



This is the first affidavit of Cameron Bailey in this case and was made on 16/Oct/2024

Court File No. **VLC-S-S-247082**

NO. _____
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

ROYAL BANK OF CANADA

PETITIONER

AND:

VICINITY MOTOR (BUS) CORP.
VICINITY MOTOR CORP.
VICINITY MOTOR (BUS) USA CORP.
VICINITY MOTOR PROPERTY, LLC

RESPONDENTS

AFFIDAVIT

I, **CAMERON BAILEY**, Senior Director, at the Royal Bank of Canada at 335 8th Ave SW, 24th Floor, Calgary, AB T2P 1C9, SWEAR (AFFIRM) THAT:

1. I am a Senior Director - Special Loans and Advisory Services with Royal Bank of Canada ("**RBC**" or the "**Bank**"), and as such have personal knowledge of the facts and matters hereinafter deposed to, save and except where stated to be based on information and belief and where so stated, I verily believe the same to be true.
2. I am authorized to make this affidavit on behalf of RBC.
3. I swear this affidavit in support of RBC's petition for an order (the "**Receiver Order**") appointing FTI Consulting Canada Inc. ("**FTI**") as receiver and manager (in such capacity, the "**Receiver**"), without security, of all assets, undertakings, and property of Vicinity Motor (Bus) Corp., formerly Grande West Transportation International Ltd. (the "**Borrower**"), Vicinity Motor Corp., formerly Grande West Transportation Group Inc., ("**Vicinity Parent**"), Vicinity Motor (Bus) USA Corp., formerly Grande West Transportation International US, Inc., ("**Vicinity USA**"), and Vicinity Motor Property, LLC

(“**Vicinity Property**”, and together with the Borrower, Vicinity Parent, and Vicinity USA, the “**Debtors**”).

Background

4. The Debtors carry on business as a North American supplier of electric commercial vehicles for both public and commercial enterprise use, operating primarily in British Columbia with some operations in Washington State. Vicinity Parent is a publicly traded company listed on the TSX Venture Exchange.
5. To the best of my knowledge, the Debtors’ primary assets are interests in various electric buses and trucks and other motor vehicles and a property located in Ferndale, Washington, with an address of 5453 and 5457, Pacific Fern Drive, legally described as follows:

Parcel A: Lot 7, as delineated on Pacific Fern Business Park General and Specific Binding Site Plan, according to the plat thereof, recorded on February 21, 2019, under Auditor's File No. 2019-0201524, records of Whatcom County, Washington. Situate in Whatcom County, Washington.

Parcel B: Lots 8 and 9, as delineated on Pacific Fern Business Park General and Specific Binding Site Plan, according to the plat thereof, recorded on February 21, 2019, under Auditor's File No. 2019-0201524, records of Whatcom County, Washington; Together with, Lot 10, as delineated on Pacific Fern Business Park Specific Binding Site Plan No. 1, according to the plat thereof, recorded May 4, 2021, under Auditor's File No. 2021-0500260, records of Whatcom County, Washington; Situate in Whatcom County, Washington (the “**Ferndale Property**”).
6. Pursuant to an amended and restated loan agreement dated February 17, 2023, as amended by amendment agreement dated February 24, 2023, second amendment agreement dated September 26, 2023, third amendment agreement dated September 27, 2023, fourth amendment agreement dated December 28, 2023, fifth amendment agreement dated February 13, 2024, sixth amendment agreement dated April 15, 2024, and seventh amendment agreement dated April 29, 2024 (collectively, the “**Loan Agreement**”) among RBC, as lender, the Borrower, as borrower, Vicinity Parent, Vicinity USA, and Vicinity Property (together, the “**Guarantors**”), as guarantors, RBC extended to the Borrower certain loan facilities (the “**Loan Facilities**”).

7. Certain defaults occurred pursuant to the terms of the Loan Agreement, including the Debtors' failure to repay the amounts owing under the Loan Facilities by the Stated Expiry Date (as defined therein), which was July 16, 2024.
8. As outlined in more detail below, RBC has issued Demands and NITES (as defined below), and entered into a Letter Agreement (as defined below) with the Debtors, but has not yet received repayment for the amounts owing under the Loan Facilities. RBC now has concerns over its security position with respect to the Loan Facilities, and as such, seeks the Receiver Order.

Loan Documents

9. RBC advanced the Loan Facilities to the Debtors pursuant to the terms of the Loan Agreement. A true copy of the Loan Agreement is attached as **Exhibit "A"** hereto.
10. To secure the Debtors' obligations under the Loan Agreement, the Debtors provided, *inter alia*, the following security to RBC (collectively, the "**Security**"). Now shown to me and attached hereto as:
 - (a) **Exhibit 'B'** a general security agreement dated October 25, 2017 granted by the Borrower in favour of RBC;
 - (b) **Exhibit 'C'** a notice of intention to grant security under Section 427 of the Bank Act, dated September 20, 2017 from the Borrower;
 - (c) **Exhibit 'D'** certain Section 427 Bank Act security documents granted by the Borrower in favour of RBC, dated September 22, 2017, including:
 - (i) an agreement as to loans, advances and security under Section 427 of the Bank Act;
 - (ii) a promise to give security under Section 427 of the Bank Act; and
 - (iii) an assignment under Section 427 of the Bank Act;
 - (d) **Exhibit 'E'** a blocked accounts agreement dated October 25, 2017 granted by the Borrower and Vicinity Parent in favour of RBC;
 - (e) **Exhibit 'F'** a general security agreement dated October 25, 2017 granted by Vicinity USA in favour of RBC (the "**Vicinity USA GSA**");
 - (f) **Exhibit 'G'** a security agreement dated February 17, 2023 granted by Vicinity Property in favour of RBC (the "**Vicinity Property GSA**");

- (g) **Exhibit 'H'** a general security agreement dated October 25, 2017 granted by Vicinity Parent in favour of RBC;
 - (h) **Exhibit 'I'** a deed of trust, assignment of leases and rents, security agreement and fixture filing, over the Ferndale Property, granted by Vicinity Property in favour of RBC, through Chicago Title Insurance Company, as trustee (the "**Deed**");
 - (i) **Exhibit 'J'** an assignment of material contracts dated February 17, 2023 granted by Vicinity Parent and the Borrower in favour of RBC; and
 - (j) **Exhibit 'K'** a confirmation and reaffirmation agreement dated February 17, 2023 among RBC, the Borrower, Vicinity USA, and Vicinity Parent.
11. Pursuant to the terms of the Loan Agreement, the Guarantors also executed the following documents guaranteeing the indebtedness of the Debtors (collectively, the "**Guarantees**"). Now shown to me and attached hereto as:
- (a) **Exhibit 'L'** an unlimited guarantee dated October 25, 2017, granted by Vicinity USA) in favour of RBC;
 - (b) **Exhibit 'M'** an unlimited guarantee dated February 17, 2023 granted by Vicinity Property in favour of RBC; and
 - (c) **Exhibit 'N'** an unlimited guarantee dated October 25, 2017, granted by Vicinity Parent in favour of RBC.

Defaults and Demands:

12. The Loan Facilities are payable on the termination of the Loan Agreement. RBC's right to terminate the Loan Agreement arose on the occurrence of certain defaults as well as the fact that the Stated Expiry Date, as defined in the Loan Agreement, was July 16, 2024, and the Debtors failed to repay their indebtedness prior to the Stated Expiry Date.
13. On August 7, 2024, RBC issued demand letters, through its legal counsel, Dentons Canada LLP, to the Borrower and each of the Guarantors demanding immediate repayment of the indebtedness pursuant to the Loan Agreement, Security, and Guarantees and enclosed therein "Notices of Intention to Enforce Security" pursuant to Section 244 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, C. B-3 (collectively, the "**Demands and NITES**").
14. Now shown to me and attached hereto as **Exhibit "O"** are true and complete copies of the Demands and NITES addressed to each of the Debtors respectively.

Forbearance Letter Agreement.

15. Following the issuance of the Demands and NITES, the Debtors presented a 60-day interim workout plan dated August 13, 2024 to RBC (the "**Plan**") together with an accompanying 60-day cash flow (the "**Cash Flow**").
16. RBC agreed to support the Plan and Cash Flow, pursuant to the terms of a letter agreement dated August 19, 2024 (the "**Letter Agreement**"), by, *inter alia*, making certain collateral funds held by RBC available to the Debtors during a nine (9) week period beginning on August 12, 2024 and ending on October 11, 2024 (the "**9-Week Period**").
17. Now shown to me and attached hereto as **Exhibit "P"** is a true and complete copy of the Letter Agreement, which includes the Cash Flow and Plan as schedules thereto.
18. During the 9-Week Period, RBC did not take additional steps to enforce any of the Security, but reserved its rights to do so pursuant to the Letter Agreement.
19. Pursuant to the Letter Agreement, the Debtors also consented to a receivership order, in the form attached thereto (the "**Consent Receiver Order**"), to be obtained at the sole discretion of RBC, in the event of a default under the Letter Agreement and/or in the event that RBC in its reasonable discretion, determines that the Debtors are unlikely to conclude a refinancing transaction to repay RBC in full within the 9-Week Period.
20. The Bank and FTI received and reviewed the Debtors' weekly reports throughout the 9-Week Period, and carefully considered the Debtors' Cash Flow reporting, progress with respect to the Plan, and updates on the refinancing efforts.
21. The 9-Week Period ended on October 11, 2024, and based on its reviews of the Debtors' weekly reporting and current knowledge of the Debtors' financial condition, the Bank does not foresee the Debtors being able to repay the outstanding indebtedness without enforcement actions.

Agreements with EDC

22. Export Development Canada ("**EDC**") provided a guarantee to the Bank pursuant to an EDC guarantee approval, reference no. 80-101318 dated February 21, 2023, as amended by amendments to the EDC guarantee dated February 16, 2024, April 16, 2024, and April 30, 2024 (collectively, the "**EDC Guarantee**"). The EDC Guarantee was issued with respect to a contract revolver facility with a limit of USD\$30,000,000, issued by RBC to the Borrower pursuant to the Loan Agreement, and guarantees the Borrower's indebtedness to the Bank up to USD\$22,500,000.

23. Now shown to me and attached hereto as **Exhibit “Q”** is a true and complete copy of the EDC Guarantee.
24. The Bank also entered into a priority agreement dated as of March 29, 2023 (the “**Priority Agreement**”) with EDC. The Priority Agreement grants RBC priority over all of the Debtors’ personal and moveable property, except for the EDC Priority Collateral, as defined therein.
25. Now shown to me and attached hereto as **Exhibit “R”** is a true and complete copy of the Priority Agreement.
26. The Bank was advised that EDC has also issued demand letters and notices of intention to enforce security to the Debtors, and EDC provided copies of such demands to the Bank.

Current Indebtedness:


27. As of October 11, 2024, the Debtors are indebted to RBC in the total amounts of CAD\$174,307.09 and USD\$16,562,455.08, together with costs and interests which continue to accrue (collectively, the “**Indebtedness**”).

Urgent Need for Relief and Receiver-Manager:

28. Based on the weekly reporting throughout the 9-Week Period and to the best of the Bank’s knowledge with respect to the Debtors’ current financial condition, the Bank is concerned about its security position and believes it is unlikely that the Debtors will be able to successfully refinance in order to repay the Indebtedness.
29. The weekly reporting has also indicated that the Debtors have been selling off some of their owned electric vehicles, which form part of the Bank’s collateral, through the 9-Week Period to fund their operations. As such, the Bank has concerns that its security position will continue to deteriorate if it does not seize control over the Debtors’ assets through the appointment of the Receiver.
30. On October 11, 2024, on which date the 9-Week Period ended pursuant to the Letter Agreement, Vicinity Parent issued a press release (the “**Press Release**”) noting that, *inter alia*, it believes its creditors will commence receivership proceedings which will impede its ability to continue to operate and that it expects the British Columbia Securities Commission to issue a broad cease trade order against Vicinity Parent’s shares by October 18, 2024 which will restrict all its shares from being traded in Canada.
31. Now shown to me and attached hereto as **Exhibit “S”** is a true and complete copy of the Press Release.

- 32. I have been informed by representatives for the Debtors that certain assets are currently situated in Washington State, at the Ferndale Property. The Bank has retained counsel in Washington State and intends to start bankruptcy proceedings in the United States shortly after receiving the Receiver Order in British Columbia, in order to promptly seize control over any assets situated in Washington State and to enforce its US-based security interests, including the Deed over the Ferndale Property, the Vicinity Property GSA, and the Vicinity USA GSA. As such, the Bank requires prompt appointment of the Receiver in British Columbia, so that it can commence the proceedings in the United States shortly thereafter.
- 33. Further, the Bank has received notice from certain suppliers of the Debtors that the Debtors have breached their agreements with the suppliers, by, *inter alia*, failing to pay the suppliers for goods purchased pursuant to their agreements. Such notices gave rise to additional concerns for the Bank about the Debtors' financial position and outstanding liabilities.
- 34. The Bank has received consent from the Debtors, as evidenced by their execution of the Letter Agreement and the Consent Receiver Order therein, and as such, the Bank does not anticipate any opposition from the Debtors in respect of the appointment of the Receiver.
- 35. Accordingly, RBC brings this application for the appointment of FTI as receiver-manager. The Receiver will be best positioned to assess and pursue an appropriate sales process in respect of the Debtors' assets.
- 36. To the best of my knowledge, the Debtors have no other material creditors, other than EDC.

SWORN (AFFIRMED) before me in Calgary)
Alberta, on October 17, 2024.)
)
A Commissioner for Taking Affidavits)
for Alberta)
Derck Pontin)
Barrister and Solicitor)


CAMERON BAILEY

This is **Exhibit "A"** referred to in the affidavit of Cameron Bailey sworn before me at Calgary, Alberta this 16 day of October 2024.

A handwritten signature in blue ink, consisting of several overlapping loops and lines, positioned above a horizontal line.

A Commissioner for taking Affidavits
For Alberta

Derek Pontin
Barrister and Solicitor

AMENDED AND RESTATED LOAN AGREEMENT

DATED AS OF FEBRUARY 17, 2023

BETWEEN

ROYAL BANK OF CANADA

AS LENDER

AND

VICINITY MOTOR (BUS) CORP.

AS BORROWER

AND

THE GUARANTORS PARTY HERETO

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Exhibit D:	Form of Compliance Certificate
Exhibit E:	Form of Landlord Waiver

TRANSACTION SUMMARY AS OF THE DATE OF THIS AGREEMENT

REVOLVING CREDIT LOAN

Operating Loan Maximum Amount: \$10,000,000 or the Equivalent Amount in U.S.\$

Letter of Credit Sublimit: \$5,000,000 or the Equivalent Amount in U.S.\$, as a sublimit of the Operating Loan

Interest Rate:

Trailing 12 month EBITDA	RBP / RBUSBR	BA Equivalent Rate / Adjusted Term SOFR
Greater than or equal to \$3,000,000	plus 0.75% per annum	plus 2.25% per annum
Less than \$3,000,000	plus 1.00% per annum	plus 2.50% per annum

Operating Loan Borrowing Base:

- (i) 85% of the value (as determined by Lender) of Eligible Accounts (other than Investment Grade or Insured Accounts) and 90% of the value (as determined by Lender) of Eligible Investment Grade or Insured Accounts; plus
- (ii) the lesser of (I) 85% of the net orderly liquidation value of Eligible Inventory, and (II) 65% of the book value of Eligible Inventory, subject to a maximum of \$7,500,000; plus
- (iii) 85% of the net orderly liquidation value of all appraised Eligible Equipment, subject to a maximum of \$2,500,000; less
- (iv) reserves

EDC GUARANTEED LETTER OF CREDIT LOAN

EDC Guaranteed Letter of Credit Limit: U.S.\$3,000,000

CONTRACT REVOLVER FACILITY

Contract Revolver Facility Maximum Amount: U.S.\$30,000,000

Interest Rate: RBP / RBUSBR plus 2.00% per annum

Contract Revolver Borrowing Base (i) 100% of the value of Eligible Pre-
Shipment Costs, less (ii) reserves

STATED EXPIRY DATE February 16, 2024

OTHER FEES

Closing Fee U.S.\$30,000

Collateral Monitoring Fee: \$1,500 per month

Prepayment Fee: 1% of the Operating Loan Maximum Amount in year one; 0.5% of the Operating Loan Maximum Amount thereafter. Prepayment Fee not payable should Borrower refinance with another Royal Bank of Canada credit facility.

Unused Line Fee: 0.25% per annum

The loans described generally here are established and governed by the terms and conditions set forth below in this Agreement and the other Loan Documents, and if there is any conflict between this general description and the express terms and conditions below or elsewhere in the Loan Documents, such other express terms and conditions shall control.

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This **AMENDED AND RESTATED LOAN AGREEMENT** is dated as of February 17, 2023 and agreed to by and between Vicinity Motor (Bus) Corp. ("**Borrower**"), each other Credit Party executing this Agreement, and Royal Bank of Canada ("**Lender**").

RECITALS:

- (A) Borrower and Lender, among others, have entered into a loan agreement dated October 23, 2017, as amended by a first amendment agreement and consent dated May 16, 2018, a second amendment agreement and consent dated December 21, 2018, a third amendment agreement and waiver dated August 26, 2019, a fourth amendment agreement dated May 26, 2020, a fifth amendment agreement dated July 30, 2020, a sixth amendment agreement dated August 26, 2020, a seventh amendment agreement dated October 23, 2020, an eighth amendment agreement, waiver and consent dated December 20, 2021 and a ninth amendment agreement dated June 1, 2022 (collectively, the "**Original Loan Agreement**").
- (B) Borrower, Lender and the other parties hereto wish to amend and restated the Original Loan Agreement pursuant to the terms of this Agreement.
- (C) Capitalized terms used herein shall have the meanings assigned to them in Schedule A and, for purposes of this Agreement and the other Loan Documents, the rules of construction set forth in Schedule A shall govern. All schedules, attachments, addenda and exhibits hereto, or expressly identified to this Agreement, are incorporated herein by reference, and taken together with this Agreement, constitute but a single agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto agree as follows:

SECTION 1 AMOUNT AND TERMS OF CREDIT

1.1 Loans

- (a) Subject to the terms and conditions of this Agreement, from the Closing Date and until the Commitment Termination Date, as applicable: (i) Lender agrees to make available advances in respect of the Operating Loan (each, a "**Revolving Credit Advance**") in \$ based upon RBP or the BA Equivalent Rate (subject to a minimum of \$1,000,000 and integral multiples of \$100,000, in the case of Revolving Credit Advances made based upon the BA Equivalent Rate) and, subject to such limits as Lender may specify, in U.S.\$ based upon RBUSBR or Adjusted Term SOFR (subject to a minimum of U.S.\$1,000,000 and integral multiples of U.S.\$100,000, in the case of Revolving Credit Advances made based upon Adjusted Term SOFR) and to incur Letter of Credit Obligations (not including EDC Guaranteed Letter of Credit Obligations), subject to the Letter of Credit Sublimit, in an aggregate outstanding amount not to exceed the Operating Loan Borrowing Availability; (ii) Lender agrees to incur EDC Guaranteed Letter of Credit Obligations subject to the EDC Guaranteed Letter of Credit Limit; and (iii) Borrower may at its request from time to time borrow, repay and reborrow, and may cause Lender to incur Letter of Credit Obligations (including, for greater certainty, EDC Guaranteed Letter of Credit Obligations), under this Section 1.1(a).

- (b) Provided that no Default or Event of Default has occurred, and subject to the Lender's right to withhold such funds at any time, Lender may at its sole option and discretion, make available advances (each, a "**Contract Revolver Advance**") in \$ based upon RBP and in U.S.\$ based upon RBUSBR, in an aggregate outstanding amount not to exceed the Contract Revolver Borrowing Availability (the "**Contract Revolver Facility**") upon receipt of a Notice of Borrowing from Borrower given no later than 3:00 p.m. (Toronto time) one (1) Business Day prior to the Business Day of the proposed advance and within one (1) Business Day of the delivery of the documents and information provided for in Section 4.1(a), as applicable. Lender makes no commitment to make any Contract Revolver Advances and may at any time, in its sole and absolute discretion, decline to make any Contract Revolver Advances. In the event that the Borrower requests, and the Lender agrees, to make any Contract Revolver Advances, it will do so subject to the following:
- (i) the provisions of Sections 1.1(c) and (d) shall apply mutatis mutandis to the making of any advances in respect of the Contract Revolver Facility;
 - (ii) the Borrower may, subject to the terms hereof, borrow, repay and reborrow under the Contract Revolver Facility;
 - (iii) upon receipt of a Notice of Borrowing, the Lender shall determine whether such advance may be a Revolving Credit Advance or a Contract Revolver Advance; and
 - (iv) the Contract Revolver Facility shall be payable upon the occurrence of the Stated Expiry Date, unless Lender has earlier demanded repayment in full as a result of an Event of Default.
- (c) Borrower shall request each Revolving Credit Advance by written notice to Lender substantially in the form of Exhibit A (each a "**Notice of Borrowing**") given no later than: (i) 3:00 p.m. (Toronto time) one (1) Business Day prior to the Business Day of the proposed advance and within one (1) Business Day of the delivery of the documents and information provided for in Section 4.1(a), as applicable, in the case of Revolving Credit Advances to be made in \$ based upon RBP and in U.S.\$ based upon RBUSBR; and (ii) 10:00 a.m. (Toronto time) one (1) Business Day prior to the Business Day of the proposed advance and within one (1) Business Day of the delivery of the documents and information provided for in Section 4.1(a), in the case of Revolving Credit Advances to be made in \$ based upon the BA Equivalent Rate; and (iii) 10:00 a.m. (Toronto time) two (2) Business Days prior to the Business Day of the proposed advance and within two (2) Business Days of the delivery of the documents and information provided for in Section 4.1(a), in the case of Revolving Credit Advances to be made in U.S.\$ based upon Adjusted Term SOFR. Lender shall be fully protected under this Agreement in relying upon, and shall be entitled to rely upon: (i) any Notice of Borrowing believed by Lender to be genuine; and (ii) the assumption that the Persons making electronic requests or executing and delivering a Notice of Borrowing were duly authorized, unless the responsible individual acting thereon for Lender shall have actual knowledge to the

contrary. As an accommodation to Borrower, Lender may permit telephonic (which shall, promptly upon request be confirmed in writing by Borrower), electronic, or facsimile requests for a Revolving Credit Advance and electronic or facsimile transmittal of instructions, authorizations, agreements or reports to Lender by Borrower. Unless Borrower specifically directs Lender in writing not to accept or act upon telephonic, facsimile or electronic communications from Borrower, Lender shall have no liability to Borrower for any loss or damage suffered by Borrower as a result of Lender's honouring of any requests, execution of any instructions, authorizations or agreements or reliance on any reports communicated to it telephonically, by facsimile or electronically and purporting to have been sent to Lender by Borrower, and Lender shall have no duty to verify the origin of any such communication or the identity or authority of the Person sending it.

- (d) In making any Loan hereunder Lender shall be entitled to rely upon the most recent Borrowing Base Certificates delivered to Lender by Borrower and other information available to Lender. Lender shall be under no obligation to make any further Revolving Credit Advance, Contract Revolver Advance or incur any other Obligation if Borrower has failed to deliver the Borrowing Base Certificates, supported by electronic uploads of the Borrower's perpetual Inventory, accounts receivable, accounts payable listing, copies of Purchase Orders, and other documentation described in Section 4.1(a), as applicable, in a format acceptable to Lender by the time specified in Section 4.1(a) or if an Event of Default shall be continuing.
- (e) Letters of Credit. Subject to the terms and conditions of this Agreement, Borrower shall have the right to request, and Lender agrees to incur, the Letter of Credit Obligations for the account of Borrower in accordance with Schedule C.
- (f) Bank Products. Subject to the terms and conditions of this Agreement, Lender may provide Bank Products to Borrower in accordance with Schedule H.
- (g) Overdrafts. The existence of any overdraft in any of the bank accounts maintained with Lender in consequence of Lender charging or debiting any amount as provided in Section 1.10 or any cheque or other item presented for payment in an amount greater than the available balance in such account, whether or not pursuant to any limit established by Lender in its sole, unfettered discretion (an "**Overdraft**") shall be deemed to be a request for an advance hereunder and shall constitute a Loan and Revolving Credit Advance (being either an RBP based loan or an RBUSBR based loan, as the case may be) in the amount of such Overdraft. In addition to all other terms and conditions set out in this Agreement, Lender shall not, however, have any obligation to honour any Overdraft if such proposed Overdraft together with all other Overdrafts then outstanding should, in the aggregate, exceed \$1,000,000, or the Equivalent Amount thereof in U.S.\$.

1.2 Term and Prepayment

- (a) Upon the Commitment Termination Date with respect to all Obligations outstanding in connection with the Operating Loan, the obligation of Lender to make Revolving Credit Advances and extend other credit hereunder in connection with the Operating Loan shall immediately terminate and Borrower shall pay to Lender in full, in cash: (i) all outstanding Revolving Credit Advances and all accrued but unpaid interest thereon; (ii) an amount sufficient to enable Lender to hold cash collateral as specified in Schedule C; and (iii) all other non-contingent Obligations due to Lender in connection with the Operating Loan. Upon the Commitment Termination Date with respect to all Obligations outstanding in connection with the Contract Revolver Facility, the obligation of Lender to make Contract Revolver Advances and extend other credit hereunder in connection with the Contract Revolver Facility shall immediately terminate and Borrower shall pay to Lender in full, in cash: (i) all outstanding Contract Revolver Advances and all accrued but unpaid interest thereon; and (ii) all other non-contingent Obligations due to Lender in connection with the Contract Revolver Facility. Upon the Commitment Termination Date with respect to EDC Guaranteed Letter of Credit Obligations, the obligation of Lender to extend any credit under the EDC Guaranteed Letter of Credit Loan shall immediately terminate and Borrower shall pay to Lender in full, in cash, an amount sufficient to enable Lender to hold cash collateral in respect of the EDC Guaranteed Letter of Credit Obligations as specified in Schedule C.
- (b) If the Revolving Credit Loan shall at any time exceed the Operating Loan Borrowing Availability, then Borrower shall immediately repay the Revolving Credit Loan in the amount of such excess. If the Contract Revolver Loan shall at any time exceed the Contract Revolver Borrowing Availability, then Borrower shall immediately repay the Contract Revolver Loan in the amount of such excess.
- (c) No later than one (1) Business Day following the sale of any EV Truck Inventory occurring on or after the Closing Date, Borrower shall cause 100% of the sale proceeds of such EV Truck Inventory to be deposited to the Contract Revolver Blocked Account. The Lender shall sweep the Contract Revolver Blocked Account pursuant to Schedule D and shall apply the entire such amount swept by it in repayment of the Contract Revolver Loans up to an amount equal to one hundred percent (100%) of the value of Eligible Pre-Shipment Costs associated with the EV Truck Inventory subject to such sale, and the remainder of such sale proceeds, if any, shall be advanced by the Lender to the Contract Revolver Disbursement Account. Upon the occurrence of an Event of Default, the Lender shall sweep the Contract Revolver Blocked Account pursuant to Schedule D and shall apply the entire such amount swept by it in repayment of the Contract Revolver Loans with no balance being paid to the Contract Revolver Disbursement Account until all Obligations have been permanently repaid in full and terminated.
- (d) Borrower shall have the right, at any time upon ninety (90) days prior written notice to Lender to: (i) terminate voluntarily Borrower's right to receive or benefit from,

and Lender's obligation to make (A) Revolving Credit Advances and to incur Letter of Credit Obligations, and (B) Contract Revolver Advances; and (ii) prepay all of the Obligations; provided, however, that with respect to Revolving Credit Advances made based upon the BA Equivalent Rate or Adjusted Term SOFR prepaid by Borrower prior to the expiration date of the Interest Period applicable thereto, Borrower shall pay to Lender the amounts described in Section 1.14(c). Following receipt of such notice by Lender, the effective date of termination of the Revolving Credit Loan, the Contract Revolver Facility and Letter of Credit Obligations specified in such notice shall be deemed to be the Commitment Termination Date in respect thereof, provided any Letter of Credit Obligations specified in such notice have been cancelled or cash collateralized pursuant to Schedule C on or prior to such date. If Borrower exercises its right of termination and prepayment, Borrower shall pay to Lender the applicable Prepayment Fee and such amounts described in Section 1.14(c), provided that no Prepayment Fee will be payable if the Revolving Credit Loan is refinanced by another Royal Bank of Canada credit facility.

1.3 Use of Proceeds

Borrower shall use the proceeds of the Loans as follows: (a) with respect to the Operating Loan, for working capital and general corporate purposes; and (b) with respect to the Contract Revolver Loan, for supporting Borrower's Green Loan Objectives by financing Eligible Pre-Shipment Costs paid or to be paid by Borrower for the manufacture of the EV Truck Inventory under signed domestic or international Purchase Orders.

1.4 Single Loan

The Loans and all of the other Obligations of Borrower to Lender shall constitute one general obligation of Borrower secured by all of the Collateral, subject to Section 7.5.

1.5 Interest

Borrower shall pay interest to Lender on the aggregate outstanding Revolving Credit Advances and Contract Revolver Advances as follows: (i) at a floating per annum rate equal to the RBP plus the Applicable Margin in the case of RBP based loans; (ii) at a floating per annum rate equal to the RBUSBR plus the Applicable Margin in the case of RBUSBR based loans; (iii) at a per annum rate equal to the BA Equivalent Rate plus the Applicable Margin in the case of BA Equivalent Rate based loans; and (iv) at a per annum rate equal to Adjusted Term SOFR plus the Applicable Margin in the case of SOFR Loans (in each case, the "**Credit Rate**"). All computations of interest in respect of Revolving Credit Advances or Contract Revolver Advances made in \$ based upon RBP or the BA Equivalent Rate or in U.S. \$ based upon RBUSBR, as applicable, and all calculations of the Letter of Credit Fee, shall be made by Lender on the basis of a three hundred and sixty-five (365) or three hundred and sixty-six (366), as applicable, day year, in each case for the actual number of days occurring in the period for which such interest or fee is payable and shall be calculated daily and compounded (if unpaid) in arrears on the last day of each calendar month with respect to Revolving Credit Advances or the Contract Revolver Advances made in \$ based upon RBP or in U.S. \$ based upon RBUSBR and on

each Interest Payment Date with respect to Revolving Credit Advances made in \$ based upon the BA Equivalent Rate. In the case of Revolving Credit Advances made in U.S.\$ based upon Adjusted Term SOFR, interest on each advance will accrue daily on the basis of a year of 360 days, for the actual number of days occurring in the period for which such interest is payable and shall be calculated daily and compounded (if unpaid) in arrears on each Interest Payment Date. Any change in RBP or RBUSBR shall be effective as of the opening of business on the Business Day such change takes place.

- (a) Each determination by Lender of an interest rate hereunder shall be conclusive and binding for all purposes, absent manifest error. In no event will Lender charge interest at a rate that exceeds the highest rate of interest permissible under any law that a court of competent jurisdiction shall, in a final determination, deem applicable.
- (b) Interest shall be payable on the outstanding Revolving Credit Advances and the outstanding Contract Revolver Advances: (i) in arrears for the preceding calendar month on the first Business Day of each calendar month; (ii) on the Interest Payment Date, in the case of Revolving Credit Advances based upon the BA Equivalent Rate or Adjusted Term SOFR; (iii) on the Commitment Termination Date; and (iv) if any interest, including interest at the Default Rate, accrues or remains payable after the Commitment Termination Date, upon demand by Lender.
- (c) Effective upon the occurrence of any Event of Default and for so long as any Event of Default shall be continuing, the Credit Rate and the Letter of Credit Fee shall in the discretion of Lender be increased by three percentage points (3%) per annum (such increased rate, the “**Default Rate**”), and all outstanding Obligations, including unpaid interest and Letter of Credit Fees, shall continue to accrue interest from the date of such Event of Default at the Default Rate applicable to such Obligations.
- (d) If any interest or any other payment (including Unused Line Fees and Collateral Monitoring Fees) to Lender under this Agreement becomes due and payable on a day other than a Business Day, such payment date shall be extended to the next succeeding Business Day and interest thereon shall be payable at the then applicable rate during such extension.
- (e) In connection with the use or administration of SOFR or Term SOFR, the Lender will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. The Lender will promptly notify the Borrower of the effectiveness of any Conforming Changes in connection with the use or administration of SOFR or Term SOFR, as applicable.

1.6 Continuation and Conversion Elections

- (a) Borrower may, upon irrevocable written notice to Lender in accordance with Section 1.6(b):
- (i) elect, as of any Business Day, in the case of Revolving Credit Advances based upon RBUSBR, to convert any such Revolving Credit Advance (or any part thereof in an amount not less than U.S.\$1,000,000 or that is in an integral multiple of U.S.\$100,000 in excess thereof) into a Revolving Credit Advance based upon Adjusted Term SOFR or, as of any Business Day at the end of any Interest Period applicable thereto, in the case of Revolving Credit Advances based upon Adjusted Term SOFR, to convert any such Revolving Credit Advance (or any part thereof) into a Revolving Credit Advance based upon RBUSBR;
 - (ii) elect, as of any Business Day, in the case of Revolving Credit Advances based upon RBP, to convert any such Revolving Credit Advance (any part thereof in any amount not less than \$1,000,000 or that is in an integral multiple of \$100,000 in excess thereof) into a Revolving Credit Advance based upon the BA Equivalent Rate or, as of any Business Day at the end of any Interest Period applicable thereto, in the case of Revolving Credit Advances based upon the BA Equivalent Rate, to convert any such Revolving Credit Advance (or any part thereof) into a Revolving Credit Advance based upon RBP;
 - (iii) elect, as of the last day of the applicable Interest Period, to continue any Revolving Credit Advances based upon Adjusted Term SOFR having Interest Periods expiring on such day (or any part thereof in an amount not less than U.S.\$1,000,000 or that is in an integral multiple of U.S.\$100,000 in excess thereof); and
 - (iv) elect, as of the last day of the applicable Interest Period, to continue any Revolving Credit Advances based upon the BA Equivalent Rate having Interest Periods expiring on such day (or any part thereof in an amount not less than \$1,000,000 or that is in an integral multiple of \$100,000 in excess thereof);

provided, that if at any time the aggregate amount of Revolving Credit Advances based upon Adjusted Term SOFR or the BA Equivalent Rate, as applicable, is reduced, by payment, prepayment, or conversion of part thereof to be less than \$1,000,000 in the case of Revolving Credit Advances based upon the BA Equivalent Rate or U.S.\$1,000,000 in the case of Revolving Credit Advances based upon Adjusted Term SOFR, such Revolving Credit Advances based upon Adjusted Term SOFR or the BA Equivalent Rate, as applicable, shall automatically convert (i) in the case of Revolving Credit Advances based upon Adjusted Term SOFR into Revolving Credit Advances based upon RBUSBR and (ii) in the case of Revolving Credit Advances based upon the BA Equivalent Rate, into Revolving Credit Advances based upon RBP.

- (b) Borrower shall deliver a notice of continuation/conversion (“Notice of Continuation/Conversion”) in the form of Exhibit A to be received by Lender not later than 10:00 a.m. (Toronto time) at least one (1) Business Day in advance of the Continuation/Conversion Date if the Revolving Credit Advances are to be converted into or continued as Revolving Credit Advances based upon the BA Equivalent Rate and at least two (2) Business Days in advance of the Continuation/Conversion Date if the Revolving Credit Advances are to be converted into or continued as Revolving Credit Advances based upon Adjusted Term SOFR and otherwise by 10:00 a.m. on the Continuation/Conversion Date if the Revolving Credit Advances are to be converted into Revolving Credit Advances based upon RBP or RBUSBR.
- (c) If by no later than two (2) Business Days prior to the expiration of any Interest Period applicable to Revolving Credit Advances based upon the Adjusted Term SOFR or by not later than one (1) Business Day prior to the expiration of any Interest Period applicable to Revolving Credit Advances based upon the BA Equivalent Rate, Borrower has failed to deliver a Notice of Continuation/Conversion to Lender in respect of such Interest Period to be applicable to Revolving Credit Advances based upon Adjusted Term SOFR or the BA Equivalent Rate or if any Default or Event of Default then exists, Borrower shall be deemed to have elected to convert such Revolving Credit Advances based upon Adjusted Term SOFR into Revolving Credit Advances based upon RBUSBR or Revolving Credit Advances based upon the BA Equivalent Rate into Revolving Credit Advances based upon RBP, effective as of the expiration date of such Interest Period.
- (d) During the existence of a Default or Event of Default, Borrower may not elect to have a Revolving Credit Advance converted or continued and Revolving Credit Advances during such period shall be based upon RBP or RBUSBR, as applicable.
- (e) After giving effect to any conversion or continuation of Revolving Credit Advances, there may not be more than five (5) different Interest Periods in effect hereunder.

1.7 Cash Management System

On or prior to the Closing Date and until the Termination Date, Borrower will establish and maintain the cash management system described in Schedule D. All payments received in respect of the EV Truck Inventory shall be made to or deposited in the Contract Revolver Blocked Account described in Schedule D and all payments in respect of any other Collateral shall be made to or deposited in the other Blocked Accounts described in Schedule D in accordance with the terms thereof.

1.8 Fees

Borrower agrees to pay to Lender the Fees set forth in Schedule E.

1.9 Receipt of Payments

Borrower shall make: (a) each payment in connection with the Contract Revolver Facility or the EV Truck Inventory (not otherwise made pursuant to Section 1.10) to the Contract Revolver Blocked Account, and (b) each other payment under this Agreement (not otherwise made pursuant to Section 1.10) to the other Blocked Accounts, in each case in immediately available funds, in lawful money of Canada, without set-off, counterclaim or deduction and free and clear of all Taxes on the day when due. If Borrower shall be required by law to deduct or withhold any Taxes from any payment to Lender under any Loan Document, then the amount payable to Lender shall be increased so that, after making all required deductions and withholdings, Lender receives an amount equal to that which it would have received had no such deductions and withholdings been made. For purposes of computing interest, Fees and determining Net Operating Loan Borrowing Availability and Net Contract Revolver Borrowing Availability, all payments shall be deemed received by Lender one (1) Business Day following receipt of immediately available funds in the applicable Blocked Accounts.

1.10 Application and Allocation of Payments

Borrower irrevocably agrees that Lender shall have the continuing and exclusive right to apply any and all payments against the then due and payable Obligations in such order as Lender may deem advisable subject to Section 7.5. Lender is authorized to, and at its option may (without prior notice or precondition and at any time or times), but shall not be obligated to, make or cause to be made Revolving Credit Advances on behalf of Borrower, for: (a) payment of all Fees, expenses, indemnities, charges, costs, principal, interest, or other Obligations owing by Borrower under this Agreement or any of the other Loan Documents; (b) the payment, performance or satisfaction of any of Borrower's obligations with respect to preservation of the Collateral; (c) any premium in whole or in part required in respect of any of the policies of insurance required by this Agreement; or (d) the full repayment of the Contract Revolver Loan on the Stated Expiry Date; even if the making of any such Revolving Credit Advance causes the outstanding balance of the Revolving Credit Loan to exceed the Operating Loan Borrowing Availability, and Borrower agrees to repay immediately, in cash, any amount by which the Revolving Credit Loan exceeds the Operating Loan Borrowing Availability.

1.11 Accounting

Lender is authorized to record on its books and records the date and amount of each Loan and each payment of principal thereof and such recordation shall constitute prima facie evidence of the accuracy of the information so recorded. Lender shall provide Borrower on a monthly basis a statement and accounting of such recordations but any failure on the part of Lender to keep any such recordation (or any errors therein) or to send a statement thereof to Borrower shall not in any manner affect the obligation of Borrower to repay any of the Obligations. Except to the extent that Borrower shall, within thirty (30) days after such statement and accounting is sent, notify Lender in writing of any objection Borrower may have thereto (stating with particularity the basis for such objection), such statement and accounting shall be deemed final, binding and conclusive upon Borrower, absent manifest error.

1.12 Indemnity

Borrower and each other Credit Party executing this Agreement jointly and severally agree to indemnify and hold Lender and its Affiliates, and their respective employees, officers, directors, professional advisors and agents (each, an “**Indemnified Person**”), harmless from and against any and all suits, actions, proceedings, claims, damages, losses, liabilities and expenses of any kind or nature whatsoever (including legal fees and disbursements and other costs of investigation or defence, including those incurred upon any appeal) which may be instituted or asserted against or incurred by any such Indemnified Person as the result of credit having been extended, suspended or terminated under this Agreement and the other Loan Documents or with respect to the execution, delivery, enforcement, performance or administration of, or in any other way arising out of or relating to, this Agreement and the other Loan Documents or any other documents or transactions contemplated by or referred to herein or therein and any actions or failures to act with respect to any of the foregoing, including the failure of the Borrower to use the proceeds of any Contract Revolver Loan as set out in this Agreement, and including any and all product liabilities, Environmental Liabilities, Taxes and legal costs and expenses arising out of or incurred in connection with any dispute between or among any parties to any of the Loan Documents (collectively, “**Indemnified Liabilities**”), except to the extent that any such Indemnified Liability is finally determined by a court of competent jurisdiction to have resulted solely from such Indemnified Person’s gross negligence or wilful misconduct. NO INDEMNIFIED PERSON SHALL BE RESPONSIBLE OR LIABLE TO ANY CREDIT PARTY, ANY SUCCESSOR, ASSIGNEE OR THIRD PARTY BENEFICIARY OR ANY OTHER PERSON ASSERTING CLAIMS DERIVATIVELY THROUGH SUCH PARTY, FOR ANY ACT OR FAILURE TO ACT UNDER ANY POWER OF ATTORNEY OR FOR INDIRECT, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES WHICH MAY BE ALLEGED AS A RESULT OF CREDIT HAVING BEEN EXTENDED, SUSPENDED OR TERMINATED UNDER THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR AS A RESULT OF ANY OTHER TRANSACTION CONTEMPLATED HEREUNDER OR THEREUNDER.

1.13 Borrowing Base; Reserves

The Borrowing Base shall be determined by Lender (including the eligibility of Accounts, Inventory and costs and expenses of Borrower respect of the EV Truck Inventory) based on the most recent Borrowing Base Certificates delivered to Lender in respect of the Operating Loan or the Contract Revolver Facility, as applicable, in accordance with Section 4.1(a) and such other information available to Lender. Each of the Revolving Credit Loan and the Contract Revolver Facility shall be subject to Lender’s continuing right to withhold from the Operating Loan Borrowing Availability or the Contract Revolver Borrowing Availability reserves, and to increase and decrease such reserves from time to time, if and to the extent that in Lender’s good faith credit judgment such reserves are necessary, including to protect Lender’s interest in the Collateral or to protect Lender against possible non-payment of Accounts for any reason by Account Debtors or possible diminution of the value of any Collateral or possible non-payment of any of the Obligations or for any Taxes or in respect of any state of facts which could constitute a Default. Lender may, at its option, implement reserves by designating as ineligible a sufficient amount of Accounts, Inventory or costs and expenses of Borrower in respect of the EV Truck Inventory, which would otherwise be Eligible Accounts, Eligible Inventory or Eligible Pre-Shipment Costs,

as the case may be, so as to reduce the Operating Loan Borrowing Base or the Contract Revolver Borrowing Base by the amount of the intended reserves.

1.14 Funding Losses

Borrower shall reimburse Lender and hold Lender harmless from any loss or expense which Lender may sustain or incur as a consequence of:

- (a) the failure of Borrower to make on a timely basis any payment of principal on any Revolving Credit Advance made based upon Adjusted Term SOFR or the BA Equivalent Rate;
- (b) the failure of Borrower to borrow, continue or convert a Revolving Credit Advance after Borrower has given (or is deemed to have given) a Notice of Borrowing or a Notice of Continuation/Conversion, as the case may be; or
- (c) the prepayment or other payment (including after acceleration thereof but excluding prepayment mandated by the provisions of Section 8.14(b)) of any Revolving Credit Advance made based upon Adjusted Term SOFR or the BA Equivalent Rate on a day that is not the last day of the relevant Interest Period;

including any such loss of anticipated profit and any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain its Revolving Credit Advances made based upon Adjusted Term SOFR or the BA Equivalent Rate or from fees payable to terminate the deposits from which such funds were obtained. Borrower shall also pay any customary and reasonable administrative fees charged by Lender in connection with the foregoing.

1.15 Benchmark Replacement Setting

- (a) Replacing Term SOFR. Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event, the Lender and the Borrower may amend this Agreement to replace the then-current Benchmark with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at 5:00 p.m. (New York City time) on the fifth (5th) Business Day thereafter. No replacement of a Benchmark with a Benchmark Replacement pursuant to this Section 1.15(a) will occur prior to the applicable Benchmark Transition Start Date.
- (b) Replacing CDOR. On May 16, 2022 Refinitiv Benchmark Services (UK) Limited (“RBSL”), the administrator of CDOR, announced in a public statement that the calculation and publication of all tenors of CDOR will permanently cease immediately following a final publication on Friday, June 28, 2024. On the date that all Available Tenors of CDOR have either permanently or indefinitely ceased to be provided by RBSL, if the then-current Benchmark is CDOR, the Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any setting of such Benchmark on such day and all subsequent settings without any amendment to, or further action or consent of any other party to this Agreement or any other Loan Document. If the Benchmark

Replacement is Daily Compounded CORRA, all interest payments will be payable on a monthly basis.

- (c) Replacing Future Benchmarks. At any time that the administrator of the then-current Benchmark has permanently or indefinitely ceased to provide such Benchmark or such Benchmark has been announced by the administrator or the regulatory supervisor for the administrator of such Benchmark pursuant to a public statement or publication of information to be no longer representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored, Borrower may revoke any request for a borrowing of, conversion to or continuation of a BA Equivalent Rate loan to be made, converted or continued that would bear interest by reference to such Benchmark until Borrower's receipt of notice from Lender that a Benchmark Replacement has replaced such Benchmark, and, failing that, Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to RBP based loans.
- (d) Conforming Changes. In connection with the use, administration, adoption or implementation of a Benchmark Replacement, the Lender will have the right to make Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.
- (e) Notices; Standards for Decisions and Determinations. The Lender will promptly notify the Borrower of (i) the implementation of any Benchmark Replacement, (ii) the occurrence of a Term CORRA Transition Event, and (iii) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. The Lender will promptly notify the Borrower of (x) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 1.15(f), and (y) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by the Lender pursuant to this Section 1.15, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 1.15.
- (f) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including the Term SOFR Reference, Term CORRA or CDOR) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by the Lender in its reasonable discretion, or (B) the administrator of such

Benchmark or the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then the Lender may modify the definition of “Interest Period” (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor, and (ii) if a tenor that was removed pursuant to paragraph (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative, then the Lender may modify the definition of “Interest Period” (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

- (g) Benchmark Unavailability Period. Upon the Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period, the Borrower may revoke any request for a SOFR Loan, or the conversion to, or continuation of, SOFR Loans, to be made, converted or continued during any Benchmark Unavailability Period and, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of, or conversion to, RBUSBR based Operating Loans. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of RBUSBR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of RBUSBR.
- (h) Secondary Term CORRA Conversion. Notwithstanding anything to the contrary herein or in any Loan Document and subject to the proviso below in this paragraph, if a Term CORRA Transition Event and its related Term CORRA Transition Date have occurred, then on and after such Term CORRA Transition Date (i) the Benchmark Replacement described in paragraph (a)(i)(A) of such definition will replace the then-current Benchmark for all purposes hereunder or under any Loan Document in respect of any setting of such Benchmark on such day and all subsequent settings, without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document; and (ii) each Revolving Credit Loan outstanding on the Term CORRA Transition Date bearing interest based on the then-current Benchmark shall convert, on the first day of the next interest payment period, into a Revolving Credit Loan bearing interest at the Benchmark Replacement described in paragraph (a)(i)(A) of such definition for the respective Available Tenor as selected by the Borrower as is available for the then-current Benchmark, provided that, this paragraph (h) shall not be effective unless the Lender has delivered to the Borrower a Term CORRA Notice, and so long as the Lender has not received, by 5:00 p.m. (Toronto time) on the fifth (5th) Business Day after the date of the Term CORRA Notice, written notice of objection to such conversion to Term CORRA from the Borrower.

1.16 Inability to Determine Rates

Subject to Section 1.15, if Lender determines that, for any reason, adequate and reasonable means do not exist for determining the BA Equivalent Rate or Term SOFR for any requested Interest Period with respect to a proposed Revolving Credit Advance made based upon the BA Equivalent Rate or Adjusted Term SOFR, or that the BA Equivalent Rate or Term SOFR for any requested Interest Period with respect to a proposed Revolving Credit Advance made based upon the BA Equivalent Rate or Adjusted Term SOFR does not adequately and fairly reflect the cost to Lender of funding such Revolving Credit Advance, Lender will promptly so notify Borrower. Thereafter, the obligation of Lender to make or maintain Revolving Credit Advances made based upon the BA Equivalent Rate or Term SOFR, as applicable, hereunder shall be suspended until Lender revokes such notice in writing. Upon receipt of such notice, Borrower may revoke any Notice of Borrowing or Notice of Continuation/Conversion then submitted by it. If Borrower does not revoke such notice, Lender shall make the Revolving Credit Advance, as proposed by Borrower, in the amount specified in the applicable notice submitted by Borrower, but such Revolving Credit Advance shall be made as a RBUSBR based loan instead of a SOFR Loan or a RBP based loan instead of a BA Equivalent Rate based loan, as the case may be.

SECTION 2 CONDITIONS PRECEDENT

2.1 Conditions to the Initial Loans

Lender shall not be obligated to make any of the Loans or to perform any other action hereunder, until the following conditions have been satisfied in a manner satisfactory to Lender in its sole discretion, or waived in writing by Lender:

- (a) the Loan Documents to be delivered on or before the Closing Date shall have been duly executed and delivered by the appropriate parties, all as set forth in the Schedule of Documents (Schedule F);
- (b) Lender shall have received and shall be satisfied with such estoppel letters, landlord (in the form of Exhibit E or otherwise as acceptable to Lender acting reasonably), mortgagee, processor and bailee waivers and such other consents (including consents from Governmental Authorities) as Lender may require in its discretion;
- (c) Lender shall have received and shall be satisfied with such subordination, postponement and intercreditor agreements as Lender may require in its discretion;
- (d) the insurance policies provided for in Section 3.16 shall be in full force and effect, together with appropriate evidence showing loss payable or additional insured clauses or endorsements in favour of Lender as required under such Section;
- (e) Lender shall have received an opinion of counsel to each of the Credit Parties (including a standard enforceability opinion) with respect to each Loan Document in form and substance satisfactory to Lender;
- (f) Lender (and where applicable, Lender's counsel) shall have completed and be satisfied with the results of all business, environmental and legal due diligence

- (including review with results satisfactory to Lender of Borrower's union contracts, if applicable);
- (g) Lender shall have completed, or caused to be completed, and be satisfied with the results of a Field Examination in respect of Borrower;
 - (h) Lender shall have received and be satisfied with the results of, Borrower's inventory appraisal(s) conducted by an appraisal firm acceptable to Lender, and with regard to the Collateral, the inventory control systems, the books and records and the reporting capability of the Credit Parties;
 - (i) Lender shall have been provided with and be satisfied with its review of, Borrower's documents regarding its corporate and capital structure, material contracts, debt instruments and governing documents;
 - (j) Lender shall have reviewed and be satisfied with Borrower's customers' contracts, including contracts among the Credit Parties and each of Pioneer Auto Group, Hubei Qixing Group, Hubei Qixing Truck Cabin Manufacturing Limited Company, Hubei Yaoxing Trading International Co. Ltd, RED Auto SCM Co., Ltd., Xiamen Fengtai Bus & Coach International Co., Ltd. and any other customers' contracts requested by the Lender and, if requested by Lender, the purchase orders relating thereto;
 - (k) Lender shall have completed and be satisfied with the results of the background and reference checks on Borrower, senior management of Borrower and the other Credit Parties;
 - (l) Lender shall have received, and same shall continue to be valid and current, certified copies of all the constating documents, by-laws and resolutions of the directors (or partners, members or shareholders as required by Lender) authorizing the Loan Documents, and certificates of incumbency, for Borrower and each other Corporate Credit Party;
 - (m) a Compliance Certificate in the form of Exhibit D shall have been submitted immediately prior to the Closing Date confirming all required covenants have been met;
 - (n) Lender shall have received audited Financial Statements for Vicinity Motor Corp. for the Fiscal Year ended December 31, 2021;
 - (o) Lender shall have received, and be satisfied with, its review of Borrower's Projections for the ensuing twelve (12) months ending February 29, 2024, including projections of balance sheet, operating results, cash flows, Operating Loan Borrowing Availability and Contract Revolver Borrowing Availability;
 - (p) Lender shall have been provided with, and be satisfied with, its review of all available documentation and material information in respect of outstanding litigation in which the Credit Parties are involved, if any; and

- (q) with respect to the Contract Revolver Facility only, Lender shall not be obligated to make any advance in connection with the Contract Revolver Facility until Lender shall have been provided with, and be satisfied with, the EDC Guarantee and all related documentation, and the EDC Guarantee shall be in full force and effect.

2.2 Further Conditions to the Loans

Lender shall not be obligated to fund any Loan (including the initial Loans), if, as of the date thereof:

- (a) Borrower has failed to deliver a Notice of Borrowing and, with respect to a Contract Revolver Advance, all invoices and other documentation associated with the proposed Contract Revolver Advance, together with suitable documentation and information evidencing how the proceeds of the Contract Revolver Loan will support Borrower's Green Loan Objectives pursuant to Section 1.3(b);
- (b) any representation or warranty by any Credit Party contained herein or in any of the other Loan Documents shall be untrue or incorrect as of such date, except to the extent that any such representation or warranty is expressly stated to relate to a specific earlier date, in which case, such representation and warranty shall be true and correct as of such earlier date;
- (c) any event or circumstance, which has had or reasonably could be expected to have a Material Adverse Effect, shall have occurred since the Closing Date;
- (d) any Default shall have occurred and be continuing or would result after giving effect to such Loan; or
- (e) after giving effect to such Loan, the Revolving Credit Loan would exceed the Operating Loan Borrowing Availability or the Contract Revolver Loan would exceed the Contract Revolver Borrowing Availability.

The request and acceptance by Borrower of the proceeds of any Loan shall be deemed to constitute, as of the date of such request and the date of such acceptance: (i) a representation and warranty by Borrower that the conditions in this Section 2.2 have been satisfied; and (ii) a restatement by Borrower of each of the representations and warranties made by it in each Loan Document and a reaffirmation by Borrower of the granting and continuance of Lender's Liens pursuant to the Loan Documents.

SECTION 3 REPRESENTATIONS, WARRANTIES AND AFFIRMATIVE COVENANTS

To induce Lender to enter into this Agreement and to make the Loans, Borrower and each other Credit Party executing this Agreement represent and warrant to Lender (each of which

representations and warranties shall survive the execution and delivery of this Agreement), and promise to and agree with Lender at all times until the Termination Date as follows:

3.1 Corporate Existence; Compliance with Law

Each Corporate Credit Party:

- (a) is, as of the Closing Date, and will continue to be: (i) a corporation or partnership, as applicable, duly organized, validly existing, registered and in good standing under the laws of the jurisdiction of its incorporation or formation; (ii) duly qualified to do business and in good standing in each other jurisdiction where its ownership or lease of property or the conduct of its business requires such qualification, except where the failure to be so qualified could not reasonably be expected to have a Material Adverse Effect; and (iii) in compliance with all Requirements of Law, including without limitation, laws relating to the prevention of money laundering and terrorist financing and Contractual Obligations, except to the extent failure to comply therewith could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect;
- (b) has and will continue to have: (i) the requisite power and authority and the legal right to execute, deliver and perform its obligations under the Loan Documents, and to own, pledge, mortgage or otherwise encumber and operate its properties, to lease the property it operates under lease, and to conduct its business as now, heretofore or proposed to be conducted; and (ii) all licenses, permits, franchises, rights, powers, consents or approvals from or by all Persons or Governmental Authorities having jurisdiction over such Corporate Credit Party which are necessary or appropriate for the conduct of its business; and
- (c) is not an insolvent person as such term is defined in the BIA.

3.2 Executive Offices; Corporate or Other Names

The location of each Corporate Credit Party's chief executive office, corporate offices, warehouses, other locations of Collateral and locations where records with respect to Collateral are kept (including in each case the county of such locations) are as set forth in Disclosure Schedule (3.2) and, except as set forth in such Disclosure Schedule, such locations have not changed during the preceding twelve (12) months. As of the Closing Date, during the prior five years, except as set forth in Disclosure Schedule (3.2), no Corporate Credit Party has been known as or conducted business in any other name (including trade or business names).

3.3 Corporate Power; Authorization; Enforceable Obligations

The execution, delivery and performance by each Credit Party of the Loan Documents to which it is a party, and the creation of all Liens provided for herein and therein: (a) are and will continue to be within such Credit Party's power and authority; (b) have been and will continue to be duly authorized by all necessary or proper action; (c) are not and will not be in violation of any Requirement of Law or Contractual Obligation of such Credit Party; (d) do not and will not result in the creation or imposition of any Lien (other than in favour of Lender) upon any of the

Collateral; and (e) do not and will not require the consent or approval of any Governmental Authority or any other Person. As of the Closing Date, each Loan Document shall have been duly executed and delivered on behalf of each Credit Party thereto, and each such Loan Document upon such execution and delivery shall be and will continue to be a legal, valid and binding obligation of such Credit Party, enforceable against it in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency and other similar laws affecting creditors' rights generally.

3.4 Financial Statements and Projections; Books and Records

- (a) The Financial Statements delivered by Borrower to Lender for its most recently ended Fiscal Year and Fiscal Month, are true, correct and complete and reflect fairly and accurately the financial condition of Borrower as of the date of each such Financial Statement in accordance with IFRS. The Projections most recently delivered by Borrower to Lender have been prepared in good faith, with care and diligence and use assumptions that are reasonable under the circumstances at the time such Projections were prepared and as of the date delivered to Lender and all such assumptions are disclosed in the Projections; and
- (b) each of Borrower and the other Corporate Credit Parties shall keep adequate Books and Records with respect to the Collateral and its business activities in which proper entries, reflecting all consolidated and consolidating financial transactions, and payments and credits received on, and all other dealings with, the Collateral, shall be made in accordance with IFRS and all Requirements of Law and on a basis consistent with the Financial Statements.

3.5 Material Adverse Change

Between the date of the most recent audited Financial Statements delivered to Lender for each Corporate Credit Party and the Closing Date: (a) no Corporate Credit Party has incurred any obligations, contingent or non-contingent liabilities, or liabilities for Charges, long-term leases or unusual forward or long-term commitments which are not reflected in the Projections delivered prior to the Closing Date and which could, alone or in the aggregate, reasonably be expected to have a Material Adverse Effect; (b) there has been no material deviation from such Projections; and (c) no events have occurred which alone or in the aggregate has had or could reasonably be expected to have a Material Adverse Effect. No Requirement of Law or Contractual Obligation of any Credit Party has or have had or could reasonably be expected to have a Material Adverse Effect. No Credit Party is in default, and to such Credit Party's knowledge, no third party is in default, under or with respect to any of its Contractual Obligations, which alone or in the aggregate has had or could reasonably be expected to have a Material Adverse Effect.

3.6 Real Estate; Property

The real estate listed in Disclosure Schedule (3.6) constitutes, as of the Closing Date, all of the real property owned, leased, or used by each Corporate Credit Party in its business, and such Corporate Credit Party will not execute any material agreement or contract in respect of such real estate after the date of this Agreement without giving Lender prompt prior written notice thereof. Each

Corporate Credit Party holds and will continue to hold good and marketable fee simple title to all of its owned real estate, and good and marketable title to all of its other properties and assets, and valid and insurable leasehold interests in all of its leases (both as lessor and lessee, sublessee or assignee), and none of the properties and assets of any Corporate Credit Party are or will be subject to any Liens, except Permitted Encumbrances. With respect to each of the premises identified in Disclosure Schedule (3.6) on or prior to the Closing Date, a bailee, landlord or mortgagee waiver acceptable to Lender has been obtained except as expressly noted in Disclosure Schedule (3.6).

3.7 Ventures, Subsidiaries and Affiliates; Outstanding Shares and Indebtedness

Except as set forth in Disclosure Schedule (3.7), as of the Closing Date no Corporate Credit Party has any Subsidiaries, is engaged in any joint venture or partnership with any other Person, or is an Affiliate of any other Person. All of the issued and outstanding Shares of each Corporate Credit Party other than Vicinity Motor Corp. (including all rights to purchase options, warrants or similar rights or agreements pursuant to which such Corporate Credit Party may be required to issue, sell, repurchase or redeem any of its Shares) as of the Closing Date are registered in the name of each of the Shareholders (and in the amounts) set forth on Disclosure Schedule (3.7). All outstanding Indebtedness of each Corporate Credit Party as of the Closing Date is described in Disclosure Schedule (5.2(b)).

3.8 Government Regulations

To the extent any Corporate Credit Party is subject to or regulated under any federal, provincial or state statute, rule or regulation that restricts or limits such Person's ability to incur Indebtedness, pledge its assets, or to perform its obligations under the Loan Documents, such laws have been complied with. The making of the Loans, the application of the proceeds and repayment thereof, and the consummation of the transactions contemplated by the Loan Documents do not and will not violate any Requirement of Law.

3.9 Taxes; Charges

Except as disclosed on Disclosure Schedule (3.9), all tax returns, reports and statements required by any Governmental Authority to be filed by Borrower or any other Credit Party have, as of the Closing Date, been filed and will, until the Termination Date, be filed with the appropriate Governmental Authority and no tax Lien has been filed against any Credit Party or any Credit Party's property. Proper and accurate amounts have been and will be withheld by Borrower and each other Corporate Credit Party from their respective past or present employees for all periods in complete compliance with all Requirements of Law and such withholdings have been and will be timely paid to the appropriate Governmental Authorities. Disclosure Schedule (3.9) sets forth as of the Closing Date those taxable years for which any Credit Party's tax returns are currently being audited by the Canada Revenue Agency or any other applicable Governmental Authority and any assessments or threatened assessments in connection with such audit, or otherwise currently outstanding. Except as described on Disclosure Schedule (3.9), none of the Credit Parties nor their respective predecessors are liable for any Charges: (a) under any agreement (including any tax sharing agreements or agreement extending the period of assessment of any Charges); or (b) to each Credit Party's knowledge, as a transferee.

3.10 Payment of Obligations

Each Corporate Credit Party will pay, discharge or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all of its Charges and other obligations of whatever nature, except where the amount or validity thereof is at such time being contested in good faith by appropriate proceedings and reserves in conformity with IFRS with respect thereto have been provided on the books of such Corporate Credit Party and none of the Collateral is or could reasonably be expected to become subject to any Lien or forfeiture or loss as a result of such contest.

3.11 Pension Plans

Disclosure Schedule (3.11) lists all Plans applicable to Borrower (other than, for greater certainty, Plans maintained by the Government of Canada or any Government of a Province of Canada to which Borrower is obligated to contribute under any applicable law). No Pension Event has occurred or is reasonably expected to occur. The aggregate amount of all normal contributions (as such term is defined for the purpose of the BIA) accruing due but not paid or remitted, all amounts withheld from employees and not paid or remitted and other amounts which might give rise to a Lien giving any priority under the BIA shall never exceed the Minimum Actionable Amount.

3.12 Litigation

No Litigation is pending or, to the knowledge of any Credit Party, threatened against any Credit Party or against any Credit Party's properties or revenues: (a) with respect to any of the Loan Documents or any of the transactions contemplated hereby or thereby; (b) which could reasonably be expected to have a Material Adverse Effect; or (c) which is otherwise in an amount in excess of the Minimum Actionable Amount. Except as set forth on Disclosure Schedule (3.12), as of the Closing Date, there is no Litigation pending or threatened against any Credit Party which seeks damages in excess of the Minimum Actionable Amount or injunctive relief or alleges criminal misconduct of any Credit Party. Following the Closing Date, each Credit Party shall notify Lender promptly in writing upon learning of the existence, threat or commencement of any Litigation against any Credit Party or any Plan, in each case, if applicable, or any allegation of criminal misconduct against any Credit Party.

3.13 Intellectual Property

As of the Closing Date, all material Intellectual Property owned or used by any Corporate Credit Party is listed, together with application or registration numbers, where applicable, in Disclosure Schedule (3.13). Each Corporate Credit Party owns, or is licensed to use, all Intellectual Property necessary to conduct its business as currently conducted except for such Intellectual Property the failure of which to own or license could not reasonably be expected to have a Material Adverse Effect. Each Corporate Credit Party will maintain the patenting and registration of all Intellectual Property owned by it with the appropriate Governmental Authority and each Corporate Credit Party will promptly apply to patent or register, as the case may be, all new Intellectual Property developed by it and notify Lender in writing five (5) Business Days prior to filing any such new patent or registration.

3.14 Full Disclosure/Know Your Customer

No information contained in any Loan Document, the Financial Statements or any written statement furnished by or on behalf of any Credit Party under any Loan Document or to induce Lender to execute the Loan Documents, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained herein or therein not misleading in light of the circumstances under which they were made. There are no material facts relating to any of the Credit Parties which have not been disclosed to Lender. Without limitation to any other term hereof, each Credit Party shall provide Lender with such documentation and other evidence as is determined necessary by Lender in or for it to be satisfied that it has complied and all times will comply with all “know your customer” requirements under all applicable Requirements of Law (including in connection with any change of laws or requirement or any proposed or actual assignment by Lender).

3.15 Environmental Matters

Except as set forth on Disclosure Schedule (3.15), as of the Closing Date: (a) each real property location owned, leased or occupied by or otherwise in the charge, management or control of each Corporate Credit Party (the “**Real Property**”) is maintained free of material contamination that is required by the applicable Environmental Laws to be removed, remediated or mitigated; (b) no Corporate Credit Party is subject to any Environmental Liabilities or, to any Corporate Credit Party’s knowledge, potential Environmental Liabilities, in excess of the Minimum Actionable Amount in the aggregate; (c) no notice has been received by any Corporate Credit Party identifying it as a “potentially responsible party” or otherwise identifying it as a potentially liable party or requesting information under the EAA or analogous federal or provincial laws, in each case, to the extent applicable, and to the knowledge of any Corporate Credit Party, there are no facts, circumstances or conditions that may result in any Corporate Credit Party being identified as a “potentially responsible party” under the EAA or analogous federal or provincial laws, in each case, to the extent applicable; and (d) each Corporate Credit Party has provided to Lender copies of all existing environmental reports, reviews and audits and all written information pertaining to actual or potential Environmental Liabilities, in each case relating to each Real Property location. Each Corporate Credit Party: (i) shall comply in all material respects with all applicable Environmental Laws and environmental permits; (ii) shall notify Lender in writing within seven (7) Business Days if and when it becomes aware of any Release, on, at, in, under, above, to, from or about any of its Real Property; and (iii) shall promptly forward to Lender a copy of any order, notice, permit, application, or any communication or report received by it or any other Corporate Credit Party in connection with any such Release.

3.16 Insurance

As of the Closing Date, Disclosure Schedule (3.16) lists all insurance of any nature maintained for current occurrences by Borrower and each other Corporate Credit Party, as well as a summary of the terms of such insurance. Each Corporate Credit Party shall deliver to Lender originals or copies and endorsements to all of its and those of its Subsidiaries: (a) “All Risks” policies naming Lender as loss payee and additional insured; and (b) general liability and other liability policies naming Lender as an additional insured. All policies of insurance on real and personal property will be adequate in form, substance, scope and amount and will contain an endorsement, all in form and

substance acceptable to Lender, showing loss payable to Lender (I.B.C. Form 3000 or equivalent) and extra expense and business interruption endorsements. Such endorsement, or an independent instrument furnished to Lender, will provide that the insurance companies will give Lender at least thirty (30) days prior written notice before any such policy or policies of insurance shall be altered or cancelled and that no act or default of Borrower or any other Person shall affect the right of Lender to recover under such policy or policies of insurance in case of loss or damage. Each Corporate Credit Party shall direct all present and future insurers under its "All Risk" policies of insurance to pay all proceeds payable thereunder directly to Lender. If any insurance proceeds are paid by cheque, draft or other instrument payable to any Credit Party and Lender jointly, Lender may endorse such Credit Party's name thereon and do such other things as Lender may deem advisable to reduce the same to cash. Lender reserves the right at any time, upon review of each Credit Party's risk profile, to require additional forms and limits of insurance. Each Corporate Credit Party shall, on each anniversary of the Closing Date and from time to time at Lender's request, deliver to Lender a report by a reputable insurance broker, satisfactory to Lender, with respect to such Corporate Credit Party's insurance policies. Borrower will maintain all such insurance in effect during the term of this Agreement.

3.17 Bank Accounts

Borrower and the other Corporate Credit Parties shall maintain all deposit and/or other accounts, including the Blocked Accounts and the Disbursements Accounts, with the Lender, and any other lender set forth on Attachment 1 to Schedule D (provided that, with respect to the bank account held by Vicinity Motor (Bus) USA Corp. with City National Bank and described in Attachment 1 to Schedule D, any funds deposited or transferred to such account shall be transferred from Borrower's Disbursement Accounts in accordance with Schedule D, and the balance in such bank account shall not exceed U.S. \$1,000,000 at any given time), and will not have any other bank accounts without the prior written consent of the Lender.

3.18 Accounts, Inventory and Pre-Shipment Costs

As of the date of each Borrowing Base Certificate delivered to Lender, each Account listed thereon as an Eligible Account shall be an Eligible Account, all Inventory listed thereon as Eligible Inventory shall be Eligible Inventory and all costs and expenses listed thereon as Eligible Pre-Shipment Costs shall be an Eligible Pre-Shipment Costs. Borrower has not made, and will not make, any agreement with any Account Debtor for any extension of time for the payment of any Account, any compromise or settlement for less than the full amount thereof, any release of any Account Debtor from liability therefor, or any deduction therefrom except a discount or allowance for prompt or early payment allowed by Borrower in the ordinary course of its business consistent with historical practice and as previously disclosed to Lender in writing or as otherwise may be consented to in writing by the Lender, acting reasonably. Disclosure Schedule (3.18) sets forth each Account Debtor from whom Borrower has obtained an offset waiver in form and substance satisfactory to Lender. With respect to the Accounts pledged as collateral pursuant to any Loan Document: (a) the amounts shown on all invoices, statements and reports which may be delivered to Lender with respect thereto are actually and absolutely owing to the relevant Corporate Credit Party as indicated thereon and are not in any way contingent; (b) no payments have been or shall be made thereon except payments immediately delivered to the applicable accounts described in paragraph 1 of Schedule C or Lender as required hereunder; and (c) to Borrower's knowledge, all

Account Debtors have the capacity to contract. In respect of Purchase Orders, Borrower has not made, and will not make, any agreement with any customer for any extension of time for the payment of any amounts owing pursuant to such Purchase Order or other obligations in connection with such Purchase Order, any compromise or settlement for less than the full amount thereof, any release of any customer from liability therefor, or any deduction therefrom, except as may be consented to in writing by the Lender, acting reasonably. To Borrower's knowledge, all customers in connection with Purchase Orders have the capacity to contract. Borrower shall notify Lender promptly of any event or circumstance which, to Borrower's knowledge would cause Lender to consider any then existing Account, Inventory or cost and expense as no longer constituting an Eligible Account, Eligible Inventory or Eligible Pre-Shipment Cost, as the case may be.

3.19 Conduct of Business

Each Corporate Credit Party: (a) shall conduct its business substantially as now conducted or as otherwise permitted hereunder; and (b) shall at all times maintain, preserve and protect all of the Collateral and such Corporate Credit Party's other property, used or useful in the conduct of its business and keep the same in good repair, working order and condition and make, or cause to be made, all necessary or appropriate repairs, replacements and improvements thereto consistent with industry practices.

3.20 Material Contracts

All of the Material Contracts of the Credit Parties are described in Schedule G.

3.21 Eligible Pre-Shipment Costs and EV Truck Inventory

- (a) All Purchase Orders and related agreements delivered by Borrower to the Lender pursuant to the Contract Revolver Borrowing Base constitute legally binding obligations of each counterparty thereto or each customer in respect of which such Purchase Order or other agreement has been created, whereby each such party shall be legally obligated to purchase the applicable EV Truck Inventory from Borrower upon delivery of such EV Truck Inventory to premises owned or operated by Borrower from the Truck Manufacturer, or as otherwise set out in any such Purchase Order or as agreed to by the Lender acting reasonably.
- (b) All Purchase Orders with customers in respect of the EV Truck Inventory shall be entered into by Borrower (or any of its predecessors).
- (c) The counterparties to any Purchase Orders, or customers in respect thereof, shall be located in North America.
- (d) Borrower shall take all reasonable steps to complete the sale of the EV Truck Inventory pursuant to the Purchase Orders related thereto, including, without limitation, by issuing invoices to customers or purchasers of such EV Truck Inventory forthwith, and by instituting litigation against third parties as shall be prudent to complete any such sale.

- (e) Borrower shall cause all EV Truck Inventory in respect of which the Lender has made a Contract Revolver Advance to be delivered to the Ferndale Property or to the warehouse of Borrower located at 26180 31B Ave, Aldergrove, British Columbia, and to no other premises.
- (f) All Prepaid Deposits in respect of which the Contract Revolver Loans have been advanced shall be paid by Borrower to the Truck Manufacturer by no later than five (5) Business Days from the initial date of any such Contract Revolver Advance.

3.22 Ferndale Property

By no later than thirty (30) days following the Closing Date:

- (a) Borrower shall deliver to Lender, in form and substance satisfactory to Lender, the Deed of Trust and Environmental Indemnity Agreement related to the Ferndale Property, as set forth in Schedule F, duly executed and delivered by Borrower and registered on title to the Ferndale Property; and
- (b) Lender shall have received and be satisfied with the following in respect of the Ferndale Property:
 - (i) its review (and the review of Lender's counsel) of the title report;
 - (ii) the final title insurance policy;
 - (iii) certificate of insurance;
 - (iv) appraisal and corresponding reliance letter; and
 - (v) environmental reports and information, and corresponding reliance letter.

3.23 Green Loan Representations and Covenants

(a) All information respecting Borrower's business previously provided to Lender in respect of its Green Loan Objectives is accurate and complete, including but not limited to, all information related to Borrower's Green Loan Objectives set out in the latest Compliance Certificate and Notice of Borrowing delivered to Lender; (b) the proceeds of all Contract Revolver Loans shall be used by Borrower to support Borrower's Green Loan Objectives by financing Eligible Pre-Shipment Costs paid or to be paid by Borrower for the manufacture of the EV Truck Inventory in accordance with Section 1.3(b); (c) Borrower shall continue to operate the sector of its business that involves the production and sale of electric vehicles consistent with the Green Loan Principles and in furtherance of its Green Loan Objectives; and (d) Borrower has policies and procedures in place, as are satisfactory to Lender, in order to enable Borrower to comply with the Green Loan Principles and to advance its Green Loan Objectives.

3.24 Further Assurances

At any time and from time to time, upon the written request of Lender and at the sole expense of Borrower, Borrower and each other Credit Party shall promptly and duly execute and deliver any and all such further instruments and documents and take such further action as Lender may reasonably deem desirable: (a) to obtain the full benefits of this Agreement and the other Loan Documents; (b) to protect, preserve and maintain Lender's rights in any Collateral; or (c) to enable Lender to exercise all or any of the rights and powers herein granted.

3.25 Default

No Default or Event of Default has occurred and is continuing.

SECTION 4 FINANCIAL REPORTS, INFORMATION AND NOTICES

4.1 Reports and Information

From the Closing Date until the Termination Date, Borrower shall deliver to Lender:

- (a) as frequently as Lender may request and in any event no less than weekly on a day agreed upon between Lender and Borrower and by 12:00 p.m. (Toronto time) on that day, the Borrowing Base Certificates in the form of Exhibit C-1 and Exhibit C-2 as of the close of business of the previous Business Day, detailing the calculation of the Operating Loan Borrowing Base and the Contract Revolver Borrowing Base, respectively, certified as true and correct by an Authorized Officer, together with: (i) in respect of the Operating Loan Borrowing Base, (A) an accounts receivable roll forward analysis in the form of Attachment "1" to Exhibit C-1; and (B) electronic copies of all accounts receivable, accounts payable and inventory ledgers, subledgers, Inventory perpetual or physical listing; and (ii) in respect of the Contract Revolver Borrowing Base, (A) purchase order and cost and expense details with respect to all EV Truck Inventory in the form of Attachments "1" and "2" to Exhibit C-2; (B) with respect to EV Truck Inventory for which the Borrower has issued a purchase order for production to the Truck Manufacturer, and in respect of which the Borrower has paid the applicable Prepaid Deposit to the Truck Manufacturer, copies of the purchase order from the Borrower to the Truck Manufacturer, evidence of payment of the applicable Prepaid Deposit to the Truck Manufacturer and copies of executed Purchase Orders with customers of the Borrower for the applicable EV Truck Inventory; (C) with respect to EV Truck Inventory that has been manufactured by the Truck Manufacturer and is in transit to premises owned or operated by the Borrower, evidence of payment of the final purchase price in respect of such EV Truck Inventory by the Borrower to the Truck Manufacturer and documentation acceptable to Lender in respect of inventory in transit, including but not limited to: (1) the original bill of lading and invoice; (2) a letter of credit or evidence of payment, in each case acceptable to the Lender, for payment of any and all Clearance Costs, if applicable; and (3) evidence of acceptable insurance covering such EV Truck Inventory; and (D) with respect to completely manufactured EV Truck Inventory that has been sold, or is to be sold,

to customers of the Borrower pursuant to a Purchase Order following receipt of such EV Truck Inventory at the Borrower's premises, copies of invoices issued to customers or purchasers of such inventory;

- (b) within thirty (30) days following the end of each Fiscal Month:
 - (i) its aged accounts payable listing by creditor, its aged accounts receivable listing by Account Debtor, its Inventory perpetual or physical listing and if requested by Lender, reconciliations of the aged accounts receivable listing by Account Debtor, its accounts receivable roll forward analysis and the Inventory perpetual or physical listing (as the case may be) to Borrower's trial balance and from the trial balance to the Financial Statements for such Fiscal Month, accompanied by supporting detail and documentation as Lender may request;
 - (ii) its trial balance for such Fiscal Month;
 - (iii) its consolidated and consolidating Financial Statements for such Fiscal Month, which shall provide comparisons to budget and actual results for the corresponding period during the prior Fiscal Year, both on a monthly and year-to-date basis, and which shall contain a balance sheet, income statement and cash flow statement for such Fiscal Month; and
 - (iv) a Compliance Certificate in the form of Exhibit D, including a copy of Borrower's written and declared Green Loan Objectives, confirmation that the Green Loan Objectives satisfy the eligibility criteria set out in the Green Loan Principles to classify the Contract Revolver Facility as "green loans", confirmation that the proceeds of the Contract Revolver Loans have been used to advance Borrower's Green Loan Objectives, and a statement in the form of Attachment "1" to Exhibit D, showing the calculations used in determining compliance with the financial covenants hereunder;
- (c) within ten (10) days following the end of each fiscal quarter of the Borrower, bank account statements with respect to the bank account held by Vicinity Motor (Bus) USA Corp. with City National Bank and described in Attachment 1 to Schedule D;
- (d) within 120 days following the end of each Fiscal Year, the Financial Statements for Vicinity Motor Corp. for such Fiscal Year audited without qualification by an independent qualified accounting firm acceptable to Lender, which shall provide comparisons to the prior Fiscal Year, together with any management letter that may be issued;
- (e) within 120 days following the end of each Fiscal Year, beginning with the Fiscal Year ending December 31, 2022, the consolidating Financial Statements prepared by management for each of the Credit Parties and their respective Subsidiaries for such Fiscal Year, which shall be prepared in reasonable detail and on a consolidating basis in accordance with GAAP consistency applied, shall reflect intercompany eliminations and shall provide comparisons to the prior Fiscal Year;

- (f) within thirty (30) days following the end of each Fiscal Year, consolidated Projections (comprising a balance sheet, income statement and statement of cash flows showing proposed Capital Expenditures, Net Operating Loan Borrowing Availability and Net Contract Revolver Borrowing Availability), by month for the next Fiscal Year prepared by Borrower in a manner consistent with IFRS and accompanied by senior management's discussion and analysis of such plan and prepared by Borrower in good faith, with care and diligence, and using assumptions which are reasonable under the circumstances at the time such Projections are delivered to Lender and disclosed therein when delivered; and
- (g) all the other reports and information set forth in Exhibit B in the time frames set forth therein.

4.2 Notices

Borrower shall advise Lender promptly, in reasonable detail, of:

- (a) any Lien, other than Permitted Encumbrances, attaching to or asserted against any of the Collateral or any occurrence causing a material loss or decline in value of any Collateral and the estimated (or actual, if available) amount of such loss or decline;
- (b) any material change in the composition of the Collateral;
- (c) the occurrence of any Default or other event which has had or could reasonably be expected to have a Material Adverse Effect. Borrower shall, upon request of Lender, furnish to Lender such other reports and information in connection with the affairs, business, financial condition, operations, prospects or management of Borrower or any other Credit Party or the Collateral as Lender may request, all in reasonable detail; and
- (d) any change in the Truck Manufacturer from time to time, including the Truck Manufacturer disclosed in writing to Lender from time to time ceasing to be the Truck Manufacturer of EV Truck Inventory at any time.

SECTION 5 FINANCIAL AND NEGATIVE COVENANTS

5.1 Financial Covenants

- (a) If, at any time, Net Operating Loan Borrowing Availability is less than twenty-five percent (25%) of the Operating Loan Borrowing Availability, Borrower and its Subsidiaries shall maintain a consolidated Fixed Charge Coverage Ratio of not less than 1.1:1, calculated on a trailing twelve (12) month basis and tested as of the end of each Fiscal Month during any such period, until such time that Net Operating Loan Borrowing Availability is equal to or greater than twenty-five percent (25%) of the Operating Loan Borrowing Availability for a period of at least fifteen (15) consecutive days.

- (b) For the period:
- (i) beginning on the Closing Date until the first anniversary of the Closing Date: (A) Borrower shall order no less EV Truck Inventory from the Truck Manufacturer than the number of EV Truck Inventory forecasted to be ordered pursuant to Schedule J, tested as of the end of each Fiscal Month; and (B) minimum year-to-date consolidated EBITDA of Borrower and its Subsidiaries shall be no less than the forecasted year-to-date consolidated EBITDA of Borrower and its Subsidiaries for such period set out in Schedule J, tested as of the end of each Fiscal Quarter; and
 - (ii) beginning on the first Fiscal Month immediately following the first anniversary of the Closing Date until the Stated Expiry Date, Borrower and its Subsidiaries shall maintain consolidated EBITDA in an amount equal to seventy-five percent (75%) of the consolidated EBITDA for such period set out in the financial projections delivered by Borrower to Lender on an annual basis, tested as at the end of each Fiscal Quarter beginning on the first Fiscal Quarter following the first anniversary of the Closing Date.

