUNSEL**  
Cassels Brock & Blackwell LLP  
Bankers Hall West  
Suite 3810, 888 – 3<sup>rd</sup> Street SW  
Calgary, Alberta  
T2P 5C5

Attention:           Jeffrey Oliver  
Telephone:       403.351.2921  
Facsimile:       403.648.1151  
Email:             joliver@cassels.com

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## 1.0 Introduction

1. This report (the “**Supplemental Report**”) supplements the Thirteenth Report of the Monitor dated November 18, 2024 (the “**Thirteenth Report**”).
2. Defined terms in this Supplemental Report have the meanings provided to them in the Thirteenth Report, unless otherwise defined herein. This Supplemental Report is subject to the restrictions and qualifications in the Thirteenth Report.

### 1.1 Purposes of this Supplemental Report

1. The purposes of this Supplemental Report are to:
  - a) summarize the proposed sale (the “**Asset Transaction**”) of the Purchased Assets (as defined herein) owned by Wallace & Carey pursuant to a Bill of Sale and General Conveyance dated November 21, 2024, attached hereto as **Appendix “A”** (the “**Bill of Sale**”) between Wallace & Carey and 7-Eleven Distribution Canada Corp., a subsidiary of 7-Eleven (the “**Purchaser**”); and
  - b) recommend that the Court issue an approval and vesting order (the “**AVO**”), among other things: (i) approving the Bill of Sale and the Asset Transaction; and (ii) transferring and vesting all of Wallace & Carey’s right, title, and interest in and to the Purchased Assets in the Purchaser, free and clear of all liens, charges, security interests, and encumbrances, following the closing of the Asset Transaction.

## 2.0 Asset Transaction

1. Pursuant to the TSA:
  - a) Wallace & Carey and CMI granted 7-Eleven an exclusive and irrevocable option to acquire any or all of the Optional Purchased Assets<sup>1</sup> on terms to be agreed between 7-Eleven and the Monitor, each acting reasonably, and subject to the Court’s approval, if required (the “**Option**”);
  - b) 7-Eleven was provided the right to exercise the Option by providing CMI and Wallace & Carey with 10 days’ written notice detailing which Optional Purchased Asset(s) it would like to purchase (the “**Option Notice**”); and

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<sup>1</sup> As defined in the TSA.

- c) upon receipt of the Option Notice, and upon 7-Eleven and the Monitor agreeing on a purchase price for certain of the Optional Purchased Asset(s), Wallace & Carey and CMI agreed to sell the corresponding Optional Purchased Asset(s) to 7-Eleven on an “as is, where is” basis, free and clear of all claims and encumbrances.
2. On October 28, 2024, 7-Eleven advised the Monitor that it had decided to exercise the Option to purchase certain of the Optional Purchased Assets (collectively, the “**Purchased Assets**”), listed below:

Type	Description	VIN
Truck	2013 Kenworth T680 T/A Day Cab Semi Truck	1XKADP9X2DR963327
Trailer	2007 Great Dane 53' T/A Van Trailer	1GRAA96257W703346
Trailer	2007 Great Dane 38' T/A Van Trailer	1GRAA96267W700312
Trailer	1983 Great Dane 38' T/A Van Trailer	1GRAA7626DB706988

3. The TSA does not have a methodology for determining the purchase price of the Purchased Assets. Accordingly, the Monitor and 7-Eleven agreed to use the methodology that was used to value: (i) certain fixed assets sold to 7-Eleven pursuant to the Transaction; and (ii) the fixed assets sold to 7-Eleven that were located at the facility leased by Wallace & Carey in Oakville, Ontario (the “**Oakville Assets Transaction**”). That methodology took the mid-point of the forced liquidation value (“**FLV**”) and orderly liquidation value (“**OLV**”) based on third-party appraisals obtained by the Monitor at the time of the transactions.
4. The FLV and OLV of the Purchased Assets was provided by McDougall Auctioneers Ltd. in an appraisal dated November 6, 2024, a copy of which is attached as **Appendix “B”**, as follows:
- a) FLV – \$22,000; and
- b) OLV – \$32,500.
5. As such, the purchase price for the Purchased Assets is \$27,250, plus applicable taxes, if any.

## 2.1 Bill of Sale

1. A summary of the Bill of Sale<sup>2</sup> is as follows:
  - a) **Vendor:** Wallace & Carey;
  - b) **Purchaser:** 7-Eleven Distribution Canada Corp.;
  - c) **Purchase Price:** \$27,500, before any applicable taxes, if any;
  - d) **Purchased Assets:** all of Wallace & Carey's right, title, and interest in the assets listed in Schedule "A" of the Bill of Sale;
  - e) **Representation and Warranties:** consistent with the standard terms of an insolvency transaction, i.e. on an "as is, where is" basis with limited representations and warranties; and
  - f) **Material Conditions:** none, other than the issuance of the AVO.

