

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

DC FREIGHT HAULERS INC.

Respondent

**APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, C. B-3, AS AMENDED AND SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, C. C.43, AS AMENDED**

**APPLICATION RECORD – VOLUME 1 of 3
(Returnable April 11, 2025)**

March 24, 2025

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Lawyers for Royal Bank of Canada

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SUPERIOR COURT OF JUSTICE**

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ACT, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE COURTS OF JUSTICE
ACT, R.S.O. 1990, c. C.43, AS AMENDED**

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TAB 1

Court File No.CV-25-00001496-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

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(Court seal)

NOTICE OF APPLICATION

TO THE RESPONDENT

A LEGAL PROCEEDING HAS BEEN COMMENCED by the applicant. The claim made by the applicant appears on the following page.

THIS APPLICATION will come on for a hearing

- ☐ In person
- ☐ By telephone conference
- ☒ By video conference

before a judge presiding over the Ontario Superior Court of Justice on April 11, 2025 at 10:00 a.m., or as soon after that time as the matter can be heard, via Zoom coordinates to be provided by the court.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the applicant's lawyer or, where the applicant does not have a lawyer,

serve it on the applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: March 19, 2025

Issued by **Tariq Aziz** Digitally signed by
Tariq Aziz
Date: 2025.03.21
15:22:08 -04'00'
Local registrar
Address of
court office 7755 Hurontario Street
Brampton, ON L6W 4T1

TO: DC FREIGHT HAULERS INC.
800 Arthur Parker Ave
Woodstock, ON N4T 0G7

Respondent

AND msi Spergel inc.
TO: 200 Yorkland Blvd., Suite 1100
Toronto, ON M2J 5C1

Mukul Manchanda
Tel: 416-498-4314
Email: mmanchanda@spergel.ca

Proposed Receiver

AND CANACAP
TO: 4211 Yonge Street, Suite 402
Toronto, ON M2P 2A9

PPSA Creditor

AND BVD PETROLEUM INC.
TO: 130 Delta Park Blvd
Brampton, ON L6T 5E7

PPSA Creditor

AND DYNAMIC CIVIL RECOVERY CORP.
TO: 111 - 4 Alliance Blvd
Barrie, ON L4M 7G3

PPSA Creditor

AND VFS CANADA INC.
TO: 238 Wellington Street East, 3rd Floor
Aurora, ON L4G 1J5

PPSA Creditor

AND LBEL INC.
TO: 5035 South Service Road
Burlington, ON L7L 6M9

PPSA Creditor

AND MERIDIAN ONECAP CREDIT CORP
TO: 204 - 3185 Willingdon Green
Burnaby, BC V5G 4P3

PPSA Creditor

AND MERIDIAN ONECAP CREDIT CORP
TO: Suite 1500, 4710 Kingsway
Burnaby, BC V5H 4M2

PPSA Creditor

AND **TPINE LEASING CAPITAL CORPORATION**
TO: 6050 Dixie Road
Mississauga, ON L5T 1A6

PPSA Creditor

AND **DAIMLER TRUCK FINANCIAL SERVICES CANADA**
TO: **CORPORATION**
2680 Matheson Blvd. East, Suite 202
Mississauga, ON L4W 0A5

Secured Party

AND **PNC VENDOR FINANCE CORPORATION CANADA**
TO: 2 - 4145 North Service Road
Burlington, ON L7L 6A3

PPSA Creditor

AND **COAST CAPITAL EQUIPMENT LEASING LTD.**
TO: 800 - 9900 King George Blvd.
Surrey, BC V3T 0K7

PPSA Creditor

AND **TFG FINANCIAL CORPORATION**
TO: 400 - 4180 Lougheed Highway
Burnaby, BC V5C 6A7

PPSA Creditor

AND **CONCENTRA BANK**
TO: c/o Comm Leasing, Box 3030
Regina, SK S4P 3G8

PPSA Creditor

AND **TD EQUIPMENT FINANCE CANADA, A DIVISION OF THE**
TO: **TORONTO - DOMINION BANK**
400 - 5045 South Service Road
Burlington, ON L7L 5Y7

PPSA Creditor

AND **ESSEX LEASE FINANCIAL CORPORATION**
TO: 10768 74th Street SE
Calgary, AB T2C 5N6

PPSA Creditor

AND **CLE CAPITAL INC.**
TO: 3390 South Service Road, Suite 301
Burlington, ON L7N 3J5

PPSA Creditor

AND **DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.**
TO: 3450 Superior Court, Unit 1
Oakville, ON L6L 0C4

PPSA Creditor

AND **HITACHI CAPITAL CANADA CORP.**
TO: 3390 South Service Road, Suite 301
Burlington, ON L7N 3J5

PPSA Creditor

AND **BODKIN, A DIVISION OF BENNINGTON FINANCIAL CORP.**
TO: 102 - 1465 North Service Road East
Oakville, ON L6H 1A7

PPSA Creditor

AND **PRIME CAPITAL GROUP INC.**
TO: 129, 625 Parsons Road SW
Edmonton, AB T6X 0N9

PPSA Creditor

AND **CWB MAXIUM FINANCIAL INC.**
TO: 30 Vogell Road, Suite 1
Richmond Hill, ON L4B 3K6

PPSA Creditor

AND **CWB NATIONAL LEASING INC.**
TO: 1525 Buffalo Place
Winnipeg, MB R3T 1L9

PPSA Creditor

AND **OFFICE OF THE SUPERINTENDENT OF BANKRUPTCY CANADA**
TO: 151 Yonge Street, 4th Floor
Toronto, ON M5C 2W7

Email: osbservice-bsfservice@ised-isde.gc.ca

AND **ATTORNEY GENERAL OF CANADA**
TO: Department of Justice of Canada
Ontario Regional Office, Tax Law Section
120 Adelaide Street West, Suite 400
Toronto, ON M5H 1T1

Email: AGC-PGC.Toronto-Tax-Fiscal@justice.gc.ca

AND **HIS MAJESTY THE KING IN RIGHT OF CANADA**
TO: as represented by Ministry of Finance
Legal Services Branch
Revenue Collections Branch – Insolvency Unit
33 King Street West, 6th Floor
Oshawa, ON L1H 8H5

Email: insolvency.unit@ontario.ca

APPLICATION

1. The applicant, Royal Bank of Canada (“**RBC**”), makes application for an Order that:

- a) if necessary, abridges the time for service and filing of this notice of application and the application record or, in the alternative, dispenses with and/or validates service of same;
- b) appoints msi Spergel inc. (“**Spergel**”) as receiver of all the assets, undertakings and properties of DC Freight Haulers Inc. (the “**Debtor**”) acquired for or used in relation to a business carried on by the Debtor, and all proceeds thereof (collectively, the “**Property**”); and
- c) grants such further and other relief as is just.

2. The grounds for the application are:

- a) the Debtor is incorporated under the *Business Corporations Act* (Ontario). Based on the addresses provided by the Debtor to RBC and reflected in the Credit Agreements (as defined below), the Debtor has offices in Brampton and Milton, Ontario;
- b) the Debtor describes itself as a trucking company that specializes in refrigerated and cross border transportation;
- c) the Debtor’s corporate profile report indicates that Gurjant Dhanda (“**Gurjant**”) and Harman Kalra (“**Harman**”) of Mississauga and Brampton, Ontario, respectively, are the Debtor’s officers and directors;
- d) the Debtor is indebted to RBC in connection with certain credit facilities made available by RBC and HSBC Bank Canada (now RBC) to the Debtor (the “**Credit Facilities**”) pursuant to and under the terms of:
 - i) the credit agreement dated May 8, 2024 (as same may have been amended, replaced, restated or supplemented from time to time, the “**Primary Credit Agreement**”); and

- ii) the master lease agreements dated October 25, 2021 and November 9, 2023, as applicable, and the lease schedules thereunder (collectively, the “**Lease Agreements**” and, together with the Primary Credit Agreement, the “**Credit Agreements**”);
- e) as security for its obligations to RBC, including, without limitation, under the Credit Agreements, the Debtor provided security in favour of RBC (the “**Security**”), including, without limitation, the general security agreement dated September 16, 2021, registration in respect of which was duly made pursuant to the *Personal Property Security Act* (Ontario) (the “**PPSA**”);
- f) additionally, Harman, Gurjant and Abbass Chaudhry (together with Harman and Gurjant, the “**Guarantors**”) jointly and severally guaranteed the Debtor’s obligations to RBC under the Credit Agreements, pursuant to the written guarantee and postponement of claim agreement dated May 11, 2024 (the “**Guarantee**”). The Guarantee is limited to the principal amount of \$2,300,000 plus interest thereon;
- g) all the non-leasing Credit Facilities are repayable on demand and certain defaults have arisen under the Credit Agreements in respect of the non-leasing Credit Facilities, including, without limitation, payment defaults;
- h) on January 24, 2025, RBC made formal written demand on the Debtor and the Guarantors for payment of the non-leasing amounts owed to RBC under the Credit Agreements and the Guarantee, as applicable (the “**Demand Letters**”);
- i) as set out in the Demand Letters, a total of \$1,412,660.67 plus USD 468,354.69 for principal and interest (exclusive of legal fees, disbursements and accruing interest) was owing by the Debtor to RBC as at January 16, 2025 in respect of the non-leasing Credit Facilities (the “**Demanded Indebtedness**”), and a further \$322,743.37 was owing by the Debtor in respect of the leasing Credit Facilities;
- j) none of the Demanded Indebtedness has been repaid to RBC;

- k) at this stage, RBC considers that the only reasonable and prudent path forward is to take any and all steps necessary to protect the Property by having a receiver appointed, and it is within RBC's rights under the Security to do so;
- l) it is just and equitable that a receiver be appointed. A receiver is necessary for the protection and monetization of the Property;
- m) Spergel has consented to being appointed as the receiver;
- n) Spergel is a licensed insolvency trustee and is familiar with the circumstances of the Debtor and its arrangements with RBC;
- o) the other grounds set out in the affidavit of Manoj Davé, to be sworn, in support of the within application (the "**Affidavit**");
- p) subsection 243(1) of the BIA;
- q) section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended;
- r) rules 1.04, 2.01, 2.03, 3.02, 16, 38 and 41 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and
- s) such further grounds as are required and this Court may permit.

3. The following documentary evidence will be used at the hearing of the application:

- a) the Affidavit;
- b) the consent of Spergel to act as the receiver; and
- c) such other material as is required and this Court may permit.

March 19, 2025

AIRD & BERLIS LLP

Barristers & Solicitors
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Lawyers for Royal Bank of Canada

ROYAL BANK OF CANADA

- and -

DC FREIGHT HAULERS INC..

Applicant

Respondent

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
Proceedings commenced at Brampton

NOTICE OF APPLICATION

(returnable April 11, 2025)

AIRD & BERLIS LLP
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Lawyers for Royal Bank of Canada

TAB 2

Court File No. CV-25-00001496-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE

)

FRIDAY, THE 11TH

JUSTICE

)

DAY OF APRIL, 2025

)

ROYAL BANK OF CANADA

Applicant

- and -

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**APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND
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COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

**ORDER
(appointing Receiver)**

THIS APPLICATION, made by Royal Bank of Canada (“**RBC**”) 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 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”), appointing MSI Spergel Inc. (“**Spergel**”) as receiver (in such capacity, the “**Receiver**”), without security, of all the assets, undertakings and properties of DC Freight Haulers Inc. (the

“Debtor”) acquired for, or used in relation to a business carried on by the Debtor and all proceeds thereof, was heard this day by judicial videoconference via Zoom.

ON READING the affidavit of Manoj Davé sworn March 19, 2025 and the exhibits thereto, and on hearing the submissions of counsel for RBC and such other counsel as were present, no one appearing for any other stakeholder although duly served as appears from the affidavit of service, as filed, and on reading the consent of Spergel to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the notice of application and the application record is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, Spergel is hereby appointed Receiver, without security, of all the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor and all proceeds thereof (the “**Property**”).

RECEIVER’S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby 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 hereby 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 proceeds, 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, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent

security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (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 such monies, including, without limitation, to enforce 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 initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby

conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) 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 in its discretion may deem appropriate;
- (k) 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 any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$200,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;

- (l) 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 thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

- (o) 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 thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) 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

4. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its 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 (all of the foregoing, collectively, being “**Persons**” and each being 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 to the Receiver upon the Receiver’s request.

5. **THIS COURT ORDERS** that all Persons 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 (the foregoing, collectively, the “**Records**”) in that Person’s possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 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 the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by 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 onto paper 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 in its discretion require including 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.

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver’s intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver’s entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court

upon application by the Receiver on at least two (2) days' notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that 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

9. **THIS COURT ORDERS** that 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 hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtor, the Receiver or affecting the Property are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that 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.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that 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 hereby 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 that 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

13. **THIS COURT ORDERS** that 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

14. **THIS COURT ORDERS** that all employees of the Debtor, if any, 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, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in

respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA AND ANTI-SPAM LEGISLATION

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall 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.

16. **THIS COURT ORDERS** that any and all interested stakeholders in this proceeding and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in this proceeding, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to such other interested stakeholders in this proceeding and their counsel and advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. **THIS COURT ORDERS** that nothing herein contained 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 respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act* or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. 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 it is actually in possession.

LIMITATION ON THE RECEIVER’S LIABILITY

18. **THIS COURT ORDERS** that 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 for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. 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

19. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the “**Receiver’s Charge**”) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that 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, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

20. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Ontario Superior Court of Justice.

21. **THIS COURT ORDERS** that 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

22. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby 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 \$150,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it 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 hereby 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, 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.

23. **THIS COURT ORDERS** that 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.

24. **THIS COURT ORDERS** that the Receiver is at liberty and 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.

25. **THIS COURT ORDERS** that 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.

SERVICE AND NOTICE

26. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 of the *Rules of Civil Procedure* (the "**Rules**") this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules. Subject to Rule 3.01(d) of the Rules and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol and shall be accessible by selecting the Debtor's name from the engagement list at the following URL: <https://www.spergelcorporate.ca/engagements/>.

27. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

28. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

30. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby 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.

31. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that 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.

32. **THIS COURT ORDERS** that RBC shall have its costs of this application against the Debtor, up to and including entry and service of this Order, provided for by the terms of RBC's security or, if not so provided by RBC'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.

33. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

34. **THIS COURT ORDERS** that this Order and all of its provisions are effective as today's date and is enforceable without the need for entry or filing.

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that msi Spergel inc., the receiver (the "**Receiver**"), without security, of all the assets, undertakings and properties of DC Freight Haulers Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor and all proceeds thereof, appointed by Order of the Ontario Superior Court of Justice (the "**Court**") dated the ____ day of _____, 2025 (the "**Order**") made in an application having Court file number CV-25-00001496-0000, 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 \$150,000 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 [daily][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 Bank 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 such 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 Toronto, Ontario.

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 so as 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 in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

msi Spergel inc., solely in its capacity as
Receiver of the Property, and not in its personal
capacity

Per: _____

Name:

Title:

ROYAL BANK OF CANADA

- and -

DC FREIGHT HAULERS INC.

Applicant

Respondent

Court File No. CV-25-00001496-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceedings commenced at Brampton

ORDER
(appointing Receiver)

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Lawyers for Royal Bank of Canada

TAB 3

Revised: January 21, 2014
~~s.243(1) BIA (National Receiver) and s. 101 CJA (Ontario) Receiver~~

Court File No. —

Court File No. CV-25-00001496-0000

**ONTARIO
 SUPERIOR COURT OF JUSTICE**

COMMERCIAL LIST

THE HONOURABLE —) ~~WEEKDAY~~FRIDAY,
)
 JUSTICE —) THE #11TH
)
 DAY OF ~~MONTH~~APRIL, ~~20YR~~2025

ROYAL BANK OF CANADA

PLAINTIFF⁺
Applicant

Plaintiff

- and -

DC FREIGHT HAULERS INC.

Respondent

DEFENDANT

Defendant

⁺ ~~The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.~~

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

ORDER
(appointing Receiver)

~~THIS MOTION made by the Plaintiff~~² APPLICATION, made by Royal Bank of Canada ("RBC") 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 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA"), appointing ~~[RECEIVER'S NAME]~~ msi Spergel inc. ("Spergel") as receiver ~~[and manager]~~ (in such ~~capacities~~ capacity, the "Receiver"), without security, of all ~~of~~ the assets, undertakings and properties of ~~[DEBTOR'S NAME]~~ (the "DC Freight Haulers Inc. (the 'Debtor')") acquired for, or used in relation to a business carried on by the Debtor and all proceeds thereof, was heard this day ~~at 330 University Avenue, Toronto, Ontario~~ by judicial videoconference via Zoom.

ON READING the affidavit of ~~[NAME]~~ Manoj Davé sworn ~~[DATE]~~ March 19, 2025 and the ~~Exhibits~~ exhibits thereto, and on hearing the submissions of counsel for ~~[NAMES]~~ RBC and such other counsel as were present, no one appearing for ~~[NAME]~~ any other stakeholder although duly served as appears from the affidavit of service ~~of [NAME] sworn [DATE], as filed~~, and on reading the consent of ~~[RECEIVER'S NAME]~~ Spergel to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the ~~Notice of Motion~~ notice of application and the ~~Motion~~ application record is hereby abridged and validated³ so that this ~~motion~~ application is properly returnable today and hereby dispenses with further service thereof.

² ~~Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".~~

³ ~~If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.~~

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, ~~[RECEIVER'S NAME]~~ Spergel is hereby appointed Receiver, without security, of all ~~of~~ the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, ~~including~~ and all proceeds thereof (the "Property").

RECEIVER'S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby 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 hereby 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 proceeds, 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, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (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~~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 such monies, including, without limitation, to enforce 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~~Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings.⁴ The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) 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

~~⁴ This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.~~

negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business⁵;
 - (i) without the approval of this Court in respect of any transaction not exceeding \$~~_____~~50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$~~_____~~200,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*,~~†~~ or section 31 of the Ontario *Mortgages Act*, as the case may be,⁵ shall not be required,~~and in each case the Ontario Bulk Sales Act shall not apply.~~

- (l) 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 thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

⁵ ~~If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.~~

- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) 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 thought desirable by the Receiver, in the name of the Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) 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

4. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its 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 (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such ~~Person's~~Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the ~~Receiver's~~Receiver's request.

5. **THIS COURT ORDERS** that all Persons 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 (the foregoing, collectively, the "Records") in that ~~Person's~~Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 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 the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by 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 onto paper 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 in its discretion require including 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.

7. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of

the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days' notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that 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

9. **THIS COURT ORDERS** that 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 hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that 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.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that 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 hereby 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 that the Receiver shall be entitled to the continued use of the ~~Debtor's~~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

13. **THIS COURT ORDERS** that 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"~~"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

14. **THIS COURT ORDERS** that all employees of the Debtor, if any, shall remain the employees of the Debtor until such time as the Receiver, on the ~~Debtor's~~Debtor's behalf, may

terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA AND ANTI-SPAM LEGISLATION

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall 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.

16. **THIS COURT ORDERS** that any and all interested stakeholders in this proceeding and their counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in this proceeding, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to such other interested stakeholders in this proceeding and their counsel and advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

LIMITATION ON ENVIRONMENTAL LIABILITIES

17. ~~16.~~ **THIS COURT ORDERS** that nothing herein contained 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 respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, ~~or the Ontario Occupational Health and Safety Act~~ and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the ~~Receiver's~~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 it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

18. ~~17.~~ **THIS COURT ORDERS** that 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 for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. 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~~RECEIVER'S ACCOUNTS

19. ~~18.~~ **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the ~~"Receiver's"~~"Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the

making of this Order in respect of these proceedings, and that the ~~Receiver's~~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, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.⁶

20. ~~19.~~ **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the ~~Commercial List of the~~ Ontario Superior Court of Justice.

21. ~~20.~~ **THIS COURT ORDERS** that 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

22. ~~21.~~ **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby 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 \$~~_____~~150,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it 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 hereby charged by way of a fixed and specific charge (the ~~"Receiver's"~~"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,

⁶ ~~Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~

statutory or otherwise, in favour of any Person, 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.