5.2 Negative Covenants

Each Credit Party covenants to Lender that so long as this Agreement is in effect:

- (a) such Corporate Credit Party shall not form any Subsidiary or merge with, amalgamate with, consolidate with, acquire all or substantially all of the assets or capital stock of, or otherwise combine with or make any investment in or, except as provided in Section 5.2(c) below, make a loan or advance to, any Person;
- (b) such Corporate Credit Party shall not cancel any debt owing to it or create, incur, assume or permit to exist any Indebtedness, except: (i) the Obligations; (ii) Indebtedness existing as of the Closing Date set forth on Disclosure Schedule (5.2(b)); (iii) deferred taxes; (iv) by endorsement of instruments or items of payment for deposit to the general account of such Credit Party; (v) Guaranteed Indebtedness incurred for the benefit of Borrower if the primary obligation is permitted by this Agreement; (vi) Indebtedness owing to EDC up to a maximum amount of U.S.\$9,000,000, plus interest, in connection with an equipment term facility to be advanced by EDC to Borrower following the Closing Date, provided Lender and EDC have entered into an intercreditor agreement in form and substance satisfactory to Lender, acting reasonably, prior to the incurrence of any such Indebtedness; and (vii) additional Indebtedness (including Purchase Money Indebtedness) incurred after the Closing Date in an aggregate outstanding amount for all such Corporate Credit Parties combined not exceeding the Minimum Actionable Amount;
- (c) such Corporate Credit Party shall not enter into any lending, borrowing or other commercial transaction with any of its employees, directors, Affiliates or any other Credit Party (including upstreaming and downstreaming of cash and intercompany

advances and payments by a Credit Party on behalf of another Credit Party which are not otherwise permitted hereunder) other than loans or advances to employees in the ordinary course of business in an aggregate outstanding amount not exceeding the Minimum Actionable Amount;

- (d) such Corporate Credit Party shall not make any changes in any of its business objectives, purposes, or operations which could reasonably be expected to adversely affect repayment of the Obligations or could reasonably be expected to have a Material Adverse Effect, or engage in any business other than that presently engaged in or proposed to be engaged in as set forth in the Projections delivered to Lender as of the Closing Date, except as permitted by Section 5.2(g) below, or amend its charter or by-laws or other organizational documents. For greater certainty, the cancellation of a purchase order in respect of greater than 200 EV Truck Inventory will be considered to have a Material Adverse Effect provided that such EV Truck Inventory has been completely produced by the Truck Manufacturer and substantially all items of such 200 EV Truck Inventory have not been sold by Borrower within ninety (90) days of such cancellation as determined by the Lender acting reasonably;
- (e) such Corporate Credit Party shall not create or permit any Lien on any of its properties or assets, including, without limitation, the Ferndale Property, except for Permitted Encumbrances;
- (f) such Corporate Credit Party shall not sell, transfer, convey, assign or otherwise dispose of any of its assets or properties, including its Accounts or any Shares (other than the Shares owned in the capital of Vicinity Motor Corp.) or engage in any sale-leaseback, synthetic lease or similar transaction (provided, that the foregoing shall not prohibit the sale of Inventory or obsolete or unnecessary Equipment in the ordinary course of its business);
- (g) such Corporate Credit Party shall not change its name, chief executive office, corporate offices, warehouses or other Collateral locations, or location of its records concerning the Collateral, or acquire, lease or use any real estate after the Closing Date without such Person, in each instance, giving thirty (30) days prior written notice thereof to Lender and taking all actions deemed necessary or appropriate by Lender to continuously protect and perfect Lender's Liens upon the Collateral;
- (h) such Corporate Credit Party shall not establish or permit to exist any depository or other bank account of any kind with any financial institution (other than the accounts set forth on Attachment 1 to Schedule D) without Lender's prior written consent;
- (i) such Credit Party shall not make or permit any Restricted Payment;
- (j) the aggregate amount of all Prepaid Deposits paid by Borrower to the Truck Manufacturer in respect of which Contract Revolver Loans have been advanced shall not exceed, at any time, U.S.\$6,000,000; and

- (k) Borrower shall not market, issue press releases or other statements or otherwise publicly disclose: (i) the Green Loan Objectives; (ii) Borrower's goal of achieving such Green Loan Objectives or complying with Green Loan Principles; (iii) the use of the Loans for the purpose of achieving the Green Loan Objectives; (iv) compliance with Green Loan Principles; or (v) otherwise classifying or describing the Loans as "green loans":
- (A) until Lender has confirmed that it has received a Notice of Borrowing and Compliance Certificate with respect to a Contract Revolver Advance, together with all invoices and other documentation associated with the proposed Contract Revolver Advance as required under this Agreement, to the satisfaction of Lender; and
 - (B) at any time that Lender has notified Borrower that the documents and information set out in paragraph (A) above have not been delivered by Borrower to the satisfaction of Lender.

SECTION 6 SECURITY INTEREST

6.1 Grant of Security Interest

- (a) As collateral security for the prompt and complete payment and performance of the Obligations, each of Borrower and each other Corporate Credit Party executing this Agreement hereby grants to Lender a security interest in, hypothec on and Lien upon all of its personal property and assets, tangible or intangible, and whether now owned or hereafter acquired, or in which it now has or at any time in the future may acquire any right, title, or interest, including all of the following property in which it now has or at any time in the future may acquire any right, title or interest: all Accounts; all bank and deposit accounts and all funds on deposit therein; all cash and cash equivalents; all commodity contracts; all investments, Shares and Investment Property; all Inventory and Equipment; all Goods; all Chattel Paper, Documents and Instruments; all Books and Records; all Intangibles; and to the extent not otherwise included, all Proceeds and products of all and any of the foregoing and all collateral security and guarantees given by any Person with respect to any of the foregoing, but excluding in all events Hazardous Waste (all of the foregoing, together with any other collateral pledged to Lender or in respect of which Lender may acquire any Lien pursuant to each other Loan Document, collectively, the "Collateral").
- (b) Borrower, Lender and each other Corporate Credit Party executing this Agreement agree that this Agreement creates, and is intended to create, valid and continuing Liens upon the Collateral in favour of Lender. Borrower and each other Corporate Credit Party executing this Agreement represents, warrants and promises to Lender that: (i) Borrower and each other Corporate Credit Party granting a Lien in Collateral is the sole owner of each item of the Collateral upon which it purports to grant a Lien pursuant to the Loan Documents, and has good and marketable title

thereto free and clear of any and all Liens or claims of others, other than Permitted Encumbrances; (ii) the security interests and Liens granted pursuant to this Agreement, upon completion of the filings and other actions listed on Disclosure Schedule (6.1) (which, in the case of all filings and other documents referred to in said Disclosure Schedule, have been delivered to Lender in duly executed form, where applicable) will constitute valid perfected security interests and Liens in all of the Collateral in favour of Lender as security for the prompt and complete payment and performance of the Obligations, enforceable in accordance with the terms hereof against any and all creditors of and purchasers from any Corporate Credit Party (other than purchasers of Inventory in the ordinary course of business) and such security interests and Liens are prior to all other Liens on the Collateral in existence on the date hereof except for Permitted Encumbrances which have priority by operation of law; and (iii) no effective security agreement, equivalent security or Lien covering all or any part of the Collateral is or will be on file or of record in any public office, except those relating to Permitted Encumbrances. Borrower and each other Corporate Credit Party executing this Agreement promise to defend the right, title and interest of Lender in and to the Collateral against the claims and demands of all Persons whomsoever, and each shall take such actions, including: (x) the prompt delivery of all original Instruments, Chattel Paper and certificated Shares owned by Borrower and each other Corporate Credit Party granting a Lien on Collateral to Lender; (y) notification of Lender's interest in Collateral at Lender's request; and (z) the institution of litigation against third parties as shall be prudent in order to protect and preserve each Corporate Credit Party's and Lender's respective and several interests in the Collateral. Upon Lender's request, Borrower (and any other Corporate Credit Party granting a Lien on Collateral) shall mark its Books and Records pertaining to the Collateral to evidence the Loan Documents and the Liens granted under the Loan Documents. Upon Lender's request, all Chattel Paper shall be marked with the following legend: "This writing and the obligations evidenced or secured hereby are subject to the security interest of Royal Bank of Canada".

6.2 Lender's Rights

- (a) Lender may: (i) at any time in Lender's own name or in the name of Borrower, communicate with Account Debtors, parties to Contracts, and obligors in respect of Instruments, Chattel Paper or other Collateral to verify to Lender's satisfaction, the existence, amount and terms of any such Accounts, Contracts, Instruments or Chattel Paper or other Collateral; and (ii) at any time and without prior notice to Borrower or any other Credit Party, notify Account Debtors, parties to Contracts, and obligors in respect of Chattel Paper, Instruments, or other Collateral that the Collateral has been assigned to or is subject to Liens in favour of Lender and that payments shall be made directly to Lender. Upon the request of Lender, Borrower shall so notify such Account Debtors, parties to Contracts, and obligors in respect of Instruments, Chattel Paper or other Collateral. Upon an Event of Default, Borrower hereby constitutes Lender or Lender's designee as Borrower's legal attorney, agent and mandatary with power to endorse Borrower's name upon any notes, acceptance drafts, money orders or other evidences of payment or Collateral.

- (b) Borrower shall remain liable under each Contract, Instrument and License to observe and perform all the conditions and obligations to be observed and performed by it thereunder, and Lender shall have no obligation or liability whatsoever to any Person under any Contract, Instrument or License (between Borrower or any other Credit Party and any Person other than Lender) by reason of or arising out of the execution, delivery or performance of this Agreement or other Loan Documents and Lender shall not be required or obligated in any manner: (i) to perform or fulfill any of the obligations of Borrower or the other Credit Parties; (ii) to make any payment or inquiry; or (iii) to take any action of any kind to collect, compromise or enforce any performance or the payment of any amounts which may have been assigned to it and/or which is the object of any Liens in its favour or to which it may be entitled at any time or times under or pursuant to any Contract, Instrument or License.
- (c) Borrower and each other Credit Party shall, with respect to each owned, leased, or controlled property, during normal business hours and upon reasonable advance notice (unless a Default shall have occurred and be continuing, in which event no notice shall be required and Lender shall have access at any and all times): (i) provide access to such property to Lender and any of its officers, employees and agents, as frequently as Lender determines to be appropriate; (ii) permit Lender and any of its officers, employees and agents to inspect, audit and make extracts and copies (or take originals if reasonably necessary) from all of Borrower's and such Corporate Credit Party's Books and Records; and (iii) permit Lender to inspect, review, verify, evaluate and make physical verifications and appraisals of the Inventory and other Collateral in any manner and through any medium that Lender considers advisable (a "**Field Examination**"), and Borrower and such Credit Party agree to render to Lender, at Borrower's and such Credit Party's cost and expense, such clerical and other assistance as may be reasonably requested with regard thereto. Without limiting the generality of the foregoing, Lender shall be entitled to conduct two (2) Field Examinations and one (1) inventory appraisal per year, provided that Lender shall be entitled to conduct one (1) further inventory appraisal in any such year as Lender may deem necessary or desirable in Lender's sole discretion and provided further that there shall be no limit on the number of Field Examinations or inventory appraisals if an Event of Default is continuing.
- (d) After the occurrence and during the continuance of a Default, Borrower, at its own expense, shall cause its auditors or any other appraiser selected by Lender to deliver to Lender the results of any physical verifications of all or any portion of the Inventory made or observed by such auditors or appraisers when and if such verification is conducted. Lender shall be permitted to observe and consult with Borrower's accountants or appraisers in the performance of these tasks.

6.3 Grant of License to Use Intellectual Property Collateral

Borrower and each other Corporate Credit Party executing this Agreement hereby grants to Lender an irrevocable, non-exclusive license (exercisable upon the occurrence and during the continuance of an Event of Default without payment of royalty or other compensation to Borrower or such

Corporate Credit Party) to use, transfer, license or sublicense any Intellectual Property now owned, licensed to, or hereafter acquired by Borrower or such Corporate Credit Party, and wherever the same may be located, and including in such license access to all media in which any of the licensed items may be recorded or stored and to all computer software and programs used for the compilation or printout thereof, and represents, promises and agrees that any such license or sublicense is not and will not be in conflict with the contractual or commercial rights of any third Person; provided, that such license will terminate on the Termination Date.

SECTION 7 EVENTS OF DEFAULT, RIGHTS AND REMEDIES

7.1 Events of Default

The occurrence of any one or more of the following events (regardless of the reason therefor) shall constitute an “**Event of Default**” hereunder which shall be deemed to be continuing unless and until waived in writing by Lender in accordance with Section 8.3:

- (a) Borrower shall fail to make any payment in respect of any Obligations when due and payable or declared due and payable; or
- (b) (i) any default occurs in the observance or performance of any of the covenants or agreements contained in any of Sections 3.16, 3.17, 3.18, 4.1, 4.2, 5.1 or 5.2 of this Agreement, or (ii) any default occurs in the observance or performance of any of the other covenants or agreements contained in any other Section of this Agreement (other than Sections 3.23 or 5.2(k)) or any other Loan Document to which any Credit Party and Lender are party (including in respect of Bank Products) and such default shall continue for thirty (30) days or more after the occurrence thereof; or
- (c) (A) any Material Contract terminates, expires or ceases to be legal, valid, binding and enforceable or (B) if a Corporate Credit Party breaches a Material Contract or (C) an event of default shall occur under any Contractual Obligation of Borrower or any other Corporate Credit Party (other than this Agreement and the other Loan Documents), and such event of default under this clause (c) either: (i) involves the failure to make any payment (whether or not such payment is blocked pursuant to the terms of an intercreditor agreement or otherwise), whether of principal, interest or otherwise, and whether due by scheduled maturity, required prepayment, acceleration, demand or otherwise, in respect of any Indebtedness (other than the Obligations) of such Person in an aggregate amount exceeding the Minimum Actionable Amount or which results in the acceleration of any debt exceeding the Minimum Actionable Amount; or (ii) causes (or permits any holder of such Indebtedness or a trustee to cause) such Indebtedness, or a portion thereof, in an aggregate amount exceeding the Minimum Actionable Amount to become due prior to its stated maturity or prior to its regularly scheduled date of payment; or
- (d) any representation or warranty in this Agreement (other than in Section 3.23) or any other Loan Document, or in any written statement pursuant hereto or thereto, or in any report, financial statement or certificate made or delivered to Lender by Borrower or any other Credit Party shall be untrue or incorrect as of the date when

made or deemed made, regardless of whether such breach involves a representation or warranty with respect to a Credit Party that has not signed this Agreement; or

- (e) there shall be commenced against Borrower or any other Credit Party any litigation seeking or effecting any seizure (whether in execution or otherwise), attachment, execution, distraint or similar process against all or any substantial part of its assets which remain unreleased or undismissed for thirty (30) consecutive days, unless within such thirty (30) days, any seizure or taking possession of any property of such Credit Party shall have occurred; or any creditor (other than Lender) takes possession of all or any substantial part of the assets of Borrower or any other Credit Party; or any creditor (other than Lender) enforces or gives notice of its intention to enforce or gives prior notice with respect to the exercise of any of its hypothecary or other rights under any Liens granted to it by or over any assets of Borrower or any other Credit Party; or any custodian, receiver, interim receiver, liquidator, assignee, trustee, monitor, sequestrator or similar official is appointed in respect of Borrower or any other Credit Party or takes possession of all or any substantial part of the assets of Borrower or any other Credit Party or Borrower or any other Credit Party commits an “act of bankruptcy” (as defined under the relevant provisions of the BIA), becomes insolvent or shall have concealed, removed or permitted to be concealed or removed, any part of its property with intent to hinder, delay or defraud any of its creditors or make or suffer a transfer of any of its property or the incurring of an obligation which may be fraudulent, reviewable or the object of any proceedings under any applicable bankruptcy or insolvency legislation, creditor protection legislation or other similar laws; or
- (f) a petition, proposal, notice of intention to file a proposal, case or proceeding shall have been commenced involuntarily against Borrower or any other Credit Party in a court having competent jurisdiction seeking a declaration, judgment, decree, order or other relief: (i) under the BIA, CCAA or any other applicable federal, provincial, state or foreign bankruptcy or other law providing for suspension of operations or reorganization of debts or relief of debtors, and seeking either (x) the appointment of a custodian, receiver, interim receiver, liquidator, assignee, trustee, monitor or sequestrator (or similar official) for such Person or of any substantial part of its properties, or (y) the reorganization or winding up or liquidation of the affairs of any such Person, and such proposal, case or proceeding shall remain undismissed or unstayed for sixty (60) consecutive days or such court shall enter a declaration, judgment, decree or order granting the relief sought in such case or proceeding; or (i) invalidating or denying any Person’s right, power, or competence to enter into or perform any of its obligations under any Loan Document or invalidating or denying the validity or enforceability of this Agreement or any other Loan Document or any action taken hereunder or thereunder; or
- (g) Borrower or any other Credit Party shall: (i) commence any petition, proposal, notice of intention to file a proposal, case, proceeding or other action under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization, suspension of operations, conservatorship or relief of debtors, seeking to have an order for relief entered with respect to it or

seeking appointment of a custodian, receiver, liquidator, assignee, trustee or sequestrator (or similar official) for it or any substantial part of its properties; (ii) make a general assignment for the benefit of creditors; (iii) consent to or take any action in furtherance of, or, indicating its consent to, approval of, or acquiescence in, any of the acts set forth in paragraphs (e) or (f) of this Section 7.1 or clauses (i) or (ii) of this paragraph (g); or (iv) shall admit in writing its inability to, or shall be generally unable to, pay its debts as such debts become due; or

- (h) a final judgment or judgments for the payment of money in excess of the Minimum Actionable Amount in the aggregate shall be rendered against Borrower or any other Credit Party, unless the same shall be: (i) fully covered by insurance and the issuer(s) of the applicable insurance policies shall have acknowledged full coverage in writing within fifteen (15) days of judgment; or (ii) vacated, stayed, bonded, paid or discharged within a period of fifteen (15) days from the date of such judgment, unless within such fifteen (15) days, any seizure or taking possession of any property of such Corporate Credit Party shall have occurred; or
- (i) any other event shall have occurred which has had or could reasonably be expected to have a Material Adverse Effect; or
- (j) any provision of any Loan Document shall for any reason cease to be valid, binding and enforceable in accordance with its terms, or any Lien granted, or intended by the Loan Documents to be granted, to Lender shall cease to be a valid and perfected Lien having the first priority (or a lesser priority if expressly permitted in the Loan Documents) in any of the Collateral (or any Credit Party shall so assert any of the foregoing); or
- (k) a Change of Control shall have occurred; or
- (l) a Pension Event shall have occurred that, in the opinion of Lender, could give rise to a Material Adverse Effect or could result in any Lien or any liability on the part of Lender in either case in an aggregate amount exceeding the Minimum Actionable Amount; or
- (m) to the extent that the Lender has incurred any EDC Guaranteed Letter of Credit Obligations, the EDC Letter of Credit Guarantee or any material obligation or other provision thereof is terminated or ceases to be in full force and effect at any time for any reason whatsoever, is declared to be void or voidable, is repudiated, or the validity, binding effect, legality or enforceability thereof is at any time contested by EDC or EDC denies that it has any or any further liability or obligation thereunder, any action or proceeding is commenced to enjoin or restrain the performance or observance by EDC of any material terms thereof or to question the validity or enforceability thereof, or at any time it is unlawful or impossible for EDC to perform any of its material obligations thereunder; or
- (n) to the extent that any Contract Revolver Loans remain outstanding, the EDC Guarantee or any material obligation or other provision thereof is terminated or

ceases to be in full force and effect at any time for any reason whatsoever, is declared to be void or voidable, is repudiated, or the validity, binding effect, legality or enforceability thereof is at any time contested by EDC or EDC denies that it has any or any further liability or obligation thereunder, any action or proceeding is commenced to enjoin or restrain the performance or observance by EDC of any material terms thereof or to question the validity or enforceability thereof, or at any time it is unlawful or impossible for EDC to perform any of its material obligations thereunder.

7.2 Remedies

- (a) Subject to Lender's right to suspend its obligation to make further Contract Revolver Advances at any time in its sole discretion, if any Default shall have occurred and be continuing, then Lender may terminate or suspend its obligation to make further Revolving Credit Advances, Contract Revolver Advances and to incur additional Letter of Credit or other Obligations. In addition, if any Event of Default shall have occurred and be continuing, Lender may, without notice, take any one or more of the following actions: (i) declare all or any portion of the Obligations to be forthwith due and payable, including contingent liabilities with respect to Letter of Credit Obligations, whereupon such Obligations shall become and be due and payable; (ii) require that all Letter of Credit Obligations be fully cash collateralized pursuant to Schedule C; or (iii) exercise any rights and remedies provided to Lender under the Loan Documents or at law or equity, including all remedies provided under the PPSA; provided, that upon the occurrence of any Event of Default specified in Sections 7.1(e), 7.1(f) or 7.1(g), the Obligations shall become immediately due and payable (and any obligation of Lender to make further Loans, if not previously terminated, shall immediately be terminated) without declaration, notice or demand by Lender.
- (b) Without limiting the generality of the foregoing, Borrower and each other Credit Party executing this Agreement expressly agrees that upon the occurrence of any Event of Default, Lender may collect, receive, assemble, process, appropriate and realize upon the Collateral, or any part thereof, and may forthwith sell, lease, assign, give an option or options to purchase or otherwise dispose of and deliver said Collateral (or contract to do so), or any part thereof, in one or more parcels at public or private sale or sales, at any exchange or at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. Lender shall have the right upon any such public sale, to the extent permitted by law, to purchase for the benefit of Lender the whole or any part of said Collateral so sold, free of any right of equity of redemption, which right Borrower and each other Credit Party executing this Agreement hereby releases. Such sales may be adjourned, or continued from time to time with or without notice. Lender shall have the right to conduct such sales on any Corporate Credit Party's premises or elsewhere and shall have the right to use any Corporate Credit Party's premises without rent or other charge for such sales or other action with respect to the Collateral for such time as Lender deems necessary or advisable.

- (c) Upon the occurrence and during the continuance of an Event of Default and at Lender's request, Borrower and each other Credit Party executing this Agreement further agrees, to assemble the Collateral and make it available to Lender at places which Lender shall reasonably select, whether at its premises or elsewhere. Until Lender is able to effect a sale, lease, or other disposition of the Collateral, Lender shall have the right to complete, assemble, use or operate the Collateral or any part thereof, to the extent that Lender deems appropriate, for the purpose of preserving such Collateral or its value or for any other purpose. Lender shall have no obligation to any Credit Party to maintain or preserve the rights of any Credit Party as against third parties with respect to any Collateral while such Collateral is in the possession of Lender. Lender may, if it so elects, seek the appointment of a receiver or receiver manager to take possession of any Collateral and to enforce any of Lender's remedies with respect thereto without prior notice or hearing. To the maximum extent permitted by applicable law, Borrower and each other Credit Party executing this Agreement waives all claims, damages, and demands against Lender, its Affiliates, agents, and the officers and employees of any of them arising out of the repossession, retention or sale of any Collateral except such as are determined in a final judgment by a court of competent jurisdiction to have arisen solely out of the gross negligence or wilful misconduct of such Person. Borrower and each other Credit Party executing this Agreement agrees that ten (10) days prior notice by Lender to such Credit Party of the time and place of any public sale or of the time after which a private sale may take place is reasonable notification of such matters. Borrower and each other Credit Party shall remain liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay all amounts to which Lender is entitled.
- (d) Lender's rights and remedies under this Agreement shall be cumulative and nonexclusive of any other rights and remedies which Lender may have under any Loan Document or at law or in equity. Recourse to the Collateral shall not be required. All provisions of this Agreement are intended to be subject to all applicable mandatory provisions of law that may be controlling and to be limited, to the extent necessary, so that they do not render this Agreement invalid or unenforceable, in whole or in part.

7.3 Non-Compliance of Green Loan Principles

- (a) Notwithstanding anything contained in this Agreement, any breach of Sections 3.23 or 5.2(k) (other than, for greater certainty, the requirement to use the proceeds of Contract Revolver Loans in accordance with Section 1.3(b)), or any other failure of Borrower to meet its Green Loan Objectives or provide timely and accurate reporting and information with respect to the Green Loan Objectives shall not constitute a Default or Event of Default under this Agreement.
- (b) Upon the occurrence of any of the following events, as determined by Lender acting reasonably, and without limiting Lender's right to suspend its obligation to make further Contract Revolver Advances and demand repayment of the Contract

Revolver Loans at any time in its sole discretion, with respect to the Contract Revolver Loans and Borrower's Green Loan Objectives:

- (i) any representation, warranty, certification or statement of Borrower with respect to the Green Loan Objectives pursuant to the Compliance Certificate or otherwise is or proves to have been false or misleading when made or deemed to have been made; or
- (ii) Borrower fails to provide accurate and timely information with respect to the Green Loan Objectives when due or no longer maintains, implements or intends to achieve the Green Loan Objectives in accordance with the Green Loan Principles or as acceptable to the Lender; or
- (iii) Lender has notified Borrower that any of the foregoing events described in paragraphs (i) and (ii) above have occurred or that otherwise, in the opinion of Lender, Borrower has failed to maintain acceptable Green Loan Objectives, achieve the Green Loan Objectives, maintain policies and procedures in place to meet the Green Loan Objectives or otherwise failed to comply with the Green Loan Principles, then

the Contract Revolver Facility and any Contract Revolver Loans shall immediately cease to be classified as "green loans" for all purposes and Borrower shall immediately cease to market, issue press releases or other statements or otherwise publicly disclose: (A) the Green Loan Objectives; (B) Borrower's goal of achieving such Green Loan Objectives or complying with Green Loan Principles; (C) the use of the Loans for the purpose of achieving the Green Loan Objectives; (D) compliance with Green Loan Principles; or (E) otherwise classifying or describing the Loans as "green loans".

7.4 Waivers by Credit Parties

Except as otherwise provided for in this Agreement and to the fullest extent permitted by applicable law, each of Borrower and each other Credit Party executing this Agreement waives: (a) presentment, demand and protest, and notice of presentment, dishonour, intent to accelerate, acceleration, protest, default, non-payment, maturity, release, compromise, settlement, extension or renewal of any or all Loan Documents, commercial paper, Accounts, Contracts, Documents, Instruments, Chattel Paper and guarantees at any time held by Lender on which such Credit Party may in any way be liable, and hereby ratifies and confirms whatever Lender may do in this regard; (b) all rights to notice and a hearing prior to Lender's taking possession or control of, or to Lender's replevy, attachment or levy upon, any Collateral or any bond or security which might be required by any court prior to allowing Lender to exercise any of its remedies; and (c) the benefit of all valuation, appraisal and exemption laws. Each of Borrower and each other Credit Party executing this Agreement acknowledges that it has been advised by counsel of its choices and decisions with respect to this Agreement, the other Loan Documents and the transactions evidenced hereby and thereby and any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not apply to the construction or interpretation of this Agreement.

7.5 Proceeds

- (a) The Proceeds of any sale, disposition or other realization upon any Collateral shall be applied by Lender upon receipt to the Obligations in such order as Lender may deem advisable in its sole discretion (including the cash collateralization of any Letter of Credit Obligations) and after the indefeasible payment and satisfaction in full in cash of all of the Obligations, and after the payment by Lender of any other amount required by any provision of law, the surplus, if any, shall be paid to Borrower or its representatives or to whomsoever may be lawfully entitled to receive the same, or as a court of competent jurisdiction may direct.
- (b) Notwithstanding anything contained herein, and subject to Section 7.5(c), all payments made by or for the account of the Credit Parties to the Lender after any or all of the Obligations have been accelerated, and the Proceeds of any Collateral other than the Contract Revolver Collateral, shall be applied as follows:
- (i) first, to payment of costs and expenses of the Lender in connection with the Loan Documents and any enforcement thereof (including costs and expenses of the Lender in connection with the enforcement of the EDC Guarantee) other than the enforcement of Contract Revolver Collateral;
 - (ii) second, to payment of legal fees and expenses of the Lender in connection with the Loan Documents and any enforcement thereof (including legal fees and expenses of the Lender in connection with the review and enforcement of the EDC Guarantee) other than the enforcement of Contract Revolver Collateral;
 - (iii) third, to payment of all accrued and unpaid interest on the Operating Loan and any other fees remaining owing by the Credit Parties to the Lender in connection with the Operating Loan;
 - (iv) fourth, to payment of all other outstanding Obligations in respect of the Revolving Credit Loan and Letter of Credit Obligations other than the EDC Guaranteed Letter of Credit Obligations;
 - (v) fifth, to payment of all accrued and unpaid interest on the Contract Revolver Loan;
 - (vi) sixth, to payment of all other outstanding Obligations in respect of the Contract Revolver Loan; and
 - (vii) seventh, to pay any reimbursement or cash collateralization obligations in respect of EDC Guaranteed Letter of Credit Obligations and all other outstanding Obligations in respect of the EDC Guaranteed Letter of Credit Loan.
- (c) Notwithstanding anything contained in Section 7.5(a), or in paragraphs 7.5(b)(i) to 7.5(b)(vii) of this Section 7.5, after any or all of the Obligations have been

accelerated, the Proceeds of any Contract Revolver Collateral, shall be applied as follows:

- (i) first, to payment of costs and expenses of the Lender in connection with the enforcement of the Loan Documents with respect to the Contract Revolver Collateral (other than costs and expenses of the Lender in connection with the enforcement of the EDC Guarantee);
- (ii) second, to payment of legal fees and expenses of the Lender in connection with the enforcement of the Loan Documents with respect to the Contract Revolver Collateral (other than legal fees and expenses of the Lender in connection with the review and enforcement of the EDC Guarantee);
- (iii) third, to payment of all accrued and unpaid interest on the Contract Revolver Loans and any other fees remaining owing by the Credit Parties to the Lender in connection with the Contract Revolver Facility;
- (iv) fourth, to payment of all other outstanding Obligations in respect of the Contract Revolver Loans;
- (v) fifth, to payment of all accrued and unpaid interest on the Operating Loan and any other fees remaining owing by the Credit Parties to the Lender in connection with the Operating Loan;
- (vi) sixth, to payment of all other outstanding Obligations in respect of the Revolving Credit Loan and Letter of Credit Obligations other than the EDC Guaranteed Letter of Credit Obligations; and
- (vii) seventh, to pay any reimbursement or cash collateralization obligations in respect of EDC Guaranteed Letter of Credit Obligations and all other outstanding Obligations in respect of the EDC Guaranteed Letter of Credit Loan.

SECTION 8 MISCELLANEOUS

8.1 Complete Agreement; Modification of Agreement

This Agreement and the other Loan Documents constitute the complete agreement between the parties with respect to the subject matter hereof and thereof, supersede all prior agreements, commitments, understandings or inducements (oral or written, expressed or implied). No Loan Document may be modified, altered or amended except by a written agreement signed by Lender and each other Credit Party that is a party to such Loan Document. Borrower and each other Credit Party executing this Agreement or any other Loan Document shall have all duties and obligations under this Agreement and such other Loan Documents from the date of its execution and delivery, regardless of whether the initial Loan has been funded at that time.

8.2 Expenses

Borrower agrees to pay or reimburse Lender for all costs and expenses (including the fees and expenses of all counsel, advisors, consultants (including environmental and management consultants), field examiners, appraisers and auditors retained in connection therewith), incurred in connection with: (a) the preparation, negotiation, execution, delivery, performance and enforcement of the Loan Documents and the preservation of any rights thereunder; (b) collection, including deficiency collections; (c) the forwarding to Borrower or any other Person on behalf of Borrower by Lender of the proceeds of any Loan; (d) any amendment, waiver or other modification with respect to any Loan Document or advice in connection with the administration of the Loans or the rights thereunder; (e) any litigation, dispute, suit, proceeding or action (whether instituted by or between any combination of Lender, Borrower or any other Person), and an appeal or review thereof, in any way relating to the Collateral, any Loan Document, or any action taken or any other agreements to be executed or delivered in connection therewith, whether as a party, witness or otherwise; and (f) any effort to: (i) monitor the Loans (ii) evaluate, observe or assess Borrower or any other Credit Party or the affairs of such Person; and (iii) verify, protect, evaluate, assess, appraise, collect, sell, liquidate or otherwise dispose of the Collateral. Without limiting the foregoing, Borrower will reimburse Lender for the costs (including reasonable out of pocket expenses plus applicable taxes) related to Field Examinations and inventory appraisals.

8.3 No Waiver

Neither Lender's failure, at any time, to require strict performance by Borrower or any other Credit Party of any provision of any Loan Document, nor Lender's failure to exercise, nor any delay in exercising, any right, power or privilege hereunder, shall operate as a waiver thereof or waive, affect or diminish any right of Lender thereafter to demand strict compliance and performance therewith. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or future exercise thereof or the exercise of any other right, power or privilege. Any suspension or waiver of a Default or other provision under the Loan Documents shall not suspend, waive or affect any other Default or other provision under any Loan Document, and shall not be construed as a bar to any right or remedy which Lender would otherwise have had on any future occasion. None of the undertakings, indemnities, agreements, warranties, covenants and representations of Borrower or any other Credit Party to Lender contained in any Loan Document and no Default by Borrower or any other Credit Party under any Loan Document shall be deemed to have been suspended or waived by Lender, unless such waiver or suspension is by an instrument in writing signed by an officer or other authorized employee of Lender and directed to Borrower specifying such suspension or waiver (and then such waiver shall be effective only to the extent therein expressly set forth), and Lender shall not, by any act (other than execution of a formal written waiver), delay, omission or otherwise, be deemed to have waived any of its rights or remedies hereunder.

8.4 Severability; Section Titles

Wherever possible, each provision of the Loan Documents shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of any Loan Document shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the

remaining provisions of such Loan Document. Except as otherwise expressly provided for in the Loan Documents, no termination or cancellation (regardless of cause or procedure) of any financing arrangement under the Loan Documents shall in any way affect or impair the Obligations, duties, covenants, representations and warranties, indemnities, and liabilities of Borrower or any other Credit Party or the rights of Lender relating to any unpaid Obligation (due or not due, liquidated, contingent or unliquidated), or any transaction or event occurring prior to such termination, or any transaction or event, the performance of which is not required until after the Commitment Termination Date, all of which shall not terminate or expire, but rather shall survive such termination or cancellation and shall continue in full force and effect until the Termination Date; provided, that all indemnity obligations of the Credit Parties under the Loan Documents shall survive the Termination Date. The Section titles contained in any Loan Document are and shall be without substantive meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto.

8.5 Authorized Signature

Until Lender shall be notified in writing by Borrower or any other Credit Party to the contrary, the signature upon any document or instrument delivered pursuant hereto and believed by Lender or any of Lender's officers, agents, or employees to be that of a Credit Party or of an officer of Borrower or such other Corporate Credit Party shall bind Borrower or such other Credit Party and be deemed to be the act of Borrower or such other Credit Party affixed pursuant to and in accordance with resolutions duly adopted by Borrower's or such other Corporate Credit Party's board of directors, and Lender shall be entitled to assume the authority of each signature and authority of the person whose signature it is or appears to be unless the person acting in reliance thereon shall have actual knowledge to the contrary.

8.6 Notices

Except as otherwise provided herein, whenever any notice, demand, request or other communication shall or may be given to or served upon any party by any other party, or whenever any party desires to give or serve upon any other party any communication with respect to this Agreement, each such communication shall be in writing and shall be deemed to have been validly served, given or delivered: (a) upon the earlier of actual receipt (or refusal thereof) and three (3) Business Days after deposit in the mail, registered or certified mail, return receipt requested, with proper postage prepaid; (b) upon transmission, when sent by telecopy, e-mail or other similar facsimile or electronic transmission (with such telecopy, e-mail or facsimile promptly confirmed by delivery of a copy by personal delivery or mail as otherwise provided in this Section 8.6); (c) one (1) Business Day after deposit with a reputable overnight courier with all charges prepaid; or (d) when hand-delivered, all of which shall be addressed to the party to be notified and sent to the address or facsimile number indicated in Schedule B or to such other address (or facsimile number) as may be substituted by notice given as herein provided. Failure or delay in delivering copies of any such communication to any Person (other than Borrower or Lender) designated in Schedule B to receive copies shall in no way adversely affect the effectiveness of such communication.

8.7 Counterparts

This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered (including by facsimile transmission or as a pdf attachment to an e-mail) shall constitute an original, but all such counterparts when taken together shall constitute one and the same instrument.

8.8 Assignments

This Agreement shall be binding upon and inure to the benefit of Lender, the Credit Parties and their respective heirs, executors, administrators, other legal representatives, successors and assigns. Neither this Agreement nor any interest in this Agreement may be assigned by Borrower or any other Credit Party without the prior written consent of Lender. Lender may assign or transfer or grant participations in its rights or obligations under this Agreement in whole or in part at any time without notice to or consent of the Credit Parties. Lender may disclose to potential or actual transferees or assignees or participants, any information regarding the Credit Parties as Lender considers necessary and the Credit Parties consent to such disclosure.

8.9 Time of the Essence

Time is of the essence for performance of the Obligations under the Loan Documents.

8.10 Governing Law

Except for Loan Documents expressed to be governed by the laws of another jurisdiction, the Loan Documents and the obligations arising under the Loan Documents shall be governed by, and construed and enforced in accordance with, the laws of the Province of British Columbia applicable to contracts made and performed in such province, without regard to the principles thereof regarding conflicts of laws, and any applicable laws.

8.11 Submission to Jurisdiction; Waiver of Jury Trial

- (a) Borrower and each other Credit Party executing this Agreement hereby consent and agree that the courts located in British Columbia shall have exclusive jurisdiction to hear and determine any claims or disputes between Borrower and such Credit Party and Lender pertaining to this Agreement or any of the other Loan Documents or to any matter arising out of or related to this Agreement or any of the other Loan Documents; that nothing in this Agreement shall be deemed or operate to preclude Lender from bringing suit or taking other legal action in any other jurisdiction to collect the Obligations, to realize on the Collateral or any other security for the Obligations, or to enforce a judgment or other court order in favour of Lender. Borrower and each other Credit Party executing this Agreement expressly submit and consent in advance to such jurisdiction in any action or suit commenced in any such court, and Borrower and such Credit Party hereby waive any objection which they may have based upon lack of personal jurisdiction, improper venue or forum non conveniens. Borrower and each other Credit Party executing this Agreement hereby waive personal service of the summons, complaint and other process issued in any such action or suit and agree that service of such summons, complaint and

other process may be made by registered or certified mail addressed to Borrower or such Credit Party at the address set forth in Schedule B of this Agreement and that service so made shall be deemed completed upon the earlier of Borrower's or such Credit Party's actual receipt thereof (or refusal) or three (3) Business Days after deposit in the mail, proper postage prepaid.

- (b) THE PARTIES HERETO WAIVE ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, SUIT, OR PROCEEDING BROUGHT TO RESOLVE ANY DISPUTE, WHETHER ARISING IN CONTRACT, TORT, OR OTHERWISE BETWEEN LENDER, BORROWER AND ANY CREDIT PARTY ARISING OUT OF, CONNECTED WITH, RELATED OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED BETWEEN THEM IN CONNECTION WITH THE LOAN DOCUMENTS OR THE TRANSACTIONS RELATED THERETO.

8.12 Press Releases

Neither any Credit Party nor any of its Affiliates will in the future issue any press release or other public disclosure using the name of Royal Bank of Canada or its affiliates or referring to this Agreement or the other Loan Documents without at least two (2) Business Days' prior notice to Lender and without the prior written consent of Lender unless (and only to the extent that) such Credit Party or Affiliate is required to do so under law and then, in any event, such Credit Party or Affiliate will consult with Lender before issuing such press release or other public disclosure. Each Credit Party consents to the publication (in the ordinary course) by Lender of customary advertising material relating to the financing transactions contemplated by this Agreement using such Credit Party's name, product photographs, logos or trademarks. Such consent shall remain effective until revoked by such Credit Party in writing to Lender.

8.13 Reinstatement

This Agreement shall continue to be effective, or be reinstated, as the case may be, if at any time payment of all or any part of the Obligations is rescinded or must otherwise be returned or restored by Lender upon the insolvency, bankruptcy, dissolution, liquidation or reorganization of Borrower or any other Credit Party, or otherwise, all as though such payments had not been made.

8.14 Illegality

- (a) In the event that Lender determines that, in consequence of any change in any Requirement of Law or any policy applicable to it that it is illegal, unlawful or prohibited for it to make or continue to make any Loans, Letter of Credit Obligations, Bank Products or any other Obligations hereunder, it shall have the right to immediately terminate such Loans, Letter of Credit Obligations, Bank Products or other Obligations as it shall determine necessary or appropriate and to terminate any commitment to make or continue to make such Loans, Letters of Credit Obligations, Bank Products or other Obligations and/or to terminate its commitments hereunder and any of the Loan Documents as it shall determine necessary or appropriate.

- (b) If Lender determines that it is unlawful to maintain any Revolving Credit Advances based upon Adjusted Term SOFR or the BA Equivalent Rate, as applicable, Borrower shall, upon its receipt of notice of such fact and demand from Lender, prepay in full such Revolving Credit Advances then outstanding, together with interest accrued thereon, either on the last day of the Interest Period thereof, if Lender may lawfully continue to maintain such Revolving Credit Advances to such day, or immediately, if Lender may not lawfully continue to maintain such Revolving Credit Advances. No payment shall be due under Section 1.14 upon prepayment of Revolving Credit Advances based upon Adjusted Term SOFR or the BA Equivalent Rate pursuant to or as a result of the circumstances described in the preceding sentence. If Borrower is required to so prepay any Revolving Credit Advances based upon Adjusted Term SOFR or the BA Equivalent Rate, as applicable, then concurrently with such prepayment, Borrower shall borrow from Lender, in the amount of such repayment, Revolving Credit Advances based upon RBUSBR or RBP, as applicable.

8.15 Set Off and Survival

Without limitation to any other rights or remedies of Lender, Lender shall have the right at all times without notice to the Credit Parties (which notice is hereby waived to the maximum extent permitted by law) to set off or apply against any Obligations now and hereafter owing (whether matured or contingent) any deposits at any time held by, or other indebtedness at any time owing by, Lender or any of its Affiliates to or for the credit or account of any Credit Party. All indemnities hereunder or under the other Loan Documents shall survive any termination of the Loan Documents unless expressly released in writing.

8.16 Increased Costs

If, by reason of: (a) any change in any Requirement of Law (including any change by way of imposition or increase of statutory reserves or other reserve requirements) or interpretation thereof; or (b) the compliance with any guideline or request from any government authority or other Person exercising control over banks or financial institutions generally (whether or not having the force of law):

- (a) Lender shall be subject to any Tax with respect to any Loan (including a Letter of Credit) or a change shall result in the basis of taxation of any payment to Lender with respect to its obligation to make or continue any Loan or issue Letters of Credit or participate in Letter of Credit Obligations; or
- (b) any reserve (including any imposed by the board of governors or any other applicable Governmental Authority), special deposits or similar requirement against assets of, deposits with or for the account of, or credit extended by, Lender shall be imposed or deemed applicable, or any other condition affecting Lender's obligation to make any Loans or issue Letters of Credit, shall be imposed on Lender,

and as a result there shall be an increase in the cost to Lender of agreeing to make or making, funding or maintaining Loans, Letters of Credit or Letter of Credit Obligations (except to the extent

already included in determination of the rate of interest), or there shall be a reduction in the amount receivable by Lender, then Lender shall promptly notify Borrower of such event, and Borrower shall, within five (5) Business Days following demand therefor, pay Lender the amount of such increased costs or reduced amounts.

If Lender determines that, because of circumstances described above or any other circumstances arising hereafter affecting such Lender the Applicable Margin will not adequately and fairly reflect the cost to Lender of funding Loans or incurring Letter of Credit Obligations or the cost to Lender of issuing Letters of Credit, then (A) Lender shall promptly notify Borrower of such event; and (B) Lender's obligation to fund Loans and issue Letters of Credit, shall be immediately suspended, until each condition giving rise to such suspension no longer exists.

Notwithstanding anything herein to the contrary, Borrower shall only be required to compensate Lender in respect of any such increased costs or reduction in the amount received or receivable by Lender to the extent Borrower has received a written request for such compensation within ninety (90) days after Lender has received actual notice of the occurrence of the relevant circumstance giving rise to such increased costs or reduction in the amount received or receivable by Lender.

8.17 Conflict

If any provision of this Agreement conflicts with and is incapable of being construed together with any other Loan Document (other than the EDC Guarantee and the EDC Letter of Credit Guarantee), then the provisions of this Agreement shall prevail to the extent necessary to remove such conflict. If there is a representation, warranty, covenant, agreement or event of default contained in any Loan Document which is not contained herein, or vice versa, such additional provision shall not constitute a conflict.

SECTION 9 SPECIAL PROVISIONS

9.1 Interest Act (Canada)

For the purposes of this Agreement, whenever interest or a fee to be paid hereunder is to be calculated on the basis of a year of three hundred and sixty (360) days, as in the case of all Revolving Credit Advances in U.S.\$ made based upon Term SOFR, or any other period of time that is less than a calendar year, the yearly rate of interest or the yearly fee to which the rate determined pursuant to such calculation is equivalent is the rate so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by either three hundred and sixty (360) or such other period of time, as the case may be.

9.2 Excess Resulting from Exchange Rate Change

If at any time following one or more fluctuations in the exchange rate of the Canadian Dollar against the U.S. Dollar (a) the Obligations exceed any limitations hereunder or (b) any part of the Obligations exceeds any limit set forth herein for such Obligations, Borrower shall within three (3) Business Days or, if an Event of Default has occurred and is continuing, immediately: (i) make the necessary payments or repayments to reduce such Obligations to an amount necessary to eliminate such excess; or (ii) maintain or cause to be maintained with Lender deposits in an amount equal to

or greater than the amount of such excess, such deposits to be maintained in such form and upon such terms as are acceptable to Lender acting reasonably. Without in any way limiting the foregoing provisions, Lender shall, weekly or more frequently in Lender's sole discretion, make the necessary exchange rate calculations (based upon the rate of exchange established by Lender as at noon on the date of determination) to determine whether any such excess exists on such date.

9.3 Judgment Currency

If for the purpose of obtaining judgment in any court it is necessary to convert an amount due hereunder in the currency in which it is due (the "**Original Currency**") into another currency (the "**Second Currency**"), the rate of exchange applied shall be that at which, in accordance with normal banking procedures, Lender could purchase in the Toronto foreign exchange market, the Original Currency with the Second Currency on the date two (2) Business Days preceding that on which judgment is given. Borrower agrees that its obligation in respect of any Original Currency due from it hereunder shall, notwithstanding any judgment or payment in such other currency, be discharged only to the extent that, on the Business Day following the date Lender receives payment of any sum so adjudged to be due hereunder in the Second Currency, Lender may, in accordance with normal banking procedures, purchase, in Toronto foreign exchange market, the Original Currency with the amount of the Second Currency so paid; and if the amount of the Original Currency so purchased or could have been so purchased is less than the amount originally due in the Original Currency, Borrower agrees as a separate obligation and notwithstanding any such payment or judgment to indemnify Lender against such loss. The term "rate of exchange" in this Section means the spot rate at which Lender, in accordance with normal practices, is able on the relevant date to purchase the Original Currency with the Second Currency, and includes any premium and costs of exchange payable in connection with such purchase.

[Signature Pages Follow]

IN WITNESS WHEREOF, this Agreement has been duly executed as of the date first written above.

It is the express wish of the parties that this Agreement and any related documents be drawn up and executed in English. Il est la volonté expresse des parties que cette convention et tous les documents s’y rattachant soient rédigés et signés en anglais.

Electronic Execution of Documents

The words “execution,” “execute,” “executed”, “signed,” “signature,” and words of like import in this Agreement, or in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby, shall be deemed to include DocuSign signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Lender, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any (a) Parts 2 and 3 of the Personal Information Protection and Electronic Documents Act (Canada), the Electronic Transaction Acts (British Columbia), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or (b) any other applicable law.

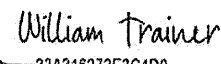
BORROWER:

VICINITY MOTOR (BUS) CORP.

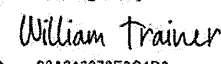
Per: DocuSigned by:
William Trainer
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Name: William Trainer
Title: CEO

GUARANTORS:

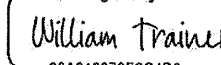
VICINITY MOTOR CORP.

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Name: William Trainer
Title: CEO

VICINITY MOTOR (BUS) USA CORP.

Per: _____
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Name: William Trainer
Title: CEO

VICINITY MOTOR PROPERTY, LLC


Per: _____
DocuSigned by:

23A316273E3C4D0...
Name: William Trainer
Title: CEO

Electronic Execution of Documents

The words “execution,” “execute,” “executed”, “signed,” “signature,” and words of like import in this Agreement, or in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby, shall be deemed to include DocuSign signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Lender, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any (a) Parts 2 and 3 of the Personal Information Protection and Electronic Documents Act (Canada), the Electronic Transaction Acts (British Columbia), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or (b) any other applicable law.

LENDER:

ROYAL BANK OF CANADA

Per: 
Name: Vir Advani
Title: Vice President, Corporate Client
Group - Asset Based Lending

SCHEDULE A DEFINITIONS

Capitalized terms used in this Agreement and the other Loan Documents shall have (unless otherwise provided elsewhere in this Agreement or in the other Loan Documents) the following respective meanings:

“Account Debtor” shall mean any Person who is or may become obligated with respect to, or on account of, an Account.

“Accounts” shall mean all “accounts,” as such term is defined in the PPSA and includes any right of any Person to payment for goods sold or leased or for services rendered, whether or not it has been earned by performance, now owned or hereafter acquired by any Person, including: (i) all accounts receivable, other receivables, book debts and other forms of obligations whether arising out of goods sold or leased or services rendered or from any other transaction whatsoever (including any contract rights); (ii) all of such Person’s rights in, to and under all purchase orders or receipts for goods or services; (iii) all of such Person’s rights to any goods represented by any of the foregoing (including unpaid sellers’ rights of rescission, replevin, reclamation, stoppage in transit, repossession rights under any statute or law including those under Section 81.1 of the BIA, and rights to returned, claimed or repossessed goods); (iv) all monies due or to become due to such Person under all purchase orders and contracts for the sale or lease of goods or the performance of services or both by such Person or in connection with any other transaction (whether or not yet earned by performance on the part of such Person), including the right to receive the proceeds of said purchase orders and contracts; and (v) all collateral security and guarantees of any kind given by any other Person with respect to any of the foregoing.

“Adjusted Term SOFR” means, for purposes of any calculation, the rate per annum equal to (a) Term SOFR for such calculation plus (b) the Term SOFR Adjustment.

“Affiliate” shall mean, with respect to a Person: (i) each other Person that, directly or indirectly, owns or controls, whether beneficially, or as a trustee, guardian or other fiduciary, fifteen percent (15%) or more of the Shares having ordinary voting power for the election of directors of such Person; (ii) each other Person that controls, is controlled by or is under common control with such Person or any Affiliate of such Person; or (iii) each of such Person’s officers, directors (or person having a similar function), joint venturers and partners. For the purpose of this definition, “control” of a Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of its management or policies, whether through the ownership of voting securities, by contract or otherwise.

“Agreement” shall mean this Agreement including all appendices, exhibits or schedules attached or otherwise identified thereto, restatements and modifications and supplements thereto, and any appendices, exhibits or schedules to any of the foregoing, each as in effect at the time such reference becomes operative; provided, that except as specifically set forth in this Agreement, any reference to the Disclosure Schedules to this Agreement shall be deemed a reference to the Disclosure Schedules as in effect on the Closing Date or in a written amendment thereto executed by Borrower and Lender.

“Applicable Margin” shall mean:

- (ii) for the purposes of determining the applicable interest rate for the Revolving Credit Loan for any day, the applicable percentage per annum set forth below under the caption: (i) RBP and RBUSBR Based Loans, or (ii) Loans based on the BA Equivalent Rate and Adjusted Term SOFR, as the case may be, based upon the trailing twelve (12) month EBITDA as of the relevant date of determination:

Tier	Trailing 12 month EBITDA	RBP and RBUSBR Based Loans	Loans based on BA Equivalent Rate and Adjusted Term SOFR
I	Greater than or equal to \$3,000,000	0.75%	2.25%
II	Less than \$3,000,000	1.00%	2.50%; and

- (iii) for the purposes of determining the applicable interest rate for the Contract Revolver Loan for any day, 2.00% per annum.

Each change in the Applicable Margin resulting from a change in the trailing twelve (12) month EBITDA shall be effective with respect to all Revolving Credit Loans, on the date that the financial statements and certificates required by Section 4.1(b) are required to be delivered to Lender, based upon trailing twelve (12) month EBITDA as of the end of the most recent Fiscal Month included in such financial statements so delivered, and shall remain in effect until the date immediately preceding the next required date of delivery of such financial statements and certificates indicating another such change. Notwithstanding the foregoing:

- (b) in the case of each Revolving Credit Advance made based upon the BA Equivalent Rate or the Adjusted Term SOFR, a change in the Applicable Margin as at the end of the most recent Fiscal Month will apply on the maturity date of the applicable Interest Period; and
- (c) if Borrower fails to deliver any of the financial statements and certificates required in accordance with Section 4.1(b), the Applicable Margin shall be deemed to be the rate applicable to Tier II in the table set forth above, from the date that such financial statements and certificates were due, until such financial statements and certificates are delivered.

“Appraisal Fees” shall have the meaning assigned to it in Schedule E.

“Authorized Officer” shall mean the president, chief financial officer, chief executive officer or such other officer or signatory of Borrower (as may be appointed by corporate resolution, in writing) as is acceptable to Lender.

“Available Tenor” shall mean as of any date of determination and with respect to the then-current Benchmark, as applicable, (a) if the then-current Benchmark is a term rate, any tenor for such Benchmark that is or may be used for determining the length of an Interest Period, or (b) otherwise, any payment period for interest calculated with reference to such Benchmark, as applicable, pursuant to this Agreement as of such date.

“BA Equivalent Rate” shall mean, for the applicable Interest Period, a rate per annum equal to the annual rate of interest quoted on the Business Day which is the first day of such Interest Period by Lender as being its rate of interest for bankers’ acceptances in Canadian dollars for a face amount similar to the amount of the applicable BA Equivalent Rate based loan and for a term similar to the applicable Interest Period.

“Bank Products” shall mean any ancillary services, facilities or obligations which Lender may in its sole discretion undertake in connection with any of the Credit Parties and includes any Visa Facility and/or Foreign Exchange Facility described in Schedule H hereto.

“Benchmark” shall mean:

- (a) in respect of BA Equivalent Rate based loans, initially, CDOR; provided that if a replacement of the Benchmark has occurred pursuant to Section 1.15(b), then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate. Any reference to “Benchmark” shall include, as applicable, the published component used in the calculation thereof; and
- (b) in respect of SOFR Loans, initially, Adjusted Term SOFR; provided that if a Benchmark Transition Event has occurred with respect to Adjusted Term SOFR or the then-current Benchmark, then “Benchmark” shall mean the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 1.15(a).

“Benchmark Replacement” shall mean:

- (a) with respect to any Benchmark Transition Event for any Available Tenor of a BA Equivalent Rate based loan:
 - (i) for purposes of Section 1.15(a), the first alternative set forth below that can be determined by the Lender:
 - (A) the sum of: (i) Term CORRA and (ii) 0.29547% (29.547 basis points) for an Available Tenor of one-month’s duration, and 0.32138% (32.138 basis points) for an Available Tenor of three-months’ duration, or

- (B) the sum of: (i) Daily Compounded CORRA and (ii) 0.29547% (29.547 basis points) for an Available Tenor of one-month's duration, and 0.32138% (32.138 basis points) for an Available Tenor of three-months' duration; and
- (ii) for purposes of Section 1.15(c), the sum of (A) the alternate benchmark rate and (B) an adjustment (which may be a positive or negative value or zero), in each case, that has been selected by the Lender and the Borrower as the replacement for such Available Tenor of such Benchmark giving due consideration to any evolving or then-prevailing market convention, including any applicable recommendations made by the Relevant Governmental Body, for Canadian dollar-denominated bilateral credit facilities at such time; and
- (b) with respect to any Benchmark Transition Event for any Available Tenor of a SOFR Loan, the sum of: (a) the alternate benchmark rate that has been selected by the Lender and the Borrower giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body and/or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for U.S. dollar-denominated bilateral credit facilities at such time; and (b) the related Benchmark Replacement Adjustment,

provided, that if the Benchmark Replacement as so determined pursuant to the above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“Benchmark Replacement Adjustment” shall mean, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by the Lender and the Borrower giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body and/or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. dollar-denominated bilateral credit facilities at such time.

“Benchmark Replacement Date” shall mean, with respect to any Benchmark, the earliest to occur of the following events with respect to the then-current Benchmark:

- (a) in the case of paragraphs (b)(i) or (b)(ii) of the definition of “Benchmark Transition Event,” the later of (i) the date of the public statement or publication of information referenced therein, and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or

indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

- (b) in the case of paragraph (b)(iii) of the definition of “Benchmark Transition Event,” the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided, that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such paragraph (b)(iii) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the “Benchmark Replacement Date” will be deemed to have occurred in the case of paragraphs (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“**Benchmark Transition Event**” shall mean:

- (a) with respect to any then-current Benchmark relating to BA Equivalent Rate based loans, other than CDOR, the occurrence of a public statement or publication of information by or on behalf of the administrator of the then-current Benchmark, the regulatory supervisor for the administrator of such Benchmark, the Bank of Canada, an insolvency official with jurisdiction over the administrator for such Benchmark, a resolution authority with jurisdiction over the administrator for such Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, announcing or stating that (i) such administrator has ceased or will cease on a specified date to provide all Available Tenors of such Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark or (ii) all Available Tenors of such Benchmark are or will no longer be representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored; and
- (b) with respect to any Benchmark relating to SOFR Loans, the occurrence of one or more of the following events with respect to such then-current Benchmark:
- (i) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);

- (ii) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, the Term SOFR Administrator, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), in each case, which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or
- (iii) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative of the underlying market and economic reality that such Benchmark is intended to measure.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“**Benchmark Transition Start Date**” shall mean in the case of a Benchmark Transition Event, the earlier of (a) the applicable Benchmark Replacement Date; and (b) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication).

“**Benchmark Unavailability Period**” shall mean with respect to any Benchmark, the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 1.15; and (b) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 1.15.

“**BIA**” shall mean the *Bankruptcy and Insolvency Act* (Canada), and any successor act or statute, as in effect from time to time or at any time.

“**Blocked Accounts**” shall have the meaning assigned to it in Schedule D.

“**Blocked Accounts Agreement**” shall have the meaning assigned to it in Schedule D.

“**Books and Records**” shall mean all books, records, board minutes, contracts, licenses, insurance policies, environmental audits, business plans, files, computer files, computer discs and other data and software storage and media devices, accounting books and records, financial statements (actual and pro forma), filings with Governmental Authorities and any and all records and instruments relating to the Collateral or Borrower’s or any other Credit Party’s business.

“**Borrower**” shall mean the Person identified as such in the preamble of this Agreement and includes its successors.

“**Borrowing Base**” shall mean, collectively, the Operating Loan Borrowing Base and the Contract Revolver Borrowing Base.

“**Borrowing Base Certificates**” shall mean the certificates in the form of Exhibit C-1 and Exhibit C-2.

“**Business Day**” shall mean any day other than a Saturday or a Sunday or a legal holiday on which commercial banks are authorized or required by law to be closed for business in Toronto, Ontario or New York, New York; provided, that, when used in connection with a SOFR Loan, or any other calculation or determination involving SOFR, the term “Business Day” shall mean any day that is only a U.S. Government Securities Business Day.

“**Canadian Dollars**”, “**CAD\$**” or “**\$**” shall mean the lawful currency of Canada.

“**Capital Expenditures**” shall mean all payments or accruals (including Capital Lease Obligations) for any fixed assets or improvements or for replacements, substitutions or additions thereto, that have a useful life of more than one year and that are required to be capitalized under IFRS.

“**Capital Lease**” shall mean, with respect to any Person, any lease of any property (whether real, personal or mixed) by such Person as lessee that, in accordance with IFRS, either would be required to be classified and accounted for as a capital lease on a balance sheet of such Person or otherwise would be disclosed as such in a note to such balance sheet, other than, in the case of Borrower or any Credit Party, any such lease under which Borrower is the lessor.

“**Capital Lease Obligation**” shall mean, with respect to any Capital Lease, the amount of the obligation of the lessee thereunder that, in accordance with IFRS, would appear on a balance sheet of such lessee in respect of such Capital Lease or otherwise be disclosed in a note to such balance sheet.

“**Cash Collateral Account**” shall have the meaning assigned to it in Schedule C.

“**CCAA**” shall mean the *Companies’ Creditors Arrangement Act* (Canada) and any successor legislation thereto, as in effect from time to time or at any time.

“**CDOR**” shall mean the Canadian Dollar rate for bankers’ acceptance borrowings known as the Canadian Dollar Offered Rate provided by RBSL, as the administrator of the benchmark (or a successor administrator).

“**Change of Control**” shall mean, with respect to any Person on or after the Closing Date, any change to the legal or organizational structure of any Corporate Credit Party or any change in the composition of its Shareholders as of the Closing Date shall occur which would result in any shareholder or group acquiring 50% or more of any class of Shares of such Person, or that any Person (or group of Persons acting in concert) shall otherwise acquire, directly or indirectly (including through Affiliates), the power to elect a majority of the board of directors of such Person or otherwise direct the management or affairs of such Person by obtaining proxies, entering into voting agreements or trusts, acquiring securities or otherwise.

“**Charges**” shall mean all federal, provincial, state, county, city, municipal, local, foreign or other governmental or quasi-governmental taxes, levies, customs or other duties, assessments, charges, liens, and all additional charges, interest, penalties, expenses, claims or encumbrances upon or relating to: (i) the Collateral; (ii) the Obligations; (iii) the employees, payroll, income or gross receipts of any Credit Party; (iv) the ownership or use of any assets by any Credit Party; or (v) any other aspect of any Credit Party’s business as well as any and all amounts at any time due and payable by any Credit Party to and/or in respect of any Plan (whether as a result of under-funding or otherwise).

“**Chattel Paper**” shall mean a writing or writings which evidence both a monetary obligation and a security interest in or lease of specific goods, but a charter or other contract involving the use or hire of a vessel is not Chattel Paper. When a transaction is evidenced by both such a security agreement or a lease and by an instrument or a series of instruments, the group of writings then together constitutes Chattel Paper.

“**Clearance Costs**” shall have the meaning assigned to it in paragraph (c) of the definition of Eligible Inventory.

“**Closing Date**” shall mean February 17, 2023.

“**Collateral**” shall have the meaning assigned to it in Section 6.1.

“**Collateral Monitoring Fee**” shall have the meaning assigned to it in Schedule E.

“**Commitment Termination Date**” shall mean the earliest of: (i) (a) with respect to all Obligations other than Obligations outstanding in respect of the Contract Revolver Facility and the EDC Guaranteed Letter of Credit Obligations, the Stated Expiry Date; (b) with respect to all Obligations outstanding in respect of the Contract Revolver Facility, the earliest to occur of: (A) demand by the Lender; (B) the date on which the EDC Guarantee matures or is cancelled; and (C) the Stated Expiry Date; and (c) with respect to all Obligations outstanding in respect of the EDC Guaranteed Letter of Credit Obligations, the EDC Letter of Credit Guarantee Expiry Date; and (ii) the date Lender’s obligation to advance funds, issue Letters of Credit or otherwise extend or continue any credit hereunder is otherwise terminated pursuant to the terms hereof. Notwithstanding the foregoing, the Contract Revolver Facility may, with the Lender’s approval in its sole discretion, be renewed annually subject to payment of the EDC Guarantee Fee and any

other fees agreed to by the Borrower, the renewal of the EDC Guarantee and all other documentation requested by the Lender.

“Compliance Certificate” shall mean a certificate in the form of Exhibit D.

“Conforming Changes” shall mean, with respect to either the use or administration of Term SOFR, or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “RBUSBR,” the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “Interest Period” or any similar or analogous definition (or the addition of a concept of “interest period”), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions and other technical, administrative or operational matters) that the Lender decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by the Lender in a manner substantially consistent with market practice (or, if the Lender decides that adoption of any portion of such market practice is not administratively feasible or determines that no market practice for the administration of any such rate exists, in such other manner of administration as the Lender decides is necessary in connection with the administration of this Agreement and the other Loan Documents).

“Continuation/Conversion Date” shall mean the date on which a Revolving Credit Advance is converted from or into or continued as a Revolving Credit Advance based upon Adjusted Term SOFR or the BA Equivalent Rate.

“Contract Revolver Advance” shall have the meaning specified in Section 1.1(b).

“Contract Revolver Blocked Account” shall mean the blocked account described under the heading “Contract Revolver Blocked Account” on Attachment 1 to Schedule D.

“Contract Revolver Borrowing Availability” shall mean, at any time, the lesser of: (i) the Contract Revolver Facility Maximum Amount; and (ii) the Contract Revolver Borrowing Base, in each case less reserves (without duplication of reserves against the Operating Loan Borrowing Base) established by Lender from time to time in its good faith discretion.

“Contract Revolver Borrowing Base” shall mean, at any time, an amount equal to (i) one hundred percent (100%) of Eligible Pre-Shipment Costs; less (ii) any reserves established by Lender from time to time in its good faith discretion.

“Contract Revolver Collateral” shall mean Collateral financed by the Contract Revolver Loans, Collateral constituting EV Truck Inventory, any Account related to EV Truck Inventory or resulting from a Purchase Order in respect of such EV Truck Inventory, all monies in the Contract Revolver Blocked Account and the proceeds of the sale of the Ferndale Property, and all proceeds of the foregoing.

“Contract Revolver Disbursement Account” shall mean the disbursement account described under the heading “Contract Revolver Disbursement Account” on Attachment 1 to Schedule D.

“**Contract Revolver Facility**” shall have the meaning specified in 1.1(b).

“**Contract Revolver Facility Maximum Amount**” shall mean U.S.\$30,000,000.

“**Contract Revolver Loan**” shall mean the aggregate amount of all Contract Revolver Advances then outstanding.

“**Contracts**” shall mean all the contracts, undertakings, or agreements (other than rights evidenced by Chattel Paper, Documents or Instruments) in or under which any Person may now or hereafter have any right, title or interest, including any agreement relating to the terms of payment or the terms of performance of any Account.

“**Contractual Obligation**” shall mean as to any Person, any provision of any security issued by such Person or of any agreement, instrument, or other undertaking to which such Person is a party or by which it or any of its property is bound.

“**Copyright License**” shall mean rights under any written agreement now owned or hereafter acquired by any Person granting the right to use any Copyright or Copyright registration.

“**Copyrights**” shall mean all of the following now owned or hereafter acquired by any Person: (i) all copyrights in any original work of authorship fixed in any tangible medium of expression, now known or later developed, all registrations and applications for registration of any such copyrights in the United States, Canada or any other country, including registrations, recordings and applications, and supplemental registrations, recordings, and applications in the United States Copyright Office or in the applicable office in Canada; and (ii) all Proceeds of the foregoing, including license royalties and proceeds of infringement suits, the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all renewals and extensions thereof.

“**Corporate Credit Party**” shall mean any Credit Party that is a corporation, partnership (including a limited partnership) or limited or unlimited liability company.

“**CORRA**” shall mean the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada (or any successor administrator).

“**Credit Party**” shall mean Borrower and each Guarantor.

“**Daily Compounded CORRA**” means, for any Business Day in an interest payment period, CORRA with interest accruing on a compounded daily basis, with the methodology and conventions for this rate (which will include compounding in arrears with a lookback) being established by the Lender in accordance with the methodology and conventions for this rate selected or recommended by the Relevant Governmental Body for determining compounded CORRA for business loans; provided that if the Lender decides that any such convention is not administratively feasible for the Lender, then the Lender may establish another convention in its reasonable discretion; and provided that if the administrator has not provided or published CORRA and a Benchmark Transition Event with respect to CORRA has not occurred, then, in respect of any day for which CORRA is required, references to CORRA will be deemed to be references to the last provided or published CORRA.

“**Default**” shall mean the occurrence of any Event of Default or event which, with the passage of time or notice or both, would, unless cured or waived, become an Event of Default.

“**Default Rate**” shall have the meaning assigned to it in Section 1.5(c).

“**Disbursement Accounts**” shall have the meaning assigned to it in Schedule D.

“**Documents**” shall mean all documents of title (as defined in PPSA), now owned or hereafter acquired by any Person, wherever located, including all bills of lading, dock warrants, dock receipts, warehouse receipts, and other documents of title, whether negotiable or non-negotiable.

“**EAA**” shall mean the *Environmental Assessment Act* (British Columbia) and the similar laws of Canada and any other province where any Collateral may be located, and any successor law or statute, as in effect from time to time or at any time.

“**EBITDA**” shall mean, for any period, the Net Income (Loss) for such period plus interest expense, unrealized foreign exchange losses, income tax expense, amortization expense, depreciation expense including depreciation of leased vehicle inventory, stock based compensation and unusual or non-recurring losses and minus unrealized foreign exchange gains, for such period, determined in accordance with IFRS and to the extent included in the determination of such Net Income (Loss).

“**EBITDAR**” shall mean, for any period, the Net Income (Loss) for such period plus interest expense, unrealized foreign exchange losses, income tax expense, amortization expense, depreciation expense including depreciation of leased vehicle inventory, stock based compensation, unusual or non-recurring losses, expenses in respect of Operating Leases and rental expenses in respect of office, retail or other space and minus unrealized foreign exchange gains, for such period, determined in accordance with IFRS and to the extent included in the determination of such Net Income (Loss).

“**EDC**” shall mean Export Development Canada.

“**EDC Guarantee**” shall mean the Export Guarantee Program (EGP) guarantee dated as of the date hereof, as amended, modified, supplemented, replaced or renewed from time to time, issued by EDC to Lender, guaranteeing 75% of the payment and performance of Borrower’s obligations to the Lender in connection with the Contract Revolver Facility, up to a maximum amount of U.S.\$22,500,000.

“**EDC Guarantee Fee**” shall mean all fees relating to the provision of the EDC Guarantee, as determined by EDC.

“**EDC Guaranteed Letter of Credit Loan**” shall mean the letter of credit facility made available by the Lender for the benefit of the Borrower, in respect of which EDC has guaranteed the obligations owing to the Lender thereunder pursuant to the EDC Letter of Credit Guarantee granted by EDC in favour of the Lender.

“**EDC Guaranteed Letter of Credit Obligations**” shall mean Letter of Credit Obligations incurred by the Lender in connection with the EDC Guaranteed Letter of Credit Loan.

“EDC Guaranteed Letter of Credit Limit” shall mean U.S.\$3,000,000, less any interest stated on the face amount of any Letter of Credit issued pursuant to the EDC Guaranteed Letter of Credit Loan as being payable by the Lender.

“EDC Letter of Credit Guarantee” shall mean the account performance security guarantee and any related “certificate of cover” issued by EDC in favour of the Lender, as renewed or replaced from time to time in form and substance satisfactory to the Lender, in an amount not less than U.S.\$3,000,000 and for a term not less than as recorded in Letters of Credit issued in connection with the EDC Guaranteed Letter of Credit Loan, and which shall unconditionally and irrevocably guarantee to the Lender the payment of all Letters of Credit issued under the EDC Guaranteed Letter of Credit Loan.

“EDC Letter of Credit Guarantee Expiry Date” shall mean October 31, 2023, or such earlier date if the EDC Guarantee is terminated by either EDC or the Lender.

“Eligible Accounts” shall mean as at the date of determination, all Accounts of Borrower except any Account:

- (a) that does not arise from the sale of goods or the performance of services by Borrower in the ordinary course of Borrower’s business;
- (b) upon which: (i) Borrower’s right to receive payment is not absolute or is contingent upon the fulfillment of any condition whatsoever; or (ii) Borrower is not able to bring suit or otherwise enforce its remedies against the Account Debtor through judicial process;
- (c) to the extent of any concessions, offsets, deductions, contras, returns, chargebacks or understandings with the Account Debtor therein that in any way could reasonably be expected to adversely affect the payment of, or the amount of, such Account;
- (d) with respect to which an invoice, acceptable to Lender in form and substance, has not been sent to the account of the debtor;
- (e) that is not owned by Borrower or is subject to any right, claim, or interest of another Person, other than Permitted Encumbrances which are in favour of Lender or have been subordinated on terms satisfactory to Lender to Liens in favour of Lender or which otherwise rank in priority behind the Liens in favour of Lender;
- (f) that arises from a sale to or performance of services for an employee, Affiliate, Subsidiary or Shareholder of Borrower or any other Credit Party, or an entity which has common officers or directors with Borrower or any other Credit Party;
- (g) that is the obligation of an Account Debtor that is the federal, state or provincial government (other than the provincial government of British Columbia, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, Newfoundland, or Prince Edward Island) or a political subdivision thereof (other than a municipality in Canada), unless Lender has agreed to the contrary in writing (and, notwithstanding

anything to the contrary contained herein, the obligation of an Account Debtor that is the provincial government of British Columbia, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, Newfoundland, or Prince Edward Island or that is a municipality in Canada shall constitute an Eligible Account of the Borrower);

- (h) that is the obligation of an Account Debtor located other than in Canada or the continental United States unless such Account is supported by a letter of credit in which Lender has a first priority perfected security interest and Lien by possession or credit insurance acceptable to Lender (and naming Lender as loss payee);
- (i) that is the obligation of an Account Debtor to whom Borrower is or may become liable for goods sold or services rendered by the Account Debtor to Borrower, to the extent of Borrower's liability to such Account Debtor;
- (j) that arises with respect to goods which are delivered on a cash-on-delivery basis or placed on consignment, guaranteed sale or other terms by reason of which the payment by the Account Debtor may be conditional;
- (k) (i) (unless such obligation is the obligation of an Account Debtor that is a provincial transit authority, a Canadian municipality, the provincial governments of British Columbia, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, Newfoundland or Prince Edward Island, or ABG Distribution LLC), is an obligation for which the total unpaid Accounts of the Account Debtor, exceed 25% (or such other amount as determined by Lender in its discretion) of the aggregate of all gross Accounts as related to accounts receivable (excluding any inter-company accounts receivable), to the extent of such excess; or (ii) is an obligation of an Account Debtor that is a provincial transit authority, a Canadian municipality, or the provincial governments of British Columbia, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, Newfoundland or Prince Edward Island, for which the total unpaid Accounts of such provincial transit authority, such Canadian municipality or such provincial government exceed 75% (or such other amount as determined by the Lender in its discretion) of the aggregate of all gross Accounts as related to account receivable to the extent of such excess; or (iii) is an obligation of ABG Distribution LLC and is supported by credit insurance acceptable to the Lender, for which the total unpaid Accounts of ABG Distribution LLC exceed 50% (or such other amount as determined by the Lender in its discretion) of the aggregate of all gross Accounts as related to account receivable to the extent of such excess;
- (l) that is not paid within ninety (90) days from its invoice date or, with respect to Eligible Investment Grade or Insured Accounts, is not paid within 120 days from its invoice date, or that are Accounts of an Account Debtor if 25% or more of the Accounts owing from such Account debtor remain unpaid within such time periods;
- (m) that is an obligation of an Account Debtor that has suspended business, made a general assignment for the benefit of creditors, is unable to pay its debts as they become due or as to which a petition has been filed (voluntary or involuntary) under any law relating to bankruptcy, insolvency, reorganization or relief of debtors;

- (n) that arises from any bill-and-hold or other sale of goods which remain in Borrower's possession or under Borrower's control;
- (o) as to which Lender's interest therein is not a first priority perfected security interest and Lien;
- (p) to the extent that such Account exceeds any credit limit established by Lender in Lender's good faith discretion;
- (q) as to which any of Borrower's representations or warranties pertaining to Accounts are untrue;
- (r) that represents interest payments, late or finance charges, or service charges owing to Borrower;
- (s) with respect to which the Account Debtor is located in any state of the United States or province of Canada which requires the filing of a Notice of Business Activities Report or registration or licensing to carry on business or similar report, registration or licensing in order to permit Borrower to seek judicial enforcement in such state of the United States or province of Canada of payment of such Account, unless Borrower has qualified to do business in such state or has filed a Notice of Business Activities Report or registration or licensing to carry on business or equivalent report, registration or licensing for the then current year;
- (t) that is not otherwise acceptable in the good faith discretion of Lender, provided, that Lender shall have the right to create and adjust eligibility standards and related reserves from time to time in its good faith discretion;
- (u) that is a progress invoice or that is subject to progress billing; or
- (v) is an Account arising from the sale of EV Truck Inventory.

"Eligible Equipment" shall mean those assets listed on Schedule I attached hereto, which are owned by the Borrower and leased to the lessees thereof, and with respect to which the Borrower maintains a first priority perfected security interest and Lien.

"Eligible Inventory" shall mean as at the date of determination, all Inventory of Borrower (excluding, for the avoidance of doubt, all EV Truck Inventory), less the value of any deposits held by the Borrower from its customers, including Inventory covered by commercial Letters of Credit, that:

- (a) is not subject to any Liens other than Permitted Encumbrances which are in favour of Lender or have been subordinated on terms satisfactory to Lender to Liens in favour of Lender or which otherwise rank in priority behind the Liens in favour of Lender;
- (b) is located on premises owned or operated by Borrower and referenced in Disclosure Schedule (3.6) or is located on premises with respect to which Lender has received

a landlord, bailee or mortgagee letter acceptable in form and substance to Lender acting reasonably or, in the sole discretion of Lender, in respect of which Lender has established an appropriate reserve;

- (c) is not in transit unless and subject to Lender's discretion (i) title has been transferred to Borrower; (ii) the goods are in transit to Borrower's premises; (iii) the goods are insured to Lender's satisfaction with Lender as first loss payee and such insurance has been assigned to Lender to its satisfaction; (iv) the goods are supported by documentation acceptable to Lender (including but not limited to the original bill of lading and invoice and the documentation provided for in paragraph (d)); and (v) any and all amounts in respect of the purchase and transportation of such Inventory, including duty, freight, brokerage fees, insurance and other similar costs (all such amounts other than purchase price, the "**Clearance Costs**"), are either (A) supported by a letter of credit acceptable to Lender, (B) paid for by Borrower and such payments have been verified by Lender, (C) as to the Clearance Costs, reserved for in the Operating Loan Borrowing Base and, as to the purchase price, reserved for in the Operating Loan Borrowing Base unless waivers of all repossession, revendication or similar rights of an unpaid supplier have been received to the satisfaction of Lender or (D) or such other arrangement that may be satisfactory to Lender;
- (d) is not covered by a negotiable document of title, unless such document and evidence of acceptable insurance covering such Inventory has been delivered to Lender;
- (e) is of good and merchantable quality, free from any defects and is not obsolete, unsalable, shopworn, damaged, unfit for further processing or of substandard quality, in Lender's good faith credit judgment;
- (f) does not consist of: (i) discontinued items; (ii) slow-moving or excess items; (iii) used items held for resale; or (iv) items which have been shipped by Borrower, but for which Borrower has not issued an invoice;
- (g) consists of raw materials or finished goods;
- (h) meets all standards imposed by any Governmental Authority, including with respect to its production, acquisition or importation (as the case may be);
- (i) is not placed by Borrower on consignment or held by Borrower on consignment from another Person;
- (j) is not held for rental or lease by or on behalf of Borrower;
- (k) does not meet or violate any warranty, representation or covenant contained in this Agreement or any other Loan Document;
- (l) is not subject to any licensing, patent, royalty, trademark, trade name or copyright agreement with any third parties;

- (m) does not require the consent of any Person for the completion or manufacture, sale or other disposition of such Inventory by Lender and such completion, manufacture or sale does not constitute a breach or default under any contract or agreement to which Borrower is a party or to which such Inventory is or may become subject;
- (n) is not subject to unpaid suppliers' repossession rights;
- (o) is in a location where the aggregate amount of Inventory that would otherwise be considered eligible, is at least \$100,000; and
- (p) is otherwise acceptable in the good faith discretion of Lender, provided that, Lender shall have the right to create and adjust eligibility standards and related reserves from time to time in its good faith discretion.

"Eligible Investment Grade or Insured Accounts" shall mean Eligible Accounts either: (i) payable by an Investment Grade Debtor; or (ii) insured with an insurer which is acceptable to Lender on terms satisfactory to Lender in its sole discretion.

"Eligible Pre-Shipment Costs" shall mean all Prepaid Deposits and final purchase price payments in respect of the EV Truck Inventory and related costs and expenses associated therewith, including the total costs of such trucks, truck boxes, duties, shipping fees and brokerage fees, paid or to be paid by Borrower in respect of such EV Truck Inventory, net of any deposits received by Borrower from customers in respect of such EV Truck Inventory; provided that, in each case, such payments, costs and expenses shall be supported by valid contracts among Borrower and the Truck Manufacturer, Purchase Orders with Borrower's customers, and other documentation requested by the Lender from time to time, and provided that such payments, costs and expenses are otherwise satisfactory to the Lender in its sole discretion.

"Environmental Laws" shall mean all federal, provincial, state, municipal and local laws, statutes, ordinances, programs, permits, guidance, orders, decrees and regulations, now or hereafter in effect, and in each case as amended or supplemented from time to time, and any applicable judicial or administrative interpretation thereof relating to the regulation and protection of human health, safety, the environment and natural resources (including ambient air, surface water, groundwater, wetlands, land surface or subsurface strata, wildlife, aquatic species and vegetation).

"Environmental Liabilities" shall mean all liabilities, obligations, responsibilities, remedial actions, removal costs, losses, damages of whatever nature, costs and expenses (including all reasonable fees, disbursements and expenses of counsel, experts and consultants and costs of investigation and feasibility studies), fines, penalties, sanctions and interest incurred as a result of any claim, suit, action or demand of whatever nature by any Person and which relate to any health or safety condition regulated under any Environmental Law, environmental permits or in connection with any Release, threatened Release, or the presence of a Hazardous Material.

"Equipment" shall mean all "equipment" as defined in the PPSA and, in any event, shall include tangible or corporeal property other than Inventory, now or hereafter acquired by any Person, wherever located, including any and all machinery, apparatus, equipment, fittings, furniture, fixtures, motor vehicles and other tangible or corporeal personal or movable property (other than

Inventory) of every kind and description which may be now or hereafter used in such Person's operations or which are owned by such Person or in which such Person may have an interest, and all parts, accessories and accessions thereto and substitutions and replacements therefor.

"Equivalent Amount" shall mean the amount of U.S.\$ to which any amount in \$ is equivalent as determined by Lender based on its rate of exchange as determined at noon (Toronto time) on the date of determination.

"EV Truck Inventory" shall mean all VMC1200 and/or all VMC1500 electric trucks manufactured or to be manufactured from time to time for Borrower, the costs of which have been financed by the Contract Revolver Loans and shall exclude, for greater clarity, any electric trucks or other vehicles, the costs of which are not financed by the Contract Revolver Loans.

"Event of Default" shall have the meaning assigned to it in Section 7.1.

"Fees" shall mean the fees due to Lender as set forth in Schedule E.

"Ferndale Property" shall mean the premises located at 5453 & 5457 Pacific Fern Drive, Ferndale, Washington, United States, and legally described as (i) Lot 7, as delineated on Pacific Fern Business Park General and Specific Binding Site Plan, according to the plat thereof, recorded on February 21, 2019, under Auditor's File No. 2019-0201524, records of Whatcom County, Washington, Situate in Whatcom County, Washington; and (ii) Lots 8 and 9, as delineated on Pacific Fern Business Park General and Specific Binding Site Plan, according to the plat thereof, recorded on February 21, 2019, under Auditor's File No. 2019-0201524, records of Whatcom County, Washington; Together with, Lot 10, as delineated on Pacific Fern Business Park Specific Binding Site Plan No. 1, according to the plat thereof, recorded May 4, 2021, under Auditor's File No. 2021-0500260, records of Whatcom County, Washington; Situate in Whatcom County, Washington.

"FICOM" shall mean the Financial Institutions Commission of British Columbia and any Person succeeding to the functions thereof and includes the Superintendent under the PBSA and any other public authority empowered or created by the PBSA.

"Field Examination" shall have the meaning assigned to it in Section 6.2(c).

"Field Examination Fees" shall have the meaning assigned to it in Schedule E.

"Financial Statements" shall mean for any Person, the income statement, balance sheet and statement of cash flows of such Person, prepared in accordance with IFRS.