## 2.2 Approval of the Asset Transaction

1. The Monitor recommends the Court issue the proposed AVO for the Asset Transaction for the following reasons:
  - a) the basis for determining the value of the Purchased Assets under the TSA was the product of good faith negotiations;
  - b) the Monitor considered the methodology for determining the value of the fixed assets sold in the Transaction and the Oakville Assets Transaction (i.e., using the mid-point of the FLV and OLV) to be fair and reasonable. It is appropriate to use that methodology for the purpose of establishing the value of the Purchased Assets;
  - c) 7-Eleven bargained for and was provided a right to acquire the Purchased Assets pursuant to the terms of the TSA;<sup>3</sup>

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<sup>2</sup> Unless otherwise defined in this Supplemental Report, defined terms have the meanings provided to them in the Bill of Sale.

<sup>3</sup> The Purchaser is a subsidiary of 7-Eleven.

- d) the Purchase Price is less than the thresholds in paragraph 12(a) of the ARIO and, accordingly, does not specifically require Court approval. 7-Eleven has requested that Wallace & Carey obtain the AVO so that it acquires the Purchased Assets free and clear of any encumbrances, including any Court approved charges;
- e) 7-Eleven has delivered the Option Notice pursuant to paragraph 5(c) of the TSA;
- f) any other sale process for the Purchased Assets will result in additional cost, which is not warranted given the nominal value of the Asset Transaction; and
- g) the Purchaser's offer is unconditional, other than the issuance of the AVO.

### 3.0 Conclusion

1. Based on the foregoing, the Monitor is of the view that the relief requested is reasonable and appropriate in the circumstances and respectfully requests that this Court issue the order granting the Applicants' requested relief.

\* \* \*

All of which is respectfully submitted,

*KSV Restructuring Inc.*

**KSV RESTRUCTURING INC.,  
in its capacity as monitor of  
Wallace & Carey Inc., Loudon Bros Limited, and Carey Management Inc.  
and not in its personal capacity**

**APPENDIX A**  
**[ATTACHED]**

This Bill of Sale and General Conveyance Agreement (“**Conveyance**”) made the 21<sup>st</sup> day of November, 2024 (“**Effective Date**”).

BETWEEN:

**WALLACE & CAREY INC.**

a corporation incorporated under the laws of Alberta  
(the "**Vendor**")

- in favour of -

**7-ELEVEN DISTRIBUTION CANADA CORP.**

a corporation incorporated under the federal laws of Canada  
(the "**Purchaser**")

**BILL OF SALE AND GENERAL CONVEYANCE**

**WHEREAS:**

- A. Pursuant to the Order of the Honourable Justice G.A. Campbell of the Court of King’s Bench of Alberta (the “**Court**”) issued June 22, 2023 (as may be amended or amended and restated from time to time, the “**Initial Order**”), the Vendor (among others) was granted relief in proceedings commenced by the Vendor (among others) (the “**CCAA Proceedings**”) pursuant to the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36, as amended (the “**CCAA**”), and KSV Restructuring Inc. was appointed as the Monitor of the CCAA debtors, including the Vendor (in such capacity, the “**Monitor**”);
- B. As of the Effective Date, the Vendor has agreed to absolutely sell, transfer and assign in favour of the Purchaser certain assets of the Vendor as more particularly described in Schedule A (the “**Assets**”) free and clear of all claims and encumbrances, and the Purchaser has agreed to purchase the Assets from the Vendor (“**Transaction**”); and
- C. The Vendor has agreed to tender in favour of the Purchaser this Bill of Sale to evidence the absolute sale, transfer and assignment of the Assets to the Purchaser.

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the payment by the Purchaser to the Monitor (on behalf of the Vendor) of \$27,250.00 (the “**Purchase Price**”), the receipt and sufficiency of which the Vendor hereby acknowledges, the Vendor and the Purchaser agree as follows:

1.1 Conveyance

The Vendor hereby absolutely, irrevocably and unconditionally grants, bargains, sells, assigns, transfers, conveys and sets over to the Purchaser all of the Vendor's right, title, estate, interest, property, claim and demand whatsoever, both at law and in equity, in and to the Assets, free and clear of all claims and encumbrances, to have and to hold the same absolutely together with all benefit and advantage to be derived there from.

1.2 As-Is and Where-Is

The Purchaser acknowledges and agrees that it is purchasing the Assets on an “as is, where is” basis and on the basis that the Purchaser has conducted to its satisfaction an independent



inspection, investigation and verification of the Assets and all other relevant matters and has determined to proceed with the transaction contemplated herein and will accept the same at the Effective Date in their then current state, condition, and location.