23. ~~22.~~ **THIS COURT ORDERS** that neither the ~~Receiver's~~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.

24. ~~23.~~ **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule ~~"A"~~"A" hereto (the ~~"Receiver's Certificates"~~"Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

25. ~~24.~~ **THIS COURT ORDERS** that 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~~Receiver's Certificates.

SERVICE AND NOTICE

26. ~~25.~~ **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at ~~<http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>~~<https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05 of the Rules of Civil Procedure (the "Rules") this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules ~~of Civil Procedure~~. Subject to Rule 3.01(d) of the Rules ~~of Civil Procedure~~ and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol ~~with~~and shall be accessible by selecting the Debtor's name from the engagement list at the following URL ~~with~~: <https://www.spergelcorporate.ca/engagements/>.

27. ~~26.~~ **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute

this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the ~~Debtor's~~Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

28. ~~27.~~ **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

29. ~~28.~~ **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

30. ~~29.~~ **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby 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.

31. ~~30.~~ **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that 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.

32. ~~31.~~ **THIS COURT ORDERS** that ~~the Plaintiff~~RBC shall have its costs of this ~~motion~~application against the Debtor, up to and including entry and service of this Order, provided for by the terms of ~~the Plaintiff's~~RBC's security or, if not so provided by ~~the~~

~~Plaintiff's~~RBC's security, then on a substantial indemnity basis to be paid by the Receiver from the ~~Debtor's~~Debtor's estate with such priority and at such time as this Court may determine.

33. ~~32.~~ **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' ~~notice~~notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

34. **THIS COURT ORDERS** that this Order and all of its provisions are effective as today's date and is enforceable without the need for entry or filing.

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that ~~[RECEIVER'S NAME]~~ msi Spergel inc., the receiver (the "Receiver") ~~of, without security, of all~~ the assets, undertakings and properties ~~[DEBTOR'S NAME]~~ of DC Freight Haulers Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, ~~including and~~ all proceeds thereof ~~(collectively, the "Property")~~, appointed by Order of the Ontario Superior Court of Justice (~~Commercial List~~) (the "Court") dated the ____ day of _____, 20-2025 (the "Order") made in an ~~action~~ application having Court file number CL CV-25-00001496-0000, 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 \$ 150,000 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 [daily][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 Bank 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 such 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 Toronto, Ontario.

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 so as 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 in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

~~[RECEIVER'S NAME]~~ msi Spergel inc., solely
in its capacity
- as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

ROYAL BANK OF CANADA- and -DC FREIGHT HAULERS INC.ApplicantRespondentCourt File No. CV-25-00001496-0000**ONTARIO**
SUPERIOR COURT OF JUSTICE**Proceedings commenced at Brampton****ORDER**
(appointing Receiver)**AIRD & BERLIS LLP**
Barristers and Solicitors
Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9**Sanjeev P. R. Mitra (LSO # 37934U)**Tel: (416) 865-3085Fax: (416) 863-1515Email: smitra@airdberlis.com**Jeremy Nemers (LSO # 66410Q)**Tel: (416) 865-7724Fax: (416) 863-1515Email: jnemers@airdberlis.com**Cristian Delfino (LSO # 87202N)**Tel: (416) 865-7748Fax: (416) 863-1515Email: cdelfino@airdberlis.com

Lawyers for Royal Bank of Canada

TAB 4

Court File No. CV-25-00001496-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

B E T W E E N:

ROYAL BANK OF CANADA

Applicant

- and -

DC FREIGHT HAULERS INC.

Respondent

**APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED AND SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

**AFFIDAVIT OF MANOJ DAVÉ
(sworn March 19, 2025)**

I, **MANOJ DAVÉ**, of the City of Toronto, in the Province of Ontario, **MAKE OATH
AND SAY AS FOLLOWS:**

1. I am a Senior Manager, Special Loans and Advisory Services, of Royal Bank of Canada (“**RBC**”). RBC is a creditor of the respondent, DC Freight Haulers Inc. (the “**Debtor**”), and I am responsible for management of the Debtor’s accounts and credit facilities with RBC. As such, I have personal knowledge of the matters to which I hereinafter depose. Where I do not have personal knowledge of the matters set out herein, I have stated the source of my information and, in all such cases, believe it to be true.

PURPOSE

2. I am swearing this Affidavit in support of an application by RBC for, in substance, an Order appointing msi Spergel inc. (“**Spergel**”) as receiver, without security, of all the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor and all proceeds thereof (collectively, the “**Property**”).

DESCRIPTION OF THE DEBTOR AND ITS BUSINESS

3. The Debtor is incorporated under the *Business Corporations Act* (Ontario). Based on the addresses provided by the Debtor to RBC and reflected in the Credit Agreements (as defined below), the Debtor has offices in Brampton and Milton, Ontario.

4. The Debtor’s corporate profile report, attached at **Exhibit “A”** to this Affidavit, indicates that: (i) Gurjant Dhanda (“**Gurjant**”) and Harman (“**Harman**”) Kalra of Mississauga and Brampton, Ontario, respectively, are the Debtor’s officers and directors; and (ii) the Debtor’s previous name was Gurjant Dhanda Transport Inc.

5. According to the Debtor’s website, the Debtor is a trucking company that specializes in refrigerated and cross border transportation. According to the U.S. Department of Transportation’s Federal Motor Carrier Safety Administration website, the Debtor has 38 vehicles and 48 drivers. These website printouts are attached collectively as **Exhibit “B”** to this Affidavit.

RBC’S LOANS TO THE DEBTOR AND RELATED SECURITY

6. The Debtor is indebted to RBC in connection with certain credit facilities made available by RBC and HSBC Bank Canada (now RBC) (the “**Credit Facilities**”) pursuant to and under the terms of:

- (a) the credit agreement dated May 8, 2024 (as same may have been amended, replaced, restated or supplemented from time to time, the “**Primary Credit Agreement**”), a copy of which is attached as **Exhibit “C”** to this Affidavit; and
- (b) the master lease agreements dated October 25, 2021 and November 9, 2023, as applicable, and the lease schedules thereunder (collectively, the “**Lease Agreements**” and, together with the Primary Credit Agreement, the “**Credit Agreements**”), copies of which are attached as **Exhibit “D”** to this Affidavit.

7. As security for its obligations to RBC, including, without limitation, under the Credit Agreements, the Debtor provided security in favour of RBC (the “**Security**”), including, without limitation, the general security agreement dated September 16, 2021 (the “**GSA**”), registration in respect of which was duly made pursuant to the *Personal Property Security Act* (Ontario) (the “**PPSA**”). A copy of the GSA is attached as **Exhibit “E”** to this Affidavit.

8. Harman, Gurjant and Abbass Chaudhry (together with Harman and Gurjant, the “**Guarantors**”) also jointly and severally guaranteed the Debtor’s obligations to RBC under the Credit Agreements, pursuant to the written guarantee and postponement of claim agreement dated May 11, 2024 (the “**Guarantee**”). The Guarantee is limited to the principal amount of \$2,300,000 plus interest thereon. A copy of the Guarantee is attached as **Exhibit “F”** to this Affidavit.

OTHER REGISTERED SECURED CREDITORS AGAINST THE DEBTOR

9. Copies of the PPSA certified search results against the Debtor’s current name (with currency to February 26, 2025) and previous name (with currency to March 12, 2025) are attached collectively as **Exhibit “G”** to this Affidavit. The PPSA search results show 64 registration families, including, without limitation, a registration in favour of RBC against all collateral

classifications other than consumer goods (the “**General RBC Registration**”). The other PPSA registrations against the Debtor all appear to pertain to certain specific collateral and/or are registered after the General RBC Registration.

10. I am advised by RBC’s co-counsel, Cristian Delfino, and verily believe, that all registrants under the PPSA will be served with a copy of the within application.

DEFAULT AND DEMAND

11. All the non-leasing Credit Facilities are repayable on demand. Additionally, certain defaults have arisen under the Credit Agreements in respect of the non-leasing Credit Facilities, including, without limitation, payment defaults.

12. On January 24, 2025, RBC made formal written demand on the Debtor and the Guarantors for payment of the non-leasing amounts owed to RBC under the Credit Agreements and the Guarantee, as applicable (the “**Demand Letters**”). Accompanying the Demand Letter to the Debtor on January 24, 2025 was a notice of intention to enforce security (the “**BIA Notice**”) pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”). Copies of the Demand Letters and BIA Notice are attached as **Exhibit “H”** to this Affidavit.

13. As at January 16, 2025, and set out in the Demand Letters and the BIA Notice, \$1,412,660.67 plus USD 468,354.69 was owing by the Debtor to RBC for principal and interest in respect of the non-leasing Credit Facilities (together with accruing interest and costs and expenses, the “**Demanded Indebtedness**”), and a further \$322,743.37 was owing by the Debtor in respect of the leasing Credit Facilities (together with the Demanded Indebtedness, the “**Indebtedness**”).

14. Despite demand, the Demanded Indebtedness was not repaid.

15. Attached as **Exhibit “I”** to this Affidavit is an email chain between Harman and me that took place on February 7, 2025. In this email chain: (i) Harman asked me to process a payment of approximately \$33,000 through the Debtor’s bank account; (ii) I allowed the payment, and asked Harman *“Have you made any arrangements for alternative financing for your business? If not, you need to get your lawyer to connect with RBC’s lawyers ASAP;”* and (iii) Harman replied *“Yes our lawyers have already contacted RBC lawyers [sic].”*

16. I am advised by RBC’s co-counsel, Jeremy Nemers and Cristian Delfino, and verily believe, that no lawyer on behalf of the Debtor or any of the Guarantors had contacted them by February 7, 2025, and that such contact was not initiated until February 18, 2025.

17. Attached as **Exhibit “J”** to this Affidavit is an email chain between the law firm of JSM Law and RBC’s lawyers dated February 18 and 19, 2025. In this email chain: (i) JSM Law advises that *“our office is in the process of being retained by [the Debtor]”* and requests a call to discuss the Demand Letter and BIA Notice; (ii) RBC’s lawyers respond by expressing concern about the Debtor’s misstatements regarding legal representation and previously-initiated contact, but nonetheless agree to a telephone call, cautioning that *“the demands and section 244 notice have seasoned, and our instructions are to proceed with enforcement until and unless such time as the totality of all amounts owing to RBC have been indefeasibly repaid;”* and (iii) the lawyers schedule a call for February 19, 2025.

18. I am advised by RBC’s co-counsel, Jeremy Nemers, and verily believe, that the telephone call proceeded on February 19, 2025 and did not result in any resolution, and that RBC’s counsel has not received any further communication from JSM Law or anyone else purporting to act on behalf of the Debtor.

19. Attached collectively as **Exhibit “K”** to this affidavit are copies of the statement of claim commenced by RBC against the Guarantors on February 26, 2025 in respect of the Guarantee (the “**Guarantee Claim**”), together with affidavits of service on all three of the Guarantors. I am advised by RBC’s co-counsel, Cristian Delfino, and verily believe, that no defence or response to the Guarantee Claim has been received as of the time of swearing this Affidavit.

20. As at the time of the swearing of this Affidavit, neither the Demanded Indebtedness nor the Indebtedness has been paid.

21. At this stage, RBC has lost faith in the Debtor’s management, and considers the only reasonable and prudent path forward is to take any and all steps necessary to protect the Property by having a receiver appointed, and it is within RBC’s rights under the Security to do so.

APPOINTMENT OF A RECEIVER

22. In the circumstances set out above, I believe that it is just and equitable that a receiver be appointed. A receiver is necessary for the protection of the Property. RBC believes that the appointment of a receiver would enhance the prospect of recovery by RBC and protect all stakeholders.

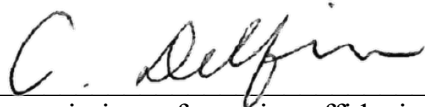
23. RBC proposes that Spergel be appointed as the receiver.

24. Spergel is a licensed insolvency trustee and is familiar with the circumstances of the Debtor and its arrangements with RBC.

25. Spergel has consented to act as receiver should the Court so appoint it, as set out in Spergel’s consent attached as **Exhibit “L”** to this Affidavit.

26. This Affidavit is made in support of the within application, and for no other or improper purpose whatsoever.

SWORN by Manoj Davé at)
 the City of Toronto, in the Province of)
 Ontario, before me on this 19th day of)
 March, 2025 in accordance with)
 O. Reg. 431/20, Administering Oath)
 or Declaration Remotely.)


 Commissioner for taking affidavits, etc.
 (Cristian Delfino, LSO # 87202N)


 MANOJ DAVÉ

This is Exhibit "A" referred to in the Affidavit of Manoj Davé sworn before me at
Toronto, Ontario, this 19th day of March, 2025

A handwritten signature in black ink, appearing to read "C. Delfino". The signature is fluid and cursive, with a large initial "C" and a long, sweeping tail.

Commissioner for Taking Affidavits

Ministry of Public and
Business Service Delivery

Profile Report

DC FREIGHT HAULERS INC. as of February 25, 2025

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	DC FREIGHT HAULERS INC.
Ontario Corporation Number (OCN)	2057671
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	November 01, 2004
Registered or Head Office Address	800 Arthur Parker Ave, Woodstock, Ontario, N4T 0G7, Canada

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Minimum Number of Directors 1
Maximum Number of Directors 10

Active Director(s)

Name GURJANT SINGH DHANDA
Address for Service 5859 Rainspring Road, Mississauga, Ontario, L5M 6R6,
Canada
Resident Canadian Yes
Date Began November 01, 2004

Name GURJANT DHANDA
Address for Service 5859 Rainspring Drive, Mississauga, Ontario, L5M 6R6,
Canada
Resident Canadian Yes
Date Began November 01, 2004

Name HARMAN KALRA
Address for Service 3 Abercrombie Crescent, Brampton, Ontario, L7A 4N2,
Canada
Resident Canadian Yes
Date Began December 11, 2018

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Officer(s)

Name	GURJANT SINGH DHANDA
Position	President
Address for Service	5859 Rainspring Drive, Mississauga, Ontario, L5M 6R6, Canada
Date Began	November 01, 2004
Name	GURJANT DHANDA
Position	Executive Director
Address for Service	5859 Rainspring Drive, Mississauga, Ontario, L5M 6R6, Canada
Date Began	November 01, 2004
Name	HARMAN KALRA
Position	President
Address for Service	3 Abercrombie Crescent, Brampton, Ontario, L7A 4N2, Canada
Date Began	December 11, 2018

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Corporate Name History**Name****Effective Date**

DC FREIGHT HAULERS INC.

January 26, 2018

Previous Name**Effective Date**

GURJANT DHANDA TRANSPORT INC.

November 01, 2004

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Active Business Names

This corporation does not have any active business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Expired or Cancelled Business Names

This corporation does not have any expired or cancelled business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

Document List

Filing Name	Effective Date
Archive Document Package	February 12, 2025
Annual Return - 2020 PAF: GURJANT SINGH DHANDA - DIRECTOR	March 07, 2021
CIA - Notice of Change PAF: HARMAN KALARA - DIRECTOR	November 17, 2020
Annual Return - 2019 PAF: GURJANT SINGH DHANDA - DIRECTOR	February 09, 2020
CIA - Notice of Change PAF: GURJANT DHANDA - DIRECTOR	February 09, 2019
Annual Return - 2018 PAF: GURJANT DHANDA - DIRECTOR	December 09, 2018
BCA - Articles of Amendment	January 26, 2018
Annual Return - 2017 PAF: GURJANT DHANDA - DIRECTOR	December 03, 2017
Annual Return - 2016 PAF: GURJANT DHANDA - DIRECTOR	December 18, 2016
Annual Return - 2015 PAF: GURJANT DHANDA - DIRECTOR	June 12, 2016
CIA - Notice of Change PAF: AMRIK S. DHANDA - DIRECTOR	January 26, 2012
Annual Return - 2008 PAF: AMRIK DHANDA - DIRECTOR	February 14, 2009
Annual Return - 2007 PAF: AMRIK DHANDA - DIRECTOR	June 07, 2008
CIA - Notice of Change	May 15, 2008

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

PAF: GURJANT SINGH DHANDA - DIRECTOR

Annual Return - 2006

May 26, 2007

PAF: AMRIK DHANDA - DIRECTOR

Annual Return - 2005

June 24, 2006

PAF: GURJANT SINGH DHANDA - DIRECTOR

CIA - Initial Return

December 13, 2004

PAF: GURJANT SINGH DHANDA - DIRECTOR

BCA - Articles of Incorporation

November 01, 2004

All "PAF" (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

This is Exhibit “B” referred to in the Affidavit of Manoj Davé sworn before me at
Toronto, Ontario, this 19th day of March, 2025

A handwritten signature in black ink, appearing to read "C. Delfino". The signature is written in a cursive, flowing style. Below the signature is a horizontal line.

Commissioner for Taking Affidavits

7499 Auburn Rd Milton, ON L9T 7V9 Canada

Open 24 Hours

+1-905-216-8282

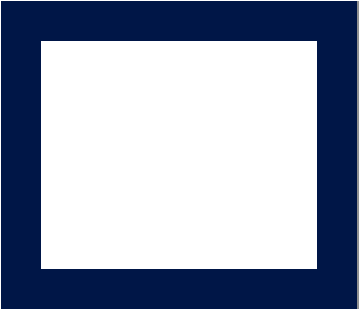
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DC FREIGHT

DC FREIGHT HAULERS INC.

We are a family-based trucking company with established footprint in Milton, Ontario. At DC Freight Haulers, our core values - Safety, Integrity and Accountability - reflect what is truly important to us as a company. We provide high-speed carrier services with LTL, FTL; with Single and Team Drivers and cross dock operations. Specializing in refrigerated and cross border transportation in a socially responsible and lawful manner.

[GET TO KNOW US MORE ?](#)



Learn About the CSA Prioritization Preview

FMCSA is proposing a new prioritization methodology to keep enforcement efforts focused on the carriers in most need of intervention. Learn more about these changes and how they will improve highway safety.

[Visit the CSA Prioritization Preview](#)

DC FREIGHT HAULERS
INC

U.S. DOT#: 3177394
Address: 7499 AUBURN RD
MILTON, ON L9T 7V9
Number of Vehicles: 38
Number of Drivers: 48
Number of Inspections: 39

Safety Rating & OOS
Rates

(As of 02/27/2025 updated daily
from [SAFER](#))

Not Rated

Out of Service Rates

Type	OOS %	National Avg %
Vehicle	9.1	21.4
Driver	7.7	6.0
Hazmat		4.5

Licensing and Insurance








(As of 02/27/2025 updated hourly
from [L&I](#))

Active For-Hire Authority		
Type	Yes/No MC#/MX#	
Property	Yes	MC-123450
Passenger	No	
Household Goods	No	
Broker	No	

BASIC Status (Public Property Carrier View) ?

Behavior Analysis & Safety Improvement Categories (BASICS)

[View CSA Prioritization Preview](#) →
Based on a 24-month record ending January 31, 2025

						
Unsafe Driving	Not Public Crash Indicator	Hours-of-Service Compliance	Vehicle Maintenance	Controlled Substances and Alcohol	Not Public Hazardous Materials Compliance	Driver Fitness

Select a BASIC icon above to get details, or view your [Complete SMS Profile](#).

Summary of Activities

The summary includes information on the 5 most recent investigations and 24 months of inspections and crash history.

Most Recent Investigation:
Total Inspections: 39

Carrier Registration

Subject to General Threshold

Enforcement Cases

(Six years as of 02/27/2025 updated monthly from [FMCSA](#))

No penalties found

Total Inspections without
Violations used in SMS: 10
Total Inspections with
Violations used in SMS: 29

Total Crashes* : 3


*Crashes listed represent a motor carrier's involvement in [reportable crashes](#), regardless of the carrier's or driver's role in the crash. [Continue for details](#).


USE OF SMS DATA/INFORMATION

FAST Act of 2015:

Readers should not draw conclusions about a carrier's overall safety condition simply based on the data displayed in this system. Unless a motor carrier has received an UNSATISFACTORY safety rating under part 385 of title 49, Code of Federal Regulations, or has otherwise been ordered to discontinue operations by the Federal Motor Carrier Safety Administration, it is authorized to operate on the Nation's roadways.