"Fiscal Month" shall mean a monthly accounting period of Borrower or of a Corporate Credit Party, as applicable.

"Fiscal Quarter" shall mean each three (3) month period ending March 31, June 30, September 30 and December 31 of each year.

“**Fiscal Year**” shall mean the twelve (12) month period ending December 31 of each year. Subsequent changes of the fiscal year of Borrower shall not change the term “Fiscal Year” unless Lender shall consent in writing to such change.

“**Fixed Charge Coverage Ratio**” shall mean the ratio of the following determined in accordance with IFRS: (a) EBITDAR for such period less Capital Expenditures for the applicable period which are not financed through the incurrence of any Indebtedness (excluding the Revolving Credit Loan and the Contract Revolver Loan) and less cash income taxes paid or otherwise payable for such period; to (b) the sum of (i) cash interest paid or otherwise payable in respect of any Indebtedness for such period, (ii) regularly scheduled payments made or that were required to be made under Operating Leases, (iii) rental payments made or that were required to be made in respect of office, retail or other space, (iv) regularly scheduled payments of principal paid or that were required to be paid on Funded Debt (excluding the Revolving Credit Loan and the Contract Revolver Loan) for such period, (v) payments to Affiliates, and (vi) any distributions made to Shareholders during such period.

“**Floor**” shall mean the benchmark rate floor, if any, provided in this Agreement initially (as of the execution of this Agreement, the modification, amendment or renewal of this Agreement or otherwise) with respect to Term SOFR or CDOR. For the avoidance of doubt, the initial Floor for Term SOFR and CDOR shall be 0.00%.

“**Funded Debt**” shall mean, with respect to any Person, all of such Person’s Indebtedness consisting of or relating to the borrowing of money or the obtaining of credit (other than trade payables incurred in the ordinary course of business).

“**Fx Contracts**” shall have the meaning assigned to it in Schedule H.

“**Fx Facility**” shall have the meaning assigned to it in Schedule H.

“**Fx Reserve**” shall have the meaning assigned to it in Schedule H.

“**Goods**” shall mean all “goods,” as such term is defined in the PPSA and, in any event, includes all things which are movable at the time Lender’s Liens attach thereto (other than money, Documents, Instruments, Accounts, Chattel Paper and Intangibles) as well as all fixtures, standing timber which is to be cut, the unborn young of animals and growing crops, all now owned or hereafter acquired by any Person, wherever located, including Equipment, Inventory and all other tangible or corporeal personal or movable property.

“**Goodwill**” shall mean all goodwill, trade secrets, proprietary or confidential information, technical information, procedures, formulae, quality control standards, designs, operating and training manuals, customer lists, and distribution agreements now owned or hereafter acquired by any Person.

“**Governmental Authority**” shall mean any nation or government, any state, provincial or other political subdivision thereof, and any agency, department or other entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government.

“Green Loan Objectives” shall mean the declared and written environmental sustainability objectives of Borrower with respect to clean transportation through the production and sale of electric vehicles.

“Green Loan Principles” shall mean the Green Loan Principles Supporting Environmentally Sustainable Economic Activity published by the Loan Market Association in February, 2021, as updated from time to time.

“Guarantee” shall mean any guarantee or any other agreement (other than the EDC Guarantee and the EDC Letter of Credit Guarantee) to perform all or any portion of the Obligations on behalf of Borrower or any other Credit Party, in favour of, and in form and substance satisfactory to, Lender, together with all amendments, modifications and supplements thereto and restatements and replacements thereof, and shall refer to such Guarantee as the same may be in effect at the time such reference becomes operative.

“Guaranteed Indebtedness” shall mean, as to any Person, any obligation of such Person guaranteeing any indebtedness, lease, dividend, or other obligation (“primary obligations”) of any other Person (the “primary obligor”) in any manner, including any obligation or arrangement of such guaranteeing Person (whether or not contingent): (i) to purchase or repurchase any such primary obligation; (ii) to advance or supply funds (a) for the purchase or payment of any such primary obligation, or (b) to maintain working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency or any balance sheet condition of the primary obligor; (i) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation; or (ii) to indemnify the owner of such primary obligation against loss in respect thereof.

“Guarantor” shall mean each Person other than EDC, which executes a Guarantee in favour of Lender in connection with the transactions contemplated by this Agreement.

“Hazardous Material” shall mean any substance, material or waste which is regulated by or forms the basis of liability now or hereafter under, any Environmental Laws, including any material or substance which is: (i) defined as a “solid waste,” “hazardous waste,” “hazardous material,” “hazardous substance,” “extremely hazardous waste,” “restricted hazardous waste,” “pollutant,” “contaminant,” “hazardous constituent,” “special waste,” “toxic substance” or other similar term or phrase under any Environmental Laws; (ii) petroleum or any fraction or by-product thereof, asbestos, polychlorinated biphenyls (PCB’s); or (iii) any radioactive substance.

“Hazardous Waste” shall include any Hazardous Material as well as any other substance, material or waste which is now or may hereafter be classified as hazardous (or similarly classified) under any applicable legislation.

“IFRS” shall mean international financial reporting standards as in effect from time to time, and, following any change in respect of such accounting standards, such accounting standards approved by the International Accounting Standards Board or Canadian Accounting Standards Board in effect from time to time as may be selected by a Credit Party including, without limitation, accounting standards for private enterprises or generally accepted accounting principles in Canada,

in each case consistently applied provided that each Credit Party shall, when required to adopt new accounting standards, adopt accounting standards for private enterprises unless Lender otherwise consents in writing.

“Indebtedness” of any Person shall mean: (i) all indebtedness of such Person for borrowed money or for the deferred purchase price of property or services (including reimbursement and all other obligations with respect to surety bonds, letters of credit and bankers’ acceptances, whether or not matured, but not including obligations to trade creditors incurred in the ordinary course of business and not more than forty five (45) days past due); (ii) all obligations evidenced by notes, bonds, debentures or similar instruments; (iii) all indebtedness created or arising under any conditional sale or other title retention agreements with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property); (iv) all Capital Lease Obligations; (v) all Guaranteed Indebtedness; (vi) all Indebtedness referred to in clauses (i), (ii), (iii), (iv) or (v) above secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien upon or in property (including accounts and contract rights) owned by such Person, even though such Person has not assumed or become liable for the payment of such Indebtedness; and (vii) the Obligations.

“Indemnified Liabilities” and **“Indemnified Person”** shall have the meaning assigned to such terms in Section 1.12.

“Instruments” shall mean all “instruments,” as defined in the PPSA and, in any event, includes all negotiable instruments (including all bills of exchange and promissory notes), all certificated securities or any other writing which evidences a right to the payment of money and is not itself a security agreement or lease and is of a type which is, in the ordinary course of business, transferred by delivery with any necessary endorsement or assignment, now owned or hereafter acquired by any Person, wherever located, including all certificated securities and all notes and other evidences of indebtedness, other than instruments that constitute, or are a part of a group of writings that constitute, Chattel Paper.

“Intangibles” shall mean all “intangibles” as defined in the PPSA and, in any event, includes intangible or incorporeal property, real or personal, moveable or immovable now owned or hereafter acquired by any Person, including all right, title and interest which such Person may now or hereafter have in or under any Contract, Intellectual Property, interests in partnerships, joint ventures and other business associations, permits, proprietary or confidential information, inventions (whether or not patented or patentable), technical information, procedures, designs, knowledge, know-how, software, data bases, data, skill, expertise, experience, processes, models, drawings, materials, Books and Records, Goodwill (including the Goodwill associated with any Intellectual Property), all rights and claims in or under insurance policies (including insurance for fire, damage, loss and casualty, whether covering personal or moveable property, real or immovable property, tangible rights or intangible rights, corporeal or incorporeal rights, all liability, life, key-person, and business interruption insurance, and all unearned premiums), uncertificated securities, choses in action, deposit accounts, rights to receive tax refunds and other payments and rights of indemnification.

“**Intellectual Property**” shall mean any and all Licenses, Patents, Copyrights, Trademarks, trade secrets and customer lists.

“**Interest Payment Date**” shall mean, with respect to Revolving Credit Advances made based upon the BA Equivalent Rate or Adjusted Term SOFR, the last day of the Interest Period applicable to such Revolving Credit Advance and, with respect to each Interest Period of more than 30 days, on each date that occurs at intervals of 30 days duration after the commencement of the Interest Period.

“**Interest Period**” means, in respect of each SOFR Loan or BA Equivalent Rate based Loan, a period of one or three months, or such shorter period (in each case, subject to the availability thereof), with respect to such SOFR Loan or BA Equivalent Rate based Loan; provided that (i) the Interest Period shall commence on the date of an advance of or a conversion to a SOFR Loan or a BA Equivalent Rate based Loan, as the case may be, and, in the case of immediately successive Interest Periods, each successive Interest Period shall commence on the date on which the next preceding Interest Period expires; (ii) if any Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day; provided, that if any Interest Period with respect to a SOFR Loan or BA Equivalent Rate based Loan would otherwise expire on a day that is not a Business Day but is a day of the month after which no further Business Day occurs in such month, such Interest Period shall expire on the next preceding Business Day; (iii) any Interest Period with respect to a SOFR Loan or BA Equivalent Rate based Loan that begins on the last Business Day of a calendar month (or on a day for which there is not numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the relevant calendar month at the end of such Interest Period; (iv) no Interest Period shall extend beyond the Stated Expiry Date; and (v) no tenor that has been removed from this definition pursuant to Section 1.15 shall be available for specification in such Notice of Borrowing or interest election.

“**Inventory**” shall mean all “inventory,” as such term is defined in the PPSA, now or hereafter owned or acquired by any Person, wherever located, including all inventory, merchandise, goods and other personal property which are held by or on behalf of such Person for sale or lease or are furnished or are to be furnished under a contract of service or which constitute raw materials, work in process or materials used or consumed or to be used or consumed in such Person’s business or in the processing, production, packaging, promotion, delivery or shipping of the same, including other supplies.

“**Investment Grade Debtor**” shall mean a debtor of Borrower whose long-term unsecured and unsubordinated indebtedness has been rated as follows by 2 of the 3 rating agencies below:

- (a) S&P: \geq BBB-
- (b) Moody’s: \geq Baa3
- (c) DBRS: \geq BBB-

“**Investment Property**” shall mean all investment property now or hereafter acquired by any Person, wherever located and includes securities (whether or not certificated), securities entitlement, securities account, commodity contract or commodity account.

“**Lender**” shall mean Royal Bank of Canada and, if at any time Lender shall decide to assign or syndicate all or any of the Obligations, such term shall include such assignee or such other members of the syndicate.

“**Letters of Credit**” shall mean any and all commercial or standby letters of credit issued at the request and for the account of Borrower for which Lender has incurred Letter of Credit Obligations, and includes any letters of guarantee issued in the discretion of Lender.

“**Letter of Credit Fee**” shall have the meaning assigned to it in Schedule E

“**Letter of Credit Obligations**” shall mean all outstanding obligations (including all duty, freight, taxes, costs, insurance and any other charges and expenses) incurred by Lender, whether direct or indirect, contingent or otherwise, due or not due, in connection with the issuance or guarantee, by Lender or another, of Letters of Credit, all as further set forth in Schedule C.

“**Letter of Credit Sublimit**” shall mean \$5,000,000, or the Equivalent Amount thereof in U.S.\$ not inclusive of the EDC Guaranteed Letter of Credit Loan.

“**License**” shall mean any Copyright License, Patent License, Trademark License or other license of rights or interests now held or hereafter acquired by any Person.

“**Lien**” shall mean, whether based on common law, statute or contract, whether choate or inchoate, whether or not crystallized or fixed, whether or not for amounts due or accruing due: (i) any mortgage, security deed or deed of trust, pledge, hypothecation, assignment, deposit arrangement, lien, charge, claim, security interest, security title, deemed trust, requirement to pay, easement, reservation, exception, encroachment, privilege, title exception, garnishment right, prior claim or encumbrance, or preference, priority or other security agreement or preferential arrangement of any kind or nature whatsoever (including any lease or title retention agreement and any financing lease having substantially the same economic effect as any of the foregoing, and the filing of, or agreement to give, any financing statement perfecting a security interest under the PPSA or comparable law of any jurisdiction); and (ii) any rights of repossession or similar right of an unpaid supplier.

“**Litigation**” shall mean any claim, lawsuit, litigation, investigation or proceeding of or before any arbitrator or Governmental Authority.

“**Loan Documents**” shall mean this Agreement, each Guarantee, the Blocked Accounts Agreement, and the other documents and instruments listed in Schedule F, and all security agreements, hypothecs, mortgages and all other documents, instruments, certificates, and notices at any time delivered by any Person (other than Lender and its affiliates) in connection with any of the foregoing.

“**Loans**” shall mean: (i) the Revolving Credit Loan (including Overdrafts and the Letter of Credit Obligations other than EDC Guaranteed Letter of Credit Obligations); (ii) the Contract Revolver Loan; and (iii) EDC Guaranteed Letter of Credit Obligations.

“**Material Adverse Effect**” shall mean a material adverse effect on: (a) the business, assets, operations, prospects or financial or other condition of Borrower or any other Credit Party or the

industry within which Borrower or any other Credit Party operates; (b) Borrower's or any other Credit Party's ability to pay or perform the Obligations under the Loan Documents to which such Credit Party is a party in accordance with the terms thereof; (c) the Collateral or any realization thereof or Lender's Liens on the Collateral or the priority of any such Lien; or (d) Lender's rights and remedies under this Agreement and the other Loan Documents.

"Material Contract" shall mean any agreement to which any Credit Party is party which constitutes a guarantee in such Credit Party's favour or otherwise providing for any Lien on another Person's property, is essential to a Credit Party's ability to carry on business as currently conducted (including without limitation, take or pay contracts and product licenses) or the breach or termination of which could otherwise give rise to a Material Adverse Effect.

"Minimum Actionable Amount" shall mean \$100,000.

"Miscellaneous Fees" shall have the meaning assigned to it in Schedule E.

"Net Contract Revolver Borrowing Availability" shall mean at any time the Contract Revolver Borrowing Availability less the Contract Revolver Loans outstanding.

"Net Income (Loss)" shall mean for any period, the aggregate net income (or loss) of the Borrower on a consolidated basis after taxes for such period, determined in accordance with IFRS.

"Net Operating Loan Borrowing Availability" shall mean at any time the Operating Loan Borrowing Availability less the Revolving Credit Loans outstanding.

"Notice of Borrowing" shall have the meaning assigned to it in Section 1.1(b).

"Notice of Continuation/Conversion" shall have the meaning assigned to in Section 1.6(b).

"Obligations" shall mean all loans, advances, debts, expense reimbursement, fees, liabilities, and obligations for the performance of covenants, tasks or duties or for payment of monetary amounts (whether or not such performance is then required or contingent, or amounts are liquidated or determinable) owing by Borrower and any other Credit Party to Lender, of any kind or nature, present or future, whether or not evidenced by any note, agreement or other instrument, whether arising under any of the Loan Documents or under any other agreement between Borrower, such Credit Party and Lender, and all covenants and duties regarding such amounts including all such obligations and liabilities in respect of Bank Products, Overdrafts and reimbursement obligations in respect of Letters of Credit. This term includes all principal, interest, Fees, Charges, expenses, legal fees and any other sum chargeable to Borrower under any of the Loan Documents, and all principal and interest due in respect of the Loans and all obligations and liabilities of any Guarantor under any Guarantee.

"Operating Lease" shall mean any lease of property (excluding rentals of office, retail or other space) which, in accordance with IFRS, shall be reflected as an operating lease in the financial statements of a Person.

"Operating Loan" shall mean the aggregate amount of Revolving Credit Loans outstanding.

“Operating Loan Borrowing Availability” shall mean, at any time, the lesser of: (i) Operating Loan Maximum Amount; and (ii) the Operating Loan Borrowing Base, in each case less reserves (without duplication of reserves against the Contract Revolver Borrowing Base) established by Lender from time to time in its good faith discretion.

“Operating Loan Borrowing Base” shall mean, at any time, an amount equal to the sum at such time of:

- (a) eighty-five percent (85%) of Eligible Accounts (other than Eligible Investment Grade or Insured Accounts) and ninety percent (90%) of Eligible Investment Grade or Insured Accounts, plus
- (b) the lesser of:
 - (i) eighty-five percent (85%) of the net orderly liquidation value (as determined by an appraisal firm acceptable to Lender) of Eligible Inventory (excluding, for greater certainty, the EV Truck Inventory and Eligible Equipment); and
 - (ii) sixty-five percent (65%) of the book value of Eligible Inventory (excluding, for greater certainty, the EV Truck Inventory and Eligible Equipment) (recorded at the lower of cost and net realizable value),

and subject to a maximum of \$7,500,000, plus

- (c) eighty-five percent (85%) of the net orderly liquidation value (as determined by an appraisal firm acceptable to Lender) of Eligible Equipment (excluding, for greater certainty, the EV Truck Inventory); less
- (d) reserves established by Lender from time to time in its good faith discretion.

“Operating Loan Maximum Amount” shall mean the aggregate amount of \$10,000,000 or the Equivalent Amount thereof in U.S.\$.

“Overdraft” shall have the meaning assigned to it in Section 1.1(g).

“Patent License” shall mean rights under any written agreement now owned or hereafter acquired by any Person granting any right with respect to any invention on which a Patent is in existence.

“Patents” shall mean all of the following in which any Person now holds or hereafter acquires any interest: (i) all patents and letters patent of the United States, Canada or any other country, all registrations and recordings thereof, and all applications for patents and letters patent of the United States, Canada or any other country, including registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, Canada or any province, state or territory thereof, or any other country; and (ii) all reissues, continuations, continuations-in-part or extensions thereof.

“**PBSA**” shall mean the *Pension Benefits Standards Act* (British Columbia) and the similar laws of any other province or territory of Canada, as in effect from time to time or at any time.

“**Pension Event**” shall mean: (i) the existence of any unfunded liability or windup or withdrawal liability, including contingent withdrawal or windup liability, or any solvency deficiency in respect of any Plan; (ii) the whole or partial termination or windup of any Plan or occurrence of any act, event or circumstance which could give rise to the whole or partial termination or windup of any Plan; (iii) the failure to make any contribution or remittance in respect of any Plan when due; (iv) the failure to file any report, actuarial valuation, return, statement or other document, when due, in respect of any Plan; (v) the existence of any Lien except in respect of current contribution amounts not due in connection with any Plan; or (vi) the establishment or commencement to contribute to any Plan not in existence on the date thereof.

“**Permitted Encumbrances**” shall mean (provided same shall not constitute any agreement by Lender to subordinate any of its Liens to same) the following encumbrances:

- (a) any Lien created by, or arising under a statute or regulation or common law (in contrast with Liens voluntarily granted) in connection with, without limiting the foregoing, workers’ compensation, employment insurance, employers’ health tax or other social security or statutory obligations that secure amounts that are not yet due or which are being contested in good faith by proper proceedings diligently pursued and as to which adequate reserves have been established on the applicable Credit Parties’ books and records and a stay of enforcement of the Lien is in effect;
- (b) Liens made or incurred in the ordinary course of business to secure the performance of bids, tenders, contracts (other than for the borrowing of money), leases, statutory obligations or surety and performance bonds;
- (c) any construction, workers’, materialmen’s or other like Lien created by law (in contrast with Liens voluntarily granted), arising in connection with construction or maintenance in the ordinary course of business, in respect of obligations which are not due or which are being contested in good faith by proper proceedings diligently pursued and as to which adequate reserves have been established on any Credit Parties’ books and records and a stay of enforcement of the Lien is in effect;
- (d) any Lien for Taxes not due or being contested in good faith by appropriate proceedings diligently pursued and as to which adequate reserves have been established on the applicable Credit Parties’ books and records and a stay of enforcement of the Lien is in effect;
- (e) minor imperfections in title on real property that do not materially detract from the value of the real property subject thereto and do not materially impair any Credit Parties’ ability to carry on its business or Lender’s rights and remedies under the Loan Documents;
- (f) restrictions, easements, rights-of-way, servitudes or other similar rights in land (including rights-of-way, and servitudes for railways, sewers, drains, gas and oil pipelines, gas and water mains, electric light and power and telephone or telegraph

or cable television conduits, poles, wires and cables) granted to or reserved by other Persons which in the aggregate do not materially impair the usefulness, in the operation of the business of any Credit Party, of the real property subject to the restrictions, easements, rights-of-way, servitudes or other similar rights in land granted to or reserved by other Persons and, in each case, which do not impair the use and operation of the business by the Credit Party or Lender's rights and remedies under the Loan Documents;

- (g) the rights reserved to or vested in any Person by the terms of any lease, licence, franchise, grant or permit held by any Credit Party or by any statutory provision, to terminate any such lease, licence, franchise, grant or permit, or to require annual or periodic payments as a condition to the continuance thereof;
- (h) the reservations, limitations, provisos and conditions, if any, expressed in any original grants from the Crown;
- (i) restrictive covenants affecting the use to which real property may be put, provided that the covenants are complied with and do not materially detract from the value of the real property concerned or materially impair its use in the operations of any Credit Party or impair Lender's rights and remedies under the Loan Documents;
- (j) Liens in favour of Lender created by the Loan Documents;
- (k) Liens disclosed in Disclosure Schedule (5.2(e)) but only to the extent such Liens conform to their description in Disclosure Schedule (5.2(e)), and includes any extension or renewal thereof provided the amount secured thereby does not exceed the original amount secured immediately prior to the extension, renewal or refinancing and the scope of security creating the Lien is not extended;
- (l) Purchase Money Liens securing Purchase Money Indebtedness to the extent permitted under Section 5.2(b)(vi);
- (m) Liens in favour of EDC in connection with a term equipment facility up to a maximum amount of U.S.\$9,000,000, plus interest, to be advanced by EDC to Borrower following the Closing Date, provided Lender and EDC have entered into an intercreditor agreement in form and substance satisfactory to Lender, acting reasonably, prior to the date of any such advance or Lien;
- (n) Liens given to a public utility or any municipality or governmental or other public authority when required by such utility or other authority in connection with the operation of the business or the ownership of the assets of the Person, provided that such Liens do not reduce the value of the assets of the Person or materially interfere with their use in the operation of the business of the Person or impair Lender's rights and remedies under the Loan Documents;
- (o) servicing agreements, development agreements, site plan agreements, and other agreements with governmental entities pertaining to the use or development of any of the assets of the Person, provided same are complied with and do not reduce the

value of the assets of the Person or materially interfere with their use in the operation of the business of the Person including, without limitation, any obligations to deliver letters of credit and other security as required or impair Lender's rights and remedies under the Loan Documents; and

- (p) applicable municipal and other governmental restrictions, including municipal by-laws and regulations, affecting the use of land or the nature of any structures which may be erected thereon, provided such restrictions have been complied with and do not reduce the value of the assets of the Person or materially interfere with their use in the operation of the business of the Person or impair Lender's rights and remedies under the Loan Documents.

"Person" shall mean any individual, sole proprietorship, partnership, limited liability partnership, joint venture, trust, unincorporated organization, association, corporation, limited liability company, legal person, institution, public benefit corporation, entity or government (whether federal, provincial, state, county, city, municipal or otherwise, including any instrumentality, division, agency, body or department thereof), and shall include such Person's successors and assigns.

"Plan" shall mean any employee pension benefit plan which Borrower sponsors or maintains or to which it makes or is making or is required to make contributions, and includes any pension or benefit plan regulated by the FICOM or similar authority or otherwise subject to the PBSA.

"PPSA" shall mean the *Personal Property Security Act* (or any successor statutes) as the same may, from time to time, be in effect in the Province of British Columbia; provided, that in the event that, by reason of mandatory provisions of law, any or all of the attachment, perfection or priority of Lender's security interest in any Collateral is governed by the *Personal Property Security Act* as in effect in a jurisdiction other than the Province of British Columbia, the term **"PPSA"** shall mean the *Personal Property Security Act* or a similar act or statute as in effect in such other jurisdiction for purposes of the provisions of this Agreement relating to such attachment, perfection or priority and for purposes of definitions related to such provisions.

"Prepaid Deposit" shall mean any initial deposit paid by Borrower to the Truck Manufacturer with respect to the manufacture of EV Truck Inventory pursuant to an agreement among Borrower and the Truck Manufacturer in respect thereof, in a maximum amount equal to fifty percent (50%) of the value of any such EV Truck Inventory, or any other deposit payments approved by Lender in its sole discretion.

"Prepayment Fee" shall have the meaning assigned to it in Schedule E.

"Proceeds" shall mean "proceeds," as such term is defined in the PPSA and, in any event, includes whatever is received or receivable upon the sale, exchange, collection or other disposition of the Collateral and, in any event shall include: (i) any and all proceeds of any insurance, indemnity, warranty or guarantee payable to Borrower or any other Credit Party from time to time with respect to any Collateral; (ii) any and all payments (in any form whatsoever) made or due and payable to Borrower or any other Credit Party from time to time in connection with any requisition, confiscation, expropriation, seizure or forfeiture of any Collateral by any governmental body,

authority, bureau or agency (or any person acting under colour of governmental authority); (iii) any claim of Borrower or any other Credit Party against third parties (a) for past, present or future infringement of any Intellectual Property or (b) for past, present or future infringement or dilution of any Trademark or Trademark License or for injury to the goodwill associated with any Trademark, Trademark registration or Trademark licensed under any Trademark License; (i) any recoveries by Borrower or any other Credit Party against third parties with respect to any litigation or dispute concerning any Collateral; and (ii) any and all other amounts from time to time paid or payable under or in connection with any Collateral, upon disposition or otherwise.

“Projections” shall mean the projected consolidated and, when requested, consolidating, income statement, balance sheet, and statement of cash flows of Borrower and its Subsidiaries for any future period, including forecasted Capital Expenditures, Net Operating Loan Borrowing Availability and Net Contract Revolver Borrowing Availability.

“Purchase Money Indebtedness” shall mean: (i) any Indebtedness incurred for the payment of all or any part of the purchase price of any fixed asset; (ii) any Indebtedness incurred for the sole purpose of financing or refinancing all or any part of the purchase price of any fixed asset; and (iii) any renewals, extensions or refinancings thereof (but not any increases in the principal amounts thereof outstanding at that time).

“Purchase Money Lien” shall mean any Lien upon any fixed assets which secures the Purchase Money Indebtedness related thereto but only if such Lien shall at all times be confined solely to the asset the purchase price of which was financed or refinanced through the incurrence of the Purchase Money Indebtedness secured by such Lien and only if such Lien secures only such Purchase Money Indebtedness.

“Purchase Orders” shall mean all executed and enforceable domestic or international purchase orders among Borrower and the applicable counterparties thereto or customers in respect thereof, pursuant to which any such counterparties or customers have agreed, and have a legally binding obligation, to purchase, as purchasers, from Borrower, as seller, the EV Truck Inventory in respect of which Borrower has paid or will pay Eligible Pre-Shipment Costs.

“RBP” shall mean, at any time, the rate of interest per annum equal to the rate which the principal office of Royal Bank of Canada in Toronto, Ontario quotes, publishes and refers to as its “prime rate” and which is its reference rate of interest for loans in Canadian Dollars to its borrowers in Canada, adjusted automatically with each quoted or published change in such rate, all without the necessity of any notice to Borrower or any other Person.

“RBSL” shall have the meaning assigned to it in Section 1.15(b).

“RBUSBR” and **“Royal Bank U.S. Base Prime Rate”** shall mean, for any day, a rate per annum equal to the greatest of (i) the annual rate of interest announced by Lender from time to time as being its reference rate in effect for determining interest rates on US Dollar commercial loans made by Lender in Canada, (ii) the Federal Funds Effective Rate in effect on such day plus ½ of 1.00% and (iii) Adjusted Term SOFR for a one-month tenor in effect for such day plus 1.00%; provided that to the extent such highest rate as calculated above shall, at any time, be less than the Floor, such rate shall be deemed to be Floor for all purposes herein. Any change in RBUSBR due

to a change in RBP, the Federal Funds Effective Rate or Adjusted Term SOFR shall be effective on the opening of business on the day specified in the public announcement of such change in RBP, the Federal Funds Effective Rate or Adjusted Term SOFR, respectively.

“Real Property” shall have the meaning assigned to it in Section 3.15.

“Release” shall mean, as to any Person, any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, dumping, leaching or migration of Hazardous Materials in the indoor or outdoor environment by such Person, including the movement of Hazardous Materials through or in the air, soil, surface water, ground water or property.

“Relevant Governmental Body” shall mean (a) with respect to Term CORRA and any Replacement Benchmark in respect thereof, the Bank of Canada, or a committee officially endorsed or convened by the Bank of Canada, or any successor thereto; and (b) with respect to Term SOFR and any Replacement Benchmark in respect thereof, the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Board of Governors of the Federal Reserve System or the Federal Reserve Bank of New York, or any successor thereto.

“Requirement of Law” shall mean as to any Person, the certificate or articles of incorporation and by-laws or other organizational or governing documents of such Person, and any law, treaty, judgment, declaration, rule or regulation or determination of an arbitrator or a court or other Governmental Authority, in each case binding upon such Person or any of its property or to which such Person or any of its property is subject.

“Restricted Payment” shall mean: (i) the declaration or payment of any dividend or the incurrence of any liability to make any other payment or distribution of cash or other property or assets on or in respect of Borrower’s or any other Corporate Credit Party’s Shares; (ii) any payment or distribution made in respect of any subordinated Indebtedness of Borrower or any other Corporate Credit Party in violation of any subordination or other agreement made in favour of Lender, but subject in all cases to the subordination, priority or intercreditor agreement with Lender; (iii) any payment on account of the purchase, redemption, defeasance or other retirement of Borrower’s or any other Corporate Credit Party’s Shares or Indebtedness or any other payment, voluntary prepayment or distribution made in respect thereof, either directly or indirectly other than: (a) that arising under this Agreement, or (b) interest and principal, when due without acceleration or modification of the amortization as in effect on the Closing Date, under Indebtedness (not including subordinated Indebtedness, payments of which shall be permitted only in accordance with the terms of the relevant subordination, priority or intercreditor agreement made in favour of Lender) described in Disclosure Schedule (5.2(b)) or otherwise permitted under Section 5.2(b)(vi); or (i) any payment, loan, contribution, or other transfer of funds or other property to any Shareholder of such Person which is not expressly and specifically permitted in this Agreement; provided, that no payment to Lender shall constitute a Restricted Payment.

“Revolving Credit Advance” shall have the meaning assigned to it in Section 1.1(a).

“Revolving Credit Loan” shall mean at any time the sum of: (i) the aggregate amount of Revolving Credit Advances then outstanding in respect of the Operating Loan; (ii) the total Letter

of Credit Obligations incurred by Lender and outstanding at such time other than EDC Guaranteed Letter of Credit Obligations; and (iii) the amount of accrued but unpaid interest thereon and applicable Letter of Credit Fees with respect thereto.

“**Revolving Credit Rate**” shall have the meaning assigned to it in Section 1.5.

“**Shareholder**” shall mean each holder of Shares of Borrower or any other Corporate Credit Party.

“**Shares**” shall mean all certificated and uncertificated shares, options, warrants, membership interests, general or limited partnership interests, participation or other equivalents (regardless of how designated) of or in a corporation, partnership, limited liability company or equivalent entity whether voting or nonvoting, including common shares, preferred shares, or any other “equity security” (as such term is defined in Rule 3a11-1 of the General Rules and Regulations promulgated by the Securities and Exchange Commission under the *Securities Exchange Act* of 1934) or “security” (as defined in the *Securities Act* (British Columbia) or any other applicable Canadian provincial legislation or regulations thereunder).

“**SOFR**” shall mean a rate per annum equal to the secured overnight financing rate as administered by the SOFR Administrator.

“**SOFR Administrator**” shall mean the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate).

“**SOFR Administrator’s Website**” shall mean the website of the Federal Reserve Bank of New York, currently at <http://www.newyorkfed.org>, or any successor source for the secured overnight financing rate identified as such by the SOFR Administrator from time to time.

“**SOFR Loan**” shall mean a Loan that bears interest at a rate based on Adjusted Term SOFR, other than pursuant to paragraph (iii) of the definition of “**RBUSBR**”.

“**Stated Expiry Date**” shall mean, unless extended to a later date in the sole, unfettered discretion of Lender following a written request by Borrower (and subject to an extension fee), February 16, 2024.

“**Subsidiary**” shall mean, with respect to any Person: (i) any corporation of which an aggregate of more than 50% of the outstanding Shares having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, Shares of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, owned legally or beneficially by such Person and/or one or more Subsidiaries of such Person, or with respect to which any such Person has the right to vote or designate the vote of 50% or more of such Shares whether by proxy, agreement, operation of law or otherwise; and (ii) any partnership or limited liability company in which such Person or one or more Subsidiaries of such Person has an equity interest (whether in the form of voting or participation in profits or capital contribution) of more than 50% or of which any such Person is a general partner or manager or may exercise the powers of a general partner or manager.

“**Taxes**” shall mean taxes (including goods and services taxes and applicable sales taxes), duties, levies, imposts, deductions, Charges or withholdings, and all liabilities with respect thereto, excluding taxes imposed on or measured by the net income of Lender.

“**Term CORRA**” shall mean for the applicable corresponding tenor, the forward-looking term rate based on CORRA that has been selected or recommended by the Relevant Governmental Body, and that is published by an authorized benchmark administrator and is displayed on a screen or other information service, as identified or selected by the Lender in its reasonable discretion at approximately a time and as of a date prior to the commencement of an Interest Period determined by the Lender in its reasonable discretion in a manner substantially consistent with market practice.

“**Term CORRA Notice**” means the notification by the Lender to the Borrower of the occurrence of a Term CORRA Transition Event.

“**Term CORRA Transition Date**” means, in the case of a Term CORRA Transition Event, the date that is set forth in the Term CORRA Notice provided to the Borrower, for the replacement of the then-current Benchmark with the Benchmark Replacement described paragraph (a)(i)(A) of such definition, which date shall be at least thirty (30) Business Days from the date of the Term CORRA Notice.

“**Term CORRA Transition Event**” means the determination by the Lender that (a) Term CORRA has been recommended for use by the Relevant Governmental Body, and is determinable for any Available Tenor, (b) the administration of Term CORRA is administratively feasible for the Lender and (c) a Benchmark Replacement, other than Term CORRA, has replaced CDOR in accordance with Section 1.15(b).

“**Term SOFR**” means, for any Interest Period for a SOFR Loan, the greater of (a) the Term SOFR Reference Rate (rounded upward to the next one-sixteenth (1/16th) of one percent (0.0625%), if necessary) for a tenor comparable to the applicable Interest Period on the day (the “**Term SOFR Determination Day**”) that is two (2) U.S. Government Securities Business Days prior to the first day of such Interest Period, as such rate is published by the Term SOFR Administrator and (b) the Floor; provided, however, that if as of 5:00 p.m. (New York City time) on any Term SOFR Determination Day the Term SOFR Reference Rate for the applicable tenor has not been published by the Term SOFR Administrator and a Benchmark Replacement Date with respect to the Term SOFR Reference Rate has not occurred, then Term SOFR will be the Term SOFR Reference Rate for such tenor as published by the Term SOFR Administrator on the first preceding U.S. Government Securities Business Day for which such Term SOFR Reference Rate for such tenor was published by the Term SOFR Administrator so long as such first preceding U.S. Government Securities Business Day is not more than three (3) U.S. Government Securities Business Days prior to such Term SOFR Determination Day.

“**Term SOFR Adjustment**” means, with respect to Term SOFR, 0.10% (10 basis points) for an Interest Period of one-month’s duration and 0.15% (15 basis points) for an Interest Period of three-month’s duration.

“Term SOFR Administrator” shall mean CME Group Benchmark Administration Limited (CBA) (or a successor administrator of the Term SOFR Reference Rate selected by the Lender in its reasonable discretion).

“Term SOFR Determination Day” has the meaning assigned to it under the definition of Term SOFR.

“Term SOFR Reference Rate” shall mean the forward-looking term rate based on SOFR.

“Termination Date” shall mean the date on which the indefeasible payment in full of the Obligations has occurred and Lender has no further obligation to advance funds, issue Letters of Credit or otherwise extend or continue any credit hereunder (whether due to the Stated Expiry Date or otherwise pursuant to the terms hereof).

“Trademark License” shall mean rights under any written agreement now owned or hereafter acquired by any Person granting any right to use any Trademark or Trademark registration.

“Trademarks” shall mean all of the following now owned or hereafter acquired by any Person: (i) all trademarks, trade names, corporate names, business names, trade styles, service marks, logos, other source or business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of like nature, now existing or hereafter adopted or acquired, all registrations and recordings thereof, and all applications in connection therewith, including all registrations, recordings and applications in the United States Patent and Trademark Office or in any similar office or agency of the United States, Canada, any Province, State or Territory thereof, or any other country or any political subdivision thereof; and (ii) all reissues, extensions or renewals thereof.

“Truck Manufacturer” shall mean any of Hubei Qixing Group, Hubei Qixing Truck Cabin Manufacturing Limited Company, Hubei Yaoxing Trading International Co. Ltd. and RED Auto SCM Co., Limited, or any successor manufacturer of the EV Truck Inventory as may be approved of in writing by the Lender from time to time.

“Unadjusted Benchmark Replacement” shall mean the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

“Unused Line Fee” shall have the meaning assigned to it in Schedule E.

“U.S. Dollars” or **“U.S.\$”** shall mean the lawful currency of the United States of America.

“U.S. Government Securities Business Day” shall mean any day except for (i) a Saturday, (ii) a Sunday or (iii) a day on which the Securities Industry and Financial Markets Association recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in United States government securities.

“Visa Facility” shall have the meaning assigned to it in Schedule H.

“Visa Facility Agreements” shall have the meaning assigned to it in Schedule H.

“**Visa Limit**” shall have the meaning assigned to it in Schedule H.

“**Visa Reserve**” shall have the meaning assigned to it in Schedule H.

Any accounting term used in this Agreement or the other Loan Documents shall have, unless otherwise specifically provided therein, the meaning customarily given such term in accordance with IFRS, and all financial computations thereunder shall be computed, unless otherwise specifically provided therein, in accordance with IFRS consistently applied; provided, that all financial covenants and calculations in the Loan Documents shall be made in accordance with IFRS as in effect on the Closing Date unless Borrower and Lender shall otherwise specifically agree in writing. That certain items or computations are explicitly modified by the phrase “in accordance with IFRS” shall in no way be construed to limit the foregoing. All other undefined terms contained in this Agreement or the other Loan Documents shall, unless the context indicates otherwise, have the meanings provided for by the PPSA. The words “herein,” “hereof” and “hereunder” or other words of similar import refer to this Agreement as a whole, including the exhibits and schedules thereto, as the same may from time to time be amended, modified or supplemented, and not to any particular section, subsection or clause contained in this Agreement.

For purposes of this Agreement and the other Loan Documents, the following additional rules of construction shall apply, unless specifically indicated to the contrary: (a) wherever from the context it appears appropriate, each term stated in either the singular or plural shall include the singular and the plural; (b) the term “or” is not exclusive; (c) the term “including” (or any form thereof) shall not be limiting or exclusive; (d) all references to statutes, acts and related regulations shall include any amendments of same and any successor statutes and regulations; (e) all references to any instruments or agreements, including references to any of the Loan Documents, shall include any and all modifications or amendments thereto and any and all extensions or renewals thereof; (f) the specification of any Lien as a Permitted Encumbrance shall not constitute any postponement or subordination (or agreement to do so) of Lender’s Liens; and (g) all references to “\$” dollars or amounts of currency shall unless otherwise expressly provided mean lawful currency of Canada.

The Credit Parties confirm and agree that for purposes of any Collateral located in the Province of Quebec or charged by any deed of hypothec (or any other Loan Document) and for all other purposes pursuant to which the interpretation or construction of a Loan Document may be subject to the laws of the Province of Quebec or a court or tribunal exercising jurisdiction in the Province of Québec: (a) “personal property” shall be deemed to include “movable property”; (b) “real property” shall be deemed to include “immovable property”; (c) “tangible property” shall be deemed to include “corporeal property”; (d) “intangible property” shall be deemed to include “incorporeal property”; (e) “security interest” and “mortgage” shall be deemed to include a “hypothec”; (f) all references to filing, registering or recording under the UCC or the PPSA shall be deemed to include publication under the Civil Code of Québec; (g) all references to “perfection” of or “perfected” Liens shall be deemed to include a reference to the “opposability” of such Liens to third parties; (h) any “right of offset”, “right of setoff” or similar expression shall be deemed to include a “right of compensation”; (i) “goods” shall be deemed to include “corporeal movable property” other than chattel paper, documents of title, instruments, money and securities; and (j) an “agent” shall be deemed to include a “mandatary”.

**SCHEDULE B
LENDER'S AND BORROWER'S ADDRESSES FOR NOTICES**

Lender's Address:

200 Bay Street
Royal Bank Plaza
30th Floor, South Tower
Toronto, Ontario
M5J 2J5

Attention: Portfolio Manager
E-MAIL: abladmin@rbccm.com

Lender's Address for Borrowing Notices:

20 King Street West, 4th Floor
Toronto, Ontario
M5H 1C4

Attention: Operations, Asset Based Lending Group

Borrower's Address:

3168 262 Street
Aldergrove BC
V4W 2Z6

Attention: Dan Buckle

dan.buckle@vicinitymotor.com

Credit Parties' Address:

c/o Borrower's address above (unless otherwise specified below).

SCHEDULE C
LETTERS OF CREDIT

1. Lender agrees, subject to the terms and conditions hereinafter set forth, to incur Letter of Credit Obligations in respect of the issuance of Letters of Credit issued on terms acceptable to Lender and supporting obligations of Borrower incurred in the ordinary course of Borrower's business, in order to support the payment of Borrower's inventory purchase obligations, insurance premiums, or utility or other operating expenses and obligations, and, in the case of any letters of guarantee, for such purposes as Lender may agree in its sole discretion, as Borrower shall request by written notice to Lender that is received by Lender not less than five (5) Business Days prior to the requested date of issuance of any such Letter of Credit; provided, that: (a) the aggregate amount of all Letter of Credit Obligations (other than EDC Guaranteed Letter of Credit Obligations) at any one time outstanding (whether or not then due and payable) shall not exceed the Letter of Credit Sublimit; (b) the aggregate amount of all EDC Guaranteed Letter of Credit Obligations at any one time outstanding (whether or not then due and payable) shall not exceed the EDC Guaranteed Letter of Credit Limit; (c) no Letter of Credit shall have an expiry date which is later than the Stated Expiry Date or one year following the date of issuance thereof and no Letter of Credit issued in connection with the EDC Guaranteed Letter of Credit Loan shall have an expiry date which is later than the EDC Letter of Credit Guarantee Expiry Date or one year following the date of issuance thereof; (d) all letters of guarantee shall be and shall be continued in the sole discretion of Lender; and (e) Lender shall be under no obligation to incur any Letter of Credit Obligation if after giving effect to the incurrence of such Letter of Credit Obligation, the Net Operating Loan Borrowing Availability would be less than zero. Borrower will enter into an application and agreement for each such Letter of Credit.
2. The notice to be provided to Lender requesting that Lender incur Letter of Credit Obligations shall be in the form of a Letter of Credit application in the form customarily employed by Lender, together with a written request by Borrower.
3. In the event that Lender shall make any payment on or pursuant to any Letter of Credit Obligation, Borrower shall be unconditionally obligated to reimburse Lender therefor, and such payment shall then be deemed to constitute a Revolving Credit Advance. For purposes of computing interest under Section 1.5, a Revolving Credit Advance made in satisfaction of a Letter of Credit Obligation shall be deemed to have been made as of the date on which Lender makes the related payment under the underlying Letter of Credit.
4. In the event that any Letter of Credit Obligations, whether or not then due or payable, shall for any reason be outstanding on the Commitment Termination Date applicable thereto, Borrower will either: (a) cause the underlying Letter of Credit to be returned and cancelled and each corresponding Letter of Credit Obligation to be terminated; or (b) pay to Lender, in immediately available funds, an amount equal to 110% of the maximum amount then available to be drawn under all Letters of Credit not so returned and cancelled to be held by Lender as cash collateral in an account under the exclusive dominion and control of Lender (the "**Cash Collateral Account**").

5. In the event that Lender shall incur any Letter of Credit Obligations, Borrower agrees to pay the Letter of Credit Fee, as applicable, to Lender as compensation to Lender for incurring such Letter of Credit Obligations. With respect to EDC Guaranteed Letter of Credit Obligations, the Borrower further agrees to pay any and all "Account PSG Fees" (as defined in the EDC Letter of Credit Guarantee) and any other fees and other amounts owing and payable to EDC arising from, in connection with or pursuant to issuance and effectiveness of the EDC Guaranteed Letter of Credit Loan.
6. Borrower's Obligations to Lender with respect to any Letter of Credit or Letter of Credit Obligation shall be evidenced by Lender's records and shall be absolute, unconditional and irrevocable and shall not be affected, modified or impaired by: (a) any lack of validity or enforceability of the transactions contemplated by or related to such Letter of Credit or Letter of Credit Obligation; (b) any amendment or waiver of or consent to departure from all or any of the terms of the transactions contemplated by or related to such Letter of Credit or Letter of Credit Obligation; (c) the existence of any claim, set-off, defense or other right which Borrower or any other Credit Party may have against Lender or the beneficiary of such Letter of Credit, or any other Person, whether in connection with this Agreement, any other Loan Document or such Letter of Credit or the transactions contemplated thereby or any unrelated transactions; or (d) the fact that any draft, affidavit, letter, certificate, invoice, bill of lading or other document presented under or delivered in connection with such Letter of Credit or any other Letter of Credit proves to have been forged, fraudulent, invalid or insufficient in any respect or any statement therein proves to have been untrue or incorrect in any respect.
7. In addition to any other indemnity obligations which Borrower may have to Lender under this Agreement and without limiting such other indemnification provisions, Borrower hereby agrees to indemnify Lender from and to hold Lender harmless against any and all claims, liabilities, losses, costs and expenses (including, legal fees and expenses) which Lender may (other than as a result of its own gross negligence or wilful misconduct) incur or be subject to as a consequence, directly or indirectly, of: (a) the issuance of or payment of or failure to pay under any Letter of Credit or Letter of Credit Obligation; or (b) any suit, investigation or proceeding as to which Lender is or may become a party as a consequence, directly or indirectly, of the issuance of any Letter of Credit, the incurring of any Letter of Credit Obligation or any payment of or failure to pay under any Letter of Credit or Letter of Credit Obligation. The obligations of Borrower under this paragraph shall survive any termination of this Agreement and the payment in full of the Obligations.
8. Borrower hereby assumes all risks of the acts, omissions or misuse of each Letter of Credit by the beneficiary thereof and, in connection therewith, Lender shall not be responsible for: (a) the validity, sufficiency, genuineness or legal effect of any document submitted in connection with any drawing under any Letter of Credit even if it should in fact prove in any respect to be invalid, insufficient, inaccurate, untrue, fraudulent or forged; (b) the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign any Letter of Credit or any rights or benefits thereunder or any proceeds thereof, in whole or in part, even if it should prove to be invalid or ineffective for any reason; (c) the failure of any beneficiary of any Letter of Credit to comply fully with the terms thereof,

including the conditions required in order to effect or pay a drawing thereunder; (d) any errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, telecopy, telex or otherwise; (e) any loss or delay in the transmission or otherwise of any document or draft required in order to make a drawing under any Letter of Credit; or (f) any consequences arising from causes beyond the direct control of Lender.

**SCHEDULE D
CASH MANAGEMENT SYSTEM**

Borrower agrees to establish, and to maintain, until the Termination Date, the cash management system described below:

1. No Corporate Credit Party: (i) shall (nor shall it permit any of its Subsidiaries to) open or maintain any deposit, chequing, operating or other bank account, or similar money handling account, with any bank or other financial institution except at Lender or as permitted by Lender, acting reasonably, and as identified in Attachment 1 hereto; and (ii) shall close or permit to be closed any of the accounts identified in Attachment 1 without Lender's prior written consent, and then only after such Corporate Credit Party has implemented agreements with Lender or bank or financial institution acceptable to Lender.

2. Commencing on or prior to the Closing Date and until the Termination Date, all monies (which term when used in this Agreement includes all cheques, bills of exchange and other payment instruments as well as cash) received by the Corporate Credit Parties, including, but not limited to, any receipts in payment of any Accounts or in respect of any insurance proceeds, whether or not a notice and direction has been sent to the Corporate Credit Parties' Account Debtors, shall be received and held, and shall be deemed to be received and held, in trust for Lender and shall be, and shall be deemed to be, kept separate and apart from the Corporate Credit Parties' own funds and immediately deposited by it on a daily basis in one or more blocked accounts set up for this purpose and listed in Attachment 1 hereto (collectively, and together with the Contract Revolver Blocked Account, the "**Blocked Accounts**"). The Corporate Credit Parties shall execute and deliver to Lender, Lender's standard form Blocked Accounts agreement ("**Blocked Accounts Agreement**"), the receipt of which is a condition precedent to any accommodation of credit hereunder. Lender is hereby irrevocably and unconditionally authorised and directed by the Corporate Credit Parties to sweep the Blocked Accounts on a daily basis and to set-off, compensate and apply any credit balances in: (a) the Blocked Accounts other than the Contract Revolver Blocked Account (after conversion into Canadian Dollars as determined necessary by Lender) to repay any Obligations other than Obligations in respect of the Contract Revolver Facility in such order as Lender sees fit, with any remaining funds then being deposited to the Corporate Credit Party's Disbursements Accounts with Lender other than the Contract Revolver Disbursement Account, and (b) the Contract Revolver Blocked Account (after conversion into Canadian Dollars as determined necessary by Lender) to repay any Obligations in respect of the Contract Revolver Facility in such order as Lender sees fit, with any remaining funds then being deposited to the Contract Revolver Disbursement Account.

3. Borrower may maintain, in its name, accounts (together with the Contract Revolver Disbursement Account, the "**Disbursement Accounts**") at Lender into which Lender shall, from time to time, deposit proceeds of Revolving Credit Advances made pursuant to Section 1.1 for use solely in accordance with the provisions of Section 1.3(a). Borrower may also maintain, in its name, the Contract Revolver Disbursement Account at Lender into which Lender shall from time to time, deposit proceeds of Contract Revolver Advances made pursuant to Section 1.1 for use solely in accordance with the provisions of

Section 1.3(b). All of the Disbursement Accounts as of the Closing Date are listed in Attachment 1 hereto.

4. Upon the request of Lender, each Corporate Credit Party shall forward to Lender, on a daily basis, evidence of the deposit of all items of payment received by such Corporate Credit Party into the Blocked Accounts and copies of all such cheques and other items, together with a statement showing the application of those items relating to payments on Accounts to outstanding Accounts and a collection report with regard thereto in form and substance satisfactory to Lender.

ATTACHMENT 1 TO SCHEDULE D
LIST OF BANK ACCOUNTS

1. Disbursement Accounts

<u>Bank Name</u>	<u>Currency</u>	<u>Bank Address</u>	<u>Account Number</u>
Royal Bank of Canada	CAD\$	6400 No. 3 Road, Richmond, BC	00160-1009224
Royal Bank of Canada	U.S.\$	6400 No. 3 Road, Richmond, BC	00160-4002440
City National Bank	U.S.\$	555 S. Flower St., Los Angeles, CA 90071	210492860

2. Blocked Accounts

<u>Bank Name</u>	<u>Currency</u>	<u>Bank Address</u>	<u>Account Number</u>
Royal Bank of Canada	CAD\$	6400 No. 3 Road, Richmond, BC	00160-1009232
Royal Bank of Canada	U.S.\$	6400 No. 3 Road, Richmond, BC	00160-4002457

3. Contract Revolver Disbursement Account

<u>Bank Name</u>	<u>Currency</u>	<u>Bank Address</u>	<u>Account Number</u>
Royal Bank of Canada	CAD\$	6400 No. 3 Road, Richmond, BC	00160-1000157
Royal Bank of Canada	U.S.\$	6400 No. 3 Road, Richmond, BC	00160-4001012

4. Contract Revolver Blocked Account

<u>Bank Name</u>	<u>Currency</u>	<u>Bank Address</u>	<u>Account Number</u>
Royal Bank of Canada	CAD\$	6400 No. 3 Road, Richmond, BC	00160-1000041
Royal Bank of Canada	U.S.\$	6400 No. 3 Road, Richmond, BC	00160-4001004

**SCHEDULE E
FEES**

1. **Unused Line Fee:** For each day from the Closing Date, and through and including the Commitment Termination Date, an amount equal to (a) the Operating Loan Maximum Amount less the aggregate of: (i) the aggregate amount of Revolving Credit Advances outstanding at the end of each day; and (ii) the total Letter of Credit Obligations (other than EDC Guaranteed Letter of Credit Obligations) incurred by Lender and outstanding at the end of each day; plus (b) the Contract Revolver Facility Maximum Amount less the aggregate amount of Contract Revolver Advances outstanding at the end of each day, (c) multiplied by 0.25% and divided by 365 or 366, as applicable, depending on the actual number of days in the year in respect of the period for which the Unused Line Fee is payable. The Unused Line Fee for each month (except for the month in which the Commitment Termination Date occurs) is payable in arrears on the first day of each calendar month following the Closing Date; the final monthly instalment of the Unused Line Fee is payable on the Commitment Termination Date. Notwithstanding the foregoing, any unpaid Unused Line Fee is immediately due and payable on the Commitment Termination Date.

2. **Letter of Credit Fee:** The Letter of Credit Fee shall be quoted by the Lender at the time of issue and will be governed by separate agreements to be entered into between Borrower and Lender.

3. **Closing Fee:** A fully earned non-refundable closing fee of U.S.\$30,000 is fully earned by the Lender and payable by the Borrower on the Closing Date.

4. **Collateral Monitoring Fee:** A fully earned and non-refundable collateral monitoring fee of \$18,000 per annum (the "**Collateral Monitoring Fee**"), payable in advance in equal monthly instalments of \$1,500 beginning on the Closing Date and on the first day of each month thereafter.

5. **Prepayment Fee:** An amount equal to the Operating Loan Maximum Amount, multiplied by:
 - 1% if Lender's obligation to make further Revolving Credit Advances or incur additional Letter of Credit Obligations is terminated (voluntarily by Borrower) on or after the Closing Date and on or before the first anniversary of the Closing Date, payable on the Commitment Termination Date; or
 - 0.5% if Lender's obligation to make further Revolving Credit Advances or incur additional Letter of Credit Obligations is terminated (voluntarily by Borrower) after the first anniversary of the Closing Date and on or before the second anniversary of the Closing Date, payable on the Commitment Termination Date,
 (the "**Prepayment Fee**").

Borrower acknowledges and agrees that: (i) it would be difficult or impractical to calculate Lender's actual damages from early termination of Lender's obligation to make further

Revolving Credit Advances and incur additional Letter of Credit Obligations for any reason pursuant to Section 1.2(c) or Section 7.2; (ii) the Prepayment Fees provided above are intended to be fair and reasonable approximations of such damages; and (iii) the Prepayment Fees are not intended to be penalties. No Prepayment Fee will be payable if the Revolving Credit Loan is refinanced by another Royal Bank of Canada credit facility.

6. **Field Examination Fees:** Borrower will reimburse Lender for Lender's standard charges in respect of audit reviews, field examinations and collateral examinations, including the standard charges of the Lender's internal field examination group (currently \$1200 per person per day), and all out of pocket expenses incurred in connection therewith and applicable taxes. This shall not be construed to limit Lender's right to use third parties for such purposes.
7. **Appraisal Fees:** Borrower will reimburse Lender for all out of pocket expenses incurred by Lender in connection with the appraisals of Inventory conducted for Lender by an appraisal firm acceptable to Lender.
8. **Miscellaneous Fees:** Borrower shall be liable for all of Lender's customary miscellaneous fees for activities undertaken by Lender, including additional uploads, amendments, waivers and other matters.

SCHEDULE F
SCHEDULE OF DOCUMENTS

The obligation of Lender to make the Loans on the Closing Date and extend other credit is subject to satisfaction of the condition precedent that Lender shall have received the following, each, unless otherwise specified below or the context otherwise requires, dated the Closing Date, in form and substance satisfactory to Lender and its counsel:

PRINCIPAL LOAN DOCUMENTS

1. Amended and Restated Loan Agreement. The Amended and Restated Loan Agreement duly executed by Borrower and the other Credit Parties party thereto.
2. Borrowing Base Certificates. Original Borrowing Base Certificates duly executed by an Authorized Officer of Borrower.
3. Notice of Borrowing. An original Notice of Borrowing duly executed by an Authorized Officer of Borrower.

COLLATERAL DOCUMENTS

1. Acknowledgement Copies of Financing Statements. Acknowledgement copies of proper financing statements and notices of recording under the PPSA and Civil Code of Quebec, as applicable, duly filed in all jurisdictions as may be necessary or, in the opinion of Lender, desirable to perfect Lender's Lien on the Collateral.
2. Searches. Certified copies of PPSA and as applicable, Register of Personal and Movable Real Rights of Quebec searches, as applicable, or other evidence satisfactory to Lender, listing all effective financing statements and recordations which name Borrower and each other applicable Corporate Credit Party (under present name, any previous name or any trade or doing business name) as debtor and together with copies of such other financing statements.
3. Confirmation and Reaffirmation Agreement. Confirmation and Reaffirmation Agreement with respect to the existing Guarantees, Postponement Agreements and General security agreements and hypothecs of all present and after-acquired personal and moveable property from each Credit Party confirming and reaffirming the guarantee obligations of the Guarantors and the grant of a first priority Lien, subject to Permitted Encumbrances, in favour of Lender, in form and substance satisfactory to Lender in its sole, unfettered discretion (but not contradicting the terms hereof).
4. Deed of Trust. By no later than 30 days following the Closing Date, a Deed of Trust in the amount of U.S.\$17,000,000 from Borrower, granting a first priority Lien, subject to Permitted Encumbrances, in favour of Lender, over the Ferndale Property, in form and substance satisfactory to Lender in its sole, unfettered discretion.
5. Environmental Indemnity. By no later than 30 days following the Closing Date, an Environmental Indemnity Agreement from Borrower, in favour of Lender, with respect to

the Ferndale Property, in form and substance satisfactory to Lender in its sole, unfettered discretion.

6. Intellectual Property Documents. Agreements relating to the granting to Lender of a security interest in Intellectual Property of Borrower to the extent applicable in a form suitable for filing with the appropriate federal filing office.
7. Other Recordings and Filings. Evidence of the completion of all other recordings and filings (including termination statements and other Lien release documentation) as may be necessary or, in the opinion of and at the request of Lender, desirable to perfect Lender's Lien on the Collateral and ensure such Collateral is free and clear of other Liens (except Permitted Encumbrances).
8. Accounts Receivable Insurance. If applicable, assignment of accounts receivable insurance in favour of Lender in a form satisfactory to Lender.

THIRD PARTY AGREEMENTS

1. Landlord and Mortgagee Consents. Unless otherwise agreed to in writing by Lender, duly executed landlord (in the form of Exhibit E), bailee and mortgagee waivers and consents from the landlords, bailees and mortgagees of all of Borrower's leased or owned locations where Collateral is held, in each case, in form and substance satisfactory to Lender.
2. Cash Management System. Duly executed Blocked Accounts Agreements and, if required by Lender, pledged account agreements in respect of the Disbursement Accounts as contemplated by Schedule D.
3. Other Documents. N/A
4. EDC Guarantee. Duly executed EDC Guarantee from EDC in favour of the Lender, including related documentation, in respect of the Contract Revolver Loan.
5. EDC Letter of Credit Guarantee. Duly executed EDC Letter of Credit Guarantee from EDC in favour of the Lender in respect of the EDC Guaranteed Letter of Credit Loan.

OTHER DOCUMENTS

1. Environmental Audit. Lender's standard form environmental questionnaire and copies of all existing environmental reviews and audits and other information pertaining to actual or potential environmental claims relating to the Collateral and the Credit Parties, as Lender may require.
2. Insurance Policies. Originals or copies of insurance policies described in Section 3.16, together with evidence showing loss payable or additional insured clauses or endorsements in favour of Lender.
3. Existing Lease Agreements. Copies of any existing real property leases and equipment leases to which Borrower is a party and any other document or instrument evidencing or

relating to existing Indebtedness of Borrower, together with all certificates, opinions, instruments, security documents and other documents relating thereto, all of which shall be satisfactory in form and substance to Lender, certified by an Authorized Officer of Borrower as true, correct and complete copies thereof.

4. CRA Consent. Canada Revenue Agency (“CRA”) business consent form whereby each Credit Party requested by Lender provides its authorization and consent for Lender to communicate directly with CRA.

**SCHEDULE G
MATERIAL CONTRACTS**

Contract	Date of Contract	Parties	Notes
Manufacturing Agreement	May 19, 2016	Grande West Transportation International Ltd. Xiamen Fengtai Bus & Coach International Co., Ltd.	Agreement indicating that Xiamen Fengtai will manufacture Vicinity Buses. Includes price per bus and production schedule.
Manufacturing Agreement	March 15, 2021	Grande West Transportation International Ltd. Hubei Qixing Group.	Agreement indicating that the Hubei Qixing Group will manufacture and deliver light duty trucks.
Sales Contract	January 15, 2022	Vicinity Motor Corp. RED auto SCM Co., LIMITED	Agreement for the purchase by Vicinity of 20 light electric vehicles manufactured by Hubei Qixing Automobile Company and delivered by RED Auto.
Sales Contract	November 20, 2022	Vicinity Motor Corp. RED auto SCM Co., LIMITED	Agreement for the purchase by Vicinity of 50 light electric vehicles manufactured by Hubei Qixing Automobile Company and delivered by RED Auto.
Dealer Sales and Service Agreement	October 24, 2021	Vicinity Motor (Truck) Corp. Pioneer Auto Group	Agreement establishing Pioneer as an authorized dealer of the Vicinity product(s) in British Colombia.
Purchase and Sale Agreement	Purchase and Sale Agreement dated October	Vicinity Motor (Bus) Corp. Pioneer Auto Group	Agreement for the purchase of one VMC 1200 Electric Truck by

	14, 2022, with addendum		Pioneer from Vicinity (Bus) Corp.
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**SCHEDULE H
BANK PRODUCTS**

A. Visa Facility

Provided that Lender will make a corporate visa credit card facility (the “**Visa Facility**”) available to Borrower in the maximum amount of \$30,000, or such other amount as agreed to in writing by Lender in its sole and absolute discretion (the “**Visa Limit**”), subject to the following terms and conditions:

- (a) notwithstanding any other provision of this Agreement, the Visa Facility is payable on demand and Lender may cancel or restrict the availability of the Visa Facility, or any unutilized portion thereof, at any time in its sole and absolute discretion. The Visa Limit may be reserved, dollar for dollar, from the Operating Loan Borrowing Availability (the “**Visa Reserve**”);
- (b) the Visa Facility will be governed by separate agreements entered into between Borrower and Lender (collectively, the “**Visa Facility Agreements**”) and, in the event of a conflict between the terms and conditions of this Agreement and the Visa Facility Agreements, the terms and conditions of the Visa Facility Agreements will govern and prevail to the extent of such conflict; and
- (c) the Visa Facility shall form part of the Obligations secured by all of Lender’s security.

B. Foreign Exchange Facility

Provided that no Event of Default has occurred, Lender may at its sole option and discretion, upon Borrower’s written request, enter into foreign exchange transactions, agreements or options (“**Fx Contracts**”) with Borrower from time to time on terms and conditions to be negotiated on a transaction-by-transaction basis (the “**Fx Facility**”), provided that the Lender has been provided with and is satisfied with, a guarantee issued by EDC to Lender in respect of such Fx Facility unless otherwise agreed by Lender. Lender makes no commitment to enter into or arrange any Fx Contracts with Borrower and may at any time, in its sole and absolute discretion, decline to enter into or terminate any Fx Contracts. In the event that Borrower requests, and Lender agrees, to enter into any such Fx Contracts with Borrower, it will do so subject to the following:

- (a) in no event, shall the “credit exposure” of the Fx Facility, as determined by Lender from time to time in its discretion exceed at any time the aggregate amount of \$1,000,000 or such other amount as agreed to in writing by Lender in its sole and absolute discretion. Such Fx “credit exposure” may be reserved, dollar for dollar, from the Operating Loan Borrowing Availability (the “**Fx Reserve**”);
- (b) Borrower shall promptly issue or countersign and return a confirmation or acknowledgement of the terms of each such Fx Contract as required by Lender;

- (c) Borrower shall, if required by Lender, promptly enter into a **Foreign Exchange** and Options Master Agreement or such other agreement, in form and substance satisfactory to Lender, to govern such Fx Contracts;
- (d) in the event of demand for payment concerning any Fx Contracts, Lender may terminate all or any other Fx Contracts at its sole option and discretion. If the agreement governing any such Fx Contracts does not contain provisions governing termination, any such termination shall be effected in accordance with customary market practice applied by Lender from time to time. Lender's determination of amounts owing under any terminated Fx Contracts shall be conclusive evidence of the amounts owing thereunder, absent manifest error;
- (e) Lender shall apply any amount owing by Lender to Borrower on termination of any such Fx Contracts against Borrower's obligations to Lender and any amount owing by Borrower to Lender on such termination shall form part of the Obligations secured by all of Lender's security;
- (f) Borrower shall pay all required fees in connection with any such Fx Contracts and hereby indemnifies and holds Lender harmless from and against any and all losses, costs and expenses incurred by Lender in relation to any Fx Contracts, including, without limitation, the costs of terminating or cancelling any Fx Contracts;
- (g) any rights of Lender in respect of any such Fx Contracts are in addition to and not in limitation of, or substitution for, any rights of Lender under any agreement governing such Fx Contracts. In the event that there is any inconsistency at any time between the terms hereof and any agreement governing such Fx Contracts, the terms of such agreement governing such Fx Contracts shall prevail to the extent of such inconsistency; and
- (h) Borrower hereby covenants and agrees to report the outstanding amounts of any and all Fx Contracts to Lender in the Operating Loan Borrowing Base Certificate required to be delivered to Lender on a weekly basis.

**SCHEDULE I
ELIGIBLE EQUIPMENT**

Leased buses which satisfy the requirements of the definition of "Eligible Equipment" and are included in the Operating Loan Borrowing Base.

**SCHEDULE J
SALES FORECAST**

75% of Year-to-Date EBITDA

March 31, 2023	-\$2,971,358
June 30, 2023	-\$3,111,434
September 30, 2023	\$1,984,450
December 31, 2023	\$5,462,209

75% of Minimum Monthly Truck Orders

February 28, 2023	38
March 31, 2023	38
April 30, 2023	38
May 31, 2023	38
June 30, 2023	38
July 31, 2023	75
August 31, 2023	75
September 30, 2023	75
October 31, 2023	75
November 30, 2023	75
December 31, 2023	75

EXHIBIT A

FORM OF NOTICE OF BORROWING OR CONTINUATION/CONVERSION

(Letter to be typed on Borrower’s Letterhead)

[DATE]

Royal Bank of Canada
20 King Street West, 4th Floor
Toronto, Ontario M5H 1C4
Attention: Operations Group
FAX: 1-800-924-9610
E-MAIL: assetbfi@rbc.com

cc:
Attention: Portfolio Manager
E-MAIL: abladmin@rbccm.com

BORROWING NOTICE

We refer to the amended and restated loan agreement dated as of February 17, 2023 (as amended, restated, supplemented, replaced or otherwise modified from time to time, the “**Agreement**”; capitalized terms used herein but not otherwise defined shall have the meanings set forth in the Loan Agreement), among Vicinity Motor (Bus) Corp. (“**Borrower**”) and Royal Bank of Canada (“**Lender**”).

We hereby instruct and authorize Lender to **[make advances] [continue/ convert an outstanding loan]** to our disbursement account(s), subject to and in accordance with the terms and provisions of the Agreement to the account numbers specified below and to charge Borrower’s loan account with each such **[advance(s)] [continuation(s)/ conversion(s)]**.

Borrower hereby requests **[an advance] [the continuation/ conversion of an outstanding loan]** (the “**Advance**”) be made as follows:

In respect of the Operating Loan:

A. **Date of Advance:** _____

B. **Type/ amount of Advance¹ to be made:**

RBP based Advance (CAD\$): _____

¹ In the case of Advances made based upon the BA Equivalent Rate or Adjusted Term SOFR, the amount of the Advance may not be less than \$1,000,000 (in the case of Advances made based upon the BA Equivalent Rate) or U.S.\$1,000,000 (in the case of Advances made based upon Adjusted Term SOFR) and must be integral multiples of

RBUSBR based Advance (U.S.\$): _____

BA Equivalent Rate based Advance (CAD\$): _____

Adjusted Term SOFR based Advance (U.S.\$): _____

C. [Type of Advance resulting from the conversion or continuation (if applicable):

RBP based Advance (CAD\$): _____

RBUSBR based Advance (U.S.\$): _____

BA Equivalent Rate based Advance (CAD\$): _____

Adjusted Term SOFR based loan (U.S.\$): _____]

D. Proceeds of the Advance are to be directed as follows:

CAD\$ # _____

U.S.\$ # _____

**E. Duration of the Interest Period (for Advances based upon the BA Equivalent Rate or Adjusted Term SOFR)²: _____
[1 or 3 months]**

In respect of the Contract Revolver Facility:

F. The date of Advance: _____

G. The Type/amount of Advance: _____

RBP based Advance (CAD\$): _____

RBUSBR based Advance (U.S.\$): _____

\$100,000 (in the case of Advances made based upon the BA Equivalent Rate) or U.S.\$100,000 (in the case of Advances made based upon Adjusted Term SOFR) in excess thereof.

Moreover, if the Notice of Borrowing or Notice of Continuation/Conversion does not specify whether the Advance is to be made based upon RBP, RBUSBR, the BA Equivalent Rate or Adjusted Term SOFR, then it shall be deemed to be a request for a RBUSBR based Advance if denominated in U.S.\$ and a RBP based Advance if denominated in CAD\$.

² If the Notice of Borrowing or Continuation/Conversion fails to specify the duration of the Interest Period for Advances made based upon the BA Equivalent Rate or Adjusted Term SOFR, such Interest Period shall be for one (1) month.

H. Proceeds of Advance re to be directed as follows:

CAD\$ # _____

U.S.\$ # _____

Borrower hereby confirms as follows:

- (a) Each of the representations and warranties made by each of the Credit Parties in or pursuant to the Agreement and the other Loan Documents are true and correct in all material respects on and as of the date hereof as if made on and as of such date, except as Lender may have otherwise agreed to herein or in a separate writing.
- (b) No Default has occurred as of the date hereof or will occur after the making of the Advance(s) requested hereunder.
- (c) With respect to a Contract Revolver Advance, the proceeds of such advance will be used by the Borrower to support its Green Loan Objectives as set out in the Agreement and evidenced by the documentation and information attached as Attachment "1" to Exhibit A hereto.

DATED this ___ day of _____, 20__.

BORROWER:

VICINITY MOTOR (BUS) CORP.

By: _____ c/s

Name:

Title:

ATTACHMENT "1" TO EXHIBIT A
DOCUMENTS AND INFORMATION REGARDING GREEN LOAN OBJECTIVES

Green Loan Objective is to design, produce, and sell electric powered vehicles in accordance with the Green Loan Principles.

EXHIBIT B
OTHER REQUIRED REPORTS AND INFORMATION

N/A

EXHIBIT C-1
FORM OF BORROWING BASE CERTIFICATE (OPERATING LOAN)

I, the Authorized Officer of Vicinity Motor (Bus) Corp., (“**Borrower**”) hereby certify as of **[insert date]**:

1. I am familiar with and have examined the provisions of the amended and restated loan agreement (the “**Agreement**”) dated February 17, 2023 between Borrower and Royal Bank of Canada, as amended from time to time, and have made reasonable investigations of records and inquiries of other officers and senior personnel of Borrower. Terms defined in the Agreement have the same meanings where used in this certificate.

2. The Operating Loan Net Borrowing Availability is \$ - calculated as follows:

U.S.\$ exchange rate at xx (Bank of Canada noon rate for xx, 20xx) \$

-

	CAD\$	U.S.\$	Total \$
total accounts receivable	-	-	-
total accounts receivable (excluding those from Investment Grade Debtors or that are insured)			-
less:			
(a) Accounts > 90 days past the invoice date			-
(b) Accounts due from Affiliates, Intercompany/Related Parties			-
(c) Accounts ≤ 90 days past the invoice date where collection is suspect (eg. bankrupt customers)			-
(d) Accounts subject to hold backs, contras or rights of set-off			-
(e) Accounts subject to prior encumbrances			-
(f) foreign Accounts			-
(g) Accounts due from the federal government, (not to include municipalities or eligible provinces/transit authorities)			-
(h) debit notes included in Accounts			-
(i) “bill and hold” Accounts			-
(j) Accounts relating to pre-billings			-
(k) past due credit notes (> 90 days)			-

(l) non trade related Accounts			-
(m) other ineligible Accounts			-
(n) credit notes not included in Accounts			-
(o) cross-aging adjustment (25%)			-
(p) concentration adjustment, (25% concentration other than Canadian Municipalities/provinces and transit authorities at 75%)			-
(q) other adjustments			-
			<hr/>
dilution %	0.00%	0.00%	-
less: dilution reserve			-
			<hr/>
Eligible Accounts (excluding those from Investment Grade Debtors or that are insured)	-	-	-
marginied at:	85%	85%	
marginied Eligible Accounts (excluding those from Investment Grade Debtors or that are insured)	-	-	<hr/> - A
accounts receivable from Investment Grade Debtors, credit card receivables and insured accounts			-
less:			
(a) Accounts > 120 days past the invoice date			-
(b) Accounts subject to hold backs, contras or rights of set-off			-
(c) Accounts subject to prior encumbrances			-
(d) foreign accounts			-
(e) Accounts due from the federal government, (not to include municipalities or eligible provinces)			-
(f) debit notes included in Accounts			-
(g) "bill and hold" Accounts			-
(h) past due credit notes (> 120 days)			-

(i) non trade related Accounts			-	
(j) other ineligible Accounts			-	
(k) credit notes not included in Accounts			-	
(l) amounts in excess of credit insurance < 120 days			-	
(m) cross-aging adjustment (25%)			-	
(n) concentration adjustment, (25% concentration other than Canadian Municipalities at 75%)			-	
(o) other adjustments			-	
			-	
dilution %	0.0%	0.0%	-	
less: dilution reserve			-	
Eligible Investment Grade or Insured Accounts			-	
margin ed at:	90%	90%	-	
margin ed Eligible Investment Grade or Insured Accounts	-	-	-	B
total margin ed Accounts (A+B)			-	C
total Inventory			-	
total Inventory per perpetual listing (Buses)			-	
less:			-	
(a) slow moving inventory			-	
(b) Warranty provisions			-	
(c) inventory located where landlord waiver/bailee letters are required but not held or where inventory amounts are less than \$100,000			-	
(d) inventory at contract manufacturers or outside processors without satisfactory access agreements.			-	
(e) Inventory subject to prior encumbrances			-	
(f) goods subject to unpaid suppliers' repossession rights (30 day goods)			-	
(g) Estimated Change fee on Buses			-	

(h) Demo Buses not located at Company Controlled sites		
(i) Other non-qualifying inventory		
	-	
Eligible Inventory (raw materials)	<hr/>	
	-	
NOLV	72.95%	
margined at lesser of 85% of NOLV and 65% of cost	62.01%	
margined Eligible Inventory (Bus Inventory)	<hr/>	D
total Inventory per perpetual listing (Spare Parts)		
less:		
(a) slow moving inventory		
	-	
(b) inventory located where landlord waiver/bailee letters are required but not held or where inventory amounts are less than \$100,000		
(d) inventory at contract manufacturers or outside processors without satisfactory access agreements.		
(e) Inventory subject to prior encumbrances		
(f) goods subject to unpaid suppliers' repossession rights (30 day goods)		
(g) Other non-qualifying inventory		
	<hr/>	
Eligible Inventory (finished goods)	<hr/>	
	-	
NOLV	14.20%	
margined at lesser of 85% of NOLV and 65% of cost	12.07%	
margined Eligible Inventory (Spare Parts Inventory)	<hr/>	E
total margined Inventory (D+E) (to a maximum of \$7,500,000)	<hr/>	F
	-	
Eligible Equipment	<hr/>	
NOLV margined at 85%	<hr/>	G
total margined Accounts and Inventory (C+F+G)	<hr/>	H
	-	
less: reserves		

potential prior ranking claims (per attachment)	-	
FX Reserve		
Visa Reserve		
	<hr/>	
	-	I
Operating Loan Borrowing Base (H-I)	<hr/>	J
Operating Loan Maximum Amount	10,000,000.00	K
Operating Loan Borrowing Availability (lesser of: J and K)	<hr/>	L
less:		
Revolving Credit Loans		
Letter of Credit Obligations (other than EDC		
Guaranteed Letter of Credit Obligation)		
Overdrafts		
	<hr/>	M
Net Operating Loan Borrowing Availability (L-M)	<hr/> <hr/>	N

The reports and information provided herewith are accurate and complete in all respects and all amounts included as potential prior ranking claims are current amounts owing and not in arrears [indicate any claims that are past due other than those specifically noted].

Dated this __ day of _____, 20__

Per: _____

_____, Authorized Officer

POTENTIAL PRIOR RANKING CLAIMS

	CAD\$
GST	<hr/>
HST	<hr/>
PST/QST	<hr/>
employee source deductions	<hr/>

(including EI, CPP and taxes)

past due employer health tax

past due workers' compensation

WEPPA reserve (\$2,000/full time employee;
\$1,000/part time employee)

RRSP (employee contributions)

pension plan contributions

rent

[realty/municipal taxes if owned real estate]

other

total

number of full time employees:

number of part time employees:

ATTACHMENT "1" TO EXHIBIT C-1
ACCOUNTS RECEIVABLE ROLL FORWARD

	CAD\$	U.S.\$
total accounts receivable as of last Borrowing Base Certificate dated		
gross sales invoiced (+)		
credit notes (-)		
total cash deposits into Blocked Accounts (-)		
cash deposits into Blocked Accounts not credited against accounts receivable (+)		
cash deposits into Blocked Accounts not related to accounts receivable (+)		
adjustments (+/-)		
total accounts receivable as of current Borrowing Base Certificate dated		

EXHIBIT C-2
FORM OF BORROWING BASE CERTIFICATE
(CONTRACT REVOLVER FACILITY)

I, the Authorized Officer of Vicinity Motor (Bus) Corp. (“**Borrower**”) hereby certify as of ●, 20●●:

1. I am familiar with and have examined the provisions of the amended and restated loan agreement (the “**Agreement**”) dated February 17, 2023 between the Borrower and Royal Bank of Canada (“**Lender**”), as amended from time to time, and have made reasonable investigations of records and inquiries of other officers and senior personnel of Borrower. Terms defined in the Agreement have the same meanings where used in this certificate.
2. The Net Borrowing Availability is \$●, calculated as follows:

U.S.\$ exchange rate at ● (Bank of Canada noon rate for ●, 20●)

	CAD\$	U.S.\$	Total (CAD\$)	
Eligible Pre-Shipment Costs as set out in column H of Attachment “1” to Exhibit C-2 attached hereto (margined at 100%)			_____	A
Eligible Pre-Shipment Costs as set out in column G of Attachment “2” to Exhibit C-2 attached hereto (margined at 100%)			_____	B
Total Eligible Pre-Shipment Costs value (A+B)			_____	C
less: reserves			_____	D
Contract Revolver Borrowing Base (C-D)			_____	E
Contract Revolver Facility Maximum Amount		U.S.\$30,000,000		F
Contract Revolver Borrowing Availability (Lesser of E and F)			_____	G
less: Contract Revolver Loans			_____	H
Net Contract Revolver Borrowing Availability (G-H)			_____	I
Dated this __ day of _____, 20__				
Per: _____				
Authorized Officer				

ATTACHMENT "1" TO EXHIBIT C-2
ELIGIBLE PRE-SHIPMENT COSTS - TRUCKS

Required	Required	Required	Required	Required	Include if Phase 2 or 3 was selected in column E	Required	Include if Phase 1 or 2 was selected in column E	Include if Phase 3 was selected in column E		RBC Use Only
A	B	C	D	E	F	G	H (C*([D*E] + F) - G)	I	J (I + G - [C*(D+F)])	Documents Verified
Date	PO/Invoice #	# Units (current order)	Base Cost/Unit	Phase (1-50%, 2-50%, 3-Sold)	Shipping Costs/Unit	Customer Deposits	Eligible Pre-Shipment Costs	Collection	Profit Margin	Phase 1 - Proof of order Phase 2 - Supplier Invoice and GIT docs Phase 3 - Customer Invoice
			\$		\$	\$	\$	\$	\$	Y Y Y N N
Total			\$		\$	\$	\$	\$	\$	

ATTACHMENT "2" TO EXHIBIT C-2
ELIGIBLE PRE-SHIPMENT COSTS – TRUCK BOXES

Required	Required	Required	Required	Required	Required	Include if Phase 1 was selected in column E	Include if Phase 2 was selected in column E		RBC Use Only
A	B	C	D	E	F	G (C*D - F)	H	I (H + F - C*D)	Documents Verified
Date	PO/Invoice #	# Units (current order)	Base Cost/Unit	Phase (1- Ordered, 2-Sold)	Customer Deposits	Eligible Pre- Shipment Costs	Collection	Profit Margin	Phase 1 - Proof of order Phase 2 - Customer Invoice
			\$		\$	\$	\$	\$	Y
									Y
									Y
									N
									N
Total			\$		\$	\$	\$	\$	

EXHIBIT D
FORM OF COMPLIANCE CERTIFICATE

TO: Royal Bank of Canada (“Lender”)

The undersigned, _____ [TITLE of AUTHORIZED OFFICER], of Vicinity Motor (Bus) Corp. (the “Borrower”), pursuant to the provisions of the amended and restated loan agreement dated as of February 17, 2023 among, *inter alia*, Lender and Borrower (as amended, restated, supplemented, replaced or otherwise modified from time to time, the “Agreement”), **DOES HEREBY CERTIFY** in [his/her] capacity as an authorized officer of Borrower and not in [his/her] personal capacity that:

1. The Financial Statements attached hereto fairly and accurately represent Borrower’s financial condition at the end of the particular accounting period set out in such Financial Statements, as well as Borrower’s and its Subsidiaries’ operating results during such accounting period, subject to year-end audit adjustments;
2. A review of such Financial Statements and of the activities of Borrower and its Subsidiaries during the period covered by such Financial Statements has been made under my supervision with a view to determining whether Borrower and the Subsidiaries have fulfilled all of their obligations;
3. From the commencement of the accounting period set out in such Financial Statements to the date hereof:
 - (a) each of Borrower and the Subsidiaries have fulfilled each of its respective obligations under each of the Loan Documents to which it is a party;
 - (b) there has been no Default or Event of Default under the Agreement;
 - (c) Borrower is not aware of any event or circumstance which could reasonably have or could reasonably have had a Material Adverse Effect;
 - (d) the representations and warranties contained in the Agreement and the other Loan Documents, including, without limitation, the representations and warranties set out in Section 3.23, are correct in all material respects on and as of the date hereof as though made on and as of such date other than any such representation or warranty which relates to a specified prior date and except to the extent that Lender has been notified in writing by Borrower that any representation or warranty is not correct and Lender has explicitly waived in writing compliance with such representation or warranty;

- (e) Borrower has been in full compliance with all covenants set out in the Agreement, including Financial Covenants as evidenced by the calculations attached hereto as Attachment "1" to Exhibit D;
- (f) no new Subsidiaries were formed or acquired since the end of the previous calendar month [If acquired or formed, indicate for each such Subsidiary, the date of the formation or acquisition];
- (g) no change in IFRS or in the application thereof has occurred since the date of the most recent audited annual Financial Statements of Borrower delivered to Lender **[If a change has occurred, specify the details of the change and its effect on the accompanying Financial Statements];**
- (h) all Loans have been used by the Borrower in accordance with Section 1.3; and
- (i) (i) Borrower's Green Loan Objectives satisfy the eligibility criteria set out in the Green Loan Principles to classify the Contract Revolver Facility as "green loans"; (ii) the proceeds of all Contract Revolver Loans have been used by Borrower to advance its Green Loan Objectives in accordance with Section 1.3(b); (iii) no event or circumstance has occurred which would otherwise disqualify or prevent either Borrower or Lender from continuing to characterize the Contract Revolver Loans as a "green loan" in accordance with the Green Loan Principles, as applicable; (iv) the Borrower maintains accurate records and information with respect to the use of the proceeds of the Contract Revolver Loans; and (v) a copy of Borrower's written and declared Green Loan Objectives are attached hereto as Attachment "2" to Exhibit D.