### 1.3 Conditions

The obligations of the parties to complete the transactions contemplated in this Conveyance shall be subject to the following conditions:

- (a) The Monitor shall have provided to the parties an executed certificate of the Monitor (the "**Monitor's Certificate**") confirming its consent to, and approval of, the Transaction and that all conditions to closing of the Transaction have been met or waived to the satisfaction of the Monitor; and
- (b) The Court shall have issued an order ("**Order**") approving the Transaction and vesting title to the Assets in the Purchaser upon the issuance of the Monitor's Certificate, free and clear of all claims and encumbrances (including Court ordered charges) on closing, and which such Order shall not have been stayed, set aside, or vacated and no application, motion or other proceeding shall have been commenced seeking the same, in each case which has not been fully dismissed, withdrawn or otherwise resolved in a manner satisfactory to the parties, each acting reasonably.

### 1.4 Effective Date

Subject to the conditions set out in Section 1.3, this Conveyance shall be effective as of the Effective Date first written above.

### 1.5 Non-Merger

The execution and delivery of this Conveyance shall not operate as a merger of the representations and warranties of, or any obligations or covenants of, the Vendor or the Purchaser, all of which shall survive the closing of the transactions contemplated herein.

### 1.6 Individual Application

This Conveyance applies individually to each of the Assets as if it had been given separately in respect of each of the Assets.

### 1.7 Bill of Sale

This Conveyance shall for all purposes be deemed to be a Bill of Sale by the Vendor to the Purchaser for the Assets.

### 1.8 Transfer Taxes

The Purchase Price does not include GST/PST/HST and the Purchaser shall be liable for and shall pay all GST/PST/HST pertaining to the Purchaser's purchase of the Purchased Assets. The Purchaser shall pay to the Monitor, on behalf of the Vendor, all GST/HST payable in respect of the Transaction in accordance with the Excise Tax Act (Canada) and the regulations made thereunder (the "**ETA**"). Notwithstanding the foregoing, if the Purchaser is registered under the ETA, then provided that the Purchaser delivers on the Effective Date: (i) an officer's certificate of the Purchaser confirming that the Purchaser is buying the Purchased Assets for its own account and not on behalf of any other Person; and (ii) an undertaking and

indemnity under which the Purchaser covenants to remit all exigible GST/PST/HST and to indemnify the Vendor and the Monitor against any damages (including any interest or penalties imposed by a governmental authority) by reason of the failure of the Purchaser so to do, the Vendor will not collect GST/PST/HST from the Purchaser and the Purchaser will file returns and remit any GST/HST exigible when and to the extent required by the ETA.

#### 1.9 Entire Agreement

This Conveyance sets forth the entire understanding of the parties with respect to the subject matter hereof and merges all prior discussions between them. No party hereto shall be bound by any conditions, definitions, warranties or representations with respect to the subject matter of this Conveyance, other than as is expressly provided for herein.

#### 1.10 Further Assurances

The Vendor covenants and agrees to do such things and to execute such further documents, agreements and assurances as may be necessary or advisable from time to time in order to carry out the terms and conditions of this Conveyance in accordance with their true intent. The Vendor further covenants and agrees that it will from time to time and at all times hereafter, on every reasonable request of the Purchaser, make, do and execute or cause and procure to be made, done and executed, all further acts, deeds or assurances as may be reasonably required by the Purchaser, for more effectually and completely vesting in the Purchaser, the Assets or for the purpose of registration or otherwise.

#### 1.11 Amendments

No alteration or amendment of this Conveyance shall take effect unless the same is in writing duly executed by each of the parties in the same manner as this Conveyance.

#### 1.12 Severability

Whenever possible, each provision of this Conveyance will be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of this Conveyance is held to be prohibited by applicable law, such provision will be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Conveyance.

#### 1.13 Governing Law

This Conveyance shall be governed by and construed in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable thereto, without reference to conflicts of laws.

#### 1.14 Enurement

This Conveyance shall be binding upon and shall enure to the benefit of each of the parties and their respective successors and assigns.

#### 1.15 Execution in Counterpart and by Electronic Means

This Conveyance may be executed and delivered in separate counterparts and delivered by any party to the other parties electronically, each of which when so executed and delivered shall be deemed to be an original and all such counterparts shall together constitute one and the same agreement. If this Conveyance is delivered electronically, the party so delivering this

IN WITNESS WHEREOF the Parties hereto have caused this Conveyance to be executed by the undersigned thereunto duly authorized as of the date first set forth above.