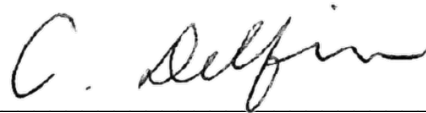
Safety Measurement System:

The data in the Safety Measurement System (SMS) is performance data used by the Agency and Enforcement Community. A  symbol, based on that data, indicates that FMCSA may prioritize a motor carrier for further monitoring.

The  symbol is not intended to imply any federal safety rating of the carrier pursuant to 49 USC 31144. Readers should not draw conclusions about a carrier's overall safety condition simply based on the data displayed in this system. Unless a motor carrier in the SMS has received an UNSATISFACTORY safety rating pursuant to 49 CFR Part 385, or has otherwise been ordered to discontinue operations by the FMCSA, it is authorized to operate on the nation's roadways.

Motor carrier safety ratings are available at <http://safer.fmcsa.dot.gov> and motor carrier licensing and insurance status are available at <http://li-public.fmcsa.dot.gov/>.

This is Exhibit "C" referred to in the Affidavit of Manoj Davé sworn before me at
Toronto, Ontario, this 19th day of March, 2025

A handwritten signature in cursive script, appearing to read "C. Delfino", written in black ink.

Commissioner for Taking Affidavits



Royal Bank of Canada
Commercial Financial Services
1233 The Queensway- Ground Flr
Etobicoke, ON M8Z 1S1

Private and Confidential

May 8, 2024

DC FREIGHT HAULERS INC.

22 Goderich Dr
Brampton, ON L7A 5A7

ROYAL BANK OF CANADA (the "Bank") hereby confirms the credit facilities described below (the "Credit Facilities") subject to the terms and conditions set forth below and in the attached Terms & Conditions and Schedules (collectively the "Agreement"). This Agreement amends and restates without novation the existing agreement dated February 9, 2023 and any amendments thereto. Any amount owing by the Borrower to the Bank under such previous agreement is deemed to be a Borrowing under this Agreement. Any and all security that has been delivered to the Bank and is set forth as Security below, shall remain in full force and effect, is expressly reserved by the Bank and, unless expressly indicated otherwise, shall apply in respect of all obligations of the Borrower under the Credit Facilities. Unless otherwise provided, all dollar amounts are in Canadian currency.

The Bank reserves all of its rights and remedies at any time and from time to time in connection with any or all breaches, defaults or Events of Default now existing or hereafter arising under this Agreement or any other agreement delivered to the Bank, and whether known or unknown, and this Agreement shall not be construed as a waiver of any such breach, default or Event of Default.

BORROWER: DC Freight Haulers Inc. (the "Borrower")

CREDIT FACILITIES

Facility #1: \$2,000.00 revolving demand facility by way of:

a) Overdrafts ("Overdrafts")

Overdrafts	Interest rate (per annum):	RBP + 0.00%
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AVAILABILITY

The Borrower may borrow, repay and reborrow up to the amount of this facility provided this facility is made available at the sole discretion of the Bank and the Bank may cancel or restrict the availability of any unutilized portion at any time and from time to time without notice.

REPAYMENT

Notwithstanding compliance with the covenants and all other terms and conditions of this Agreement, Borrowings under this facility are repayable on demand.

FACILITY #1 GENERAL ACCOUNT

The Borrower shall establish a current account with the Bank (the "Facility #1 General Account") for the conduct of the Borrower's day-to-day banking business.

Facility #2: \$2,000,000.00 revolving demand facility by way of:

a) RBP based loans ("RBP Loans")

Revolve in increments of:	\$5,000.00	Minimum retained balance:	\$0.00
Revolved by:	Bank	Interest rate (per annum):	RBP + 3.65%

b) RBUSBR based loans in US currency ("**RBUSBR Loans**")

Revolve in increments of:	\$5,000.00	Minimum retained balance:	\$0.00
Revolved by:	Bank	Interest rate (per annum):	RBUSBR + 3.65%

AVAILABILITY

The Borrower may borrow, convert, repay and reborrow up to the amount of this facility provided this facility is made available at the sole discretion of the Bank and the Bank may cancel or restrict the availability of any unutilized portion at any time and from time to time without notice.

Borrowings outstanding under this facility must not exceed at any time the aggregate of the following, less Potential Prior-Ranking Claims (the "**Borrowing Limit**"):

- a) 90% of Good Private Insured Accounts Receivable.

REPAYMENT

Notwithstanding compliance with the covenants and all other terms and conditions of this Agreement, Borrowings under this facility are repayable on demand.

FACILITY #2 GENERAL ACCOUNT

The Borrower shall establish current accounts with the Bank in each of Canadian currency and US currency (each "**Facility #2 General Account**") for the conduct of the Borrower's day-to-day banking business. The Borrower authorizes the Bank daily or otherwise as and when determined by the Bank, to ascertain the balance of each Facility #2 General Account and:

- if such position is a debit balance the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, make available a Borrowing by way of RBP Loans or RBUSBR Loans, as applicable, under this facility;
- if such position is a credit balance, where the facility is indicated to be Bank revolved, the Bank may, subject to the revolving increment amount and minimum retained balance specified in this Agreement, apply the amount of such credit balance or any part as a repayment of any Borrowings outstanding by way of RBP Loans or RBUSBR Loans, as applicable, under this facility;
- if such position is a credit balance, where this facility is indicated to be Borrower revolved, the Bank will apply repayments on such facility only if so advised and directed by the Borrower.

Facility #3: \$122,014.70 non-revolving lease facility by way of Leases. Leases will be governed by this Agreement and separate agreements between the Borrower and the Bank. In the event of a conflict between this Agreement and a separate agreement, the terms of the separate agreement will govern.

OTHER FACILITIES

The Credit Facilities are in addition to the following facilities (the "**Other Facilities**"). The Other Facilities will be governed by this Agreement and separate agreements between the Borrower and the Bank. In the event of a conflict between this Agreement and any such separate agreement, the terms of the separate agreement will govern.

- Credit Card to a maximum amount of \$10,000.00;
- Credit Card to a maximum amount of \$155,000.00 available in Canadian currency and US currency.

FEES**One Time Fee:**

Payable upon acceptance of this Agreement or as agreed upon between the Borrower and the Bank.

Monthly Fee:

Payable in arrears on the same day of each month.

Management Fee: \$400.00

Review Fee: \$2,250.00

SECURITY

Security for the Borrowings and all other obligations of the Borrower to the Bank, including, without limitation, any amounts outstanding under any Leases, if applicable, (collectively, the "**Security**"), shall include:

- Guarantee and postponement of claim on the Bank's form 812 in the amount of \$1,650,000.00 signed by Harman Kalra, and Gurjant Dhanda;

- b) Guarantee and postponement of claim on the Bank's form 812 in the amount of \$2,300,000.00 signed by Abbass Chaudhry, Harman Kalra, and Gurjant Dhandra;
- c) General security agreement on the Bank's form 924 signed by the Borrower constituting a first ranking security interest in all personal property of the Borrower;
- d) Postponement and assignment of claim on the Bank's form 918 signed by Gurjant Dhandra;
- e) Postponement and assignment of claim on the Bank's form 918 signed by Harman Kalra.

Upon receipt of the security described in paragraph b) above, in form and substance satisfactory to the Bank, together with such legal opinions and any other supporting documentation as the Bank may reasonably require, to the full satisfaction of the Bank, such security will replace the security described in paragraph a) above.

REPORTING REQUIREMENTS

The Borrower will provide the following to the Bank:

- a) monthly Borrowing Limit Certificate, substantially in the form of Schedule "F" signed on behalf of the Borrower by any one of the Chief Executive Officer, the President, the Vice-President Finance, the Treasurer, the Comptroller, the Chief Accountant or any other employee of the Borrower holding equivalent office, within 30 days of each month end;
- b) monthly aged list of accounts receivable, and aged list of accounts payable, for the Borrower, within 30 days of each month end;
- c) annual review engagement financial statements for the Borrower, within 90 days of each fiscal year end;
- d) annual detailed equipment listing including all financing details for the Borrower, within 90 days of every fiscal year end of the Borrower;
- e) annual accountant prepared unfunded capital expenditure financial statements for the Borrower, within 90 days of every fiscal year end of the Borrower;
- f) annual personal statement of affairs for all Guarantors, who are individuals, within 90 days of every fiscal year end of the Borrower; continuing from the previous reporting period;
- g) such other financial and operating statements and reports as and when the Bank may reasonably require.

CONDITIONS PRECEDENT

In no event will the Credit Facilities or any part thereof be available unless the Bank has received:

- a) a duly executed copy of this Agreement;
- b) the Security provided for herein, registered, as required, to the satisfaction of the Bank;
- c) such financial and other information or documents relating to the Borrower or any Guarantor if applicable as the Bank may reasonably require; and
- d) such other authorizations, approvals, opinions and documentation as the Bank may reasonably require.

Additionally:

- e) all documentation to be received by the Bank shall be in form and substance satisfactory to the Bank;
- f) no Lease will be made available to the Borrower unless it meets the leasing criteria established by the Bank and the Bank has received such documentation in respect thereof as may be required by the Bank.

BUSINESS LOAN INSURANCE PLAN

The Borrower hereby acknowledges that the Bank has offered it group creditor insurance coverage on the Borrowings under the Business Loan Insurance Plan and the Borrower hereby acknowledges that it is the Borrower's responsibility to apply for any new or increased insurance amount for the Borrowings that may be eligible.

If the Borrower decides to apply for insurance on the Borrowings, the application will be made via the Bank's Business Loan Insurance Plan application (form 3460 ENG or 53460 FRE). If the Borrower has existing uninsured Borrowings and decides not to apply for Business Loan Insurance Plan coverage on any new Borrowings, it hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for Business Loan Insurance Plan coverage on all such Borrowings, and that all such Borrowings are not insured under the Policy as at the date of acceptance of this Agreement.

If the Borrower has Business Loan Insurance Plan coverage on previously approved Borrowings, such coverage will be applied automatically to all new Borrowings eligible for Business Loan Insurance Plan coverage that share the same loan account number, up to the approved amount of Business Loan Insurance Plan coverage. This Agreement cannot be used to waive coverage on new Borrowings eligible for Business Loan Insurance Plan coverage if Business Loan Insurance Plan coverage is in effect on the Borrower's existing Borrowings. If the Borrower does not want Business Loan Insurance Plan coverage to apply to any new Borrowings, a different loan account number will need to be set up and all uninsured loans attached to it.

If the Borrower has existing Borrowings to which Business Loan Insurance Plan coverage applies, and any new Borrowings would exceed the approved amount of Business Loan Insurance Plan coverage already in place, the Borrower must apply for additional Business Loan Insurance Plan coverage (if eligible) in order for Business Loan Insurance Plan coverage to apply to any new Borrowings. If the Borrower decides not to apply for additional Business Loan Insurance Plan coverage in respect of any new Borrowings (if eligible), the Borrower hereby acknowledges that the Bank may accept the Borrower's signature below as the Borrower's waiver of the Bank's offer to apply for additional Business Loan Insurance Plan coverage on such new Borrowings and that such new Borrowings are not insured under the Policy as at the date the Borrower executes this Agreement.

If there are any discrepancies between the insurance information in this Agreement and the Business Loan Insurance Plan documents regarding the Borrowings, the Business Loan Insurance Plan documents govern.

Business Loan Insurance Plan premiums (plus applicable taxes) will be taken as a separate payment, directly from the bank account associated with the loan, at the same frequency and schedule as your regular loan payments, where applicable. As premiums are based on the outstanding loan balance and the insured person's age at the time the premiums are due, the cost of Business Loan Insurance Plan coverage may increase during the term of the loan. The premium calculation is set out in the Business Loan Insurance Plan terms and conditions provided to the Borrower at the time the application for Business Loan Insurance Plan coverage was completed. Refer to the terms and conditions (form 3460 ENG or 53460 FRE) for further explanation and disclosure.

GOVERNING LAW JURISDICTION

Province of Ontario.

ACCEPTANCE

This Agreement is open for acceptance until June 7, 2024, after which date it will be null and void, unless extended by the Bank in its sole discretion.

ROYAL BANK OF CANADA



Per: _____
Title: Vice President

RBC Contact: Gaurav G. Sapra

/aak

We acknowledge and accept the terms and conditions of this Agreement on this 11 day of MAY, 2024.

DC FREIGHT HAULERS INC.

Per: [Signature]
Name: HARMAN KALRA
Title: DIRECTOR
Per: [Signature]
Name: GURJANT SINGH
Title: DIRECTOR

I/We have authority to bind the Borrower.

/attachments:

Terms and Conditions

Schedules:

- Definitions
- Calculation and Payment of Interest and Fees
- Borrowing Limit Certificate
- RBC Covarity Dashboard Terms and Conditions

TERMS AND CONDITIONS

The Bank is requested by the Borrower to make the Credit Facilities available to the Borrower in the manner and at the rates and times specified in this Agreement. Terms defined elsewhere in this Agreement and not otherwise defined in the Terms and Conditions below or the Schedules attached hereto have the meaning given to such terms as so defined. In consideration of the Bank making the Credit Facilities available, the Borrower agrees, and if the Borrower is comprised of more than one Person, such Persons jointly and severally agree, or in Quebec solidarily agree, with the Bank as follows:

REPAYMENT

Amounts outstanding under the Credit Facilities, together with interest, shall become due in the manner and at the rates and times specified in this Agreement and shall be paid in the currency of the Borrowing. Unless the Bank otherwise agrees, any payment hereunder must be made in money which is legal tender at the time of payment. In the case of a demand facility of any kind, the Borrower shall repay all principal sums outstanding under such facility upon demand. Where any Borrowings are repayable by scheduled blended payments, such payments shall be applied, firstly, to interest due, and the balance, if any, shall be applied to principal outstanding. If any such payment is insufficient to pay all interest then due, the unpaid balance of such interest will be added to such Borrowing, will bear interest at the same rate, and will be payable on demand or on the date specified herein, as the case may be. Borrowings repayable by way of scheduled payments of principal and interest shall be so repaid with any balance of such Borrowings being due and payable as and when specified in this Agreement. The Borrower shall ensure that the maturities of instruments or contracts selected by the Borrower when making Borrowings will be such so as to enable the Borrower to meet its repayment obligations. For any Borrowings that are repayable by scheduled payments, if the scheduled payment date is changed then the Maturity Date of the applicable Borrowings shall automatically be amended accordingly.

In the case of any reducing term loan and/or reducing term facility ("**Reducing Term Loan/Facility**"), provided that nothing contained in this paragraph shall confer any right of renewal or extension upon the Borrower, the Borrower and the Bank agree that, at the Bank's option, the Bank may provide a letter ("**Renewal Letter**") to the Borrower setting out the terms upon which the Bank is prepared to extend the Reducing Term Loan/Facility. In the event that the Bank provides a Renewal Letter to the Borrower and the Reducing Term Loan/Facility is not repaid on or before the Maturity Date of the applicable Reducing Term Loan/Facility, then at the Bank's option the Reducing Term Loan/Facility shall be automatically renewed on the terms set out in the Renewal Letter and the terms of this Agreement shall be amended accordingly.

PREPAYMENT

Where Borrowings are by way of RBP Loans or RBUSBR Loans, the Borrower may prepay such Borrowings in whole or in part without fee or premium.

The prepayment of any Borrowings under a term facility and/or any term loan will be made in the reverse order of maturity.

EVIDENCE OF INDEBTEDNESS

The Bank shall maintain accounts and records (the "**Accounts**") evidencing the Borrowings made available to the Borrower by the Bank under this Agreement. The Bank shall record the principal amount of such Borrowings, the payment of principal and interest on account of the Borrowings, and all other amounts becoming due to the Bank under this Agreement. The Accounts constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Bank pursuant to this Agreement. The Borrower authorizes and directs the Bank to automatically debit, by mechanical, electronic or manual means, any bank account of the Borrower for all amounts payable under this Agreement, including, but not limited to, the repayment of principal and the payment of interest, fees and all charges for the keeping of such bank accounts.

GENERAL COVENANTS

Without affecting or limiting the right of the Bank to terminate or demand payment of, or cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, the Borrower covenants and agrees with the Bank that the Borrower:

- a) will pay all sums of money when due under the terms of this Agreement;
- b) will immediately advise the Bank of any event which constitutes or which, with notice, lapse of time or both, would constitute a breach of any covenant or other term or condition of this Agreement or any Security or an Event of Default;
- c) will file all material tax returns which are or will be required to be filed by it, pay or make provision for payment of all material taxes (including interest and penalties) and Potential Prior-Ranking Claims, which are or will become due and payable and provide adequate reserves for the payment of any tax, the payment of which is being contested;
- d) will give the Bank 30 days prior notice in writing of any intended change in its ownership structure or composition and will not make or facilitate any such changes without the prior written consent of the Bank;
- e) will comply with all Applicable Laws, including, without limitation, all Environmental and Health and Safety Laws;

- f) will immediately advise the Bank of any action requests or violation notices received concerning the Borrower and hold the Bank harmless from and against any losses, costs or expenses which the Bank may suffer or incur for any environment related liabilities existent now or in the future with respect to the Borrower;
- g) will deliver to the Bank such financial and other information as the Bank may reasonably request from time to time, including, but not limited to, the reports and other information set out under Reporting Requirements;
- h) will immediately advise the Bank of any unfavorable change in its financial position which may adversely affect its ability to pay or perform its obligations in accordance with the terms of this Agreement;
- i) will keep its assets fully insured against such perils and in such manner as would be customarily insured by Persons carrying on a similar business or owning similar assets and, in addition, for any buildings located in areas prone to flood and/or earthquake, will insure and keep fully insured such buildings against such perils;
- j) except for Permitted Encumbrances, will not, without the prior written consent of the Bank, grant, create, assume or suffer to exist any mortgage, charge, lien, pledge, security interest or other encumbrance affecting any of its properties, assets or other rights;
- k) will not, without the prior written consent of the Bank, sell, transfer, convey, lease or otherwise dispose of any of its properties or assets other than in the ordinary course of business and on commercially reasonable terms;
- l) will not, without the prior written consent of the Bank, guarantee or otherwise provide for, on a direct, indirect or contingent basis, the payment of any monies or performance of any obligations by any other Person, except as may be provided for herein;
- m) will not, without the prior written consent of the Bank, merge, amalgamate, or otherwise enter into any other form of combination with any other Person;
- n) will permit the Bank or its representatives, from time to time, i) to visit and inspect the Borrower's premises, properties and assets and examine and obtain copies of the Borrower's records or other information, ii) to collect information from any entity regarding any Potential Prior-Ranking Claims and iii) to discuss the Borrower's affairs with the auditors, counsel and other professional advisers of the Borrower. The Borrower hereby authorizes and directs any such third party to provide to the Bank or its representatives all such information, records or documentation requested by the Bank; and
- o) will not use the proceeds of any Credit Facility for the benefit or on behalf of any Person other than the Borrower.

FEES, COSTS AND EXPENSES

The Borrower agrees to pay the Bank all fees stipulated in this Agreement and all fees charged by the Bank relating to the documentation or registration of this Agreement and the Security. In addition, the Borrower agrees to pay all fees (including legal fees), costs and expenses incurred by the Bank in connection with the preparation, negotiation, documentation and registration of this Agreement and any Security and the administration, operation, termination, enforcement or protection of its rights in connection with this Agreement and the Security. The Borrower shall indemnify and hold the Bank harmless against any loss, cost or expense incurred by the Bank if any facility under the Credit Facilities is repaid or prepaid other than on its Maturity Date. The determination by the Bank of such loss, cost or expense shall be conclusive and binding for all purposes and shall include, without limitation, any loss incurred by the Bank in liquidating or redeploying deposits acquired to make or maintain any facility.