[if any of the foregoing is incorrect, revise wording accordingly to include particulars of any variation.]

4. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Agreement.

IN WITNESS WHEREOF, the undersigned has executed this Compliance Certificate on behalf of Borrower as of the _____ day of _____, 20<●>.

VICINITY MOTOR (BUS) CORP.

By: _____

Name:

Title of Authorized Officer

ATTACHMENT "1" TO EXHIBIT D
FINANCIAL COVENANTS

COMPANY NAME _____

MONTHLY CERTIFICATE _____ 20__

A. Fixed Charge Coverage Ratio

Net Income (Loss)
plus:
interest expense
unrealized foreign exchange losses
income tax expense
amortization expense
depreciation expense, including depreciation of leased vehicle inventory
stock based compensation
expenses in respect of Operating Leases
rental expenses
unusual or non-recurring losses
minus:
unusual or non-recurring gains
unrealized foreign exchange gains
EBITDAR
minus:
unfunded Capital Expenditures
cash income taxes paid or otherwise payable
(i) TOTAL

cash interest paid or otherwise payable
scheduled payments under Operating Leases
rental payments
scheduled payments of principal on Funded Debt
payments to Affiliates
distributions to shareholders
(ii) TOTAL

Fixed Charge Coverage Ratio = (i)/(ii)

B. Minimum EBITDA

Net Income (Loss)
plus:
interest expense
unrealized foreign exchange losses
income tax expense
amortization expense
depreciation expense, including depreciation of leased vehicle inventory
stock based compensation
unusual or non-recurring losses
minus:
unusual or non-recurring gains
unrealized foreign exchange gains
EBITDA

(i) TOTAL

EBITDA set out in financial projections for the same period

(ii) TOTAL

ATTACHMENT “2” TO EXHIBIT D
GREEN LOAN OBJECTIVES

Green Loan Objective is to design, produce and sell electric powered vehicles in accordance with the Green Loan Principles.

EXHIBIT E
FORM OF LANDLORD WAIVER
LANDLORD'S WAIVER AND CONSENT

This Landlord's Waiver and Consent made as of the ____ day of _____, 201● by ● (the "**Landlord**") to Royal Bank of Canada (the "**Lender**").

The Lender has a security interest under, *inter alia*, the *Personal Property Security Act* (British Columbia) in all of the personal property of Vicinity Motor (Bus) Corp. (the "**Borrower**") which includes, without limitation, all of the Borrower's equipment, inventory, stock, goods and other property which are now or in the future may become located or stored (but excludes any leasehold improvements or fixtures installed or affixed to the applicable real property) (collectively, the "**Collateral**") at the location set forth in Attachment "1" hereto and any other location owned or controlled by the Landlord or any of its affiliates (as defined in the *Business Corporations Act* (Canada)) (collectively, the "**Premises**").

The Landlord owns or has an interest in the Premises and has entered into a lease of the Premises set forth in Attachment "1" with the Borrower, a copy of such lease being attached hereto as Attachment "2" (as amended, extended or renewed from time to time, the "**Lease**"). In order to induce the Lender, now or from time-to-time, to make financial accommodations to the Borrower, and in consideration of any financial accommodation extended by the Lender to the Borrower at any time and for other good and valuable consideration now paid by the Lender to the Landlord (the receipt and sufficiency of which consideration is hereby acknowledged by the Landlord), the Landlord does hereby consent and agree with the Lender, as follows:

- (i) the Landlord acknowledges that: (a) the Lease is in full force and effect; and (b) the Landlord is not aware of any existing default under the Lease;
- (ii) the Landlord consents to the issuance of and acknowledges the validity of the Lender's security interest in the Collateral and disclaims and waives all interest in the Collateral at any time during which the Borrower is indebted to the Lender and does hereby specifically waive any security interest in the Collateral provided in the Lease, and consents to the placement, storage and retention upon the Premises of the Collateral or any portion thereof on the Premises. The Landlord will not assert any claim or interest in the Collateral in priority to the Lender nor seek levy or distraint upon it for rent or otherwise;
- (iii) the Landlord consents to the Lender's entry upon the Premises at reasonable times to inspect or remove the Collateral from the Premises (without the Lender being deemed to be in possession of the Premises or being required to pay any amount to the Landlord whatsoever), so long as the Lender repairs physical damage, if any, done to the Premises by the Lender or its agents, or reimburses the Landlord for the reasonable cost of such repairs, but not for any diminution in the value of the Premises caused by the absence of the Collateral removed or by the necessity of replacing it;

- (iv) the Landlord agrees to promptly give to the Lender written notice at 200 Bay Street, 30th Floor, Royal Bank Plaza, Toronto, Ontario M5J 2J5, Attn: Portfolio Manager (Fax: (416) 974-7620) of any default by the Borrower under the Lease and the Lender shall have the right, but not the obligation, for a period of five (5) business days from receipt of that notice (or such longer period as may be provided for in the Lease) to cure any default and in the event of a payment default, the payment by the Lender to the Landlord of the maximum amount of one (1) month arrears of basic rent, as provided for in the lease, shall be deemed to be a cure of such payment default. In addition, the Landlord shall also promptly advise the Lender, in writing, of the initiation of any proceeding, judicial or otherwise, to terminate the Borrower's rights in the Premises, and the Landlord agrees that the Lender shall have thirty (30) days after receipt of that notice to enter upon the Premises for purposes of taking possession or removing the Collateral from the Premises (without the Lender being required to pay any amount to the Landlord whatsoever or being deemed to be in possession of the Premises);
- (v) if the Lender or its agent cures any existing default under the Lease as provided for and within the time specified in paragraph (iv) and continues to pay all amounts becoming due to the Landlord under the Lease after the curing of such default, Lender or its agents shall be entitled to be in, or shall be entitled to permit Tenant to be in, continued possession of the Premises. If any default is by its nature not capable of rectification or remedy or if any trustee in bankruptcy of the Borrower disclaims the Lease, the Landlord shall so notify the Lender and if requested in writing by the Lender within ten (10) days of the delivery of such notice and provided the Lender has remedied any uncured monetary default by the Borrower, the Landlord shall grant to the Lender or its nominee a new lease of the Premises on the same terms and conditions (including renewal rights) as those contained in the Lease for a term equal to the balance of the unexpired term (a "**Replacement Lease**");
- (vi) in the event that the Lender exercises in writing its rights pursuant to Section (v) hereof, the Landlord agrees that the Lender shall have the right to make a further transfer, assignment or sublet of the Lease or Replacement Lease, as the case may be, to a third party who is not more objectionable to the Landlord than the Borrower, to be determined by the Landlord and the Lender, acting reasonably, on the prior written consent of the Landlord (such consent not to be unreasonably withheld or delayed), and upon such transfer, assignment or sublet, the Lender shall hereby be released from all obligations under the Lease or Replacement Lease, as the case may be, in respect of that period from and after the effective date of any such transfer, assignment or subletting;
- (vii) as a separate remedy hereunder, the Landlord agrees that after the Lender has repossessed the Collateral and notified the Landlord of such fact, the Lender shall have the option of keeping the Collateral on the Premises for purposes of disposing of it from the Premises for ninety (90) days after the giving of such notice (the "**Option Period**"). During the Option Period, the Lender shall only be obligated to pay any basic rent on a *per diem* basis, as specified in the Lease, until such time as the Collateral is removed from the Premises and the Lender has provided the Landlord with written notice that it intends to terminate the Option Period. Notwithstanding the right to remain on the Premises for the full Option Period, the Lender shall have the option of terminating such arrangement at any time during

the Option Period upon providing the Landlord with written notice of its intent at least three (3) days before such commitment termination date;

- (viii) all notices hereunder shall be in writing, sent personal delivery or fax, to the respective parties and the addresses set forth on the signature page or at such other address as the receiving party shall designate in writing; and
- (ix) this Landlord's Waiver and Consent: (i) may be executed in any number of counterparts by facsimile transmission, each of which counterparts shall be deemed to be originals and all of which when taken together shall form one and the same Landlord Waiver & Consent; (ii) shall be governed by and in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein; and (iii) shall enure to the benefit of the Lender and its successors and assigns, and shall be binding upon the successors and assigns of the Landlord. The Landlord shall not transfer title to the Premises unless the Landlord obtains an agreement in writing in favour of the Landlord and the Lender that such transferee/purchaser agrees to be bound by the provision of this Landlord Waiver and Consent as if such transferee/purchaser was a party hereto.

IN WITNESS WHEREOF, this Landlord's Waiver and Consent is entered into as of the date first set forth above.

[NAME OF LANDLORD]

NOTICE ADDRESS:

Attention: _____

Facsimile: _____

By: _____ c/s

Name:

Title:

By: _____ c/s

Name:

Title:

I/we have authority to bind the Corporation

Agreed and acknowledged by Borrower:

VICINITY MOTOR (BUS) CORP.

By: _____ c/s

Name:

Title:

ATTACHMENT "1" TO EXHIBIT E
LEGAL DESCRIPTION OF THE PREMISES

Municipal Address:

[Note to draft: To be completed by Borrower's Counsel or Landlord]

Legal Description:

[Note to draft: To be completed by Borrower's Counsel or Landlord]

ATTACHMENT "2" TO EXHIBIT E
COPY OF LEASE

[Note to draft: To Be Provided by Landlord]

**DISCLOSURE SCHEDULE (3.2)
CORPORATE NAMES**

Corporate Names

Vicinity Motor (Bus) Corp. (formerly Grande West Transportation International Ltd.)
Vicinity Motor (Bus) USA Corp. (formerly Grande West Transportation USA Inc.)
Vicinity Motor Corp. (formerly Grande West Transportation Group Inc.)

Locations

Main office – 3168 262 St, Aldergrove BC V4W 2Z6
Warehouse – 26180 31B Ave, Aldergrove BC V4W 2Z6
Warehouse – 3133 262 St., Aldergrove BC V4W 2Z6
Warehouse – 26183 30A Ave., Aldergrove BC V4W 2W6
Ferndale Property – 5453 & 5457 Pacific Fern Drive, Ferndale, Washington, United States, 98248

DISCLOSURE SCHEDULE (3.6)**REAL ESTATE; PROPERTY**Owned Real Estate

Ferndale Property – 5453 & 5457 Pacific Fern Drive, Ferndale, Washington, United States, 98248

Leased Real Estate

Main office – 3168 262 St, Aldergrove BC V4W 2Z6

Warehouse – 26180 31B Ave, Aldergrove BC V4W 2Z6

Warehouse – 3133 262 St., Aldergrove BC V4W 2Z6

Warehouse – 26183 30A Ave, Aldergrove BC V4W 2W6

DISCLOSURE SCHEDULE (3.7)**SHARES; AFFILIATES**

Vicinity Motor Corp. owns all shares of Vicinity Motor (Bus) Corp. (formerly Grande West Transportation International Ltd)

Vicinity Motor Corp. owns all shares of Vicinity Motor (Bus) USA Corp. (formerly Grande West Transportation International (US) Inc. and Grande West Transportation USA Inc.)

Vicinity Motor (Bus) USA Corp. owns all shares of Vicinity Motor Property LLC.

DISCLOSURE SCHEDULE (3.9)**TAXES**

No taxes owing – As at December 31, 2021 year end audit, the following companies have the following loss carryforwards:

1. Vicinity Motor (Bus) Corp - \$22,251,450
2. Vicinity Motor Corp. - \$12,808,573
3. Vicinity Motor (Bus) USA Corp – none. All taxes paid to date

DISCLOSURE SCHEDULE (3.11)

PENSION PLANS

Nil.

DISCLOSURE SCHEDULE (3.12)**LITIGATION**

1. The City of Prince Albert filed a claim against Vicinity Motor Corp. and Grande West Transportation International Ltd. (now Vicinity Motor (Bus) Corp.) in Prince Albert, Saskatchewan. In 2017, Grande West delivered seven Diesel Vicinity Buses to the City for use in their public transportation network. In 2021, the City allegedly discovered cracks and excessive corrosion on the undercarriage and frames of all seven Vicinity Buses. The City advanced warranty claims for the repair of the damage. Grande West concluded that the City's claims were not warrantable, as the damage observed on the buses arose from poor maintenance by the City and/or its contractors. The City filed a Statement of Claim alleging breach of express or implied warranty, breaches of sale of goods legislation, and other alleged breaches of covenants. Vicinity filed a Statement of Defence on June 24, 2022. There are no hearing dates set. It is too early to determine the outcome of this claim.
2. Employee dispute matter with former Chief Executive Officer of Vicinity Motor Corp (the "**Company**"), which the Company is hopeful will be settled in 2023. Approximate value of claim is \$600,000 - \$700,000. Amount has been fully accrued in financial statements since 2021.
3. Lawsuit from supplier, Hinduja Tech Limited ("**HTL**"), a company based in India and contracted to develop a portion of the electric bus solution. HTL withheld programming data they were hired to create, causing Vicinity Motor Corp ("**VMC**") to terminate the contract and withhold payment. HTL is asking for approximately \$700,000, of which \$375,000 has not been billed or reviewed by VMC. VMC will countersue for damages caused by HTL withholding data. Currently waiting on decision to send to arbitration. Unbilled amounts have not been accrued in financial statements

DISCLOSURE SCHEDULE (3.13)
INTELLECTUAL PROPERTY

Nil.

DISCLOSURE SCHEDULE (3.15)
ENVIRONMENTAL MATTERS

Nil.

DISCLOSURE SCHEDULE (3.16)**INSURANCE**

See attached insurance summaries.

ACORD™		CERTIFICATE OF INSURANCE		DATE (MM/DD/YY) 02/13/23
PRODUCER: WYLIE-CRUMP LIMITED SUITE 320, 151 EAST 2 ND AVE VANCOUVER BC V5T 1B4		FAX 604-687-8858	Phone # 604-687-8888	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
		Broker Ref# 22-GRAN-001(REV1)		
INSURED: VICINITY MOTOR (BUS) CORP 26180 31B AVENUE ALDERGROVE, BC V4W 2Z6		INSURER A: Certain Underwriters at Lloyds as arranged by PRICE FORBES & PARTNERS LTD.		INSURER B: Royal & Sun Alliance Insurance Company of Canada as arranged by COAST UNDERWRITERS LIMITED
		INSURER C:		INSURER D:
		INSURER B:		INSURER C:
		INSURER C:		INSURER D:

COVERAGES


THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERM, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INS LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	√	GENERAL LIABILITY	IC2200079	06/01/2022	06/01/2023	EACH OCCURRENCE	\$ 5,000,000
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				NON-OWNED AUTO	\$ 5,000,000
		<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXPENSES	\$ 10,000
		<input checked="" type="checkbox"/> CONTRACTUAL LIABILITY				TENANTS LEGAL LIABILITY	\$ 1,000,000
						EMPLOYEE BENEFITS	\$ 5,000,000
						DAMAGE TO HIRED AUTO	\$ 50,000
						PRODUCTS - COMP/OP AGG	\$ 5,000,000
B		MARINE OPEN CARGO	CC-106425	06/01/2022	06/01/2023	ANY ONE CONVEYANCE VIA GROUND, AIR, OR MARINE	\$ 3,000,000USD
		<input checked="" type="checkbox"/> CONSIGNMENTS ON DECK				TEMPORARY STORAGE AT 3168 262 STREET, ALDERGROVE, BC	\$ 3,500,000USD
		<input checked="" type="checkbox"/> CONSIGNMENTS UNDER DEC				TEMPORARY STORAGE AT 26180 31B AVENUE, ALDERGROVE, BC	\$ 3,500,000USD
		<input checked="" type="checkbox"/> INSTITUTE REPLACEMENT CLAUSE 161				TEMPORARY STORAGE AT 3133 262ND STREET, LANGLEY, BC	\$ 3,500,000USD
						TEMPORARY STORAGE AT 835 RUE SAINT-JACQUES, SAINT-JEAN-SUR-RICHELIEU, QC	\$ 3,500,000USD

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Additional Insured:
 It is hereby agreed that **Royal Bank of Canada** is added as Additional Insured with respect to the General Liability Insurance referenced, but only with respect to the liabilities arising from the operations of the Named Insured.

1st Loss Payee:
 Loss, if any, shall be made payable to **Royal Bank of Canada** as First Loss Payee, as their respective rights and interests may appear at the time and place of loss.

CERTIFICATE HOLDER Royal Bank of Canada 200 Bay St., Royal Bank Plaza 30th Floor, South Tower Toronto, ON M5J 2J5	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.
	AUTHORIZED REPRESENTATIVE  NOLAN HEUCHERT, CAIB, CRM WYLIE-CRUMP LIMITED /tm

DISCLOSURE SCHEDULE (3.18)
CONTRACTS (OFFSET RISK)

Nil.

DISCLOSURE SCHEDULE (5.2(B))**INDEBTEDNESS**Rent Obligations

SSC Ventures (51) Ltd. (Warehouse rent) - \$26,292.95 per month
Imperial Building Products Ltd. (office rent) - \$4,875 per month
835 St-Jacques Inc. (MTL Warehouse rent) - \$2,405.06 per month
Chohan Equity Group Ltd. (Parts Warehouse rent) - \$23,762.77 per month

Vehicle loans

RBC vehicle loan 2 - \$1,038.14 per month
RBC vehicle loan 4 - \$670.24 per month
RBC vehicle loan 6 - \$1,454.40 per month
RBC vehicle loan 7 - \$840.98 per month
Fleet Wing vehicle Lease - \$1,852.78 per month

Insurance Obligations

General commercial liability insurance - \$18,430 per month
Cargo Policy – US\$20,000 per month.

Third Party Obligations

Leede Jones Gable Loan - \$10,300,000, 8% interest payable at end of loan, maturity of October 2023, repayable in shares in event of default.

DISCLOSURE SCHEDULE (5.2(E))

LIENS

Nil.

DISCLOSURE SCHEDULE (6.1)**ACTIONS TO PERFECT LIENS**

A financing statement has been registered in the British Columbia Personal Property Registry on October 2, 2017 under Base Registration Number 308775K against Vicinity Motor (Bus) Corp., in favour of Royal Bank of Canada, with respect to all present and after-acquired personal property of Vicinity Motor (Bus) Corp., with an expiry date of October 2, 2027.

A financing statement has been registered in the British Columbia Personal Property Registry on October 2, 2017 under Base Registration Number 308782K against Vicinity Motor Corp., in favour of Royal Bank of Canada, with respect to all present and after-acquired personal property of Vicinity Motor Corp., with an expiry date of October 2, 2027.

A UCC Financing statement has been registered in accordance with the Uniform Commercial Code in the State of Delaware on October 23, 2017 under UCC Initial Filing No. 20177059766 against Vicinity Motor (Bus) USA Corp. (formerly Grande West Transportation International US, Inc.), in favour of Royal Bank of Canada, with respect to all present and after-acquired personal property of Grande West Transportation International US, Inc., with an expiry date of October 23, 2022.

A UCC Financing statement will be registered in accordance with the Uniform Commercial Code in the State of Delaware on or about the date of this Agreement against Vicinity Motor Property, LLC, in favour of Royal Bank of Canada, with respect to all present and after-acquired personal property of Vicinity Motor Property, LLC.

AMENDMENT AGREEMENT, WAIVER AND CONSENT

THIS AMENDMENT AGREEMENT, WAIVER AND CONSENT (this “**Agreement**”) is made as of the 24th day of February, 2023,

AMONG:

VICINITY MOTOR (BUS) CORP.,
as Borrower

(the “**Borrower**”)

AND:

VICINITY MOTOR CORP.,
as Guarantor

(the “**Parent**”)

AND:

VICINITY MOTOR (BUS) USA CORP.,
as Guarantor

(“**Vicinity USA**”)

AND:

VICINITY MOTOR PROPERTY, LLC,
as Guarantor

(together with the Parent and Vicinity USA, the “**Guarantors**”)

AND:

ROYAL BANK OF CANADA
as Lender

(the “**Lender**”)

WHEREAS:

A. The Borrower, the Guarantors and the Lender are parties to an amended and restated loan agreement dated February 17, 2023 as may be further amended, restated, renewed, extended, replaced or otherwise modified from time to time (the “**Loan Agreement**”), pursuant to which the Borrower and the Lender, *inter alia*, amended and restated the existing loan agreement dated October 23, 2017, as amended from time to time, and pursuant to which the Lender continued to make certain credit facilities available to the Borrower;

B. Pursuant to Section 1.1(a) of the Loan Agreement the aggregate outstanding amount of available advances in respect of the Operating Loan shall not exceed the Operating Loan Borrowing Availability;

C. The Borrower has requested the consent of the Lender, and the Lender has agreed to provide its consent, for the Borrower to advance up to \$250,000 more than the Operating Loan Borrowing Availability (the “**Additional Advance**”) until no later than March 24, 2023;

D. Pursuant to Section 5.2(b) of the Loan Agreement no Corporate Credit Party shall create, incur, assume or permit to exist any Indebtedness, including any obligations evidenced by notes, bonds, debentures or similar instruments;

E. Vicinity Motor has advised the Lender that it wishes to enter into, or has entered into, certain subscription agreements to issue certain unsecured convertible debentures (the “**Debentures**”) in the maximum principal amount of U.S.\$10,000,000, in aggregate;

F. Pursuant to Section 8.12 of the Loan Agreement no Corporate Credit Party shall issue any press release or other public disclosure using the name of the Lender or its affiliates or referring to the other Loan Agreement without at least two (2) Business Days’ prior notice to Lender and without the prior written consent of Lender (the “**Press Release Covenant**”);

G. The Borrower has failed to comply with the Press Release Covenant, and the Lender has agreed to waive the breach of the Press Release Covenant; and

H. The Borrower, the Guarantors, and the Lender have agreed to amend the terms of the Loan Agreement pursuant to the terms and conditions set out herein.

NOW THEREFORE THIS AMENDMENT AGREEMENT, WAIVER AND CONSENT WITNESSES THAT in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the parties hereto), the parties agree each with the other as follows:

1. **Definitions.** All capitalized terms used herein, including those set out in the Recitals to this Agreement, shall have the meanings ascribed to them in the Loan Agreement unless otherwise specified.

2. **Amendment.** Section 5.1 of the Loan Amendment is hereby amended by deleting subparagraph (a) in its entirety and by replacing it with the following:

“If, at any time after March 24, 2023, Net Operating Loan Borrowing Availability is less than twenty five percent (25%) of the Operating Loan Borrowing Availability, Borrower and its Subsidiaries shall maintain a consolidated Fixed Charge Coverage Ratio of not less than 1.1:1, calculated on a trailing twelve (12) month basis and tested as of the end of each Fiscal Month during any such period, until such time that Net Operating Loan Borrowing Availability is equal to or greater than twenty-five percent (25%) of the Operating Loan Borrowing Availability for a period of at least fifteen (15) consecutive days.”

3. **Waiver and Consent.**

(a) The Lender hereby consents to, and waives any default that may have occurred under the Loan Agreement directly as a result of the Borrower making the Additional Advance, provided that the aggregate outstanding amount of available advances in respect of the Operating Loan shall exceed the Operating Loan Borrowing Availability by no more than \$250,000, and provided that such

aggregate outstanding amount shall be reduced to no greater than the Operating Loan Borrowing Availability on or before March 24, 2023;

- (b) The Lender hereby consents to, and waives any default that may have occurred under the Loan Agreement directly as a result of Vicinity Motor entering into the Debentures and incurring the liabilities thereunder, provided that the maximum liability of Vicinity Motor thereunder is limited to the aggregate principal amount of U.S.\$10,000,000 plus interest in the maximum amount of 15%, and provided that any such obligations of Vicinity Motor remain unsecured obligations at all times; and
- (c) The Lender hereby acknowledges the breach of the Press Release Covenant by the Borrower and hereby waives such breach of the Press Release Covenant by the Borrower.

4. **Conditions Precedent**. Notwithstanding any other provision of this Agreement, the effectiveness of this Agreement is subject to the fulfillment of each of the following conditions:

- (a) the Lender shall have received this Agreement duly executed and delivered by the Borrower and the Guarantors;
- (b) the representations and warranties set forth in Section 3 of the Loan Agreement and in the other Loan Documents shall be true and correct in all material respects on and as of the effective date of this Agreement with the same effect as though made on and as of such date, except to the extent that such representations and warranties expressly relate to an earlier date;
- (c) at the time of and immediately after the effective date of this Agreement, no Default or Event of Default shall have occurred and be continuing; and
- (d) at the time of and immediately after the effective date of this Agreement, there shall have occurred no event or condition that has had, or would reasonably be expected to have, a Material Adverse Effect.

5. **Fees & Expenses**. The Borrower shall pay all accrued fees and expenses (including the reasonable fees and expenses of Borden Ladner Gervais LLP, counsel to the Lender) of the Lender in connection herewith.

6. **Applicable Law**. This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein, but excluding all choice of law and conflicts of laws rules thereof.

7. **Counterparts**. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered (including facsimile transmission or as a portable document format (pdf) attachment to an e-mail) shall constitute an original, but all such counterparts when taken together shall constitute one and the same instrument.

8. **General**.

8.1 This Agreement shall be a Loan Document for the purposes of the Loan Agreement.

8.2 The Lender hereby expressly reserves any and all of its rights and remedies under the Loan Agreement and any and all documents and agreements ancillary thereto. This Agreement and/or any decision by the Lender to provide its consent to the matters set out herein, shall in no way constitute a consent to any additional or subsequent requests for which the prior consent of the Lender is required pursuant to the Loan Agreement.

8.3 Except as expressly provided herein, all of the terms and provisions of the Loan Agreement are and shall remain in full force and effect and are hereby ratified and confirmed by the Borrower and the Guarantors.

8.4 The Borrower hereby acknowledges the terms of this Agreement and hereby confirms that all security and other Loan Documents entered into by the Borrower in connection with the Loan Agreement continues to be valid, binding, enforceable and in full force and effect against the Borrower and the Borrower hereby reaffirms all security interests and pledges granted by the Borrower in favour of the Lender pursuant to the Loan Documents.

8.5 Each of the Guarantors hereby acknowledges the terms of this Agreement and hereby confirm that all guarantees, security and other Loan Documents entered into by it in connection with the Loan Agreement continue to be valid, binding, enforceable and in full force and effect against such Guarantor and each of the Guarantors hereby reaffirms all security interests and pledges granted by such Guarantor in favour of the Lender pursuant to the Loan Documents.

8.6 The Borrower and the Guarantors shall do all such further acts and things and execute all such further documents as shall be reasonably required in order to properly perform and carry out the terms of this Agreement.

8.7 Each reference to the Loan Agreement in any of the Loan Documents (including the Loan Agreement) shall be deemed to be a reference to the Loan Agreement, as amended by this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

BORROWER

VICINITY MOTOR (BUS) CORP.

By: 

Name: Dan Buckle
Title: CFO

GUARANTORS

VICINITY MOTOR CORP.

By: 

Name: Dan Buckle
Title: CFO

VICINITY MOTOR (BUS) USA CORP.

By: 

Name: Dan Buckle
Title: CFO

VICINITY MOTOR PROPERTY, LLC

By: 

Name: Dan Buckle
Title: CFO

Electronic Execution of Documents

The words "execution," "execute," "executed", "signed," "signature," and words of like import in this Agreement, or in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby, shall be deemed to include DocuSign signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Lender, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any (a) Parts 2 and 3 of the Personal Information Protection and Electronic Documents Act (Canada), the Electronic Transaction Acts (British Columbia), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or (b) any other applicable law.

LENDER

ROYAL BANK OF CANADA

By: 

Name: Vir Advani

Title: Vice-President, Corporate Client Group –
Asset Based Lending

SECOND AMENDMENT AGREEMENT AND CONSENT

THIS SECOND AMENDMENT AGREEMENT AND CONSENT (this “**Agreement**”) is made as of the 26 day of September, 2023,

AMONG:

VICINITY MOTOR (BUS) CORP.,
as Borrower

(the “**Borrower**”)

AND:

VICINITY MOTOR CORP.,
as Guarantor

(the “**Parent**”)

AND:

VICINITY MOTOR (BUS) USA CORP.,
as Guarantor

(“**Vicinity USA**”)

AND:

VICINITY MOTOR PROPERTY, LLC,
as Guarantor

(together with the Parent and Vicinity USA, the “**Guarantors**”)

AND:

ROYAL BANK OF CANADA
as Lender

(the “**Lender**”)

WHEREAS:

A. The Borrower, the Guarantors and the Lender are parties to an amended and restated loan agreement dated February 17, 2023, as amended pursuant to an amendment agreement, waiver and consent dated February 24, 2023 and as may be further amended, restated, renewed, extended, replaced or otherwise modified from time to time (collectively, the “**Loan Agreement**”), pursuant to which the Lender continued to make certain credit facilities available to the Borrower;

B. Pursuant to Section 5.2(b) of the Loan Agreement no Corporate Credit Party shall create, incur, assume or permit to exist any Indebtedness, including any obligations evidenced by notes, bonds, debentures or similar instruments other than as expressly permitted pursuant to the Loan Agreement;

C. Pursuant to the Loan Agreement, certain Indebtedness owing by the Parent to Leede Jones Gable Inc. existing as of the Closing Date and set forth on Disclosure Schedule 5.2(b) to the Loan Agreement in the maximum amount of \$10,300,000 has been permitted by the Lender (the “**Existing Convertible Debt**”);

D. The Borrower has advised the Lender that the Parent wishes to enter into an amendment and restated of the unsecured note certificate in respect of the Existing Convertible Debt in order to, among other things, extend the maturity date of, increase the interest rate applicable to and amend the repayment schedule of, the Existing Convertible Debt, and the Borrower and the Parent have requested that the Lender consent to such amendment and restated of the Existing Convertible Debt; and

E. The Lender has agreed to consent to the amendment and restated of the Existing Convertible Debt and the Borrower, the Guarantors, and the Lender have agreed to amend the terms of the Loan Agreement, in each case pursuant to the terms and conditions set out herein.

NOW THEREFORE THIS SECOND AMENDMENT AGREEMENT AND CONSENT WITNESSES THAT in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the parties hereto), the parties agree each with the other as follows:

1. **Definitions.** All capitalized terms used herein, including those set out in the Recitals to this Agreement, shall have the meanings ascribed to them in the Loan Agreement unless otherwise specified.

2. **Amendments.** The Loan Agreement is hereby amended as follows:

2.1 Section 5.2(b)(ii) of the Loan Amendment is hereby amended by adding the following to the end of such subparagraph:

“, provided that in the case of the amended and restated unsecured note certificate in favour of Leede Jones Gable Inc., no payments on account of such Indebtedness shall be paid by Vicinity Motor Corp. to Leede Jones Gable Inc. at any time without the prior written consent of the Lender”;

2.2 Schedule “A” (*Definitions*) to the Loan Agreement is hereby amended by deleting the definition of “Restricted Payment” in its entirety and replacing it with the following:

“**Restricted Payment**” shall mean: (i) the declaration or payment of any dividend or the incurrence of any liability to make any other payment or distribution of cash or other property or assets on or in respect of Borrower’s or any other Corporate Credit Party’s Shares; (ii) any payment or distribution made in respect of any subordinated Indebtedness of Borrower or any other Corporate Credit Party in violation of any subordination or other agreement made in favour of Lender, but subject in all cases to the subordination, priority or intercreditor agreement with Lender; (iii) any payment on account of the purchase, redemption, defeasance, repayment or other retirement of Borrower’s or any other Corporate Credit Party’s Shares or Indebtedness or any other payment, voluntary prepayment or distribution made in respect thereof, either directly or indirectly other than: (a) that arising under this Agreement, or (b) interest and principal, when due without acceleration or modification of the amortization as in effect on the Closing Date, under Indebtedness described in Disclosure Schedule 5.2(b) or otherwise permitted under

Section 5.2(b)(vi) (other than subordinated Indebtedness, payments of which shall be permitted only in accordance with the terms of the relevant subordination, priority or intercreditor agreement made in favour of Lender, and Indebtedness owing to Leede Jones Gable Inc. described in Disclosure Schedule 5.2(b), payments of which shall be permitted only with the prior written consent of the Lender); or (iv) any payment, loan, contribution, or other transfer of funds or other property to any Shareholder of such Person which is not expressly and specifically permitted in this Agreement; provided, that no payment to Lender shall constitute a Restricted Payment.”; and

2.3 Disclosure Schedule 5.2(b) to the Loan Agreement is hereby amended by deleting the Indebtedness described under the heading “Third Party Obligations” in its entirety and replacing it with the following:

“Indebtedness owing by Vicinity Motor Corp. to Leede Jones Gable Inc. pursuant to the amended and restated unsecured note certificate executed on September 25, 2023 and maturing on October 4, 2024 in the maximum principal amount of \$11,948,000, provided that no payment on account of any such Indebtedness shall be paid by Vicinity Motor Corp. to Leede Jones Gable Inc. without the prior written consent of the Lender.”.

3. **Consent**. The Lender hereby consents to the Parent entering into the amended and restated unsecured convertible note certificate among the Parent and Leede Jones Gable Inc., executed on September 25, 2023, provided that the maximum amount of the Indebtedness thereunder shall not exceed \$11,948,000 and no payment shall be made by the Parent to Leede Jones Gable Inc. on account of such Indebtedness without the prior written consent of the Lender.

4. **Conditions Precedent**. Notwithstanding any other provision of this Agreement, the effectiveness of this Agreement is subject to the fulfillment of each of the following conditions:

- (a) the Lender shall have received this Agreement duly executed and delivered by the Borrower and the Guarantors;
- (b) the representations and warranties set forth in Section 3 of the Loan Agreement and in the other Loan Documents shall be true and correct in all material respects on and as of the effective date of this Agreement with the same effect as though made on and as of such date, except to the extent that such representations and warranties expressly relate to an earlier date;
- (c) at the time of and immediately after the effective date of this Agreement, no Default or Event of Default shall have occurred and be continuing; and
- (d) at the time of and immediately after the effective date of this Agreement, there shall have occurred no event or condition that has had, or would reasonably be expected to have, a Material Adverse Effect.

5. **Fees & Expenses**. The Borrower shall pay all accrued fees and expenses (including the reasonable fees and expenses of Borden Ladner Gervais LLP, counsel to the Lender) of the Lender in connection herewith.

6. **Applicable Law**. This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein, but excluding all choice of law and conflicts of laws rules thereof.

7. **Counterparts.** This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered (including facsimile transmission or as a portable document format (pdf) attachment to an e-mail) shall constitute an original, but all such counterparts when taken together shall constitute one and the same instrument.

8. **General.**

8.1 This Agreement shall be a Loan Document for the purposes of the Loan Agreement.

8.2 The Lender hereby expressly reserves any and all of its rights and remedies under the Loan Agreement and any and all documents and agreements ancillary thereto. This Agreement and/or any decision by the Lender to provide its consent to the matters set out herein, shall in no way constitute a consent to any additional or subsequent requests for which the prior consent of the Lender is required pursuant to the Loan Agreement.

8.3 Except as expressly provided herein, all of the terms and provisions of the Loan Agreement are and shall remain in full force and effect and are hereby ratified and confirmed by the Borrower and the Guarantors.

8.4 The Borrower hereby acknowledges the terms of this Agreement and hereby confirms that all security and other Loan Documents entered into by the Borrower in connection with the Loan Agreement continues to be valid, binding, enforceable and in full force and effect against the Borrower and the Borrower hereby reaffirms all security interests and pledges granted by the Borrower in favour of the Lender pursuant to the Loan Documents.

8.5 Each of the Guarantors hereby acknowledges the terms of this Agreement and hereby confirm that all guarantees, security and other Loan Documents entered into by it in connection with the Loan Agreement continue to be valid, binding, enforceable and in full force and effect against such Guarantor and each of the Guarantors hereby reaffirms all security interests and pledges granted by such Guarantor in favour of the Lender pursuant to the Loan Documents.

8.6 The Borrower and the Guarantors shall do all such further acts and things and execute all such further documents as shall be reasonably required in order to properly perform and carry out the terms of this Agreement.

8.7 Each reference to the Loan Agreement in any of the Loan Documents (including the Loan Agreement) shall be deemed to be a reference to the Loan Agreement, as amended by this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

BORROWER**VICINITY MOTOR (BUS) CORP.**By: 

Name: DANIAL BUCKLE

Title: CFO

GUARANTORS**VICINITY MOTOR CORP.**By: 

Name: DANIAL BUCKLE

Title: CFO

VICINITY MOTOR (BUS) USA CORP.By: 

Name: DANIAL BUCKLE

Title: CFO

VICINITY MOTOR PROPERTY, LLCBy: 

Name: DANIAL BUCKLE

Title: CFO

Electronic Execution of Documents

The words "execution," "execute," "executed", "signed," "signature," and words of like import in this Agreement, or in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby, shall be deemed to include DocuSign signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Lender, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any (a) Parts 2 and 3 of the Personal Information Protection and Electronic Documents Act (Canada), the Electronic Transaction Acts (British Columbia), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or (b) any other applicable law.

LENDER

ROYAL BANK OF CANADA

By: 

Name: Mike Petersen
Title: Director, Corporate Client Group –
Asset Based Lending

THIRD AMENDMENT AGREEMENT

THIS THIRD AMENDMENT AGREEMENT (this “**Agreement**”) is made as of the 27th day of September, 2023,

AMONG:

VICINITY MOTOR (BUS) CORP.,
as Borrower

(the “**Borrower**”)

AND:

VICINITY MOTOR CORP.,
as Guarantor

(the “**Parent**”)

AND:

VICINITY MOTOR (BUS) USA CORP.,
as Guarantor

(“**Vicinity USA**”)

AND:

VICINITY MOTOR PROPERTY, LLC,
as Guarantor

(together with the Parent and Vicinity USA, the “**Guarantors**”)

AND:

ROYAL BANK OF CANADA
as Lender

(the “**Lender**”)

WHEREAS:

A. The Borrower, the Guarantors and the Lender are parties to an amended and restated loan agreement dated February 17, 2023, as amended pursuant to an amendment agreement, waiver and consent dated February 24, 2023 and a second amendment agreement and consent dated September 26, 2023 and as may be further amended, restated, renewed, extended, replaced or otherwise modified from time to time (collectively, the “**Loan Agreement**”), pursuant to which the Lender continued to make certain credit facilities available to the Borrower; and

B. The Borrower, the Guarantors, and the Lender have agreed to further amend the terms of the Loan Agreement pursuant to the terms and conditions set out herein.

NOW THEREFORE THIS THIRD AMENDMENT AGREEMENT WITNESSES THAT in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the parties hereto), the parties agree each with the other as follows:

1. Definitions. All capitalized terms used herein, including those set out in the Recitals to this Agreement, shall have the meanings ascribed to them in the Loan Agreement unless otherwise specified.
2. Amendments. The Loan Agreement is hereby amended by deleting Schedule J attached thereto in its entirety and replacing it with Schedule J attached to this Agreement.
3. Conditions Precedent. Notwithstanding any other provision of this Agreement, the effectiveness of this Agreement is subject to the fulfillment of each of the following conditions:
 - (a) the Lender shall have received this Agreement duly executed and delivered by the Borrower and the Guarantors;
 - (b) the Borrower shall have paid to the Lender an amendment fee in the amount of \$2,500 (the "**Amendment Fee**") which shall be fully earned and payable by the Borrower to the Lender as of the date hereof;
 - (c) the representations and warranties set forth in Section 3 of the Loan Agreement and in the other Loan Documents shall be true and correct in all material respects on and as of the effective date of this Agreement with the same effect as though made on and as of such date, except to the extent that such representations and warranties expressly relate to an earlier date;
 - (d) at the time of and immediately after the effective date of this Agreement, no Default or Event of Default shall have occurred and be continuing; and
 - (e) at the time of and immediately after the effective date of this Agreement, there shall have occurred no event or condition that has had, or would reasonably be expected to have, a Material Adverse Effect.
4. Fees & Expenses. The Borrower shall pay all accrued fees and expenses (including the Amendment Fee and the reasonable fees and expenses of Borden Ladner Gervais LLP, counsel to the Lender) of the Lender in connection herewith.
5. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein, but excluding all choice of law and conflicts of laws rules thereof.
6. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered (including facsimile transmission or as a portable document format (pdf) attachment to an e-mail) shall constitute an original, but all such counterparts when taken together shall constitute one and the same instrument.
7. General.
 - 7.1 This Agreement shall be a Loan Document for the purposes of the Loan Agreement.

7.2 The Lender hereby expressly reserves any and all of its rights and remedies under the Loan Agreement and any and all documents and agreements ancillary thereto. This Agreement and/or any decision by the Lender to provide its consent to the matters set out herein, shall in no way constitute a consent to any additional or subsequent requests for which the prior consent of the Lender is required pursuant to the Loan Agreement.

7.3 Except as expressly provided herein, all of the terms and provisions of the Loan Agreement are and shall remain in full force and effect and are hereby ratified and confirmed by the Borrower and the Guarantors.

7.4 The Borrower hereby acknowledges the terms of this Agreement and hereby confirms that all security and other Loan Documents entered into by the Borrower in connection with the Loan Agreement continues to be valid, binding, enforceable and in full force and effect against the Borrower and the Borrower hereby reaffirms all security interests and pledges granted by the Borrower in favour of the Lender pursuant to the Loan Documents.

7.5 Each of the Guarantors hereby acknowledges the terms of this Agreement and hereby confirm that all guarantees, security and other Loan Documents entered into by it in connection with the Loan Agreement continue to be valid, binding, enforceable and in full force and effect against such Guarantor and each of the Guarantors hereby reaffirms all security interests and pledges granted by such Guarantor in favour of the Lender pursuant to the Loan Documents.

7.6 The Borrower and the Guarantors shall do all such further acts and things and execute all such further documents as shall be reasonably required in order to properly perform and carry out the terms of this Agreement.

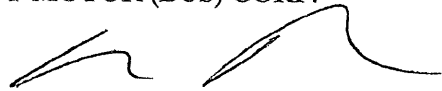
7.7 Each reference to the Loan Agreement in any of the Loan Documents (including the Loan Agreement) shall be deemed to be a reference to the Loan Agreement, as amended by this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

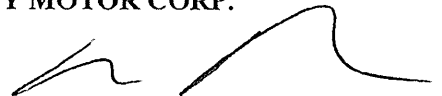
BORROWER

VICINITY MOTOR (BUS) CORP.


By: 
Name: DANIEL BUCKLE
Title: CFO

GUARANTORS


VICINITY MOTOR CORP.

By: 
Name: DANIEL BUCKLE
Title: CFO

VICINITY MOTOR (BUS) USA CORP.

By: 
Name: DANIEL BUCKLE
Title: CFO

VICINITY MOTOR PROPERTY, LLC

By: 
Name: DANIEL BUCKLE
Title: CFO

Electronic Execution of Documents

The words "execution," "execute," "executed", "signed," "signature," and words of like import in this Agreement, or in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby, shall be deemed to include DocuSign signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Lender, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any (a) Parts 2 and 3 of the Personal Information Protection and Electronic Documents Act (Canada), the Electronic Transaction Acts (British Columbia), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or (b) any other applicable law.

LENDER

ROYAL BANK OF CANADA

By: 

Name: Vir Advani

Title: Vice-President, Corporate Client Group –
Asset Based Lending

**SCHEDULE J
SALES FORECAST**

75% of Year-to-Date EBITDA

March 31, 2023	-\$2,971,358
June 30, 2023	-\$3,111,434
September 30, 2023	-\$4,220,326
December 31, 2023	\$1,590,749

75% of Minimum Monthly Truck Orders

February 28, 2023	38
March 31, 2023	38
April 30, 2023	38
May 31, 2023	38
June 30, 2023	38
July 31, 2023	75
August 31, 2023	75
September 30, 2023	0
October 31, 2023	0
November 30, 2023	75
December 31, 2023	75

FOURTH AMENDMENT AGREEMENT

THIS FOURTH AMENDMENT AGREEMENT (this “**Agreement**”) is made as of the 28 day of December, 2023,

AMONG:

VICINITY MOTOR (BUS) CORP.,
as Borrower

(the “**Borrower**”)

AND:

VICINITY MOTOR CORP.,
as Guarantor

(the “**Parent**”)

AND:

VICINITY MOTOR (BUS) USA CORP.,
as Guarantor

(“**Vicinity USA**”)

AND:

VICINITY MOTOR PROPERTY, LLC,
as Guarantor

(together with the Parent and Vicinity USA, the “**Guarantors**”)

AND:

ROYAL BANK OF CANADA
as Lender

(the “**Lender**”)

WHEREAS:

A. The Borrower, the Guarantors and the Lender are parties to an amended and restated loan agreement dated February 17, 2023, as amended pursuant to an amendment agreement, waiver and consent dated February 24, 2023, a second amendment agreement and consent dated September 26, 2023, a third amendment agreement dated September 27, 2023 and as may be further amended, restated, renewed, extended, replaced or otherwise modified from time to time (collectively, the “**Loan Agreement**”), pursuant to which the Lender continued to make certain credit facilities available to the Borrower; and

B. The Borrower, the Guarantors, and the Lender have agreed to further amend the terms of the Loan Agreement pursuant to the terms and conditions set out herein.

NOW THEREFORE THIS FOURTH AMENDMENT AGREEMENT WITNESSES THAT in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the parties hereto), the parties agree each with the other as follows:

1. Definitions. All capitalized terms used herein, including those set out in the Recitals to this Agreement, shall have the meanings ascribed to them in the Loan Agreement unless otherwise specified.

2. Amendments. The Loan Agreement is hereby amended by deleting Schedule J attached thereto in its entirety and replacing it with Schedule J attached to this Agreement.

3. Conditions Precedent. Notwithstanding any other provision of this Agreement, the effectiveness of this Agreement is subject to the fulfillment of each of the following conditions:

- (a) the Lender shall have received this Agreement duly executed and delivered by the Borrower and the Guarantors;
- (b) the Borrower shall have paid to the Lender an amendment fee in the amount of \$2,500 (the "**Amendment Fee**") which shall be fully earned and payable by the Borrower to the Lender as of the date hereof;
- (c) the representations and warranties set forth in Section 3 of the Loan Agreement and in the other Loan Documents shall be true and correct in all material respects on and as of the effective date of this Agreement with the same effect as though made on and as of such date, except to the extent that such representations and warranties expressly relate to an earlier date;
- (d) at the time of and immediately after the effective date of this Agreement, no Default or Event of Default shall have occurred and be continuing; and
- (e) at the time of and immediately after the effective date of this Agreement, there shall have occurred no event or condition that has had, or would reasonably be expected to have, a Material Adverse Effect.

4. Fees & Expenses. The Borrower shall pay all accrued fees and expenses (including the Amendment Fee and the reasonable fees and expenses of Borden Ladner Gervais LLP, counsel to the Lender) of the Lender in connection herewith.

5. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein, but excluding all choice of law and conflicts of laws rules thereof.

6. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered (including facsimile transmission or as a portable document format (pdf) attachment to an e-mail) shall constitute an original, but all such counterparts when taken together shall constitute one and the same instrument.

7. General.

7.1 This Agreement shall be a Loan Document for the purposes of the Loan Agreement.

7.2 The Lender hereby expressly reserves any and all of its rights and remedies under the Loan Agreement and any and all documents and agreements ancillary thereto. This Agreement and/or any decision by the Lender to provide its consent to the matters set out herein, shall in no way constitute a consent to any additional or subsequent requests for which the prior consent of the Lender is required pursuant to the Loan Agreement.

7.3 Except as expressly provided herein, all of the terms and provisions of the Loan Agreement are and shall remain in full force and effect and are hereby ratified and confirmed by the Borrower and the Guarantors.

7.4 The Borrower hereby acknowledges the terms of this Agreement and hereby confirms that all security and other Loan Documents entered into by the Borrower in connection with the Loan Agreement continues to be valid, binding, enforceable and in full force and effect against the Borrower and the Borrower hereby reaffirms all security interests and pledges granted by the Borrower in favour of the Lender pursuant to the Loan Documents.

7.5 Each of the Guarantors hereby acknowledges the terms of this Agreement and hereby confirm that all guarantees, security and other Loan Documents entered into by it in connection with the Loan Agreement continue to be valid, binding, enforceable and in full force and effect against such Guarantor and each of the Guarantors hereby reaffirms all security interests and pledges granted by such Guarantor in favour of the Lender pursuant to the Loan Documents.

7.6 The Borrower and the Guarantors shall do all such further acts and things and execute all such further documents as shall be reasonably required in order to properly perform and carry out the terms of this Agreement.

7.7 Each reference to the Loan Agreement in any of the Loan Documents (including the Loan Agreement) shall be deemed to be a reference to the Loan Agreement, as amended by this Agreement.


[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

BORROWER

VICINITY MOTOR (BUS) CORP.

By:




Name: Danial Buckle
Title: CFO

GUARANTORS

VICINITY MOTOR CORP.


By:



Name: Danial Buckle
Title: CFO

VICINITY MOTOR (BUS) USA CORP.


By:



Name: Danial Buckle
Title: CFO

VICINITY MOTOR PROPERTY, LLC

By:



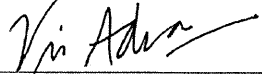
Name: Danial Buckle
Title: CFO

Electronic Execution of Documents

The words "execution," "execute," "executed", "signed," "signature," and words of like import in this Agreement, or in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby, shall be deemed to include DocuSign signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Lender, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any (a) Parts 2 and 3 of the Personal Information Protection and Electronic Documents Act (Canada), the Electronic Transaction Acts (British Columbia), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or (b) any other applicable law.

LENDER

ROYAL BANK OF CANADA

By:  _____

Name: Vir Advani

Title: Vice-President, Corporate Client
Group – Asset Based Lending

**SCHEDULE J
SALES FORECAST**

75% of Year-to-Date EBITDA

March 31, 2023	-\$2,971,358
June 30, 2023	-\$3,111,434
September 30, 2023	-\$4,220,326
December 31, 2023	-\$7,044,969

75% of Minimum Monthly Truck Orders

February 28, 2023	38
March 31, 2023	38
April 30, 2023	38
May 31, 2023	38
June 30, 2023	38
July 31, 2023	75
August 31, 2023	75
September 30, 2023	0
October 31, 2023	0
November 30, 2023	75
December 31, 2023	0

Execution Copy

FIFTH AMENDMENT AGREEMENT

THIS FIFTH AMENDMENT AGREEMENT (this “**Agreement**”) is made as of the 13th day of February, 2024,

AMONG:

VICINITY MOTOR (BUS) CORP.,
as Borrower

(the “**Borrower**”)

AND:

VICINITY MOTOR CORP.,
as Guarantor

(the “**Parent**”)

AND:

VICINITY MOTOR (BUS) USA CORP.,
as Guarantor

(“**Vicinity USA**”)

AND:

VICINITY MOTOR PROPERTY, LLC,
as Guarantor

(together with the Parent and Vicinity USA, the “**Guarantors**”)

AND:

ROYAL BANK OF CANADA
as Lender

(the “**Lender**”)

WHEREAS:

A. The Borrower, the Guarantors and the Lender are parties to an amended and restated loan agreement dated February 17, 2023, as amended pursuant to an amendment agreement, waiver and consent dated February 24, 2023, a second amendment agreement and consent dated September 26, 2023, a third amendment agreement dated September 27, 2023, a fourth amendment agreement dated December 28, 2023 and as may be further amended, restated, renewed, extended, replaced or otherwise modified from time to time (collectively, the “**Loan Agreement**”), pursuant to which the Lender continued to make certain credit facilities available to the Borrower; and

B. The Borrower, the Guarantors, and the Lender have agreed to further amend the terms of the Loan Agreement pursuant to the terms and conditions set out herein.

NOW THEREFORE THIS FIFTH AMENDMENT AGREEMENT WITNESSES THAT in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the parties hereto), the parties agree each with the other as follows:

1. Definitions. All capitalized terms used herein, including those set out in the Recitals to this Agreement, shall have the meanings ascribed to them in the Loan Agreement unless otherwise specified.
2. Amendments. The Loan Agreement is hereby amended by deleting “February 16, 2024” from the definition of “**Stated Expiry Date**” in Schedule A (*Definitions*) and replacing it with “April 16, 2024”.
3. Conditions Precedent. Notwithstanding any other provision of this Agreement, the effectiveness of this Agreement is subject to the fulfillment of each of the following conditions:
 - (a) the Lender shall have received this Agreement duly executed and delivered by the Borrower and the Guarantors;
 - (b) the Borrower shall have paid to the Lender an amendment fee in the amount of \$1,500 (the “**Amendment Fee**”) which shall be fully earned and payable by the Borrower to the Lender as of the date hereof;
 - (c) the representations and warranties set forth in Section 3 of the Loan Agreement and in the other Loan Documents shall be true and correct in all material respects on and as of the effective date of this Agreement with the same effect as though made on and as of such date, except to the extent that such representations and warranties expressly relate to an earlier date;
 - (d) at the time of and immediately after the effective date of this Agreement, no Default or Event of Default shall have occurred and be continuing; and
 - (e) at the time of and immediately after the effective date of this Agreement, there shall have occurred no event or condition that has had, or would reasonably be expected to have, a Material Adverse Effect.
4. Fees & Expenses. The Borrower shall pay all accrued fees and expenses (including the Amendment Fee and the reasonable fees and expenses of Borden Ladner Gervais LLP, counsel to the Lender) of the Lender in connection herewith.
5. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein, but excluding all choice of law and conflicts of laws rules thereof.
6. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered (including facsimile transmission or as a portable document format (pdf) attachment to an e-mail) shall constitute an original, but all such counterparts when taken together shall constitute one and the same instrument.

7. General.

7.1 This Agreement shall be a Loan Document for the purposes of the Loan Agreement.

7.2 The Lender hereby expressly reserves any and all of its rights and remedies under the Loan Agreement and any and all documents and agreements ancillary thereto. This Agreement and/or any decision by the Lender to provide its consent to the matters set out herein, shall in no way constitute a consent to any additional or subsequent requests for which the prior consent of the Lender is required pursuant to the Loan Agreement.

7.3 Except as expressly provided herein, all of the terms and provisions of the Loan Agreement are and shall remain in full force and effect and are hereby ratified and confirmed by the Borrower and the Guarantors.

7.4 The Borrower hereby acknowledges the terms of this Agreement and hereby confirms that all security and other Loan Documents entered into by the Borrower in connection with the Loan Agreement continues to be valid, binding, enforceable and in full force and effect against the Borrower and the Borrower hereby reaffirms all security interests and pledges granted by the Borrower in favour of the Lender pursuant to the Loan Documents.

7.5 Each of the Guarantors hereby acknowledges the terms of this Agreement and hereby confirm that all guarantees, security and other Loan Documents entered into by it in connection with the Loan Agreement continue to be valid, binding, enforceable and in full force and effect against such Guarantor and each of the Guarantors hereby reaffirms all security interests and pledges granted by such Guarantor in favour of the Lender pursuant to the Loan Documents.

7.6 The Borrower and the Guarantors shall do all such further acts and things and execute all such further documents as shall be reasonably required in order to properly perform and carry out the terms of this Agreement.

7.7 Each reference to the Loan Agreement in any of the Loan Documents (including the Loan Agreement) shall be deemed to be a reference to the Loan Agreement, as amended by this Agreement.


[Signature page follows]

Execution Copy

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.


BORROWER

VICINITY MOTOR (BUS) CORP.


By: 
Name: DANIAL BUCKLE
Title: CEO

GUARANTORS


VICINITY MOTOR CORP.

By: 
Name: DANIAL BUCKLE
Title: CEO

VICINITY MOTOR (BUS) USA CORP.

By: 
Name: DANIAL BUCKLE
Title: CEO

VICINITY MOTOR PROPERTY, LLC

By: 
Name: DANIAL BUCKLE
Title: CEO

Electronic Execution of Documents

The words "execution," "execute," "executed", "signed," "signature," and words of like import in this Agreement, or in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby, shall be deemed to include DocuSign signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Lender, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any (a) Parts 2 and 3 of the Personal Information Protection and Electronic Documents Act (Canada), the Electronic Transaction Acts (British Columbia), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or (b) any other applicable law.

LENDER

ROYAL BANK OF CANADA

By: Vir Advani

Name: Vir Advani

Title: Vice-President, Corporate Client
Group – Asset Based Lending

SIXTH AMENDMENT AGREEMENT

THIS SIXTH AMENDMENT AGREEMENT (this “**Agreement**”) is made as of the 15th day of April, 2024,

AMONG:

VICINITY MOTOR (BUS) CORP.,
as Borrower

(the “**Borrower**”)

AND:

VICINITY MOTOR CORP.,
as Guarantor

(the “**Parent**”)

AND:

VICINITY MOTOR (BUS) USA CORP.,
as Guarantor

(“**Vicinity USA**”)

AND:

VICINITY MOTOR PROPERTY, LLC,
as Guarantor

(together with the Parent and Vicinity USA, the “**Guarantors**”)

AND:

ROYAL BANK OF CANADA
as Lender

(the “**Lender**”)

WHEREAS:

A. The Borrower, the Guarantors and the Lender are parties to an amended and restated loan agreement dated February 17, 2023, as amended pursuant to an amendment agreement, waiver and consent dated February 24, 2023, a second amendment agreement and consent dated September 26, 2023, a third amendment agreement dated September 27, 2023, a fourth amendment agreement dated December 28, 2023, a fifth amendment agreement dated February 13, 2024, and as may be further amended, restated, renewed, extended, replaced or otherwise modified from time to time (collectively, the “**Loan Agreement**”), pursuant to which the Lender continued to make certain credit facilities available to the Borrower; and

B. The Borrower, the Guarantors, and the Lender have agreed to further amend the terms of the Loan Agreement pursuant to the terms and conditions set out herein.

NOW THEREFORE THIS SIXTH AMENDMENT AGREEMENT WITNESSES THAT in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the parties hereto), the parties agree each with the other as follows:

1. Definitions. All capitalized terms used herein, including those set out in the Recitals to this Agreement, shall have the meanings ascribed to them in the Loan Agreement unless otherwise specified.
2. Amendments. The Loan Agreement is hereby amended by deleting “April 16, 2024” from the definition of “**Stated Expiry Date**” in Schedule A (*Definitions*) and replacing it with “April 29, 2024”.
3. Conditions Precedent. Notwithstanding any other provision of this Agreement, the effectiveness of this Agreement is subject to the fulfillment of each of the following conditions:
 - (a) the Lender shall have received this Agreement duly executed and delivered by the Borrower and the Guarantors;
 - (b) the representations and warranties set forth in Section 3 of the Loan Agreement and in the other Loan Documents shall be true and correct in all material respects on and as of the effective date of this Agreement with the same effect as though made on and as of such date, except to the extent that such representations and warranties expressly relate to an earlier date;
 - (c) at the time of and immediately after the effective date of this Agreement, no Default or Event of Default shall have occurred and be continuing; and
 - (d) at the time of and immediately after the effective date of this Agreement, there shall have occurred no event or condition that has had, or would reasonably be expected to have, a Material Adverse Effect.
4. Fees & Expenses. The Borrower shall pay all accrued fees and expenses (including the reasonable fees and expenses of Borden Ladner Gervais LLP, counsel to the Lender) of the Lender in connection herewith.
5. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein, but excluding all choice of law and conflicts of laws rules thereof.
6. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered (including facsimile transmission or as a portable document format (pdf) attachment to an e-mail) shall constitute an original, but all such counterparts when taken together shall constitute one and the same instrument.
7. General.
 - 7.1 This Agreement shall be a Loan Document for the purposes of the Loan Agreement.

7.2 The Lender hereby expressly reserves any and all of its rights and remedies under the Loan Agreement and any and all documents and agreements ancillary thereto. This Agreement and/or any decision by the Lender to provide its consent to the matters set out herein, shall in no way constitute a consent to any additional or subsequent requests for which the prior consent of the Lender is required pursuant to the Loan Agreement.

7.3 Except as expressly provided herein, all of the terms and provisions of the Loan Agreement are and shall remain in full force and effect and are hereby ratified and confirmed by the Borrower and the Guarantors.

7.4 The Borrower hereby acknowledges the terms of this Agreement and hereby confirms that all security and other Loan Documents entered into by the Borrower in connection with the Loan Agreement continues to be valid, binding, enforceable and in full force and effect against the Borrower and the Borrower hereby reaffirms all security interests and pledges granted by the Borrower in favour of the Lender pursuant to the Loan Documents.

7.5 Each of the Guarantors hereby acknowledges the terms of this Agreement and hereby confirm that all guarantees, security and other Loan Documents entered into by it in connection with the Loan Agreement continue to be valid, binding, enforceable and in full force and effect against such Guarantor and each of the Guarantors hereby reaffirms all security interests and pledges granted by such Guarantor in favour of the Lender pursuant to the Loan Documents.

7.6 The Borrower and the Guarantors shall do all such further acts and things and execute all such further documents as shall be reasonably required in order to properly perform and carry out the terms of this Agreement.

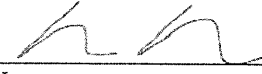
7.7 Each reference to the Loan Agreement in any of the Loan Documents (including the Loan Agreement) shall be deemed to be a reference to the Loan Agreement, as amended by this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

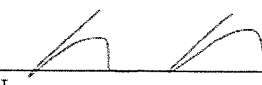
BORROWER

VICINITY MOTOR (BUS) CORP.

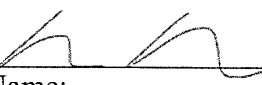
By: 
Name: DANIEL BUCKLE
Title: CFO

GUARANTORS

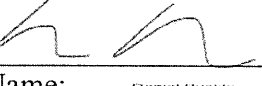
VICINITY MOTOR CORP.

By: 
Name: DANIEL BUCKLE
Title: CFO

VICINITY MOTOR (BUS) USA CORP.

By: 
Name: DANIEL BUCKLE
Title: CFO

VICINITY MOTOR PROPERTY, LLC

By: 
Name: DANIEL BUCKLE
Title: CFO

Electronic Execution of Documents

The words "execution," "execute," "executed", "signed," "signature," and words of like import in this Agreement, or in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby, shall be deemed to include DocuSign signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Lender, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any (a) Parts 2 and 3 of the Personal Information Protection and Electronic Documents Act (Canada), the Electronic Transaction Acts (British Columbia), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or (b) any other applicable law.

LENDER

ROYAL BANK OF CANADA

By:



Name: Vir Advani

Title: Vice-President, Corporate Client
Group – Asset Based Lending

SEVENTH AMENDMENT AGREEMENT AND CONSENT

THIS SEVENTH AMENDMENT AGREEMENT AND CONSENT (this “**Agreement**”) is made as of the 29th day of April, 2024,

AMONG:

VICINITY MOTOR (BUS) CORP.,
as Borrower

(the “**Borrower**”)

AND:

VICINITY MOTOR CORP.,
as Guarantor

(the “**Parent**”)

AND:

VICINITY MOTOR (BUS) USA CORP.,
as Guarantor

(“**Vicinity USA**”)

AND:

VICINITY MOTOR PROPERTY, LLC,
as Guarantor

(together with the Parent and Vicinity USA, the “**Guarantors**”)

AND:

ROYAL BANK OF CANADA
as Lender

(the “**Lender**”)

WHEREAS:

A. The Borrower, the Guarantors and the Lender are parties to an amended and restated loan agreement dated February 17, 2023, as amended pursuant to an amendment agreement, waiver and consent dated February 24, 2023 (the “**First Amendment Agreement**”), a second amendment agreement and consent dated September 26, 2023, a third amendment agreement dated September 27, 2023, a fourth amendment agreement dated December 28, 2023, a fifth amendment agreement dated February 13, 2024, a sixth amendment agreement dated April 15, 2024 and as may be further amended, restated, renewed, extended, replaced or otherwise modified from time to time (collectively, the “**Loan Agreement**”), pursuant to which the Lender continued to make certain credit facilities available to the Borrower; and

B. The Borrower, the Guarantors, and the Lender have agreed to further amend the terms of the Loan Agreement pursuant to the terms and conditions set out herein;

C. Pursuant to Section 5.2(i) of the Loan Agreement no Corporate Credit Party shall make any Restricted Payment, which includes any payments in respect of those certain Debentures (as defined in the First Amendment Agreement) entered into among the Parent and various other parties up to a maximum principal amount of up to U.S.\$10,000,000 in aggregate and permitted by the Lender pursuant to the First Amendment Agreement; and

D. The Parent has requested the consent of the Lender to, and the Lender has agreed to consent to, a payment to be paid by the Parent to a creditor of the Parent in respect of a Debenture in an aggregate amount of up to \$87,000 on or around the date hereof.

NOW THEREFORE THIS SEVENTH AMENDMENT AGREEMENT AND CONSENT WITNESSES THAT in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the parties hereto), the parties agree each with the other as follows:

1. Definitions. All capitalized terms used herein, including those set out in the Recitals to this Agreement, shall have the meanings ascribed to them in the Loan Agreement unless otherwise specified.

2. Amendments. The Loan Agreement is hereby amended as follows:

2.1 Each of Sections 1.1(a), 1.1(c), 1.2(d), 1.5, 1.6, 1.14, 8.14(b), the definition of “Applicable Margin”, the definition of “Continuation/Conversion Date”, the definition of “Interest Payment Date”, the definition of “Interest Period” and Exhibit A are hereby amended by deleting words “the BA Equivalent Rate” or “BA Equivalent Rate” in each occurrence therein and, in each case, replacing such words with the words “Adjusted Term CORRA”;

2.2 Section 1.1(b) is hereby amended as follows:

(a) by inserting the words “including during the Suspension Period” immediately following the words “and may at any time, in its sole and absolute discretion,” and immediately preceding the words “decline to make any Contract Revolver Advances” in the second sentence of such paragraph (b); and

(b) by adding the following to the end of such paragraph (b):

“Notwithstanding anything contained herein, the Lender will not make any Contract Revolver Advances at any time during the Suspension Period unless otherwise determined by the Lender in the Lender’s discretion and subject to the consent of EDC under the EDC Guarantee.”;

2.3 Section 1.2(c) is hereby deleted in its entirety and replaced with the following:

“(c) No later than one (1) Business Day following the sale of any EV Truck Inventory occurring on or after the Closing Date, including, for greater certainty, during the Suspension Period, Borrower shall cause 100% of the sale proceeds of such EV Truck Inventory to be deposited to the Contract Revolver Blocked Account. The Lender shall sweep the Contract Revolver Blocked Account pursuant to Schedule

D and shall apply the entire such amount swept by it in repayment of the Contract Revolver Loans up to an amount equal to one hundred percent (100%) of the value of Eligible Pre-Shipment Costs associated with the EV Truck Inventory subject to such sale, and the remainder of such sale proceeds, if any, shall first be applied as repayment of any outstanding Contract Revolver Loans, at the discretion of the Lender, and any remaining balance shall then be paid by the Lender to the Contract Revolver Disbursement Account in the discretion of the Lender.”;

2.4 Section 1.5(e) is hereby deleted in its entirety and replaced with the following:

- “(e) In connection with the use or administration of SOFR, Term SOFR, Adjusted Term SOFR, CORRA, Term CORRA or Adjusted Term CORRA, the Lender will have the right to make Conforming Changes (as such term is defined in Section 1.15 as it relates to SOFR, Term SOFR and Adjusted Term SOFR, and in Section 1.16 as it relates to CORRA, Term CORRA or Adjusted Term CORRA) from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document. The Lender will promptly notify the Borrower of the effectiveness of any Conforming Changes (as such term is defined in Section 1.15 as it relates to SOFR, Term SOFR and Adjusted Term SOFR, and in Section 1.16 as it relates to CORRA, Term CORRA or Adjusted Term CORRA) in connection with the use or administration of SOFR, Term SOFR, Adjusted Term SOFR, CORRA, Term CORRA or Adjusted Term CORRA, as applicable.
- (f) Lender does not warrant or accept responsibility for, and shall not have any liability with respect to (i) the continuation of, administration of, submission of, calculation of or any other matter related to RBP, RBUSBR, CORRA, Term CORRA, Adjusted Term CORRA, SOFR, Term SOFR, Adjusted Term SOFR or any component definition thereof or rates referred to in the definition thereof, or any alternative, successor or replacement rate thereto (including any Benchmark Replacement (as such term is defined in Section 1.15 as it relates to SOFR, Term SOFR and Adjusted Term SOFR, and in Section 1.16 as it relates to CORRA, Term CORRA and Adjusted Term CORRA)), including whether the composition or characteristics of any such alternative, successor or replacement rate (including any Benchmark Replacement, as applicable) will be similar to, or produce the same value or economic equivalence of, or have the same volume or liquidity as, RBP, RBUSBR, CORRA, Term CORRA, Adjusted Term CORRA, SOFR, Term SOFR or Adjusted Daily Term SOFR, as the case may be, or any other Benchmark prior to its discontinuance or unavailability; or (ii) the effect, implementation or composition of any Conforming Changes, as applicable. Lender and its affiliates or other related entities may engage in transactions that affect the calculation of RBP, RBUSBR, CORRA, Term CORRA, Daily Compounded CORRA, Adjusted Term CORRA, Adjusted Daily Compounded CORRA, SOFR, Daily Simple SOFR, Adjusted Daily Simple SOFR or any alternative, successor or replacement rate (including any Benchmark Replacement, as applicable) or any relevant adjustments thereto, in each case, in a manner adverse to Borrower. Lender may select information sources or services in its reasonable discretion to ascertain RBP, RBUSBR, CORRA, Term CORRA, Adjusted Term CORRA, SOFR, Term SOFR, Adjusted Term SOFR, or any other Benchmark, as applicable, in each case pursuant to the terms of this Agreement, and shall have no liability to Borrower or any other person or entity for

damages of any kind, including direct or indirect, special, punitive, incidental or consequential damages, costs, losses or expenses (whether in tort, contract or otherwise and whether at law or in equity), for any error or calculation of any such rate (or component thereof) provided by any such information source or service.”;

2.5 Each of Section 1.15 and Section 1.16 is hereby deleted in its entirety and replaced with Section 1.15, Section 1.16 and Section 1.17 set out in **Schedule “A”** attached hereto;

2.6 Section 4.1(a)(ii) is hereby amended by deleting the word “and” immediately following subparagraph (C) and by inserting the following subparagraph (E) immediately following subparagraph (D):

“and (E) without limiting the generality of the foregoing, the status of all EV Truck Inventory in transit (including, without limitation location, expected date of arrival, value of such EV Truck Inventory and the status of the sale of such EV Truck Inventory to a customer of Borrower pursuant to a Purchase Order in respect of such EV Truck Inventory), the status of all work in progress related to EV Truck Inventory (including, without limitation, the expected date of completion of such EV Truck Inventory, the expected date of shipment of such EV Truck Inventory, the anticipated value of such EV Truck Inventory upon completion and the status of the sale of such EV Truck Inventory to a customer of Borrower pursuant to a Purchase Order in respect of such EV Truck Inventory), the status of all finished EV Truck Inventory (including, without limitation location, value of such EV Truck Inventory and the status of the sale of such EV Truck Inventory to a customer of Borrower pursuant to a Purchase Order in respect of such EV Truck Inventory) and a report of weekly sales of any such EV Truck Inventory or other Contract Revolver Collateral.”;

2.7 Section 4.1 is hereby amended by deleting the word “and” immediately following paragraph (f), by inserting the following paragraph immediately following paragraph (f) and by renaming the subsequent paragraph accordingly:

“(g) by no later than May 1, 2024, a business plan and related Projections, detailing the Borrower’s sales strategy to sell all EV Truck Inventory in respect of which a Contract Revolver Advance has been made by Lender and the Borrower’s strategy to obtain binding Purchase Orders for the sale of any further EV Truck Inventory yet to be manufactured and the sale of such EV Truck Inventory to customers of the Borrower upon completion, in each case in form and substance acceptable to Lender in its sole discretion; and”;

2.8 Section 5.1(b)(ii) is hereby deleted in its entirety and replaced with the following:

“(ii) other than during the Suspension Period, beginning on the first Fiscal Month immediately following the first anniversary of the Closing Date until the Stated Expiry Date, Borrower and its Subsidiaries shall maintain consolidated EBITDA in an amount equal to seventy-five percent (75%) of the consolidated EBITDA for such period set out in the financial projections delivered by Borrower to Lender on an annual basis, tested as at the end of each Fiscal Quarter beginning on the first Fiscal Quarter following the first anniversary of the Closing Date. For greater certainty, such minimum EBITDA calculation shall not be measured during the Suspension Period.”;

2.9 Section 6.2(c) is hereby amended by inserting the words “at any time during the Suspension Period or” immediately following the words “there shall be no limit on the number of Field Examinations or inventory appraisals” and immediately preceding the words “if an Event of Default is continuing.”;

2.10 Schedule A (*Definitions*) is hereby amended as follows:

(a) by deleting each of the definitions of “**BA Equivalent Rate**”, “**Benchmark**”, “**Benchmark Replacement**”, “**Benchmark Replacement Adjustment**”, “**Benchmark Replacement Date**”, “**Benchmark Transition Event**”, “**Benchmark Transition Start Date**”, “**Benchmark Unavailability Period**”, “**CDOR**”, “**RBSL**”, “**Term CORRA Notice**”, “**Term CORRA Transition Date**” and “**Term CORRA Transition Event**” in its entirety;

(b) the following defined term is hereby inserted immediately following the definition of “**Accounts**” and immediately preceding the definition of “**Adjusted Term SOFR**”:

“**Adjusted Term CORRA**” shall mean for purposes of any calculation, the rate per annum equal to (a) Term CORRA for such calculation plus (b) the Term CORRA Adjustment; provided that if Adjusted Term CORRA as so determined shall ever be less than the Floor, then Adjusted Term CORRA shall be deemed to be the Floor.”;

(c) the definition of “**Adjusted Term SOFR**” is hereby deleted in its entirety and replaced with the following:

“**Adjusted Term SOFR**” shall mean for purposes of any calculation, the rate per annum equal to (a) Term SOFR for such calculation plus (b) the Term SOFR Adjustment; provided that if Adjusted Term SOFR as so determined shall ever be less than the Floor, then Adjusted Term SOFR shall be deemed to be the Floor.”;

(d) the following defined term is hereby inserted immediately following the definition of “**CORRA**” and immediately preceding the definition of “**Credit Party**”:

“**CORRA Loan**” shall mean a Loan that bears interest at a rate based on Adjusted Term CORRA.”;

(e) the definition of “**Daily Compounded CORRA**” is hereby deleted in its entirety and replaced with the following:

“**Daily Compounded CORRA**” shall mean for any day (a “**Daily Compounded CORRA Rate Day**”), a rate per annum equal to CORRA for the day (such day, the “**Daily Compounded CORRA Determination Day**”), that is five (5) Business Days prior to (i) if such Daily Compounded CORRA Rate Day is a Business Day, such Daily Compounded CORRA Rate Day or (ii) if such Daily Compounded CORRA Rate Day is not a Business Day, the Business Day immediately preceding such Daily Compounded CORRA Rate Day, in each case, as CORRA is published by the administrator; provided, however, that if as of 5:00 p.m. (Toronto time) on any Daily Compounded CORRA Determination Day, CORRA for the applicable tenor has not been published by the administrator and

a Benchmark Replacement Date (as such term is defined in Section 1.16) with respect to Daily Compounded CORRA has not occurred, then Daily Compounded CORRA will be CORRA as published by the administrator on the first preceding Business Day for which CORRA was published by the administrator so long as such first preceding Business Day is not more than three (3) Business Days prior to such Daily Compounded CORRA Determination Day; provided, that to the extent such rate as determined above shall, at any time, be less than the Floor, such rate shall be deemed to be Floor for all purposes herein.”;

- (f) the definition of “**Floor**” is hereby deleted in its entirety and replaced with the following:

““**Floor**” shall mean 0.00% per annum.”;

- (g) the definition of “**Interest Period**” is hereby amended by inserting the words “or Section 1.16” immediately following the words “pursuant to Section 1.15” and immediately preceding the words “shall be available for specification in such Notice of Borrowing”;

- (h) the definition of “**Stated Expiry Date**” is hereby amended by deleting “April 29, 2024” and replacing it with “July 16, 2024”;

- (i) the following defined term is hereby inserted immediately following the definition of “**Subsidiary**” and immediately preceding the definition of “**Taxes**”:

““**Suspension Period**” means the period beginning on April 29, 2024 and ending on the Stated Expiry Date unless otherwise agreed to by the Lender in writing in its sole discretion.”;

- (j) the definition of “**Term CORRA**” is hereby deleted in its entirety and replaced with the following:

““**Term CORRA**” shall mean, for any calculation with respect to a CORRA Loan, the Term CORRA Reference Rate for a tenor comparable to the applicable Interest Period on the day (such day, the “**Periodic Term CORRA Determination Day**”) that is two (2) Business Days prior to the first day of such Interest Period, as such rate is published by the Term CORRA Administrator; provided, however, that if as of 1:00 p.m. (Toronto time) on any Periodic Term CORRA Determination Day the Term CORRA Reference Rate for the applicable tenor has not been published by the Term CORRA Administrator and a Benchmark Replacement Date (as such term is defined in Section 1.16) with respect to the Term CORRA Reference Rate has not occurred, then Term CORRA will be the Term CORRA Reference Rate for such tenor as published by the Term CORRA Administrator on the first preceding Business Day for which such Term CORRA Reference Rate for such tenor was published by the Term CORRA Administrator so long as such first preceding Business Day is not more than three (3) Business Days prior to such Periodic Term CORRA Determination Day.”; and

- (k) the following defined terms are hereby inserted immediately following the definition of “**Term CORRA**” and immediately preceding the definition of “**Term SOFR**”:

“**Term CORRA Adjustment**” shall mean a percentage equal to: (a) for an interest period of one month, 0.29547%, and (b) for an interest period of three months, 0.32138%.

“**Term CORRA Administrator**” shall mean Candeal Benchmark Administration Services Inc., TSX Inc., or any successor administrator.

“**Term CORRA Reference Rate**” shall mean the forward-looking term rate based on CORRA.”; and

2.11 Attachment “1” to Exhibit D is hereby amended by inserting the words “(not to be tested during the Suspension Period)” immediately following the words “**B. Minimum EBITDA**” in the heading of Section B.

3. Consent. Notwithstanding the terms of the Loan Agreement, including Section 5.2(i) of the Loan Agreement, the Lender hereby consents to a payment to be paid by the Parent to a certain creditor of the Parent under a certain Debenture (as defined in the First Amendment Agreement) up to a maximum aggregate amount of \$87,000 on or around the date hereof, provided that such consent shall not constitute the consent of the Lender to the making of any further or other payments by the Parent or any other Credit Party in respect of any Debentures (as defined in the First Amendment Agreement) and the making of any further payments in respect of any Debentures shall only be permitted with the prior written consent of the Lender.

4. Conditions Precedent. Notwithstanding any other provision of this Agreement, the effectiveness of this Agreement is subject to the fulfillment of each of the following conditions:

- (a) the Lender shall have received this Agreement duly executed and delivered by the Borrower and the Guarantors;
- (b) the Borrower shall have paid to the Lender an amendment fee in the amount of US\$12,500 (the “**Amendment Fee**”) which shall be fully earned by the Lender and payable by the Borrower to the Lender as of the date hereof;
- (c) the representations and warranties set forth in Section 3 of the Loan Agreement and in the other Loan Documents shall be true and correct in all material respects on and as of the effective date of this Agreement with the same effect as though made on and as of such date, except to the extent that such representations and warranties expressly relate to an earlier date;
- (d) at the time of and immediately after the effective date of this Agreement, no Default or Event of Default shall have occurred and be continuing; and
- (e) at the time of and immediately after the effective date of this Agreement, there shall have occurred no event or condition that has had, or would reasonably be expected to have, a Material Adverse Effect.

5. Fees & Expenses. The Borrower shall pay all accrued fees and expenses (including the Amendment Fee and the reasonable fees and expenses of Borden Ladner Gervais LLP, counsel to the Lender) of the Lender in connection herewith.

6. Applicable Law. This Agreement shall be governed by, and construed in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein, but excluding all choice of law and conflicts of laws rules thereof.

7. Counterparts. This Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered (including facsimile transmission or as a portable document format (pdf) attachment to an e-mail) shall constitute an original, but all such counterparts when taken together shall constitute one and the same instrument.

8. General.

8.1 This Agreement shall be a Loan Document for the purposes of the Loan Agreement.

8.2 The Lender hereby expressly reserves any and all of its rights and remedies under the Loan Agreement and any and all documents and agreements ancillary thereto. This Agreement and/or any decision by the Lender to provide its consent to the matters set out herein, shall in no way constitute a consent to any additional or subsequent requests for which the prior consent of the Lender is required pursuant to the Loan Agreement.

8.3 Except as expressly provided herein, all of the terms and provisions of the Loan Agreement are and shall remain in full force and effect and are hereby ratified and confirmed by the Borrower and the Guarantors.

8.4 The Borrower hereby acknowledges the terms of this Agreement and hereby confirms that all security and other Loan Documents entered into by the Borrower in connection with the Loan Agreement continues to be valid, binding, enforceable and in full force and effect against the Borrower and the Borrower hereby reaffirms all security interests and pledges granted by the Borrower in favour of the Lender pursuant to the Loan Documents.

8.5 Each of the Guarantors hereby acknowledges the terms of this Agreement and hereby confirm that all guarantees, security and other Loan Documents entered into by it in connection with the Loan Agreement continue to be valid, binding, enforceable and in full force and effect against such Guarantor and each of the Guarantors hereby reaffirms all security interests and pledges granted by such Guarantor in favour of the Lender pursuant to the Loan Documents.

8.6 The Borrower and the Guarantors shall do all such further acts and things and execute all such further documents as shall be reasonably required in order to properly perform and carry out the terms of this Agreement.


8.7 Each reference to the Loan Agreement in any of the Loan Documents (including the Loan Agreement) shall be deemed to be a reference to the Loan Agreement, as amended by this Agreement.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.


BORROWER

VICINITY MOTOR (BUS) CORP.


By: 
Name: Danial Buckle
Title: CFO

GUARANTORS


VICINITY MOTOR CORP.

By: 
Name: Danial Buckle
Title: CFO

VICINITY MOTOR (BUS) USA CORP.

By: 
Name: Danial Buckle
Title: CFO

VICINITY MOTOR PROPERTY, LLC

By: 
Name: Danial Buckle
Title: CFO

Electronic Execution of Documents

The words "execution," "execute," "executed", "signed," "signature," and words of like import in this Agreement, or in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby, shall be deemed to include DocuSign signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Lender, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any (a) Parts 2 and 3 of the Personal Information Protection and Electronic Documents Act (Canada), the Electronic Transaction Acts (British Columbia), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or (b) any other applicable law.