**WALLACE & CAREY INC.**


By: \_\_\_\_\_  
Name: Patrick Carey  
Title: CEO, President

**7-ELEVEN DISTRIBUTION CANADA CORP.**

By:  \_\_\_\_\_  
Name:  
Title:

IN WITNESS WHEREOF the Parties hereto have caused this Conveyance to be executed by the undersigned thereunto duly authorized as of the date first set forth above.

**WALLACE & CAREY INC.**

By:  \_\_\_\_\_  
Name: Patrick Carey  
Title: CEO, President

**7-ELEVEN DISTRIBUTION CANADA CORP.**

By: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE "A"**

**List of Assets**

<b>Unit #</b>	<b>Type</b>	<b>VIN</b>	<b>Purchase Price Allocation</b>
T10	Single-Temp	1GRAA96257W703346	\$4,250
KEL-D44	Day Cab	1XKADP9X2DR963327	\$15,500
KEL-T2	Great Dane 38 ' Trailer W Railgate	1GRAA96267W700312	\$3,750
KEL-T6	Great Dane 38 ' Trailer W Railgate	1GRAA7626DB706988	\$3,750

**APPENDIX B**  
**[ATTACHED]**

Report Date: November 6, 2024  
Effective Date: November 6, 2024

# APPRAISAL REPORT



## TRANSMITTAL LETTER

November 6, 2024

**KSV Restructuring Inc.**  
**Monitor of Wallace & Carey Inc.**  
Suite 1165, 324 – 8th Avenue SW  
Box 129  
Calgary, Alberta  
T2P 2Z2

### **Re: Appraisal of Assets of Belonging to Wallace & Carey Inc. (83861)**

Dear KSV Restructuring Inc.,

At your request, we have prepared an appraisal of certain assets owned by Wallace & Carey Inc., a copy of which is enclosed. This appraisal report is intended for exclusive use by KSV Restructuring Inc. Monitor of Wallace & Carey Inc. and is intended only for establishing values of the listed assets.

The subject assets were appraised under the premise of Forced Liquidation Value, for internal consideration.

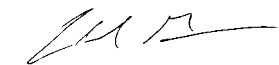
The cost and market approaches to value have been considered for this appraisal and have either been utilized where necessary or deemed inappropriate for the value conclusions found therein.

After an analysis of the assets and information made available to us, it is our opinion that as of the Effective Date, these assets have a Forced Liquidation Value and Orderly Liquidation Value in Canadian Funds as shown on the certificate that we have prepared.

We certify that neither we nor any of our employees have any present or future interest in the appraised property. The fee charged for this appraisal was not contingent on the values reported. As such, the results stated in this letter of transmittal cannot be fully understood without the accompanying report and this letter should not be separated from the report.

If you require any additional information, please feel free to contact me at your convenience.

Sincerely,

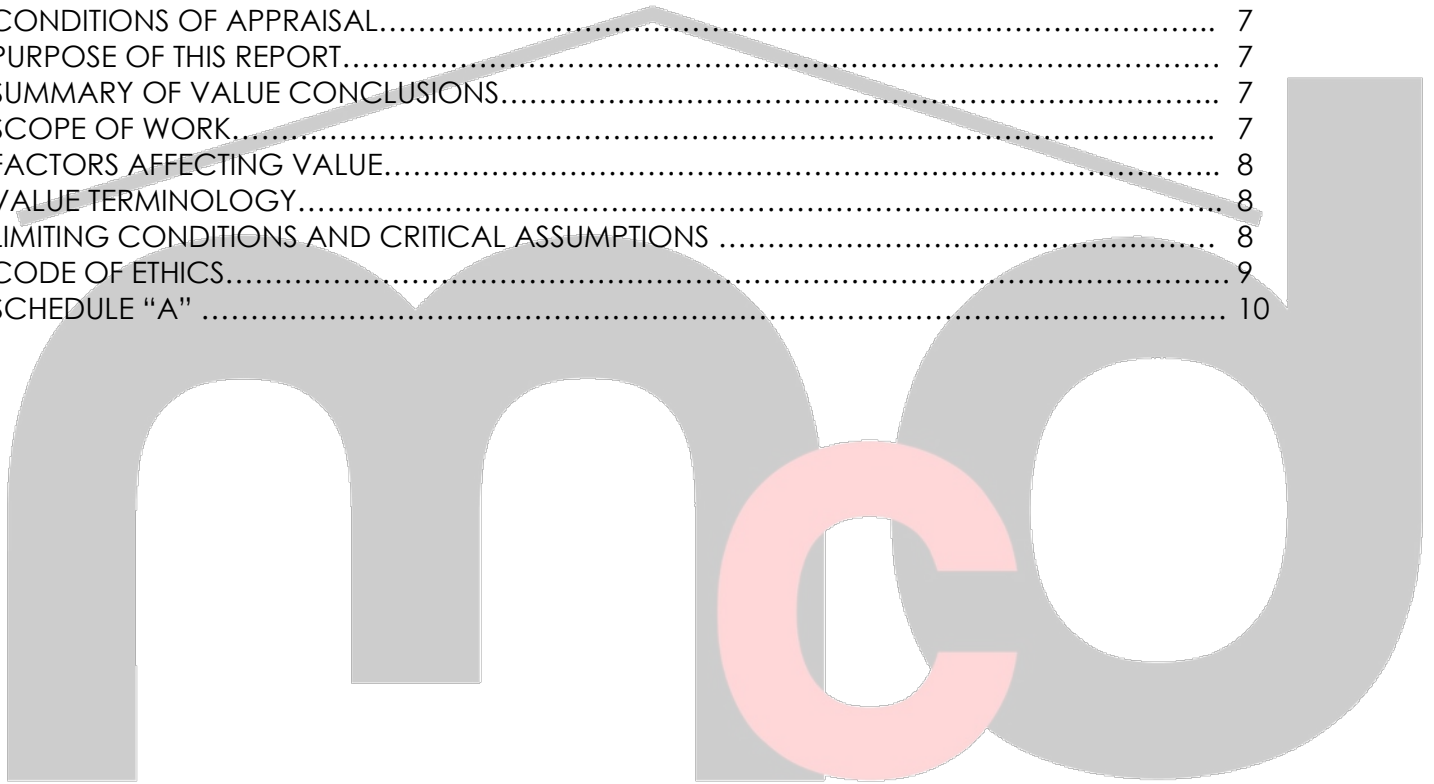
A handwritten signature in black ink, appearing to read 'Chad Guay'.