GENERAL INDEMNITY

The Borrower hereby agrees to indemnify and hold the Bank and its directors, officers, employees and agents harmless from and against any and all claims, suits, actions, demands, debts, damages, costs, losses, obligations, judgements, charges, expenses and liabilities of any nature which are suffered, incurred or sustained by, imposed on or asserted against any such Person as a result of, in connection with or arising out of i) any breach of any term or condition of this Agreement or any Security or any other agreement delivered to the Bank by the Borrower or any Guarantor if applicable, or any Event of Default, ii) the Bank acting upon instructions given or agreements made by electronic transmission of any type, iii) the presence of Contaminants at, on or under or the discharge or likely discharge of Contaminants from, any properties now or previously used by the Borrower or any Guarantor and iv) the breach of or non compliance with any Applicable Law by the Borrower or any Guarantor.

AMENDMENTS AND WAIVERS

Save and except for any waiver or extension of the deadline for acceptance of this Agreement at the Bank's sole discretion, which may be communicated in writing, verbally, or by conduct, no amendment or waiver of any provision of this Agreement will be effective unless it is in writing, signed by the Borrower and the Bank. No failure or delay, on the part of the Bank, in exercising any right or power hereunder or under any Security or any other agreement delivered to the Bank shall operate as a waiver thereof. Each Guarantor, if applicable, agrees that the amendment or waiver of any provision of this Agreement (other than agreements, covenants or representations expressly made by any Guarantor herein, if any) may be made without and does not require the consent or agreement of, or notice to, any Guarantor. Any amendments requested by the Borrower will require review and agreement by the Bank and its counsel. Costs related to this review will be for the Borrower's account.

SUCCESSORS AND ASSIGNS

This Agreement shall extend to and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. The Borrower shall not be entitled to assign or transfer any rights or obligations hereunder, without the consent in writing of the Bank. The Bank may assign or transfer all or any part of its rights and obligations under this Agreement to any Person. The Bank may disclose to potential or actual assignees or transferees confidential information regarding the Borrower and any Guarantor if applicable, (including, any such information provided by the Borrower, and any Guarantor if applicable, to the Bank) and shall not be liable for any such disclosure.

GAAP

Unless otherwise provided, all accounting terms used in this Agreement shall be interpreted in accordance with Canadian Generally Accepted Accounting Principles, as appropriate, for publicly accountable enterprises, private enterprises, not-for-profit organizations, pension plans and in accordance, as appropriate, with Public Sector Accounting Standards for government organizations in effect from time to time, applied on a consistent basis from period to period. All financial statements and/or reports shall be prepared using one of the above bases of presentation, as appropriate, including, without limitation, the application of accrual accounting. Except for the transition of accounting standards in Canada, any change in accounting principles or the application of accounting principles is only permitted with the prior written consent of the Bank.

SEVERABILITY

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement and such invalid provision shall be deemed to be severable.

GOVERNING LAW

This Agreement shall be construed in accordance with and governed by the laws of the Province identified in the Governing Law Jurisdiction section of this Agreement and the laws of Canada applicable therein. The Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of such Province and acknowledges the competence of such courts and irrevocably agrees to be bound by a judgment of any such court.

DEFAULT BY LAPSE OF TIME

The mere lapse of time fixed for performing an obligation shall have the effect of putting the Borrower, or a Guarantor if applicable, in default thereof.

SET-OFF

The Bank is authorized (but not obligated), at any time and without notice, to apply any credit balance (whether or not then due) in any account in the name of the Borrower, or to which the Borrower is beneficially entitled (in any currency) at any branch or agency of the Bank in or towards satisfaction of the indebtedness of the Borrower due to the Bank under the Credit Facilities and the other obligations of the Borrower under this Agreement. For that purpose, the Bank is irrevocably authorized to use all or any part of any such credit balance to buy such other currencies as may be necessary to effect such application.

NOTICES

Any notice or demand to be given by the Bank shall be given in writing by way of a letter addressed to the Borrower. If the letter is sent by telecopier, it shall be deemed received on the date of transmission, provided such transmission is sent prior to 5:00 p.m. on a day on which the Borrower's business is open for normal business, and otherwise on the next such day. If the letter is sent by ordinary mail to the address of the Borrower, it shall be deemed received on the date falling five (5) days following the date of the letter, unless the letter is hand-delivered to the Borrower, in which case the letter shall be deemed to be received on the date of delivery. The Borrower must advise the Bank at once about any changes in the Borrower's address.

CONSENT OF DISCLOSURE

The Borrower hereby grants permission to any Person having information in such Person's possession relating to any Potential Prior-Ranking Claim, to release such information to the Bank (upon its written request), solely for the purpose of assisting the Bank to evaluate the financial condition of the Borrower.

NON-MERGER

The provisions of this Agreement shall not merge with any Security provided to the Bank, but shall continue in full force for the benefit of the parties hereto.

JOINT AND SEVERAL

Where more than one Person is liable as Borrower or Guarantor if applicable for any obligation under this Agreement, then the liability of each such Person for such obligation is joint and several (in Quebec, solidarily) with each other such Person.

COUNTERPART EXECUTION

This Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together constitute one and the same instrument.

ELECTRONIC MAIL AND FAX TRANSMISSION

The Bank is entitled to rely on any agreement, document or instrument provided to the Bank by the Borrower or any Guarantor as applicable, by way of electronic mail or fax transmission as though it were an original document. The Bank is further entitled to assume that any communication from the Borrower received by electronic mail or fax transmission is a reliable communication from the Borrower.

ELECTRONIC IMAGING

The parties hereto agree that, at any time, the Bank may convert paper records of this Agreement and all other documentation delivered to the Bank (each, a "**Paper Record**") into electronic images (each, an "**Electronic Image**") as part of the Bank's normal business practices. The parties agree that each such Electronic Image shall be considered as an authoritative copy of the Paper Record and shall be legally binding on the parties and admissible in any legal, administrative or other proceeding as conclusive evidence of the contents of such document in the same manner as the original Paper Record.

REPRESENTATIONS AND WARRANTIES

The Borrower represents and warrants to the Bank that:

- a) if applicable, it is duly constituted, validly existing and duly registered or qualified to carry on business or its operations in all jurisdictions where the nature of its properties, assets, business or operations make such registration or qualification necessary or desirable;
- b) the execution, delivery and performance by it of this Agreement do not violate any Applicable Laws or agreements to which it is subject or by which it is bound, and where applicable, have been duly authorized by all necessary actions and do not violate its constating documents;
- c) no event has occurred which constitutes, or which, with notice, lapse of time, or both, would constitute, a breach of any covenant or other term or condition of this Agreement or any Security or any other agreement delivered to the Bank or an Event of Default;
- d) there is no claim, action, prosecution or other proceeding of any kind pending or threatened against it or any of its assets or properties before any court or administrative agency which relates to any non-compliance with any Environmental and Health and Safety Laws which, if adversely determined, might have a material adverse effect upon its financial condition or operations or its ability to perform its obligations under this Agreement or any Security, and there are no circumstances of which it is aware which might give rise to any such proceeding which it has not fully disclosed to the Bank; and
- e) it has good and marketable title to all of its properties and assets, free and clear of any encumbrances, other than as may be provided for herein.

Representations and warranties are deemed to be repeated as at the time of each Borrowing and/or the entering into each Lease, if applicable, hereunder.

LANGUAGE

The parties hereto have expressly requested that this Agreement and all related documents, including notices, be drawn up in the English language. Les parties ont expressément demandé que la présente convention et tous les documents y afférents, y compris les avis, soient rédigés en langue anglaise.

WHOLE AGREEMENT

This Agreement and any documents or instruments referred to in, or delivered pursuant to, or in connection with, this Agreement constitute the whole and entire agreement between the Borrower and the Bank with respect to the Credit Facilities.

EXCHANGE RATE FLUCTUATIONS

If, for any reason, the amount of Borrowings and/or Leases, if applicable, outstanding under any facility in a currency other than Canadian currency, when converted to the Equivalent Amount in Canadian currency, exceeds the amount available under such facility, the Borrower shall immediately repay such excess or shall secure such excess to the satisfaction of the Bank.

JUDGEMENT CURRENCY

If for the purpose of obtaining judgement in any court in any jurisdiction with respect to this Agreement, it is necessary to convert into the currency of such jurisdiction (the "**Judgement Currency**") any amount due hereunder in any currency other than the Judgement Currency, then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgement is given. For this purpose, "rate of exchange" means the rate at which the Bank would, on the relevant date, be prepared to sell a similar amount of such currency in the Toronto foreign exchange market, against the Judgement Currency, in accordance with normal banking procedures.

In the event that there is a change in the rate of exchange prevailing between the Business Day before the day on which judgement is given and the date of payment of the amount due, the Borrower will, on the date of payment, pay such additional amounts as may be necessary to ensure that the amount paid on such date is the amount in the Judgement Currency which, when converted at the rate of exchange prevailing on the date of payment, is the amount then due under this Agreement in such other currency together with interest at RBP and expenses (including legal fees on a solicitor and client basis). Any additional amount due from the Borrower under this section will be due as a separate debt and shall not be affected by judgement being obtained for any other sums due under or in respect of this Agreement.

EVENTS OF DEFAULT

Without affecting or limiting the right of the Bank to terminate or demand payment of, or to cancel or restrict availability of any unutilized portion of, any demand or other discretionary facility, each of the following shall constitute an "**Event of Default**" which shall entitle the Bank, in its sole discretion, to cancel any Credit Facilities, demand immediate repayment in full of any amounts outstanding under any term facility, together with outstanding accrued interest and any other indebtedness under or with respect to any term facility, and to realize on all or any portion of any Security:

- a) failure of the Borrower to pay any principal, interest or other amount when due pursuant to this Agreement;
- b) failure of the Borrower, or any Guarantor if applicable, to observe any covenant, term or condition contained in this Agreement, the Security, or any other agreement delivered to the Bank or in any documentation relating hereto or thereto;
- c) the Borrower, or any Guarantor if applicable, is unable to pay its debts as such debts become due, or is, or is adjudged or declared to be, or admits to being, bankrupt or insolvent;
- d) if any proceeding is taken to effect a compromise or arrangement with the creditors of the Borrower, or any Guarantor if applicable, or to have the Borrower, or any Guarantor if applicable, declared bankrupt or wound up, or to have a receiver appointed for any part of the assets or operations of the Borrower, or any Guarantor if applicable, or if any encumbrancer takes possession of any part thereof;
- e) if in the opinion of the Bank there is a material adverse change in the financial condition, ownership or operation of the Borrower, or any Guarantor if applicable;
- f) if any representation or warranty made by the Borrower, or any Guarantor if applicable, under this Agreement or in any other document relating hereto or under any Security shall be false in any material respect; or
- g) if the Borrower, or any Guarantor if applicable, defaults in the payment of any other indebtedness, whether owing to the Bank or to any other Person, or defaults in the performance or observance of any agreement in respect of such indebtedness where, as a result of such default, the maturity of such indebtedness is or may be accelerated.

Should the Bank demand immediate repayment in full of any amounts outstanding under any term facility due to an Event of Default, the Borrower shall immediately repay all principal sums outstanding under such facility and all other obligations in connection with any such term facility.

INCREASED COSTS

If any change in Applicable Laws or the interpretation thereof after the date hereof (i) imposes or increases taxes on payments due to the Bank hereunder (other than taxes on the overall net income of the Bank), (ii) imposes or increases any reserve or other similar requirement or (iii) imposes or changes any other condition affecting the Credit Facilities, and the result of any of the foregoing results in any additional cost to the Bank of making available, continuing or maintaining any of the Credit Facilities hereunder (or maintaining any obligations to make any such Credit Facilities available hereunder) or results in any reduction in the amount of any sum received or receivable by the Bank in connection with this Agreement or the Credit Facilities made available hereunder, then from time to time, upon written request of the Bank, the Borrower shall promptly pay to the Bank, such additional amount or amounts as will compensate the Bank for any such additional costs incurred or reduction suffered.

CONFIDENTIALITY

This Agreement and all of its terms are confidential ("**Confidential Information**"). The Borrower shall keep the Confidential Information confidential and will not disclose the Confidential Information, or any part thereof, to any Person other than the Borrower's directors, officers, employees, agents, advisors, contractors, consultants and other representatives of the Borrower who need to know the Confidential Information for the purpose of this Agreement, who shall be informed of the

confidential nature of the Confidential Information and who agree or are otherwise bound to treat the Confidential Information consistent with the terms of this Agreement. Without limiting the generality of the foregoing, the Borrower shall not issue any press release or make any other public announcement or filing with respect to the Confidential Information without the Bank's prior written consent.

Schedule "A"

DEFINITIONS

For the purpose of this Agreement, if applicable, the following terms and phrases shall have the following meanings:

"Applicable Laws" means, with respect to any Person, property, transaction or event, all present or future applicable laws, statutes, regulations, rules, policies, guidelines, rulings, interpretations, directives (whether or not having the force of law), orders, codes, treaties, conventions, judgements, awards, determinations and decrees of any governmental, quasi-governmental, regulatory, fiscal or monetary body or agency or court of competent jurisdiction in any applicable jurisdiction;

"Borrowing" means each use of a Credit Facility, excluding Leases, and all such usages outstanding at any time are **"Borrowings"**;

"Business Day" means a day, excluding Saturday, Sunday and any other day which shall be a legal holiday or a day on which banking institutions are closed throughout Canada;

"Business Loan Insurance Plan" means the optional group creditor insurance coverage, underwritten by RBC Life Insurance Company, and offered in connection with eligible loan products offered by the Bank;

"Contaminant" includes, without limitation, any pollutant, dangerous substance, liquid waste, industrial waste, hazardous material, hazardous substance or contaminant including any of the foregoing as defined in any Environmental and Health and Safety Law;

"Environmental Activity" means any activity, event or circumstance in respect of a Contaminant, including, without limitation, its storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation, or its Release into the natural environment, including movement through or in the air, soil, surface water or groundwater;

"Environmental and Health and Safety Laws" means all Applicable Laws relating to the environment or occupational health and safety, or any Environmental Activity;

"Equivalent Amount" means, with respect to an amount of any currency, the amount of any other currency required to purchase that amount of the first mentioned currency through the Bank in Toronto, in accordance with normal banking procedures;

"Good Private Insured Accounts Receivable" means Private Insured Accounts Receivable, excluding (i) the entire amount of accounts, any portion of which is outstanding more than 90 days after billing date, provided that the under 90 day portion may be included where the over 90 day portion is less than 10% of the amount of accounts, or where the Bank has designated such portion as nevertheless good, (ii) all amounts due from any affiliate, (iii) bad or doubtful accounts, (iv) accounts subject to any security interest or other encumbrance ranking or capable of ranking in priority to the Bank's security, (v) the amount of all holdbacks, contra accounts or rights of set-off on the part of any account debtor, or (vi) any accounts which the Bank has previously advised to be ineligible;

"Guarantor" means any Person who has guaranteed the obligations of the Borrower under this Agreement;

"Lease" means an advance of credit by the Bank to the Borrower by way of a Master Lease Agreement, Master Leasing Agreement, Leasing Schedule, Equipment Lease, Conditional Sales Contract, or pursuant to an Interim Funding Agreement or an Agency Agreement, in each case issued to the Borrower;

"Maturity Date" means the date on which a facility is due and payable in full;

"Overdrafts" means advances of credit by way of debit balances in the Borrower's current account;

"Permitted Encumbrances" means, in respect of the Borrower:

- a) liens arising by operation of law for amounts not yet due or delinquent, minor encumbrances on real property such as easements and rights of way which do not materially detract from the value of such property, and security given to municipalities and similar public authorities when required by such authorities in connection with the operations of the Borrower in the ordinary course of business; and

b) Security granted in favour of the Bank;

"Person" includes an individual, a partnership, a joint venture, a trust, an unincorporated organization, a company, a corporation, an association, a government or any department or agency thereof, and any other incorporated or unincorporated entity;

"Policy" means the Business Loan Insurance Plan policy 52000 and 53000, issued by RBC Life Insurance Company to the Bank;

"Potential Prior-Ranking Claims" means all amounts owing or required to be paid, where the failure to pay any such amount could give rise to a claim pursuant to any law, statute, regulation or otherwise, which ranks or is capable of ranking in priority to the Security or otherwise in priority to any claim by the Bank for repayment of any amounts owing under this Agreement;

"Private Insured Accounts Receivable" means trade accounts receivable of the Borrower, where the payment has been insured by an insurer acceptable to the Bank, on terms and conditions satisfactory to the Bank, and the Bank has been named as loss payee by way of a duly executed assignment of or a rider/endorsement to the applicable insurance policy from such other insurer, supported by a copy of the applicable insurance policy and any renewals thereof;

"RBP" and **"Royal Bank Prime"** each means the annual rate of interest announced by the Bank from time to time as being a reference rate then in effect for determining interest rates on commercial loans made in Canadian currency in Canada;

"RBUSBR" and **"Royal Bank US Base Rate"** each means the annual rate of interest announced by the Bank from time to time as a reference rate then in effect for determining interest rates on commercial loans made in US currency in Canada;

"Release" includes discharge, spray, inject, inoculate, abandon, deposit, spill, leak, seep, pour, emit, empty, throw, dump, place and exhaust, and when used as a noun has a similar meaning;

"US" means United States of America.

Schedule "B"**CALCULATION AND PAYMENT OF INTEREST AND FEES****LIMIT ON INTEREST**

The Borrower shall not be obligated to pay any interest, fees or costs under or in connection with this Agreement in excess of what is permitted by Applicable Law. In no event shall the effective interest rate payable by the Borrower under any facility be less than zero.

OVERDUE PAYMENTS

Any amount that is not paid when due hereunder shall, unless interest is otherwise payable in respect thereof in accordance with the terms of this Agreement or the instrument or contract governing same, bear interest until paid at the rate of RBP plus 5% per annum or the highest premium indicated for any of the Borrower's facilities when in excess of 5%, or, in the case of an amount in US currency if applicable, RBUSBR plus 5% per annum or the highest premium indicated for any of the Borrower's facilities when in excess of 5%. Such interest on overdue amounts shall be computed daily, compounded monthly and shall be payable both before and after any or all of default, maturity date, demand and judgement.

EQUIVALENT YEARLY RATES

The annual rates of interest or fees to which the rates calculated in accordance with this Agreement are equivalent, are the rates so calculated multiplied by the actual number of days in the calendar year in which such calculation is made and divided by 365, or in the case of Daily SOFR Loans or Term SOFR Loans, if applicable, divided by 360.

TIME AND PLACE OF PAYMENT

Amounts payable by the Borrower hereunder shall be paid at such place as the Bank may advise from time to time in the applicable currency. Amounts due on a day other than a Business Day shall be deemed to be due on the Business Day next following such day. Interest and fees payable under this Agreement are payable both before and after any or all of default, maturity date, demand and judgement.

RBP LOANS AND RBUSBR LOANS

The Borrower shall pay interest on each RBP Loan and RBUSBR Loan, monthly in arrears, on the 26th day of each month or such other day as may be agreed to between the Borrower and the Bank. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days and shall be paid in the currency of the applicable Borrowing.

OVERDRAFTS

The Borrower shall pay interest on Overdrafts, monthly in arrears, on the 17th day of each month. Such interest will be calculated monthly and will accrue daily on the basis of the actual number of days elapsed and a year of 365 days and shall be paid in the currency of the applicable Borrowing.

Schedule "F"

BORROWING LIMIT CERTIFICATE

I, _____, representing the Borrower hereby certify as of _____:
(Insert last day of month/fiscal quarter/fiscal year as applicable)

1. I am familiar with and have examined the provisions of the Agreement dated May 8, 2024 and any amendments thereto, between DC Freight Haulers Inc., as Borrower, and Royal Bank of Canada, as the Bank and have made reasonable investigations of corporate records and inquiries of other officers and senior personnel of the Borrower. Terms defined in the Agreement have the same meanings where used in this certificate.