LENDER

ROYAL BANK OF CANADA

By: Vir Advani
Name: Vir Advani
Title: Vice-President, Corporate Client
Group – Asset Based Lending

Schedule "A"

Benchmark Replacement Amendments

"Section 1.15 - Benchmark Replacement Setting - SOFR

- (a) Benchmark Replacement.
- (i) Notwithstanding anything to the contrary herein or in any other Loan Document, upon the occurrence of a Benchmark Transition Event, Lender and Borrower may amend this Agreement to replace the then-current Benchmark with a Benchmark Replacement. Any such amendment with respect to a Benchmark Transition Event will become effective at 5:00 p.m. (New York City time) on the fifth (5th) Business Day after Lender has posted such proposed amendment to Borrower. No replacement of a Benchmark with a Benchmark Replacement pursuant to this Section 1.15(a) will occur prior to the applicable Benchmark Transition Start Date.
- (ii) No swap, hedging, or similar agreement shall be deemed to be a "Loan Document" for purposes of this Section 1.15.
- (b) Notices; Standards for Decisions and Determinations. Lender will promptly notify Borrower of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. Lender will promptly notify Borrower of the removal or reinstatement of any tenor of a Benchmark pursuant to Section 1.15(c). Any determination, decision or election that may be made by Lender pursuant to this Section 1.15, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 1.15.
- (c) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by Lender in its reasonable discretion or (B) the administrator of such Benchmark or the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative or in compliance with or aligned with the International Organization of Securities Commissions (IOSCO) Principles for Financial Benchmarks (the "**IOSCO Principles**"), then Lender may modify the definition of "Interest Period" (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable, non-representative, non-compliant or non-aligned tenor and (ii) if a tenor that was removed pursuant to clause (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative or in compliance with or aligned with the IOSCO Principles for a Benchmark (including a Benchmark Replacement), then Lender may modify the definition of "Interest Period" (or

any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.

- (d) Benchmark Unavailability Period. Upon Borrower's receipt of notice of the commencement of a Benchmark Unavailability Period, Borrower may revoke any request for a SOFR Loan of, conversion to or continuation of SOFR Loans to be made, converted or continued during any Benchmark Unavailability Period and, failing that, Borrower will be deemed to have converted any such request into a request for a Borrowing of or conversion to RBUSBR Loans. During any Benchmark Unavailability Period or at any time that a tenor for the then-current Benchmark is not an Available Tenor, the component of RBUSBR based upon the then-current Benchmark or such tenor for such Benchmark, as applicable, will not be used in any determination of RBUSBR.
- (e) For the purposes of this Section 1.15 or relating to SOFR Loans, the following terms will have the corresponding meanings:

"Benchmark" means, initially, Adjusted Term SOFR; provided that if a Benchmark Transition Event has occurred with respect to Adjusted Term SOFR or the then-current Benchmark, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 1.15(a).

"Benchmark Replacement" means with respect to any Benchmark Transition Event, for any Available Tenor, the sum of: (a) the alternate benchmark rate that has been selected by Lender and Borrower giving due consideration to (i) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (ii) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement for the then-current Benchmark for U.S. Dollar-denominated bilateral credit facilities at such time in Canada, and (b) the related Benchmark Replacement Adjustment; provided, that if the Benchmark Replacement as so determined pursuant to the above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"Benchmark Replacement Adjustment" means, with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by Lender and Borrower giving due consideration to (i) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body and/or (ii) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for U.S. Dollar-denominated bilateral credit facilities at such time.

"Benchmark Replacement Date" means, with respect to any Benchmark, the earliest to occur of the following events with respect to the then-current Benchmark:

- (1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of such Benchmark

(or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or

- (2) in the case of clause (3) of the definition of “Benchmark Transition Event,” the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by or on behalf of the administrator of such Benchmark (or such component thereof) or the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative or non-compliant with or non-aligned with the IOSCO Principles; provided, that such non-representativeness, non-compliance or non-alignment will be determined by reference to the most recent statement or publication referenced in such clause (3) and even if any Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date.

For the avoidance of doubt, the “Benchmark Replacement Date” will be deemed to have occurred in the case of clause (1) or (2) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“**Benchmark Transition Event**” means, with respect to any Benchmark, the occurrence of one or more of the following events with respect to such then-current Benchmark:

- (1) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);
- (2) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), in each case, which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or
- (3) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) or the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are no longer, or as of a specified future date will no longer be, representative or in compliance with or aligned with the IOSCO Principles.

For the avoidance of doubt, a “Benchmark Transition Event” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“**Benchmark Transition Start Date**” means, in the case of a Benchmark Transition Event, the earlier of (a) the applicable Benchmark Replacement Date and (b) if such Benchmark Transition Event is a public statement or publication of information of a prospective event, the 90th day prior to the expected date of such event as of such public statement or publication of information (or if the expected date of such prospective event is fewer than 90 days after such statement or publication, the date of such statement or publication).

“**Benchmark Unavailability Period**” means, with respect to any Benchmark, the period (if any) (x) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 1.15 and (y) ending at the time that a Benchmark Replacement has replaced such then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 1.15.

“**Conforming Changes**” means, with respect to either the use or administration of SOFR, Term SOFR or Adjusted Term SOFR or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of “RBUSBR,” the definition of “Business Day,” the definition of “U.S. Government Securities Business Day,” the definition of “Interest Period” or any similar or analogous definition (or the addition of a concept of “interest period”), timing and frequency of determining rates and making payments of interest, timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of Section 1.15 and other technical, administrative or operational matters) that Lender decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by Lender in a manner substantially consistent with market practice (or, if the decides that adoption of any portion of such market practice is not administratively feasible or if Lender determines that no market practice for the administration of any such rate exists, in such other manner of administration as Lender decides is necessary in connection with the administration of this Agreement and the other Loan Documents).

“**IOSCO Principles**” shall have the meaning set forth in Section 1.15(c).

Section 1.16 **Benchmark Replacement Setting – CORRA**

- (a) Benchmark Replacement. Notwithstanding anything to the contrary herein or in any other Loan Document, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to any setting of the then-current Benchmark, then (x) if a Benchmark Replacement is determined in accordance with paragraph (a) of the definition of “Benchmark Replacement” for such Benchmark Replacement Date, then such Benchmark Replacement will replace such Benchmark for all purposes hereunder under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document; and (y) if a Benchmark Replacement is determined in accordance with paragraph (b) of the definition of “Benchmark

Replacement” for such Benchmark Replacement Date, such Benchmark Replacement will replace such Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. (Toronto time) on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to Borrower without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document.

- (b) Notices; Standards for Decisions and Determinations. Lender will promptly notify Borrower of (i) the implementation of any Benchmark Replacement and (ii) the effectiveness of any such Conforming Changes in connection with the use, administration, adoption or implementation of a Benchmark Replacement. Lender will notify Borrower of (x) the removal or reinstatement of any tenor of a Benchmark pursuant to Section 1.16(c) and (y) the commencement of any Benchmark Unavailability Period. Any determination, decision or election that may be made by Lender pursuant to this Section 1.16 including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 1.16.
- (c) Unavailability of Tenor of Benchmark. Notwithstanding anything to the contrary herein or in any other Loan Document, at any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term CORRA) and either (A) any tenor for such Benchmark is not displayed on a screen or other information service that publishes such rate from time to time as selected by Lender in its reasonable discretion or (B) the regulatory supervisor for the administrator of such Benchmark has provided a public statement or publication of information announcing that any tenor for such Benchmark is not or will not be representative, then Lender may modify the definition of “Interest Period” (or any similar or analogous definition) for any Benchmark settings at or after such time to remove such unavailable or non-representative tenor and (ii) if a tenor that was removed pursuant to paragraph (i) above either (A) is subsequently displayed on a screen or information service for a Benchmark (including a Benchmark Replacement) or (B) is not, or is no longer, subject to an announcement that it is not or will not be representative for a Benchmark (including a Benchmark Replacement), then Lender may modify the definition of “Interest Period” (or any similar or analogous definition) for all Benchmark settings at or after such time to reinstate such previously removed tenor.
- (d) Benchmark Unavailability Period. Upon Borrower’s receipt of notice of the commencement of a Benchmark Unavailability Period, Borrower may revoke any pending request for a CORRA Loan of, conversion to or continuation of CORRA Loans, to be made, converted or continued during any Benchmark Unavailability Period and, failing that, Borrower will be deemed to have converted any such request into a request for a Revolving Credit Advance of or conversion to: (i) for a Benchmark Unavailability Period in respect of Term CORRA, Daily Compounded CORRA Loans, and (ii) for a Benchmark Unavailability Period in respect of a Benchmark other than Term CORRA, RBP.
- (e) Definitions. For the purposes of this Section 1.16 or related to CORRA Loans, the following terms shall have the following meanings:

“**Benchmark**” shall mean, initially, the Term CORRA Reference Rate, provided that if a Benchmark Transition Event has occurred with respect to the Term CORRA Reference Rate, or the then-current Benchmark, then “Benchmark” means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate pursuant to Section 1.16(a).

“**Benchmark Replacement**” shall mean, with respect to any Benchmark Transition Event:

- (a) where a Benchmark Transition Event has occurred with respect to Term CORRA Reference Rate, Daily Compounded CORRA; and
- (b) where a Benchmark Transition Event has occurred with respect to a Benchmark other than the Term CORRA Reference Rate, the sum of: (i) the alternate benchmark rate that has been selected by Lender and Borrower giving due consideration to (A) any selection or recommendation of a replacement benchmark rate or the mechanism for determining such a rate by the Relevant Governmental Body or (B) any evolving or then-prevailing market convention for determining a benchmark rate as a replacement to the then-current Benchmark for Dollar-denominated bilateral credit facilities and (ii) the related Benchmark Replacement Adjustment.

If the Benchmark Replacement as determined pursuant to paragraphs (a) or (b) above would be less than the Floor, the Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

“**Benchmark Replacement Adjustment**” shall mean with respect to any replacement of the then-current Benchmark with an Unadjusted Benchmark Replacement, the spread adjustment, or method for calculating or determining such spread adjustment, (which may be a positive or negative value or zero) that has been selected by Lender and Borrower giving due consideration to (a) any selection or recommendation of a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement by the Relevant Governmental Body or (b) any evolving or then-prevailing market convention for determining a spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of such Benchmark with the applicable Unadjusted Benchmark Replacement for Dollar-denominated bilateral credit facilities at such time.

“**Benchmark Replacement Date**” means a date and time determined by Lender, which date shall be no later than the earliest to occur of the following events with respect to the then-current Benchmark:

- (a) in the case of paragraphs (a) or (b) of the definition of “Benchmark Transition Event”, the later of (i) the date of the public statement or publication of information referenced therein and (ii) the date on which the administrator of such Benchmark (or the published component used in the calculation thereof) permanently or indefinitely ceases to provide all Available Tenors of such Benchmark (or such component thereof); or
- (b) in the case of paragraph (c) of the definition of “Benchmark Transition Event”, the first date on which such Benchmark (or the published component used in the calculation thereof) has been determined and announced by the regulatory supervisor for the administrator of such Benchmark (or such component thereof) to be non-representative; provided that such non-representativeness will be determined by reference to the most recent statement or publication referenced in such paragraph (c) and even if any

Available Tenor of such Benchmark (or such component thereof) continues to be provided on such date,

For the avoidance of doubt, the “**Benchmark Replacement Date**” will be deemed to have occurred in the case of paragraphs (a) or (b) with respect to any Benchmark upon the occurrence of the applicable event or events set forth therein with respect to all then-current Available Tenors of such Benchmark (or the published component used in the calculation thereof).

“**Benchmark Transition Event**” means the occurrence of one or more of the following events with respect to the then-current Benchmark:

- (a) a public statement or publication of information by or on behalf of the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that such administrator has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof), permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof);
- (b) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof), the Bank of Canada, an insolvency official with jurisdiction over the administrator for such Benchmark (or such component), a resolution authority with jurisdiction over the administrator for such Benchmark (or such component) or a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark (or such component), which states that the administrator of such Benchmark (or such component) has ceased or will cease to provide all Available Tenors of such Benchmark (or such component thereof) permanently or indefinitely; provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark (or such component thereof); or
- (c) a public statement or publication of information by the regulatory supervisor for the administrator of such Benchmark (or the published component used in the calculation thereof) announcing that all Available Tenors of such Benchmark (or such component thereof) are not, or as of a specified future date will not be, representative.

For the avoidance of doubt, a “**Benchmark Transition Event**” will be deemed to have occurred with respect to any Benchmark if a public statement or publication of information set forth above has occurred with respect to each then-current Available Tenor of such Benchmark (or the published component used in the calculation thereof).

“**Benchmark Unavailability Period**” means, the period (if any) (a) beginning at the time that a Benchmark Replacement Date has occurred if, at such time, no Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 1.16(a) and (b) ending at the time that a Benchmark Replacement has replaced the then-current Benchmark for all purposes hereunder and under any Loan Document in accordance with Section 1.16(a).

“**Conforming Changes**” means, with respect to the use or administration of a Benchmark or the use, administration, adoption or implementation of any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of

“RBP”, the definition of “Business Day”, the definition of “Interest Period” or any similar or analogous definition (or the addition of a concept of “interest period”), timing and frequency of determining rates and making payments of interest, timing of Notices of Borrowing, Notices of Continuation/Conversion, Notices of Repayment or prepayment, the applicability and length of lookback periods, the applicability of Section 1.14 and other technical, administrative or operational matters) that Lender decides may be appropriate to reflect the adoption and implementation of any such rate or to permit the use and administration thereof by Lender in a manner substantially consistent with market practice (or, if Lender decides that adoption of any portion of such market practice is not administratively feasible or if Lender determines that no market practice for the administration of any such rate exists, in such other manner of administration as Lender decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

“**Relevant Governmental Body**” means the Bank of Canada, or a committee officially endorsed or convened by the Bank of Canada, or any successor thereto.

“**Unadjusted Benchmark Replacement**” means the applicable Benchmark Replacement excluding the related Benchmark Replacement Adjustment.

1.17 Inability to Determine Rates

If Lender determines that, for any reason, adequate and reasonable means do not exist for determining CORRA, Term CORRA, Adjusted Term CORRA, SOFR, Term SOFR, Adjusted Term SOFR or any Benchmark Replacement, as applicable, in respect of the foregoing for any requested Interest Period with respect to a proposed Revolving Credit Advance made based upon Adjusted Term CORRA, Adjusted Term SOFR, or any such applicable Benchmark Replacement, or that Term CORRA, Term SOFR or any applicable Benchmark Replacement for any requested Interest Period with respect to a proposed Revolving Credit Advance made based upon Adjusted Term CORRA, Adjusted Term SOFR or any such Benchmark Replacement does not adequately and fairly reflect the cost to Lender of funding such Revolving Credit Advance, Lender will promptly so notify Borrower. Thereafter, the obligation of Lender to make or maintain Revolving Credit Advances made based upon Adjusted Term CORRA, Adjusted Term SOFR or any such Benchmark Replacement, as applicable, hereunder shall be suspended until Lender revokes such notice in writing. Upon receipt of such notice, Borrower may revoke any Notice of Borrowing or Notice of Continuation/Conversion then submitted by it. If Borrower does not revoke such notice, Lender shall make the Revolving Credit Advance, as proposed by Borrower, in the amount specified in the applicable notice submitted by Borrower, but such Revolving Credit Advance shall be made as a RBUSBR based Loan instead of a Term SOFR Loan or a Loan based upon any applicable Benchmark Replacement in respect of Term SOFR or a RBP based Loan instead of a Term CORRA based Loan, or a Loan based upon any applicable Benchmark Replacement in respect of Term CORRA, as the case may be.”

This is **Exhibit "B"** referred to in the affidavit of
Cameron Bailey sworn before me at Calgary, Alberta
this 16 day of October 2024.

A handwritten signature in blue ink, appearing to be 'Derek Pontin', written over a horizontal line.

A Commissioner for Taking Affidavits
For Alberta

Derek Pontin
Barrister and Solicitor

Execution Copy

GENERAL SECURITY AGREEMENT

1. SECURITY INTEREST

(a) For value received, the undersigned ("Debtor"), hereby grants to **ROYAL BANK OF CANADA** ("RBC"), a security interest (the "**Security Interest**") in the undertakings of Debtor and in all of Debtor's present and after acquired personal property including, without limitation, in all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities and all other Investment Property now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) and in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called "**Collateral**"), and including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (i) all inventory of whatever kind and wherever situate;
- (ii) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- (iii) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor ("**Debts**");
- (iv) all lists, records and files relating to Debtor's customers, clients and patients;
- (v) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (vi) all contractual rights and insurance claims;
- (vii) all patents, industrial designs, trade-marks, trade secrets and know-how including without limitation environmental technology and biotechnology, confidential information, trade-names, goodwill, copyrights, personality rights, plant breeders' rights, integrated circuit topographies, software and all other forms of intellectual and industrial property, and any registrations and applications for registration of any of the foregoing (collectively "**Intellectual Property**"); and
- (viii) all property described in **Schedule "C"** or any schedule now or hereafter annexed hereto.

(b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

(c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "Investment Property", "proceed", "Inventory", "accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in The Personal Property Security Act of the province referred to in Clause 14(s), as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "P.P.S.A.". Provided always that the term "Goods" when used herein shall not include "consumer goods" of Debtor as that term is defined in the P.P.S.A., the term "Inventory" when used herein shall include livestock and the young thereof after conception and crops that become such within one year of execution of this Security Agreement and the term "Investment Property", if not defined in the P.P.S.A., shall be interpreted according to its meaning in the Personal Property Security Act (British Columbia). Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

2. INDEBTEDNESS SECURED

The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of Debtor to RBC (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "Indebtedness"). If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all Indebtedness of the Debtor, the Debtor acknowledges and agrees that Debtor shall continue to be liable for any Indebtedness remaining outstanding and RBC shall be entitled to pursue full payment thereof.

3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

Debtor represents and warrants and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant that:

(a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "Encumbrances"), save for the Security Interest and those Encumbrances shown on **Schedule "A"** or hereafter approved in writing by RBC, prior to their creation or assumption;

(b) all Intellectual Property applications and registrations are valid and in good standing and Debtor is the owner of the applications and registrations;

(c) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by Debtor to RBC from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against Debtor which can be asserted against RBC, whether in any proceeding to enforce Collateral or otherwise;

(d) the locations specified in **Schedule "B"** as to business operations and records are accurate and complete and with respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all fixtures or Goods about to become fixtures and all crops and all

oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations; and

(e) the execution, delivery and performance of the obligations under this Security Agreement and the creation of any security interest in or assignment hereunder of Debtor's rights in the Collateral to RBC will not result in a breach of any agreement to which Debtor is a party.

4. COVENANTS OF THE DEBTOR

So long as this Security Agreement remains in effect Debtor covenants and agrees:

(a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to diligently initiate and prosecute legal action against all infringers of Debtor's rights in Intellectual Property; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licenses which are compulsory under federal or provincial legislation and those shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of Collateral or any interest therein without the prior written consent of RBC; provided always that, until default, Debtor may, in the ordinary course of Debtor's business, sell or lease Inventory and, subject to Clause 7 hereof, use Money available to Debtor;

(b) to notify RBC promptly of:

- (i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral,
- (ii) the details of any significant acquisition of Collateral,
- (iii) the details of any claims or litigation affecting Debtor or Collateral,
- (iv) any loss or damage to Collateral,
- (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral, and
- (vi) the return to or repossession by Debtor of Collateral;

(c) to keep Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance; to keep all agreements, registrations and applications relating to Intellectual Property and intellectual property used by Debtor in its business in good standing and to renew all agreements and registrations as may be necessary or desirable to protect Intellectual Property, unless otherwise agreed in writing by RBC; to apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so;

(d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by RBC of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

(e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;

(f) to insure collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to RBC on request;

(g) to prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

(h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest;

(i) to deliver to RBC from time to time promptly upon request:

- (i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral.
- (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same.
- (iii) all financial statements prepared by or for Debtor regarding Debtor's business.
- (iv) all policies and certificates of insurance relating to Collateral, and
- (v) such information concerning Collateral, the Debtor and Debtor's business and affairs as RBC may reasonably request.

5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any manner not inconsistent with the provisions hereof; provided always that RBC shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner RBC may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as RBC may reasonably request in connection therewith and for such purpose to grant to RBC or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

6. SECURITIES, INVESTMENT PROPERTY

(a) If Collateral at any time includes Securities, Debtor authorizes RBC to transfer the same or any part thereof into its own name or that of its nominee(s) so that RBC or its nominee(s) may appear of record as the sole owner thereof; provided that, until default, RBC shall deliver promptly to Debtor all

notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to Debtor or its order a proxy to vote and take all action with respect to such Securities. After default, Debtor waives all rights to receive any notices or communications received by RBC or its nominee(s) as such registered owner and agrees that no proxy issued by RBC to Debtor or its order as aforesaid shall thereafter be effective.

(b) Where any Investment Property is held in or credited to an account that has been established with a securities intermediary, RBC may, at any time after default, give a notice of exclusive control to any such securities intermediary with respect to such Investment Property.

7. COLLECTION OF DEBTS

Before or after default under this Security Agreement, RBC may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on Collateral to RBC. Debtor acknowledges that any payments on or other proceeds of Collateral received by Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after default under this Security Agreement, shall be received and held by Debtor in trust for RBC and shall be turned over to RBC upon request.

8. INCOME FROM AND INTEREST ON COLLATERAL

(a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if RBC receives any such Money prior to default, RBC shall either credit the same against the Indebtedness or pay the same promptly to Debtor.

(b) After default, Debtor will not request or receive any Money constituting income from or interest on Collateral and if Debtor receives any such Money without any request by it, Debtor will pay the same promptly to RBC.

9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

(a) Whether or not default has occurred, Debtor authorizes RBC:

- (i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly;
- (ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.

(b) If Debtor receives any such increase or profits (other than Money) or payments or distributions, Debtor will deliver the same promptly to RBC to be held by RBC as herein provided.

10. DISPOSITION OF MONEY

Subject to any applicable requirements of the P.P.S.A., all Money collected or received by RBC pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as RBC deems best or, at the option of RBC, may be held unappropriated in

a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of RBC hereunder, and any surplus shall be accounted for as required by law.

11. EVENTS OF DEFAULT

The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as "default":

(a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;

(b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;

(c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;

(d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;

(e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;

(f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;

(g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if distress or analogous process is levied upon the assets of Debtor or any part thereof;

(h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to RBC to extend any credit to or to enter into this or any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to RBC at or prior to the time of such execution.

12. ACCELERATION

RBC, in its sole discretion, may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or if RBC considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of RBC with respect to any Indebtedness which may now or hereafter be payable on demand.

13. REMEDIES

(a) Upon default, RBC may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by RBC, all Money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to RBC. Every such Receiver may, in the discretion of RBC, be vested with all or any of the rights and powers of RBC.

(b) Upon default, RBC may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

(c) RBC may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, RBC may sell, license, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to RBC may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and RBC and in addition to any other rights RBC may have at law or in equity, RBC shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that RBC shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, RBC shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in RBC's possession and shall not be liable or accountable for failure to do so.

(e) Debtor acknowledges that RBC or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from RBC or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(f) Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting

Indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(g) RBC will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A..

(h) Upon default and receiving written demand from RBC, Debtor shall take such further action as may be necessary to evidence and effect an assignment or licensing of Intellectual Property to whomever RBC directs, including to RBC. Debtor appoints any officer or director or branch manager of RBC upon default to be its attorney in accordance with applicable legislation with full power of substitution and to do on Debtor's behalf anything that is required to assign, license or transfer, and to record any assignment, licence or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

14. MISCELLANEOUS

(a) Debtor hereby authorizes RBC to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto are situate) as RBC may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of the herein mentioned branch of RBC the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of RBC, whenever Indebtedness is immediately due and payable or RBC has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), RBC may, in its sole discretion, set off against Indebtedness any and all amounts then owed to Debtor by RBC in any capacity, whether or not due, and RBC shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on RBC's records subsequent thereto.

(c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expense incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

(d) RBC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as RBC may see fit without prejudice to the liability of Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either Debtor's or RBC's name, at RBC's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by RBC in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, RBC may remedy any default by Debtor hereunder or with respect to any

Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of RBC granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) Debtor waives protest of any Instrument constituting Collateral at any time held by RBC on which Debtor is in any way liable and, subject to Clause 13(g) hereof, notice of any other action taken by RBC.

(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

(h) RBC may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from RBC or any one acting on behalf of RBC.

(i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(j) Subject to the requirements of Clauses 13(g) and 14(k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of RBC, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto, and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to RBC. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(k) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by RBC and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the herein mentioned branch of RBC shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all Indebtedness contracted for or created before the receipt of such notice by RBC, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(l) The headings used in this Security Agreement are for convenience only and are not be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(n) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(o) Nothing herein contained shall in any way obligate RBC to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to RBC.

(q) Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby

(i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and

(ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to RBC at the time of amalgamation and any "Indebtedness" of the amalgamated company to RBC thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with Debtor, and by the amalgamated company, at the time of the amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof, shall have no application to this Security Agreement or any agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with RBC that all of Part IV (other than Section 46) of that Act shall not apply to Debtor.

(s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province in which the herein branch of RBC is located, as those laws may from time to time be in effect, except if such branch of RBC is located in Quebec then, this Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

15. COPY OF AGREEMENT

(a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.

(b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by RBC or of any verification statement with respect to any financing statement or financing change statement registered by RBC. (Applies in all P.P.S.A. Provinces except Ontario).

[Signature page follows]

16. Debtor represents and warrants that the following information is accurate:

INDIVIDUAL DEBTOR

SURNAME (LAST NAME)	FIRST NAME	SECOND NAME	BIRTH DATE YEAR MONTH DAY
ADDRESS OF INDIVIDUAL DEBTOR	CITY	PROVINC	POSTAL CODE
SURNAME (LAST NAME)	FIRST NAME	SECOND NAME	BIRTH DATE YEAR MONTH DAY
ADDRESS OF INDIVIDUAL DEBTOR IIF DIFFERENT FROM ABOVE)	CITY	PROVINC E	POSTAL CODE

BUSINESS DEBTOR

NAME OF BUSINESS DEBTOR – Grande West Transportation International Ltd.			
ADDRESS OF BUSINESS DEBTOR – 3168 262 nd Street	CITY Aldergrove	PROVINCE BC	POSTAL CODE V4W 2Z6

IN WITNESS WHEREOF Debtor has executed this Security Agreement this 25th day of October, 2017.

TRADE NAME (IF APPLICABLE)

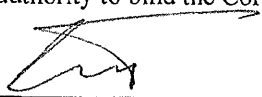
NAME OF BUSINESS DEBTOR			
ADDRESS OF BUSINESS DEBTOR	CITY	PROVINCE	POSTAL CODE

GRANDE WEST TRANSPORTATION INTERNATIONAL LTD.

Per:



Name: Aaron Triplett
Title: Secretary and Chief Financial Officer
I have authority to bind the Corporation



Name: William Trainer
Title: Director
I have authority to bind the Corporation

WITNESS

WITNESS

SCHEDULE "A"

(ENCUMBRANCES AFFECTING COLLATERAL)



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Personal Property Registry

Selection List

For: [PB13618] [MILLER THOMSON LLP]

Oct 19, 2017
09:49:46 AM

Return				Send to Mailbox	Help ?
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Folio:

[BC OnLine Mailbox](#)

Business Name: GRANDE
WEST TRANSPORTATION
INTERNATIONAL LTD

⇒ **Exact Matches: 9**

Local Print Limit:

BSR101 - NO MORE INFORMATION TO DISPLAY

Debtor Name

- ⇒ GRANDE WEST TRANSPORTATION INTERNATIONAL LTD
- ⇒ GRANDE WEST TRANSPORTATION INTERNATIONAL LTD
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- GRANDE WEST TRANSPORT INTERNATIONAL LTD

Lterm: XPSP0050 BC OnLine: PPRS SEARCH RESULT 2017/10/19
For: PB13618 MILLER THOMSON LLP 09:49:46

Index: BUSINESS DEBTOR
Search Criteria: GRANDE WEST TRANSPORTATION INTERNATIONAL LTD

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: JUN 23, 2014 Reg. Length: 5 YEARS
Reg. Time: 10:10:39 Expiry Date: JUN 23, 2019
Base Reg. #: 0306381 Control #: D2495439

Block#

S0001 Secured Party: ROYAL BANK OF CANADA
10 YORK MILLS ROAD
TORONTO ON M2P 0A2

=D0001 Base Debtor: GRANDE WEST TRANSPORTATION
(Business) INTERNATIONAL LTD.
26180 31B AVENUE
ALDERGROVE BC V4W 2Z6

Vehicle Collateral:

Type	Serial #	Year	Make/Model	MH Reg.#
V0001	MV	1C6RR7PT9ES329949	2014 RAM 1500	

Registering
Party: ROYAL BANK OF CANADA
10 YORK MILLS ROAD
TORONTO ON M2P 0A2

***** P P S A S E C U R I T Y A G R E E M E N T *****

*** DISCHARGED ***
Reg. Date: JUN 29, 2015 Reg. Length: 10 YEARS
Reg. Time: 12:06:16 Expiry Date: JUN 29, 2025
Base Reg. #: 6925221 Control #: D3169446

Block#

S0001 Secured Party: INTACT INSURANCE COMPANY
1100 - 999 WEST HASTINGS ST
VANCOUVER BC V6C 2W2

D0001 Base Debtor: GRANDE WEST TRANSPORTATION GROUP INC.
(Business) 3168 262 ST.
ALDERGROVE BC V4W 2Z6

D0002 Bus. Debtor: GRANDE WEST TRANSPORTATION GROUP INC.
1750 - 1185 WEST GEORGIA ST.
VANCOUVER BC V6E 4E6

D0003 Bus. Debtor: 1210706 ALBERTA LTD.
2591 BEVERLY ST.
DUNCAN BC V9L 3A5

D0004 Bus. Debtor: 1210706 ALBERTA LTD.
1500, 850 - 2ND STREET S.W.

CALGARY AB T2P 0R8

Continued on Page 2

Search Criteria: GRANDE WEST TRANSPORTATION INTERNATIONAL LTD

Page: 2

General Collateral:

ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTORS.
 PROCEEDS: CHATTEL PAPER, GOODS, INVESTMENT PROPERTY, DOCUMENTS OF
 TITLE, INSTRUMENTS, MONEY AND INTANGIBLES.

Registering

Party: ROSE LLP
 SUITE 810, 333 - 5TH AVENUE
 CALGARY AB T2P 3B6

----- AMENDMENT / OTHER CHANGE -----

Reg. #: 754552I

Reg. Date: JUL 30, 2015

Reg. Time: 08:24:41

Control #: D3236291

Base Reg. Type: PPSA SECURITY AGREEMENT

Base Reg. #: 692522I

Base Reg. Date: JUN 29, 2015

Details Description:

ADDITION OF 2 DEBTORS

Block#

*** ADDED ***

D0005 Bus. Debtor: GRANDE WEST TRANSPORTATION
 INTERNATIONAL LTD.
 1750 - 1185 WEST GEORGIA ST
 VANCOUVER BC V6E 4E6

*** ADDED ***

D0006 Bus. Debtor: GRANDE WEST TRANSPORTATION
 INTERNATIONAL LTD.
 3168 262 ST.
 ALDERGROVE BC V4W 2Z6

Registering

Party: ROSE LLP
 SUITE 810, 333 - 5TH AVENUE
 CALGARY AB T2P 3B6

----- AMENDMENT / OTHER CHANGE -----

Reg. #: 826756J

Reg. Date: FEB 16, 2017

Reg. Time: 10:57:33

Control #: D4332408

Base Reg. Type: PPSA SECURITY AGREEMENT

Base Reg. #: 692522I

Base Reg. Date: JUN 29, 2015

Details Description:

PRIORITY AND SUBORDINATION AGREEMENT IN FAVOUR OF HSBC BANK
 CANADA (THE "BANK") GRANTING PRIORITY TO THE BANK PURSUANT

TO ITS SECURITY AGREEMENT AND FINANCING STATEMENT FILED
UNDER BASE REGISTRATION NIMBER 777653J

Registering

Party: LINDSAY KENNEY LLP
1800 -401 WEST GEORGIA STREET
VANCOUVER B.C. V6B 5A1

Continued on Page 3

Search Criteria: GRANDE WEST TRANSPORTATION INTERNATIONAL LTD

Page: 3

----- T O T A L D I S C H A R G E -----

Reg. #: 273707K

Reg. Date: SEP 15, 2017

Reg. Time: 11:16:53

Control #: D4788406

Base Reg. Type: PPSA SECURITY AGREEMENT

Base Reg. #: 6925221

Base Reg. Date: JUN 29, 2015

Registering

Party: WHITELAW TWINING LAW CORPORATION -
ATTN: JOHN MOSHONAS
2400 - 200 GRANVILLE STREET
VANCOUVER BC V6C 1S4

***** P P S A S E C U R I T Y A G R E E M E N T *****

*** DISCHARGED ***

Reg. Date: DEC 02, 2015

Reg. Length: 2 YEARS

Reg. Time: 10:29:35

Expiry Date: DEC 02, 2017

Base Reg. #: 9878871

Control #: D3475080

This registration was selected and included for your protection
because of close proximity to your search criteria.

Block#

S0001 Secured Party: PROSPERA CREDIT UNION - CBC CENTRAL
32071 SOUTH FRASER WAY, #103
ABBOTSFORD B.C. V2S 1W3

=D0001 Base Debtor: GRANDE WEST TRANSPORT INTERNATIONAL
(Business) LTD
3168 262ND STREET
ALDERGROVE BC V4W 2Z6

Vehicle Collateral:

Type	Serial #	Year	Make/Model	MH Reg.#
V0001	MV	2G9B27AA0FA098016	2014	GRANDE WEST VICINITY BUS
V0002	MV	2G9B30AA9FA098018	2014	GRANDE WEST VICINITY BUS
V0003	MV	2G9B30AA2FA098023	2015	GRANDE WEST VICINITY BUS

Registering

Party: PROSPERA CREDIT UNION - CBC CENTRAL
32071 SOUTH FRASER WAY, #103
ABBOTSFORD B.C. V2S 1W3

----- T O T A L D I S C H A R G E -----

Reg. #: 282559K Reg. Date: SEP 20, 2017
Reg. Time: 10:07:23
Control #: D4797396

Base Reg. Type: PPSA SECURITY AGREEMENT
Base Reg. #: 987887I Base Reg. Date: DEC 02, 2015

Registering

Party: PROSPERA CREDIT UNION - CBC CENTRAL
32071 SOUTH FRASER WAY, #103
ABBOTSFORD B.C. V2S 1W3

Continued on Page 4

Search Criteria: GRANDE WEST TRANSPORTATION INTERNATIONAL LTD Page: 4

***** P P S A S E C U R I T Y A G R E E M E N T *****
*** DISCHARGED ***
Reg. Date: JAN 19, 2017 Reg. Length: 5 YEARS
Reg. Time: 14:06:24 Expiry Date: JAN 19, 2022
Base Reg. #: 777653J Control #: D4282199

Block#

S0001 Secured Party: HSBC BANK CANADA
 20045 LANGLEY BYPASS
 LANGLEY BC V3A 8R6

=D0001 Base Debtor: GRANDE WEST TRANSPORTATION
 (Business) INTERNATIONAL LTD.
 1750 - 1185 WEST GEORGIA ST.
 VANCOUVER BC V6E 4E6

General Collateral:

ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY AND AN UNCRYSTALIZED FLOATING CHARGE ON LAND AND, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ALL BILLS, DOCUMENTS OF TITLE, CHATTEL PAPER, SECURITIES, INTANGIBLES, TRANSPORTATION DOCUMENTS, INSURANCE POLICIES AND OTHER DOCUMENTS OR INSTRUMENTS REPRESENTING OR RELATING TO THE PURCHASE, STORAGE, PREPARATION, SALE OR SHIPMENT OF AND OTHER DEALINGS WITH GOODS AND THE GOODS REPRESENTED THEREBY AND ANY RIGHTS WHICH THE DEBTOR MAY HAVE AS THE UNPAID SELLER OF THE GOODS AND ALL PROCEEDS INCLUDING, WITHOUT LIMITATION, ALL GOODS, SECURITIES, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES AND MONEY (ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT, ANY REGULATIONS THEREUNDER AND ANY AMENDMENTS THERETO) AND THE ENTIRE RIGHT TITLE CLAIM AND INTEREST OF THE DEBTOR IN AND TO ALL MONIES WHICH ARE NOW OR WHICH MAY FROM TIME TO TIME IN THE FUTURE STAND TO THE CREDIT OF THE DEBTOR IN ANY ACCOUNTS OR DEPOSIT INSTRUMENTS OR INVESTMENT CERTIFICATES AT THE SECURED PARTY AND ALL PROCEEDS INCLUDING, WITHOUT LIMITATION, ALL GOODS, SECURITIES, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES AND MONEY (ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT, ANY REGULATIONS THEREUNDER AND ANY AMENDMENTS THERETO)

Registering

Party: LINDSAY KENNEY LLP
1800 -401 WEST GEORGIA STREET
VANCOUVER B.C. V6B 5A1

----- T O T A L D I S C H A R G E -----

Reg. #: 291955K Reg. Date: SEP 25, 2017
Reg. Time: 11:03:31
Control #: D4806990

Base Reg. Type: PPSA SECURITY AGREEMENT
Base Reg. #: 777653J Base Reg. Date: JAN 19, 2017

Registering

Party: D & H LIMITED PARTNERSHIP
4126 NORLAND AVENUE, SUITE 201
BURNABY BC V5G 3S9

Continued on Page 5

Search Criteria: GRANDE WEST TRANSPORTATION INTERNATIONAL LTD Page: 5

***** P P S A S E C U R I T Y A G R E E M E N T *****

*** DISCHARGED ***

Reg. Date: FEB 08, 2017 Reg. Length: 5 YEARS
Reg. Time: 10:17:54 Expiry Date: FEB 08, 2022
Base Reg. #: B12735J Control #: D4318032

Block#

S0001 Secured Party: HSBC BANK CANADA
20045 LANGLEY BYPASS
LANGLEY BC V3A 8R6

D0001 Base Debtor: ROSS DONALD
(Individual) SUITE 100 - 110 YONGE STREET Birthdate:
TORONTO ON M5C 1T4

=D0002 Bus. Debtor: GRANDE WEST TRANSPORTATION
INTERNATIONAL LTD.
1750 - 1185 WEST GEORGIA ST
VANCOUVER BC V6E 4E6

General Collateral:

SUBORDINATION BY THE DEBTOR IN FAVOUR OF THE SECURED PARTY OF ALL
INDEBTEDNESS, PRESENT AND FUTURE, DIRECT AND INDIRECT, ABSOLUTE AND
CONTINGENT, OF GRANDE WEST TRANSPORTATION INTERNATIONAL INC. TO THE
DEBTOR AND ALL PROCEEDS INCLUDING WITHOUT LIMITATION ALL GOODS,
SECURITIES, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER,
INTANGIBLES AND MONEY (ALL AS DEFINED IN THE PERSONAL PROPERTY
SECURITY ACT, ANY REGULATIONS THEREUNDER AND AMENDMENTS THERETO).

Registering

Party: LINDSAY KENNEY LLP
1800 -401 WEST GEORGIA STREET

VANCOUVER B.C. V6B 5A1

----- T O T A L D I S C H A R G E -----

Reg. #: 292890K Reg. Date: SEP 25, 2017
Reg. Time: 15:03:34
Control #: D4807962
Base Reg. Type: PPSA SECURITY AGREEMENT
Base Reg. #: 812735J Base Reg. Date: FEB 08, 2017

Registering

Party: D & H LIMITED PARTNERSHIP
4126 NORLAND AVENUE, SUITE 201
BURNABY BC V5G 3S8

***** P P S A S E C U R I T Y A G R E E M E N T *****
*** DISCHARGED ***
Reg. Date: FEB 08, 2017 Reg. Length: 5 YEARS
Reg. Time: 10:20:25 Expiry Date: FEB 08, 2022
Base Reg. #: 812742J Control #: D4318051

Block#

S0001 Secured Party: HSBC BANK CANADA
20045 LANGLEY BYPASS
LANGLEY BC V3A 8R6

Continued on Page 6

Search Criteria: GRANDE WEST TRANSPORTATION INTERNATIONAL LTD Page: 6

D0001 Base Debtor: WILKES EARL
(Individual) PO BOX 4024 Birthdate:
OLDS AB T4H 1P6

=D0002 Bus. Debtor: GRANDE WEST TRANSPORTATION
INTERNATIONAL LTD.
1750 - 1195 WEST GEORGIA ST
VANCOUVER BC V6E 4E6

General Collateral:

SUBORDINATION BY THE DEBTOR IN FAVOUR OF THE SECURED PARTY OF ALL
INDEBTEDNESS, PRESENT AND FUTURE, DIRECT AND INDIRECT, ABSOLUTE AND
CONTINGENT, OF GRANDE WEST TRANSPORTATION INTERNATIONAL INC. TO THE
DEBTOR AND ALL PROCEEDS INCLUDING WITHOUT LIMITATION ALL GOODS,
SECURITIES, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER,
INTANGIBLES AND MONEY (ALL AS DEFINED IN THE PERSONAL PROPERTY
SECURITY ACT, ANY REGULATIONS THEREUNDER AND AMENDMENTS THERETO).

Registering

Party: LINDSAY KENNEY LLP
1800 -401 WEST GEORGIA STREET
VANCOUVER B.C. V6B 5A1

----- T O T A L D I S C H A R G E -----

Reg. #: 291956K Reg. Date: SEP 25, 2017

Reg. Time: 11:03:38
Control #: D4806992
Base Reg. Type: PPSA SECURITY AGREEMENT
Base Reg. #: 812742J Base Reg. Date: FEB 08, 2017

Registering
Party: D & H LIMITED PARTNERSHIP
4126 NORLAND AVENUE, SUITE 201
BURNABY BC V5G 3S8

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: MAR 03, 2017 Reg. Length: 5 YEARS
Reg. Time: 11:44:53 Expiry Date: MAR 03, 2022
Base Reg. #: 857161J Control #: D4363554

This registration was selected and included for your protection
because of close proximity to your search criteria.

Block#

S0001 Secured Party: PROSPERA CREDIT UNION - CBC CENTRAL
32071 SOUTH FRASER WAY, #103
ABBOTSFORD B.C. V2S 1W3

=D0001 Base Debtor: GRANDE WEST TRANSPORT INTERNATIONAL
(Business) LTD
3168 262ND STREET
ALDERGROVE BC V4W 2Z6

General Collateral:
FUNDS HELD ON DEPOSIT WITH PROSPERA CREDIT UNION TO SECURE ALL CAFT
REQUIREMENTS AND ANY SUBSEQUENT RENEWALS OR REPLACEMENTS THEREOF.

Continued on Page 7

Search Criteria: GRANDE WEST TRANSPORTATION INTERNATIONAL LTD Page: 7

Registering
Party: PROSPERA CREDIT UNION - CBC CENTRAL
32071 SOUTH FRASER WAY, #103
ABBOTSFORD B.C. V2S 1W3

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: APR 26, 2017 Reg. Length: 5 YEARS
Reg. Time: 13:11:26 Expiry Date: APR 26, 2022
Base Reg. #: 965714J Control #: D4474564

This registration was selected and included for your protection
because of close proximity to your search criteria.

Block#

S0001 Secured Party: PROSPERA CREDIT UNION - CBC CENTRAL
32071 SOUTH FRASER WAY, #103
ABBOTSFORD B.C. V2S 1W3

=D0001 Base Debtor: GRANDE WEST TRANSPORT INTERNATIONAL

(Business) LTD
3168 262ND STREET
ALDERGROVE BC V4W 2Z6

General Collateral:
ALL FUNDS HELD ON DEPOSIT WITH PROSPERA CREDIT UNION TO SECURE LETTER
OF CREDIT 1252 AND ANY AND ALL SUBSEQUENT RENEWALS OR REPLACEMENTS
THEREOF

Registering
Party: PROSPERA CREDIT UNION - CBC CENTRAL
32071 SOUTH FRASER WAY, #103
ABBOTSFORD B.C. V2S 1W3

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: JUN 09, 2017 Reg. Length: 5 YEARS
Reg. Time: 12:06:49 Expiry Date: JUN 09, 2022
Base Reg. #: 063002K Control #: D4573882

Block#

S0001 Secured Party: ROYAL BANK OF CANADA
10 YORK MILLS ROAD 3RD FLOOR
TORONTO ON M2P 0A2

=D0001 Base Debtor: GRANDE WEST TRANSPORTATION
(Business) INTERNATIONAL LTD
3168 262 STREET
ALDERGROVE BC V4W 2Z6

Vehicle Collateral:
Type Serial # Year Make/Model MH Reg.#
V0001 MV 1C6RR7PTXHS710083 2017 RAM 1500

Continued on Page 8

Search Criteria: GRANDE WEST TRANSPORTATION INTERNATIONAL LTD Page: 8

Registering
Party: ROYAL BANK OF CANADA
10 YORK MILLS ROAD 3RD FLOOR
TORONTO ON M2P 0A2

***** P P S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: SEP 19, 2017 Reg. Length: 7 YEARS
Reg. Time: 09:50:36 Expiry Date: SEP 19, 2024
Base Reg. #: 279499K Control #: D4794290

Block#

S0001 Secured Party: TOYOTA CREDIT CANADA INC.
80 MICRO COURT

MARKHAM ON L3R 9Z5

D0001 Base Debtor: GRANDEWEST TRANSPORTATION INTERN
(Business) 3168 26 ST
ALDERGROVE BC V4W 2Z6

=D0002 Bus. Debtor: GRANDE WEST TRANSPORTATION
INTERNATIONAL LTD.
3168 26 ST
ALDERGROVE BC V4W 2Z6

Vehicle Collateral:

Type	Serial #	Year	Make/Model	MH Reg.#
V0001 MV	5TFDY5F12HX658221	2017	TOYOTA TUNDRA 4X4	

Registering

Party: D + H LIMITED PARTNERSHIP
2 ROBERT SPECK PARKWAY, 15TH F
MISSISSAUGA ON L4J 1H8

***** P F S A S E C U R I T Y A G R E E M E N T *****

Reg. Date: OCT 02, 2017 Reg. Length: 5 YEARS
Reg. Time: 14:36:30 Expiry Date: OCT 02, 2022
Base Reg. #: 308775K Control #: D4807161

Block#

S0001 Secured Party: ROYAL BANK OF CANADA
200 BAY STREET, 30TH FLOOR
TORONTO ON M5J 2J5

-D0001 Base Debtor: GRANDE WEST TRANSPORTATION
(Business) INTERNATIONAL LTD
3168 262ND STREET
ALDERGROVE BC V4W 2Z6

General Collateral:

ALL OF THE DEBTOR'S PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY;
ALL PROCEEDS INCLUDING ACCOUNTS, MONEY, CHATTEL PAPER, INTANGIBLES,
GOODS, DOCUMENTS OF TITLE, INSTRUMENTS, INVESTMENT PROPERTY,
SUBSTITUTIONS, CROPS, LICENCES, TRADE INS, INSURANCE PROCEEDS AND
ANY OTHER FORM OF PROCEEDS.

Continued on Page 9

Search Criteria: GRANDE WEST TRANSPORTATION INTERNATIONAL LTD

Page: 9

THE COMPLETE ADDRESS OF THE SECURED PARTY S0001 IS AS FOLLOWS:
ROYAL BANK OF CANADA, 200 BAY STREET, 30TH FLOOR, SOUTH TOWER,
TORONTO, ONTARIO M5J 2J5.

Registering

Party: BORDEN LADNER GERVAIS LLP
1200-200 BURNARD STREET
VANCOUVER BC V7X 1T2

SCHEDULE "B"

1. Locations of Debtor's Business Operations

3168 262nd Street, Aldergrove, British Columbia, V4W 2Z6

26180 31B Avenue, Aldergrove, British Columbia, V4W 2Z6

2. Locations of Records relating to Collateral (if different from 1. Above)

3168 262nd Street, Aldergrove, British Columbia, V4W 2Z6

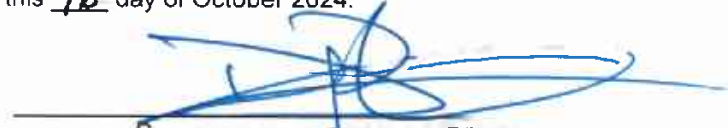
3. Locations of Collateral (if different from 1. Above) –

SCHEDULE "C"

(DESCRIPTION OF PROPERTY)

N/A

This is **Exhibit "C"** referred to in the affidavit of Cameron Bailey sworn before me at Calgary, Alberta this 16 day of October 2024.

A handwritten signature in blue ink, consisting of several overlapping loops and horizontal strokes, positioned above a horizontal line.

A Commissioner for Taking Affidavits
For Alberta

Derek Pontin
Barrister and Solicitor



NOTICE OF INTENTION

TO WHOM IT MAY CONCERN:

GRANDE WEST TRANSPORTATION INTERNATIONAL LTD.

(Name of Person, Firm or Company)

013191ff

3168 262nd Street, Aldergrove, BC V4W 2Z6
(Mailing Address)

hereby gives notice that it is my/our intention to give security under Section 427 of the *Bank Act*, to

ROYAL BANK OF CANADA.

Dated at Vancouver, BC this 09 20 2017
Month) (Day) (Year)

**GRANDE WEST TRANSPORTATION
INTERNATIONAL LTD.**

By its authorized signatory:

Name: Aaron Triplett
Title: Secretary and Chief Financial Officer

Name: William Trainer
Title: Director

60160-003
PLEASE INSERT
TRANSIT NUMBER

NOTICE RECEIVED / PRÉAVIS REÇU

09, 21, 2017 01:29 PM
MM DD YYYY TIME

D+H LIMITED PARTNERSHIP PDT

Authorized Section 427 Bank Act
Registrar for Bank of Canada

Bureau d'enregistrement au nom de la
Banque du Canada conformément à
l'article 427 de la loi sur les banques.

Central Processing Facility

PROVINCE OF BC

Pour / For Registrar [Signature]

Copy 1 of 2

This is **Exhibit "D"** referred to in the affidavit of Cameron Bailey sworn before me at Calgary, Alberta this 16 day of October 2024.

A handwritten signature in blue ink, appearing to be 'Derek Pontin', written over a horizontal line.

A Commissioner for taking Affidavits
For Alberta

Derek Pontin
Barrister and Solicitor

**AGREEMENT AS TO LOANS AND ADVANCES AND SECURITY
UNDER SECTION 427 OF THE BANK ACT FOR SUCH LOANS AND ADVANCES**

1. In this agreement, "I", "my" and "mine" mean the individual who signs this agreement and if more than one individual signs this agreement, then these words mean each of them individually and "we", "our", "ours" and "us" mean all of them collectively.

"You", "your" and "yours" mean Royal Bank of Canada.

2. In consideration of the loan(s) or advance(s) being made and/or to be made in the future by you to me, I/we agree with you as follows.
3. All security now or in the future held by you for the payment of any of my/our debt or liability including security by way of warehouse receipt or bill of lading or under Section 427 of the Bank Act (such security being called the "security"), together with all property covered by or comprised in the security (such property being called the "property"), and all proceeds of the security and of the property, constitute a continuing collateral security for the payment of such debt or liability and also for the payment of:

- (a) interest on such debt or liability which, unless otherwise agreed, is calculated at your rate established from time to time and according to your usual custom, and
- (b) all costs, charges and expenses reasonably incurred by you or the Receiver appointed by you under section 9 of this agreement, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in preparing or enforcing this agreement, taking and maintaining custody or, preserving, repairing, processing, preparing for disposition and disposing of the property and in enforcing the security, which costs, charges and expenses may be recovered by debiting any of my/our accounts with you, without prior notice.

4. I/We agree to keep the property insured to its full insurable value against loss or damage by fire, and, at your request, against loss or damage from any other cause, with insurers approved by you.

I/We will assign to you the policies evidencing such insurance or all claims under such insurance and have the loss made payable to you as you may require and I/we will deliver the policies to you. Should I/we fail to do so, you may, but will not be bound to, effect such insurance on the property as you see fit and I/we will on demand repay to you the amount of any premiums paid by you with interest on such amount at the rate and calculated in the manner mentioned above.

5. If you surrender to me/us the security or the property or any part or either of them, I/we will receive the same in trust (in Quebec, as mandatary) for you, and will deal with such security or property or any part of either of them as you may direct. At your request, I/we will give you security on the property so surrendered, or covered by the security so surrendered, to your satisfaction.

6. I/We assign to you and agree to pay to you or transfer to you immediately the proceeds of all sales by me/us of the property or any part of such property, including cash, debts arising from such sales or otherwise, evidences of title, instruments, documents and securities, which I/we may receive or be entitled to receive in respect thereof; until so paid or transferred, such proceeds will be held by me/us in trust (in Quebec, as mandatary) for you.

Execution by me/us and acceptance by you of an assignment of (in Quebec, of a hypothec on) book debts or any additional assignment (in Quebec, hypothec) of any of such proceeds is deemed to be in addition to this agreement and will not constitute your acknowledgement of any right or title on my/our part to such book debts or proceeds.

7. I/We will pay and discharge all claims in any way secured by or constituting a charge upon any part of the property and particularly, but without limiting the generality of the foregoing, all wages, salaries and other remuneration of all employees employed by me/us in connection with my/our business, farm or aquaculture operation in respect of which any property covered by the security is held or acquired by me/us.

At your request, I/we agree to provide proof of such payment and discharge and obtain and deliver such waivers or releases as you may deem necessary to secure the priority of your rights in the property.

8. I/we will on your demand and to your satisfaction deliver to you additional security. Should I/we fail to do so or to make due payment to you of any debt or liability or to observe any provision of this agreement, you may in your discretion cease or refrain from making loans or advances to me/us whether under any credit extended by you or otherwise, and all of my/our debts and liabilities to you will at your option be payable immediately and without any demand, and you are authorized:

- (a) to sell at public or private sale or otherwise realize upon the security or any part of such security and all or any of the property whenever and wherever and for such price in money or other consideration and in such manner and upon such terms and conditions as you deem best, the whole without advertisement or notice to me/us or others; and
- (b) to deal with the proceeds as provided in this agreement or as otherwise agreed,

without prejudice to your claims for any deficiency and free from any right of redemption I/we may have, which right is waived and released. I/we expressly waive all formalities prescribed by custom or by law in relation to any such sale or other realization.

9. You may without any demand but upon such notice as may be required, if any:

- (c) enter, occupy, use, enjoy and exercise free of charge and to the exclusion of all others, including me/us, any and all premises and property (real and personal, immovable and moveable) and rights, powers and privileges used, enjoyed or exercised by me/us in connection with the property or any part of such property or in or upon which the same may be (not being the premises of a warehouseman or carrier) until the property will be fully realized upon; and
- (d) appoint or reappoint by instrument in writing, any person or persons, whether an officer or an employee or employees of yours or not, to be a receiver or receivers (the "Receiver", which term when used includes a receiver and manager) of the property (including any interest, income and profits from such property). You may remove such Receiver so appointed and appoint another. I/We have no power to revoke the appointment of the Receiver.

The Receiver will, so far as the responsibility of the Receiver for his/her acts is concerned, be deemed to be my/our agent and not your agent. You will not be in any way responsible for any misconduct, negligence or non-feasance on the part of the Receiver, or the Receiver's servants, agents or employees. Subject to the provisions of the instrument appointing the Receiver, the Receiver will have all the powers, rights and discretion granted to you by this agreement including the power to take possession of the property, to preserve the property or its value, to carry on or concur in carrying on all or any part of my/our business and to sell, lease or otherwise dispose or concur in selling, leasing or otherwise disposing of the property.

10. Any promissory note or bill of exchange received by you together with any securities or documents attached to or received with such promissory note or bills of exchange will be subject to the terms of this agreement. You and holders of any such bill or note may at any time before or after its maturity and whether or not it has been dishonoured, accept payment and deliver the securities or documents or accept partial payment and release part of the securities or of the property covered by the documents or any of them.

11. You may apply

- (a) all payments which you receive,
- (b) the proceeds of sales by me/us of the property or any part of such property, and
- (c) the proceeds of realization of any of the security or of the property which are applicable generally to my/our debts and liabilities to you,

against or, as you deem best, hold the same with all the powers, rights and discretion conferred on you by this agreement or otherwise, as continuing collateral security for the fulfillment of any or all obligations, present or future, direct or indirect, absolute or contingent, matured or not, of me/us to you whether arising from agreements or dealings between you and me/us or from any agreement or dealings with any third person by which you may be or become in any manner whatsoever a creditor of mine/ours or however otherwise arising

and whether I/we be bound alone or with another or others and whether as principal or surety, and any such application by you may, in whole or in part, be changed by you as you deem best.

The proceeds of realization of any part of the security or of the property which are applicable only to part of my/our debts and liabilities to you will first be applied to such part of the debts and liabilities, and any surplus remaining after payment of such part may be held or applied by you for the purposes set out in and in accordance with the preceding paragraph of this Clause 11.

12. You may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with me/us, my/our creditors, sureties and others and with the property and other security as you may see fit without prejudice to my/our liability or your right to hold and realize the security.
13. I/We agree to execute, draw, endorse and deliver all such instruments and documents and do all such acts and things as you may deem necessary or desirable for the purpose of perfecting your title to the security or the property or the proceeds of either of them or of carrying into effect any or all of the provisions of this agreement or of securing the fulfillment of all my/our obligations to you.

I/We appoint you and your officers, and persons acting as managers of your branches or units where I/we keep an account and any person or persons named by you for these purposes, and any one of them acting alone, my/our attorney(s) with full power of substitution to do anything the said attorney(s) may deem expedient for the purpose of carrying into effect any or all of the provisions of this agreement. This appointment is made in consideration of a loan or loans, advance or advances, by you to me/us and is irrevocable and of full force and effect whenever and so often as any loan or advance by you to me/us is unpaid or any obligation to you is unfulfilled and notwithstanding any occurrence or event which would otherwise terminate such agency.

Every power, right and discretion vested by law in you or conferred upon you by this agreement may be exercised on your behalf by the said officers or acting officers of yours or any person or persons named by you for such purpose, and any one of them acting alone.

14. No delay or omission in exercising any of your rights or remedy under this agreement or with respect to any of my/our debt will operate as a waiver of such right or remedy, and no single or partial exercise of any right or remedy will preclude the exercise of any other right or remedy.

You may remedy any default by me/us in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by me/us.

All rights granted or recognized in your favour are cumulative and may be exercised at any time, independently or in combination.

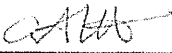
15. When required by this agreement, a notice or demand addressed to me/us will be given in writing and will be sufficiently given if delivered to me/us or sent by prepaid registered mail addressed to me/us at the last address known to your branch or unit from which notice or demand is dispatched.
16. I/We waive the benefit of all rules of law or equity and compliance with any statutory provisions now or in the future in force inconsistent with any of the provisions of this agreement.
17. The provisions of this agreement are in addition to all other remedies existing in law and to all rights under existing agreements. No sale or delivery by me/us of any part of the property prejudices or affects your rights however arising in or with respect to property so sold or delivered. This is a continuing agreement and all its provisions extend to all my/our loans and advances with you and all my/our obligations to you at any time outstanding and to the security and the property as they may exist and all proceeds thereof. Every loan and advance now or made in the future is deemed to have been made upon the agreements contained in this agreement.
18. Nothing contained in this agreement obligates you to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute a debt or liability of mine/ours.
19. This agreement is binding upon and enures to my/our and your benefit, and my/our and your respective heirs, executors, liquidators of successions, administrators, successors or assigns, as the case may be.

20. If more than one person executes this agreement, the obligations of such persons are joint and several.
21. In the event that any provisions of this agreement, as amended from time to time, are deemed to be invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this agreement remain in full force and effect.
22. The Undersigned has(have) expressly requested that this document be drawn up in the English language. Le(s) soussigné(s) a(ont) expressément demandé que ce document soit rédigé en langue anglaise.

Signed at Vancouver, BC this September 22, 2017

**GRANDE WEST TRANSPORTATION
INTERNATIONAL LTD.**

By its authorized signatory/(ies):



Name: Aaron Triplett
Title: Secretary and Chief Financial Officer



Name: William Trainer
Title: Director

**GRANDE WEST TRANSPORTATION INTERNATIONAL LTD.
SECTION 427 LETTER AGREEMENT
RE: DATING OF DOCUMENTS**

Grande West Transportation
International Ltd.
26180 31B Avenue
Aldergrove, BC V4W 2Z6

_____, 2017

Royal Bank of Canada
30th Floor, Royal Bank Plaza, South Tower
200 Bay Street
Toronto, ON
M5J 2J5

Dear Sirs:

Re: Section 427 Bank Act Security Documents

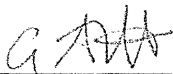
This is your irrevocable authority to do the following acts in connection with the Section 427 Bank Act security documents on our behalf and as our duly authorized agents:


1. Date them a date that is subsequent to the date of filing of the Notice of Intention to Give Security under Section 427 of the Bank Act;
2. Insert all other appropriate reference dates as you see fit;

It is understood and agreed that our aforesaid Section 427 Bank Act security documents shall not become operative and take effect until they have been dated by **Royal Bank of Canada** as provided above and they shall be deemed to have been delivered and given to **Royal Bank of Canada** pursuant to Section 427 of the Bank Act as of the date designated by **Royal Bank of Canada** pursuant to paragraph one of this letter.

**GRANDE WEST TRANSPORTATION
INTERNATIONAL LTD.**

By its authorized signatory:

Per: 
Name: Aaron Triplett
Title: Secretary and Chief Financial Officer

Per: 
Name: William Trainer
Title: Director



**PROMISE TO GIVE SECURITY
UNDER SECTION 427 OF THE BANK ACT AND
WAREHOUSE RECEIPTS AND/OR BILLS OF LADING**

TO: ROYAL BANK OF CANADA

September 22, 2017
(Date)

In consideration of the Bank's granting and continuing to grant to the undersigned a revolving credit facility and making loans or advances including, where applicable, loans and advances by accepting, paying or making money available for the payment of bills of exchange not payable on demand drawn on the Bank by and payable to the order of the undersigned, the undersigned promise(s) and agree(s) to give the Bank security for any or all loans and advances by the Bank to the undersigned pursuant to this promise to give security by way of assignments under section 427 of the Bank Act and / or warehouse receipts and / or bills of lading.

The undersigned promise(s) and agree(s) to give the Bank as often as requested warehouse receipts and / or bills of lading covering all the property or any part of such property which is now or may in the future be covered by warehouse receipts or bills of lading, as security for all the said loans and advances.

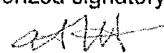
The undersigned appoint(s) the person for the time being acting as manager of the branch or unit of the Bank mentioned above, the attorney of the undersigned, on behalf of the undersigned, to give the Bank any and all security mentioned above and to sign or endorse and deliver any and all instruments and documents in connection with such security.

No security acquired by the Bank will be merged in any subsequent security or be taken to be substituted for any security previously acquired.

The undersigned has (have) expressly requested that this document be drawn up in the English language. Le(s) soussigné(s) a (ont) expressément demandé que ce document soit rédigé en langue anglaise.

**GRANDE WEST TRANSPORTATION INTERNATIONAL
LTD.**

By its authorized signatory/(ies):



Name: Aaron Triplett
Title: Secretary and Chief Financial Officer



Name: William Trainer
Title: Director



ASSIGNMENT UNDER SECTION 427 OF THE BANK ACT
Special security in respect of Specified Property
or Classes of Property

FOR GOOD AND VALUABLE CONSIDERATION, the undersigned assigns to ROYAL BANK OF CANADA (the "Bank") as continuing security for the payment of all loans and advances that have been or may be made by the Bank to the undersigned or renewals of such loans and advances or substitutions for such loans and advances, and interest on such loans and advances and on any such renewals or substitutions, all property and classes of property described below of which the undersigned is now or may in the future become the owner:

All finished goods, whether manufactured or purchased, including, without limitation _____.

All raw materials, including, without limitation all raw materials consisting primarily of _____.

All packaging production material, supplies, labels, and manuals. All work in progress.

and which is now or may in the future be in the place or places described below:

(a) _____; and

(b) such locations for the storage or handling of the goods, or in transit thereto or therefrom or wherever else situated,

and any other place or places in Canada in which any of the assigned property may be located, or where the assigned property consists in whole or in part of fishing vessels, fishing equipment and supplies or products of the sea, lakes and rivers, wherever such property may be.

The undersigned irrevocably appoint(s) the Bank to make on its behalf certain payments which may be owing to the undersigned's creditor(s) as required from time to time out of such loans or advances.

This security is given under the provisions of section 427 of the Bank Act.

The property now owned by the undersigned and hereby assigned is free from any mortgage, lien or charge, other than previous assignments, if any, to the Bank and the undersigned warrants that the property which may be acquired in the future by the undersigned and is assigned hereby will be free from any mortgage, lien or charge, other than previous assignments, if any, to the Bank.

The undersigned acknowledges that this assignment is in addition to and not in substitution for any other assignment between the undersigned and the Bank.

The undersigned has(have) expressly requested that this document be drawn up in the English language. Le(s) soussigné(s) a(ont) expressément demandé que ce document soit rédigé en langue anglaise.

Dated at: Vancouver, BC this September 22, 2017

NOTE: The description of vessels should include the number, name and port of registry of registered or recorded vessels being built or equipped or about to be built.

GRANDE WEST TRANSPORTATION INTERNATIONAL LTD.
By its authorized signatory/(ies):

Name: Aaron Triplett
Title: Secretary and Chief Financial Officer

Name: William Trainer
Title: Director

This is **Exhibit "E"** referred to in the affidavit of Cameron Bailey sworn before me at Calgary, Alberta this 16 day of October 2024.

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

A Commissioner for taking Affidavits
For Alberta

Derek Penning
Barrister and Solicitor

Execution Copy

BLOCKED ACCOUNTS AGREEMENTTHIS AGREEMENT dated October 25, 2017

AMONG:

GRANDE WEST TRANSPORTATION INTERNATIONAL LTD.

(the "Borrower")

AND:

GRANDE WEST TRANSPORTATION GROUP INC.

("GW Transportation" and, together with the Borrower, the
"Credit Parties")

AND:

ROYAL BANK OF CANADA

("RBC")

RECITALS

- A. The Borrower and RBC, *inter alia*, are parties to a Loan Agreement dated as of October 25, 2017 (as amended, supplemented, restated or otherwise modified from time to time, the "Loan Agreement").
- B. As required by the Loan Agreement, the Credit Parties have granted security to RBC and the Loan Agreement requires the implementation of the cash management arrangements provided for in this Agreement.

FOR VALUE RECEIVED, the parties agree as follows:

SECTION I
INTERPRETATION

I.1 Definitions

In this Agreement:

- (a) *Activation Date* means the date of this Agreement.
- (b) *Branch of Account* means the branch of RBC located at Richmond, BC.
- (c) *Business Day* means any day on which the Branch of Account is open for business to the public.
- (d) *Cheques* means all cheques, money orders, wire transfers, notes, drafts and other orders for payment of money or other remittances payable to the Credit Parties.

- (e) *Receivables* means all present and future accounts, accounts receivable, debts and book debts of any nature or type of the Credit Parties.

1.2 Interpretation

In interpreting this Agreement, the headings and the division of the Sections are inserted for convenience only and are to be ignored in construing this Agreement; all references to Sections, subsections, clauses and Schedules are to Sections, subsections, clauses and Schedules to this Agreement; the words "hereto," "herein," "hereof," "hereunder," "this Agreement" and similar expressions mean this Agreement as a whole and not any particular Section, subsection or Schedule unless expressly so stated; grammatical variations of any term defined herein shall have similar meanings and words importing the singular shall include the plural and vice versa; reference herein to any agreement or other document shall be deemed to include reference to such agreement or other document as the same may from time to time be amended, supplemented, restated or otherwise modified.

SECTION 2 ACKNOWLEDGEMENT OF SECURITY

2.1 Acknowledgement of Security

Each of the Credit Parties acknowledges that it has granted to, and has created in favour of RBC, a first priority perfected security interest in:

- (a) its interest in all Cheques and other remittances received by such Credit Party;
- (b) the depository accounts in the name of the Credit Parties described in Schedule A hereto as blocked accounts (the "**Blocked Accounts**"), including all sums now on deposit in or payable to and any interest accrued or payable on the credit balances therein; and
- (c) the disbursement accounts described in Schedule A hereto as disbursement accounts (the "**Disbursement Accounts**"), including all sums now on deposit in or payable to and any interest accrued or payable on the credit balances therein.

SECTION 3 COLLECTION OF RECEIVABLES

Each of the Credit Parties shall, as soon as practically possible and, in any event, within 24 hours of receipt thereof, deposit into the Blocked Accounts any and all Cheques. Each of the Credit Parties shall hold all post-dated Cheques received by it until they may be included in a deposit made by or on behalf of such Credit Party. Until all cash and Cheques received by the Credit Parties are delivered to RBC for deposit in the Blocked Accounts, the Credit Parties shall hold all such cash and Cheques in trust and as mandatory for RBC, segregated from all other funds and other property of the Credit Parties. Each of the Credit Parties shall direct all receipts in the form of electronic payments to the Blocked Accounts.

SECTION 4 BLOCKED ACCOUNTS OPERATION

4.1 Blocked Accounts

Commencing on the Activation Date, RBC shall transfer, prior to the end of each Business Day, all amounts on deposit in the Blocked Accounts and shall apply such amounts to the amounts outstanding under the

Loan Agreement and under the other Loan Documents (as defined in the Loan Agreement) whether for principal, interest, costs or expenses in such order and amount as it sees fit. After applying said deposits as aforesaid, RBC shall deposit any remaining balances to a Disbursement Account

4.2 Instructions

After the Activation Date, the Blocked Accounts shall be subject to written instructions only from RBC which alone, as between each of the Credit Parties and RBC, shall have all authority and right in connection with the Blocked Accounts.

4.3 Payment Not Realization

Each of the Credit Parties and RBC acknowledges and agrees that:

- (a) the actions and proceedings contemplated by this Section 4 are instrumental to the operation of the cash management system that is required by the Loan Agreement; and
- (b) any action or proceeding pursuant to this Section 4 shall not be considered as a realization on, or enforcement of, security or a demand for payment under the Loan Agreement but rather, among other things, following the Activation Date, a standing irrevocable direction by the Credit Parties to RBC to thereafter transfer daily all credit balances in the Blocked Accounts to repay such sums as may be owing under the Loan Agreement and the other Loan Documents and to transfer funds to one of the Disbursement Accounts.

4.4 Wire Transfers

RBC shall apply and credit to the applicable Blocked Account all wire transfers directed to that Blocked Account in accordance with RBC's standard procedures.

SECTION 5 FEES, EXPENSES, CHARGEBACKS AND INDEMNITY

5.1 Borrower's Fee Obligations

Each of the Credit Parties hereby agrees that it is responsible for all normal and customary fees and expenses established by RBC from time to time for the services provided hereunder (all such amounts, the "**fees and expenses**"). If any of the fees and expenses are not paid by any of the Credit Parties when due, RBC shall be entitled to automatically debit, by mechanical, electronic or manual means, any of the Disbursement Accounts for such fees and expenses. If there are insufficient funds in the Disbursement Accounts for RBC to recover the fees and expenses, RBC may automatically debit, by mechanical, electronic or manual means, any of the Blocked Accounts in an amount equal to the deficiency of funds in the Disbursement Accounts.

5.2 Chargebacks

RBC shall be entitled to automatically debit, by mechanical, electronic or manual means, any one or more of the Blocked Accounts or the Disbursement Accounts at any time and from time to time solely for:

- (a) the amount of any Cheque deposited in a Blocked Account after the date hereof which is subsequently returned to RBC for any reason whatsoever ("**Returned Amounts**"); and

- (b) the amount of any required adjustments due to clerical errors or calculation errors directly related to any Blocked Account or Disbursement Account (“Error Amounts” and, together with Returned Amounts, “Chargebacks”).

5.3 Indemnity

Each of the Credit Parties hereby jointly and severally agrees to pay, indemnify and hold harmless RBC from and against any and all loss, liability, cost, claim and expense incurred by it with respect to the performance of this Agreement by RBC or any of RBC’s directors, officers, or employees, unless arising from its or their own violation of law, gross negligence or wilful misconduct.

SECTION 6 GENERAL PROVISIONS

6.1 Power of Attorney

Each of the Credit Parties constitutes and irrevocably appoints RBC its true and lawful attorney, with full power of substitution, without limitation, to demand, collect, receive and, following an Event of Default (as defined in the Loan Agreement) that is continuing, sue for all amounts which may become due or payable in respect of any Blocked Account or any Disbursement Account and, before or after an Event of Default, to execute all withdrawal receipts or other orders for the Credit Parties, in its own name or in the Credit Parties’ names or otherwise, which RBC deems necessary or appropriate to protect and preserve its right, title and interest in any Blocked Account or any Disbursement Account and otherwise to carry out the provisions and purposes of this Agreement.

6.2 Limitation of RBC’s Liability

RBC undertakes to perform only such duties as are expressly set forth in this Agreement and to deal with the Blocked Accounts and Disbursement Accounts with the degree of skill and care that RBC accords to all accounts and funds maintained and held by it on behalf of its customers. Notwithstanding any other provision of this Agreement, it is agreed by the parties hereto that RBC shall not be liable for any action taken by it or any of its directors, officers or employees in accordance with this Agreement except for its or their own violation of law, gross negligence or wilful misconduct. In no event shall RBC be liable for losses or delays resulting from computer malfunctions or interruption of communication facilities which are beyond RBC’s control or from other causes which are beyond RBC’s control or from force majeure or for indirect, special or consequential damages.

6.3 Records

RBC shall maintain a record of all money, Cheques and other remittance items deposited in and transfers to the Blocked Accounts and the Disbursement Accounts in accordance with RBC’s standard procedures.

6.4 Provision of Information

RBC shall provide to the Credit Parties, at their expense, monthly statements summarizing the daily activity in each Blocked Account and Disbursement Account.

6.5 Termination

Subject to the other provisions of this Section 0, this Agreement shall remain in full force and effect and be binding in accordance with and to the extent of its terms until the obligations of the Credit Parties to RBC

under the Loan Agreement and the other Loan Documents have been paid and performed in full and RBC has no further obligation to make any further advances to the Borrower under the Loan Agreement. For a period of thirty (30) days after termination, RBC shall hold any Cheques received and after such time shall process the same according to RBC's usual practices without liability to or on the part of RBC. Sections 5.2 and 5.3 shall survive termination of this Agreement.

6.6 Notices

Except as otherwise provided herein, any notice, demand, request, consent, approval, declaration or other communication (collectively, "**Communication**") to be served, given or delivered by one party to the other in connection with or under this Agreement shall be in writing and shall be deemed to have been validly served, given or delivered the earlier of (i) upon confirmation by the receiving party of receipt of Communication or (ii) three (3) Business Days after receipt of the Communication.

(a) Communications with the Credit Parties shall be addressed as follows:

Grande West Transportation International Ltd.
 3168 262nd Street
 Aldergrove, BC, V4W 2Z6
 Attention: Aaron Triplett
 Telephone No.: 778 834 9104
 E-mail: a.triplett@grandewest.com

(b) Communications with RBC shall be addressed as follows:

Royal Bank of Canada
 30th Floor, South Tower
 200 Bay Street, Royal Bank Plaza
 Toronto, Ontario M5J 2J5
 Attention: Portfolio Manager
 E-mail: abladmin@rbccm.com

6.7 Governing Law

This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the Province of British Columbia and the laws of Canada applicable therein and the parties hereto irrevocably attorn to the non-exclusive jurisdiction of the courts of the Province of British Columbia in respect of all matters pertaining to this Agreement.

6.8 Amendments

This Agreement may only be amended or modified by written instrument signed by the Credit Parties and RBC.

6.9 Severability

Any provision of this Agreement that is or becomes unenforceable shall be unenforceable to the extent of such unenforceability without invalidating the remaining provisions hereof. To the extent permitted by Applicable Law, each of the parties hereby waives any provision of law that renders any provision hereof unenforceable in any respect.

6.10 Authorization

For the purposes of this Agreement, any attorney, officer, employee or agent of RBC Party shall be authorized to act, and to give instructions and notice, on behalf of RBC hereunder.

6.11 Remedies Cumulative

The rights enumerated in this Agreement are in addition to and not in substitution for any other rights of RBC pursuant to any security held by RBC and except as otherwise contemplated in this Agreement, nothing in this Agreement is to be interpreted as restricting the rights of RBC pursuant to any security held by RBC.

6.12 Further Assurances

The parties shall at all times do, execute, acknowledge and deliver such acts, deeds and agreements as may be reasonably necessary or desirable to give effect to the terms of this Agreement.

6.13 No Fiduciary Obligations

Nothing in this Agreement shall constitute any party to this Agreement a fiduciary in relation to any other party to this Agreement.

6.14 Successors and Assigns

This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors and assigns; provided that this Agreement may not be assigned by any of the parties hereto without the prior written consent of RBC.

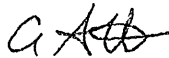
6.15 Counterparts


This Agreement may be executed in counterparts and by facsimile, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

[Signature page follows]

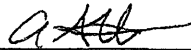
The parties have executed this Agreement as of the date first written above.


**GRANDE WEST TRANSPORTATION
INTERNATIONAL LTD.**

By: 
 Name: Aaron Triplett
 Title: Secretary and Chief Financial Officer

By: 
 Name: William Trainer
 Title: Director

**GRANDE WEST TRANSPORTATION
GROUP INC.**

By: 
 Name: Aaron Triplett
 Title: Secretary and Chief Financial Officer

By: 
 Name: William Trainer
 Title: Director

ROYAL BANK OF CANADA

By: _____
 Name: Ted Vanderlaan
 Title: Authorized Signatory

By: _____
 Name: Marcelle Fernandes
 Title: Authorized Signatory

The parties have executed this Agreement as of the date first written above.

**GRANDE WEST TRANSPORTATION
INTERNATIONAL LTD.**

By: _____
Name: Aaron Triplett
Title: Secretary and Chief Financial Officer

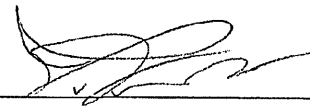
By: _____
Name: William Trainer
Title: Director


**GRANDE WEST TRANSPORTATION
GROUP INC.**

By: _____
Name: Aaron Triplett
Title: Secretary and Chief Financial Officer

By: _____
Name: William Trainer
Title: Director

ROYAL BANK OF CANADA

By:  _____
Name: Ted Vanderlaan
Title: Authorized Signatory

By:  _____
Name: Marcelle Fernandes
Title: Authorized Signatory

SCHEDULE A
ACCOUNTS


Disbursement Accounts

<u>Bank Name</u>	<u>Currency</u>	<u>Bank Address</u>	<u>Account number</u>
Royal Bank of Canada	CAD\$	6400 No. 3 Road, Richmond, BC, V6Y 2C2	00160-1009224
Royal Bank of Canada	U.S.\$	6400 No. 3 Road, Richmond, BC, V6Y 2C2	00160-4002440

Blocked Accounts

<u>Bank Name</u>	<u>Currency</u>	<u>Bank Address</u>	<u>Account number</u>
Royal Bank of Canada	CAD\$	6400 No. 3 Road, Richmond, BC, V6Y 2C2	00160-1009232
Royal Bank of Canada	U.S.\$	6400 No. 3 Road, Richmond, BC, V6Y 2C2	00160-4002457

This is **Exhibit "F"** referred to in the affidavit of Cameron Bailey sworn before me at Calgary, Alberta this 16 day of October 2024.


A Commissioner for Taking Affidavits
For Alberta
Barbara J. Smith
Notary Public and Solicitor

SECURITY AGREEMENT

THIS SECURITY AGREEMENT, dated as of October 23, 2017 (as the same may hereafter be amended, modified or supplemented from time to time, the “**Security Agreement**”), is made and given by **GRANDE WEST TRANSPORTATION INTERNATIONAL US, INC.** a corporation organized under the laws of the State of Delaware (“**Grantor**”), to **ROYAL BANK OF CANADA**, a Canadian Chartered Bank (the “**Bank**”).

RECITALS

A. The Bank is entering into that certain Loan Agreement of even date herewith with Grande West Transportation International Ltd. (the “**Borrower**”), as borrower, and Grantor, *inter alia*, as guarantor (as may be amended, restated, modified, extended or renewed from time to time, the “**Loan Agreement**”); and

B. In order to induce the Bank to make the financial accommodations being provided to Borrower pursuant to the Loan Agreement, Grantor has executed and delivered to Bank a Guaranty of even date herewith (as the same may hereafter be amended, modified or supplemented from time to time, the “**Guaranty**”); and

C. In order to further induce the Bank to make the financial accommodations being provided to Borrower pursuant to the Loan Agreement, Grantor desires to pledge, grant, transfer and assign to Bank a security interest in the Collateral (as hereinafter defined) to secure the Obligations (as hereinafter defined) as provided herein.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the parties hereto agree as follows:

Section 1. Defined Terms.

(a) As used in this Security Agreement, the following terms shall have the meanings indicated:

“**Account**” means a right to payment of a monetary obligation, whether or not earned by performance, (i) for property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed of, (ii) for services rendered or to be rendered, (iii) for a policy of insurance issued or to be issued, (iv) for a secondary obligation incurred or to be incurred, (v) for energy provided or to be provided, (vi) for the use or hire of a vessel under a charter or other contract, (vii) arising out of the use of a credit or charge card or information contained on or for use with the card, or (viii) as winnings in a lottery or other game of chance operated, sponsored, licensed or authorized by a state or governmental unit of a state, or Person licensed or authorized to operate the game by a state or governmental unit of a state.

“**Account Debtor**” shall mean a Person who is obligated on or under any Account, Chattel Paper, Instrument or General Intangible.

“**Borrower**” shall have the meaning indicated in Recital A.

“Chattel Paper” shall mean a record or records that evidence both a monetary obligation and a security interest in specific goods, a security interest in specific goods and software used in the goods, a security interest in specific goods and license of software used in the goods, a lease of specific goods, or a lease of specific goods and license of software used in the goods.

“Collateral” shall mean all property and rights in property now owned or hereafter at any time acquired by Grantor in or upon which a Security Interest is granted to the Bank by Grantor under this Security Agreement.

“Deposit Account” shall mean any demand, time, savings, passbook or similar account maintained with a bank.

“Document” shall mean a document of title or a warehouse receipt.

“Equipment” shall mean all machinery, equipment, motor vehicles, furniture, furnishings and fixtures, including all accessions, accessories and attachments thereto, and any guaranties, warranties, indemnities and other agreements of manufacturers, vendors and others with respect to such Equipment.

“Event of Default” shall have the meaning given to such term in Section 18 hereof.

“Financing Statement” shall have the meaning given to such term in Section 4 hereof.

“Fixtures” shall mean goods that have become so related to particular real property that an interest in them arises under real property law.

“General Intangibles” shall mean any personal property (other than goods, Accounts, Chattel Paper, Deposit Accounts, Documents, Instruments, Investment Property, Letter of Credit Rights and money) including things in action, contract rights, payment intangibles, software, corporate and other business records, inventions, designs, patents, patent applications, service marks, trademarks, trade names, trade secrets, internet domain names, engineering drawings, good will, registrations, copyrights, licenses, franchises, customer lists, tax refund claims, royalties, licensing and product rights, rights to the retrieval from third parties of electronically processed and recorded data and all rights to payment resulting from an order of any court. Notwithstanding the foregoing, General Intangibles do not include any permit, contract, document, instrument or agreement the assignment or transfer of which, or the creation, attachment or perfection of a security interest in which, by any term in such permit, contract, document, instrument or agreement, is prohibited or restricted or requires the consent of a person other than the Grantor or the Bank, unless and until such required consent is obtained or is waived or unless and to the extent that such term in such permit, contract, document, instrument or agreement is rendered ineffective by applicable law.

“Guaranty” shall have the meaning indicated in Recital B.

“Instrument” shall mean a negotiable instrument or any other writing that evidences a right to the payment of a monetary obligation and is not itself a security agreement or lease and is of a type that is transferred in the ordinary course of business by delivery with any necessary endorsement or assignment.