**Chad Guay, B.A. CPPA**  
VP of Sales  
McDougall Auctioneers Ltd.



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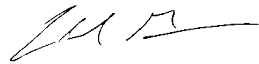
# CERTIFICATE OF VALUE

Proof of certification that on this given date,  
the specified assets belonging to:

**Wallace & Carey Inc.**  
5445 8th St NE  
Calgary, Alberta  
T2K 5R9

Assets were appraised via desktop and not verified in order  
to determine a **Forced Liquidation Value and Orderly  
Liquidation Value** of:

**Total Forced Liquidation Value: \$22,000.00**  
**Total Orderly Liquidation Value: \$32,500.00**



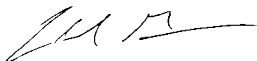
**Chad Guay, B.A. CPPA**  
VP of Sales  
McDougall Auctioneers Ltd.

## CERTIFICATION OF INSPECTION AND APPRAISAL

I do hereby certify that:

- The statement of fact contained in this appraisal report, upon which the analysis, opinions and conclusions expressed herein are based, are true and accurate.
- The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, unbiased professional analyses, opinions and conclusions.
- We have no present or prospective interest in the subject property or assets which are the subject of this report, and we have no personal interest or bias with respect to the parties involved.
- Chad Guay of McDougall Auctioneers Ltd. has successfully completed the personal property appraiser certification program with the Certified Personal Property Appraisers' Group of Canada, and is a member in good standing. This report was prepared in accordance with the standards and practices of the Certified Personal Property Appraisers Group, which has review authority of this report.
- Our engagement was not contingent upon developing or reporting predetermined results.
- Our compensation was not contingent upon the reporting of a predetermined value, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- No one other than the undersigned and any listed personnel provided significant appraisal assistance in the preparation, analysis, opinions, and conclusions concerning the property that is set forth in this appraisal report. Chad Guay conducted the site visits and research. Chad Guay examined and compared asking prices on the assets appraised.

Sincerely,

A handwritten signature in black ink, appearing to read 'Chad Guay'.

**Chad Guay, B.A. CPPA**

VP of Sales

McDougall Auctioneers Ltd.

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## COMPANY OVERVIEW AND CONTACT INFORMATION

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Owner Name:	Wallace & Carey Inc.
Industry:	Logistics
Locations Inspected:	N/A
Company Contacts:	N/A
Company Website:	<a href="https://www.wacl.com/">https://www.wacl.com/</a>
Head Office Address:	5445 8th St NE, Calgary, Alberta T2K 5R9

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## APPRAISAL OVERVIEW

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Method of Valuation:	Forced Liquidation Value and Orderly Liquidation Value
Date of Valuation:	November 6, 2024
Inspection Date:	N/A
Effective Date:	November 6, 2024

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## ASSET OVERVIEW

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Asset Type:	Freight Equipment
Asset Condition:	N/A

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## CONDITIONS OF APPRAISAL

The value stated in this appraisal report is based on the best judgement of the appraiser, given the facts and conditions available at the date of valuation.