2. The Borrowing Limit is \$_____, calculated as follows:

Total Private Insured Accounts Receivable		\$_____
Less: a) Accounts, any portion of which exceeds 90 days	\$_____	
b) Accounts due from affiliates	\$_____	
c) "Under 90 days" accounts where collection is suspect	\$_____	
d) Accounts subject to prior encumbrances	\$_____	
e) Holdbacks, contra-accounts, or rights of set-off	\$_____	
f) Other ineligible accounts	\$_____	
Plus: g) Under 90 day portion of accounts included in a) above, where the over 90 day portion is less than 10% of the amount of accounts, or which the Bank has designated as nevertheless good	\$_____	
Good Private Insured Accounts Receivable	A	\$_____
Marginable Good Private Insured Accounts Receivable at 90% of A	B	\$_____

Less Potential Prior-Ranking Claims while not limited to these include:

a) Sales tax, Excise & GST	\$_____	
b) Employee source deductions such as E.I., CPP, Income Tax	\$_____	
c) Workers Compensation Board	\$_____	
d) Wages, Commissions, Vacation Pay	\$_____	
e) Unpaid Pension Plan Contributions	\$_____	
f) Overdue Rent, Property & Business Tax and potential claims from third parties such as subcontractors	\$_____	
g) Other	\$_____	
Total Potential Prior-Ranking Claims	E	\$_____

Borrowing Limit (B -E) \$_____

Less: Facility #2 Borrowings \$_____
Margin Surplus (Deficit) \$_____

3. The reports (if required as per the Reporting Requirements section of the Agreement) and information provided herewith are accurate and complete in all respects and all amounts certified as Potential Prior-Ranking Claims are current amounts owing and not in arrears.

Dated this _____ day of _____, 20____.

Per: _____

Name: _____

Title: _____

Schedule "H"

RBC COVARIETY DASHBOARD TERMS AND CONDITIONS

If the Borrower elects to fulfill the reporting requirements relating to the submission of financial information set out in this Agreement by accessing a secure web based portal ("**RBC Covarity Dashboard**") via the Internet and using RBC Covarity Dashboard to electronically upload the Borrower's financial information and to complete online and electronically submit certificates, reports and/or forms (the "**Service**"), then the following terms and conditions (the "**RBC Covarity Dashboard Terms and Conditions**") apply and are deemed to be included in, and form part of, the Agreement.

1. Definitions. For the purpose of the RBC Covarity Dashboard Terms and Conditions:

"Disabling Code" means any clock, timer, counter, computer virus, worm, software lock, drop dead device, Trojan horse routine, trap door, time bomb, or any other unauthorized codes, designs, routines or instructions that may be used to access, modify, replicate, distort, delete, damage or disable any Electronic Channel, including any related hardware or software.

"Designated User" an individual permitted to act on behalf of and bind the Borrower in all respects, and specifically in the submission of Electronically Uploaded Financial Information and/or Electronically Submitted Certificates.

"Electronic Channel" means any telecommunication or electronic transmission method which may be used in connection with the Service, including computer, Internet, telephone, e-mail or facsimile.

"Electronic Communication" means any information, disclosure, request or other communication or agreement sent, received or accepted using an Electronic Channel.

"Electronically Submitted Certificates" means certificates, reports and/or forms completed online and electronically submitted by any Designated User accessing the Service.

"Electronically Uploaded Financial Information" means financial data, reports and/or information of the Borrower electronically uploaded by any Designated User accessing the Service.

"Internet" means a decentralized global communications medium and the world-wide network of computer networks, accessible to the public, that are connected to each other using specific protocols, which provides for file transfer, electronic mail, remote log in, news, database access, and other services.

"Password" means a combination of numbers and/or letters selected by a Designated User that is used to identify the Designated User. The Password is used in conjunction with a User ID to access the Service.

"Security Breach" means any breach in the security of the Service, or any actual or threatened use of the Service, a Security Device, or Electronic Channel in a manner contrary to the Agreement, including, without limitation, the introduction of Disabling Code or a Virus to the Service.

"Security Device" means a combination of a User ID and Password.

"Software" means any computer program or programming (in any code format, including source code), as modified from time to time, and related documentation.

"User ID" means the combination of numbers and/or letters selected by the Borrower used to identify a particular Designated User. The User ID is used in conjunction with a Password to access the Service.

"Virus" means an element which is designed to corrupt data or enable access to or adversely impact upon the performance of computer systems, including any virus, worm, logic bomb and Trojan horse.

Terms defined in the Agreement have the same meanings where used in the RBC Covarity Dashboard Terms and Conditions.

2. Access to the Service. The Borrower will appoint one or more Designated User(s) to access the Service on behalf of the Borrower. The Borrower acknowledges and agrees that each Designated User appointed by the Borrower may electronically upload the Borrower's financial information and may view all previously uploaded financial information and all calculations in the RBC Covarity Dashboard.

At the time of registration for the Service, the Borrower will advise the Bank of the name and e-mail address of each Designated User. The Borrower will immediately advise the Bank if a Designated User changes or is no longer valid.

The Bank will provide the Borrower with a User ID and temporary password for each Designated User. Each Designated User will receive the User ID and temporary password delivered to their e-mail address. Each Designated User will change the temporary password to a unique Password which may not be easily guessed or obtained by others. If it is suspected or known that the Password has been compromised in any way, the Password must be changed immediately.

On first access to the Service, each Designated User will be required to read and agree to terms of use which will thereafter be accessible from a link located on each web page of the Service.

3. Security Devices. The Borrower recognizes that possession of a Security Device by any person may result in that person having access to the Service. The Borrower agrees that the use of a Security Device in connection with the Service, including any information sent, received or accepted using the Service, will be deemed to be conclusive proof that such information is accurate and complete, and the submission of which is authorized by, and enforceable against, the Borrower.

The Borrower is responsible for maintaining the security and confidentiality of Security Devices which may be used in connection with the Service. The Borrower is responsible for ensuring that a Security Device will only be provided to and used by a Designated User. The Borrower agrees to be bound by any actions or omissions resulting from the use of any Security Device in connection with the Service.

4. Security. Each party shall at all times have in place appropriate policies and procedures to protect the security and confidentiality of the Service, Electronic Channels and Electronic Communication and to prevent any unauthorized access to and use of the Service and Electronic Channels. The Borrower agrees to comply with any additional procedures, standards or other security requirements that the Bank may require in order to access the Service.

The Borrower will not (i) access or use the Service for an illegal, fraudulent, malicious or defamatory purpose, or (ii) take steps or actions that could or do undermine the security, integrity, effectiveness, goodwill or connectivity of the Service (including illegal, fraudulent, malicious, defamatory or other activities that threaten to harm or cause harm to any other person).

The Borrower agrees not to transmit via the Service any viruses, worms, defects, Trojan horses or any items of a destructive nature. The Borrower shall maintain the security of their computer by using anti-virus scanning, a firewall and installing the latest security patches to provide assurance that no Virus is introduced into the systems or Software while accessing the Service.

5. Unsecure Electronic Channels. The Borrower acknowledges and agrees that if it uses, or if it authorizes and directs the Bank to use, any unencrypted Electronic Channel, including unencrypted e-mail or facsimile, any Electronic Communication sent, received and/or accepted using such Electronic Channel is not secure, reliable, private or confidential. Any such Electronic Communication could be subject to interception, loss or alteration, and may not be received by the intended recipient in a timely manner or at all. The Borrower assumes full responsibility for the risks associated with such Electronic Communication.

6. Notice of Security Breach. The Borrower shall notify the Bank by notifying the RBC Account Manager in writing immediately of any Security Breach including: (i) any application vulnerability or if a Virus is contained in or affects transmission of information to the Service; or (ii) if the Borrower knows or reasonably ought to know that an unauthorized person may have access to the Service, Security Device or Electronic Channel.

If a Security Breach occurs the Borrower shall: (i) assist the Bank in the management of any consequences arising from it; (ii) take any reasonable steps necessary for it to take to mitigate any harm resulting from it; and (iii) take appropriate steps to prevent its recurrence.

7. Binding Effect. Any Electronic Communication that the Bank receives from or in the name of, or purporting to be from or in the name of, the Borrower or any other person on the Borrower's behalf in connection with the Service, will be considered to be duly authorized by, and enforceable against, the Borrower. The Bank will be authorized to rely and act on any such Electronic Communication, even if the Electronic Communication was not actually from the Borrower or such other person or differs in any way from any previous Electronic Communication sent to the Bank. Any Electronically Uploaded Financial Information will be considered to be financial information submitted to the Bank by an individual permitted to act on behalf of and bind the Borrower in all respects, and the Bank will be authorized to rely and act on any such Electronically Uploaded Financial Information accordingly. Any Electronically Submitted Certificates will be considered to be certificates, reports and/or forms completed and submitted to the Bank by an individual permitted to act on behalf of and bind the

Borrower in all respects, and the Bank will be authorized to rely and act on any such Electronically Submitted Certificates accordingly.

8. Representations and Warranties. The Borrower represents and warrants to the Bank that each time Electronically Uploaded Financial Information and/or Electronically Submitted Certificates are submitted: (i) all financial statements, certificates, forms, reports and all information contained therein will be accurate and complete in all respects; (ii) all amounts certified as Potential Prior-Ranking Claims will be current amounts owing and not in arrears; (iii) all representations and warranties contained in the Agreement will be true and correct; and (iv) no event will have occurred which constitutes, or which, with notice, lapse of time, or both, would constitute an Event of Default or breach of any covenant or other term or condition of the Agreement. The Borrower will be deemed to repeat these representations and warranties each time Electronically Uploaded Financial Information and/or Electronically Submitted Certificates are submitted.

9. Evidence. Electronic records and other information obtained by the Bank in an Electronic Communication will be admissible in any legal, administrative or other proceedings as conclusive evidence of the contents of those communications in the same manner as an original paper document, and the Borrower waives any right to object to the introduction of any such record or other information into evidence on that basis.

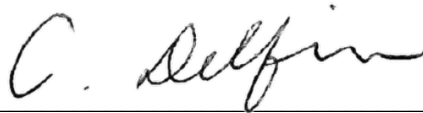
10. Limitation of Liability. The Bank is not responsible or liable for any damages arising from: (i) inaccurate, incomplete, false, misleading, or fraudulent information provided to the Bank; (ii) losses incurred as a result of an actual or potential Security Breach; or (iii) losses incurred as a result of application vulnerability or Virus that is contained in or affects any Software or systems used by or on behalf of the Borrower in connection with the Service.

Although every effort is made to provide secure transmission of information, timely communication and confidentiality cannot be guaranteed. In no event shall the Bank be liable for any loss or harm resulting from the use of the Service, or from a breach of confidentiality in respect of use of the Service.

11. Termination. The ability of the Borrower to fulfill the reporting requirements relating to the submission of financial information set out in the Agreement using RBC Covarity Dashboard shall terminate upon revocation of access to the Service. In addition, the Bank may suspend or terminate access to or discontinue the Service immediately for any reason at any time without prior notice. The Bank will not be responsible for any loss or inconvenience that may result from such suspension or termination. The Borrower, upon giving notice to the Bank by notifying the RBC Account Manager in writing, may terminate use of the Service at any time.

12. Amendment. The Bank may amend these RBC Covarity Dashboard Terms and Conditions upon 30 days notice (which may be given electronically by way of e-mail or in writing) to the Borrower. The Borrower agrees that the continued use of the Service after the effective date of a change will constitute conclusive evidence of consent to all such amendments and the Borrower shall be bound by the amendments.

This is Exhibit “D” referred to in the Affidavit of Manoj Davé sworn before me at
Toronto, Ontario, this 19th day of March, 2025

A handwritten signature in black ink, appearing to read "C. Salfin". The signature is written in a cursive, flowing style. Below the signature is a horizontal line.

Commissioner for Taking Affidavits



Royal Bank of Canada
Master Lease Agreement
 (Common Law)
 Lessee No: 199037631

This Master Lease Agreement (the "Master Lease Agreement") made as of the 25th day of October, 2021 between

ROYAL BANK OF CANADA ("Lessor")

and

DC FREIGHT HAULERS INC. ("Lessee")

Address:

5575 North Service Rd,
 Suite 300,
 Burlington, Ontario
 L7L 6M1

Address:

800 Arthur Parker Ave
 Woodstock, Ontario
 N4T 0G7

Lessor and Lessee agree as follows:

1. Leasing of Equipment

- 1.1 Lessor may, from time to time, at its option, on the request of Lessee, acquire equipment for leasing to Lessee pursuant to the terms of this Lease Agreement and the relevant supplemental agreement ("Leasing Schedule"). Equipment which is acquired for leasing to Lessee and which is described in a Leasing Schedule is referred to in this Lease Agreement as the "Equipment".
- 1.2 Neither Lessor, nor Lessee on behalf of Lessor, will order or acquire any Equipment unless Lessee has executed such documents and agreements as Lessor may require. Lessee will advise Lessor promptly of any Equipment ordered or acquired by Lessee on behalf of Lessor.
- 1.3 Lessee will provide Lessor with a copy of the invoice for each item of Equipment. If Lessee has purchased the Equipment on behalf of Lessor, Lessee shall cause the purchase invoice to be addressed to Lessor. Payment will be made by Lessor to the seller directly.
- 1.4 Lessee shall conduct such acceptance testing of any Equipment as may be appropriate in the circumstances, and promptly upon successful completion of that acceptance testing shall sign the relevant Leasing Schedule for the Equipment, and return one executed Leasing Schedule to Lessor.
- 1.5 Lessor shall have no responsibility under any purchase order or any purchase or license agreement or any Leasing Schedule if Lessee does not accept the Equipment and sign and deliver to Lessor the Leasing Schedule(s) and acceptance certificate for that Equipment. Any agreement with the seller of the Equipment will include a provision to this effect.
- 1.6 Each Leasing Schedule shall constitute a separate lease (each, a "Lease") of the Equipment described in the Leasing Schedule but incorporating the terms of this Lease Agreement. In the event of a conflict between the terms of this Lease Agreement and any Leasing Schedule with respect to any Lease, the terms of the Leasing Schedule shall govern.
- 1.7 Terms not otherwise defined herein shall have the same meaning ascribed under the Leasing Schedule.

2. Payment of Equipment Cost

- 2.1 Lessor will pay the agreed cost to be funded by Lessor for the Equipment as set out in the Leasing Schedule on the later of: (i) the due date for payment, and (ii) delivery of the signed Leasing Schedule.

3. Rental

- 3.1 Lessee shall pay to Lessor the rental payable, as set out in the relevant Leasing Schedule. The Total Monthly Rental installments set out in each Leasing Schedule is referred to in

this Lease Agreement as an "Installment". The first Installment is payable on the Commencement Date of the Term and the last of such installments is payable on the Termination Date of Term, all as set out in the relevant Leasing Schedule. In no event shall the effective interest rate payable by the Borrower under any Facility be less than zero.

4. Rent Payment

- 4.1 Each Installment shall be paid at the office of Lessor, at the address set out on page 1 of this Lease Agreement, or at such other place in Canada as Lessor may from time to time designate by notice.

5. Ownership

- 5.1 Title to, ownership of, and property in, the Equipment shall at all times be and remain solely and exclusively in Lessor, subject only to the rights of Lessee to use the Equipment pursuant to the provisions of this Lease, and to purchase the same pursuant to any option granted in the relevant Leasing Schedule. Lessor may require plates or markings to be affixed or placed at the sole cost of Lessee on each item of Equipment indicating Lessor as owner.
- 5.2 The Equipment shall be located and used at the address of Lessee or the location shown under the heading "Equipment Location" of the applicable Leasing Schedule, and shall not be removed from that location without the written consent of Lessor. In the event that the location of the Equipment is changed, Lessee will give to Lessor notice of the new location not later than five (5) days after the change.

6. Personal Property

- 6.1 Notwithstanding any purposes for which the Equipment may be used or that it may become in any manner affixed or attached to or embedded in or permanently rested upon land or any structure thereon, it shall remain moveable personal property, and subject to all of the rights of Lessor under the Lease to which it is subject.
- 6.2 Lessee agrees to use all reasonable commercial efforts to obtain a waiver, if required by and in a form satisfactory to Lessor, from any landlord, mortgagee, hypothecary creditor or other encumbrancers or any person having any interest in the land or structure referred to in Section 6.1 hereof consenting to this Lease Agreement and any relevant Leasing Schedule, and to the exercise by Lessor of its rights thereunder and hereunder and declaring that such encumbrances do not affect the Equipment.
- 6.3 Solely for the purpose of, and to the extent reasonably necessary to protect the interest of Lessor as to its title and first priority interest in the Equipment, and without election or admission that this Agreement or any Leasing Schedule is a finance lease, Lessee grants a security interest in any interest of Lessee in the Equipment to Lessor.

7. License

- 7.1 Lessee agrees that Lessor:

[Signature]

[Signature]

- (a) may at any time and from time to time, if an Event of Default (s.18) has occurred and is continuing, enter upon any lands and premises where any Equipment is located with all such force as may be reasonably required, to dismantle, detach and remove the Equipment or render it unusable;
- (b) shall not be liable for any damage done to those lands or premises in exercising those rights, save only such damage as may be caused by the gross negligence or willful act of Lessor or its agents or servants; and
- (c) may, at its election, register, by way of caveat or otherwise, against those lands and premises of its rights under the Lease.

8. Exclusion of Representations and Warranties

- 8.1 Lessee acknowledges that the Equipment will be personally chosen and selected by Lessee without any reliance whatsoever on Lessor, and that it will be of a make, size, design and capacity specified by Lessee for the purpose intended by Lessee.
- 8.2 Lessee confirms that Lessor does not make or give any representation or warranty, express or implied, as to the Equipment, its condition, fitness or suitability for any particular use intended by Lessee.
- 8.3 Lessee shall bear the risk of any theft, loss or destruction of or damage to any item of Equipment. Lessee acknowledges that none of these events will in any way affect its obligations, which will continue in full force and effect, except to the extent of any proceeds of any insurance maintained by Lessee that are actually received by Lessor.
- 8.4 Lessee shall not exert or claim against Lessor any defense, write-off, set-off, claim or counterclaim to which Lessee may be entitled against any supplier of Equipment, and no such right shall affect Lessee's obligations under any Lease.

9. Maintenance and Use

- 9.1 Lessee will, at its own expense:
 - (a) keep the Equipment in good operating condition and repair including, without limitation, the repair of any damage to the Equipment, whatever the cost, except for the repair of ordinary wear and tear, provided that Lessee will repair ordinary wear and tear if such repair is required to maintain the Equipment in good operating condition and repair; and
 - (b) comply in all respects with all recommendations, or requirements of the supplier(s) or manufacturer(s) regarding the Equipment, as may be necessary to preserve all warranties.
- 9.2 Any parts or anything else that are, as part of Lessee's maintenance and repair of the Equipment, placed in or upon the Equipment shall form part of the Equipment, become property of Lessor, and be free of all adverse claims.

10. Inspection

- 10.1 Lessor and its agents shall have the right to inspect the Equipment at any reasonable time upon reasonable notice to Lessee, and Lessee shall afford all reasonable facilities required by Lessor or its agents for the purpose of inspection, and for that purpose may enter any premises where the Equipment is located.

11. Insurance

- 11.1 As and from the earlier of the date upon which Lessor acquires ownership of, or title to, the Equipment or the date on which Lessee takes possession or control of the Equipment, and thereafter throughout the term of each relevant Leasing Schedule, Lessee shall, at its sole expense:
 - (a) place and maintain all risks property insurance on the Equipment, in amounts satisfactory to Lessor, consistent with Lessee's normal and usual practice for insuring equipment of the same general classification. This insurance shall specifically state by its wording or by endorsement that it:

- i) includes Lessor (as owner) as an additional named insured, and
 - ii) includes a loss payable clause in favor of Lessor;
- (b) place and maintain comprehensive general liability insurance, and automobile liability insurance in the case of leased licensed motor vehicles, with limits of liability satisfactory to Lessor for injury to or death of any one or more persons or damage to property. Said insurance shall specifically state by its wording or by endorsement that it:
- i) extends to cover the liabilities of Lessee from the use or possession of the Equipment,
 - ii) includes Lessor as an additional named insured, and
 - iii) includes a cross liability provision that the policy shall insure each person, firm or corporation insured thereunder in the same manner and to the same extent as if a separate policy had been issued to each, but the inclusion therein of more than one insured shall not operate to increase the limits of the insurers' liability.