“Inventory” shall mean goods, other than farm products, that are leased by a Person as lessor, are held by a Person for sale or lease or to be furnished under a contract of service, are furnished by a Person under a contract of service, or consist of raw materials, work in process, or materials used or consumed in a business or incorporated or consumed in the production of any of the foregoing and supplies, in each case wherever the same shall be located, whether in transit, on consignment, in retail outlets, warehouses, terminals or otherwise, and all property the sale, lease or other disposition of which has given rise to an Account and which has been returned to Grantor or repossessed by Grantor or stopped in transit.

“Investment Property” shall mean a security, whether certificated or uncertificated, a security entitlement, a securities account and all financial assets therein, a commodity contract or a commodity account.

“Letter of Credit Right” shall mean a right to payment or performance under a letter of credit, whether or not the beneficiary has demanded or is at the time entitled to demand payment or performance.

“Lien” shall mean any security interest, mortgage, pledge, lien, charge, encumbrance, title retention agreement or analogous instrument or device (including the interest of the lessors under capitalized leases) in, of or on any assets or properties of the Person referred to.

“Loan Agreement” shall have the meaning indicated in Recital A.

“Obligations” shall mean all indebtedness, liabilities and obligations of Grantor to the Bank of every kind, nature or description, whether due or to become due, and whether now existing or hereafter arising or incurred, including indebtedness, liabilities and obligations of Grantor to the Bank under the Guaranty and this Security Agreement.

“Person” shall mean any individual, corporation, partnership, limited partnership, limited liability company, joint venture, firm, association, trust, unincorporated organization, government or governmental agency or political subdivision or any other entity, whether acting in an individual, fiduciary or other capacity.

“Security Interest” shall have the meaning given such term in Section 2 hereof.

(b) All other terms used in this Security Agreement that are not specifically defined herein shall have the meanings assigned to such terms in Article 9 of the Uniform Commercial Code as in effect in the State of Delaware.

(c) Unless the context of this Security Agreement otherwise clearly requires, references to the plural include the singular, references to the singular include the plural, and “or” has the inclusive meaning represented by the phrase “and/or.” The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The words “hereof,” “herein,” “hereunder” and similar terms in this Security Agreement refer to this Security Agreement as a whole and not to any particular provision of this Security Agreement. References to Sections are references to Sections in this Security Agreement unless otherwise provided.

Section 2. Grant of Security Interest. As security for the payment and performance of all of the Obligations, Grantor hereby grants to the Bank a security interest (the “**Security Interest**”) in all of Grantor’s right, title, and interest in and to all of its personal property, including the following, whether now or hereafter owned, existing, arising or acquired and wherever located:

- (a) all Accounts;
- (b) all Chattel Paper;
- (c) all Deposit Accounts;
- (d) all Documents;
- (e) all Equipment;
- (f) all Fixtures;
- (g) all General Intangibles;
- (h) all Instruments;
- (i) all Inventory;
- (j) all Investment Property;
- (k) all Letter of Credit Rights; and

(l) to the extent not otherwise included in the foregoing, all other rights to the payment of money, including rents and other sums payable to Grantor under leases, rental agreements and other Chattel Paper; all books, correspondence, credit files, records, invoices, bills of lading, and other documents relating to any of the foregoing, including all tapes, cards, disks, computer software, computer runs, and other papers and documents in the possession or control of Grantor or any computer bureau from time to time acting for Grantor; all rights in, to and under all policies insuring the life of any officer, director, stockholder or employee of Grantor, the proceeds of which are payable to Grantor; all accessions and additions to, parts and appurtenances of, substitutions for and replacements of any of the foregoing; and all proceeds (including insurance proceeds) and products thereof.

Section 3. Grantor Remains Liable. Notwithstanding anything herein to the contrary, (a) Grantor shall remain liable under the Accounts, Chattel Paper, General Intangibles and other items included in the Collateral to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Security Agreement had not been executed, (b) the exercise by the Bank of any of its rights hereunder shall not release Grantor from any of its duties or obligations under the Accounts or any other items included in the Collateral, and (c) the Bank shall have no obligation or liability under Accounts, Chattel Paper, General Intangibles or other items included in the Collateral by reason of this Security Agreement, nor shall the Bank be obligated to perform any of the obligations or duties of Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

Section 4. Title to Collateral. Grantor has (or will have at the time it acquires rights in Collateral hereafter acquired or arising), and will maintain so long as the Security Interest may remain outstanding, title to or have other rights in each item of Collateral (including the proceeds and products thereof), free and clear of all Liens except (a) the Security Interest; and (b) Permitted Encumbrances (as defined in the Loan Agreement). Grantor will not license any Collateral without the prior written consent of the Bank. Grantor will defend the Collateral against all claims or demands of all Persons (other than the Bank and holders of the liens permitted in this Section 4) claiming the Collateral or any interest therein. As of the date of execution of this Security Agreement, no effective financing statement or other similar document used to perfect and preserve a security interest under the laws of any jurisdiction (a "**Financing Statement**") covering all or any part of the Collateral is on file in any recording office, except such as may have been filed in favor of the Bank relating to this Security Agreement or by other permitted lienholders referenced in this Section 4.

Section 5. Disposition of Collateral. Grantor will not sell, lease or otherwise dispose of, or discount or factor with or without recourse, any Collateral, except for sales of items of Inventory in the ordinary course of business and dispositions of obsolete, worn out Equipment or other Equipment that is immediately replaced with comparable equipment.

Section 6. Names, Offices, Locations, Jurisdiction of Organization. Grantor's legal name (as set forth in its constituent documents filed with the appropriate governmental official or agency) is as set forth in the opening paragraph hereof. The jurisdiction of organization of Grantor is the State of Delaware and the State file number of Grantor is set forth on the signature page of this Security Agreement. Grantor will from time to time at the request of the Bank provide the Bank with current good standing certificates and/or state-certified constituent documents from the appropriate governmental officials. The chief place of business and chief executive office of Grantor are located at its address set forth on the signature page hereof. Grantor will not locate or relocate any item of Collateral into any jurisdiction in which an additional Financing Statement would be required to be filed to maintain the Bank's perfected security interest in such Collateral. Grantor will not change its name, the location of its chief place of business or chief executive office or its corporate structure (including its jurisdiction of organization) unless the Bank has been given at least 30 days prior written notice thereof and Grantor has executed and delivered to the Bank such Financing Statements and other instruments required or appropriate to continue the perfection of the Security Interest.

Section 7. Rights to Payment. Except as Grantor may otherwise advise the Bank in writing, each Account, Chattel Paper, Document, General Intangible and Instrument constituting or evidencing Collateral is (or, in the case of all future Collateral, will be when arising or issued) the valid, genuine and legally enforceable obligation of the Account Debtor or other obligor named therein or in Grantor's records pertaining thereto as being obligated to pay or perform such obligation. Without the Bank's prior written consent, Grantor will not agree to any modifications, amendments, subordinations, cancellations or terminations of the obligations of any such Account Debtor or other obligor except in the ordinary course of business in accordance with past practice. Grantor will perform and comply in all material respects with all its obligations under any items included in the Collateral and exercise promptly and diligently its rights thereunder.

Section 8. Further Assurances; Attorney-in-Fact.

(a) Grantor agrees that from time to time, at its expense, it will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or that the Bank may reasonably request, in order to perfect and protect the Security Interest granted or purported to be granted hereby or to enable the Bank to exercise and enforce its rights and remedies hereunder with respect to any Collateral (but any failure to request or assure that Grantor execute and deliver such instrument or documents or to take such action shall not affect or impair the validity, sufficiency or enforceability of this Security Agreement and the Security Interest, regardless of whether any such item was or was not executed and delivered or action taken in a similar context or on a prior occasion). Without limiting the generality of the foregoing, Grantor will, promptly and from time to time at the request of the Bank: (i) execute and file such Financing Statements or continuation statements in respect thereof, or amendments thereto, and such other instruments or notices (including fixture filings with any necessary legal descriptions as to any goods included in the Collateral that the Bank determines might be deemed to be fixtures, and instruments and notices with respect to vehicle titles), as may be necessary or desirable, or as the Bank may request, in order to perfect, preserve, and enhance the Security Interest granted or purported to be granted hereby; (ii) obtain from any bailee holding any item of Collateral an acknowledgement, in form satisfactory to the Bank that such bailee holds such collateral for the benefit of the Bank; (iii) obtain from any securities intermediary, or other party holding any item of Collateral, control agreements in form satisfactory to the Bank; (iv) deliver and pledge to the Bank all Instruments and Documents, duly endorsed or accompanied by duly executed instruments of transfer or assignment, with full recourse to Grantor, all in form and substance satisfactory to the Bank; and (v) obtain waivers, in form satisfactory to the Bank, of any claim to any Collateral from any landlords or mortgagees of any property where any Inventory or Equipment is located.

(b) Grantor hereby authorizes the Bank to file one or more Financing Statements or continuation statements in respect thereof, and amendments thereto, relating to all or any part of the Collateral without the signature of Grantor where permitted by law. Grantor irrevocably waives any right to notice of any such filing. A photocopy or other reproduction of this Security Agreement or any Financing Statement covering the Collateral or any part thereof shall be sufficient as a Financing Statement where permitted by law.

(c) Grantor will furnish to the Bank from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Bank may reasonably request, all in reasonable detail and in form and substance reasonably satisfactory to the Bank.

(d) In furtherance, and not in limitation, of the other rights, powers and remedies granted to the Bank in this Security Agreement, Grantor hereby appoints the Bank Grantor's attorney in fact, with full authority in the place and stead of Grantor and in the name of Grantor or otherwise, from time to time after the occurrence and during the continuation of an Event of Default, and in the Bank's good faith discretion, to take any action (including the right to collect on any Collateral) and to execute any instrument that the Bank may reasonably believe is necessary or advisable to accomplish the purposes of this Security Agreement, in a manner consistent with the terms hereof.

Section 9. Taxes and Claims. Grantor will promptly pay all taxes and other governmental charges levied or assessed upon or against any Collateral or upon or against the creation, perfection or continuance of the Security Interest, as well as all other claims of any kind (including claims for labor, material and supplies) against or with respect to the Collateral, except to the extent (a) such taxes, charges or claims are being contested in good faith by appropriate proceedings, (b) such proceedings do not involve any material danger of the sale, forfeiture or loss of any of the Collateral or any interest therein and (c) such taxes, charges or claims are adequately reserved against on Grantor's books in accordance with generally accepted accounting principles.

Section 10. Books and Records. Grantor will keep and maintain at its own cost and expense satisfactory and complete records of the Collateral, including a record of all payments received and credits granted with respect to all Accounts, Chattel Paper and other items included in the Collateral.

Section 11. Inspection, Reports, Verifications. Grantor will at all reasonable times permit the Bank or its representatives to examine or inspect any Collateral, any evidence of Collateral and Grantor's books and records concerning the Collateral, wherever located. Grantor will from time to time when requested by the Bank furnish to the Bank a report on its Accounts, Chattel Paper, General Intangibles and Instruments, naming the Account Debtors or other obligors thereon, the amount due and the aging thereof. The Bank or its designee is authorized to contact Account Debtors and other Persons obligated on any such Collateral from time to time to verify the existence, amount and/or terms of such Collateral.

Section 12. Notice of Loss. Grantor will promptly notify the Bank of any material loss of or material damage to any material item of Collateral or of any substantial adverse change, known to Grantor, in any material item of Collateral or the prospect of payment or performance thereof.

Section 13. Insurance. Grantor will keep the Inventory and Equipment insured against "all risks" for the full replacement cost thereof and with an insurance company or companies satisfactory to the Bank, the policies to protect the Bank as its interests may appear, with such policies or certificates with respect thereto to be delivered to the Bank at its request. Each such policy or the certificate with respect thereto shall provide that such policy shall not be canceled or allowed to lapse unless at least 30 days prior written notice is given to the Bank.

Section 14. Lawful Use; Fair Labor Standards Act. Grantor will use and keep the Collateral, and will require that others use and keep the Collateral, only for lawful purposes, without violation of any federal, state or local law, statute or ordinance. All Inventory of Grantor as of the date of this Security Agreement that was produced by Grantor or with respect to which Grantor performed any manufacturing or assembly process was produced by Grantor (or such manufacturing or assembly process was conducted) in compliance in all material respects with all requirements of the Fair Labor Standards Act, and all inventory produced, manufactured or assembled by Grantor after the date of this Security Agreement will be so produced, manufactured or assembled, as the case may be.

Section 15. Action by the Bank. If Grantor at any time fails to perform or observe any of the foregoing agreements, the Bank shall have (and Grantor hereby grants to the Bank) the right, power and authority after notice from the Bank (but not the duty) to perform or observe such agreement

on behalf and in the name, place and stead of Grantor (or, at the Bank's option, in the Bank's name) and to take any and all other actions that the Bank may reasonably deem necessary to cure or correct such failure (including the payment of taxes, the satisfaction of Liens, the procurement and maintenance of insurance, the execution of assignments, security agreements and Financing Statements, and the endorsement of instruments), and Grantor shall thereupon pay to the Bank on demand the amount of all monies expended and all costs and expenses (including reasonable attorneys' fees and legal expenses) incurred by the Bank in connection with or as a result of the performance or observance of such agreements or the taking of such action by the Bank, together with interest thereon from the date expended or incurred at the rate of ten percent (10%) per annum, or the highest rate then permitted by applicable law, whichever is less, and all such monies expended, costs and expenses and interest thereon shall be part of the Obligations secured by the Security Interest.

Section 16. Insurance Claims. As additional security for the payment and performance of the Obligations, Grantor hereby assigns to the Bank any and all monies (including proceeds of insurance and refunds of unearned premiums) due or to become due under, and all other rights of Grantor with respect to, any and all policies of insurance now or at any time hereafter covering the Collateral or any evidence thereof or any business records or valuable papers pertaining thereto. At any time, whether before or after the occurrence of any Event of Default, the Bank may (but need not), in the Bank's name or in Grantor's name, execute and deliver proofs of claim, receive all such monies, endorse checks and other instruments representing payment of such monies, and adjust, litigate, compromise or release any claim against the issuer of any such policy. Notwithstanding any of the foregoing, so long as no Event of Default exists, Grantor shall be entitled to all insurance proceeds with respect to Equipment or Inventory provided that such proceeds are applied to the cost of replacement Equipment or Inventory.

Section 17. Bank's Duties. The powers conferred on the Bank hereunder are solely to protect its interest in the Collateral and shall not impose any duty upon it to exercise any such powers. The Bank shall be deemed to have exercised reasonable care in the safekeeping of any Collateral in its possession if such Collateral is accorded treatment substantially equal to the safekeeping that the Bank accords its own property of like kind. Except for the safekeeping of any Collateral in its possession and the accounting for monies and for other properties actually received by it hereunder, the Bank shall have no duty, as to any Collateral, as to ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders or other matters relative to any Collateral, whether or not the Bank has or is deemed to have knowledge of such matters, or as to the taking of any necessary steps to preserve rights against any Persons or any other rights pertaining to any Collateral. The Bank will take action in the nature of exchanges, conversions, redemptions, tenders and the like requested in writing by Grantor with respect to the Collateral in the Bank's possession if the Bank in its reasonable judgment determines that such action will not impair the Security Interest or the value of the Collateral, but a failure of the Bank to comply with any such request shall not of itself be deemed a failure to exercise reasonable care with respect to the taking of any necessary steps to preserve rights against any Persons or any other rights pertaining to any Collateral.

Section 18. Default. Each of the following occurrences shall constitute an "Event of Default" under this Security Agreement: (a) the failure of Grantor to pay or perform when due any of the Obligations; (b) the failure of Grantor to perform any agreement of Grantor contained herein or in

any other agreement with the Bank; (c) any statement, representation or warranty of Grantor made herein or at any time furnished to the Bank is untrue in any material respect as of the date made; (d) the entry of any judgment against Grantor that is not covered by insurance and is not paid (or for which enforcement is not stayed) for 30 consecutive days; (e) Grantor becomes insolvent or is generally not paying its debts as they become due; (f) the appointment of or assignment to a custodian, as that term is defined in the United States Bankruptcy Code, for any property of Grantor, or encumbrance, levy, seizure or attachment of any portion of the Collateral; (g) the commencement of any proceeding or the filing of a petition by or against Grantor under the provisions of the United States Bankruptcy Code for liquidation, reorganization or adjustment of debts or under any insolvency law or other statute or law providing for the modification or adjustment of the rights of creditors, if such proceeding is not dismissed within 30 days; or (h) the dissolution, consolidation, or merger, or transfer of a substantial part of the property, of Grantor.

Section 19. Remedies on Default. Upon the occurrence of an Event of Default and at any time thereafter:

(a) The Bank may exercise and enforce any and all rights and remedies available to the Bank upon default under Article 9 of the Uniform Commercial Code as in effect in the State of Delaware.

(b) The Bank shall have the right to enter upon and into and take possession of all or such part or parts of the properties of Grantor, including lands, plants, buildings, Equipment, Inventory and other property as may be necessary or appropriate in the judgment of the Bank to permit or enable the Bank to manufacture, produce, process, store or sell or complete the manufacture, production, processing, storing or sale of all or any part of the Collateral, as the Bank may elect, and to use and operate said properties for said purposes and for such length of time as the Bank may deem necessary or appropriate for said purposes without the payment of any compensation to Grantor therefor. The Bank may require Grantor to, and Grantor hereby agrees that it will, at its expense and upon request of the Bank forthwith, assemble all or part of the Collateral as directed by the Bank and make it available to the Bank at a place or places to be designated by the Bank.

(c) Any disposition of Collateral may be in one or more parcels at public or private sale at any of the Bank's offices or elsewhere, for cash, on credit, or for future delivery, and upon such other terms as the Bank may reasonably believe are commercially reasonable. The Bank shall not be obligated to dispose of Collateral regardless of notice of sale having been given, and the Bank may adjourn any public or private sale from time to time by announcement made at the time and place fixed therefor, and such disposition may, without further notice, be made at the time and place to which it was so adjourned.

(d) The Bank is hereby granted a license or other right to use, without charge, all of Grantor's property, including all of Grantor's labels, trademarks, copyrights, patents and advertising matter, or any property of a similar nature, as it pertains to the Collateral, in completing production of, advertising for sale and selling any Collateral, and Grantor's rights under all licenses and all franchise agreements shall inure to the Bank's benefit until the Obligations are paid and performed in full.

(e) If notice to Grantor of any intended disposition of Collateral or any other intended action is required by law in a particular instance, such notice shall be deemed commercially reasonable if given in the manner specified for the giving of notice in Section 24 hereof at least ten calendar days prior to the date of intended disposition or other action, and the Bank may exercise or enforce any and all other rights or remedies available by law or agreement against the Collateral, against Grantor, or against any other Person or property. The Bank (i) may dispose of the Collateral in its then present condition or following such preparation and processing as the Bank deems commercially reasonable, (ii) shall have no duty to prepare or process the Collateral prior to sale, (iii) may disclaim warranties of title, possession, quiet enjoyment and the like, and (iv) may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral and none of the foregoing actions shall be deemed to adversely affect the commercial reasonableness of the disposition of the Collateral.

Section 20. Remedies as to Certain Rights to Payment. Upon the occurrence and during the continuation of an Event of Default, the Bank may notify any Account Debtor or other Person obligated on any Account or other Collateral that the same have been assigned or transferred to the Bank and that the same should be performed as requested by, or paid directly to, the Bank, as the case may be. Grantor shall join in giving such notice, if the Bank so requests. The Bank may, in the Bank's name or in Grantor's name, demand, sue for, collect or receive any money or property at any time payable or receivable on account of, or securing, any such Collateral or grant any extension to, make any compromise or settlement with or otherwise agree to waive, modify, amend or change the obligation of any such Account Debtor or other Person. If any payments on any such Collateral are received by Grantor after an Event of Default has occurred, such payments shall be held in trust by Grantor as the property of the Bank and shall not be commingled with any funds or property of Grantor and shall be forthwith remitted to the Bank for application on the Obligations.

Section 21. Application of Proceeds. All cash proceeds received by the Bank in respect of any sale of, collection from, or other realization upon all or any part of the Collateral may, in the discretion of the Bank, be held by the Bank as collateral for, or then or at any time thereafter be applied in whole or in part by the Bank against, all or any part of the Obligations (including any expenses of the Bank payable pursuant to Section 22 hereof).

Section 22. Costs and Expenses Indemnity. Grantor will pay or reimburse the Bank on demand for all out-of-pocket expenses (including in each case all filing and recording fees and taxes and all reasonable fees and expenses of counsel and of any experts and agents) incurred by the Bank in connection with the creation, perfection, protection, satisfaction, foreclosure or enforcement of the Security Interest and the preparation, administration, continuance, amendment or enforcement of this Security Agreement, and all such costs and expenses shall be part of the Obligations secured by the Security Interest. Grantor shall indemnify and hold the Bank harmless from and against any and all claims, losses and liabilities (including reasonable attorneys' fees) growing out of or resulting from this Security Agreement and the Security Interest hereby created (including enforcement of this Security Agreement) or the Bank's actions pursuant hereto, except claims, losses or liabilities resulting from the Bank's gross negligence or willful misconduct as determined by a final judgment of a court of competent jurisdiction. Any liability of Grantor to indemnify and hold the Bank harmless pursuant to the preceding sentence shall be part of the Obligations secured

by the Security Interest. The obligations of Grantor under this Section 22 shall survive any termination of this Security Agreement.

Section 23. Waivers; Remedies; Marshalling. This Security Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by the Bank. A waiver so signed shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any rights and remedies available to the Bank. All rights and remedies of the Bank shall be cumulative and may be exercised singly in any order or sequence, or concurrently, at the Bank's option, and the exercise or enforcement of any such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. Grantor hereby waives all requirements of law, if any, relating to the marshalling of assets that would be applicable in connection with the enforcement by the Bank of its remedies hereunder, absent this waiver.

Section 24. Notices. Any notice or other communication to any party in connection with this Security Agreement shall be in writing and shall be sent by manual delivery, overnight courier or United States or Canadian mail (postage prepaid) addressed to such party at the address specified on the signature page hereof, or at such other address as such party shall have specified to the other party hereto in writing. All periods of notice shall be measured from the date of delivery thereof if manually delivered, from the first business day after the date of sending if sent by overnight courier, or from four days after the date of mailing if mailed.

Section 25. Grantor Acknowledgments. Grantor hereby acknowledges that (a) it has been advised by counsel in the negotiation, execution and delivery of this Security Agreement, (b) the Bank has no fiduciary relationship to Grantor, the relationship being solely that of debtor and creditor, and (c) no joint venture exists between Grantor and the Bank.

Section 26. Continuing Security Interest. This Security Agreement shall (a) create a continuing security interest in the Collateral and shall remain in full force and effect until payment and performance in full of the Obligations and the expiration of the obligations, if any, of the Bank to extend credit accommodations to the Debtor, (b) be binding upon Grantor, its successors and assigns, and (c) inure to the benefit of, and be enforceable by, the Bank and its successors, transferees, and assigns.

Section 27. Termination of Security Interest. Upon payment in full of the Obligations (other than contingent obligations) and the expiration of any obligation of the Bank to extend credit accommodations to Grantor, the Security Interest granted hereby shall terminate. Upon any such termination, the Bank will return to Grantor such of the Collateral then in the possession of the Bank as shall not have been sold or otherwise applied pursuant to the terms hereof and execute and deliver to Grantor such documents as Grantor shall reasonably request to evidence such termination. Any reversion or return of Collateral upon termination of this Security Agreement and any instruments of transfer or termination shall be at the expense of Grantor and shall be without warranty by, or recourse to, the Bank. As used in this Section, "Grantor" includes any assigns of Grantor, any Person holding a subordinate security interest in any of the Collateral or whoever else may be lawfully entitled to any part of the Collateral.

Section 28. Governing Law and Construction. THE VALIDITY, CONSTRUCTION AND ENFORCEABILITY OF THIS SECURITY AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO CONFLICT OF LAWS PRINCIPLES THEREOF, EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF THE SECURITY INTEREST HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR COLLATERAL ARE MANDATORILY GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF DELAWARE. Whenever possible, each provision of this Security Agreement and any other statement, instrument or transaction contemplated hereby or relating hereto shall be interpreted in such manner as to be effective and valid under such applicable law, but, if any provision of this Security Agreement or any other statement, instrument or transaction contemplated hereby or relating hereto shall be held to be prohibited or invalid under such applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Security Agreement or any other statement, instrument or transaction contemplated hereby or relating hereto.

Section 29. Consent to Jurisdiction. AT THE OPTION OF THE BANK, THIS SECURITY AGREEMENT MAY BE ENFORCED IN ANY FEDERAL COURT OR STATE COURT SITTING IN THE STATE OF DELAWARE OR ANY FEDERAL COURT OR PROVINCIAL COURT SITTING IN THE PROVINCE OF BRITISH COLUMBIA, AND GRANTOR CONSENTS TO THE JURISDICTION AND VENUE OF EACH SUCH COURT AND WAIVES ANY ARGUMENT THAT VENUE IN ANY SUCH FORUM IS NOT CONVENIENT. IN THE EVENT GRANTOR COMMENCES ANY ACTION IN ANOTHER JURISDICTION OR VENUE UNDER ANY TORT OR CONTRACT THEORY ARISING DIRECTLY OR INDIRECTLY FROM THE RELATIONSHIP CREATED BY THIS SECURITY AGREEMENT, THE BANK AT ITS OPTION SHALL BE ENTITLED TO HAVE THE CASE TRANSFERRED TO ANY OF THE JURISDICTIONS AND VENUES ABOVE-DESCRIBED THAT THE BANK SELECTS, OR IF SUCH TRANSFER CANNOT BE ACCOMPLISHED UNDER APPLICABLE LAW, TO HAVE SUCH CASE DISMISSED WITHOUT PREJUDICE.

Section 30. Waiver of Notice and Hearing. GRANTOR HEREBY WAIVES ALL RIGHTS TO A JUDICIAL HEARING OF ANY KIND PRIOR TO THE EXERCISE BY THE BANK OF ITS RIGHTS TO POSSESSION OF THE COLLATERAL WITHOUT JUDICIAL PROCESS OR OF ITS RIGHTS TO REPLEVY, ATTACH, OR LEVY UPON THE COLLATERAL WITHOUT PRIOR NOTICE OR HEARING.

Section 31. Waiver of Jury Trial. EACH OF GRANTOR AND THE BANK, BY ITS ACCEPTANCE OF THIS SECURITY AGREEMENT, IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 32. Judgment Currency.

(a) All payments to be made under this Security Agreement shall be made:

(i) without set-off or counterclaim; and

(ii) free and clear of and without deduction for or on account of all present and future taxes, levies, imposts, deductions, charges and withholdings whatsoever together with interest therein and penalties with respect thereto, if any, and any payments made on or in respect thereof (collectively "Taxes") unless Grantor is compelled by law to make payment subject to such Taxes.

All Taxes in respect of any matter relating to or arising out of this Security Agreement and any amounts paid or payable hereunder shall be paid by Grantor when due and in any event prior to the date on which penalties attach thereto. Grantor will indemnify the Bank in respect of all such Taxes. In addition, if any Taxes or amounts in respect thereof must be deducted or withheld from any amounts payable or paid by Grantor hereunder, Grantor shall pay such additional amounts as may be necessary to ensure that, after all required deductions or withholdings (including deductions and withholdings resulting from any additional amounts required to be paid by reason of this paragraph), the Bank receives a net amount equal to the full amount that it would have received had payment not been made subject to such Taxes.

Grantor shall deliver to the Bank evidence reasonably satisfactory to the Bank (including all relevant Tax receipts) that each payment by Grantor hereunder of Tax or in respect of Taxes in respect of matters relating to or arising out of this Security Agreement on any amount paid or payable hereunder has been duly remitted to the appropriate authority, within 10 days of receipt of a written request by the Bank to do so.

(b) If:

(i) any amount payable under, or in connection with any matter relating to or arising out of, this Security Agreement is received by the Bank in a currency (herein called the "**Payment Currency**") other than the currency specified in the demand for payment pursuant to the Guaranty (herein called the "**Agreed Currency**"), whether voluntarily or pursuant to an order, judgment or decision of any court, tribunal, arbitration panel or administrative agency or as a result of any bankruptcy, receivership, liquidation or other insolvency type proceedings or otherwise; and

(ii) the amount so produced by converting the Payment Currency so received into the Agreed Currency is less than the relevant amount of the Agreed Currency owing under this Security Agreement;

then:

(iii) the amount so received shall constitute a discharge of the liability of Grantor under or in connection with this Security Agreement only to the extent of the amount received following the conversion described in paragraph (ii) above; and

(iv) Grantor shall indemnify and save the Bank harmless from and against such deficiency and any loss or damage arising as a result thereof.

Any conversion pursuant to the preceding paragraph shall be made at such prevailing rate of exchange on the date the Payment Currency is received by the Bank and in such market as is determined by the Bank as being the most appropriate for such conversion. Grantor shall in addition pay the reasonable costs of such conversion.

(c) The indemnity set out above:

(i) is an obligation of Grantor that is separate and independent from all other obligations of Grantor under this Security Agreement;

(ii) applies irrespective of any indulgence granted by or on behalf of the Bank;
and

(iii) continues in full force and effect notwithstanding, and does not merge with, any order, judgment or decision of any court, tribunal, arbitration panel or administrative agency or as a result of any bankruptcy, receivership, liquidation or other insolvency-type proceeding or otherwise as to any amount due under this Security Agreement or in connection therewith

Section 33. Counterparts. This Security Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

Section 34. General. All representations and warranties contained in this Security Agreement or in any other agreement between Grantor and the Bank shall survive the execution, delivery and performance of this Security Agreement and the creation and payment of the Obligations. Grantor waives notice of the acceptance of this Security Agreement by the Bank. Captions in this Security Agreement are for reference and convenience only and shall not affect the interpretation or meaning of any provision of this Security Agreement.

Section 35. Delivery. Delivery by facsimile or by electronic transmission in portable document format (PDF) of the executed copy of this Security Agreement is as effective as delivery of an originally executed copy of this Security Agreement.

[Signature page follows]

IN WITNESS WHEREOF, each of Grantor and the Bank has caused this Security Agreement to be duly executed and delivered by its authorized signatory thereunto duly authorized as of the date first above written.

**GRANDE WEST TRANSPORTATION
INTERNATIONAL US, INC.**

by its authorized signatory/ies:



Name: Aaron Triplett

Title: Secretary and Chief Financial Officer



Name: William Trainer

Title: Director

Address for Grantor:

Grande West Transportation International US, Inc.
26180 – 31B Avenue,
Aldergrove, BC,
V4W 2Z6

ATTN: Aaron Triplett

State File No.:

ROYAL BANK OF CANADA

by its authorized signatory/ies:

Name: Ted Vanderlaan

Title: Authorized Signatory

Name: Marcelle Fernandes

Title: Authorized Signatory

Address for the Bank:

Royal Bank of Canada
200 Bay Street, 30th Floor, South Tower
Toronto, Ontario M5J 2J5

IN WITNESS WHEREOF, each of Grantor and the Bank has caused this Security Agreement to be duly executed and delivered by its authorized signatory thereunto duly authorized as of the date first above written.

**GRANDE WEST TRANSPORTATION
INTERNATIONAL US, INC.**

by its authorized signatory/ies:

Name: Aaron Triplett
Title: Secretary and Chief Financial Officer

Name: William Trainer
Title: Director

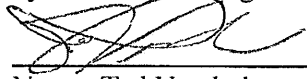
Address for Grantor:

Grande West Transportation International US, Inc.
26180 – 31B Avenue,
Aldergrove, BC,
V4W 2Z6


ATTN: Aaron Triplett

State File No.:

ROYAL BANK OF CANADA
by its authorized signatory/ies:



Name: Ted Vanderlaan
Title: Authorized Signatory




Name: Marcelle Fernandes
Title: Authorized Signatory

Address for the Bank:

Royal Bank of Canada
200 Bay Street, 30th Floor, South Tower
Toronto, Ontario M5J 2J5

This is **Exhibit "G"** referred to in the affidavit of Cameron Bailey sworn before me at Calgary, Alberta this 16 day of October 2024.


A _____
Commissioner for Taking Affidavits
For Alberta

Donna Dennis
Barrister and Solicitor

SECURITY AGREEMENT

THIS SECURITY AGREEMENT, dated as of February 17, 2023 (as the same may hereafter be amended, modified or supplemented from time to time, the “**Security Agreement**”), is made and given by **VICINITY MOTOR PROPERTY, LLC**, a limited liability company organized under the laws of the State of Delaware (“**Grantor**”), to **ROYAL BANK OF CANADA**, a Canadian Chartered Bank (the “**Bank**”).

RECITALS

A. The Bank is entering into that certain Amended and Restated Loan Agreement of even date herewith with Vicinity Motor (Bus) Corp. (formerly known as Grande West Transportation International Ltd.) (the “**Borrower**”), as borrower, and Grantor, *inter alia*, as guarantor (as may be amended, restated, modified, extended or renewed from time to time, the “**Loan Agreement**”); and

B. In order to induce the Bank to make the financial accommodations being provided to Borrower pursuant to the Loan Agreement, Grantor has executed and delivered to Bank a Guaranty of even date herewith (as the same may hereafter be amended, modified or supplemented from time to time, the “**Guaranty**”); and

C. In order to further induce the Bank to make the financial accommodations being provided to Borrower pursuant to the Loan Agreement, Grantor desires to pledge, grant, transfer and assign to Bank a security interest in the Collateral (as hereinafter defined) to secure the Obligations (as hereinafter defined) as provided herein.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the parties hereto agree as follows:

Section 1. Defined Terms.

(a) As used in this Security Agreement, the following terms shall have the meanings indicated:

“**Account**” means a right to payment of a monetary obligation, whether or not earned by performance, (i) for property that has been or is to be sold, leased, licensed, assigned, or otherwise disposed of, (ii) for services rendered or to be rendered, (iii) for a policy of insurance issued or to be issued, (iv) for a secondary obligation incurred or to be incurred, (v) for energy provided or to be provided, (vi) for the use or hire of a vessel under a charter or other contract, (vii) arising out of the use of a credit or charge card or information contained on or for use with the card, or (viii) as winnings in a lottery or other game of chance operated, sponsored, licensed or authorized by a state or governmental unit of a state, or Person licensed or authorized to operate the game by a state or governmental unit of a state.

“**Account Debtor**” shall mean a Person who is obligated on or under any Account, Chattel Paper, Instrument or General Intangible.

“**Borrower**” shall have the meaning indicated in Recital A.

“Chattel Paper” shall mean a record or records that evidence both a monetary obligation and a security interest in specific goods, a security interest in specific goods and software used in the goods, a security interest in specific goods and license of software used in the goods, a lease of specific goods, or a lease of specific goods and license of software used in the goods.

“Collateral” shall mean all property and rights in property now owned or hereafter at any time acquired by Grantor in or upon which a Security Interest is granted to the Bank by Grantor under this Security Agreement.

“Deposit Account” shall mean any demand, time, savings, passbook or similar account maintained with a bank.

“Document” shall mean a document of title or a warehouse receipt.

“Equipment” shall mean all machinery, equipment, motor vehicles, furniture, furnishings and fixtures, including all accessions, accessories and attachments thereto, and any guaranties, warranties, indemnities and other agreements of manufacturers, vendors and others with respect to such Equipment.

“Event of Default” shall have the meaning given to such term in Section 18 hereof.

“Financing Statement” shall have the meaning given to such term in Section 4 hereof.

“Fixtures” shall mean goods that have become so related to particular real property that an interest in them arises under real property law.

“General Intangibles” shall mean any personal property (other than goods, Accounts, Chattel Paper, Deposit Accounts, Documents, Instruments, Investment Property, Letter of Credit Rights and money) including things in action, contract rights, payment intangibles, software, corporate and other business records, inventions, designs, patents, patent applications, service marks, trademarks, trade names, trade secrets, internet domain names, engineering drawings, good will, registrations, copyrights, licenses, franchises, customer lists, tax refund claims, royalties, licensing and product rights, rights to the retrieval from third parties of electronically processed and recorded data and all rights to payment resulting from an order of any court. Notwithstanding the foregoing, General Intangibles do not include any permit, contract, document, instrument or agreement the assignment or transfer of which, or the creation, attachment or perfection of a security interest in which, by any term in such permit, contract, document, instrument or agreement, is prohibited or restricted or requires the consent of a person other than the Grantor or the Bank, unless and until such required consent is obtained or is waived or unless and to the extent that such term in such permit, contract, document, instrument or agreement is rendered ineffective by applicable law.

“Goods” shall mean all things that are movable when a security interest attaches.

“Guaranty” shall have the meaning indicated in Recital B.

“Instrument” shall mean a negotiable instrument or any other writing that evidences a right to the payment of a monetary obligation and is not itself a security agreement or lease and is

of a type that is transferred in the ordinary course of business by delivery with any necessary endorsement or assignment.

“Inventory” shall mean goods, other than farm products, that are leased by a Person as lessor, are held by a Person for sale or lease or to be furnished under a contract of service, are furnished by a Person under a contract of service, or consist of raw materials, work in process, or materials used or consumed in a business or incorporated or consumed in the production of any of the foregoing and supplies, in each case wherever the same shall be located, whether in transit, on consignment, in retail outlets, warehouses, terminals or otherwise, and all property the sale, lease or other disposition of which has given rise to an Account and which has been returned to Grantor or repossessed by Grantor or stopped in transit.

“Investment Property” shall mean a security, whether certificated or uncertificated, a security entitlement, a securities account and all financial assets therein, a commodity contract or a commodity account.

“Letter of Credit Right” shall mean a right to payment or performance under a letter of credit, whether or not the beneficiary has demanded or is at the time entitled to demand payment or performance.

“Lien” shall mean any security interest, mortgage, pledge, lien, charge, encumbrance, title retention agreement or analogous instrument or device (including the interest of the lessors under capitalized leases) in, of or on any assets or properties of the Person referred to.

“Loan Agreement” shall have the meaning indicated in Recital A.

“Obligations” shall mean all indebtedness, liabilities and obligations of Grantor to the Bank of every kind, nature or description, whether due or to become due, and whether now existing or hereafter arising or incurred, including indebtedness, liabilities and obligations of Grantor to the Bank under the Guaranty and this Security Agreement.

“Person” shall mean any individual, corporation, partnership, limited partnership, limited liability company, joint venture, firm, association, trust, unincorporated organization, government or governmental agency or political subdivision or any other entity, whether acting in an individual, fiduciary or other capacity.

“Security Interest” shall have the meaning given such term in Section 2 hereof.

(b) All other terms used in this Security Agreement that are not specifically defined herein shall have the meanings assigned to such terms in Article 9 of the Uniform Commercial Code as in effect in the State of Delaware.

(c) Unless the context of this Security Agreement otherwise clearly requires, references to the plural include the singular, references to the singular include the plural, and “or” has the inclusive meaning represented by the phrase “and/or.” The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The words “hereof,” “herein,” “hereunder” and similar terms in this Security Agreement refer to this Security

Agreement as a whole and not to any particular provision of this Security Agreement. References to Sections are references to Sections in this Security Agreement unless otherwise provided.

Section 2. Grant of Security Interest. As security for the payment and performance of all of the Obligations, Grantor hereby grants to the Bank a security interest (the “**Security Interest**”) in all of Grantor’s right, title, and interest in and to all of its personal property, including the following, whether now or hereafter owned, existing, arising or acquired and wherever located:

- (a) all Accounts;
- (b) all Chattel Paper;
- (c) all Deposit Accounts;
- (d) all Documents;
- (e) all Equipment;
- (f) all Fixtures;
- (g) all General Intangibles;
- (h) all Goods;
- (i) all Instruments;
- (j) all Inventory;
- (k) all Investment Property;
- (l) all Letter of Credit Rights; and

(m) to the extent not otherwise included in the foregoing, all other rights to the payment of money, including rents and other sums payable to Grantor under leases, rental agreements and other Chattel Paper; all books, correspondence, credit files, records, invoices, bills of lading, and other documents relating to any of the foregoing, including all tapes, cards, disks, computer software, computer runs, and other papers and documents in the possession or control of Grantor or any computer bureau from time to time acting for Grantor; all rights in, to and under all policies insuring the life of any officer, director, stockholder or employee of Grantor, the proceeds of which are payable to Grantor; all accessions and additions to, parts and appurtenances of, substitutions for and replacements of any of the foregoing; and all proceeds (including insurance proceeds) and products thereof.

Section 3. Grantor Remains Liable. Notwithstanding anything herein to the contrary, (a) Grantor shall remain liable under the Accounts, Chattel Paper, General Intangibles and other items included in the Collateral to the extent set forth therein to perform all of its duties and obligations thereunder to the same extent as if this Security Agreement had not been executed, (b) the exercise by the Bank of any of its rights hereunder shall not release Grantor from any of its

duties or obligations under the Accounts or any other items included in the Collateral, and (c) the Bank shall have no obligation or liability under Accounts, Chattel Paper, General Intangibles or other items included in the Collateral by reason of this Security Agreement, nor shall the Bank be obligated to perform any of the obligations or duties of Grantor thereunder or to take any action to collect or enforce any claim for payment assigned hereunder.

Section 4. Title to Collateral. Grantor has (or will have at the time it acquires rights in Collateral hereafter acquired or arising), and will maintain so long as the Security Interest may remain outstanding, title to or have other rights in each item of Collateral (including the proceeds and products thereof), free and clear of all Liens except (a) the Security Interest; and (b) Permitted Encumbrances (as defined in the Loan Agreement). Grantor will not license any Collateral without the prior written consent of the Bank. Grantor will defend the Collateral against all claims or demands of all Persons (other than the Bank and holders of the liens permitted in this Section 4) claiming the Collateral or any interest therein. As of the date of execution of this Security Agreement, no effective financing statement or other similar document used to perfect and preserve a security interest under the laws of any jurisdiction (a "**Financing Statement**") covering all or any part of the Collateral is on file in any recording office, except such as may have been filed in favor of the Bank relating to this Security Agreement or by other permitted lienholders referenced in this Section 4.

Section 5. Disposition of Collateral. Grantor will not sell, lease or otherwise dispose of, or discount or factor with or without recourse, any Collateral, except for sales of items of Inventory in the ordinary course of business and dispositions of obsolete, worn out Equipment or other Equipment that is immediately replaced with comparable equipment.

Section 6. Names, Offices, Locations, Jurisdiction of Organization. Grantor's legal name (as set forth in its constituent documents filed with the appropriate governmental official or agency) is as set forth in the opening paragraph hereof. The jurisdiction of organization of Grantor is the State of Delaware and the State file number of Grantor is set forth on the signature page of this Security Agreement. Grantor will from time to time at the request of the Bank provide the Bank with current good standing certificates and/or state-certified constituent documents from the appropriate governmental officials. The chief place of business and chief executive office of Grantor are located at its address set forth on the signature page hereof. Grantor will not locate or relocate any item of Collateral into any jurisdiction in which an additional Financing Statement would be required to be filed to maintain the Bank's perfected security interest in such Collateral. Grantor will not change its name, the location of its chief place of business or chief executive office or its corporate structure (including its jurisdiction of organization) unless the Bank has been given at least 30 days prior written notice thereof and Grantor has executed and delivered to the Bank such Financing Statements and other instruments required or appropriate to continue the perfection of the Security Interest.

Section 7. Rights to Payment. Except as Grantor may otherwise advise the Bank in writing, each Account, Chattel Paper, Document, General Intangible and Instrument constituting or evidencing Collateral is (or, in the case of all future Collateral, will be when arising or issued) the valid, genuine and legally enforceable obligation of the Account Debtor or other obligor named therein or in Grantor's records pertaining thereto as being obligated to pay or perform such obligation. Without the Bank's prior written consent, Grantor will not agree to any modifications,

amendments, subordinations, cancellations or terminations of the obligations of any such Account Debtor or other obligor except in the ordinary course of business in accordance with past practice. Grantor will perform and comply in all material respects with all its obligations under any items included in the Collateral and exercise promptly and diligently its rights thereunder.

Section 8. Further Assurances; Attorney-in-Fact.

(a) Grantor agrees that from time to time, at its expense, it will promptly execute and deliver all further instruments and documents, and take all further action, that may be necessary or that the Bank may reasonably request, in order to perfect and protect the Security Interest granted or purported to be granted hereby or to enable the Bank to exercise and enforce its rights and remedies hereunder with respect to any Collateral (but any failure to request or assure that Grantor execute and deliver such instrument or documents or to take such action shall not affect or impair the validity, sufficiency or enforceability of this Security Agreement and the Security Interest, regardless of whether any such item was or was not executed and delivered or action taken in a similar context or on a prior occasion). Without limiting the generality of the foregoing, Grantor will, promptly and from time to time at the request of the Bank: (i) execute and file such Financing Statements or continuation statements in respect thereof, or amendments thereto, and such other instruments or notices (including fixture filings with any necessary legal descriptions as to any goods included in the Collateral that the Bank determines might be deemed to be fixtures, and instruments and notices with respect to vehicle titles), as may be necessary or desirable, or as the Bank may request, in order to perfect, preserve, and enhance the Security Interest granted or purported to be granted hereby; (ii) obtain from any bailee holding any item of Collateral an acknowledgement, in form satisfactory to the Bank that such bailee holds such collateral for the benefit of the Bank; (iii) obtain from any securities intermediary, or other party holding any item of Collateral, control agreements in form satisfactory to the Bank; (iv) deliver and pledge to the Bank all Instruments and Documents, duly endorsed or accompanied by duly executed instruments of transfer or assignment, with full recourse to Grantor, all in form and substance satisfactory to the Bank; and (v) obtain waivers, in form satisfactory to the Bank, of any claim to any Collateral from any landlords or mortgagees of any property where any Inventory or Equipment is located.

(b) Grantor hereby authorizes the Bank to file one or more Financing Statements or continuation statements in respect thereof, and amendments thereto, relating to all or any part of the Collateral without the signature of Grantor where permitted by law. Grantor irrevocably waives any right to notice of any such filing. A photocopy or other reproduction of this Security Agreement or any Financing Statement covering the Collateral or any part thereof shall be sufficient as a Financing Statement where permitted by law.

(c) Grantor will furnish to the Bank from time to time statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Bank may reasonably request, all in reasonable detail and in form and substance reasonably satisfactory to the Bank.

(d) In furtherance, and not in limitation, of the other rights, powers and remedies granted to the Bank in this Security Agreement, Grantor hereby appoints the Bank Grantor's attorney in fact, with full authority in the place and stead of Grantor and in the name of

Grantor or otherwise, from time to time after the occurrence and during the continuation of an Event of Default, and in the Bank's good faith discretion, to take any action (including the right to collect on any Collateral) and to execute any instrument that the Bank may reasonably believe is necessary or advisable to accomplish the purposes of this Security Agreement, in a manner consistent with the terms hereof.

Section 9. Taxes and Claims. Grantor will promptly pay all taxes and other governmental charges levied or assessed upon or against any Collateral or upon or against the creation, perfection or continuance of the Security Interest, as well as all other claims of any kind (including claims for labor, material and supplies) against or with respect to the Collateral, except to the extent (a) such taxes, charges or claims are being contested in good faith by appropriate proceedings, (b) such proceedings do not involve any material danger of the sale, forfeiture or loss of any of the Collateral or any interest therein and (c) such taxes, charges or claims are adequately reserved against on Grantor's books in accordance with generally accepted accounting principles.

Section 10. Books and Records. Grantor will keep and maintain at its own cost and expense satisfactory and complete records of the Collateral, including a record of all payments received and credits granted with respect to all Accounts, Chattel Paper and other items included in the Collateral.

Section 11. Inspection, Reports, Verifications. Grantor will at all reasonable times permit the Bank or its representatives to examine or inspect any Collateral, any evidence of Collateral and Grantor's books and records concerning the Collateral, wherever located. Grantor will from time to time when requested by the Bank furnish to the Bank a report on its Accounts, Chattel Paper, General Intangibles and Instruments, naming the Account Debtors or other obligors thereon, the amount due and the aging thereof. The Bank or its designee is authorized to contact Account Debtors and other Persons obligated on any such Collateral from time to time to verify the existence, amount and/or terms of such Collateral.

Section 12. Notice of Loss. Grantor will promptly notify the Bank of any material loss of or material damage to any material item of Collateral or of any substantial adverse change, known to Grantor, in any material item of Collateral or the prospect of payment or performance thereof.

Section 13. Insurance. Grantor will keep the Inventory and Equipment insured against "all risks" for the full replacement cost thereof and with an insurance company or companies satisfactory to the Bank, the policies to protect the Bank as its interests may appear, with such policies or certificates with respect thereto to be delivered to the Bank at its request. Each such policy or the certificate with respect thereto shall provide that such policy shall not be canceled or allowed to lapse unless at least 30 days prior written notice is given to the Bank.

Section 14. Lawful Use; Fair Labor Standards Act. Grantor will use and keep the Collateral, and will require that others use and keep the Collateral, only for lawful purposes, without violation of any federal, state or local law, statute or ordinance. All Inventory of Grantor as of the date of this Security Agreement that was produced by Grantor or with respect to which Grantor performed any manufacturing or assembly process was produced by Grantor (or such manufacturing or assembly process was conducted) in compliance in all material respects with all requirements of the Fair Labor Standards Act, and all inventory produced, manufactured or assembled by Grantor

after the date of this Security Agreement will be so produced, manufactured or assembled, as the case may be.

Section 15. Action by the Bank. If Grantor at any time fails to perform or observe any of the foregoing agreements, the Bank shall have (and Grantor hereby grants to the Bank) the right, power and authority after notice from the Bank (but not the duty) to perform or observe such agreement on behalf and in the name, place and stead of Grantor (or, at the Bank's option, in the Bank's name) and to take any and all other actions that the Bank may reasonably deem necessary to cure or correct such failure (including the payment of taxes, the satisfaction of Liens, the procurement and maintenance of insurance, the execution of assignments, security agreements and Financing Statements, and the endorsement of instruments), and Grantor shall thereupon pay to the Bank on demand the amount of all monies expended and all costs and expenses (including reasonable attorneys' fees and legal expenses) incurred by the Bank in connection with or as a result of the performance or observance of such agreements or the taking of such action by the Bank, together with interest thereon from the date expended or incurred at the rate of ten percent (10%) per annum, or the highest rate then permitted by applicable law, whichever is less, and all such monies expended, costs and expenses and interest thereon shall be part of the Obligations secured by the Security Interest.

Section 16. Insurance Claims. As additional security for the payment and performance of the Obligations, Grantor hereby assigns to the Bank any and all monies (including proceeds of insurance and refunds of unearned premiums) due or to become due under, and all other rights of Grantor with respect to, any and all policies of insurance now or at any time hereafter covering the Collateral or any evidence thereof or any business records or valuable papers pertaining thereto. At any time, whether before or after the occurrence of any Event of Default, the Bank may (but need not), in the Bank's name or in Grantor's name, execute and deliver proofs of claim, receive all such monies, endorse checks and other instruments representing payment of such monies, and adjust, litigate, compromise or release any claim against the issuer of any such policy. Notwithstanding any of the foregoing, so long as no Event of Default exists, Grantor shall be entitled to all insurance proceeds with respect to Equipment or Inventory provided that such proceeds are applied to the cost of replacement Equipment or Inventory.

Section 17. Bank's Duties. The powers conferred on the Bank hereunder are solely to protect its interest in the Collateral and shall not impose any duty upon it to exercise any such powers. The Bank shall be deemed to have exercised reasonable care in the safekeeping of any Collateral in its possession if such Collateral is accorded treatment substantially equal to the safekeeping that the Bank accords its own property of like kind. Except for the safekeeping of any Collateral in its possession and the accounting for monies and for other properties actually received by it hereunder, the Bank shall have no duty, as to any Collateral, as to ascertaining or taking action with respect to calls, conversions, exchanges, maturities, tenders or other matters relative to any Collateral, whether or not the Bank has or is deemed to have knowledge of such matters, or as to the taking of any necessary steps to preserve rights against any Persons or any other rights pertaining to any Collateral. The Bank will take action in the nature of exchanges, conversions, redemptions, tenders and the like requested in writing by Grantor with respect to the Collateral in the Bank's possession if the Bank in its reasonable judgment determines that such action will not impair the Security Interest or the value of the Collateral, but a failure of the Bank to comply with any such request shall not of itself be deemed a failure to exercise reasonable care with respect to

the taking of any necessary steps to preserve rights against any Persons or any other rights pertaining to any Collateral.

Section 18. Default. Each of the following occurrences shall constitute an “**Event of Default**” under this Security Agreement: (a) the failure of Grantor to pay or perform when due any of the Obligations; (b) the failure of Grantor to perform any agreement of Grantor contained herein or in any other agreement with the Bank; (c) any statement, representation or warranty of Grantor made herein or at any time furnished to the Bank is untrue in any material respect as of the date made; (d) the entry of any judgment against Grantor that is not covered by insurance and is not paid (or for which enforcement is not stayed) for 30 consecutive days; (e) Grantor becomes insolvent or is generally not paying its debts as they become due; (f) the appointment of or assignment to a custodian, as that term is defined in the United States Bankruptcy Code, for any property of Grantor, or encumbrance, levy, seizure or attachment of any portion of the Collateral; (g) the commencement of any proceeding or the filing of a petition by or against Grantor under the provisions of the United States Bankruptcy Code for liquidation, reorganization or adjustment of debts or under any insolvency law or other statute or law providing for the modification or adjustment of the rights of creditors, if such proceeding is not dismissed within 30 days; or (h) the dissolution, consolidation, or merger, or transfer of a substantial part of the property, of Grantor.

Section 19. Remedies on Default. Upon the occurrence of an Event of Default and at any time thereafter:

(a) The Bank may exercise and enforce any and all rights and remedies available to the Bank upon default under Article 9 of the Uniform Commercial Code as in effect in the State of Delaware.

(b) The Bank shall have the right to enter upon and into and take possession of all or such part or parts of the properties of Grantor, including lands, plants, buildings, Equipment, Inventory and other property as may be necessary or appropriate in the judgment of the Bank to permit or enable the Bank to manufacture, produce, process, store or sell or complete the manufacture, production, processing, storing or sale of all or any part of the Collateral, as the Bank may elect, and to use and operate said properties for said purposes and for such length of time as the Bank may deem necessary or appropriate for said purposes without the payment of any compensation to Grantor therefor. The Bank may require Grantor to, and Grantor hereby agrees that it will, at its expense and upon request of the Bank forthwith, assemble all or part of the Collateral as directed by the Bank and make it available to the Bank at a place or places to be designated by the Bank.

(c) Any disposition of Collateral may be in one or more parcels at public or private sale at any of the Bank’s offices or elsewhere, for cash, on credit, or for future delivery, and upon such other terms as the Bank may reasonably believe are commercially reasonable. The Bank shall not be obligated to dispose of Collateral regardless of notice of sale having been given, and the Bank may adjourn any public or private sale from time to time by announcement made at the time and place fixed therefor, and such disposition may, without further notice, be made at the time and place to which it was so adjourned.

(d) The Bank is hereby granted a license or other right to use, without charge, all of Grantor's property, including all of Grantor's labels, trademarks, copyrights, patents and advertising matter, or any property of a similar nature, as it pertains to the Collateral, in completing production of, advertising for sale and selling any Collateral, and Grantor's rights under all licenses and all franchise agreements shall inure to the Bank's benefit until the Obligations are paid and performed in full.

(e) If notice to Grantor of any intended disposition of Collateral or any other intended action is required by law in a particular instance, such notice shall be deemed commercially reasonable if given in the manner specified for the giving of notice in Section 24 hereof at least ten calendar days prior to the date of intended disposition or other action, and the Bank may exercise or enforce any and all other rights or remedies available by law or agreement against the Collateral, against Grantor, or against any other Person or property. The Bank (i) may dispose of the Collateral in its then present condition or following such preparation and processing as the Bank deems commercially reasonable, (ii) shall have no duty to prepare or process the Collateral prior to sale, (iii) may disclaim warranties of title, possession, quiet enjoyment and the like, and (iv) may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral and none of the foregoing actions shall be deemed to adversely affect the commercial reasonableness of the disposition of the Collateral.

Section 20. Remedies as to Certain Rights to Payment. Upon the occurrence and during the continuation of an Event of Default, the Bank may notify any Account Debtor or other Person obligated on any Account or other Collateral that the same have been assigned or transferred to the Bank and that the same should be performed as requested by, or paid directly to, the Bank, as the case may be. Grantor shall join in giving such notice, if the Bank so requests. The Bank may, in the Bank's name or in Grantor's name, demand, sue for, collect or receive any money or property at any time payable or receivable on account of, or securing, any such Collateral or grant any extension to, make any compromise or settlement with or otherwise agree to waive, modify, amend or change the obligation of any such Account Debtor or other Person. If any payments on any such Collateral are received by Grantor after an Event of Default has occurred, such payments shall be held in trust by Grantor as the property of the Bank and shall not be commingled with any funds or property of Grantor and shall be forthwith remitted to the Bank for application on the Obligations.

Section 21. Application of Proceeds. All cash proceeds received by the Bank in respect of any sale of, collection from, or other realization upon all or any part of the Collateral may, in the discretion of the Bank, be held by the Bank as collateral for, or then or at any time thereafter be applied in whole or in part by the Bank against, all or any part of the Obligations (including any expenses of the Bank payable pursuant to Section 22 hereof).

Section 22. Costs and Expenses Indemnity. Grantor will pay or reimburse the Bank on demand for all out-of-pocket expenses (including in each case all filing and recording fees and taxes and all reasonable fees and expenses of counsel and of any experts and agents) incurred by the Bank in connection with the creation, perfection, protection, satisfaction, foreclosure or enforcement of the Security Interest and the preparation, administration, continuance, amendment or enforcement of this Security Agreement, and all such costs and expenses shall be part of the Obligations secured by the Security Interest. Grantor shall indemnify and hold the Bank harmless from and against

any and all claims, losses and liabilities (including reasonable attorneys' fees) growing out of or resulting from this Security Agreement and the Security Interest hereby created (including enforcement of this Security Agreement) or the Bank's actions pursuant hereto, except claims, losses or liabilities resulting from the Bank's gross negligence or willful misconduct as determined by a final judgment of a court of competent jurisdiction. Any liability of Grantor to indemnify and hold the Bank harmless pursuant to the preceding sentence shall be part of the Obligations secured by the Security Interest. The obligations of Grantor under this Section 22 shall survive any termination of this Security Agreement.

Section 23. Waivers; Remedies; Marshalling. This Security Agreement can be waived, modified, amended, terminated or discharged, and the Security Interest can be released, only explicitly in a writing signed by the Bank. A waiver so signed shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act shall not preclude the exercise or enforcement of any rights and remedies available to the Bank. All rights and remedies of the Bank shall be cumulative and may be exercised singly in any order or sequence, or concurrently, at the Bank's option, and the exercise or enforcement of any such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other. Grantor hereby waives all requirements of law, if any, relating to the marshalling of assets that would be applicable in connection with the enforcement by the Bank of its remedies hereunder, absent this waiver.

Section 24. Notices. Any notice or other communication to any party in connection with this Security Agreement shall be in writing and shall be sent by manual delivery, overnight courier or United States or Canadian mail (postage prepaid) addressed to such party at the address specified on the signature page hereof, or at such other address as such party shall have specified to the other party hereto in writing. All periods of notice shall be measured from the date of delivery thereof if manually delivered, from the first business day after the date of sending if sent by overnight courier, or from four days after the date of mailing if mailed.

Section 25. Grantor Acknowledgments. Grantor hereby acknowledges that (a) it has been advised by counsel in the negotiation, execution and delivery of this Security Agreement, (b) the Bank has no fiduciary relationship to Grantor, the relationship being solely that of debtor and creditor, and (c) no joint venture exists between Grantor and the Bank.

Section 26. Continuing Security Interest. This Security Agreement shall (a) create a continuing security interest in the Collateral and shall remain in full force and effect until payment and performance in full of the Obligations and the expiration of the obligations, if any, of the Bank to extend credit accommodations to the Debtor, (b) be binding upon Grantor, its successors and assigns, and (c) inure to the benefit of, and be enforceable by, the Bank and its successors, transferees, and assigns.

Section 27. Termination of Security Interest. Upon payment in full of the Obligations (other than contingent obligations) and the expiration of any obligation of the Bank to extend credit accommodations to Grantor, the Security Interest granted hereby shall terminate. Upon any such termination, the Bank will return to Grantor such of the Collateral then in the possession of the Bank as shall not have been sold or otherwise applied pursuant to the terms hereof and execute and deliver to Grantor such documents as Grantor shall reasonably request to evidence such termination. Any reversion or return of Collateral upon termination of this Security Agreement

and any instruments of transfer or termination shall be at the expense of Grantor and shall be without warranty by, or recourse to, the Bank. As used in this Section, "Grantor" includes any assigns of Grantor, any Person holding a subordinate security interest in any of the Collateral or whoever else may be lawfully entitled to any part of the Collateral.

Section 28. **Governing Law and Construction.** **THE VALIDITY, CONSTRUCTION AND ENFORCEABILITY OF THIS SECURITY AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO CONFLICT OF LAWS PRINCIPLES THEREOF, EXCEPT TO THE EXTENT THAT THE VALIDITY OR PERFECTION OF THE SECURITY INTEREST HEREUNDER, OR REMEDIES HEREUNDER, IN RESPECT OF ANY PARTICULAR COLLATERAL ARE MANDATORILY GOVERNED BY THE LAWS OF A JURISDICTION OTHER THAN THE STATE OF DELAWARE.** Whenever possible, each provision of this Security Agreement and any other statement, instrument or transaction contemplated hereby or relating hereto shall be interpreted in such manner as to be effective and valid under such applicable law, but, if any provision of this Security Agreement or any other statement, instrument or transaction contemplated hereby or relating hereto shall be held to be prohibited or invalid under such applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Security Agreement or any other statement, instrument or transaction contemplated hereby or relating hereto.

Section 29. **Consent to Jurisdiction.** **AT THE OPTION OF THE BANK, THIS SECURITY AGREEMENT MAY BE ENFORCED IN ANY FEDERAL COURT OR STATE COURT SITTING IN THE STATE OF DELAWARE OR ANY FEDERAL COURT OR PROVINCIAL COURT SITTING IN THE PROVINCE OF BRITISH COLUMBIA, AND GRANTOR CONSENTS TO THE JURISDICTION AND VENUE OF EACH SUCH COURT AND WAIVES ANY ARGUMENT THAT VENUE IN ANY SUCH FORUM IS NOT CONVENIENT. IN THE EVENT GRANTOR COMMENCES ANY ACTION IN ANOTHER JURISDICTION OR VENUE UNDER ANY TORT OR CONTRACT THEORY ARISING DIRECTLY OR INDIRECTLY FROM THE RELATIONSHIP CREATED BY THIS SECURITY AGREEMENT, THE BANK AT ITS OPTION SHALL BE ENTITLED TO HAVE THE CASE TRANSFERRED TO ANY OF THE JURISDICTIONS AND VENUES ABOVE-DESCRIBED THAT THE BANK SELECTS, OR IF SUCH TRANSFER CANNOT BE ACCOMPLISHED UNDER APPLICABLE LAW, TO HAVE SUCH CASE DISMISSED WITHOUT PREJUDICE.**

Section 30. **Waiver of Notice and Hearing.** **GRANTOR HEREBY WAIVES ALL RIGHTS TO A JUDICIAL HEARING OF ANY KIND PRIOR TO THE EXERCISE BY THE BANK OF ITS RIGHTS TO POSSESSION OF THE COLLATERAL WITHOUT JUDICIAL PROCESS OR OF ITS RIGHTS TO REPLEVY, ATTACH, OR LEVY UPON THE COLLATERAL WITHOUT PRIOR NOTICE OR HEARING.**

Section 31. **Waiver of Jury Trial.** **EACH OF GRANTOR AND THE BANK, BY ITS ACCEPTANCE OF THIS SECURITY AGREEMENT, IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT**

OF OR RELATING TO THIS SECURITY AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 32. Judgment Currency.

(a) All payments to be made under this Security Agreement shall be made:

(i) without set-off or counterclaim; and

(ii) free and clear of and without deduction for or on account of all present and future taxes, levies, imposts, deductions, charges and withholdings whatsoever together with interest therein and penalties with respect thereto, if any, and any payments made on or in respect thereof (collectively “**Taxes**”) unless Grantor is compelled by law to make payment subject to such Taxes.

All Taxes in respect of any matter relating to or arising out of this Security Agreement and any amounts paid or payable hereunder shall be paid by Grantor when due and in any event prior to the date on which penalties attach thereto. Grantor will indemnify the Bank in respect of all such Taxes. In addition, if any Taxes or amounts in respect thereof must be deducted or withheld from any amounts payable or paid by Grantor hereunder, Grantor shall pay such additional amounts as may be necessary to ensure that, after all required deductions or withholdings (including deductions and withholdings resulting from any additional amounts required to be paid by reason of this paragraph), the Bank receives a net amount equal to the full amount that it would have received had payment not been made subject to such Taxes.

Grantor shall deliver to the Bank evidence reasonably satisfactory to the Bank (including all relevant Tax receipts) that each payment by Grantor hereunder of Tax or in respect of Taxes in respect of matters relating to or arising out of this Security Agreement on any amount paid or payable hereunder has been duly remitted to the appropriate authority, within 10 days of receipt of a written request by the Bank to do so.

(b) If:

(i) any amount payable under, or in connection with any matter relating to or arising out of, this Security Agreement is received by the Bank in a currency (herein called the “**Payment Currency**”) other than the currency specified in the demand for payment pursuant to the Guaranty (herein called the “**Agreed Currency**”), whether voluntarily or pursuant to an order, judgment or decision of any court, tribunal, arbitration panel or administrative agency or as a result of any bankruptcy, receivership, liquidation or other insolvency type proceedings or otherwise; and

(ii) the amount so produced by converting the Payment Currency so received into the Agreed Currency is less than the relevant amount of the Agreed Currency owing under this Security Agreement;

then:

(iii) the amount so received shall constitute a discharge of the liability of Grantor under or in connection with this Security Agreement only to the extent of the amount received following the conversion described in paragraph (ii) above; and

(iv) Grantor shall indemnify and save the Bank harmless from and against such deficiency and any loss or damage arising as a result thereof.

Any conversion pursuant to the preceding paragraph shall be made at such prevailing rate of exchange on the date the Payment Currency is received by the Bank and in such market as is determined by the Bank as being the most appropriate for such conversion. Grantor shall in addition pay the reasonable costs of such conversion.

(c) The indemnity set out above:

(i) is an obligation of Grantor that is separate and independent from all other obligations of Grantor under this Security Agreement;

(ii) applies irrespective of any indulgence granted by or on behalf of the Bank; and

(iii) continues in full force and effect notwithstanding, and does not merge with, any order, judgment or decision of any court, tribunal, arbitration panel or administrative agency or as a result of any bankruptcy, receivership, liquidation or other insolvency-type proceeding or otherwise as to any amount due under this Security Agreement or in connection therewith

Section 33. Counterparts. This Security Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

Section 34. General. All representations and warranties contained in this Security Agreement or in any other agreement between Grantor and the Bank shall survive the execution, delivery and performance of this Security Agreement and the creation and payment of the Obligations. Grantor waives notice of the acceptance of this Security Agreement by the Bank. Captions in this Security Agreement are for reference and convenience only and shall not affect the interpretation or meaning of any provision of this Security Agreement.

Section 35. Delivery. Delivery by facsimile or by electronic transmission in portable document format (PDF) of the executed copy of this Security Agreement is as effective as delivery of an originally executed copy of this Security Agreement.

[Signature page follows]

IN WITNESS WHEREOF, each of Grantor and the Bank has caused this Security Agreement to be duly executed and delivered by its authorized signatory thereunto duly authorized as of the date first above written.

Address for Grantor:

Vicinity Motor Property, LLC
3168 262 Street,
Aldergrove, BC,
V4W 2Z6

ATTN: William Trainer

State File No.: 7033850

**VICINITY MOTOR PROPERTY, LLC,
a Delaware limited liability company**

by its authorized signatory/ies:

DocuSigned by:
William Trainer
23A316273E3C4D0...
Name: William Trainer
Title: CEO

DocuSigned by:
Dan Buckle
E41B8C33321B485...
Name: Dan Buckle
Title: CFO

Address for the Bank:

Royal Bank of Canada
200 Bay Street, 30th Floor, South Tower
Toronto, Ontario M5J 2J5

ROYAL BANK OF CANADA

Per: Vir Advani
Name: Vir Advani
Title: Vice President, Corporate Client
Group - Asset Based Lending

Electronic Execution of Documents

The words "execution," "execute," "executed", "signed," "signature," and words of like import in this Agreement, or in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby, shall be deemed to include DocuSign signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Lender, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any (a) Parts 2 and 3 of the Personal Information Protection and Electronic Documents Act (Canada), the Electronic Transaction Acts (British Columbia), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or (b) any other applicable law.

This is **Exhibit "H"** referred to in the affidavit of
Cameron Bailey sworn before me at Calgary, Alberta
this 16 day of October 2024

A handwritten signature in blue ink, appearing to read 'Derick Pontin', is written over a horizontal line.

A Commissioner for Taking Affidavits
For Alberta

Derick Pontin
Barrister and Solicitor

GENERAL SECURITY AGREEMENT

1. SECURITY INTEREST

(a) For value received, the undersigned (“**Debtor**”), hereby grants to **ROYAL BANK OF CANADA** (“**RBC**”), a security interest (the “**Security Interest**”) in the undertakings of Debtor and in all of Debtor’s present and after acquired personal property including, without limitation, in all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities and all other Investment Property now owned or hereafter owned or acquired by or on behalf of Debtor (including such as may be returned to or repossessed by Debtor) and in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called “**Collateral**”), and including, without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of Debtor:

- (i) all inventory of whatever kind and wherever situate;
- (ii) all equipment (other than Inventory) of whatever kind and wherever situate, including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
- (iii) all Accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by Debtor (“**Debts**”);
- (iv) all lists, records and files relating to Debtor’s customers, clients and patients;
- (v) all deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (vi) all contractual rights and insurance claims;
- (vii) all patents, industrial designs, trade-marks, trade secrets and know-how including without limitation environmental technology and biotechnology, confidential information, trade-names, goodwill, copyrights, personality rights, plant breeders’ rights, integrated circuit topographies, software and all other forms of intellectual and industrial property, and any registrations and applications for registration of any of the foregoing (collectively “**Intellectual Property**”); and
- (viii) all property described in **Schedule “C”** or any schedule now or hereafter annexed hereto.

(b) The Security Interest granted hereby shall not extend or apply to and Collateral shall not include the last day of the term of any lease or agreement therefor but upon the enforcement of the Security Interest, Debtor shall stand possessed of such last day in trust to assign the same to any person acquiring such term.

(c) The terms "Goods", "Chattel Paper", "Document of Title", "Instrument", "Intangible", "Security", "Investment Property", "proceed", "Inventory", "accession", "Money", "Account", "financing statement" and "financing change statement" whenever used herein shall be interpreted pursuant to their respective meanings when used in The Personal Property Security Act of the province referred to in Clause 14(s), as amended from time to time, which Act, including amendments thereto and any Act substituted therefor and amendments thereto is herein referred to as the "**P.P.S.A.**". Provided always that the term "Goods" when used herein shall not include "consumer goods" of Debtor as that term is defined in the P.P.S.A., the term "Inventory" when used herein shall include livestock and the young thereof after conception and crops that become such within one year of execution of this Security Agreement and the term "Investment Property", if not defined in the P.P.S.A., shall be interpreted according to its meaning in the Personal Property Security Act (British Columbia). Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof".

2. INDEBTEDNESS SECURED

The Security Interest granted hereby secures payment and performance of any and all obligations, indebtedness and liability of Debtor to RBC (including interest thereon) present or future, direct or indirect, absolute or contingent, matured or not, extended or renewed, wheresoever and howsoever incurred and any ultimate unpaid balance thereof and whether the same is from time to time reduced and thereafter increased or entirely extinguished and thereafter incurred again and whether Debtor be bound alone or with another or others and whether as principal or surety (hereinafter collectively called the "**Indebtedness**"). If the Security Interest in the Collateral is not sufficient, in the event of default, to satisfy all Indebtedness of the Debtor, the Debtor acknowledges and agrees that Debtor shall continue to be liable for any Indebtedness remaining outstanding and RBC shall be entitled to pursue full payment thereof.

3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

Debtor represents and warrants and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant that:

(a) the Collateral is genuine and owned by Debtor free of all security interests, mortgages, liens, claims, charges, licenses, leases, infringements by third parties, encumbrances or other adverse claims or interests (hereinafter collectively called "**Encumbrances**"), save for the Security Interest and those Encumbrances shown on **Schedule "A"** or hereafter approved in writing by RBC, prior to their creation or assumption;

(b) all Intellectual Property applications and registrations are valid and in good standing and Debtor is the owner of the applications and registrations;

(c) each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "**Account Debtor**"), and the amount represented by Debtor to RBC from time to time as owing by each Account Debtor or by all Account Debtors will be the correct amount actually and unconditionally owing by such Account Debtor or Account Debtors, except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against Debtor which can be asserted against RBC, whether in any proceeding to enforce Collateral or otherwise;

(d) the locations specified in **Schedule "B"** as to business operations and records are accurate and complete and with respect to Goods (including Inventory) constituting Collateral, the locations specified in Schedule "B" are accurate and complete save for Goods in transit to such locations and Inventory on lease or consignment; and all fixtures or Goods about to become fixtures and all crops and all

oil, gas or other minerals to be extracted and all timber to be cut which forms part of the Collateral will be situate at one of such locations; and

(e) the execution, delivery and performance of the obligations under this Security Agreement and the creation of any security interest in or assignment hereunder of Debtor's rights in the Collateral to RBC will not result in a breach of any agreement to which Debtor is a party.

4. COVENANTS OF THE DEBTOR

So long as this Security Agreement remains in effect Debtor covenants and agrees:

(a) to defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein; to diligently initiate and prosecute legal action against all infringers of Debtor's rights in Intellectual Property; to take all reasonable action to keep the Collateral free from all Encumbrances, except for the Security Interest, licenses which are compulsory under federal or provincial legislation and those shown on Schedule "A" or hereafter approved in writing by RBC, prior to their creation or assumption, and not to sell, exchange, transfer, assign, lease, license or otherwise dispose of Collateral or any interest therein without the prior written consent of RBC; provided always that, until default, Debtor may, in the ordinary course of Debtor's business, sell or lease Inventory and, subject to Clause 7 hereof, use Money available to Debtor;

(b) to notify RBC promptly of:

- (i) any change in the information contained herein or in the Schedules hereto relating to Debtor, Debtor's business or Collateral,
- (ii) the details of any significant acquisition of Collateral,
- (iii) the details of any claims or litigation affecting Debtor or Collateral,
- (iv) any loss or damage to Collateral,
- (v) any default by any Account Debtor in payment or other performance of its obligations with respect to Collateral, and
- (vi) the return to or repossession by Debtor of Collateral;

(c) to keep Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance; to keep all agreements, registrations and applications relating to Intellectual Property and intellectual property used by Debtor in its business in good standing and to renew all agreements and registrations as may be necessary or desirable to protect Intellectual Property, unless otherwise agreed in writing by RBC; to apply to register all existing and future copyrights, trade-marks, patents, integrated circuit topographies and industrial designs whenever it is commercially reasonable to do so;

(d) to do, execute, acknowledge and deliver such financing statements, financing change statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by RBC of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;

(e) to pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of Debtor or Collateral as and when the same become due and payable;

(f) to insure collateral in such amounts and against such risks as would customarily be insured by a prudent owner of similar Collateral and in such additional amounts and against such additional risks as RBC may from time to time direct, with loss payable to RBC and Debtor, as insureds, as their respective interests may appear, and to pay all premiums therefor and deliver copies of policies and evidence of renewal to RBC on request;

(g) to prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an accession to other property not covered by this Security Agreement;

(h) to carry on and conduct the business of Debtor in a proper and efficient manner and so as to protect and preserve Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at RBC's request so as to indicate the Security Interest;

(i) to deliver to RBC from time to time promptly upon request:

- (i) any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral,
- (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same,
- (iii) all financial statements prepared by or for Debtor regarding Debtor's business,
- (iv) all policies and certificates of insurance relating to Collateral, and
- (v) such information concerning Collateral, the Debtor and Debtor's business and affairs as RBC may reasonably request.

5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with Debtor's covenants contained herein and Clause 7 hereof, Debtor may, until default, possess, operate, collect, use and enjoy and deal with Collateral in the ordinary course of Debtor's business in any manner not inconsistent with the provisions hereof; provided always that RBC shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner RBC may consider appropriate and Debtor agrees to furnish all assistance and information and to perform all such acts as RBC may reasonably request in connection therewith and for such purpose to grant to RBC or its agents access to all places where Collateral may be located and to all premises occupied by Debtor.

6. SECURITIES, INVESTMENT PROPERTY

(a) If Collateral at any time includes Securities, Debtor authorizes RBC to transfer the same or any part thereof into its own name or that of its nominee(s) so that RBC or its nominee(s) may appear of record as the sole owner thereof; provided that, until default, RBC shall deliver promptly to Debtor all

notices or other communications received by it or its nominee(s) as such registered owner and, upon demand and receipt of payment of any necessary expenses thereof, shall issue to Debtor or its order a proxy to vote and take all action with respect to such Securities. After default, Debtor waives all rights to receive any notices or communications received by RBC or its nominee(s) as such registered owner and agrees that no proxy issued by RBC to Debtor or its order as aforesaid shall thereafter be effective.

(b) Where any Investment Property is held in or credited to an account that has been established with a securities intermediary, RBC may, at any time after default, give a notice of exclusive control to any such securities intermediary with respect to such Investment Property.

7. COLLECTION OF DEBTS

Before or after default under this Security Agreement, RBC may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on Collateral to RBC. Debtor acknowledges that any payments on or other proceeds of Collateral received by Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after default under this Security Agreement, shall be received and held by Debtor in trust for RBC and shall be turned over to RBC upon request.

8. INCOME FROM AND INTEREST ON COLLATERAL

(a) Until default, Debtor reserves the right to receive any Money constituting income from or interest on Collateral and if RBC receives any such Money prior to default, RBC shall either credit the same against the Indebtedness or pay the same promptly to Debtor.

(b) After default, Debtor will not request or receive any Money constituting income from or interest on Collateral and if Debtor receives any such Money without any request by it, Debtor will pay the same promptly to RBC.

9. INCREASES, PROFITS, PAYMENTS OR DISTRIBUTIONS

(a) Whether or not default has occurred, Debtor authorizes RBC:

- (i) to receive any increase in or profits on Collateral (other than Money) and to hold the same as part of Collateral. Money so received shall be treated as income for the purposes of Clause 8 hereof and dealt with accordingly;
- (ii) to receive any payment or distribution upon redemption or retirement or upon dissolution and liquidation of the issuer of Collateral; to surrender such Collateral in exchange therefor and to hold any such payment or distribution as part of Collateral.

(b) If Debtor receives any such increase or profits (other than Money) or payments or distributions, Debtor will deliver the same promptly to RBC to be held by RBC as herein provided.

10. DISPOSITION OF MONEY

Subject to any applicable requirements of the P.P.S.A., all Money collected or received by RBC pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as RBC deems best or, at the option of RBC, may be held unappropriated in

a collateral account or released to Debtor, all without prejudice to the liability of Debtor or the rights of RBC hereunder, and any surplus shall be accounted for as required by law.

11. EVENTS OF DEFAULT

The happening of any of the following events or conditions shall constitute default hereunder which is herein referred to as "default":

(a) the nonpayment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of Debtor to observe or perform any obligation, covenant, term, provision or condition contained in this Security Agreement or any other agreement between Debtor and RBC;

(b) the death of or a declaration of incompetency by a court of competent jurisdiction with respect to Debtor, if an individual;

(c) the bankruptcy or insolvency of Debtor; the filing against Debtor of a petition in bankruptcy; the making of an assignment for the benefit of creditors by Debtor; the appointment of a receiver or trustee for Debtor or for any assets of Debtor or the institution by or against Debtor of any other type of insolvency proceeding under the Bankruptcy and Insolvency Act or otherwise;

(d) the institution by or against Debtor of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against or winding up of affairs of Debtor;

(e) if any Encumbrance affecting Collateral becomes enforceable against Collateral;

(f) if Debtor ceases or threatens to cease to carry on business or makes or agrees to make a bulk sale of assets without complying with applicable law or commits or threatens to commit an act of bankruptcy;

(g) if any execution, sequestration, extent or other process of any court becomes enforceable against Debtor or if distress or analogous process is levied upon the assets of Debtor or any part thereof;

(h) if any certificate, statement, representation, warranty or audit report heretofore or hereafter furnished by or on behalf of Debtor pursuant to or in connection with this Security Agreement, or otherwise (including, without limitation, the representations and warranties contained herein) or as an inducement to RBC to extend any credit to or to enter into this or any other agreement with Debtor, proves to have been false in any material respect at the time as of which the facts therein set forth were stated or certified, or proves to have omitted any substantial contingent or unliquidated liability or claim against Debtor; or if upon the date of execution of this Security Agreement, there shall have been any material adverse change in any of the facts disclosed by any such certificate, representation, statement, warranty or audit report, which change shall not have been disclosed to RBC at or prior to the time of such execution.

12. ACCELERATION

RBC, in its sole discretion, may declare all or any part of Indebtedness which is not by its terms payable on demand to be immediately due and payable, without demand or notice of any kind, in the event of default, or if RBC considers itself insecure or that the Collateral is in jeopardy. The provisions of this clause are not intended in any way to affect any rights of RBC with respect to any Indebtedness which may now or hereafter be payable on demand.

13. REMEDIES

(a) Upon default, RBC may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of RBC or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any Receiver so appointed and appoint another in his/her stead. Any such Receiver shall, so far as concerns responsibility for his/her acts, be deemed the agent of Debtor and not RBC, and RBC shall not be in any way responsible for any misconduct, negligence or non-feasance on the part of any such Receiver, his/her servants, agents or employees. Subject to the provisions of the instrument appointing him/her, any such Receiver shall have power to take possession of Collateral, to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of Debtor and to sell, lease, license or otherwise dispose of or concur in selling, leasing, licensing or otherwise disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including Debtor, enter upon, use and occupy all premises owned or occupied by Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on Debtor's business or as security for loans or advances to enable the Receiver to carry on Debtor's business or otherwise, as such Receiver shall, in its discretion, determine. Except as may be otherwise directed by RBC, all Money received from time to time by such Receiver in carrying out his/her appointment shall be received in trust for and paid over to RBC. Every such Receiver may, in the discretion of RBC, be vested with all or any of the rights and powers of RBC.

(b) Upon default, RBC may, either directly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).

(c) RBC may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, RBC may sell, license, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to RBC may seem reasonable.

(d) In addition to those rights granted herein and in any other agreement now or hereafter in effect between Debtor and RBC and in addition to any other rights RBC may have at law or in equity, RBC shall have, both before and after default, all rights and remedies of a secured party under the P.P.S.A. Provided always, that RBC shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease, license or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, RBC shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in RBC's possession and shall not be liable or accountable for failure to do so.

(e) Debtor acknowledges that RBC or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and Debtor agrees upon request from RBC or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.

(f) Debtor agrees to be liable for and to pay all costs, charges and expenses reasonably incurred by RBC or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating Debtor's accounts, in preparing or enforcing this Security Agreement, taking and maintaining custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting

Indebtedness and all such costs, charges and expenses, together with any amounts owing as a result of any borrowing by RBC or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.

(g) RBC will give Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made as may be required by the P.P.S.A..