The use of this report is limited to the purpose of determining the value of the assets. This report is to be used in its entirety only.

## PURPOSE OF THIS REPORT

The purpose of this appraisal report is to provide an opinion of value of the Subject for internal consideration and to assist KSV Restructuring Inc. Monitor of Wallace & Carey Inc. in establishing a current Forced Liquidation Value and Orderly Liquidation Value for financial considerations.

This report is not intended to be used for any other purpose. Based on the purpose of the appraisal, we have valued the subject assets under the premise of Forced Liquidation Value.

## SUMMARY OF VALUE CONCLUSIONS

Based upon my analysis and the methodology, I estimate the Forced Liquidation Value at \$22,000.00 and Orderly Liquidation Value at \$32,500.00 as of November 6, 2024.

The scope of my work was an examination of information supplied by KSV Restructuring Inc. Monitor of Wallace & Carey Inc..

In my analysis, I considered all the approaches to value (i.e., the cost approach, the sales comparison approach, and the income approach). The appropriate approaches were then utilized, and the resulting value conclusions were reconciled.

The value opinions expressed in this appraisal are contingent upon the analysis, facts, and conditions presented in the accompanying appraisal report.

I, the appraiser do understand that this valuation is being prepared for financial consideration by KSV Restructuring Inc. Monitor of Wallace & Carey Inc..

## SCOPE OF WORK

Valuation process and methodology, the appraiser employed the following procedures to determine the value conclusions rendered herein:

- Review and analysis of asset records and other informational materials.
- Attended asset location to inspect and analyze the assets and equipment.

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## FACTORS AFFECTING VALUE

### AGE & CONDITION:

The assets have not been verified.

### QUALITY:

The assets represent the premier name brands within the freight industry.

### ANALYSIS:

There is currently a significant downturn in the freight industry consequently increasing the amount of freight assets in the marketplace and negatively impacting the resale value of older assets such as these.

## VALUE TERMINOLOGY

### Forced Liquidation Value

Forced Liquidation Value is a value which is commensurate to an auction sale where the seller is no longer in control of their assets and they're compelled to force their assets onto the marketplace under a time constraint.

### Orderly Liquidation Value

Orderly Liquidation Value is the price or value at which an asset or group of assets are sold in a methodical manner, given enough time to dispose of them. The purpose of selling at OLV is to maximize the sales proceeds. The OLV figure is provided by appraisers. The asset's fair value is another figure they provide to facilitate liquidation.

## LIMITING CONDITIONS AND CRITICAL ASSUMPTIONS

This appraisal report and the above noted recovery values are based on a subject to the following conditions, qualifications, assumptions, and limitations:

### TITLE TO THE ASSETS

No investigation has been made of, and no responsibility is assumed for, the legal description or for legal matters including title or encumbrances. Unless otherwise noted in this report, title to the property is assumed to be good and marketable. The property is valued as if it is free and clear of liens, easements, encroachments, and other encumbrances unless otherwise stated, and all improvements are assumed to lie within property boundaries. Conducting a title search is outside the scope of this appraisal.

### RESPONSIBLE OWNERSHIP

It is assumed that subject assets are under responsible ownership and competent management. No allowance has been made for possible liens or encumbrances that may be against the property other than those discussed in the report.

### STATED PURPOSE

This appraisal and report have been made only for the purpose stated within the transmittal letter and the body of this appraisal report. This report cannot be used for any other purpose.

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## **VALUATION DATE**

The valuation date to which the conclusions and opinions expressed in this report apply is set forth in the transmittal letter and in the report. The dollar amount of any value reported is based on the purchasing power of the Canadian dollar (or the currency specified in the report) as of that date.

## **INSPECTION**

The subject assets were inspected as noted in the body of the report. When the date of inspection differs from the valuation date, we have assumed no material change in the condition of the property unless otherwise noted in the report.

## **HAZARDOUS SUBSTANCES**

No allowance has been made nor was any consideration given to potential environmental problems and the possible impact those problems would have on the findings within this appraisal. It is assumed that there is full compliance with all applicable environmental regulations and laws unless non-compliance is stated, defined and considered in the appraisal report. We have not been engaged nor are we qualified to detect the existence of hazardous material, which may or may not be present on or near the property. The presence of potentially hazardous substances such as asbestos, urea-formaldehyde foam insulation, industrial wastes, etc. may affect the value of the property. The value estimate herein is predicated on the assumption that there is no such material on, in or near the property that would cause a loss in value. No responsibility is assumed for any such conditions or for any expertise or engineering knowledge required to discover them. The client should retain an expert in this field if further information is desired.