- 11.2 Lessee shall supply Lessor with a certificate of insurance or other evidence satisfactory to Lessor evidencing the foregoing coverage and evidence of its renewal or replacement from time to time, so long as any Leasing Schedule remains in force and effect.

12. Taxes

- 12.1 Lessee shall pay punctually all sales taxes, license fees, business taxes, levies and assessments of every nature and kind whatsoever which be or become payable at any time or from time to time upon, or in respect of, the Equipment, and any payments to be made under this Lease Agreement or any Leasing Schedule, except for income taxes payable by Lessor.

13. Adverse Claims

- 13.1 Lessee shall keep the Equipment free and clear of all adverse claims. Lessee may contest any adverse claim provided that Lessee:
 - (a) gives Lessor notice of the adverse claim;
 - (b) provides Lessor with an indemnity and collateral security, both satisfactory to Lessor; and
 - (c) contests the adverse claim with all due dispatch.

14. Laws and Regulations

- 14.1 Lessee shall comply with all laws, by-laws and regulations relating to the ownership, possession, operation and maintenance of the Equipment including, without limiting the generality of the foregoing, laws, by-laws or regulations dealing with the protection of the environment, health and safety. Lessee will obtain and maintain all necessary licenses, permits and permissions required for the use of the Equipment.

15. Alterations

- 15.1 All alterations, additions or improvements made by Lessee to the Equipment shall be at Lessee's expense and shall belong to and become the property of Lessor and be subject to all the provisions of this Lease Agreement and the relevant Leasing Schedule.

16. Loss of Equipment

- 16.1 Lessee shall bear the risks of (i) any total loss, or loss that amounts, in the sole opinion of Lessor, to a total loss of Equipment through theft, damage, or destruction and (ii) any expropriation or other compulsory taking or use of Equipment by any government or other authority ("Loss of Equipment"). If a Loss of Equipment occurs, Lessee shall pay to Lessor an amount calculated as the aggregate of (A) all installments which were to be paid during the remainder of the Term, (B) any installments then owing and unpaid, and (C) the Purchase Option amount, if any, (each of (A), (B), and (C) as specified under the relevant Leasing Schedule) and (D) all federal and provincial sales, goods

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and services or transfer taxes, license fees and similar assessments connected with the transfer of Lessor's right, title and interest in the Equipment to Lessee.

- 16.2 Upon such payment, Lessor shall convey on an "as is", "where is" basis, subject to the rights of the insurer, all its right, title and interest in the Equipment and any claim for proceeds of loss of equipment, in which case the Lease shall terminate with respect to that Equipment, and no further Installments shall be payable thereafter with respect to that Equipment.

17. Lessee's Acknowledgements - Foreseeable Damages

17.1 Lessee hereby acknowledges that Lessor:

- (a) has or will acquire the Equipment at the request and direction of Lessee and for the purpose of leasing same to Lessee under a Leasing Schedule; and
- (b) intends to treat the lease of Equipment to Lessee as a true lease and to claim over the term of the lease all available tax benefits.

Lessee acknowledges that if an Event of Default occurs, Lessor's return on its investment may be adversely affected. In that case Lessor may, in addition to its immediate loss of interest on its investments, sustain and claim from Lessee other foreseeable damages which cannot be quantified on the date of execution of this Lease Agreement or any Leasing Schedule. Those damages may include, without limitation, loss of fiscal benefits for the remainder of the term of any lease of any Equipment or increased tax liabilities or both, unanticipated increased administrative costs, amortized but unrecovered setup costs, fees and disbursements as well as additional or increased monetary liabilities towards any third party lender, under or by reason of such Event of Default and the premature termination of the lease of any Equipment and the funding thereof.

18. Events of Default

18.1 Any of the following is an "Event of Default":

- (a) Failure by Lessee to pay any Installment or other amount pursuant to any Leasing Schedule.
- (b) Failure by Lessee to perform any of its obligations under Sections 11 or 14 of this Lease.
- (c) Failure of Lessee to perform any of its other obligations within 15 days of notice from Lessor as to the failure and requiring it to be rectified.
- (d) The bankruptcy or insolvency of Lessee, the filing against Lessee of a petition in bankruptcy, the making of an authorized assignment for the benefit of creditors by Lessee, the appointment of a receiver or trustee for Lessee or for any assets of Lessee or the institution by or against Lessee of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise, or the institution by or against Lessee of any formal or informal proceedings for the dissolution or liquidation of, settlement of, claim against or winding up of affairs of Lessee.
- (e) The amalgamation of Lessee with another corporation or corporations, or continuation of Lessee under a statute other than the statute under which it exists at the date of execution of this Lease Agreement.
- (f) If any adverse claim becomes enforceable against Lessee affecting or against any Equipment.
- (g) Failure of Lessee to perform any obligation it may have under any agreement with Royal Bank of Canada or any of its subsidiaries.
- (h) A change that is, in the opinion of Lessor, a material adverse change in the business, financial condition or ownership of Lessee or Equipment.

19. Lessor's Remedies on Default

19.1 If an Event of Default occurs, Lessor may, without notice to Lessee, and in addition to any other rights or remedies

Lessor may have at law or in equity, under this Lease Agreement or the relevant Leasing Schedule:

- (a) take possession of all Equipment, and for that purpose may enter any premises where any of the Equipment is located;
- (b) sell, lease or otherwise dispose of Equipment for such consideration and upon such terms and conditions as it considers reasonable;
- (c) without terminating or being deemed to have terminated the relevant Leasing Schedule, acting in the name of and as the irrevocably appointed agent and attorney of Lessee, to lease any item of the Equipment to any other person upon such terms and conditions, for such rental and for such period of time as Lessor may deem reasonable, and to receive that rental and hold and apply it against any amount owing by Lessee to Lessor under the Leasing Schedule.

19.2 If an Event of Default occurs, then whether or not Lessor has taken possession of any Equipment, Lessee shall pay to Lessor on demand an amount determined as follows:

- (a) an amount calculated by discounting the aggregate amount of all Installments, including the Purchase Option amount, if any, specified under the relevant Leasing Schedule which were to be paid during the remainder of the Term, using an assumed rate equal to the lesser of:
 - i) five percent (5%);
 - ii) the bond rate at the date, for the equivalent term to maturity, of the relevant Leasing Schedule; and
 - iii) the bond rate at the date of the discount calculation for a term equivalent to the remaining term of such Leasing Schedule (with, in the case of (ii) and (iii), Canadian dollar obligations being benchmarked against bonds issued by the Government of Canada and U.S. dollar obligations being benchmarked against bonds issued by the Government of the United States of America); plus.
- (b) the amount of any damages described in Section 17.1 suffered or sustained by Lessor and not recovered pursuant to Section 19.2 (a); plus
- (c) the amount of any Installments or payments of interim rental due as of the date of Event of Default and unpaid, and any other amount due on that date and unpaid under the Lease; plus
- (d) any cost of disposition of the Equipment; less
- (e) the amount of any security deposits under that Leasing Schedule and any proceeds of the disposal of the Equipment actually received by Lessor.

19.3 If Lessor has leased Equipment pursuant to its rights under this Section 19 it may demand payment under Section 19.2, and account to Lessee for the proceeds of that lease as and when Lessor receives them.

19.4 If Lessor has not taken possession of the Equipment, and Lessee pays Lessor the amount determined under Section 19.2 hereof, then Lessor will convey all of its right, title and interest in all Equipment to Lessee, on the terms of Sections 21.5 and 21.6 hereof

20. Lessor's Option to Terminate

20.1 Lessee agrees that neither this Lease Agreement nor any Leasing Schedule, nor any interest therein or in any Equipment, shall be assignable or transferable by operation of law and it is agreed and covenanted by and between the parties hereto that if any Event of Default shall occur or happen, then this Lease Agreement and any and all Leasing Schedules shall, at the option of Lessor to be exercised by notice hereunder, immediately end and terminate and neither this Lease Agreement nor any Leasing Schedule or any interest therein shall be an asset of Lessee after the exercise of that option; provided that no such termination shall terminate or affect any right or remedy which shall have arisen under the Lease prior to such termination.

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21. Option to Purchase

- 21.1 If there is no Event of Default, Lessor hereby grants to Lessee an option to purchase whatever title Lessor may have to the Equipment for the purchase price and at the time or times set forth in the relevant Leasing Schedule.
- 21.2 This option to purchase may be exercised by Lessee by giving to Lessor notice of Lessee's intention to exercise such option, at least thirty (30) days prior to the date of intended purchase, describing the Equipment with respect to which such option is being exercised.
- 21.3 The intended purchase and sale shall be concluded on a date specified in the said notice falling on or after, the date stated in the relevant Leasing Schedule, but in any event not later than the termination date of the term pertaining to the Equipment being purchased.
- 21.4 Upon the exercise of this option, there shall be a binding agreement for the sale and purchase of the Equipment described in the notice on the terms and conditions provided herein. The purchase price shall be paid to Lessor at the time of the conclusion of the sale.
- 21.5 Upon this purchase, Lessor shall sell the Equipment so purchased free and clear of all interests of Lessor under this Lease Agreement and any Leasing Schedule and thereupon the Lease shall terminate with respect to the Equipment so purchased. The sale shall be on an "as-is-where-is" basis and be without representation or warranty by Lessor except that it has the right to sell the Equipment to Lessee and that it has not given any security interest in the Equipment to any third party.
- 21.6 Lessee shall bear the cost of any taxes, license or registration fees or other assessments or charges imposed on, or connected with, the transfer of title to and ownership of the Equipment.

22. Remedying Defaults

- 22.1 If Lessee shall fail to perform or comply with any of its obligations under this Lease Agreement or any Leasing Schedule, Lessor at its discretion may do all such acts and make all such disbursements as may be necessary to cure the default and any costs incurred or disbursements made by Lessor in curing any such default shall be payable by Lessee on demand.

23. Indemnification

- 23.1 Lessee shall indemnify Lessor and save Lessor harmless from and against all loss, costs, damage or expense of every nature and kind whatsoever sustained or suffered by Lessor, or for which Lessor may be or become liable, resulting from:
- (a) the execution of the Lease Agreement or any Leasing Schedule by Lessor or the purchase or ownership by Lessor of the Equipment;
 - (b) the non-acceptance by Lessee or the failure, refusal or neglect of Lessee to accept the Equipment;
 - (c) the moving, delivery, maintenance, repair, use, operation or possession of the Equipment or the ownership thereof or other rights held therein by Lessor;
 - (d) the failure of Lessee to comply with any of its obligations under this Lease Agreement or any Leasing Schedule; unless caused by the act or neglect of Lessor, its servants or agents; or
 - (e) Lessor acting or relying upon any information, disclosure, request, instruction, signature, acceptance, agreement, document, instrument or other communication sent, received or accepted by or on behalf of Lessee by way of any telecommunication or electronic transmission method.

24. Assignment of Warranties

- 24.1 Lessor hereby assigns to Lessee the benefit of all warranties resulting from the sale entered into with the supplier for its use during the term of the Lease.

25. Patent Infringement

- 25.1 Lessee shall defend and hold Lessor free and harmless from any cost, loss, damage or expense suffered or incurred by Lessor in any suit, proceeding or otherwise so far as the same is based on any claim that the use or operation of the Equipment by Lessee infringes any patent or copyright.

26. Overdue Payment

- 26.1 Any overdue payment shall bear interest at the rate of Royal Bank Prime Interest Rate plus five per cent (5%) per annum calculated monthly whether before or after judgement, from the date it is due until paid.

27. Delivery at Termination

- 27.1 Lessee shall on the expiration or sooner termination of any Lease, surrender the Equipment to Lessor at a place in Canada designated by Lessor in good order and repair, ordinary wear and tear excepted.
- 27.2 In the event that with or without the consent of Lessor, Lessee remains in the possession of or uses the Equipment after the expiration of the term of the Lease pertaining thereto, all the provisions of the Lease shall apply thereto, including the payment of rental and all other payments required, unless and until the same has been surrendered pursuant to the terms of this section, or Lessor has relieved Lessee from its obligations under the Lease with respect to the Equipment.

28. Notice

- 28.1 Any notice required to be given hereunder shall be in writing and may be personally delivered, sent by facsimile or electronic mail or may be forwarded by registered mail. If any such notice is so mailed it shall be deemed to have been given by the sender and received by the party hereto to whom it has been addressed two (2) business days after the mailing thereof by prepaid registered mail addressed to the address shown on page 1 of this Lease Agreement or on the same business day if sent by delivery, facsimile or by electronic mail.
- 28.2 Any person to whom a notice is required to be addressed may from time to time give notice of any change of address and in such event the foregoing addresses shall be deemed to have been changed accordingly.

29. Third Parties

- 29.1 Lessee will not (i) cause or permit the Equipment to be used by, on behalf of or for the benefit of any person other than Lessee, or (ii) cause or permit any person other than Lessee to give notices or instructions in respect of the Equipment or direct the manner of exercise of the rights of Lessee pursuant to any Lease.
- 29.2 Lessee shall not part with possession of the Equipment.
- 29.3 Lessee will not assign any Lease or sub-lease any Equipment without the prior consent in writing of Lessor, such consent not to be unreasonably withheld. No assignment of the Lease or sub-leasing of any Equipment shall relieve Lessee of its obligations hereunder.

30. Corporate Waiver

- 30.1 Lessee waives its right to receive a copy of any financing statement or financing change statement registered by Lessor.
- 30.2 Lessee hereby acknowledges that seizure or repossession of the Equipment referred to in any Lease shall not, by implication of law, extinguish Lessee's indebtedness under any such Lease or other collateral security.

31. Limitation of Civil Rights - Saskatchewan

- 31.1 Lessee covenants and agrees with Lessor that The Limitation of Civil Rights Act of the Province of Saskatchewan shall have no application to this Lease Agreement or any Leasing Schedule.

32. Successors and Assigns

- 32.1 This Lease Agreement and each Leasing Schedule shall

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enure to the benefit of, and be binding upon Lessor and Lessee, their successors and assigns. Lessor shall be at liberty to assign and otherwise deal with its rights under any Lease.

33. Records

33.1 Lessee shall maintain a record describing each item of Equipment, all changes, replacements, modifications and alterations thereto and the cost thereof. The record described shall be available to Lessor, its representatives or agents for inspection and to copy.

34. Offset

34.1 Lessee hereby waives any and all existing and future claims and offsets against any payment due to Lessor hereunder and agrees to pay those amounts due hereunder regardless of any offset or claim which may be asserted by Lessee or on its behalf.

35. Remedies Cumulative

35.1 All rights and remedies of Lessor hereunder are cumulative and not alternative and may be exercised by Lessor separately or together, in any order, sequence of combination.

36. Time

36.1 Time is and shall be in all respects of the essence of any Lease.

37. Entire Transaction

37.1 This Lease Agreement and each Leasing Schedule represents the entire transaction between the parties hereto relating to the subject matter.

37.2 No agreement purporting to amend or modify this Lease Agreement or any Leasing Schedule or any document, paper or written relating hereto or thereto, or connected herewith or therewith, shall be valid and binding upon the parties hereto unless in writing and signed and accepted in writing by both parties hereto.

38. No Merger in Judgment

38.1 The taking of any judgment under this Lease Agreement or any Leasing Schedule shall not operate as a merger of any term, condition or provision hereof or thereof.

39. Further Assurances/Copy of Agreement

39.1 Lessee shall give further assurances and do, execute and perform all such acts, deeds, documents and things as may be reasonably required to enable Lessor to have the full benefit of all rights and remedies intended to be reserved or created hereby.

39.2 Lessee acknowledges receipt of a copy of this Lease Agreement.

40. Applicable Law

40.1 This Lease Agreement and each Leasing Schedule hereto shall be governed, construed and enforced in accordance with the laws of the Province of Ontario.

41. Currency

41.1 All sums payable by Lessee to Lessor under this Lease Agreement or any Leasing Schedule hereto shall be paid in Canadian dollars, unless otherwise specified in the Leasing Schedule.

42. Language

42.1 This Lease Agreement and each Leasing Schedule are drawn up in the English language at the request of both parties.

Le présent contrat de location a été rédigé en langue anglaise à la demande des deux parties.

43. General

43.1 Any terms herein defined in the singular number shall have a corresponding meaning when used in the plural.

43.2 Any act or deed required to be observed, performed or done hereunder falling on a Saturday, Sunday or other statutory holiday shall be observed, performed or done on the business day next following but any delay hereby granted shall not extend to relieve either party from the due performance and fulfillment of its obligations hereunder.

44. Electronic Communications

44.1 Any information, disclosure, request, instruction, signature, acceptance, agreement, document, instrument or other communication sent, received or accepted by or on behalf of Lessee by way of any telecommunication or electronic transmission method, including computer, internet, telephone, e-mail or facsimile, (an "Electronic Communication") shall be considered an original thereof, duly authorized by and enforceable against Lessee, even if the Electronic Communication was not actually by or from Lessee or a person representing Lessee or differs in any way from any previous Electronic Communication. Lessee shall keep copies of all Electronic Communications and shall produce them to Lessor upon request. Lessor's records of Electronic Communications shall be admissible in any legal, administrative or other proceeding as conclusive evidence of the contents thereof and, where applicable, execution by the parties in the same manner as a writing on paper, and Lessee waives any right to object to the introduction of such records in evidence, including any right to object based on the best evidence rule. Lessor may convert paper records of this Agreement and any other information, disclosure, request, instruction, signature, acceptance, agreement, document, instrument or other communication delivered to Lessor on paper (each, a "Paper Record") into electronic images (each, an "Electronic Image") as part of Lessor's normal business practices. Each such Electronic Image shall be considered as an authoritative copy of the Paper Record, shall have the same legal value as the Paper Record, shall be legally binding on the parties and admissible in any legal, administrative or other proceeding as conclusive evidence of the contents thereof in the same manner as the original Paper Record, and Lessee waives any right to object to the introduction of any Electronic Image into evidence, including any right to object based on the best evidence rule.

45. Financial Information

45.1 Lessee will provide to Lessor from time to time such information about Lessee and Lessee's business as Lessor shall reasonably request, including, without limitation, bank and financing ratings, any financial statements prepared by or for Lessee regarding Lessee's business.

Handwritten signatures:
 [Signature]
 [Signature]
 [Signature]

In witness whereof the parties hereto (acting, where applicable, through their proper signing officers duly authorized in that behalf) have executed this Lease Agreement on the date indicated on the first page hereof, irrespective of the date of actual execution by each of the parties.

Royal Bank of Canada ("Lessor")

per _____

Eugene Basolini
Head, Equipment Finance Solution Centre

DC FREIGHT HAULERS INC. ("Lessee")

per _____

per MARKAM KAURA

Capt Dhar

GURANT DHANDA



Leasing Schedule

(Common Law)

Lessee# 199037631 Lease# 20100064089

Royal Bank of Canada, as Lessor, hereby leases to DC FREIGHT HAULERS INC. as Lessee, the Equipment hereinafter described, in consideration of rental and for the term hereinafter set forth, the whole pursuant to and subject to the terms and conditions set forth in the Master Leasing Agreement entered into between the Lessor and the Lessee as of October 25, 2021

1. Equipment	Quantity	Make and Description	Model Number	Serial Number
	2	Used 2019 Volvo Trucks	760	4V4NC9TH0KN210451 4V4NC9TH8KN210455
All equipment, goods and services as further detailed on Invoice 5148 and Invoice 5149 dated 10/25/2021 from Cold Iron Truck Center Inc.; including all attachments, additions, replacements and substitutions.				
2. Term	Term (In months)	48		
	Commencement Date of Term	October 25, 2021		
	Termination Date of Term	October 25, 2025		
3. Rental	Rental Installment, payable Monthly, in advance	\$6,120.28		
	GST/HST, if any	\$795.63		
	PST/QST, if any	\$0.00		
	Total Monthly Rental Installment	\$6,915.91		
	Other Charges (plus applicable taxes)	\$800.00		
4. Option to Purchase	Option to Purchase Date	Purchase Price		
	October 24, 2025	\$1.00		
5. Place of Use	7499 Auburn Road Milton Ontario L9T 7V9			
6. Equipment Acceptance Certificate	The Lessee hereby certifies that all the equipment identified above in Section (1) of this Leasing Schedule has been received in good condition as ordered and has been assembled, installed, tested, etc., applicable, and is operating in accordance with the manufacturers' specification. Lessee has made or caused to be made all such tests and inspections of the Equipment, as they have reasonably deemed necessary to satisfy themselves as to the foregoing. Without prejudice to the Lessee's rights against manufacturers, suppliers or other, the Lessee hereby releases and discharges the Lessor from any and all actions, causes of actions, claims, demands rights, defences, setoffs, abatements and compensation now or hereinafter arising out of or in relation to the Equipment, or, without limitation, any latent defect therein.			