(h) Upon default and receiving written demand from RBC, Debtor shall take such further action as may be necessary to evidence and effect an assignment or licensing of Intellectual Property to whomever RBC directs, including to RBC. Debtor appoints any officer or director or branch manager of RBC upon default to be its attorney in accordance with applicable legislation with full power of substitution and to do on Debtor's behalf anything that is required to assign, license or transfer, and to record any assignment, licence or transfer of the Collateral. This power of attorney, which is coupled with an interest, is irrevocable until the release or discharge of the Security Interest.

14. MISCELLANEOUS

(a) Debtor hereby authorizes RBC to file such financing statements, financing change statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting Collateral or identifying the locations at which Debtor's business is carried on and Collateral and records relating thereto arc situate) as RBC may deem appropriate to perfect on an ongoing basis and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest and Debtor hereby irrevocably constitutes and appoints the Manager or Acting Manager from time to time of the herein mentioned branch of RBC the true and lawful attorney of Debtor, with full power of substitution, to do any of the foregoing in the name of Debtor whenever and wherever it may be deemed necessary or expedient.

(b) Without limiting any other right of RBC, whenever Indebtedness is immediately due and payable or RBC has the right to declare Indebtedness to be immediately due and payable (whether or not it has so declared), RBC may, in its sole discretion, set off against Indebtedness any and all amounts then owed to Debtor by RBC in any capacity, whether or not due, and RBC shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on RBC's records subsequent thereto.

(c) Upon Debtor's failure to perform any of its duties hereunder, RBC may, but shall not be obligated to, perform any or all of such duties, and Debtor shall pay to RBC, forthwith upon written demand therefor, an amount equal to the expense incurred by RBC in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate of 15% per annum.

(d) RBC may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as RBC may see fit without prejudice to the liability of Debtor or RBC's right to hold and realize the Security Interest. Furthermore, RBC may demand, collect and sue on Collateral in either Debtor's or RBC's name, at RBC's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments pertaining to or constituting Collateral.

(e) No delay or omission by RBC in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, RBC may remedy any default by Debtor hereunder or with respect to any

Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by Debtor. All rights and remedies of RBC granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

(f) Debtor waives protest of any Instrument constituting Collateral at any time held by RBC on which Debtor is in any way liable and, subject to Clause 13(g) hereof, notice of any other action taken by RBC.

(g) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Security Agreement and the Security Interest or any part thereof to enforce any rights hereunder, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against RBC. If more than one Debtor executes this Security Agreement the obligations of such Debtors hereunder shall be joint and several.

(h) RBC may provide any financial and other information it has about Debtor, the Security Interest and the Collateral to any one acquiring or who may acquire an interest in the Security Interest or the Collateral from RBC or any one acting on behalf of RBC.

(i) Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.

(j) Subject to the requirements of Clauses 13(g) and 14(k) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given, in the case of RBC, if delivered to it or sent by prepaid registered mail addressed to it at its address herein set forth or as changed pursuant hereto, and, in the case of Debtor, if delivered to it or if sent by prepaid registered mail addressed to it at its last address known to RBC. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purposes hereof.

(k) This Security Agreement and the security afforded hereby is in addition to and not in substitution for any other security now or hereafter held by RBC and is intended to be a continuing Security Agreement and shall remain in full force and effect until the Manager or Acting Manager from time to time of the herein mentioned branch of RBC shall actually receive written notice of its discontinuance; and, notwithstanding such notice, shall remain in full force and effect thereafter until all Indebtedness contracted for or created before the receipt of such notice by RBC, and any extensions or renewals thereof (whether made before or after receipt of such notice) together with interest accruing thereon after such notice, shall be paid in full.

(l) The headings used in this Security Agreement are for convenience only and are not be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.

(m) When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.

(n) In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.

(o) Nothing herein contained shall in any way obligate RBC to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.

(p) The Security Interest created hereby is intended to attach when this Security Agreement is signed by Debtor and delivered to RBC.

(q) Debtor acknowledges and agrees that in the event it amalgamates with any other company or companies it is the intention of the parties hereto that the term "Debtor" when used herein shall apply to each of the amalgamating companies and to the amalgamated company, such that the Security Interest granted hereby

- (i) shall extend to "Collateral" (as that term is herein defined) owned by each of the amalgamating companies and the amalgamated company at the time of amalgamation and to any "Collateral" thereafter owned or acquired by the amalgamated company, and
- (ii) shall secure the "Indebtedness" (as that term is herein defined) of each of the amalgamating companies and the amalgamated company to RBC at the time of amalgamation and any "Indebtedness" of the amalgamated company to RBC thereafter arising. The Security Interest shall attach to "Collateral" owned by each company amalgamating with Debtor, and by the amalgamated company, at the time of the amalgamation, and shall attach to any "Collateral" thereafter owned or acquired by the amalgamated company when such becomes owned or is acquired.

(r) In the event that Debtor is a body corporate, it is hereby agreed that The Limitation of Civil Rights Act of the Province of Saskatchewan, or any provision thereof, shall have no application to this Security Agreement or any agreement or instrument renewing or extending or collateral to this Security Agreement. In the event that Debtor is an agricultural corporation within the meaning of The Saskatchewan Farm Security Act, Debtor agrees with RBC that all of Part IV (other than Section 46) of that Act shall not apply to Debtor.

(s) This Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the province in which the herein branch of RBC is located, as those laws may from time to time be in effect, except if such branch of RBC is located in Quebec then, this Security Agreement and the transactions evidenced hereby shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

15. COPY OF AGREEMENT

(a) Debtor hereby acknowledges receipt of a copy of this Security Agreement.

(b) Debtor waives Debtor's right to receive a copy of any financing statement or financing change statement registered by RBC or of any verification statement with respect to any financing statement or financing change statement registered by RBC. (Applies in all P.P.S.A. Provinces except Ontario).

[Signature page follows]

16. Debtor represents and warrants that the following information is accurate:

INDIVIDUAL DEBTOR

SURNAME (LAST NAME)	FIRST NAME	SECOND NAME	BIRTH DATE YEAR MONTH DAY
ADDRESS OF INDIVIDUAL DEBTOR	CITY	PROVINC	POSTAL CODE
SURNAME (LAST NAME)	FIRST NAME	SECOND NAME	BIRTH DATE YEAR MONTH DAY
ADDRESS OF INDIVIDUAL DEBTOR IIF DIFFERENT FROM ABOVE)	CITY	PROVINC E	POSTAL CODE

BUSINESS DEBTOR

NAME OF BUSINESS DEBTOR - Grande West Transportation Group Inc.			
ADDRESS OF BUSINESS DEBTOR - 3168 262 nd Street	CITY Aldergrove	PROVINCE BC	POSTAL CODE V4W 2Z6

IN WITNESS WHEREOF Debtor has executed this Security Agreement this 25th day of October, 2017.

TRADE NAME (IF APPLICABLE)

NAME OF BUSINESS DEBTOR			
ADDRESS OF BUSINESS DEBTOR	CITY	PROVINCE	POSTAL CODE

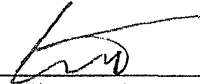
GRANDE WEST TRANSPORTATION GROUP INC.

Per:



Name: Aaron Triplett
Title: Secretary and Chief Financial Officer
I have authority to bind the Corporation

WITNESS



Name: William Trainer
Title: Director
I have authority to bind the Corporation

WITNESS

SCHEDULE "A"

(ENCUMBRANCES AFFECTING COLLATERAL)

Nil.

SCHEDULE "B"

1. Locations of Debtor's Business Operations

3168 262nd Street, Aldergrove, British Columbia, V4W 2Z6

26180 31B Avenue, Aldergrove, British Columbia, V4W 2Z6

2. Locations of Records relating to Collateral (if different from 1. Above)

3168 262nd Street, Aldergrove, British Columbia, V4W 2Z6

3. Locations of Collateral (if different from 1. Above) –

SCHEDULE "C"

(DESCRIPTION OF PROPERTY)

N/A

This is Exhibit "I" referred to in the affidavit of
Cameron Bailey sworn before me at Calgary, Alberta
this 16 day of October 2024.

A handwritten signature in blue ink, consisting of several overlapping loops and strokes, positioned above a horizontal line.

A Commissioner for taking Affidavits
For Alberta

Derek Dentin
Barrister and Solicitor

RETURN ADDRESS:

Ryan, Swanson & Cleveland, PLLC
 Attn: Paul Meier, Esq.
 1201 Third Avenue, Suite 3400
 Seattle, Washington 98101

**DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS,
 SECURITY AGREEMENT, AND FIXTURE FILING**

(for use in the State of Washington only)

GRANTOR:	VICINITY MOTOR PROPERTY, LLC
GRANTEE:	ROYAL BANK OF CANADA
ABBREVIATED LEGAL DESCRIPTION:	Lot(s): 7, 8 and 9 Pacific Fern Business Park General - SBSP; & Lot 10, Pacific Fern Business Park Specific Binding Site Plan No. 1 (See page 17 for full legal description)
ASSESSOR'S TAX PARCEL NOS.:	186598 / 390228 028215 0000; 190386 / 390228 028186 0000

THIS DEED OF TRUST, ASSIGNMENT OF LEASES AND RENTS, SECURITY AGREEMENT, AND FIXTURE FILING (this "**Deed of Trust**") is made and effective as of April 3, 2023, by VICINITY MOTOR PROPERTY, LLC, a Delaware limited liability company ("**Grantor**"), whose mailing address is 3168 262 Street, Aldergrove, British Columbia, V4W 2Z6, to CHICAGO TITLE INSURANCE COMPANY ("**Trustee**"), as trustee, whose mailing address is 1835 Barkley Boulevard, Suite 105, Bellingham, Washington, 98226, for the benefit of ROYAL BANK OF CANADA and its affiliates, successors, and assigns ("**Lender**"), as beneficiary and secured party, whose mailing address is 200 Bay Street, 30th Floor, South Tower, Toronto, Ontario, M5J 2J5.

RECITALS

A. Pursuant to that certain Amended and Restated Loan Agreement of even date herewith (the "**Loan Agreement**") by and among Lender, Vicinity Motor (Bus) Corp. ("**Borrower**"), Grantor, and certain other parties thereto, as may be amended, restated, supplemented, modified, varied, renewed, or replaced from time to time (the "**Loan Agreement**"), Lender may provide one or more loan facilities to Borrower (collectively, the "**Loans**").

B. As a condition to Lender providing the Loans to Borrower pursuant to the Loan Agreement, Grantor is required to enter into that certain Guaranty of even date herewith (the “**Guaranty**”) in favor of Lender to guarantee the repayment of the Loans.

C. As a further condition to Lender providing the Loans to Borrower pursuant to the Loan Agreement, Grantor is required to enter into this Deed of Trust to secure Grantor’s obligations under the Guaranty.

AGREEMENT

NOW, THEREFORE, intending to be legally bound, Grantor, in consideration of the matters described in the foregoing Recitals, which Recitals are incorporated herein and made a part hereof, and for other good and valuable consideration the receipt and sufficiency of which are acknowledged, hereby covenants and agrees for the benefit of Lender and its successors, indorsees, transferees, participants, and assigns as follows, which agreements shall, to the extent permitted by law, be deemed to run with the land:

1. Grant of Security. Grantor does hereby irrevocably GRANT, TRANSFER, CONVEY, AND ASSIGN TO TRUSTEE, IN TRUST, WITH POWER OF SALE, and to its successors and assigns forever, that portion of the Property described below which is properly classified as real property under Washington law, and to Lender, and to its affiliates, successors, and assigns forever, all of the Property described below which is properly classified as personal property under Washington law. Any reference herein to the “**Property**” shall be deemed to include the following: (1) that certain real property situated in Whatcom County, Washington, as more particularly described in Exhibit A attached hereto and incorporated herein by this reference, (2) all the estate, title, interest, and rights of Grantor in and to such real property and all buildings and improvements of every kind and description now or hereafter placed upon such real property or any part thereof, (3) all heretofore or hereafter vacated alleys and streets abutting such real property, (4) all fixtures and equipment of Grantor, regardless of their character as personal property, now or hereafter on or used in connection with such real property, including, but not limited to, all lighting, heating, cooling, ventilating, air conditioning, plumbing, sprinkling, communicating and electrical systems, and all machinery, appliances, fixtures, and equipment of every type, nature, and description now or hereafter on or used in connection with such real property, all of which furniture, fixtures, and equipment of Grantor shall be deemed to be a part of the real property and covered by the lien hereof, and (5) all of the rents, profits, and leases thereof and the tenements, hereditaments, easements, privileges and appurtenances thereto.

TO HAVE AND TO HOLD the Property, with all of the tenements, hereditaments, easements, appurtenances, and other rights and privileges thereunto belonging or in any manner now or hereafter appertaining thereto, for the use and benefit of Lender upon the conditions hereinafter set forth.

Pursuant to Revised Article 9 of the Uniform Commercial Code (RCW Chapter 62A.9A), Grantor, as the debtor, grants Lender, as the secured party, a security interest in that portion of the Property which is properly classified as personal property under Washington law to secure the Secured Obligations (as defined below). This Deed of Trust also constitutes a financing statement filed as a fixture filing pursuant to Revised Article 9 of the Uniform Commercial Code (RCW 62A.9A-502(c)).

2. Secured Obligations. This Deed of Trust secures the following (collectively, the "**Secured Obligations**"):

(a). all obligations of Grantor under the Guaranty, which include the full and prompt payment of the principal of and interest on the Loans (including any and all future extensions, renewals, modifications, replacements, and substitutions thereof) when due, whether at stated maturity, upon acceleration, or otherwise, and at all times thereafter, and the full and prompt payment of all sums which may now be or may hereafter become due and owing under the Loan Agreement, this Deed of Trust, and any and all other documents evidencing or securing the Loans (collectively, the "**Loan Documents**"); and

(b). the due and punctual performance and observance of all of Grantor's present and future obligations to Lender, including without limitation the obligations arising hereunder or under the Loan Documents.

Notwithstanding the foregoing or anything to the contrary, the Secured Obligations shall not include any obligations arising under or in connection with that certain Environmental Indemnity Agreement of even date herewith executed by Grantor in favor of Lender.

3. Representations, Warranties, and Agreements. Grantor represents and warrants to Lender and agrees that:

(a). at the time of the execution and delivery of this Deed of Trust, Grantor is well and truly seized of the Property in fee simple, free of all easements, liens, and encumbrances whatsoever, except as those referenced in the title insurance policy accepted by Lender or otherwise approved by Lender in writing, and Grantor will forever warrant and defend the same against any and all other claims whatsoever, and the lien created hereby is and will be kept as a lien upon the Property and every part thereof, subject only to the encumbrances permitted herein;

(b). upon request, Grantor shall provide Lender with certificates of occupancy (if applicable) and such other documents, information, and statements pertaining to the Property and its operations as Lender may reasonably request;

(c). the Property is not used principally for agricultural purposes (as the term "agricultural purposes" is used in RCW 61.24.030(2)); and

(d). this Deed of Trust is not granted to secure an obligation incurred primarily for personal, family, or household purposes, and that this Deed of Trust secures a "commercial loan" as defined in RCW Chapter 61.24.

4. Taxes, Assessments, and Insurance Premiums. Grantor shall perform the following:

(a). pay all taxes, assessments, and other charges and encumbrances levied on the Property, before any penalty for nonpayment attaches thereto;

(b). pay when due all taxes, assessments, and other charges and encumbrances that may be levied upon or on account of this Deed of Trust or the indebtedness secured hereby or upon the interest or estate in the Property created or represented by this Deed of Trust, whether levied against Lender or otherwise. In the event payment by Grantor of any tax referred to in the foregoing sentence would result in the payment of interest in excess of the rate permitted by law, then Grantor shall have no obligation to pay the portion of such tax which would result in the payment of such excess;

(c). keep the Property continuously insured against loss by fire, windstorm, and other hazards, casualties, and contingencies, in such amounts and for such periods as may be required from time to time by Lender. All insurance shall be carried in companies approved by Lender and the policies and renewals thereof shall be held by, and pledged to, Lender (unless Lender shall direct or permit otherwise) as additional security hereunder, and shall have attached thereto a mortgagee clause acceptable to Lender, making all loss or losses under such policies payable to Lender, its affiliates, successors, and assigns, as its or their interest may appear. In the event of loss or damage to the Property, Grantor shall give immediate notice in writing to Lender, who may make proof of loss if not made promptly by Grantor, and each insurance company concerned is hereby authorized and directed to make payment for such loss, to the extent of the indebtedness hereby secured, directly to Lender instead of to Grantor and Lender jointly, and the insurance proceeds or any part thereof may be applied by Lender toward reimbursement of all costs and expenses of Lender in collecting such proceeds, and the balance, at Lender's option, to the indebtedness due or to become due under the Loans, to fulfill any other covenant herein, or any other obligation of Grantor to Lender, to the restoration or repair of the property damaged, or released to Grantor. In the event Lender releases such proceeds to Grantor, Grantor shall be obligated to use such proceeds to restore or repair the Property unless Lender otherwise specifies in writing. Application by Lender of any insurance proceeds toward payment of any principal and interest due or to become due under the Loans shall not excuse Borrower or Grantor from its obligations to ensure that regularly scheduled payments are made due thereunder, nor shall such application extend or reduce the amount of such payments; and

(d). in the event of foreclosure of this Deed of Trust or other transfer of title to the Property in extinguishment of the indebtedness secured hereby, all right, title, and

interest of Grantor in and to any insurance policies then in force shall pass to the purchaser or grantee. Grantor hereby irrevocably appoints Lender as Grantor's attorney-in-fact, in Grantor's name, to file all proofs of claim, to negotiate, accept, and endorse all settlements, to assign and transfer all insurance policies and proceeds to a purchaser upon foreclosure of this Deed of Trust, and to otherwise deal in all respects with all insurance carriers with respect to any and all insurance carried or required hereby to be carried by Grantor with respect to the Property of any portion thereof.

If Grantor fails to timely pay or perform any obligation set forth above in this Section 4, Lender, in its sole discretion, may (but in no event shall be obligated to), at Grantor's expense, pay and perform such obligation, and all sums advanced by Lender for such purposes shall be deemed to have been advanced pursuant to Section 9 of this Deed of Trust.

5. Repairs, Modifications, and Waste. Grantor will abstain from and will not suffer the commission of waste on the Property and will keep the buildings, improvements, fixtures, equipment, and appliances now or hereafter thereon in good repair and will make replacements thereto as and when the same become necessary. Failure by Grantor to pay taxes and/or assessments assessed against the Property, when any installment thereof is due, or any insurance premium upon policies covering the Property or any part thereof, shall, without limitation, constitute waste, and shall entitle Lender to all remedies provided for by law. Grantor further agrees to and does hereby consent to the appointment of a receiver, should Lender elect to seek such relief. Grantor shall make no alterations, additions, or improvements of any type whatsoever to the Property, regardless of whether such alterations, additions, or improvements would increase the value of the Property, nor permit anyone to do so, without Lender's prior written consent, which consent shall not be unreasonably withheld. Grantor will comply promptly with all laws, ordinances, regulations, and orders of all public authorities having jurisdiction over the Property relating to the use, occupancy, and maintenance thereof, and shall upon request promptly submit to Lender evidence of such compliance. Nothing herein shall be deemed to prohibit Grantor from contesting the enforceability or applicability of any law, ordinance, regulation, or order; provided, however, that Lender, in its sole discretion, may require that Grantor comply with any such law, ordinance, regulation, or order during the pendency of any such contest and all appeals therefrom. Lender may at any time and from time to time upon notice and during regular business hours, unless Lender, in its sole discretion, deems that entry is required on a more immediate basis, enter or cause entry to be made upon the Property. If the Property, in the sole judgment of Lender, requires inspection, repair, care, or attention of any kind or nature not theretofore given by Grantor, Lender shall provide Grantor with prior written notice of the required inspection, repair, care, or attention and a reasonable designated period of time in which Grantor shall have an opportunity to cure the problem. If uncured at the end of this period and Lender, in its sole discretion, deems the required inspection, repair, care, or attention needs immediate attention, Lender may (but in no event shall be obligated to), at Grantor's expense, inspect, repair, and/or maintain the same as Lender deems necessary or advisable, and all sums advanced by Lender for such purposes shall be deemed to have been advanced pursuant to Section 9 of this Deed of Trust. Grantor will not permit the Property or

any portion thereof to be used for any unlawful purpose. No underground storage tanks shall be installed on the Property. No building or other improvement on any part of the Property shall be removed, demolished, or altered without the prior written consent of Lender, except that Grantor shall have the right, without such consent, to remove and dispose of, free from the lien of this Deed of Trust, such personalty and equipment as from time to time may become worn out or obsolete, provided that simultaneously with or prior to such removal, any such equipment shall be replaced with other new equipment of like kind and quality, free from any security interest, lien, or encumbrance, and by such removal and replacement, Grantor shall be deemed to have subjected the replacement equipment to the lien of this Deed of Trust.

6. Due on Sale. Grantor shall not convey any of its interest in the Property or any portion thereof without the prior written consent of Lender. If Grantor should convey its interest in the Property or any portion thereof, Lender shall have the right, at its sole option, thereafter to declare all sums secured hereby and then unpaid to be immediately due and payable, together with any prepayment charge, and thereupon to exercise all of its rights and remedies for an Event of Default (as defined below) under this Deed of Trust. For purposes hereof, a "conveyance" of Grantor's interest in the Property shall include, without limitation (a) any voluntary or involuntary disposition (by operation of law or otherwise) of legal or beneficial title to the Property by whatever means, (b) any voluntary or involuntary disposition (by operation of law or otherwise) of legal or beneficial title to controlling interests in Grantor, and (c) any change in the ownership of Grantor or any arrangement by which Grantor (and/or its owners as of the date hereof) divests itself of the degree of control it currently exercises or may exercise over the decisions affecting the ownership and operation of the Property.

Subject to the restrictions set forth in this Section, if ownership of the Property or any part thereof become vested in a person or persons other than Grantor, Lender may, without notice to Grantor, deal with such successor or successors in interest with reference to this Deed of Trust and the Loans, without in any way releasing, discharging, or otherwise affecting Grantor's liability hereunder or thereunder. No sale of the Property, and no forbearance or extension by Lender, shall in any way whatever operate to release, discharge, or otherwise affect the lien of this Deed of Trust or the liability of Grantor hereunder.

7. No Other Financing. Grantor has not and will not, without the prior written consent of Lender, mortgage or pledge the Property or any part thereof as security for any other loans or indebtedness of Grantor. If any such mortgage or pledge is entered into without the prior written consent of Lender, the entire indebtedness secured hereby may, at the option of Lender, be declared immediately due and payable without notice. Further, Grantor also shall pay any and all other obligations, liabilities, or debts which may become liens, security interests, or encumbrances upon or charges against the Property for any repairs or improvements that are now or may hereafter be made thereon, and shall not, without Lender's prior written consent, permit any lien, security interest, encumbrance, or charge of any kind to accrue and remain outstanding against the Property or any part thereof, or any improvements

thereon, irrespective of whether such lien, security interest, encumbrance, or charge is junior to the lien of this Deed of Trust; provided, however, that Grantor is permitted to contest in good faith any claimed charge for a repair or improvement which may become a lien against the Property, but only if Grantor prevents any liens from attaching to the Property in connection with such claimed charges, by complying with the requirements of RCW 60.04.161 (or such successor statutes). Notwithstanding the foregoing, if any personal property by way of additions, replacements, or substitutions is hereafter purchased and installed, affixed, or placed by Grantor on the Property under a security agreement the lien or title of which is superior to the lien created by this Deed of Trust, all the right, title, and interest of Grantor in and to any deposits or payments made thereon by Grantor, shall nevertheless be and are hereby assigned to Lender and are covered by the lien of this Deed of Trust.

8. Default. Any one of the following acts or occurrences shall constitute an event of default (“**Event of Default**”) under this Deed of Trust and shall entitle Lender to exercise any one or any combination of the remedies available to Lender under Section 9 below:

(a). any default by Borrower or Grantor under any Loan Document, including this Deed of Trust, which remains uncured after the expiration of any applicable notice and cure periods, and if a specific cure period is not specified then (i) if the default relates to the payment of money Grantor will have ten (10) days from receipt of Lender’s written notice to cure such default; and (ii) if the default does not relate to the payment of money, Grantor will have thirty (30) days from the earlier of its receipt of Lender’s notice to cure such default or Grantor having actual knowledge of the default; or

(b). Grantor shall fail to pay any of its indebtedness to any other person or entity beyond any period of grace provided with respect thereto; or if Grantor fails to perform or observe any other agreement, term, or condition contained in any document evidencing or securing such indebtedness, or in any agreement or instrument under which any such indebtedness was issued or created, beyond any such period of grace, which failure materially affects its financial condition or its ability to perform or to comply with its obligations hereunder; or

(c). if Grantor shall, due to its inability to do so, generally not pay Grantor’s debts as they become due, or shall admit in writing Grantor’s inability to pay its debts generally, or shall make a general assignment for the benefit of creditors or shall institute any proceeding or voluntary case seeking to adjudicate it as bankrupt or insolvent or seeking adjustment, protection, relief, or composition of Grantor’s debts under any law relating to bankruptcy or relief or protection of debtors or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian, or other similar official for Grantor or for any substantial part of Grantor’s property; or any proceeding shall be instituted against Grantor seeking to adjudicate it as bankrupt or seeking adjustment, protection, relief, or composition of Grantor’s debts under any law relating to bankruptcy or relief or protection of debtors or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian, or

other similar official for Grantor or for any substantial part of Grantor's property, and, if such proceeding is being contested by Grantor in good faith, such proceeding shall remain undismissed or unstayed for a period of sixty (60) days; or

(d). upon any sale or other transfer or disposition of all or substantially all of Grantor's assets, or any merger, consolidation, or other reorganization of Grantor; or

(e). if Lender otherwise deems itself insecure, in its reasonable discretion.

9. Remedies. Upon the occurrence of an Event of Default, to the maximum extent permitted by law, Lender shall immediately have the option without further notice, except as may be required by law, in addition to and not in lieu of or substitution for, all other rights and remedies provided herein or at law or in equity, to do all or any of the following:

(a). Lender may, at its option and without notice to or demand upon Grantor, independently, concurrently, or successively exercise any one or more of the following rights and remedies: (i) declare any or all of the Secured Obligations immediately due and payable, (ii) bring a court action to enforce its rights and remedies, (iii) judicially foreclose this Deed of Trust as a mortgage, (iv) nonjudicially foreclose this Deed of Trust under the power of sale, (v) exercise its rights with respect to the leases and the rents of the Property pursuant to this Deed of Trust, and/or (vi) exercise any other rights and remedies provided in this Deed of Trust and under any other Loan Document, or available at law or equity. Without limiting the generality of the foregoing, to the extent permitted by RCW 61.24.100 or otherwise permitted by law, Lender may seek and obtain a deficiency judgment following the completion of a trustee's sale of all or part of the Property.

(b). Advance such sums as Lender, in its sole discretion, deems necessary to cure the default. In making any such advance, Lender shall be entitled to rely upon the genuineness and accuracy of any demand, document, claim, statement, or invoice presented to Lender, and Lender shall be under no duty whatsoever to independently investigate or confirm the genuineness or accuracy of, or any other fact pertaining to, the demand, document, claim, statement, or invoice so presented. Repayment of all monies so advanced by Lender shall be secured hereby and shall constitute a further lien upon the Property, payable upon demand with interest from the date of each advance to the date of payment at the highest default rate for the Loans under the Loan Documents or, if less, the highest rate permitted by law (the "**Default Rate**"). Lender shall in no event be obligated to make any advance to or for the benefit of Grantor and no advance by Lender shall cure Grantor's default nor preclude Lender from foreclosing this Deed of Trust or from exercising any other right or remedy available to Lender on account of such default.

(c). For any sale under the power of sale granted by this Deed of Trust, Trustee shall record and give all notices required by law, after which the Property may be sold upon such terms and conditions as may be specified by Lender and permitted by applicable law. Trustee may postpone any sale by public announcement at the time and place designated

for the sale. If the Property includes separate lots or parcels, Lender may designate their order of sale or elect to sell them as a whole. Any personal property may be sold separately or as a whole at the same time and place as a sale of any real property or at different times and places. Grantor and the holder of any subordinate lien on any portion of the Property waive any right to require the marshaling of assets or to otherwise direct the order in which any of the Property is sold. Trustee shall be acting as the agent of Lender if directed to sell any personal property. Upon any sale, Trustee shall execute and deliver to the purchaser a deed or bill of sale conveying the Property sold, without any covenant or warranty, express or implied. The recitals in the Trustee's deed indicating that the sale was conducted in compliance with all the requirements of law shall be presumptive evidence of compliance.

(d). With respect to any personal property, Lender shall have all of the rights and remedies of a secured party under the Uniform Commercial Code and all other rights and remedies provided in this Deed of Trust and any other Loan Document. In exercising its remedies, Lender may proceed against the real property and personal property separately or together and in any order whatsoever. The personal property may be sold at any one or more public or private sales as permitted by applicable law. Lender shall give Grantor ten (10) days' prior written notice of the time and place of any public or private sale of the personal property, which notice Grantor agrees is commercially reasonable.

(e). Grantor shall pay on demand all of Lender's and Trustee's costs and expenses incurred in administering and enforcing this Deed of Trust, collecting any amounts payable under this Deed of Trust, and realizing on the Property and any other collateral securing any portion of the Secured Obligations, including legal and other professional fees, foreclosure costs and title charges, together with interest from the date of payment at the Default Rate.

(f). Except as otherwise required by law, the proceeds of any sale under this Deed of Trust shall be applied against the Secured Obligations in such order of priority as Lender shall determine in its sole discretion.

(g). If the Property is sold at a judicial foreclosure sale, the purchaser may make such repairs or alterations to the Property as the purchaser deems appropriate in its sole discretion for the proper operation, care, preservation, and protection of the Property. To the extent permitted by law, the costs of the repairs or alterations, together with interest from the date of payment at the Default Rate, shall be added to and become a part of the amount required to be paid upon any redemption.

(h). Except as otherwise specifically provided in this Deed of Trust or the other Loan Documents, any prepayment premium required under the Loans shall be payable by Grantor upon any voluntary or involuntary payment of principal before the original due date under the Loans. Without limiting the generality of the foregoing, Grantor expressly agrees that any principal payment made after an Event of Default shall constitute a prepayment requiring payment of the prepayment premium notwithstanding an acceleration of

the Loans by Lender. The debt owing to Lender at the time of any judicial or nonjudicial foreclosure sale of the Property shall include the prepayment premium calculated on the principal balance owing on the date of sale.

(i). Every right and remedy provided in this Deed of Trust and any other Loan Document, or by law or equity, shall be distinct and cumulative to all other rights or remedies, and may be exercised concurrently, independently, or successively in any order whatsoever, without regard to the adequacy of Lender's security. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of the right or remedy, and no waiver by Lender of any particular default shall constitute a waiver of any other default in the future. The exercise of any right or remedy shall not constitute a cure or waiver of any Event of Default or otherwise prejudice Lender of any of its other rights or remedies.

(j). To the extent the Deed of Trust Act of the State of Washington (RCW Chapter 61.24, as now existing or hereafter amended) or other statute requires that the "fair market value" or "fair value" of the Property be determined as of the foreclosure date in order to enforce a deficiency against Grantor or any other party liable for repayment of the obligations secured by this Deed of Trust, the term "fair market value" or "fair value" shall include those matters required by law and shall also include the additional factors set forth below:

(1). The Property shall be valued "AS IS" and "WITH ALL FAULTS" and there shall be no assumption of restoration or refurbishment of improvements, if any, after the date of the foreclosure; and

(2). An offset to the fair market value or fair value of the Property, as determined hereunder, shall be made by deducting from such value the reasonable estimated closing costs relating to the sale of the Property, including but not limited to brokerage commissions, title policy expenses, tax prorations, escrow fees, and other common charges which are incurred by a seller of property.

Grantor shall pay the costs of any appraisals and other expenses incurred in connection with any such determination of fair market value and/or fair value.

10. Condemnation. In the event the Property or any part thereof is taken under the power of eminent domain, the entire award or payment in lieu of condemnation, to the full extent of the indebtedness secured hereby, shall be paid to Lender and applied toward reimbursement of all of Lender's costs and expenses incurred in connection with collecting such award or payment, and all or any portion of the balance, at Lender's option, to the indebtedness due or to become due under the Loans, to satisfy any other Secured Obligation, or to repair or restore the Property. Lender is hereby empowered in the name of Grantor to receive, and give acquittance for, any such award or payment, whether it is joint or several; provided, however, that Lender shall not be held responsible for failure to collect any such

award or payment, regardless of the cause of such failure. Application by Lender of any condemnation proceeds toward payment of any principal and interest due or to become due under the Loans shall not excuse Borrower or Grantor from making any regularly scheduled payments due thereunder, nor shall such application extend or reduce the amount of such payments.

11. Assignment of Rents, Income, and Profits. As additional security for the due and punctual performance and observance of the Secured Obligations, Grantor assigns, transfers, and sets over unto Lender, for security purposes pursuant to RCW 7.28.230, all the rents, issues, profits, and income under all leases or occupancy agreements or arrangements, however evidenced or denominated, upon or affecting the Property (including any extensions, amendments, or renewals thereof), whether such rents, issues, profits, and income are due or are to become due, including all such leases in existence or coming into existence during the period this Deed of Trust is in effect. This Deed of Trust shall run with the land and be good and valid as against Grantor and those claiming by, under, or through Grantor, from the date of recording of this Deed of Trust. This Deed of Trust shall continue to be operative during the foreclosure or any other proceedings taken to enforce this Deed of Trust. In the event of a foreclosure sale which results in a deficiency, this Deed of Trust shall stand as security during the redemption period for the payment of such deficiency. This Deed of Trust is given as collateral security only and does not and shall not be construed as obligating Lender to perform any of the covenants or undertakings required to be performed by Grantor in any leases.

Prior to any Event of Default, Grantor shall have a license to collect and receive all rents, issues, profits, and income, for the benefit of Lender and Grantor. Grantor shall apply the rents first to the payment of taxes, assessments, and other charges on the Property; second to the costs of insurance, maintenance, and repairs required under this Deed of Trust; third to the costs of discharging the obligations of Grantor under any leases; and fourth to the Secured Obligations then due and payable, with the balance, if any, for the account of Grantor. Upon Lender's delivery of written notice to Grantor of an Event of Default stating that Lender is exercising its rights to the rents, and without the necessity of Lender or a receiver taking control of the Property, Grantor shall pay to Lender all rents then held or subsequently collected by Grantor, and direct each tenant to pay all future rents to Lender. Grantor appoints Lender as Grantor's attorney-in-fact to make such direction to tenants upon Grantor's failure to do so. Grantor agrees that all payments made to Lender by any tenant shall be in full discharge of the tenant's obligations to Grantor.

After any Event of Default, Grantor appoints Lender as Grantor's attorney-in-fact to take full control of the Property and perform all acts necessary and appropriate for the operation and maintenance of the Property, including (i) the execution, enforcement, cancellation, or modification of any lease, (ii) the collection of rents, (iii) the removal and eviction of tenants, (iv) the making of alterations and repairs to the Property, and (v) the execution and termination of contracts providing for management or maintenance of the Property, all on such terms as Lender deems appropriate in its sole discretion to protect the

security of this Deed of Trust. After any Event of Default, Grantor agrees that Lender shall be entitled to the appointment of a receiver, regardless of the adequacy of Lender's security. Grantor waives any right to notice of any application for a receiver, it being intended that Lender may seek the appointment of a receiver ex parte. The receiver shall serve without bond and may be Lender or an employee or agent of Lender. The receiver shall have, in addition to all the rights and powers customarily given to and exercised by receivers, all the rights and powers granted to Lender in this Section. Lender or the receiver shall receive a reasonable fee for managing the Property. Entry upon and taking possession by a receiver other than Lender shall not constitute possession by Lender, and Lender shall not be a "mortgagee in possession" before its actual entry upon and taking possession of the Property. Lender shall not be liable to Grantor, anyone claiming under or through Grantor, or anyone having an interest in the Property by reason of anything done or left undone by Lender under this Section.

All rents collected after the delivery of written notice to Grantor of an Event of Default shall be applied first to the costs of managing the Property and collecting the rents, including attorneys' fees, receiver's fees and costs, costs of maintenance and repairs to the Property, premiums on insurance policies, taxes, assessments, and other charges on the Property, and the costs of discharging the obligations of Grantor under the leases. All remaining rents shall be applied to the other Secured Obligations in such order of priority as Lender may determine in its sole discretion. To the extent the costs of managing the Property, collecting the rents and discharging the obligations of Grantor under the leases exceed the rents collected, the excess costs shall be payable by Grantor upon demand, together with interest from the date of payment at the Default Rate.

Lender shall at no time have any obligation whatsoever to attempt to collect rent from any tenant or occupier of the Property notwithstanding that such tenants and occupiers may not be paying rent to either Grantor or Lender. Further, Lender shall at no time have any obligation whatsoever to enforce any other obligations owed by tenants or occupiers of the Property to Grantor.

Grantor shall at no time collect advance rent under any lease upon, affecting, or pertaining to the Property or any part thereof in excess of one (1) month (other than as a security deposit) and Lender shall not be bound in any respect by any rent prepayment made or received in violation of the terms hereof.

Grantor shall not amend, terminate, or otherwise dispose of any lease, or enter into any new lease after the date hereof, of all or any portion of the Property without Lender's prior written consent.

Grantor expressly covenants and agrees that if any lessee under any lease heretofore or hereafter entered into by Grantor with respect to the Property, shall fail to perform and fulfill any term, covenant, condition, or provision in such leases on its part to be performed or fulfilled, at the times and in the manner in said lease provided, or if Grantor

shall suffer or permit to occur any breach or default under the provisions of any such lease and such failure, breach, or default shall continue for five (5) days without Grantor commencing and pursuing in good faith and with due diligence its available remedies under the lease, if commercially reasonable under the circumstances, then, and in any such event, such failure to act by Grantor shall constitute an Event of Default hereunder and at the option of Lender, and without notice to Grantor, all unpaid indebtedness secured by this Deed of Trust shall become immediately due and payable.

12. Attorneys' Fees and Expenses. Grantor shall reimburse Lender for all costs, including reasonable attorneys' fees, incurred by Lender in enforcing any of its rights or remedies on account of a default and/or an Event of Default under this Deed of Trust. Grantor shall reimburse Lender for all costs, including reasonable attorneys' fees, incurred by Lender in case Lender becomes a party, either as plaintiff or defendant, to any legal proceedings in relation to the Property or the lien granted hereby. Payment of such sums shall be secured hereby and shall be payable upon demand with interest from the date of each advance to the date of payment at the Default Rate.

13. Additional Documents and Security Agreement. Grantor shall execute, acknowledge, and deliver any and all such further conveyances, documents, mortgages, and assurances as Lender may reasonably require for accomplishing the purposes hereof, including financing statements required by Lender to protect its interest under the provisions of the Washington Uniform Commercial Code, as amended, forthwith upon the written request of Lender. Upon any failure of Grantor to do so after written request, Lender may execute, record, file, rerecord, and refile any and all such documents for and in the name of Grantor, and Grantor hereby irrevocably appoints Lender as agent and attorney-in-fact of Grantor for the foregoing purposes. This instrument is intended by the parties to be, and shall be construed as, a security agreement, as that term is defined and used in Revised Article 9 of the Washington Uniform Commercial Code, as amended, and shall grant to Lender a security interest in that portion of the Property with respect to which a security interest can be granted under Revised Article 9 of the Washington Uniform Commercial Code, as amended, which security interest shall also include a security interest in all tangible and intangible personal property, including without limitation, to the extent of Grantor's present or future interest and subject to the limitations set forth in Section 14 below, all licenses, permits, and general intangibles now or hereafter located upon the Property, or related to or used or usable in connection with any present or future operation upon such property, and a security interest in the proceeds of all insurance policies now or hereafter covering all or any part of such collateral.

14. Other Contracts. Grantor hereby assigns to Lender, as further security for the indebtedness secured hereby, Grantor's interest in all agreements, contracts (including contracts for the lease or sale of the Property or any portion thereof), licenses, and permits affecting the Property. Such assignment shall not be construed as a consent by Lender to any agreement, contract, license, or permit so assigned, or to impose upon Lender any obligations with respect thereto. Grantor shall not cancel or amend any of the agreements, contracts,

licenses, and permits hereby assigned (nor permit any of the same to terminate if they are necessary or desirable for the operation of the Property) without first obtaining, on each occasion, the written approval of Lender. This Section shall not be applicable to any agreement, contract, license, or permit that terminates if it is assigned without the consent of any party thereto (other than Grantor) or issuer thereof, unless such consent has been obtained or this Deed of Trust is ratified by such party or issuer; nor shall this Section be construed as a present assignment of any contract, license, or permit that Grantor is required by law to hold in order to operate the Property for the purposes intended.

15. Notices. Any demand, notice, or other communication required to be given to either party shall be in writing and shall be deemed given on the date of delivery if delivered by courier; or five (5) days after mailing, if mailed first-class mail, postage prepaid, return receipt requested; or one (1) day after delivery by the sender to an overnight delivery service charges prepaid, return receipt requested, to the following addresses, as applicable. The notice addresses for the parties are as follows:

If to Debtor:	Vicinity Motor Property, LLC 3168 262 Street Aldergrove, British Columbia V4W 2Z6
If to Secured Party:	Royal Bank of Canada 200 Bay Street 30 th Floor, South Tower Toronto, Ontario M5J 2J5

Either party may change its address by written notice to the other.

16. Successors and Assigns. All of the covenants and conditions hereof shall run with the land and shall be binding upon the successors and assigns of Grantor, and shall inure to the benefit of the affiliates, successors, and assigns of Lender.

17. No Waiver. No waiver by Lender of any right or remedy granted hereunder shall affect or extend to any other right or remedy of Lender hereunder, nor affect the subsequent exercise of the same right or remedy by Lender for any further or subsequent default by Grantor hereunder, and all such rights and remedies of Lender hereunder are cumulative. Time is of the essence.

18. Governing Law; Jurisdiction and Venue. This Deed of Trust shall for all purposes be governed by and construed and enforced in accordance with the laws of the State of Washington, without reference to its principles of conflicts of laws. Any action or proceeding brought to enforce the provisions of this Deed of Trust shall be brought in a state or federal court of competent subject matter jurisdiction located within Whatcom County in the State of Washington, and Debtor hereby consents to the personal jurisdiction of and venue in those courts.

19. Severance. In the event any provision herein should be held unenforceable by a court of competent jurisdiction, such court is hereby authorized to amend such provision so that it will be enforceable to the fullest extent permitted by law, and all remaining provisions shall continue in full force without being affected, impaired, or invalidated thereby in any way.

20. Lender's Rights. Without affecting the liability of any person for payment or performance of the Secured Obligations, and without affecting the priority of the lien of this Deed of Trust, Lender may (i) extend the time for payment of the Secured Obligations, (ii) release anyone liable on the Secured Obligations, (iii) accept a renewal note or notes for the Secured Obligations, (iv) modify the terms and time of payment of the Secured Obligations, (v) release the lien of this Deed of Trust on any part of the Property, (vi) take or release other collateral for the Secured Obligations, (vii) consent to the making of any map or plan of the Property, the granting of any easement over the Property or the creation of any restriction on the Property, or (viii) join in any subordination or other agreement affecting the lien of this Deed of Trust.

21. Limited Agent. In every instance in this Deed of Trust where Grantor has appointed Lender as its attorney-in-fact, if such appointment is not enforceable under applicable law, such appointment is automatically deemed an appointment by Grantor of Lender as its limited agent, for the limited purposes stated therein.

ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Deed of Trust has been duly executed by the undersigned the day and year first above written.

GRANTOR: VICINITY MOTOR PROPERTY, LLC,
a Delaware limited liability company

By [Signature]

Name: Daniel Buckle

Title: Chief Financial Officers.

Province British Columbia, Canada
~~STATE OF~~

COUNTY OF Westminster) ss.

I certify that I ~~know or~~ ^(B) have satisfactory evidence that Daniel Rex Buckle is the person who appeared before me and said person acknowledged that he/she signed this instrument, on oath stated that he/she was authorized to execute the instrument and acknowledged it as the Chief Financial Officer of VICINITY MOTOR PROPERTY, LLC to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED this 3 day of April, 2023.

BALBIR KAUR SHERGILL
Notary Public in and for
the Province of British Columbia
170-20728 Willoughby Town Centre Dr.
Langley, B.C. V2Y 0P3
T: 604-371-3200

[Signature]
Name of Notary
NOTARY PUBLIC in and for the Province
of British Columbia
residing at Langley British Columbia
My Appointment Expires PERMANENT COMMISSION

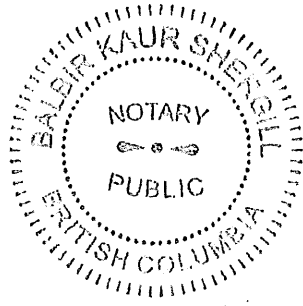


EXHIBIT A
Legal Description

For APN/Parcel ID(s): 186598 / 390228 028215 0000, 190386 / 390228
028186 0000

Parcel A:

Lot 7, as delineated on Pacific Fern Business Park General and Specific Binding Site Plan, according to the plat thereof, recorded on February 21, 2019, under Auditor's File No. 2019-0201524, records of Whatcom County, Washington.

Situate in Whatcom County, Washington.

Parcel B:


Lots 8 and 9, as delineated on Pacific Fern Business Park General and Specific Binding Site Plan, according to the plat thereof, recorded on February 21, 2019, under Auditor's File No. 2019-0201524, records of Whatcom County, Washington;

Together with,

Lot 10, as delineated on Pacific Fern Business Park Specific Binding Site Plan No. 1, according to the plat thereof, recorded May 4, 2021, under Auditor's File No. 2021-0500260, records of Whatcom County, Washington;

Situate in Whatcom County, Washington.

This is **Exhibit "J"** referred to in the affidavit of Cameron Bailey sworn before me at Calgary, Alberta this 16 day of October 2024.



A Commissioner for taking Affidavits
For Alberta

Donna Jean
Barrister and Solicitor

ASSIGNMENT OF MATERIAL CONTRACTS

TO: ROYAL BANK OF CANADA (the “Secured Party”)

RE: Amended and Restated Loan Agreement between, *inter alios*, Vicinity Motor (Bus) Corp. (the “Borrower”), as borrower, Vicinity Motor Corp. (the “Guarantor” and together with the Borrower, the “Grantors”), as guarantor, and the Secured Party, as lender, dated February 17, 2023 (as may be amended, supplemented, restated or replaced from time to time, the “ARLA”)

DATED: February 17, 2023

WHEREAS:

A. The Grantors have entered into the ARLA with the Secured Party. The ARLA contemplates that, among other things, the Grantors shall issue certain security documents and the Grantors have agreed to issue this assignment of contracts (this “Assignment Agreement”).

NOW THEREFORE in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantors hereby agree as follows:

1. Interpretation. In this Assignment Agreement, unless the context otherwise requires:
 - (a) “**Assigned Contracts**” means all contracts, agreements, leases, instruments, purchase orders and invoices of each Grantor, including the contracts described in **Schedule “A”** hereto, together with all amendments, supplements, restatements or replacements from time to time, all of each Grantor’s right, title and interest therein and thereto and all rights, privileges and other benefits now or hereafter accruing to each Grantor thereunder, and any references to the “Assigned Contracts” herein shall be interpreted as referring to “the Assigned Contracts or any of them”;
 - (b) “**Event of Default**” means the occurrence of an Event of Default as defined in the ARLA;
 - (c) “**Material Adverse Change**” means any one or more transactions, events or conditions which, when taken together, have a Material Adverse Effect;
 - (d) “**Material Adverse Effect**” has the meaning assigned to it in the ARLA; and
 - (e) “**Other Party**” shall mean in respect of any given Assigned Contract, the other party to the Assigned Contract as identified in **Schedule “A”** hereto and shall include all successors and assigns of such party.

Capitalized terms that are used but not otherwise defined in this Assignment Agreement have the respective meanings assigned to those terms, directly or by reference, in the ARLA. Unless the context otherwise requires or unless otherwise specified, all the terms used herein without initial capitals which are defined in the Personal Property Security Act, [RSBC 1996] c. 359 (the “PPSA”), have the same meaning herein as in the PPSA.

2. Assignment. To secure payment and performance of all obligations owing by the Grantors to the Secured Party pursuant to the ARLA, the Grantors hereby irrevocably assign, transfer and set over to the Secured Party, by way of security, and grant to the Secured Party a security interest in and to the Assigned Contracts (the "**Assignment**"); provided that, notwithstanding any term or provision in this Section 2 to the contrary, the Assigned Contracts do not include any permit, contract, document, instrument or agreement the assignment or transfer of which, or the creation, attachment or perfection of a security interest in which, by any term in such permit, contract, document, instrument or agreement, is prohibited or restricted or requires the consent of a person other than the Grantors or the Secured Party, unless and until such required consent is obtained or is waived or unless and to the extent that such term in such permit, contract, document, instrument or agreement is rendered ineffective by the PPSA or other applicable law. Nevertheless, should the security interest constituted herein become enforceable, the Grantors shall thereafter stand possessed of such Assigned Contract and shall hold it in trust to assign the same or dispose of the same to any person as requested by the Secured Party. This Assignment Agreement shall become immediately effective with respect to such Assigned Contract upon such consent having been obtained. Each Grantor shall, if requested by the Secured Party, forthwith use such Grantor's commercially reasonable efforts to obtain the consent (or such other comfort or assurances as are acceptable to the Secured Party in its sole discretion) of any person required for the assignment of any permit, contract, document, instrument, purchase order, invoice or agreement and for the further assignment by the Secured Party of such permit, contract, document, instrument, purchase order, invoice or agreement to any Person who may acquire the same as a result of the Secured Party's exercise of remedies after an Event of Default that is continuing. Upon the obtaining or waiver of any such required consents, comfort or assurances with respect to any permit, contract, document, instrument, purchase order, invoice or agreement, such permit, contract, document, instrument, purchase order, invoice or agreement shall constitute an Assigned Contract and this Assignment Agreement shall apply thereto without regard to the preceding proviso in this Section 2 and without the necessity of any further record or assurance to effect the assignment with respect to such permit, contract, document, instrument, purchase order, invoice or agreement.

3. Representations. Each Grantor hereby represents and warrants to the Secured Party that:
- (a) except for the Other Party, each Grantor is the sole legal and beneficial owner of each Assigned Contract to which such Grantor is a party, and, subject to any requirement that the consent of the Other Party be obtained as contemplated in Section 2 above, has the full right, power and authority to assign, transfer and set-over each Assigned Contract and to grant a security interest therein to the Secured Party in accordance with the terms of this Assignment Agreement;
 - (b) except as permitted under the ARLA and except for existing assignments in favour of the Secured Party, to the best knowledge of the Grantor, there is no other outstanding assignment, transfer, setting over or grant of a security interest in, or other encumbering of, any Assigned Contract;
 - (c) each Assigned Contract is valid and enforceable in accordance with its terms, subject to the availability of equitable remedies and the effect of bankruptcy, insolvency and similar laws affecting the rights of creditors generally;
 - (d) each Assigned Contract is in full force and effect;
 - (e) neither the applicable Grantor nor, to the best knowledge of such Grantor, the Other Party is in default under any Assigned Contract the effect of which would impair the ability of such Grantor to carry on business in the ordinary course or would cause a Material Adverse Change; and

- (f) as of the date this Assignment Agreement, to the best knowledge of each Grantor, the Other Party has no material defences, material rights of set-off or material counterclaims against the applicable Grantor relating to or affecting the Assigned Contracts to which it is a party, the effect of which would impair the ability of such Grantor to carry on business in the ordinary course or would cause a Material Adverse Change.

The Borrower hereby represents and warrants to the Secured Party that it is a party to the Hubei Manufacturing Agreement (as defined in **Schedule "A"** hereto), that the Hubei Manufacturing Agreement was duly executed and delivered by the Borrower and that the Borrower has the full right, power and authority to assign, transfer and set-over such Hubei Manufacturing Agreement and to grant a security interest therein to the Secured Party in accordance with the terms of this Assignment Agreement, notwithstanding that the Borrower was inadvertently described as 'Grande West Manufacturing Limited Company' on the signature page thereto.

4. Covenants. Each Grantor hereby covenants in respect of each Assigned Contract to which it is a party:

- (a) not to do or permit to be done anything to impair and not to omit to do anything that would impair the security created by or the enforceability of this Assignment Agreement;
- (b) not to execute any other assignment, transfer or setting over of any Assigned Contract, or grant any security interest or other encumbrance in any Assigned Contract which would rank *pari passu* or in priority to the security created hereby;
- (c) not to (i) amend any provisions of any Assigned Contract or (ii) give any consent, concession or waiver with respect thereto, in each case in a way which would have a Material Adverse Effect on (1) the ability of such Grantor to perform or discharge its obligations under this Assignment Agreement or (2) the Secured Party's ability to enforce its rights under this Assignment Agreement; and
- (d) to cooperate with the Secured Party during the occurrence and continuance of an Event of Default to the fullest extent possible in pursuing any claim required by the Secured Party in accordance with sound business practices to be pursued under or in respect of the Assigned Contract.

5. Notice to the Other Party. The Grantors agree that the Other Party may rely upon any notice given or purporting to be given by the Secured Party or on its behalf pursuant to and in accordance with this Assignment Agreement notwithstanding any deficiency in form or substance thereof that might affect the validity of such notice. The Grantors hereby waive as against the Other Party any claims it may otherwise have by reason of the Other Party's acting on such notice. The Grantors further agree that the Other Party shall not be required to honour any release of the Assignment or re-assignment of the Assigned Contracts to which it is a party unless the notice to the Other Party thereof is duly executed by the Secured Party.

6. Remedies. Upon the occurrence of an Event of Default, the Secured Party, any receiver and any receiver and manager appointed by the Secured Party, or any of them, shall have, in addition to any other rights and remedies they may have, all the rights and remedies provided herein with respect to the Assigned Contracts including, without limitation of the foregoing, at law, in equity or otherwise:

- (a) the exercise by the Secured Party of any and all rights under the Assigned Contracts; and

- (b) to enter into such arrangements on behalf of the applicable Grantor (whether in exercise of the powers of attorney granted hereunder or otherwise) with the Other Party as the Secured Party may deem necessary or advisable, which arrangements shall be binding upon such Grantor as if entered into by that Grantor.

7. Authority of the Secured Party. The Grantors hereby appoint the Secured Party to be the true and lawful attorney of the Grantors upon the occurrence of an Event of Default (“**Power of Attorney**”), and in such capacity the Secured Party shall act for and in the name of the Grantors, but for the use and benefit of the Secured Party. Following the granting of the Power of Attorney, the Secured Party may: (i) give notice of this Assignment Agreement and of the assignment or re-assignment of the Assigned Contracts to any person; (ii) demand, recover and enforce payment of all amounts payable in respect of the Assigned Contracts; (iii) enforce observance by the Other Party of its obligations pursuant to the Assigned Contract to which it is a party; (iv) and for the purposes aforesaid, or any of them, to institute such actions at law or in equity, or to take such proceedings by distress or otherwise as the Secured Party shall from time to time deem fit or proper, and for the purposes aforesaid or any of them, to make, sign and execute any and all documents in the name of any Grantor as the Secured Party shall deem fit or proper and to accept in the name of the applicable Grantor any re-assignment of the Assigned Contract pursuant to Section 8 of this Assignment Agreement. The Secured Party shall notify the Grantors when it exercises this Power of Attorney. All reasonable expenses of such actions shall be payable by the Grantors to the Secured Party upon demand and constitute part of the indebtedness owing by the Grantors to the Secured Party under the ARLA. This Power of Attorney is coupled with an interest and shall be irrevocable so long as the payment and performance of all obligations owing by the Grantors to the Secured Party pursuant to the ARLA or any of them remain outstanding. The Grantors further hereby appoint the Secured Party as the Grantors’ trustee to do or undertake, following an Event of Default, any of the things which the Secured Party may do pursuant to the foregoing power of attorney without any liability to the Secured Party.

8. Re-assignment at Secured Party’s Option. The Secured Party may at any time, in its sole discretion, without further request or agreement by the Grantors, re-assign to any Grantor or its successors or permitted assigns any and all Assigned Contracts, by an instrument of re-assignment in writing executed by the Secured Party and delivered to such Grantor, or such successor or permitted assign, at the address for notices set forth in the ARLA. Such instrument shall, upon delivery, constitute a good and sufficient re-assignment, transfer and setting over of all right, title and interest in and to such Assigned Contracts of the Secured Party and a release and termination of all past, present and future obligations (if any) of the Secured Party with respect thereto. The Secured Party shall not be obligated to notify the Other Party or any other person of any such re-assignment except that the Secured Party shall notify the Grantors of any such re-assignment. Any such re-assignment shall, irrespective of its terms, be deemed to be without express or implied representation or warranty to the applicable Grantor, and without recourse to the Secured Party, with respect to the Assigned Contract or anything related thereto.

9. Limitation of Secured Party’s Obligations. Nothing herein shall obligate the Secured Party to assume or perform any obligation of the Grantors to the Other Party or to any other person in respect of or arising out of the Assigned Contracts nor shall anything contained herein be deemed to have the effect of making the Secured Party responsible for the performance of the obligations of the Grantors pursuant to the Assigned Contracts and the Grantors hereby agree to indemnify and save the Secured Party harmless from any and all claims of the Other Party and such other persons other than claims arising out of the Secured Party’s negligence or wilful misconduct. Furthermore, the Secured Party shall not by reason of this Assignment Agreement or the exercise of any right granted herein be responsible for any act committed by the Grantors, or any breach or failure by the Grantors to perform any of their obligations under the Assigned Contracts.

10. Rights of Grantor. Although it is intended by the Grantors and the Secured Party that the Assignment shall be a present assignment, unless and until an Event of Default has occurred, notice of which has been given by the Secured Party to the Other Party, the Grantors shall be permitted to exercise all of the rights, benefits and powers available to them under the Assigned Contracts, provided that such exercise would not give rise to a breach of any of the Grantors' covenants or agreements made herein, and the Other Party shall, subject to the provision of any consent provided pursuant to Section 2 above, be entitled to deal solely with the Grantors with respect to all matters relating to the Assigned Contracts.

11. Continuing Security, etc. This Assignment Agreement shall not be considered as satisfied or discharged by any intermediate payment of the whole or part of the indebtedness owing by the Grantors to the Secured Party under the ARLA but shall constitute and be a continuing security to the Secured Party therefor and shall be in addition to and not in substitution for any other security now or hereafter held by the Secured Party. The rights and remedies of the Secured Party under this Assignment Agreement may be exercised from time to time separately or in combination and are in addition to and not in substitution for any other rights of the Secured Party however created. If the Grantors indefeasibly pay to the Secured Party the indebtedness owing by the Grantors to the Secured Party under the ARLA in full and otherwise observes and performs the terms and conditions hereof, then the security interest contemplated by this Assignment shall automatically terminate and the Secured Party shall promptly re-assign the Assigned Contracts to the Grantors on the terms contemplated by Section 8 above, and at the request and at the expense of the Grantors cancel and discharge this Assignment Agreement and execute and deliver to the Grantors such deeds and other instruments as shall be requisite therefor.

12. Waiver, etc. If the Secured Party elects to invoke any of its rights or remedies hereunder and thereafter, for any reason, relinquishes to the Grantors any such right, this Assignment Agreement shall not be terminated but shall remain in full force and effect until the payment of all indebtedness owing by the Grantors to the Secured Party under the ARLA is indefeasibly paid in full, it being the intent of the parties that the Secured Party shall have all the rights and remedies granted hereby. No amendment, supplement or waiver of any provision of this Assignment Agreement, nor any consent to the departure by the Grantors therefrom, shall be effective unless it is in writing, makes express reference to the provision affected thereby and is executed by the Secured Party and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No delay or omission on the part of the Secured Party in the exercise of any remedy shall operate as a waiver thereof.

13. Application of Proceeds. The Secured Party shall be entitled to apply all monies received pursuant to the Assigned Contracts and this Assignment Agreement as contemplated by the ARLA.

14. Provision of Information. The Grantors hereby acknowledge that (i) the Other Party may from time to time disclose to the Secured Party information regarding the Grantors, the Assigned Contracts, the existence of an Event of Default that is continuing and has not been waived, any proceedings or steps taken in connection with any of the foregoing and similar information and (ii) the Secured Party may, upon the occurrence of an Event of Default, disclose to the Other Party information regarding this Assignment Agreement, the Assigned Contracts, the existence of the Event of Default, any proceedings or steps taken in connection with any of the foregoing and similar information and the Grantors hereby irrevocably consent to such disclosure provided however that such disclosure will not contravene the terms of any consent to this Assignment executed by the Other Party.

15. Further Assurances. As and so often as the Secured Party may require, the Grantors shall execute and deliver, and cause to be executed and delivered to the Secured Party, at the expense of the Grantors, such further and other documents and instruments and shall do such further and other things as may be reasonably necessary to properly carry out the intent of this Assignment Agreement and the exercise of the rights and remedies of the Secured Party hereunder.

16. Governing Law. This Assignment Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein (other than the laws governing conflict of laws). The Courts of British Columbia shall have jurisdiction (but not exclusive jurisdiction) to entertain and determine all disputes and claims, whether for specific performance, injunction, declaration or otherwise howsoever both at law and in equity, arising out of or in any way connected with the construction, breach, or alleged, threatened or anticipated breach of this Assignment Agreement and shall have jurisdiction to hear and determine all questions as to the validity, existence or enforceability hereof.

17. Severability. If any one or more of the provisions contained in this Assignment Agreement should be invalid, illegal or unenforceable in any respect in any jurisdiction, the validity, legality and enforceability of such provision shall not in any way be affected or impaired thereby in any other jurisdiction and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.

18. Expenses. All expenses incurred by the Secured Party in recovering or enforcing payment of the indebtedness and the liability or any part or parts thereof owing by the Grantors to the Secured Party under the ARLA and this Assignment Agreement or realizing upon any securities therefor including expenses or taking possession, protecting and realizing upon any property comprised in such securities shall be added to and shall be deemed to be a part of such indebtedness owing by the Grantors to the Secured Party under the ARLA and secured by this Assignment Agreement.

19. Acknowledgement of Receipt. The Grantors hereby acknowledge receipt of an executed copy of this Assignment Agreement. The Grantors waive all rights to receive from the Secured Party a copy of any financing statement, financing change statement registered or verification statement issued at any time in respect of this Assignment Agreement.

20. Release of Information. The Grantors hereby authorize the Secured Party to provide a copy of this Assignment Agreement and such other information as may be requested of the Secured Party by persons entitled thereto under the PPSA.

21. Successors and Assigns. This Assignment Agreement shall enure to the benefit of and be binding upon the parties and their respective successors and assigns. The Grantors shall not assign this Assignment Agreement without the prior written consent of the Secured Party.

22. Headings. The headings of the sections hereof are inserted for convenience of reference only and shall not affect the interpretation or construction of this Assignment Agreement.

23. Paramourty. In the event of a conflict or inconsistency between the provisions of this Assignment Agreement and the provisions of the ARLA, the provisions of the ARLA shall prevail.

24. Number and Gender. In this Assignment Agreement where the context so requires words importing number shall include the singular and plural, words importing gender shall include the masculine, feminine and neutral genders and words importing persons shall include firms and corporations and vice versa.

25. Schedule. **Schedule "A" - Assigned Contracts** is deemed to be a part of this Assignment Agreement.

26. Delivery. Delivery in counterparts and by facsimile or by electronic transmission in portable document format (PDF) of the executed copy of this Assignment Agreement is as effective as delivery of an originally executed copy of this Assignment Agreement.

[Signature page follows]

IN WITNESS WHEREOF the Grantor has caused this Assignment Agreement to be duly executed and delivered as of the date first written above.

VICINITY MOTOR (BUS) CORP.

DocuSigned by:
William Trainer
23A316273E3C4DD
By: _____
Name: william Trainer
Title:
CEO

VICINITY MOTOR CORP.

DocuSigned by:
Dan Buckle
E410DCB3321D485...
By: _____
Name: Dan Buckle
Title:
CFO

Electronic Execution of Documents

The words “execution,” “execute,” “executed”, “signed,” “signature,” and words of like import in this Agreement, or in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby, shall be deemed to include DocuSign signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Lender, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any (a) Parts 2 and 3 of the Personal Information Protection and Electronic Documents Act (Canada), the Electronic Transaction Acts (British Columbia), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or (b) any other applicable law.

SCHEDULE "A"**ASSIGNED CONTRACTS**

1. Manufacturing Agreement dated as of May 19, 2016 between Grande West Transportation International Ltd. and Xiamen Fengtai Bus & Coach International Co., Ltd.
2. Manufacturing Agreement dated as of March 15, 2021 between Grande West Transportation International Ltd. and Hubei Qixing Group- Hubei Qixing Truck Cabin Manufacturing Limited Company and Hubei Yaoxing Trading International Co. Ltd. (the "**Hubei Manufacturing Agreement**").
3. Sales Contract No. REDVMC20220115 dated as of January 15, 2022 between Vicinity Motor Corp. and RED auto SCM Co., LIMITED.
4. Sales Contract No. REDVMC202211120 dated as of November 20, 2022 between Vicinity Motor Corp. and RED auto SCM Co., LIMITED.
5. Dealer Sales and Service Agreement effective as of October 24, 2021 between Vicinity Motor (Truck) Corp. and Pioneer Auto Group.
6. Purchase and Sale Agreement dated as of October 14, 2022 between Vicinity Motor (Bus) Corp. and Pioneer Auto Group, with addendum.

This is **Exhibit "K"** referred to in the affidavit of
Cameron Bailey sworn before me at Calgary, Alberta
this 16 day of October 2024.



A Commissioner for taking Affidavits
For Alberta

Dennis Dunin
Barrister and Solicitor

CONFIRMATION AND REAFFIRMATION AGREEMENT

TO: Royal Bank of Canada (the “**Secured Party**”)

RE: Vicinity Motor (Bus) Corp. (formerly Grande West Transportation International Ltd.) (the “**Borrower**”), Vicinity Motor (Bus) USA Corp. (formerly Grande West Transportation International US, Inc.) (“**Vicinity USA**”) and Vicinity Motor Corp. (formerly Grande West Transportation Group Inc.) (“**Vicinity Parent**” and, together with Vicinity USA, the “**Original Guarantors**”)

DATE: February 17, 2023

WHEREAS:

- A. Pursuant to the loan agreement dated October 23, 2017, as amended by a first amendment agreement and consent dated May 16, 2018, a second amendment agreement and consent dated December 21, 2018, a third amendment agreement and waiver dated August 26, 2019, a fourth amendment agreement dated May 26, 2020, a fifth amendment agreement dated July 30, 2020, a sixth amendment agreement dated August 26, 2020, a seventh amendment agreement dated October 23, 2020, an eighth amendment agreement, waiver and consent dated December 20, 2021 and a ninth amendment agreement dated June 1, 2022 (collectively, the “**Original Loan Agreement**”) among *inter alia*, the Borrower, the Original Guarantors and the Secured Party, the Secured Party, made certain loans to the Borrower;
- B. Each of the Borrower and the Original Guarantors has entered into certain Loan Documents in favour of the Secured Party, including without limitation, those set out in **Schedule “A”** attached hereto in connection with the Original Credit Agreement;
- C. The Borrower, the Original Guarantors and the Secured Party, *inter alia*, have entered into or will be entering into an amended and restated loan agreement dated February 17, 2023 (the “**ARLA**”), as may be further amended, restated, renewed, extended or otherwise modified from time to time, pursuant to which the Original Loan Agreement has been or will be amended and restated;
- D. In connection with the ARLA, each of the Borrower and the Original Guarantors is required to confirm and reaffirm its obligations under the Loan Documents to which it is a party; and
- E. Capitalized terms used but not otherwise defined herein shall have the meaning ascribed thereto in the ARLA.

NOW THEREFORE THIS CONFIRMATION AND REAFFIRMATION AGREEMENT WITNESSES THAT in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the parties hereto), the parties agree each with the other as follows:

1. **Acknowledgment, Confirmation and Reaffirmation**

Each of the Borrower and the Original Guarantors hereby:

- 1.1 acknowledges to the Secured Party its execution and delivery of each of the Loan Documents to which it is a party; and

- 1.2 agrees with the Secured Party, and confirms and reaffirms to the Secured Party that, notwithstanding the ARLA:
- (a) the Loan Documents executed by it continue to be in full force and effect, continue to secure its obligations under or in connection with the ARLA, and are valid, legal and binding obligations of it;
 - (b) it is bound by and will continue to be bound by the terms of the Loan Documents to which it is a party; and
 - (c) it specifically confirms and reaffirms all of the security interests, mortgaged, pledges, hypothecs, charges, assignments and encumbrances created or granted by it pursuant to the Original Credit Agreement and the Loan Documents executed by it.

2. No Novation

Each of the Borrower and the Original Guarantors hereby confirms and agrees that the ARLA shall not constitute a novation of the obligations of the Borrower or such Original Guarantor under the Loan Documents to which it is a party.

3. Governing Law

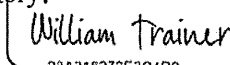
This Confirmation and Reaffirmation Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The Borrower and the Original Guarantors agree that any action under or for the enforcement of this Confirmation and Reaffirmation Agreement may be brought in the courts of British Columbia and the undersigned attorns to the jurisdiction of those courts.

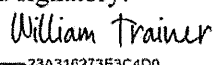
4. Counterparts

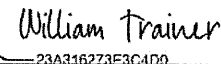
This Confirmation and Reaffirmation Agreement may be executed in any number of counterparts and by different parties in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement. Delivery by facsimile or by electronic transmission in portable document format (PDF) of an executed counterpart of this Confirmation and Reaffirmation Agreement is as effective as delivery of an originally executed counterpart of this Confirmation and Reaffirmation Agreement.

[Signature page follows]

DATED as of the date first written above.

VICINITY MOTOR (BUS) CORP., by its authorized signatory: DocuSigned by:

 Per: _____
23A316273E3C4D0...
 Name: William Trainer
 Title: CEO

VICINITY MOTOR (BUS) USA CORP., by its authorized signatory: DocuSigned by:

 Per: _____
23A316273E3C4D0...
 Name: William Trainer
 Title: CEO

VICINITY MOTOR CORP., by its authorized signatory: DocuSigned by:

 Per: _____
23A316273E3C4D0...
 Name: William Trainer
 Title: CEO

Electronic Execution of Documents

The words “execution,” “execute,” “executed”, “signed,” “signature,” and words of like import in this Agreement, or in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby, shall be deemed to include DocuSign signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Lender, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any (a) Parts 2 and 3 of the Personal Information Protection and Electronic Documents Act (Canada), the Electronic Transaction Acts (British Columbia), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or (b) any other applicable law.

SCHEDULE "A"Borrower's Loan Documents

1. Blocked Accounts Agreement dated October 25, 2017, granted by the Borrower (by its predecessor entity) in favour of the Secured Party;
2. Assignment of Insurance Proceeds Agreement dated October 25, 2017, granted by the Borrower (by its predecessor entity) in favour of the Secured Party;
3. General Security Agreement dated October 25, 2017, granted by the Borrower (by its predecessor entity) in favour of the Secured Party;
4. Notice of Intention to Grant Security under Section 427 of the *Bank Act*, dated September 20, 2017, granted by the Borrower (by its predecessor entity); and
5. certain Section 427 *Bank Act* security documents granted by the Borrower in favour of the Secured Party, dated September 22, 2017, including:
 - (a) an agreement as to loans, advances and security under Section 427 of the *Bank Act*;
 - (b) a promise to give security under Section 427 of the *Bank Act*; and
 - (c) an assignment under Section 427 of the *Bank Act*.

Original Guarantors' Loan Documents

1. Unlimited Guarantee dated October 25, 2017, granted by Vicinity Parent in favour of the Secured Party;
2. Unlimited Guarantee dated October 25, 2017, granted by Vicinity USA (by its predecessor entity) in favour of the Secured Party;
3. Blocked Accounts Agreement dated October 25, 2017, granted by Vicinity Parent in favour of the Secured Party;
4. General Security Agreement dated October 25, 2017, granted by Vicinity Parent in favour of the Secured Party;
5. General Security Agreement dated October 25, 2017, granted by Vicinity USA (by its predecessor entity) in favour of the Secured Party; and
6. Assignment and Postponement Agreement dated October 25, 2017, granted by Vicinity Parent in favour of the Secured Party.

This is **Exhibit "L"** referred to in the affidavit of Cameron Bailey sworn before me at Calgary, Alberta this 16 day of October 2024.



A Commissioner for taking Affidavits
For Alberta

David J. Smith
Barrister and Solicitor

GUARANTY

1. **Obligations Guaranteed.** For consideration, the adequacy and sufficiency of which are acknowledged, the undersigned (“**Guarantor**”) unconditionally Guarantees and promises (a) to pay to Royal Bank of Canada, a Canadian Chartered Bank (the “**Bank**”), on demand, all Obligations to the Bank of Grande West Transportation International Ltd., a corporation incorporated under the laws of British Columbia, Canada (“**Borrower**”), and (b) to perform all undertakings of Borrower in connection with the Obligations. “**Obligations**” is used in its most comprehensive sense and includes any and all debts, liabilities, rental obligations, and other obligations and liabilities of every kind of Borrower to the Bank, whether made, incurred or created previously, concurrently or in the future, whether voluntary or involuntary and however arising, whether incurred directly or acquired by the Bank by assignment or succession, whether due or not due, absolute or contingent, liquidated or unliquidated, legal or equitable, whether Borrower is liable individually or jointly or with others, whether incurred before, during or after any bankruptcy, reorganization, insolvency, receivership or similar proceeding (“**Insolvency Proceeding**”), and whether recovery thereof is or becomes barred by a statute of limitations or is or becomes otherwise unenforceable, together with all expenses of, for and incidental to collection, including reasonable attorneys’ fees.

2. **Continuing Nature/Revocation/Reinstatement.** This Guaranty is in addition to any other guaranties of the Obligations, is continuing and covers all Obligations, including those arising under successive transactions which continue or increase the Obligations from time to time, renew all or part of the Obligations after they have been satisfied, or create new Obligations. Revocation by one or more signers of this Guaranty or any other guarantors of the Obligations shall not (a) affect the obligations under this Guaranty of a non-revoking Guarantor, (b) apply to Obligations outstanding when the Bank receives written notice of revocation, or to any extensions, renewals, readvances, modifications, amendments or replacements of such Obligations, or (c) apply to Obligations, arising after the Bank receives such notice of revocation, which are created pursuant to a commitment existing at the time of the revocation, whether or not there exists an unsatisfied condition to such commitment or the Bank has another defense to its performance. All of the Bank’s rights pursuant to this Guaranty continue with respect to amounts previously paid to the Bank on account of any Obligations which are thereafter restored or returned by the Bank, whether in an Insolvency Proceeding of Borrower or for any other reason, all as though such amounts had not been paid to the Bank; and Guarantor’s liability under this Guaranty (and all its terms and provisions) shall be reinstated and revived, notwithstanding any surrender or cancellation of this Guaranty. The Bank, at its sole discretion, may determine whether any amount paid to it must be restored or returned; provided, however, that if the Bank elects to contest any claim for return or restoration, Guarantor agrees to indemnify and hold the Bank harmless from and against all costs and expenses, including reasonable attorneys’ fees, expended or incurred by the Bank in connection with such contest. If any Insolvency Proceeding is commenced by or against Borrower or Guarantor, at the Bank’s election, Guarantor’s obligations under this Guaranty shall immediately and without notice or demand become due and payable, whether or not then otherwise due and payable.

3. **Authorization.** Guarantor authorizes the Bank, without notice and without affecting Guarantor’s liability under this Guaranty, from time to time, whether before or after any revocation

of this Guaranty, to (a) renew, compromise, extend, accelerate, release, subordinate, waive, amend and restate, or otherwise amend or change, the interest rate, time or place for payment or any other terms of all or any part of the Obligations; (b) accept delinquent or partial payments on the Obligations; (c) take or not take security or other credit support for this Guaranty or for all or any part of the Obligations, and exchange, enforce, waive, release, subordinate, fail to enforce or perfect, sell, or otherwise dispose of any such security or credit support; (d) apply proceeds of any such security or credit support and direct the order of manner of its sale or enforcement as the Bank, at its sole discretion, may determine; and (e) release or substitute Borrower or any guarantor or other person or entity liable on the Obligations.

4. Waivers. To the maximum extent permitted by law, Guarantor waives (a) all rights to require the Bank to proceed against Borrower, or any other guarantor, or proceed against, enforce or exhaust any security for the Obligations or to marshal assets or to pursue any other remedy in the Bank's power whatsoever; (b) all defenses arising by reason of any disability or other defense of Borrower, the cessation for any reason of the liability of Borrower, any defense that any other indemnity, guaranty or security was to be obtained, any claim that the Bank has made Guarantor's obligations more burdensome or more burdensome than Borrower's obligations, and the use of any proceeds of the Obligations other than as intended or understood by the Bank or Guarantor; (c) all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, notices of acceptance of this Guaranty and of the existence or creation of new or additional Obligations, and all other notices or demands to which Guarantor might otherwise be entitled; (d) all conditions precedent to the effectiveness of this Guaranty; (e) all rights to file a claim in connection with the Obligations in an Insolvency Proceeding filed by or against Borrower; (f) all rights to require the Bank to enforce any of its remedies; and (g) until the Obligations are satisfied or fully paid with such payment not subject to return: (i) all rights of subrogation, contribution, indemnification or reimbursement, (ii) all rights of recourse to any assets or property of Borrower or to any collateral or credit support for the Obligations, (iii) all rights to participate in or benefit from any security or credit support the Bank may have or acquire, and (iv) all rights, remedies and defenses Guarantor may have or acquire against Borrower.

5. Guarantor to Keep Informed. Guarantor warrants having established with Borrower adequate means of obtaining, on an ongoing basis, such information as Guarantor may require concerning all matters bearing on the risk of nonpayment or nonperformance of the Obligations. Guarantor assumes sole, continuing responsibility for obtaining such information from sources other than the Bank. The Bank has no duty to provide any information to Guarantor until the Bank receives Guarantor's written request for specific information in the Bank's possession and Borrower has authorized the Bank to disclose such information to Guarantor.

6. Subordination. All obligations of Borrower to Guarantor which presently or in the future may exist ("**Guarantor's Claims**") are hereby subordinated to the Obligations. At the Bank's request, Guarantor's Claims will be enforced and performance thereon received by Guarantor only as a trustee for the Bank, and Guarantor will promptly pay over to the Bank all proceeds recovered for application to the Obligations without reducing or affecting Guarantor's liability under other provisions of this Guaranty.

7. Security. Guarantor's obligations under this Guaranty are secured by a Security Agreement of even date herewith between Guarantor and the Bank.

8. **Authorization.** Where Borrower is a corporation, partnership or other entity, the Bank need not inquire into or verify the powers of Borrower or authority of those acting or purporting to act on behalf of Borrower, and this Guaranty shall be enforceable with respect to any Obligations the Bank grants or creates in reliance on the purported exercise of such powers or authority.

9. **Payments.**

(a) Currency and Place of Payment Payment shall be made to the Bank, in the currency or currencies specified in the demand for payment, at 30th floor, 200 Bay Street, Toronto, Ontario, M5J 2J5, or another address or account that the Bank may specify by written notice to Guarantor from time to time.

(b) Withholdings Etc. Any payment made by Guarantor under this Guaranty shall be made without any deduction or withholding for or on account of tax and without any set-off or counterclaim of any kind. However, if Guarantor is required by law to deduct, withhold or pay any tax in respect of any payment under this Guaranty, then (i) Guarantor shall pay additional sums under this Guaranty as necessary so that, after making or allowing for all required deductions, withholdings and payments (including deductions, withholdings and payments applicable to additional sums payable under this Section 9(b)), the Bank receives an amount equal to the sum it would have received had no deductions, withholdings or payments been required, (ii) Guarantor shall make any deductions, withholdings or payments required by law to be made by it and (iii) Guarantor shall timely pay the full amount required to be deducted, withheld or paid to the relevant governmental authority in accordance with applicable law.

(c) Judgment Currency. If for the purpose of obtaining judgment in any court in any jurisdiction with respect to this Guaranty it is necessary to convert into the currency of such jurisdiction (the "**Judgment Currency**") any amount due hereunder in any currency other than the Judgment Currency, then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment 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 Judgment 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 the judgment is given and the date of payment of the amount due, the undersigned 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 Judgment Currency which, when converted at the rate of exchange prevailing on the date of payment, is the amount then due under this Guaranty in such other currency together with interest at Prime Interest Rate and expenses (including legal fees on a solicitor and client basis). Any additional amount due from the undersigned under this section will be due as a separate debt and shall not be affected by judgment being obtained for any other sums due under or in respect of this Guarantee

(d) Set-Off Upon the occurrence and during the continuance of any Event of Default, the Bank and each of its affiliates is authorized at any time and from time to time to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by the Bank or affiliate to or for the credit or the account of Guarantor against any and all of the liabilities

of Guarantor now or in the future existing under this Guaranty, irrespective of whether or not the Bank has made any demand under this Guaranty and although those liabilities of Guarantor may be contingent or unmatured or are owed to a branch or office of the Bank different from the branch or office holding any deposit or obligated to Guarantor. The rights of the Bank and its affiliates under this Section 9(d) are in addition to other rights and remedies (including other rights of set-off, consolidation of accounts and bankers' lien) that the Bank or its affiliates may have.

10. Assignments. Without notice to Guarantor, the Bank may assign the Obligations and this Guaranty, in whole or in part, and may disclose to any prospective or actual purchaser of all or part of the Obligations any and all information the Bank has or acquires concerning Guarantor, this Guaranty and any security for this Guaranty.

11. Counsel Fees and Costs. The prevailing party shall be entitled to attorneys' fees (including a reasonable allocation for the Bank's internal counsel) and all other costs and expenses which it may incur in connection with the enforcement or preservation of its rights under, or defense of, this Guaranty or in connection with any other dispute or proceeding relating to this Guaranty, whether or not incurred in any Insolvency Proceeding, arbitration, litigation or other proceeding.

12. Integration/Severability/Amendments. This Guaranty is intended by Guarantor and the Bank as the complete, final expression of their agreement concerning its subject matter. It supersedes all prior understandings or agreements with respect thereto and may be changed only by a writing signed by Guarantor and the Bank. No course of dealing, or parole or extrinsic evidence shall be used to modify or supplement the express terms of this Guaranty. If any provision of this Guaranty is found to be illegal, invalid or unenforceable, such provision shall be enforced to the maximum extent permitted, but if fully unenforceable, such provision shall be severable, and this Guaranty shall be construed as if such provision had never been a part of this Guaranty, and the remaining provisions shall continue in full force and effect.

13. Notice. Any notice or other communication to any party in connection with this Guaranty, including notice of revocation, shall be in writing and shall be sent by manual delivery, overnight courier or United States or Canadian mail (postage prepaid) addressed to such party at the address specified below for notices, or at such other address as such party shall have specified to the other party hereto in writing. All periods of notice shall be measured from the date of delivery thereof if manually delivered, from the first business day after the date of sending if sent by overnight courier, or from four days after the date of mailing if mailed.

14. Governing Law. THE VALIDITY, CONSTRUCTION AND ENFORCEABILITY OF THIS GUARANTY SHALL BE GOVERNED BY THE LAWS OF THE STATE OF DELAWARE WITHOUT GIVING EFFECT TO CONFLICT OF LAWS PRINCIPLES THEREOF.