## **CHANGE IN MARKET CONDITIONS**

McDougall Auctioneers Ltd. is not responsible for changes in market conditions and no obligation is assumed to revise this report to reflect events or conditions which occur subsequent to the valuation date. Additionally, McDougall Auctioneers Ltd. cannot be held responsible for the inability of the owner to locate a purchaser at the appraised value.

## **UNEXPECTED CONDITIONS**

It is assumed that there are no hidden or non-apparent conditions of the property that would affect the value of the subject assets. No responsibility is assumed for such conditions or for arranging for engineering studies that may be required to discover them.

## **CONFIDENTIALITY / MARKETING**

This report and supporting files documentation are confidential. No part of the contents of this appraisal (including the report and the supporting file documentation) shall be disclosed to any party, or conveyed orally or in writing through advertising, public relations, news, sales, or in any other manner without the prior written consent and approval of both McDougall Auctioneers Ltd. and the client.

## **COURT TESTIMONY**

Neither McDougall Auctioneers Ltd. or any individuals signing or associated with this report shall be required by reason of this report to give further consultation, to provide testimony, or appear in court or other legal proceedings unless specific arrangements for such services have been made.

Since conclusions by the appraiser are based upon judgements, isolation of any single element as the sole basis for comparison to the whole appraisal may be inaccurate.

The effective date of the appraisal establishes the current value and is not prospective or retrospective.





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## CODE OF ETHICS

### COMPETENCY

Under CPPAG, McDougall Auctioneers Ltd. must disclose if there is a lack of knowledge and/or experience that would not allow us to complete this appraisal in a competent manner or to develop credible results.

McDougall Auctioneers Ltd. and the appraiser performing this appraisal have performed valuations of assets similar to the Subject Assets for various purposes in the past. In addition, the appraiser performing this appraisal has the appropriate knowledge and experience to be able to develop credible results for the purpose and use outlined in this report.

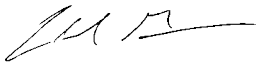
### CONFIDENTIALITY

This report and supporting file documentation are confidential. Neither all nor any part of the contents of this appraisal (including the report and the supporting file documentation) shall be disclosed to any party, or conveyed orally or in writing through advertising, public relations, news, sales, or in any other manner without the prior written consent and approval of McDougall Auctioneers Ltd.

This Appraisal Report provides a summary discussion of the data, analysis, and reasoning used by the appraiser to arrive at the opinions of value identified herein. A copy of this report and the data, reasoning, and analysis supporting our value conclusions shall remain in our files and be retained for a period of at least five (5) years after preparation, or at least two (2) years after final disposition of any judicial proceeding as required by the Records Keeping section of CPPAG.

As this is an Appraisal Report, the conclusions and data contained herein can only be used by the Client for the purpose stated. The opinions and conclusions set forth in this report may not be understood properly by anyone else without additional information which is contained in the appraiser's workfile. Neither this report, nor any of the data contained herein should be distributed to another party.

Sincerely,

A handwritten signature in black ink, appearing to read 'Chad Guay'.

**Chad Guay, B.A. CPPA**

VP of Sales

McDougall Auctioneers Ltd.

**Schedule "A"**

<b>Description</b>	<b>VIN</b>	<b>Forced Liquidation Value</b>	<b>Orderly Liquidation Value</b>
<i>Unverified Assets</i>			
2007 Great Dane 53' T/A Van Trailer	1GRAA96257W703346	\$ 3,500.00	\$ 5,000.00
2013 Kenworth T680 T/A Day Cab Semi Truck	1XKADP9X2DR963327	\$ 12,500.00	\$ 18,500.00
2007 Great Dane 38' T/A Van Trailer	1GRAA96267W700312	\$ 3,000.00	\$ 4,500.00
1983 Great Dane 38' T/A Van Trailer	1GRAA7626DB706988	\$ 3,000.00	\$ 4,500.00
<b>Grand Total</b>		<b>\$ 22,000.00</b>	<b>\$ 32,500.00</b>



# Chad Guay

VP of Sales  
Partner, BA, CPPA  
Curriculum Vitae

## PROFILE

Chad Guay has been with our team for 6 years, providing a wealth of experience acquired through 11 years' experience in Asset Management & Liquidation, Rental Liaison, and Outdoor Commercial Property expansion. Chad puts his performance management and organizational skills to good use. He thoroughly understands our clients' specific sales needs, which allows him to market large dispersals, challenging files and small projects with a creative and efficient flare. He provides optimized asset evaluations and appraisals, focusing on industrial and retail liquidations. Chad also assesses fluctuating businesses to provide large-scale asset management organizations with expertise in turnaround, restructuring or asset sale situations.

In performing all these tasks, he hopes to continue to drive McDougall Auctioneers Ltd. as a leader in its field.