The Lessee covenants and agrees with the Lessor that the Lessee is not entering into, and will not otherwise direct, administer or operate, this Leasing Schedule for the benefit or on behalf of any Person other than the Lessee. "Person" includes an individual, a partnership, a joint venture, a trust, an unincorporated organization, a company, a corporation, an association and any other incorporated or unincorporated entity.

The parties hereto have each executed this Leasing Schedule on the respective dates set forth below and this schedule is deemed to have been executed on the later of such dates. All appendices, if any, attached to this schedule form part of the Leasing Schedule.

ROYAL BANK OF CANADA

DC FREIGHT HAULERS INC.

per

Eugene Basolini
Head, Equipment Finance Solution Centre

per

Harman Kalra / Gurant Dhandu

per

HARMAN KALRA / GURANT DHANDA

date

10/27/21 | 10/27/21



Rental Statement

DC FREIGHT HAULERS INC.
800 Arthur Parker Ave
Woodstock, Ontario
N4T 0G7

PLEASE REMIT PAYMENT TO:
Royal Bank of Canada
Leasing Division
5575 North Service Rd, Suite 300
Burlington, Ontario
L7L 6M1

Lease Number	Net Equipment Cost	Rental Factor
199037631 - 201000064089	\$273,000.00	0.02242
RENTAL		\$6,120.28
GST/HST *		\$795.63
PST/QST *		\$0.00
SUB TOTAL		<u>\$6,915.91</u>
ADMINISTRATION FEE		\$800.00
GST/HST *		\$104.00
PST/QST *		\$0.00
SUB TOTAL		<u>\$904.00</u>
TOTAL DUE ON October 25, 2021 <i>(to be debited from your account)</i>		<u>\$7,819.91</u>

**Taxes are calculated based on equipment location*

This is the only notice of payment that will be sent to you. Your subsequent payments of \$6,915.91 will be debited from your account on the 25th of each month starting November 25, 2021 unless alternative arrangements are made with the bank.

We thank you for this opportunity to provide you with our leasing service.

DC FREIGHT HAULERS INC.

Per: [Signature] Director
(authorized signatory and title)

Per: [Signature]
(authorized signatory and title)

GST/HST/PST/QST NO. 105248165 RT0001



Corporate Payments Service Agreement (Lease Agreement)

CUSTOMER NAME: DC FREIGHT HAULERS INC.
 ADDRESS: 800 Arthur Parker Ave
 CITY: Woodstock PROVINCE: Ontario POSTAL CODE: N4T 0G7

The purpose of the Corporate Payment Service Agreement between DC FREIGHT HAULERS INC. ("Lessee") and Royal Bank of Canada "Royal Bank" is to facilitate the transfer of funds from the Lessee to Royal Bank as payee under the following terms and conditions;

The Lessee hereby authorizes Royal Bank to draw on the Lessee's business account for the purpose of making lease payments, fees and/or charges as more fully described under Lease Number 199037631 - 201000064089 ("Lease") between Lessee and Royal Bank. Debits processed by Royal Bank in paper, electronic or other form, may vary in dollar amount as more fully described on the aforementioned Lease and be processed at any time and from time to time beginning October 25, 2021. The Lessee authorizes Royal Bank to adjust the debits from time to time with either verbal or written instructions, thereby agreeing to waive advance notice.

Details of the account upon which Royal Bank is authorized to draw are indicated below, and a specimen cheque for this account marked "VOID" is attached to this Agreement:

Name of Lessee's Financial Institution	RBC
Branch Address	_____
City, Province, Postal Code	_____
Transit Number of Financial Institution and Branch	06342 003
Account Number	1025170

The Lessee hereby warrants that all persons whose signatures are required to sign on this account have signed this Agreement below and that all persons executing this Agreement are duly authorized signing officers of the Lessee and are empowered to enter into this Agreement.

The Lessee and Royal Bank agree that the authorization provided by this Agreement will remain in full force and effect until the Lessee delivers written notice of revocation to Royal Bank. The Lessee may revoke this authorization at any time, subject to providing Royal Bank with 30 days notice in writing. The Lessee may obtain a sample cancellation form, or further information on the right to cancel this agreement by contacting the Lessee's financial institution or by visiting www.rbc.com. Revocation of this authorization does not terminate any contract for products/services that exists between the Lessee and Royal Bank. This Agreement applies only to the method of payment and does not otherwise have any bearing on the contract for products/services exchanged.

The Lessee has the right to receive reimbursement for any debit that is not authorized or is not consistent with this Agreement. To obtain more information on your recourse rights, contact your financial institution or visit www.rbc.com.

Royal Bank will be entitled to rely on any signature appearing on a facsimile transmission that purports to be a signature of the Lessee or of a representative of the Lessee as being authorized, valid and binding on the Lessee, even if the signature was not, in fact, signed by the Lessee or its representative. The Lessee will keep the originals of all documents and instructions transmitted to Royal Bank by facsimile, including the application for this agreement if it was previously transmitted by facsimile to Royal Bank, and will produce them to Royal Bank upon request. Royal Bank and the Lessee agree that a copy of a document transmitted by fax shall be admissible as evidence of its contents and its execution by the parties in the same manner as an original document, and expressly waive any right to object to its introduction in evidence, including any right to object based on the best evidence rule.

Dated the 27 day of Oct, 2021

ROYAL BANK OF CANADA

Per:

Eugene Basolini
 Head, Equipment Finance Solution Centre

DC FREIGHT HAULERS INC.

Per:

Per:

Royal Bank of Canada
 5575 North Service Rd., Suite 300
 Burlington, ON L7L 6M1
 Tel: 1-866-876-3672

Lessee No.	Lease No.	Rental Amount	GST/HST (if applicable)	PST/QST (if applicable)	Total Charges (including taxes)
199037631	201000064089	\$6,120.28	\$795.63	\$0.00	\$6,915.91

Goods & Services Tax No: 105 248 165
 Revision (04/16)



Leasing Schedule

(Common Law)

Lessee # 199037631 Lease # 201000064107

Royal Bank of Canada, as Lessor, hereby leases to DC FREIGHT HAULERS INC. as Lessee, the Equipment hereinafter described, in consideration of rental and for the term hereinafter set forth, the whole pursuant to and subject to the terms and conditions set forth in the Master Leasing Agreement entered into between the Lessor and the Lessee as of October 25, 2021

1. Equipment	Quantity	Make and Description	Model Number	Serial Number
	1	2017 Used Freightliner c/w attachments and accessories	CSC	1FUJGLDR9HLHL8069
2. Term	Term (in months) 36 Commencement Date of Term February 10, 2022 Termination Date of Term February 10, 2025			
3. Rental	Rental Installment, payable Monthly, in advance \$1,996.66 GST/HST, if any \$259.56 PST/QST, if any \$0.00 Total Monthly Rental Installment \$2,256.22 Other Charges (plus applicable taxes) \$800.00			
4. Option to Purchase	Option to Purchase Date February 9, 2025 Purchase Price \$1.00			
5. Place of Use	7499 Auburn Road Milton Ontario L9T 7V9			
6. Equipment Acceptance Certificate	The Lessee hereby certifies that all the equipment identified above in Section (1) of this Leasing Schedule has been received in good condition as ordered and has been assembled, installed, tested, etc., applicable, and is operating in accordance with the manufacturers' specification. Lessee has made or caused to be made all such tests and inspections of the Equipment, as they have reasonably deemed necessary to satisfy themselves as to the foregoing. Without prejudice to the Lessee's rights against manufacturers, suppliers or other, the Lessee hereby releases and discharges the Lessor from any and all actions, causes of actions, claims, demands, rights, defences, setoffs, abatements and compensation now or hereinafter arising out of or in relation to the Equipment, or, without limitation, any latent defect therein.			

The Lessee covenants and agrees with the Lessor that the Lessee is not entering into, and will not otherwise direct, administer or operate, this Leasing Schedule for the benefit or on behalf of any Person other than the Lessee. "Person" includes an individual, a partnership, a joint venture, a trust, an unincorporated organization, a company, a corporation, an association and any other incorporated or unincorporated entity.

The parties hereto have each executed this Leasing Schedule on the respective dates set forth below and this schedule is deemed to have been executed on the later of such dates. All appendices, if any, attached to this schedule form part of the Leasing Schedule.

ROYAL BANK OF CANADA

DC FREIGHT HAULERS INC.

per


 Eugene Basolini
 Head, Equipment Finance Solution Centre

per

per

date





2-18-22



Rental Statement

DC FREIGHT HAULERS INC.

800 Arthur Parker Ave
Woodstock, Ontario
N4T 0G7

PLEASE REMIT PAYMENT TO:

Royal Bank of Canada
Leasing Division
5575 North Service Rd, Suite 300
Burlington, Ontario
L7L 6M1


Lease Number	Net Equipment Cost	Rental Factor
199037631 - 201000064107	\$68,000.00	0.02936
RENTAL		\$1,996.66
GST/HST *		\$259.56
PST/QST *		\$0.00
SUB TOTAL		<u>\$2,256.22</u>
ADMINISTRATION FEE		\$800.00
GST/HST *		\$104.00
PST/QST *		\$0.00
SUB TOTAL		<u>\$904.00</u>
TOTAL DUE ON February 10, 2022 (to be debited from your account)		<u>\$3,160.22</u>

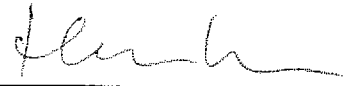
**Taxes are calculated based on equipment location*

This is the only notice of payment that will be sent to you. Your subsequent payments of **\$2,256.22** will be debited from your account on the **10th** of each month starting **March 10, 2022** unless alternative arrangements are made with the bank.

We thank you for this opportunity to provide you with our leasing service.

DC FREIGHT HAULERS INC.

Per: 
(authorized signatory and title)

Per: 
(authorized signatory and title)

GST/HST/PST/QST NO. 105248165 RT0001



Corporate Payments Service Agreement (Lease Agreement)

CUSTOMER NAME: DC FREIGHT HAULERS INC.
 ADDRESS: 800 Arthur Parker Ave
 CITY: Woodstock PROVINCE: Ontario POSTAL CODE: N4T 0G7

The purpose of the Corporate Payment Service Agreement between DC FREIGHT HAULERS INC. ("Lessee") and Royal Bank of Canada "Royal Bank" is to facilitate the transfer of funds from the Lessee to Royal Bank as payee under the following terms and conditions;

The Lessee hereby authorises Royal Bank to draw on the Lessee's business account for the purpose of making lease payments, fees and/or charges as more fully described under Lease Number 199037631 - 201000064107 ("Lease") between Lessee and Royal Bank. Debits processed by Royal Bank in paper, electronic or other form, may vary in dollar amount as more fully described on the aforementioned Lease and be processed at any time and from time to time beginning February 10, 2022. The Lessee authorizes Royal Bank to adjust the debits from time to time with either verbal or written instructions, thereby agreeing to waive advance notice.

Details of the account upon which Royal Bank is authorized to draw are indicated below, and a specimen cheque for this account marked "VOID" is attached to this Agreement:

Name of Lessee's Financial Institution	RBC
Transit Number of Financial Institution and Branch	06342 003
Account Number	1025170

The Lessee hereby warrants that all persons whose signatures are required to sign on this account have signed this Agreement below and that all persons executing this Agreement are duly authorized signing officers of the Lessee and are empowered to enter into this Agreement.

The Lessee and Royal Bank agree that the authorization provided by this Agreement will remain in full force and effect until the Lessee delivers written notice of revocation to Royal Bank. The Lessee may revoke this authorization at any time, subject to providing Royal Bank with 30 days notice in writing. The Lessee may obtain a sample cancellation form, or further information on the right to cancel this agreement by contacting the Lessee's financial institution or by visiting www.rbc.com. Revocation of this authorization does not terminate any contract for products/services that exists between the Lessee and Royal Bank. This Agreement applies only to the method of payment and does not otherwise have any bearing on the contract for products/services exchanged.

The Lessee has the right to receive reimbursement for any debit that is not authorized or is not consistent with this Agreement. To obtain more information on your recourse rights, contact your financial institution or visit www.rbc.com.

Royal Bank will be entitled to rely on any signature appearing on a facsimile transmission that purports to be a signature of the Lessee or of a representative of the Lessee as being authorized, valid and binding on the Lessee, even if the signature was not, in fact, signed by the Lessee or its representative. The Lessee will keep the originals of all documents and instructions transmitted to Royal Bank by facsimile, including the application for this agreement if it was previously transmitted by facsimile to Royal Bank, and will produce them to Royal Bank upon request. Royal Bank and the Lessee agree that a copy of a document transmitted by fax shall be admissible as evidence of its contents and its execution by the parties in the same manner as an original document, and expressly waive any right to object to its introduction in evidence, including any right to object based on the best evidence rule.

Dated the 18 day of Feb, 2022

ROYAL BANK OF CANADA

DC FREIGHT HAULERS INC.

Per:
 Eugene Basolini
 Head, Equipment Finance Solution Centre

Per:
 Per:

Royal Bank of Canada
 5575 North Service Rd., Suite 300
 Burlington, ON L7L 6M1
 Tel: 1-866-876-3672

Lessee No.	Lease No.	Rental Amount	GST/HST (if applicable)	PST/QST (if applicable)	Total Charges (including taxes)
199037631	201000064107	\$1,996.66	\$259.56	\$0.00	\$2,256.22

Goods & Services Tax No: 105 248 165
 Revision (04/16)



HSBC Bank Canada
Master Equipment Lease

Leasing Division
 6th Floor, 885 West Georgia St.
 Vancouver, British Columbia V6C 3G1

Lessor: **HSBC Bank Canada**
 Lessee: **DC Freight Haulers Inc**
 Lessee
 Address: **7499 Auburn Road, Milton, Ontario L9T7V9**

1. **LEASE.** Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the property described in any lease schedule executed by Lessor and Lessee from time to time and which refer to and incorporate by reference this Master Equipment Lease (each such lease schedule, together with all appendices, exhibits and other documents attached thereto, a "Schedule"). The property described in each Schedule, together with all additions, parts, attachments and accessories thereto from time to time, any substitutions, repairs, replacements and proceeds thereof from time to time and any related software described in such Schedule ("Software") are collectively referred to in this Agreement as the "Equipment". Any reference to "this Agreement", "herein", "hereunder" or similar expressions refers to this Master Equipment Lease and any amendments, supplements or increases thereto, renewals or restatements thereof or substitutions therefor, and all Schedules hereto. Certain other terms used herein are defined in section 29.
2. **SEPARATE LEASES.** Each Schedule constitutes a separate lease (a "Lease") from Lessor to Lessee of the Equipment described in such Schedule, in each case on the terms and conditions set out in this Agreement and such Schedule. In the event of any conflict between any provision in this Agreement and any provision in any Schedule, the provision of such Schedule shall prevail with respect to the Lease affected thereby. Except as Lessor may otherwise agree in writing, Lessor has no obligation to enter into any additional leases with, or extend any future lease financing to, Lessee under this Agreement.
3. **RENT.** As rent for use of the Equipment leased under each Schedule during the applicable Term, Lessee shall pay Lessor all rental payments, security deposits, advance rents, additional rent and interim or per diem rents (collectively, "Rental Payments") in the amounts and at the times specified in such Schedule. All Rental Payments and other amounts due under this Agreement shall be paid by Lessee together with all applicable taxes, including all sales, use, social service, transfer, goods and services, QST, HST and similar taxes together with any interest and/or penalties (collectively, "Taxes") in immediately available funds in the currency in which such payment is required to be made under this Agreement, as stipulated in the relevant Schedule, and shall be payable to Lessor at its address shown above or to such other place or in such other manner as Lessor may at any time or times designate in writing. Lessee shall pay Lessor interest on any amount payable under this Agreement (including Rental Payments) which is not paid when due from its due date to the date of payment at the rate of 21% per annum, calculated and compounded monthly. Lessee authorizes Lessor to collect all Rental Payments and other amounts due hereunder by automatic withdrawals and agrees to execute such forms relating thereto as Lessor may provide from time to time. Lessee also authorizes Lessor to debit any account of Lessee held with Lessor for all Rental Payments and other amounts owing by Lessee to Lessor under this Agreement.
4. **SECURITY DEPOSIT.** No later than the commencement date of Rental Payments specified in a Schedule, Lessee shall pay Lessor a refundable security deposit in the amount specified therefor, if any, in such Schedule (each, a "Deposit"). Lessee hereby grants Lessor a security interest in the Deposit as security for the payment and performance of all of Lessee's present and future indebtedness, liabilities and obligations under this Agreement and any other agreement now existing or hereafter entered into between Lessee and Lessor or any affiliate of Lessor (collectively, the "Obligations"). For the purposes of the Province of Québec, as security for the payment and performance of the Obligations, Lessee hereby hypothecates in favour of Lessor all of its rights, title and interest in and to the Deposit for the amount of \$xxxxxxxxxxxx with interest at the rate of 25% per annum. Lessee hereby further grants to Lessor control (as such term is understood under the Civil Code of Québec) over the Deposit and undertakes to sign any further document in order to further evidence such control. The Deposit will not accrue interest and Lessor may commingle the Deposit with its own funds. Lessor may, at any time or from time to time, deduct from any Deposit any amounts payable by Lessee to Lessor, including any applicable Taxes. Upon satisfaction of all Obligations, Lessor shall return each Deposit to Lessee less any sums applied in accordance with the foregoing or section 18(c). Lessee confirms and agrees that (i) value has been given by Lessor, (ii) it has rights in the Deposit and the power to transfer rights and grant a security interest in each after-acquired Deposit to Lessor, and (iii) Lessee and Lessor have not postponed the time for attachment of the security interests provided for herein and the security interests shall attach to existing Deposits upon the execution of this Agreement and shall attach to after-acquired Deposits at the time Lessee acquires rights therein.

5. **LEASE ABSOLUTE; NON-CANCELLABLE.** Neither this Agreement nor any Lease may be cancelled or terminated except as expressly provided herein. Lessee's obligation to make all Rental Payments and pay all Taxes and other amounts due or to become due hereunder is absolute and unconditional and is not subject to any delay, reduction, set-off, compensation, defence, withholding, deduction, claim, counterclaim or recoupment for any reason at all, including any failure, destruction, repossession or theft of the Equipment, loss of use of the Equipment (including if it does not operate as intended by Lessee, or at all), any representations by the manufacturer or the vendor of the Equipment, any past, present or future claims of Lessee against Lessor under this Agreement or otherwise, any fundamental breach of contract or for any other cause, whether similar or dissimilar to the foregoing, it being the intention of the parties hereto that all Rental Payments, Taxes and other amounts payable by Lessee under this Agreement shall continue to be payable in all events in the manner and at the times required by this Agreement. If the Equipment is unsatisfactory for any reason, Lessee shall make any claim solely against the manufacturer or the vendor thereof and shall, nevertheless, pay Lessor all Rental Payments and other amounts payable hereunder.
6. **TERM.** This Agreement will come into effect on the date it is signed by Lessee and Lessor and will continue in effect as long as any Lease remains in effect. Each Lease will come into effect, and the term of each Lease will commence, on the date set forth in the applicable Schedule (the "Term"), unless sooner terminated or renewed by agreement of Lessor and Lessee, the Term of each Lease will end at the end of the Term specified in the relevant Schedule; however, all obligations of Lessee under each Lease shall continue until they have been performed in full.
7. **TITLE.**
- (a) Lessor shall have and retain title to the Equipment from the time such Equipment is acquired by Lessor from the vendor or manufacturer of the Equipment or from Lessee. Lessee shall have no right, title or interest in any Equipment other than the right of possession and use in accordance with the terms hereof and any rights under a purchase option provided under section 20.
 - (b) Lessee shall affix to the Equipment, and not remove, conceal or alter, any labels, plates or other identification supplied by Lessor indicating Lessor's ownership thereof. Lessee acknowledges that the Equipment is and shall remain personal and movable property and shall take such steps as may be requested by Lessor to prevent any Person from acquiring any rights in any Equipment by reason of the Equipment being claimed or deemed to be real or immovable property or part thereof.
 - (c) Lessee shall obtain and deliver to Lessor such waivers, in registrable form (if necessary), as Lessor may request from the owners, landlords, hypothecary creditors and mortgagees of any real or immovable property upon which any Equipment may be located.
 - (d) In addition to, and without limiting the title retention provided for above or any other rights of Lessor under any security obtained by Lessor, Lessee hereby grants to Lessor a security interest in all of the Equipment and all proceeds thereof as security for the payment and performance of the Obligations.
8. **SECURITY ACKNOWLEDGEMENT.** Without limiting any of the rights and remedies available to Lessor under any mortgage, hypothec, lien, security interest, pledge, charge, prior claim, guarantee or encumbrance of any kind now or hereafter provided to Lessor, whether as security for the lease financing provided by Lessor pursuant to this Agreement or otherwise (collectively, the "Security Documents"), Lessee and each Guarantor, if any, hereby acknowledges and agrees that the Security Documents shall, notwithstanding any inconsistency or provision to the contrary contained therein, constitute continuing security for the payment and performance of the Obligations.
9. **NO WARRANTIES.** Lessee hereby acknowledges and agrees that (i) it has selected all Equipment and the vendor and manufacturer thereof, (ii) it is solely responsible for the use of, and results obtained from, the Equipment, (iii) it leases all Equipment "as is", (iv) it has not relied on Lessor's skill or judgment in any way in selecting the Equipment, (v) it has requested Lessor to purchase the Equipment for the purposes of leasing such Equipment pursuant to a Lease, and (vi) Lessor has made no representation or warranty, and there are no conditions, with respect to this Agreement including any Lease or any Equipment, including its condition, safety, design, durability, capability, workmanship, quality, operation, compliance with law, suitability or fitness for the use intended by Lessee, patent or intellectual property infringement, latent or patent defects, its freedom from security interests, hypothecs, liens or other encumbrances (collectively, "Liens"), Lessor's good title thereto, or with respect to any other matter or thing whatsoever. All representations, warranties and conditions, whether express or implied, statutory or otherwise, are hereby excluded. Lessor shall not be liable to Lessee or any other Person for any liability, claim, loss, cost, damage or expense of any kind or nature caused directly or indirectly by the Equipment or any deficiency or defect thereof or the use, ownership or maintenance thereof or for any loss of business or other damages whatsoever and howsoever caused (including indirect, special, consequential, punitive or exemplary damages). Lessor hereby assigns to Lessee for the Term of each Lease only, all assignable rights under any warranty given to Lessor by the vendor or manufacturer of the related Equipment, and at Lessee's expense, agrees to co-operate reasonably with Lessee in the enforcement of any such warranty. Lessee acknowledges and agrees that neither the manufacturer or vendor, nor any salesperson, representative or other agent of the manufacturer or vendor, is an agent of Lessor or is authorized to waive or alter any term or condition of this Agreement and no representation or warranty as to the Equipment or any other matter by the manufacturer or vendor shall in any way affect Lessee's obligation to make all Rental Payments and perform its other Obligations as set forth in this Agreement.
10. **USE.** Lessee shall be solely responsible for and shall pay all costs, expenses, fines, assessments, charges and other expenses, and assume all risks and liability, for the Equipment and for the use, possession, control, operation, maintenance, storage and condition thereof, and for injuries or death resulting to a Person and damage resulting to

property arising from or incident to such use, operation, possession, control, maintenance, storage and condition, whether such injuries, death or damage be to agents or employees of Lessee or their property, or to third parties or their property. All Equipment shall be used by Lessee for commercial, industrial or professional purposes only and not for personal, family or household purposes. Lessee shall not, without Lessor's prior written consent, change the place of use of any Equipment from that specified in the applicable Schedule nor change the use of any Equipment to any use which could in any way result in a change of capital cost allowance class from that specified in the related Schedule. Lessee shall not affix or incorporate the Equipment to real or immovable property nor to any goods, chattels or movable property not otherwise leased hereunder without the prior written consent of Lessor. Lessee shall ensure that the Equipment is used only by competent and qualified operators and not for any illegal or improper purpose, and in the case of any Software, same is used in accordance with each applicable licence thereof.

11. REPAIR.

- (a) Lessee shall, at its own expense (i) keep the Equipment in its original condition and working order, normal wear and tear only excepted, (ii) use, operate, maintain, repair, overhaul and service the Equipment (including furnishing all fuel, oils, lubricants and other material necessary for the operation and maintenance of the Equipment) in accordance with the recommendations and specifications and maintenance and operating manuals of the manufacturer, and (iii) maintain all records, logs and other materials in compliance with all manufacturer and vendor recommendations, all requirements to maintain all applicable warranties and insurance in effect and all applicable laws, orders, rules, regulations and directives of any federal, provincial, local or foreign government agencies, departments, boards or authorities (collectively, "Applicable Laws"). At the request of Lessor, Lessee shall furnish all proof of required maintenance and repair of the Equipment. Lessee shall immediately give notice to Lessor of any theft, loss, damage or destruction to or of any Equipment or any Total Loss (as defined below) and, at Lessor's option, Lessee shall forthwith repair such Equipment or replace it with similar equipment of equivalent value; provided that if any Equipment shall be lost, stolen, substantially destroyed, condemned, expropriated, confiscated or seized (a "Total Loss"), Lessor may, at its option, treat such Total Loss as an Event of Default and require Lessee, instead of repairing or replacing same, to pay Lessor the amounts contemplated by section 18(d) with respect thereto plus all other Taxes, Rental Payments and other amounts then payable by Lessee under the applicable Lease together with a late charge on such amounts at a rate per annum equal to the annual rate imputed in the Rental Payments thereunder (as reasonably determined by Lessor) from the date of the Total Loss through to the date of payment of such amounts, plus all applicable Taxes thereon, whereupon Lessor shall transfer to Lessee all of Lessor's interest, if any, in and to such Equipment on an "as is, where is" basis. Lessor shall represent that the Equipment shall not be at the time of such transfer subject to any Lien granted by Lessor, but otherwise the transfer shall be without recourse, representation, warranty or condition of any kind whatsoever from Lessor (whether express, implied, statutory or otherwise).
- (b) All additions, parts, attachments, accessories and replacements to any Equipment, whether by way of substitution, repair, alteration, addition or improvement, shall immediately become the property of Lessor and part of the Equipment for all purposes hereof and Lessee shall execute such documents as Lessor may request to evidence Lessor's title thereto free from any Liens. Lessee may alter or modify Equipment only with the prior written consent of Lessor and, in the case of Software, subject to the terms of and in compliance with the related licence. Any such alteration or modification shall be removed and the Equipment restored to its original, unaltered condition at Lessee's expense (without damaging the Equipment's originally intended function or its value) prior to its return to Lessor when required to be so returned.

12. INSURANCE. For so long as Lessee leases any Equipment hereunder, Lessee shall obtain and maintain, at its own expense, a public or third party liability insurance in respect of the Equipment and an "all risk" property insurance (including extended coverage, earthquake and flood endorsements where required by Lessor) against loss or damage to such Equipment, including coverage for fire, theft, collision and such other risks of loss as are customarily covered by insurance on such type of Equipment and by prudent operators of businesses similar to that in which Lessee is engaged, in such amounts, in such form, with such deductibles and with such insurers, all as shall be satisfactory to Lessor; provided that (i) the amount of insurance at any time covering damage to or loss of Equipment shall not be less than the greater of the full replacement value of the Equipment and the aggregate instalments of Rental Payments for such Equipment then remaining unpaid; and (ii) each liability insurance policy shall provide coverage of not less than the amount specified in the applicable Schedule for such Equipment for each occurrence. Each liability insurance policy will name Lessee and Lessor as insureds, and each property policy will name Lessor as first loss payee thereof. Each policy (i) shall contain a standard (IBC 3000) mortgage endorsement clause, (ii) shall require the insurer to give Lessor at least 30 days prior written notice of any alteration in the terms of such policy or the cancellation thereof, and (iii) will provide that no act, omission or misrepresentation by Lessee or any other named insured will affect the rights thereunder of Lessor and its successors and assigns. Lessee shall furnish Lessor with a certificate of insurance or other evidence satisfactory to Lessor of such insurance coverage prior to the commencement of the Term of the applicable Lease and, on request, provided that Lessor shall be under no duty either to ascertain the existence of or to examine such insurance policy or to advise Lessee in the event such insurance coverage shall not comply with the requirements hereof. If Lessee fails to insure the Equipment as required hereunder, Lessor may, but shall not be required to, obtain such insurance itself and the cost of the insurance shall be paid by Lessee as additional rent as part of the next Rental Payment. Lessee consents to Lessor's release, upon Lessee's failure to obtain appropriate insurance coverage, of any and all information necessary to obtain required insurance. Lessee will at its expense make all proofs of loss and take all other steps necessary to recover insurance benefits, unless advised in writing by Lessor that Lessor desires to do so, which Lessor may do at Lessee's expense. Provided no Event of Default, or any event that with the giving of notice, the passage of time or otherwise would become an Event of Default (an "Unmatured Event of Default"), has occurred, proceeds of property insurance will be disbursed by Lessor to Lessee against satisfactory invoices for repair or replacement of the Equipment

in compliance herewith; provided that if there shall be a Total Loss of Equipment, all such insurance proceeds may be applied by Lessor against any amounts owing to Lessor as a result of such Total Loss. Lessee hereby appoints Lessor, with full power of substitution and coupled with an interest, as Lessee's attorney-in-fact to make claim for, receive payment of and execute and endorse all documents, cheques or drafts issued with respect to any claim under any insurance policy relating to the Equipment.

13. **LESSEE'S COVENANTS.** Lessee will:

- (a) permit Lessor or its agents at all reasonable times to fully inspect any Equipment or any documents (including maintenance records) relating thereto and take copies thereof, to determine Lessee's compliance with this Agreement or the condition of the Equipment or for any other purpose;
- (b) keep the Equipment free and clear of all seizures, forfeitures, Liens, claims, privileges, debts or taxes of any nature whatsoever and will not, without the prior written consent of Lessor, sublet or otherwise relinquish possession (except for required or scheduled maintenance) of the Equipment or any part thereof;
- (c) pay when due, and indemnify and save Lessor harmless from, all taxes (including all Taxes), fees, assessments or other levies necessary to license the Equipment or otherwise imposed under Applicable Laws upon the Equipment or the delivery, purchase, lease, use, ownership, operation, possession, sale, storage or return thereof or any Rental Payments, whether assessed to Lessor or Lessee, and any fines, penalties or forfeitures relating to the Equipment. Lessee will immediately deliver proof of payment of such amounts to Lessor. Each item of Equipment in respect of which licensing or registration is required shall be licensed and registered in Canada in the name of Lessor, unless otherwise required by Applicable Law, in which case such registration will indicate that Lessor is the lessor of each such item. The licensing and registration of any item of Equipment and any renewal thereof shall be the sole responsibility of Lessee and shall be effected by Lessee on a timely basis in accordance with Applicable Laws;
- (d) indemnify and save Lessor harmless from and against all liabilities, claims, losses, costs, claims, demands, damages, awards, actions and causes of action and other expenses of any nature whatsoever (including legal fees and disbursements on a full indemnity and solicitor and his own client basis (a "Full Indemnity Basis")) (collectively, "Losses") arising, directly or indirectly, as a result of this Agreement, including any Lease hereunder or any breach hereof (or of any Software licence) by Lessee, or the inaccuracy of any representation or warranty made by Lessee under or in connection herewith or in any other way relating to the lease, use, operation, ownership, manufacture, design, durability, capability, workmanship, quality, compliance with law, suitability, selection, purchase, character, safety, condition, delivery, refusal by Lessee to accept delivery, possession, sale, storage or return of any Equipment, including damage or injury (including death) of Persons or property, and whether caused by Lessee's negligence or otherwise;
- (e) not include the cost of the Equipment in a capital cost allowance class and not claim or attempt to claim capital cost allowance in respect of the Equipment unless Lessor and Lessee agree to make a joint election under the *Income Tax Act* (Canada) or any provincial equivalent, if such an election is available and agreed upon between Lessor and Lessee;
- (f) whether or not the transactions contemplated by this Agreement shall be consummated, pay any and all reasonable legal fees and disbursements of Lessor on a Full Indemnity Basis in connection with this Agreement including, without limitation, the preparation, issue and registration of this Agreement, any Lease and any Related Documents and the enforcement and preservation of Lessor's rights and remedies thereunder and all reasonable fees and costs for appraisals, insurance consultation, credit reporting and responding to demands of any government agency or department thereof;
- (g) not change its name or change the location of its principal residence or domicile (if Lessee is a natural person), chief executive office, registered office or domicile or jurisdiction of incorporation, amalgamation or continuance (if Lessee is a corporation), without providing Lessor with at least 30 days' prior written notice thereof;
- (h) as soon as possible, and, in any event, within five days after Lessee learns of the following, notify Lessor in writing and in reasonable detail, of (i) any proceeding instituted or threatened to be instituted against Lessee in any court or before any commission or any regulatory body (federal, provincial, territorial, local or foreign), or the occurrence of any other event, circumstance or claim, that could reasonably be expected to have a material adverse effect on Lessee, Lessee's ability to perform its Obligations, any of the Equipment or the rights of Lessor under or in connection with this Agreement, (ii) the occurrence of any Event of Default or Unmatured Event of Default, together with a statement of the action which Lessee has taken or proposes to take with respect thereto, or (iii) any change in the location of any place of business or depot (including additional locations) of Lessee where Lessee keeps any of the Equipment;
- (i) not directly or indirectly use any amounts advanced or request advances hereunder for any illegal purpose or (a) to fund any activity or business with any person or in any country or territory that is the subject or target of Sanctions, or (b) in any manner that would result in a violation of Sanctions by any Person (including any lender, lessor, advisor, or otherwise);
- (j) not repay any amounts owing to Lessor using any funds derived directly or indirectly from any illegal or sanctionable activity, provided that this covenant shall be inapplicable only to the extent of any related violation of the *Foreign Extra-Territorial Measures Act* (Canada) or any similar applicable anti-boycott law or regulation;
- (k) deliver to Lessor annually, within 120 days of Lessee's, and each Guarantor's if any, fiscal year end, as the case may be, [audited], [review engagement], [notice to reader] financial statements for Lessee, and [audited], [review engagement], [notice to reader] financial statements for each Guarantor, pro forma financial statements, cash flow statement and budget for the following fiscal year of Lessee, and each Indemnifier, and such additional financial and other information as Lessor may reasonably require from time to time.

14. **CONDITION PRECEDENT.** It shall be a condition precedent to any extension of lease financing under this Agreement, the execution of each Schedule hereto and the continued availability of such lease financing that the Lessor shall have received in form and content satisfactory to the Lessor the following documents and information:
- (a) this Agreement and all Related Documents (including a Certificate of the Secretary) duly executed by all relevant parties;
 - (b) evidence of insurance required to be maintained under section 12;
 - (c) confirmation that the Lessee is in compliance with all of the terms and conditions of this Agreement and all Related Documents;
 - (d) all identification, business activity, business structure and other "know your customer" documents and information as required by the Lessor and any screening conducted in accordance with Sanctions and other applicable legal requirements; and
 - (e) such other documents and information as the Lessor may reasonably request.
15. **LESSOR'S RIGHT TO MAKE PAYMENTS.** If Lessee fails to perform any of its obligations under this Agreement, Lessor may, but need not, perform such obligation or cause it to be performed, in each case such performance shall not be deemed a waiver or cure of any breach of this Agreement resulting from such failure. Lessee will reimburse Lessor immediately on demand for any amounts paid or expense or liability incurred by Lessor in so doing.
16. **RETURN OF EQUIPMENT.** Except for Equipment purchased by Lessee pursuant to the option to purchase in section 20, upon termination of the Term of a Lease, or upon demand by Lessor pursuant to section 18, Lessee shall, at its own expense and in a prudent manner, immediately dismantle, package, label and return the applicable Equipment, free of all Liens, to Lessor at such location as Lessor may designate and in the condition required to be maintained under section 11 and under any Return Standards Addendum or other document agreed to by Lessee setting out requirements for the condition of Equipment upon the return thereof. In addition, all returned Equipment shall meet all recertification requirements and be capable of being immediately assembled and operated by a third party purchaser or third party lessee without further repair, replacement, alteration or improvement. Prior to any such return of Equipment and unless Lessee has exercised an option hereunder to purchase same, Lessee shall cooperate in all reasonable respects with Lessor's remarketing of the Equipment and in particular, but without limitation, during the 30-day period prior to the expiry of the Term of the applicable Lease, Lessor and its prospective purchasers or lessees shall have right of access to the premises on which such Equipment is located to inspect such Equipment. If Lessee fails to return any Equipment when required, then, without affecting Lessor's rights and remedies under this Agreement, the terms and conditions of the relevant Lease shall continue to be applicable and Lessee shall continue to pay Lessor for each month or part thereof beyond the applicable Term the periodic Rental Payments in effect during the last month of such Term until such Equipment is received by Lessor. Payment of Rental Payments in such circumstances shall not entitle Lessee to keep such Equipment.
17. **EVENTS OF DEFAULT.** The occurrence of any one or more of the following events shall constitute an event of default hereunder (each, an "Event of Default"):
- (a) Lessee shall fail to make any payment (including all Rental Payments) required hereunder when due; or
 - (b) without Lessor's prior written consent, Lessee removes any Equipment (other than Equipment which is specified in the related Schedule as being "Mobile Goods") from its place of use stated on the related Schedule or moves any such Mobile Goods outside of Canada; or
 - (c) without Lessor's prior written consent, Lessee parts with possession of any Equipment or purports to (or does) sell, assign, transfer, sublet or otherwise suffer a Lien of any kind upon or against any interest in this Agreement or any Equipment; or
 - (d) Lessee fails to maintain in effect any insurance required hereunder; or
 - (e) the Equipment is used in a manner that may result in accelerated depreciation; or
 - (f) Lessee or any Guarantor shall fail to perform or observe any covenant, condition or other obligation under this Agreement, other than as referred to above in this section 17; or
 - (g) Lessee defaults under any other agreement to which Lessee and Lessor (or any affiliate of Lessor) are parties or any Guarantor defaults under any other agreement to which such Guarantor and Lessor (or any affiliate of Lessor) are parties; or
 - (h) any representation or warranty made by Lessee in this Agreement or in any document or certificate furnished to Lessor in connection with or pursuant to this Agreement shall prove to be incorrect at any time in any material respect; or
 - (i) Lessee or any Guarantor shall become insolvent or bankrupt or make an assignment for the benefit of its creditors or consent to the appointment of a trustee, receiver or similar official (a "Receiver"); or a Receiver shall be appointed for Lessee or any Guarantor or for a substantial part of any of its property without its consent and such appointment shall not be terminated within the lesser of 30 days and such period during which Lessee or such Guarantor is actively and in good faith seeking its termination; or bankruptcy, reorganization, arrangement, insolvency, winding-up or similar proceedings shall be instituted by or against

ROYAL BANK OF CANADA
Applicant

- and -

DC FREIGHT HAULERS INC.
Respondent

Court File No. CV-25-00001496-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceedings commenced at Brampton

APPLICATION RECORD – VOLUME 1 of 3
(Returnable April 11, 2025)

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