## EXPERIENCE

### **MCDUGALL AUCTIONEERS LTD.**

**VP of Sales, 2023-Present**

**Director of Appraisals & Liquidations, 2021-2022**

**Sales Manager, 2017-2021**

- Provide optimized asset evaluations and appraisals focusing on industrial and retail liquidations
- Assesses fluctuating businesses to provide large-scale asset management organizations with expertise in turnaround, restructuring or asset sale situations
- Negotiate the procurement and subsequent sale of millions of dollars of construction, industrial and/or retail related assets


### **G2 ASSET MANAGEMENT, Montreal, QC**


**Partner, 2014-2017**


- Developed organization from the ground up to provide optimized asset appraisal, liquidation and auctioning to local business partners
- Leveraged relationships developed with large-scale asset management organizations to increase business capacity and build confidence in delivering on agreed upon objectives in client business partners
- Acted as a consultant between executives and potential new clients through regularly negotiating with company executives to assess adequate submissions for future client companies
- Created an Asset Inventory Database to effectively expedite asset liquidations and auctions through a single centralized storage centre



## CONTACT

 306-757-1747

 chad.g@mcdauction.com

 Calgary, AB

## SKILLS

Marketing	●●●●●●●●
Strategy	●●●●●●○
Budget	●●●●●○○
Planning	●●●●●○○
Presentation	●●●●●○○

## WORK EXPERIENCE - Previous

### ATLAS RENTAL, Cornwall, ON

Partner, 2013-2015

- Acted as a liaison by facilitating the transition and introductions of former clients to new business owners
- Consulted with company managers and technical staff to set clear business objectives and develop effective strategies to improve bottom line; purchased assets to increase company value and decrease losses
- Business strategies were developed by analyzing annual financial statements from previous years eliminating poor performing lines of business and introducing new successful methods which eliminated unnecessary losses and increased profit margins
- Conducted all marketing, human resources and payroll activities including but not limited to: new client market penetration, employee performance management, accounts payable/receivable, coordinating bi-weekly payroll, and managing sales and expense statements for year-end financial statements

### BJ LAWCARE, Cornwall, ON

Partner, 2007-2017

- Through strategic incremental geographical expansion and consistently searching for new revenue streams, increased the gross value of organization seven-fold within six years
- With larger organizations buying up more commercial real estate in the area, demonstrated organizational flexibility by shifting focus from residential services to turning the organization into complete outdoor maintenance management for large commercial properties
- Leveraged and maintained strong relationships with local business owners and larger-scale company executives to drive word-of-mouth marketing and renegotiate yearly contracts
- Conducted people management responsibilities including but not limited to; recruitment, performance management, training and staff scheduling
- Additional responsibilities include but are not limited to: accounts payable/receivable, and income statements

### PLANTATIONS BRANJON, Montreal, QC

Partner, 2007-2017

- Oversaw company operations and supervised the daily activities of the staff
- Negotiated and scheduled contracts with all 3<sup>rd</sup> parties
- Provided additional services such as wholesale and retail of plants, shrubs, trees, decorative items
- Leveraged relationships with existing clients to drive new contract proposals
- Developed and maintained municipal and private sector contracts for seasonal Outdoor and indoor lighting and decorating

## LANGUAGES

English ●●●●●●

French ●●●●●●

## COMPUTER

MS Office ●●●●●●

Auction Software ●●●●●●

## INTERESTS

Travel

Fitness



## COMPLETED PROJECTS AND SALES

- The following list indicates the range and diversity of completed projects and sales:
  - ASR Transportation Inc.
  - Medicine Valley Transport
  - Power Merchants
  - Anderson Rental & Paving
  - JMB Crushing Systems Inc.
  - Accede Energy Services Ltd.
  - PSA Construction Inc.
  - Schendel Mechanical Contracting Ltd.
  - Viking Disposal Services
  - K. McIntosh & Sons Aggregate
  - Dragster Directional Drilling
  - Resch Services Inc.
  - Quattro Energy Services Inc.
  - First General Services (Winnipeg) Ltd.
  - Hackney Ag Services
  - MacEwen Constructors Inc.
  - Morris Industries
  - R-Cat Oilfield Corp.
  - Smith Northern Ranching et al.
  - Jatec Electric Ltd.
  - Paramount Restaurant
  - Daylight Trucking Ltd.

## MEMBERSHIPS

- Certified Personal Property Appraiser Group

## EDUCATION & TRAINING

**Bachelor of Arts, Major in Psychology**  
**Master of Business Administration (2024 Candidate)**

## PROFESSIONAL AFFILIATIONS

**Canadian Personal Property Appraisers Group**  
Certified Appraiser