15. Consent to Jurisdiction. AT THE OPTION OF THE BANK, THIS GUARANTY MAY BE ENFORCED IN ANY FEDERAL COURT OR STATE COURT SITTING IN THE STATE OF DELAWARE OR ANY FEDERAL COURT OR PROVINCIAL COURT SITTING IN THE PROVINCE OF BRITISH COLUMBIA, AND GUARANTOR CONSENTS TO THE JURISDICTION AND VENUE OF EACH SUCH COURT AND

WAIVES ANY ARGUMENT THAT VENUE IN ANY SUCH FORUM IS NOT CONVENIENT. IN THE EVENT GUARANTOR COMMENCES ANY ACTION IN ANOTHER JURISDICTION OR VENUE UNDER ANY TORT OR CONTRACT THEORY ARISING DIRECTLY OR INDIRECTLY FROM THE RELATIONSHIP CREATED BY THIS GUARANTY, THE BANK AT ITS OPTION SHALL BE ENTITLED TO HAVE THE CASE TRANSFERRED TO ANY OF THE JURISDICTIONS AND VENUES ABOVE-DESCRIBED THAT THE BANK SELECTS, OR IF SUCH TRANSFER CANNOT BE ACCOMPLISHED UNDER APPLICABLE LAW, TO HAVE SUCH CASE DISMISSED WITHOUT PREJUDICE.

17. **Disputes.** To the fullest extent permitted by applicable law, each party to this Agreement hereby expressly waives any right to trial by jury of any claim, demand, action or cause of action arising under this Agreement or in any way connected with or related or incidental to the dealings of the parties hereto or any of them with respect to this Agreement, or the transactions related thereto, in each case whether now existing or hereafter arising, and whether founded in contract or tort or otherwise; and each party hereby agrees and consents that any such claim, demand, action or cause of action shall be decided by court trial without a jury, and that any party to this Agreement may file an original counterpart or a copy of this section 17 with any court as written evidence of the consent of the signatories hereto to the waiver of their right to trial by jury.

18. **Delivery.** Delivery by facsimile or by electronic transmission in portable document format (PDF) of the executed copy of this Guaranty is as effective as delivery of an originally executed copy of this Guaranty.

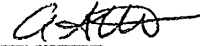
[Signature page follows]

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be duly executed and delivered by its authorized signatory thereunto duly authorized as of the date set forth below.

October 25, 2017.

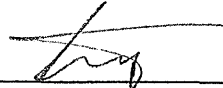
**GRANDE WEST TRANSPORTATION
INTERNATIONAL US, INC.**

by its authorized signatory/ies:



Name: Aaron Triplett

Title: Secretary and Chief Financial Officer



Name: William Trainer

Title: Director

Addresses for notices:

Guarantor:

Grande West Transportation International US, Inc.
26180 – 31B Avenue,
Aldergrove, BC,
V4W 2Z6

ATTN: Aaron Triplett

Bank:

Royal Bank of Canada
Royal Bank Plaza
200 Bay Street, 30th Floor, South Tower
Toronto, Ontario M5J 2J5

This is **Exhibit "M"** referred to in the affidavit of Cameron Bailey sworn before me at Calgary, Alberta this 16 day of October 2024.



A Commissioner for taking Affidavits
For Alberta

Deborah Smith
Notary Public

GUARANTY

THIS GUARANTY, dated as of February 17, 2023 (as the same may hereafter be amended, modified or supplemented from time to time, the “**Guaranty**”) is made and given by the undersigned (a “**Guarantor**”) in favour of Royal Bank of Canada, a Canadian Chartered Bank (the “**Bank**”).

1. Obligations Guaranteed. For consideration, the adequacy and sufficiency of which are acknowledged, the Guarantor unconditionally Guarantees and promises (a) to pay to the Bank, on demand, all Obligations to the Bank of Vicinity Motor (Bus) Corp., a corporation incorporated under the laws of British Columbia, Canada and formerly known as Grande West Transportation International Ltd. (“**Borrower**”), and (b) to perform all undertakings of Borrower in connection with the Obligations. “**Obligations**” is used in its most comprehensive sense and includes any and all debts, liabilities, rental obligations, and other obligations and liabilities of every kind of Borrower to the Bank, whether made, incurred or created previously, concurrently or in the future, whether voluntary or involuntary and however arising, whether incurred directly or acquired by the Bank by assignment or succession, whether due or not due, absolute or contingent, liquidated or unliquidated, legal or equitable, whether Borrower is liable individually or jointly or with others, whether incurred before, during or after any bankruptcy, reorganization, insolvency, receivership or similar proceeding (“**Insolvency Proceeding**”), and whether recovery thereof is or becomes barred by a statute of limitations or is or becomes otherwise unenforceable, together with all expenses of, for and incidental to collection, including reasonable attorneys’ fees.

2. Continuing Nature/Revocation/Reinstatement. This Guaranty is in addition to any other guaranties of the Obligations, is continuing and covers all Obligations, including those arising under successive transactions which continue or increase the Obligations from time to time, renew all or part of the Obligations after they have been satisfied, or create new Obligations. Revocation by one or more signers of this Guaranty or any other guarantors of the Obligations shall not (a) affect the obligations under this Guaranty of a non-revoking Guarantor, (b) apply to Obligations outstanding when the Bank receives written notice of revocation, or to any extensions, renewals, readvances, modifications, amendments or replacements of such Obligations, or (c) apply to Obligations, arising after the Bank receives such notice of revocation, which are created pursuant to a commitment existing at the time of the revocation, whether or not there exists an unsatisfied condition to such commitment or the Bank has another defense to its performance. All of the Bank’s rights pursuant to this Guaranty continue with respect to amounts previously paid to the Bank on account of any Obligations which are thereafter restored or returned by the Bank, whether in an Insolvency Proceeding of Borrower or for any other reason, all as though such amounts had not been paid to the Bank; and Guarantor’s liability under this Guaranty (and all its terms and provisions) shall be reinstated and revived, notwithstanding any surrender or cancellation of this Guaranty. The Bank, at its sole discretion, may determine whether any amount paid to it must be restored or returned; provided, however, that if the Bank elects to contest any claim for return or restoration, Guarantor agrees to indemnify and hold the Bank harmless from and against all costs and expenses, including reasonable attorneys’ fees, expended or incurred by the Bank in connection with such contest. If any Insolvency Proceeding is commenced by or against Borrower or Guarantor, at the Bank’s election, Guarantor’s obligations under this Guaranty shall immediately and without notice or demand become due and payable, whether or not then otherwise

due and payable. Notwithstanding anything to the contrary, the obligations of Guarantor under this Guaranty shall be limited to the maximum amount that would not render Guarantor's obligations subject to avoidance under applicable law.

3. Authorization. Guarantor authorizes the Bank, without notice and without affecting Guarantor's liability under this Guaranty, from time to time, whether before or after any revocation of this Guaranty, to (a) renew, compromise, extend, accelerate, release, subordinate, waive, amend and restate, or otherwise amend or change, the interest rate, time or place for payment or any other terms of all or any part of the Obligations; (b) accept delinquent or partial payments on the Obligations; (c) take or not take security or other credit support for this Guaranty or for all or any part of the Obligations, and exchange, enforce, waive, release, subordinate, fail to enforce or perfect, sell, or otherwise dispose of any such security or credit support; (d) apply proceeds of any such security or credit support and direct the order of manner of its sale or enforcement as the Bank, at its sole discretion, may determine; and (e) release or substitute Borrower or any guarantor or other person or entity liable on the Obligations.

4. Waivers. To the maximum extent permitted by law, Guarantor waives (a) all rights to require the Bank to proceed against Borrower, or any other guarantor, or proceed against, enforce or exhaust any security for the Obligations or to marshal assets or to pursue any other remedy in the Bank's power whatsoever; (b) all defenses arising by reason of any disability or other defense of Borrower, the cessation for any reason of the liability of Borrower, any defense that any other indemnity, guaranty or security was to be obtained, any claim that the Bank has made Guarantor's obligations more burdensome or more burdensome than Borrower's obligations, and the use of any proceeds of the Obligations other than as intended or understood by the Bank or Guarantor; (c) all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, notices of acceptance of this Guaranty and of the existence or creation of new or additional Obligations, and all other notices or demands to which Guarantor might otherwise be entitled; (d) all conditions precedent to the effectiveness of this Guaranty; (e) all rights to file a claim in connection with the Obligations in an Insolvency Proceeding filed by or against Borrower; (f) all rights to require the Bank to enforce any of its remedies; and (g) until the Obligations are satisfied or fully paid with such payment not subject to return: (i) all rights of subrogation, contribution, indemnification or reimbursement, (ii) all rights of recourse to any assets or property of Borrower or to any collateral or credit support for the Obligations, (iii) all rights to participate in or benefit from any security or credit support the Bank may have or acquire, and (iv) all rights, remedies and defenses Guarantor may have or acquire against Borrower.

5. Guarantor to Keep Informed. Guarantor warrants having established with Borrower adequate means of obtaining, on an ongoing basis, such information as Guarantor may require concerning all matters bearing on the risk of nonpayment or nonperformance of the Obligations. Guarantor assumes sole, continuing responsibility for obtaining such information from sources other than the Bank. The Bank has no duty to provide any information to Guarantor until the Bank receives Guarantor's written request for specific information in the Bank's possession and Borrower has authorized the Bank to disclose such information to Guarantor.

6. Subordination. All obligations of Borrower to Guarantor which presently or in the future may exist ("Guarantor's Claims") are hereby subordinated to the Obligations. At the Bank's request, Guarantor's Claims will be enforced and performance thereon received by Guarantor only

as a trustee for the Bank, and Guarantor will promptly pay over to the Bank all proceeds recovered for application to the Obligations without reducing or affecting Guarantor's liability under other provisions of this Guaranty.

7. Security. Guarantor's obligations under this Guaranty are secured by a Security Agreement of even date herewith between Guarantor and the Bank.

8. Authorization. Where Borrower is a corporation, partnership or other entity, the Bank need not inquire into or verify the powers of Borrower or authority of those acting or purporting to act on behalf of Borrower, and this Guaranty shall be enforceable with respect to any Obligations the Bank grants or creates in reliance on the purported exercise of such powers or authority.

9. Payments.

(a) Currency and Place of Payment. Payment shall be made to the Bank, in the currency or currencies specified in the demand for payment, at 30th floor, 200 Bay Street, Toronto, Ontario, M5J 2J5, or another address or account that the Bank may specify by written notice to Guarantor from time to time.

(b) Withholdings Etc. Any payment made by Guarantor under this Guaranty shall be made without any deduction or withholding for or on account of tax and without any set-off or counterclaim of any kind. However, if Guarantor is required by law to deduct, withhold or pay any tax in respect of any payment under this Guaranty, then (i) Guarantor shall pay additional sums under this Guaranty as necessary so that, after making or allowing for all required deductions, withholdings and payments (including deductions, withholdings and payments applicable to additional sums payable under this Section 9(b)), the Bank receives an amount equal to the sum it would have received had no deductions, withholdings or payments been required, (ii) Guarantor shall make any deductions, withholdings or payments required by law to be made by it and (iii) Guarantor shall timely pay the full amount required to be deducted, withheld or paid to the relevant governmental authority in accordance with applicable law.

(c) Judgment Currency. If for the purpose of obtaining judgment in any court in any jurisdiction with respect to this Guaranty it is necessary to convert into the currency of such jurisdiction (the "**Judgment Currency**") any amount due hereunder in any currency other than the Judgment Currency, then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment 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 Judgment 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 the judgment is given and the date of payment of the amount due, the undersigned 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 Judgment Currency which, when converted at the rate of exchange prevailing on the date of payment, is the amount then due under this Guaranty in such other currency together with interest at Prime Interest Rate and expenses (including legal fees on an attorney and client basis). Any additional amount due from the undersigned under this section will be due as a

separate debt and shall not be affected by judgment being obtained for any other sums due under or in respect of this Guarantee.

(d) Set-Off. Upon the occurrence and during the continuance of any Event of Default, the Bank and each of its affiliates is authorized at any time and from time to time to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by the Bank or affiliate to or for the credit or the account of Guarantor against any and all of the liabilities of Guarantor now or in the future existing under this Guaranty, irrespective of whether or not the Bank has made any demand under this Guaranty and although those liabilities of Guarantor may be contingent or unmatured or are owed to a branch or office of the Bank different from the branch or office holding any deposit or obligated to Guarantor. The rights of the Bank and its affiliates under this Section 9(d) are in addition to other rights and remedies (including other rights of set-off, consolidation of accounts and bankers' lien) that the Bank or its affiliates may have.

10. Assignments. Without notice to Guarantor, the Bank may assign the Obligations and this Guaranty, in whole or in part, and may disclose to any prospective or actual purchaser of all or part of the Obligations any and all information the Bank has or acquires concerning Guarantor, this Guaranty and any security for this Guaranty.

11. Counsel Fees and Costs. The prevailing party shall be entitled to attorneys' fees (including a reasonable allocation for the Bank's internal counsel) and all other costs and expenses which it may incur in connection with the enforcement or preservation of its rights under, or defense of, this Guaranty or in connection with any other dispute or proceeding relating to this Guaranty, whether or not incurred in any Insolvency Proceeding, arbitration, litigation or other proceeding.

12. Integration/Severability/Amendments. This Guaranty is intended by Guarantor and the Bank as the complete, final expression of their agreement concerning its subject matter. It supersedes all prior understandings or agreements with respect thereto and may be changed only by a writing signed by Guarantor and the Bank. No course of dealing, or parole or extrinsic evidence shall be used to modify or supplement the express terms of this Guaranty. If any provision of this Guaranty is found to be illegal, invalid or unenforceable, such provision shall be enforced to the maximum extent permitted, but if fully unenforceable, such provision shall be severable, and this Guaranty shall be construed as if such provision had never been a part of this Guaranty, and the remaining provisions shall continue in full force and effect.

13. Notice. Any notice or other communication to any party in connection with this Guaranty, including notice of revocation, shall be in writing and shall be sent by manual delivery, overnight courier or United States or Canadian mail (postage prepaid) addressed to such party at the address specified below for notices, or at such other address as such party shall have specified to the other party hereto in writing. All periods of notice shall be measured from the date of delivery thereof if manually delivered, from the first business day after the date of sending if sent by overnight courier, or from four days after the date of mailing if mailed.

14. Governing Law. THE VALIDITY, CONSTRUCTION AND ENFORCEABILITY OF THIS GUARANTY SHALL BE GOVERNED BY THE LAWS OF THE STATE OF

DELAWARE WITHOUT GIVING EFFECT TO CONFLICT OF LAWS PRINCIPLES THEREOF.

15. Consent to Jurisdiction. AT THE OPTION OF THE BANK, THIS GUARANTY MAY BE ENFORCED IN ANY FEDERAL COURT OR STATE COURT SITTING IN THE STATE OF DELAWARE OR ANY FEDERAL COURT OR PROVINCIAL COURT SITTING IN THE PROVINCE OF BRITISH COLUMBIA, AND GUARANTOR CONSENTS TO THE JURISDICTION AND VENUE OF EACH SUCH COURT AND WAIVES ANY ARGUMENT THAT VENUE IN ANY SUCH FORUM IS NOT CONVENIENT. IN THE EVENT GUARANTOR COMMENCES ANY ACTION IN ANOTHER JURISDICTION OR VENUE UNDER ANY TORT OR CONTRACT THEORY ARISING DIRECTLY OR INDIRECTLY FROM THE RELATIONSHIP CREATED BY THIS GUARANTY, THE BANK AT ITS OPTION SHALL BE ENTITLED TO HAVE THE CASE TRANSFERRED TO ANY OF THE JURISDICTIONS AND VENUES ABOVE-DESCRIBED THAT THE BANK SELECTS, OR IF SUCH TRANSFER CANNOT BE ACCOMPLISHED UNDER APPLICABLE LAW, TO HAVE SUCH CASE DISMISSED WITHOUT PREJUDICE.

17. Disputes. To the fullest extent permitted by applicable law, each party to this Guaranty hereby expressly waives any right to trial by jury of any claim, demand, action or cause of action arising under this Guaranty or in any way connected with or related or incidental to the dealings of the parties hereto or any of them with respect to this Guaranty, or the transactions related thereto, in each case whether now existing or hereafter arising, and whether founded in contract or tort or otherwise; and each party hereby agrees and consents that any such claim, demand, action or cause of action shall be decided by court trial without a jury, and that any party to this Guaranty may file an original counterpart or a copy of this section 17 with any court as written evidence of the consent of the signatories hereto to the waiver of their right to trial by jury.

18. Delivery. Delivery in counterparts and by facsimile or by electronic transmission in portable document format (PDF) of the executed copy of this Guaranty is as effective as delivery of an originally executed copy of this Guaranty.

[Signature page follows]

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be duly executed and delivered by its authorized signatory thereunto duly authorized as of the date first written above.

Addresses for notices:

Guarantor:

Vicinity Motor Property, LLC
3168 262 Street,
Aldergrove, BC,
V4W 2Z6

ATTN: William Trainer

Bank:

Royal Bank of Canada
Royal Bank Plaza
200 Bay Street, 30th Floor, South Tower
Toronto, Ontario M5J 2J5

**VICINITY MOTOR PROPERTY, LLC,
a Delaware limited liability company**
by its authorized signatory/ies:

DocuSigned by:
William Trainer
Name: William Trainer
Title: CEO

DocuSigned by:
Dan Buckle
Name: Dan Buckle
Title: CFO

Electronic Execution of Documents

The words “execution,” “execute,” “executed”, “signed,” “signature,” and words of like import in this Agreement, or in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby, shall be deemed to include DocuSign signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Lender, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any (a) Parts 2 and 3 of the Personal Information Protection and Electronic Documents Act (Canada), the Electronic Transaction Acts (British Columbia), or any other similar laws based on the Uniform Electronic Commerce Act of the Uniform Law Conference of Canada or (b) any other applicable law.

This is **Exhibit "N"** referred to in the affidavit of Cameron Bailey sworn before me at Calgary, Alberta this 16 day of October 2024.

A handwritten signature in blue ink, consisting of several overlapping loops and lines, positioned above a horizontal line.

A Commissioner for taking Affidavits
For Alberta

Derek Pontin
Barrister and Solicitor

GUARANTEE AND POSTPONEMENT OF CLAIM**TO: ROYAL BANK OF CANADA**

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned and each of them (if more than one) hereby jointly and severally guarantee(s) payment on demand to Royal Bank of Canada (hereinafter called the "Bank") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by GRANDE WEST TRANSPORTATION INTERNATIONAL LTD. (hereinafter called the "Customer") to the Bank or remaining unpaid by the Customer to the Bank, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Bank and the Customer or by or from any agreement or dealings with any third party by which the Bank may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "Liabilities"); the liability of the undersigned hereunder being unlimited.

AND THE UNDERSIGNED AND EACH OF THEM (IF MORE THAN ONE) HEREBY JOINTLY AND SEVERALLY AGREE(S) WITH THE BANK AS FOLLOWS:

(1) The Bank may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Bank from the Customer and others, monies which the Customer has on deposit with the Bank, other assets of the Customer held by the Bank in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Bank may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the liabilities as the Bank deems best and change any such application in whole or in part from time to time as the Bank may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Bank from the Customer or others, whether occasioned by the fault of the Bank or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.

(2) This guarantee shall be a continuing guarantee and shall cover all the Liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Bank plus interest and costs.

(3) The Bank shall not be bound to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities. The undersigned renounce(s) to all benefits of discussion and division.

(4) The undersigned or any of them may, by notice in writing delivered to the Manager of the branch or agency of the Bank receiving this instrument, with effect from and after the date that is 30 days following the date of receipt by the Bank of such notice, determine their or his/her liability under this guarantee in respect of Liabilities thereafter incurred or arising but not in respect of any Liabilities theretofore incurred or arising even though not then matured, provided, however, that notwithstanding receipt of any such notice the Bank may fulfil any requirements of the Customer based on agreements express or implied made prior to the receipt of such notice and any resulting Liabilities shall be covered by this guarantee; and provided further that in the event of the determination of this guarantee as to one or more of the undersigned it shall remain a continuing guarantee as to the other or others of the undersigned.

(5) All indebtedness and liability, present and future, of the customer to the undersigned or any of them are hereby assigned to the Bank and postponed to the liabilities, and all moneys received by the undersigned or any of them in respect thereof shall be received in trust for the Bank and forthwith upon receipt shall be paid over to the Bank, the whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned or any of them under the said guarantee may be extinct. The term "Liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.

(6) This guarantee and agreement shall not be affected by the death or loss or diminution of capacity of the undersigned or any of them or by any change in the name of the Customer or in the membership of the Customer's firm through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.

(7) This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Bank, and all dividends, compositions, proceeds of security valued and payments received by the Bank from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Bank or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Bank until the Bank shall have received payment in full of the Liabilities.

(8) All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Bank shall be deemed to form part of the Liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Bank or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned and each of them as sole or principal debtor in respect of that sum, and shall be paid to the Bank on demand with interest, costs and accessories.

(9) This guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Bank, and any present or future obligation to the Bank incurred or arising otherwise than under a guarantee, of the undersigned or any of them or of any other obligant, whether bound with or apart from the Customer; excepting any guarantee surrendered for cancellation on delivery of this instrument or confirmed in writing by the Bank to be cancelled.

(10) The undersigned and each of them shall be bound by any account settled between the Bank and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Bank shall be accepted by the undersigned and each of them as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Bank or remains unpaid by the Customer to the Bank.

(11) This guarantee and agreement shall be operative and binding upon every signatory thereof notwithstanding the non-execution thereof by any other proposed signatory or signatories, and possession of this instrument by the Bank shall be conclusive evidence against the undersigned and each of them that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent had been complied with, unless at the time of receipt of this instrument by the Bank each signatory thereof obtains from the Manager of the branch or agency of the Bank receiving this instrument a letter setting out the terms and conditions under which this instrument was delivered and the conditions, if any, to be observed before it becomes effective.

(12) No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon any guarantor if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Bank, is posted, postage prepaid, in the post office, and in the event of the death of any guarantor demand for payment addressed to any of such guarantor's heirs, executors, administrators or legal representatives at the address of the addressee last known to the Bank and posted as aforesaid shall be deemed to have been effectually made upon all of them. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Bank for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Bank resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Bank at a branch or agency of the Bank.

(13) This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.

(14) This guarantee and agreement shall extend to and enure to the benefit of the Bank and its successors and assigns, and every reference herein to the undersigned or to each of them or to any of them, is a reference to and shall be construed as including the undersigned and the heirs, executors, administrators, legal representatives, successors and assigns of the undersigned or of each of them or of any of them, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.

(15) Prime Interest Rate is the annual rate of interest announced from time to time by Royal Bank of Canada as a reference rate then in effect for determining interest rates on Canadian dollar commercial loans in Canada.

(16) This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the Province of British Columbia (the "**Jurisdiction**"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defense of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law. Provided, however, that the Bank may serve legal process in any manner permitted by law or may bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

(Applicable
in all
P.P.S.A.
Provinces
except
Ontario)

(17) The Undersigned hereby acknowledges receipt of a copy of this agreement.

(18) The Undersigned hereby waives Undersigned's right to receive a copy of any Financing Statement or Financing Change Statement registered by the Bank.

(19) If for the purpose of obtaining judgment in any court in any jurisdiction with respect to this Guarantee and Postponement of Claim, (in Quebec, Suretyship and Subordination of Claims) it is necessary to convert into the currency of such jurisdiction (the "**Judgment Currency**") any amount due hereunder in any currency other than the Judgment Currency, then conversion shall be made at the rate of exchange prevailing on the Business Day before the day on which judgment 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 Judgment 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 the judgment is given and the date of payment of the amount due, the undersigned 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 Judgment Currency which, when converted at the rate of exchange prevailing on the date of payment, is the amount then due under this Guarantee in such other currency together with interest at Prime Interest Rate and expenses (including legal fees on a solicitor and client basis). Any additional amount due from the undersigned under this section will be due as a separate debt and shall not be affected by judgment being obtained for any other sums due under or in respect of this Guarantee.

"Business Day" means a day, excluding Saturday, Sunday and any other day which shall be in the City of Toronto, a legal holiday or a day on which banking institutions are closed and, with respect to a Libor Loan, "Business Day" means a day with the foregoing characteristics which is also a day on which dealings in U.S. Dollar deposit by and between leading banks in the London interbank market may be conducted.

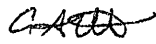
[Signature page follows]

EXECUTED this October 25 2017
(MONTH) (DAY) (YEAR)

IN THE PRESENCE OF

GRANDE WEST TRANSPORTATION GROUP INC., by its
authorized signatory/(ies)


Witness Signature:



Name: Aaron Triplett
Title: Secretary and Chief Financial Officer

Name:

Witness Signature:



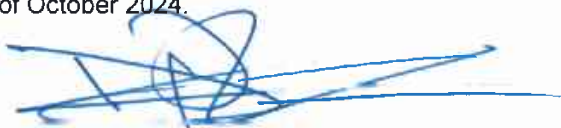
Name: William Trainer
Title: Director

Name:

Insert the full name and address of guarantor (Undersigned above).

Full name and address
GRANDE WEST TRANSPORTATION GROUP INC.
3168 262 nd Street, Aldergrove, BC V4W 2Z6

This is Exhibit "O" referred to in the affidavit of
Cameron Bailey sworn before me at Calgary, Alberta
this 16 day of October 2024.



A Commissioner for Taking Affidavits
For Alberta

Daryl Pentlin
Barrister and Solicitor



John R Sandrelli
National Practice Group Leader,
Restructuring, Insolvency and Bankruptcy

jordan.schultz@dentons.com
D +1 604 691 6452

Dentons Canada LLP
20th Floor, 250 Howe Street
Vancouver, BC, Canada V6C 3R8

dentons.com

August 7, 2024

File No. 506954-791

DELIVERED BY COURIER AND EMAIL

Vicinity Motor (Bus) Corp.

3168 – 262nd Street
Aldergrove, BC
V4W 2Z6

Attention: Brent Phillips, President, and Tina
Stewart, Chief Financial Officer.

(Brent.Phillips@vicinitymotor.com)

(tina.stewart@vicinitymotor.com)

Dear Sirs/Madams:

Re: Your Indebtedness to Royal Bank of Canada (“RBC”)

We are counsel for RBC in respect of the above captioned matter.

We are instructed that you are indebted to RBC pursuant to certain credit facilities provided to you by our client under an amended and restated loan agreement dated February 17, 2023, as amended by amendment agreements dated February 24, 2023, September 26, 2023, September 27, 2023, December 28, 2023, February 13, 2024, April 15, 2024, and April 29, 2024 (collectively, the “**Credit Agreement**”). We are further instructed that, as at August 6, 2024 the total amount outstanding was USD\$19,202,241.85 and CAD\$45,251.92 (Collectively, the “**Indebtedness**”), in connection with the Credit Agreement and the other documents that govern the facilities, the particulars of which are set out below:

Facility	Limit	Current Balance
Contract Revolver	USD\$30,000,000.00	USD\$16,214,641.85
LC Facility	USD\$3,000,000.00	USD\$2,987,600.00
Auto Finance Term Loan	CAD\$42,563.50	CAD\$42,563.50
Commercial Visa	CAD\$30,000.00	CAD\$2,688.42

As security for the Indebtedness, you have granted the following security to the Bank:

- (a) blocked accounts agreement dated October 25, 2017;
- (b) assignment of insurance proceeds agreement dated October 25, 2017;

- (c) general security agreement dated October 25, 2017;
- (d) notice of intention to grant security under Section 427 of the Bank Act, dated September 20, 2017; and
- (e) certain Section 427 Bank Act security documents granted by the Borrower in favour of the Secured Party, dated September 22, 2017, including:
 - i. an agreement as to loans, advances and security under Section 427 of the Bank Act;
 - ii. a promise to give security under Section 427 of the Bank Act; and
 - iii. an assignment under Section 427 of the Bank

(Collectively, the "**Security**").

As a result of certain defaults under the Credit Agreements and the Security, as well as the fact that the Stated Expiry Date as defined in the Credit Agreement was July 16, 2024, RBC is entitled to demand immediate repayment of all amounts you currently owe to it. Therefore, on behalf of our client, we hereby make demand upon you for payment of the Indebtedness. We also make demand upon you pursuant to the Security.


This letter is to advise you that unless payment of the Indebtedness, plus all applicable interest to the date of payment, plus legal costs, is made into this office by certified cheque or bank draft payable to Dentons Canada LLP in trust, on or before **August 19, 2024**, legal proceedings, which may include enforcement of the Security and/or the appointment of a Receiver or a Receiver Manager, may be commenced against you without further notice.

Pursuant to the provisions of the *Bankruptcy and Insolvency Act*, we enclose a Notice of Intention to Enforce Security in the prescribed form.

All inquiries and payments should be directed to the attention of the writer to ensure that due credit is given immediately to your account.

Yours truly,

Dentons Canada LLP

DocuSigned by:

E69F06ADD52E41C...

John R Sandrelli
National Practice Group Leader,
Restructuring, Insolvency and Bankruptcy

JS/cf
Enclosure

BANKRUPTCY AND INSOLVENCY ACT

**FORM 86
NOTICE OF INTENTION TO ENFORCE SECURITY
[Subsection 244(1)]**

TO: VICINITY MOTOR (BUS) CORP., an insolvent person,

TAKE NOTICE THAT:

1. ROYAL BANK OF CANADA, a secured creditor, intends to enforce its security on the property of the insolvent person described below:

- (a) all present and after acquired personal property; and
- (b) certain Section 427 Bank Act security.

2. The security that is to be enforced is in the form of:

- (a) a general security agreement dated October 25, 2017, notice of which was registered in the British Columbia Personal Property Registry under base registration number 308775K;
- (b) certain Section 427 Bank Act security documents granted by the Borrower in favour of the Secured Party, dated September 22, 2017, including:
 - (i) an agreement as to loans, advances and security under Section 427 of the Bank Act;
 - (ii) a promise to give security under Section 427 of the Bank Act; and
 - (iii) an assignment under Section 427 of the Bank Actnotice of which was registered in the Bank Act Security Registry under registration number 01314188.

3. The total amount of indebtedness secured by the security at August 6, 2024 is USD\$19,202,241.85 and CAD\$45,251.92 plus costs and interest which continues to accrue.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Vancouver, British Columbia this 7th day of August, 2024.

ROYAL BANK OF CANADA

DocuSigned by:
Dentons Canada LLP
E69F06ADD52E41C...

DENTONS CANADA LLP, solicitors for Royal Bank of Canada

THE UNDERSIGNED hereby consents to ROYAL BANK OF CANADA enforcing its security prior to the expiry of the 10 day notice period described herein.

DATED THIS ___ day of _____ 2024.

VICINITY MOTOR (BUS) CORP.

Per:

Authorized Signatory



John R Sandrelli
 National Practice Group Leader,
 Restructuring, Insolvency and Bankruptcy

Dentons Canada LLP
 20th Floor, 250 Howe Street
 Vancouver, BC, Canada V6C 3R8

john.sandrelli@dentons.com
 D +1 604 443 7132

dentons.com

August 7, 2024

File No. 506954-791

DELIVERED BY COURIER AND EMAIL

Vicinity Motor (Bus) USA Corp.
 3168 – 262nd Street
 Aldergrove, BC
 V4W 2Z6

Attention: Brent Phillips, President, and Tina Stewart, Chief Financial Officer.
 (Brent.Phillips@vicinitymotor.com)
 (tina.stewart@vicinitymotor.com)

Dear Sirs/Madams:

Re: Your Indebtedness to Royal Bank of Canada (“**RBC**” or the “**Lender**”), pursuant to your guarantee dated October 25, 2017 (the “**Guarantee**”) of the indebtedness of Vicinity Motor (Bus) Corp. (the “**Borrower**”)

We are counsel for RBC in respect of the above captioned matter.

Pursuant to instructions from our clients, demand for payment has been made upon the Borrower in connection with its outstanding obligations. A copy of that demand letter is enclosed for your reference.

Pursuant to the Guarantee, you have guaranteed the debts, liabilities and obligations of the Borrower to the Lender. As security for your obligations to RBC, you have granted a general security agreement, dated October 23, 2017 (the “**Security**”).

As at August 6, 2024 we are informed that the Borrower is indebted to RBC in the amounts USD\$19,202,241.85 and CAD\$45,251.92 (Collectively, the “**Indebtedness**”), the particulars of which are set out below:

Facility	Limit	Current Balance
Contract Revolver	USD\$30,000,000.00	USD\$16,214,641.85
LC Facility	USD\$3,000,000.00	USD\$2,987,600.00
Auto Finance Term Loan	CAD\$42,563.50	CAD\$42,563.50
Commercial Visa	CAD\$30,000.00	CAD\$2,688.42

Your liability under the Guarantee arises immediately upon demand. Accordingly, and on behalf of our clients, we hereby make formal demand upon you for payment of the Indebtedness. We also make demand upon you pursuant to the Security.

For clarity, this demand is made solely in respect of your liability pursuant to the Guarantee, and is exclusive of any other amounts owed by you to RBC.


This letter is to advise you that unless payment of the Indebtedness, plus all applicable interest to the date of payment, plus legal costs is paid into this office by certified cheque or bank draft payable to Dentons

Canada LLP, in trust, on or before the **August 19, 2024**, legal proceedings, which may include enforcement of the Security and/or the appointment of a Receiver or a Receiver Manager, may be commenced against you without further notice.

Pursuant to the provisions of the *Bankruptcy and Insolvency Act*, we enclose a Notice of Intention to Enforce Security in the prescribed form addressed to each of the Corporate Guarantors.

All inquiries and payments should be directed to the attention of the writer.

Yours truly,
Dentons Canada LLP

DocuSigned by:

E69F06ADD52E41C...

John Sandrelli
National Practice Group Leader, Restructuring,
Insolvency and Bankruptcy

JS/cf
Enclosures

BANKRUPTCY AND INSOLVENCY ACT

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY

[Subsection 244(1)]

TO: Vicinity Motor (Bus) USA Corp., an insolvent person.

TAKE NOTICE THAT:

1. ROYAL BANK OF CANADA, a secured creditor, intends to enforce its security on the property of the insolvent person described below:

(a) all present and after acquired personal property.

2. The security that is to be enforced is in the form of:

(a) a general security agreement, dated October 23, 2017, notice of which was registered in the Delaware Department of U.C.C. Filing Section under U.C.C. initial filing number 20177059766.

3. The total amount of Indebtedness secured by the security is the sum of USD\$19,202,241.85 and CAD\$45,251.92 as at August 6, 2024, plus costs and interest which continues to accrue.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Vancouver, British Columbia this 7th day of August, 2024.

ROYAL BANK OF CANADA

DocuSigned by:
Dentons Canada LLP
E69F06ADD52E41C...

DENTONS CANADA LLP, solicitors for Royal Bank of Canada

THE UNDERSIGNED hereby consents to ROYAL BANK OF CANADA enforcing its security prior to the expiry of the 10 day notice period described herein.

DATED THIS ___ day of _____, 2024.

VICINITY MOTOR (BUS) USA CORP.
Per:

Authorized Signatory



John R Sandrelli
National Practice Group Leader,
Restructuring, Insolvency and Bankruptcy

jordan.schultz@dentons.com
D +1 604 691 6452

Dentons Canada LLP
20th Floor, 250 Howe Street
Vancouver, BC, Canada V6C 3R8

dentons.com

August 7, 2024

File No. 506954-791

DELIVERED BY COURIER AND EMAIL

Vicinity Motor (Bus) Corp.

3168 – 262nd Street
Aldergrove, BC
V4W 2Z6

Attention: Brent Phillips, President, and Tina
Stewart, Chief Financial Officer.
(Brent.Phillips@vicinitymotor.com)
(tina.stewart@vicinitymotor.com)

Dear Sirs/Madams:

Re: Your Indebtedness to Royal Bank of Canada (“RBC”)

We are counsel for RBC in respect of the above captioned matter.

We are instructed that you are indebted to RBC pursuant to certain credit facilities provided to you by our client under an amended and restated loan agreement dated February 17, 2023, as amended by amendment agreements dated February 24, 2023, September 26, 2023, September 27, 2023, December 28, 2023, February 13, 2024, April 15, 2024, and April 29, 2024 (collectively, the “**Credit Agreement**”). We are further instructed that, as at August 6, 2024 the total amount outstanding was USD\$19,202,241.85 and CAD\$45,251.92 (Collectively, the “**Indebtedness**”), in connection with the Credit Agreement and the other documents that govern the facilities, the particulars of which are set out below:

Facility	Limit	Current Balance
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Commercial Visa	CAD\$30,000.00	CAD\$2,688.42

As security for the Indebtedness, you have granted the following security to the Bank:

- (a) blocked accounts agreement dated October 25, 2017;
- (b) assignment of insurance proceeds agreement dated October 25, 2017;

- (c) general security agreement dated October 25, 2017;
- (d) notice of intention to grant security under Section 427 of the Bank Act, dated September 20, 2017; and
- (e) certain Section 427 Bank Act security documents granted by the Borrower in favour of the Secured Party, dated September 22, 2017, including:
 - i. an agreement as to loans, advances and security under Section 427 of the Bank Act;
 - ii. a promise to give security under Section 427 of the Bank Act; and
 - iii. an assignment under Section 427 of the Bank

(Collectively, the "**Security**").

As a result of certain defaults under the Credit Agreements and the Security, as well as the fact that the Stated Expiry Date as defined in the Credit Agreement was July 16, 2024, RBC is entitled to demand immediate repayment of all amounts you currently owe to it. Therefore, on behalf of our client, we hereby make demand upon you for payment of the Indebtedness. We also make demand upon you pursuant to the Security.


This letter is to advise you that unless payment of the Indebtedness, plus all applicable interest to the date of payment, plus legal costs, is made into this office by certified cheque or bank draft payable to Dentons Canada LLP in trust, on or before **August 19, 2024**, legal proceedings, which may include enforcement of the Security and/or the appointment of a Receiver or a Receiver Manager, may be commenced against you without further notice.

Pursuant to the provisions of the *Bankruptcy and Insolvency Act*, we enclose a Notice of Intention to Enforce Security in the prescribed form.

All inquiries and payments should be directed to the attention of the writer to ensure that due credit is given immediately to your account.

Yours truly,

Dentons Canada LLP

DocuSigned by:

E69F06ADD52E41C...

John R Sandrelli
National Practice Group Leader,
Restructuring, Insolvency and Bankruptcy

JS/cf
Enclosure

BANKRUPTCY AND INSOLVENCY ACT

**FORM 86
NOTICE OF INTENTION TO ENFORCE SECURITY
[Subsection 244(1)]**

TO: VICINITY MOTOR (BUS) CORP., an insolvent person,

TAKE NOTICE THAT:

1. ROYAL BANK OF CANADA, a secured creditor, intends to enforce its security on the property of the insolvent person described below:

- (a) all present and after acquired personal property; and
- (b) certain Section 427 Bank Act security.

2. The security that is to be enforced is in the form of:

- (a) a general security agreement dated October 25, 2017, notice of which was registered in the British Columbia Personal Property Registry under base registration number 308775K;
- (b) certain Section 427 Bank Act security documents granted by the Borrower in favour of the Secured Party, dated September 22, 2017, including:
 - (i) an agreement as to loans, advances and security under Section 427 of the Bank Act;
 - (ii) a promise to give security under Section 427 of the Bank Act; and
 - (iii) an assignment under Section 427 of the Bank Actnotice of which was registered in the Bank Act Security Registry under registration number 01314188.

3. The total amount of indebtedness secured by the security at August 6, 2024 is USD\$19,202,241.85 and CAD\$45,251.92 plus costs and interest which continues to accrue.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Vancouver, British Columbia this 7th day of August, 2024.

ROYAL BANK OF CANADA

DocuSigned by:
Dentons Canada LLP
E69F06ADD52E41C...

DENTONS CANADA LLP, solicitors for Royal Bank of Canada

THE UNDERSIGNED hereby consents to ROYAL BANK OF CANADA enforcing its security prior to the expiry of the 10 day notice period described herein.

DATED THIS ____ day of _____ 2024.

VICINITY MOTOR (BUS) CORP.

Per:

Authorized Signatory



John R Sandrelli
 National Practice Group Leader,
 Restructuring, Insolvency and Bankruptcy
 john.sandrelli@dentons.com
 D +1 604 443 7132

Dentons Canada LLP
 20th Floor, 250 Howe Street
 Vancouver, BC, Canada V6C 3R8

dentons.com

August 7, 2024

File No. 506954-791

DELIVERED BY COURIER AND EMAIL

Vicinity Motor Corp.
 3168 – 262nd Street
 Aldergrove, BC
 V4W 2Z6

Attention: Brent Phillips, President, and Tina Stewart, Chief Financial Officer.
 (Brent.Phillips@vicinitymotor.com)
 (tina.stewart@vicinitymotor.com)

Dear Sirs/Madams:

Re: Your Indebtedness to Royal Bank of Canada (“**RBC**” or the “**Lender**”), pursuant to your guarantee dated October 25, 2017 (the “**Guarantee**”) of the indebtedness of Vicinity Motor (Bus) Corp. (the “**Borrower**”)

We are counsel for RBC in respect of the above captioned matter.

Pursuant to instructions from our clients, demand for payment has been made upon the Borrower in connection with its outstanding obligations. A copy of that demand letter is enclosed for your reference.

Pursuant to the Guarantee, you have guaranteed the debts, liabilities and obligations of the Borrower to the Lender. As security for your obligations to RBC, you have granted a general security agreement, dated October 25, 2017 (the “**Security**”).

As at August 6, 2024 we are informed that the Borrower is indebted to RBC in the amounts USD\$19,202,241.85 and CAD\$45,251.92 (Collectively, the “**Indebtedness**”), the particulars of which are set out below:

Facility	Limit	Current Balance
Contract Revolver	USD\$30,000,000.00	USD\$16,214,641.85
LC Facility	USD\$3,000,000.00	USD\$2,987,600.00
Auto Finance Term Loan	CAD\$42,563.50	CAD\$42,563.50
Commercial Visa	CAD\$30,000.00	CAD\$2,688.42

Your liability under the Guarantee arises immediately upon demand. Accordingly, and on behalf of our clients, we hereby make formal demand upon you for payment of the Indebtedness. We also make demand upon you pursuant to the Security.

For clarity, this demand is made solely in respect of your liability pursuant to the Guarantee, and is exclusive of any other amounts owed by you to RBC.

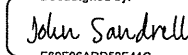
This letter is to advise you that unless payment of the Indebtedness, plus all applicable interest to the date of payment, plus legal costs is paid into this office by certified cheque or bank draft payable to Dentons Canada LLP, in trust, on or before the **August 19, 2024**, legal proceedings, which may include enforcement

of the Security and/or the appointment of a Receiver or a Receiver Manager, may be commenced against you without further notice.

Pursuant to the provisions of the *Bankruptcy and Insolvency Act*, we enclose a Notice of Intention to Enforce Security in the prescribed form addressed to each of the Corporate Guarantors.

All inquiries and payments should be directed to the attention of the writer.

Yours truly,
Dentons Canada LLP

DocuSigned by:

E89F06ADD52E41C...

John Sandrelli
National Practice Group Leader, Restructuring,
Insolvency and Bankruptcy

JS/cf
Enclosures

BANKRUPTCY AND INSOLVENCY ACT

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY

[Subsection 244(1)]

TO: Vicinity Motor Corp., an insolvent person.

TAKE NOTICE THAT:

1. ROYAL BANK OF CANADA, a secured creditor, intends to enforce its security on the property of the insolvent person described below:

(a) all present and after acquired personal property.

2. The security that is to be enforced is in the form of:

(a) a general security agreement, dated October 25, 2017, notice of which was registered in the British Columbia Personal Property Registry under base registration number 308782K.

3. The total amount of Indebtedness secured by the security is the sum of USD\$19,202,241.85 and CAD\$45,251.92 as at August 6, 2024, plus costs and interest which continues to accrue.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Vancouver, British Columbia this 7th day of August, 2024.

ROYAL BANK OF CANADA

DocuSigned by:
Dentons Canada LLP
E69F06ADD52E41C...

DENTONS CANADA LLP, solicitors for Royal Bank of Canada

THE UNDERSIGNED hereby consents to ROYAL BANK OF CANADA enforcing its security prior to the expiry of the 10 day notice period described herein.

DATED THIS ___ day of _____, 2024.

VICINITY MOTOR CORP.
Per:

Authorized Signatory



John R Sandrelli
 National Practice Group Leader,
 Restructuring, Insolvency and Bankruptcy
 jordan.schultz@dentons.com
 D +1 604 691 6452

Dentons Canada LLP
 20th Floor, 250 Howe Street
 Vancouver, BC, Canada V6C 3R8

dentons.com

August 7, 2024

File No. 506954-791

DELIVERED BY COURIER AND EMAIL

Vicinity Motor (Bus) Corp.

3168 – 262nd Street
 Aldergrove, BC
 V4W 2Z6

Attention: Brent Phillips, President, and Tina
 Stewart, Chief Financial Officer.
 (Brent.Phillips@vicinitymotor.com)
 (tina.stewart@vicinitymotor.com)

Dear Sirs/Madams:

Re: Your Indebtedness to Royal Bank of Canada (“RBC”)

We are counsel for RBC in respect of the above captioned matter.

We are instructed that you are indebted to RBC pursuant to certain credit facilities provided to you by our client under an amended and restated loan agreement dated February 17, 2023, as amended by amendment agreements dated February 24, 2023, September 26, 2023, September 27, 2023, December 28, 2023, February 13, 2024, April 15, 2024, and April 29, 2024 (collectively, the “**Credit Agreement**”). We are further instructed that, as at August 6, 2024 the total amount outstanding was USD\$19,202,241.85 and CAD\$45,251.92 (Collectively, the “**Indebtedness**”), in connection with the Credit Agreement and the other documents that govern the facilities, the particulars of which are set out below:

Facility	Limit	Current Balance
Contract Revolver	USD\$30,000,000.00	USD\$16,214,641.85
LC Facility	USD\$3,000,000.00	USD\$2,987,600.00
Auto Finance Term Loan	CAD\$42,563.50	CAD\$42,563.50
Commercial Visa	CAD\$30,000.00	CAD\$2,688.42

As security for the Indebtedness, you have granted the following security to the Bank:

- (a) blocked accounts agreement dated October 25, 2017;
- (b) assignment of insurance proceeds agreement dated October 25, 2017;

- (c) general security agreement dated October 25, 2017;
- (d) notice of intention to grant security under Section 427 of the Bank Act, dated September 20, 2017; and
- (e) certain Section 427 Bank Act security documents granted by the Borrower in favour of the Secured Party, dated September 22, 2017, including:
 - i. an agreement as to loans, advances and security under Section 427 of the Bank Act;
 - ii. a promise to give security under Section 427 of the Bank Act; and
 - iii. an assignment under Section 427 of the Bank

(Collectively, the "**Security**").

As a result of certain defaults under the Credit Agreements and the Security, as well as the fact that the Stated Expiry Date as defined in the Credit Agreement was July 16, 2024, RBC is entitled to demand immediate repayment of all amounts you currently owe to it. Therefore, on behalf of our client, we hereby make demand upon you for payment of the Indebtedness. We also make demand upon you pursuant to the Security.


This letter is to advise you that unless payment of the Indebtedness, plus all applicable interest to the date of payment, plus legal costs, is made into this office by certified cheque or bank draft payable to Dentons Canada LLP in trust, on or before **August 19, 2024**, legal proceedings, which may include enforcement of the Security and/or the appointment of a Receiver or a Receiver Manager, may be commenced against you without further notice.

Pursuant to the provisions of the *Bankruptcy and Insolvency Act*, we enclose a Notice of Intention to Enforce Security in the prescribed form.

All inquiries and payments should be directed to the attention of the writer to ensure that due credit is given immediately to your account.

Yours truly,

Dentons Canada LLP

DocuSigned by:

E69F06ADD52E41C...

John R Sandrelli
National Practice Group Leader,
Restructuring, Insolvency and Bankruptcy

JS/cf
Enclosure

BANKRUPTCY AND INSOLVENCY ACT

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY

[Subsection 244(1)]

TO: VICINITY MOTOR (BUS) CORP., an insolvent person,

TAKE NOTICE THAT:

1. ROYAL BANK OF CANADA, a secured creditor, intends to enforce its security on the property of the insolvent person described below:

- (a) all present and after acquired personal property; and
- (b) certain Section 427 Bank Act security.

2. The security that is to be enforced is in the form of:


- (a) a general security agreement dated October 25, 2017, notice of which was registered in the British Columbia Personal Property Registry under base registration number 308775K;
- (b) certain Section 427 Bank Act security documents granted by the Borrower in favour of the Secured Party, dated September 22, 2017, including:
 - (i) an agreement as to loans, advances and security under Section 427 of the Bank Act;
 - (ii) a promise to give security under Section 427 of the Bank Act; and
 - (iii) an assignment under Section 427 of the Bank Act
 notice of which was registered in the Bank Act Security Registry under registration number 01314188.

3. The total amount of indebtedness secured by the security at August 6, 2024 is USD\$19,202,241.85 and CAD\$45,251.92 plus costs and interest which continues to accrue.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Vancouver, British Columbia this 7th day of August, 2024.

ROYAL BANK OF CANADA

DocuSigned by:

 E69F06ADD52E41C...

DENTONS CANADA LLP, solicitors for Royal Bank of Canada

THE UNDERSIGNED hereby consents to ROYAL BANK OF CANADA enforcing its security prior to the expiry of the 10 day notice period described herein.

DATED THIS ___ day of _____ 2024.

VICINITY MOTOR (BUS) CORP.

Per:

Authorized Signatory



John R Sandrelli
 National Practice Group Leader,
 Restructuring, Insolvency and Bankruptcy
 john.sandrelli@dentons.com
 D +1 604 443 7132

Dentons Canada LLP
 20th Floor, 250 Howe Street
 Vancouver, BC, Canada V6C 3R8
 dentons.com

August 7, 2024

File No. 506954-791

DELIVERED BY COURIER AND EMAIL

Vicinity Motor Property, LLC
 3168 – 262nd Street
 Aldergrove, BC
 V4W 2Z6

Attention: Brent Phillips, President, and Tina Stewart, Chief Financial Officer.
 (Brent.Phillips@vicinitymotor.com)
 (tina.stewart@vicinitymotor.com)

Dear Sirs/Madams:

Re: Your Indebtedness to Royal Bank of Canada (“**RBC**” or the “**Lender**”), pursuant to your guarantee dated February 17, 2023 (the “**Guarantee**”) of the indebtedness of Vicinity Motor (Bus) Corp. (the “**Borrower**”)

We are counsel for RBC in respect of the above captioned matter.

Pursuant to instructions from our clients, demand for payment has been made upon the Borrower in connection with its outstanding obligations. A copy of that demand letter is enclosed for your reference.

Pursuant to the Guarantee, you have guaranteed the debts, liabilities and obligations of the Borrower to the Lender. As security for your obligations to RBC, you have granted a general security agreement, dated February 17, 2023 and a deed of trust, assignment of leases and rents, security agreement and fixture filing, dated April 3, 2023 (collectively, the “**Security**”).

As at August 6, 2024 we are informed that the Borrower is indebted to RBC in the amounts USD\$19,202,241.85 and CAD\$45,251.92 (Collectively, the “**Indebtedness**”), the particulars of which are set out below:

Facility	Limit	Current Balance
Contract Revolver	USD\$30,000,000.00	USD\$16,214,641.85
LC Facility	USD\$3,000,000.00	USD\$2,987,600.00
Auto Finance Term Loan	CAD\$42,563.50	CAD\$42,563.50
Commercial Visa	CAD\$30,000.00	CAD\$2,688.42

Your liability under the Guarantee arises immediately upon demand. Accordingly, and on behalf of our clients, we hereby make formal demand upon you for payment of the Indebtedness. We also make demand upon you pursuant to the Security.


For clarity, this demand is made solely in respect of your liability pursuant to the Guarantee, and is exclusive of any other amounts owed by you to RBC.

This letter is to advise you that unless payment of the Indebtedness, plus all applicable interest to the date of payment, plus legal costs is paid into this office by certified cheque or bank draft payable to Dentons Canada LLP, in trust, on or before the **August 19, 2024**, legal proceedings, which may include enforcement of the Security and/or the appointment of a Receiver or a Receiver Manager, may be commenced against you without further notice.

Pursuant to the provisions of the *Bankruptcy and Insolvency Act*, we enclose a Notice of Intention to Enforce Security in the prescribed form addressed to each of the Corporate Guarantors.

All inquiries and payments should be directed to the attention of the writer.

Yours truly,
Dentons Canada LLP

DocuSigned by:

E69F06ADD52E41C...

John Sandrelli
National Practice Group Leader, Restructuring,
Insolvency and Bankruptcy

JS/cf
Enclosures

BANKRUPTCY AND INSOLVENCY ACT

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY

[Subsection 244(1)]

TO: Vicinity Motor Property LLC., an insolvent person.

TAKE NOTICE THAT:

1. ROYAL BANK OF CANADA, a secured creditor, intends to enforce its security on the property of the insolvent person described below:

- (a) all present and after acquired personal property; and
- (b) the real property located at 5453 and 5457 Pacific Fern Drive Ferndale, Washington, legally described as follows:

Parcel A:

Lot 7, as delineated on Pacific Fern Business Park General and Specific Binding Site Plan, according to the plat thereof, recorded on February 21, 2019, under Auditor's File No. 2019-0201524, records of Whatcom County, Washington. Situate in Whatcom County, Washington.

Parcel B:

Lots 8 and 9, as delineated on Pacific Fern Business Park General and Specific Binding Site Plan, according to the plat thereof, recorded on February 21, 2019, under Auditor's File No. 2019-0201524, records of Whatcom County, Washington;

Together with, Lot 10, as delineated on Pacific Fern Business Park Specific Binding Site Plan No. 1, according to the plat thereof, recorded May 4, 2021, under Auditor's File No. 2021-0500260, records of Whatcom County, Washington.

2. The security that is to be enforced is in the form of:

- (a) a general security agreement, dated February 17, 2023, notice of which was registered in the Delaware Department of U.C.C. Filing Section under U.C.C. initial filing number 20231276707; and
- (b) a deed of trust, assignment of leases and rents, security agreement and fixture filing, dated April 3, 2023, as recorded in the real property records office of the State of Washington, under registration number 2023-0400318.

3. The total amount of Indebtedness secured by the security is the sum of USD\$19,202,241.85 and CAD\$45,251.92 as at August 6, 2024, plus costs and interest which continues to accrue.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Vancouver, British Columbia this 7th day of August, 2024.

ROYAL BANK OF CANADA

DocuSigned by:
Dentons Canada LLP
E69F06ADD52E41C...

DENTONS CANADA LLP, solicitors for Royal Bank of Canada

THE UNDERSIGNED hereby consents to ROYAL BANK OF CANADA enforcing its security prior to the expiry of the 10 day notice period described herein.

DATED THIS ___ day of _____, 2024.

VICINITY MOTOR PROPERTY LLC.

Per:

Authorized Signatory



John R Sandrelli
 National Practice Group Leader,
 Restructuring, Insolvency and Bankruptcy

jordan.schultz@dentons.com
 D +1 604 691 6452

Dentons Canada LLP
 20th Floor, 250 Howe Street
 Vancouver, BC, Canada V6C 3R8

dentons.com

August 7, 2024

File No. 506954-791

DELIVERED BY COURIER AND EMAIL

Vicinity Motor (Bus) Corp.

3168 – 262nd Street
 Aldergrove, BC
 V4W 2Z6

Attention: Brent Phillips, President, and Tina
 Stewart, Chief Financial Officer.
 (Brent.Phillips@vicinitymotor.com)
 (tina.stewart@vicinitymotor.com)

Dear Sirs/Madams:

Re: Your Indebtedness to Royal Bank of Canada (“RBC”)

We are counsel for RBC in respect of the above captioned matter.

We are instructed that you are indebted to RBC pursuant to certain credit facilities provided to you by our client under an amended and restated loan agreement dated February 17, 2023, as amended by amendment agreements dated February 24, 2023, September 26, 2023, September 27, 2023, December 28, 2023, February 13, 2024, April 15, 2024, and April 29, 2024 (collectively, the “**Credit Agreement**”). We are further instructed that, as at August 6, 2024 the total amount outstanding was USD\$19,202,241.85 and CAD\$45,251.92 (Collectively, the “**Indebtedness**”), in connection with the Credit Agreement and the other documents that govern the facilities, the particulars of which are set out below:

Facility	Limit	Current Balance
Contract Revolver	USD\$30,000,000.00	USD\$16,214,641.85
LC Facility	USD\$3,000,000.00	USD\$2,987,600.00
Auto Finance Term Loan	CAD\$42,563.50	CAD\$42,563.50
Commercial Visa	CAD\$30,000.00	CAD\$2,688.42

As security for the Indebtedness, you have granted the following security to the Bank:

- (a) blocked accounts agreement dated October 25, 2017;
- (b) assignment of insurance proceeds agreement dated October 25, 2017;

- (c) general security agreement dated October 25, 2017;
- (d) notice of intention to grant security under Section 427 of the Bank Act, dated September 20, 2017; and
- (e) certain Section 427 Bank Act security documents granted by the Borrower in favour of the Secured Party, dated September 22, 2017, including:
 - i. an agreement as to loans, advances and security under Section 427 of the Bank Act;
 - ii. a promise to give security under Section 427 of the Bank Act; and
 - iii. an assignment under Section 427 of the Bank

(Collectively, the "**Security**").

As a result of certain defaults under the Credit Agreements and the Security, as well as the fact that the Stated Expiry Date as defined in the Credit Agreement was July 16, 2024, RBC is entitled to demand immediate repayment of all amounts you currently owe to it. Therefore, on behalf of our client, we hereby make demand upon you for payment of the Indebtedness. We also make demand upon you pursuant to the Security.

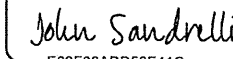
This letter is to advise you that unless payment of the Indebtedness, plus all applicable interest to the date of payment, plus legal costs, is made into this office by certified cheque or bank draft payable to Dentons Canada LLP in trust, on or before **August 19, 2024**, legal proceedings, which may include enforcement of the Security and/or the appointment of a Receiver or a Receiver Manager, may be commenced against you without further notice.

Pursuant to the provisions of the *Bankruptcy and Insolvency Act*, we enclose a Notice of Intention to Enforce Security in the prescribed form.

All inquiries and payments should be directed to the attention of the writer to ensure that due credit is given immediately to your account.

Yours truly,

Dentons Canada LLP

DocuSigned by:

E69F06ADD52E41C...

John R Sandrelli
National Practice Group Leader,
Restructuring, Insolvency and Bankruptcy

JS/cf
Enclosure

BANKRUPTCY AND INSOLVENCY ACT

FORM 86

NOTICE OF INTENTION TO ENFORCE SECURITY

[Subsection 244(1)]

TO: VICINITY MOTOR (BUS) CORP., an insolvent person,

TAKE NOTICE THAT:

1. ROYAL BANK OF CANADA, a secured creditor, intends to enforce its security on the property of the insolvent person described below:

- (a) all present and after acquired personal property; and
- (b) certain Section 427 Bank Act security.

2. The security that is to be enforced is in the form of:

- (a) a general security agreement dated October 25, 2017, notice of which was registered in the British Columbia Personal Property Registry under base registration number 308775K;
- (b) certain Section 427 Bank Act security documents granted by the Borrower in favour of the Secured Party, dated September 22, 2017, including:
 - (i) an agreement as to loans, advances and security under Section 427 of the Bank Act;
 - (ii) a promise to give security under Section 427 of the Bank Act; and
 - (iii) an assignment under Section 427 of the Bank Actnotice of which was registered in the Bank Act Security Registry under registration number 01314188.

3. The total amount of indebtedness secured by the security at August 6, 2024 is USD\$19,202,241.85 and CAD\$45,251.92 plus costs and interest which continues to accrue.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Vancouver, British Columbia this 7th day of August, 2024.

ROYAL BANK OF CANADA

DocuSigned by:
Dentons Canada LLP
E69F06ADD52E41C...

DENTONS CANADA LLP, solicitors for Royal Bank of Canada

THE UNDERSIGNED hereby consents to ROYAL BANK OF CANADA enforcing its security prior to the expiry of the 10 day notice period described herein.

DATED THIS ____ day of _____ 2024.

VICINITY MOTOR (BUS) CORP.

Per:

Authorized Signatory

This is **Exhibit "P"** referred to in the affidavit of
Cameron Bailey sworn before me at Calgary, Alberta
this 16 day of October 2024



A Commissioner for Taking Affidavits
For Alberta

David Denton
Barrister and Solicitor



John R Sandrelli
Managing Partner, Vancouver and
National Practice Group Leader,
Restructuring, Insolvency and Bankruptcy

john.sandrelli@dentons.com
D +1 604 443 7132

Dentons Canada LLP
20th Floor, 250 Howe Street
Vancouver, BC, Canada V6C 3R8
dentons.com

August 19, 2024

File No. 506954-791

DELIVERED VIA EMAIL: BRENT.PHILLIPS@VICINITYMOTOR.COM

Vicinity Motor (Bus) Corp.
3168 – 262 Street
Aldergrove, BC V4W 2Z6

Vicinity Motor Corp.
3168 – 262 Street
Aldergrove, BC V4W 2Z6

Attention: Brent Phillips, President

Attention: Brent Phillips, President

Vicinity Motor (Bus) USA Corp.
3168 – 262 Street
Aldergrove, BC V4W 2Z6

Vicinity Motor Property, LLC
3168 – 262 Street
Aldergrove, BC V4W 2Z6

Attention: Brent Phillips, President

Attention: Brent Phillips, President

Dear Sirs:

Re: Credit Facilities (the “Credit Facilities”) made by Royal Bank of Canada (the “Lender”) to Vicinity Motor (Bus) Corp. (the “Borrower”), Vicinity Motor Corp. (the “Parent”), Vicinity Motor (Bus) USA Corp. (“Vicinity USA”) and Vicinity Motor Property, LLC (together with the Parent and Vicinity USA, the “Guarantors”) pursuant to an amended and restated loan agreement dated February 17, 2023, as amended pursuant to an amended agreement, waiver and consent dated February 24, 2023 (the “First Amendment Agreement”), a second amendment agreement and consent dated September 26, 2023, a third amendment agreement dated September 27, 2023, a fourth amendment agreement dated December 28, 2023, a fifth amendment agreement dated February 13, 2024, a sixth amendment agreement dated April 15, 2024, a seventh amendment agreement dated April 29, 2024 and as may be further amended, restated, renewed, extended, replaced or otherwise modified from time to time (collectively, the “Loan Agreement”).

We are the solicitors for the Lender in connection with the above noted Credit Facilities. Capitalized terms used herein shall have the meanings given to them in the Loan Agreement.

The Stated Expiry Date under the Loan Agreement was July 16, 2024. In accordance with section 1.2 of the Loan Agreement, the Commitment Termination Date has occurred and as a result: (i) with respect to all Obligations outstanding in connection with the Operating Loan, any obligation of the Lender to make Revolving Credit Advances and extend other credit in connection with the Operating Loan has terminated; (ii) with respect to all Obligations outstanding in connection with the Contract Revolver Facility, any



obligation of the Lender to make Contract Revolver Advances and extend other credit in connection with the Contract Revolver Facility has terminated, and (iii) with respect to the EDC Guaranteed Letter of Credit Obligations, any obligation of the Lender to extend any credit under the EDC Guaranteed Letter of Credit Loan has terminated.

Notwithstanding the foregoing, the Borrower and the Guarantors have presented a 60 day interim workout plan dated August 13, 2024 (the "**Plan**") together with an accompanying 60 day cash flow (the "**Cash Flow**") copies of which are attached as Schedules "A" and "B" hereto. In accordance with the Plan and Cash Flow, the Borrowers and Guarantors have requested that the Lender support the Plan and Cash Flow by further advances under the Loan Agreement. The Lender is prepared to support the Plan and Cash Flow on the terms contained herein and specifically in reliance upon the covenants and the Consent to Receivership provided for in paragraph numbers 6 and 7 below.

The Lender currently holds funds arising from the sale of buses in the Borrower's Blocked Accounts and the Borrower and Guarantors acknowledge and agree that the Lender has no obligation to transfer such funds to the Borrower's Disbursement Account given that the Commitment Termination Date has occurred (the "**Lender Collateral Funds**").

The Lender, the Borrowers and Guarantors hereby agree, as evidenced by their signatures hereto, as follows:

1. The Lender shall make available and transfer from the Lender Collateral Funds to the Borrower's Disbursement Account the amounts in accordance with the Cash Flow for the period of August 12, 2024 to October 11, 2024 (the "**9-Week Period**"), subject to such transfers being terminated in the event of the Lender's determination under paragraph 6 below;
2. The Lender Collateral Funds transferred will be used by the Borrower and Guarantors to support the disbursements identified in the Cash Flow and are to be used solely in accordance therewith (or as such Cash Flow may be revised/updated to the satisfaction of the Lender in its sole discretion and confirmed in writing);
3. The Borrower and Guarantors will operate within the parameters of the Cash Flow (or as such Cash Flow may be revised/updated to the satisfaction of the Lender in its sole discretion and confirmed in writing) and any cumulative variance in net cash of more than \$50,000 will amount to a default under this agreement ("**Cash Flow Default**");
4. The Borrower and Guarantors will provide to the Lender and FTI Consulting Canada by the end of the day every Wednesday of the following week, enhanced reporting including weekly updates on cash flows, including a weekly actual to Cash Flow variance, as well as weekly updates on the status of refinancing efforts;
5. The Borrower and Guarantors agree that the Lender and FTI Consulting Canada will have full visibility into the refinancing process being led by SagePoint Capital Partners Inc. and full access to SagePoint Capital Partners Inc. (Aaron Wolfe) as it may request;
6. The Borrower and Guarantors hereby Consent to a Receivership Order, to be obtained at the sole discretion of the Lender, acting reasonably, in the event of a Cash Flow Default and/or in the event that the Lender, in its reasonable discretion, determines that the Borrower and the Guarantors are unlikely to conclude a refinancing transaction to repay the Lender in full within the 9-Week Period. An executed Consent to Receivership Order is hereby delivered to the Lender to be held in accordance with the terms hereof and attached as Schedule "C" hereto; and



7. The Borrower and the Guarantors agree to take whatever steps may be requested by the Lender as may be reasonably required to prepare for a smooth and orderly transition to a liquidation, should it become necessary and hereby covenant that no steps will be taken to file any insolvency proceeding, solicit debtor in possession financing or to engage in any other steps inconsistent with paragraph 6 above.

The Lender will continue to monitor the current situation very carefully and nothing in this letter or in any ongoing discussions or negotiations between the Lender, on the one hand, and the Borrower or any Guarantors, on the other hand, nor any delay on the part of the Lender in exercising any of its rights and remedies under the Loan Agreement, the security documents and/or under applicable law, shall directly or indirectly: (i) create any obligation to forbear from taking any enforcement action beyond the terms of this letter, or to make any further extensions of credit, (ii) constitute a consent to or waiver of any past, present or future default or other violation of any provisions of the Loan Agreement or any other security document, (iii) amend, modify or operate as a waiver of any provision of the Loan Agreement or any other security document or any right, power, privilege or remedy of the Lender or under applicable law or constitute an agreement to forbear or to restructure the Borrower's indebtedness in any respect, or (iv) constitute a course of dealing or other basis for altering any rights or obligations of the Lender under the Loan Agreement or any other security document or any obligations of the Borrower under the Loan Agreement, any other security document or any other contract or instrument. Nothing contained in this letter shall confer on the Borrower or any other person any right to notice or cure periods with respect to any default.

This letter confirms that the Lender has not waived any existing rights or defaults and expressly reserves all of its rights, powers, privileges and remedies under the Loan Agreement, the security documents and/or applicable law, including, without limitation, its right at any time, as applicable, subject only to the terms of this letter, (i) to commence any legal or other action to collect any or all of the Borrower's indebtedness from the Borrower and/or any other person liable therefor, (ii) to foreclose or otherwise realize on any or all of the Borrower's assets, (iii) to take any other enforcement action or otherwise exercise any or all rights and remedies provided for by any or all of the Loan Agreement, any other security document or applicable law, and (iv) to reject any forbearance, financial restructuring or other proposal made by or on behalf of Borrower or any creditor or equity holder. Subject only to the terms of this letter, the Lender may exercise its rights, powers, privileges and remedies, including those set forth in (i) through (iv) above, at any time in its sole and absolute discretion without further notice. No oral representations or course of dealing on the part of the Lender or any of its officers, employees or agents, and no failure or delay by the Lender with respect to the exercise of any right, power, privilege or remedy under any of the Loan Agreement, any other security document or applicable law shall operate as a waiver thereof, and the single or partial exercise of any such right, power, privilege or remedy shall not preclude any later exercise of any other right, power, privilege or remedy.

Upon the execution of this letter, the Borrower and the Guarantors absolutely and irrevocably release the Lender, its officers, directors, employees, solicitors and agents (the "**Releasees**") of and from any and all claims which it may have in respect of those Releasees up to and including the date of this letter including any actions taken by the Lender in dealing with the Borrower and Guarantors and the Credit Facilities, other than any claims arising from the gross negligence or wilful misconduct of any of the Releasees.

The Lender, Borrower and Guarantors hereby confirm agreement to the terms hereof as evidenced by their signatures below. This letter may be executed by way of electronic signature and counterparts.



Yours truly,

Dentons Canada LLP

DocuSigned by:
John Sandrelli
E69F964D052E41C
John R. Sandrelli

National Practice Group Leader, Restructuring,
Insolvency and Bankruptcy



The Lender hereby confirms agreement to the terms of this letter agreement.

ROYAL BANK OF CANADA

Signed by:
Cameron Bailey

Name: Cameron Bailey

Title: Senior Manager - Special Loans and Advisory Services

The Borrower and the Guarantors hereby confirm an agree to the terms of this letter agreement.

VICINITY MOTOR (BUS) CORP.

By: _____

Name:

Title:

VICINITY MOTOR (BUS) USA CORP.

By: _____

Name:

Title:

VICINITY MOTOR CORP.

By: _____

Name:

Title:

VICINITY MOTOR PROPERTY, LLC

By: _____

Name:

Title:



Schedule "A"

Interim Workout Plan

(attached)

**Enterprise Value Support Plan
Inclusive of Financing Alternative and Orderly Workout**

Vicinity Motor Corp. et al

August 13, 2024

Executive Summary

This comprehensive management led plan preserves the value of Vicinity, and all assets of value, providing the best likelihood for the highest potential recovery for all stakeholders, including senior and subordinated debt holders, shareholders, disaffected employees, vendors, customers and dealers. The plan endeavors to minimize potential risks associated with or resulting from abrupt ceasing of operations during an alternative workout or wind down solution.

In summary, the plan will:

- 1) Serve to preserve enterprise value of Vicinity Motor Corporation during the workout period.
- 2) Execute debt and equity raise program over next 30-45 days with objective to resolve RBC/EDC demands.
- 3) Continue aggressive pursuit of truck sales and market development programs including USA dealer development, continued Canadian sales and dealer support, financing and warranty programs to reduce truck inventory.
- 4) Support bus backlog and deliveries through vendor, manufacturer, and customer management including delivery of units currently in process for delivery.
- 5) Protects for pivot toward orderly wind down and liquidation of assets should debt and equity raise efforts be unproductive.

Key Concepts

Enterprise value quickly erodes upon ceasing of operations and is particularly risky for Vicinity because:

- Highly Technical Vehicles in field Require ongoing support to remain safe for intended purpose
- Security and preservation of hard assets is critical to disposition success, active controls, management, and monitoring are vital to preserving value
- Contractual support obligations for sold vehicles is ten years in most cases, degradation in supply chain relationships hinder support obligations risking brand value and complicating potential buyer interest
- Due to long sales cycle and lifecycle involved, backlog orders are critical to customer needs and plans and not quickly replaced by other market available options
- Vendor, including manufacturing partnerships, are not durable and likely not transferable therefore creating IP value risk
- Much pre-sold inventory (WIP) on hand is customized specific to Vicinity products and may little or no market value in liquidation
- Logistics management and tracking of assets through cross-border transactions must be managed properly to ensure compliance

- Long lifecycle of unsold vehicle inventory value presumes manufacturer technical support and warranty coverage, absence of manufacturer may degrade market value, even in liquidation, entirely

Objective

A multifaceted strategy executed by subject matter experts is required to solve the present challenge. Concurrently preserving the value of assets of Vicinity, pursuing debt/equity financing solutions, delivering current inventory for maximized return, and position business for best value liquidation should financing resolution fail.

Diligently and aggressively preserve enterprise value through focused operations with highest competency critical support staff with experience and commitment to preserve brand reputation to the maximum possible extent, this is accomplished by:

- Secure debt and equity structure to resolve current financing default
- Formalize Investment Bank partner tie-up to market equity and debt raise
- Define and present business case to potential investors adhering to raise timelines
- Executing deliveries of sold inventory in process to customers
- Aggressively promote VMC 1200 sales to USA dealers, Canadian dealers and customers
- Further development and programs related to lease financing and warranty programs
- Working to maintain vendor and manufacturing partner relationships during the disposition period by closely communicating efforts and strategies that will support the partners' objectives
- Preserve brand and enterprise value by working diligently to maintain current order backlog through vendor and customer negotiations, schedule adjustments, exploration of alternative supply solutions
- Continue to support after sale obligations to the maximum extent possible including aftermarket parts sales, technical support and product warranty management
- Continue operations and relationships with key vendors and facilitate timely updates of progress
- Assess VMC 1200 product for risks and supply resiliency adjusting strategy toward orderly liquidation if necessary due to financing constraints

Actions

Review functional areas of business and define parameters of operation during the disposition period

Vendor and customer outreach assignment ensuring multiple point of contact interactions to create highest degrees of transparency and comfort, aiming to buy furthering commitment and time

Negotiate interim creditor terms and/or balance due adjustments where possible

Engage with lenders' teams to define asset class and package structures to maximize market valuation while working to identify potential investors or buyers

Re-engage contractors for compliance and risk assessment of VMC 1200 or determine alternate disposition mode

Protect current inventories and position for security, compliance, risk management, cost, and disposition

Establish interim sales strategies to generate cash at pre-liquidation prices while protecting going concern enterprise/business unit value

Establish communication strategy for official bodies including public agency customers, regulators (Transport Canada, NHTSA, FMVSS, USDOT), and investors

Workout Team

Brent Phillips	Executive Leadership, Sales, Finance, Strategy, Market Relations
Tina Stewart	Financial Leadership, Legal, Regulatory, Strategy
Chad Elke	Finance Operations & Accounting
Mert Buyuksu	Operations, Technical and European Relations
Umrao Nagi	Aftermarket Operations (Technical Support, Parts, Pre-delivery)
Tom Paily	Aftermarket Support & Pre-delivery Operations
Sajan Simon	Aftermarket Support & Pre-delivery Operations
Sylvain Hebert	Aftermarket Parts Inventory Control and Operations
Christopher Raiche	Parts Labor, Shipping and Receiving, Invoicing
Jeff Madura	Sales Leadership, Dealer Relations and Backlog Preservation
Robert Leduc	Sales, Customer Relations, Backlog Preservation
John Choo	Sales, Logistics, Asia Relations, Backlog Preservation
Nan Tang	Vendor Relations, Logistics, Customs, Asia Relations
Ryan Gill	IT Support
Stan Lowe	Human Resources, Administrative Support
April Miles	Ferndale Facility, Administrative Support

Summary of Baseline Expenses (60 Day Workout Period)

Personnel Expense	
Workout Team Salaries and Retention Pay	\$605,130
Severance (furloughed employees) & Expenses	238,852
Rents & Other Semi-Fixed Expense	118,886
Professional Services, Fees, & Regulatory	201,119
Legal Fees (MSK-Optimal Case)*	119,420
Restructuring Professional Services & Fees	130,000
IT, Software, Related	57,313
Incidental Travel, Client, Vendor, Investor Relations	40,000
Total Cost	\$1,690,828
*Does not include \$106,620 in payments due after 10/19/2024	
*Does not account for \$1,493,000 in FTBCI payable for Transdev units covered by LOC	
Bus Deliveries	\$3,107,904
TOK Tours (Billy Bishop Airport, Toronto)	
Marine Atlantic	
Transdev (delivery expense, already paid)	
<u>Parts Sales, from Current Inventory</u>	<u>\$450,000</u>
Total Cash Received	\$3,557,904
Bus Vendor Payments, Services, Deliveries	(2,050,376)
Total Sales Cashflow	\$1,507,528
 ESTIMATED TOTAL COST OF WORKOUT PLAN	 \$ (183,300)

Additional Revenue/Cost Center Discussion

To preserve going concern enterprise value, several orders in process need immediate action and commitment to prevent cancellation either by the customer or the manufacturer. Each of these opportunities is profitable and presents a base case for suitors to re-start operations increasing potential gain from final disposition either through entity financing or liquidation.

<u>Customer</u>	<u>Qty</u>
LaQuebequoise	20
Lemington	2
Simcoe	5
Orangeville	1
Transdev	14
Honolulu	18

Other open items: Costs related to marshalling and preparing VMC 1200 units for liquidation activities if necessary. Costs to wind down Ferndale FTZ classification (requires moving all units to Canada).



Schedule "B"

Interim Workout Plan – Cash Flow

(attached)

60 DAY INTERIM WORKOUT PLAN - CASH FLOW (USD)

DIRECT METHOD CASH FLOW

FX Rate:
1.37
Period
Week #
Year
Week Ending
Scenario

		P8	P8	P8	P9	P9	P9	P9	P9	P10		
		2024	2024	2024	2024	2024	2024	2024	2024	2024	60 days	
		16/Aug	23/Aug	30/Aug	6/Sep	13/Sep	20/Sep	27/Sep	4/Oct	11/Oct	TOTAL	
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast		
CONSOL (USD)												
Revenue	Sales - Buses	1	0	0	384,651	0	800,000	0	0	1,923,254	0	3,107,904
	Sales Aftermarket Parts	2	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	450,000
	Total Inflow		50,000	50,000	434,651	50,000	850,000	50,000	50,000	1,973,254	50,000	3,557,904
Disbursements (cash)	Disbursements - Buses	3	(30,000)	0	(319,000)	(207,672)	(415,344)	0	0	(1,038,360)	0	(2,010,376)
	Production Parts		0	0	0	0	0	0	0	0	0	0
	Other Parts/Services											
	Switchbox (Delivery Support)	4		(20,000)				(20,000)				(40,000)
	Disbursements - Trucks		0	0	0	0	0	0	0	0	0	0
	Production Parts		0	0	0	0	0	0	0	0	0	0
	Other Parts/Services											
	Aftermarket parts											
	Total Outflow		(30,000)	(20,000)	(319,000)	(207,672)	(415,344)	(20,000)	0	(1,038,360)	0	(2,050,376)
	Cash From Operations		20,000	30,000	115,651	(157,672)	434,656	30,000	50,000	934,894	50,000	1,507,528
SG&A	People	5		(201,710)			(201,710)			(201,710)		(605,130)
	Expenses			(72,332)								(72,332)
	Severance			(173,820)								(173,820)
	Legal											0
	Cozen	6	(20,000)					(20,000)				(40,000)
	Other (MSK)	7	(96,946)				(102,474)					(199,420)
	Audit	8		(36,566)				(36,566)				(73,131)
	Insurance	9	(16,896)									(16,896)
	SNAP Loan Payments					(37,956)					(37,956)	(75,912)
	Regulatory Fees	10			(10,000)					(10,000)		(20,000)
	Tax											0
	Other Professional											0
	SagePoint Capital	11	(41,241)					(13,747)				(54,988)
	MZ (Investor Relations)	12			(6,500)					(6,500)		(13,000)
	Restructuring	13										0
	Alvarez		(40,000)				(40,000)					(80,000)
	Cozen		(25,000)				(25,000)					(50,000)
Information Technology	14		(50,000)	(3,657)					(3,657)		(57,313)	
Rent	15			(54,874)					(54,874)		(109,748)	
Other Fixed	16	(4,569)					(4,569)				(9,138)	
Travel (vendor/customer relations)	17			(20,000)					(20,000)		(40,000)	
Total SG&A Outflow		(244,652)	(534,427)	(95,030)	(37,956)	(369,184)	(74,882)	0	(296,741)	(37,956)	(1,690,828)	
Cumulative Balance - SG&A Outflow		(244,652)	(779,079)	(874,110)	(912,066)	(1,281,250)	(1,356,132)	(1,356,132)	(1,652,872)	(1,690,828)		
Total Net Outflow		(224,652)	(504,427)	20,620	(195,628)	65,472	(44,882)	50,000	638,153	12,044	(183,300)	
Cumulative Balance		(224,652)	(729,079)	(708,459)	(904,087)	(838,615)	(883,497)	(833,497)	(195,344)	(183,300)		

Notes

- 1 Revenue from delivering buses currently in North America
- 2 Revenue from aftermarket sales (parts in warehouse and some in transit)
- 3 Payments required to complete delivery of buses currently onshore (includes payment to contract bus manufacturer)
- 4 Services required to complete delivery of buses currently onshore (part of PDI)
- 5 Includes costs for skeleton staff to continue working over 60 days; reimbursement of outstanding employee expenses, severance estimate for remainder of employees
- 6 Costs for company counsel - supporting various matters related to regulatory filings
- 7 Legal costs to support Optimal trial - \$17M claim - represents an asset to the company
- 8 Placeholder for external accounting services - support completion of interim financial statements and public disclosures
- 9 Insurance costs - safeguarding of assets
- 10 Regulatory fees to maintain listing status on TSX-V and NASDAQ (includes costs for corporate secretary)
- 11 Financial advisors - refinancing and capital raises
- 12 Assume IR costs can be reduced by 50% - critical to support public listing status requirements
- 13 Restructuring costs - financial advisor, legal support
- 14 IT - assumes minimum costs to maintain Oracle cloud service (expires Aug 17); monthly costs for Cyclone (server maintenance, Microsoft licenses, other support)
- 15 Rent for Aldergrove (parts warehouse, sales office), Montreal warehouse
- 16 Other costs to maintain facilities - still needed (eg. Hydro, gas, janitorial services)
- 17 Costs required to maintain relationships with key vendors/customers



Schedule "C"

Receivership Order Consent

(attached)

No. _____
_____ Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

ROYAL BANK OF CANADA

Petitioner

- and -

VICINITY MOTOR (BUS) CORP.
VICINITY MOTOR CORP.
VICINITY MOTOR (BUS) USA CORP.
VICINITY MOTOR PROPERTY, LLC

Respondents

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE RECEIVERSHIP OF
VICINITY MOTOR (BUS) CORP., VICINITY MOTOR CORP., VICINITY MOTOR
(BUS) USA CORP., AND VICINITY MOTOR PROPERTY, LLC**

**ORDER MADE AFTER APPLICATION
[RECEIVERSHIP ORDER]**

BEFORE THE HONOURABLE)
)

JUSTICE _____) DD/MM/YEAR
)
)

ON THE APPLICATION of Royal Bank of Canada (the “**Petitioner**”) for an Order pursuant to Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and Section 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, as amended (the “**LEA**”) appointing FTI Consulting Canada Inc. as Receiver and Manager (in such capacity, the “**Receiver**”) without security, of all of the assets, undertakings and property of Vicinity Motor (Bus) Corp., Vicinity Motor Corp., Vicinity Motor (Bus) USA Corp., and Vicinity Motor Property,

LLC. (collectively, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors, coming on for hearing this day at Vancouver, British Columbia.

AND ON READING the Affidavit #1 of Cameron Bailey sworn [DATE] and the consent of FTI Consulting Canada Inc. to act as the Receiver; AND ON HEARING Jordan Schultz, Counsel for the Petitioner and other counsel as listed on Schedule “A” hereto, and no one else appearing, although duly served.

THIS COURT ORDERS AND DECLARES that BY CONSENT:

APPOINTMENT

1. Pursuant to Section 243(1) of the BIA and Section 39 of the LEA, FTI Consulting Canada Inc. is appointed Receiver, without security, of all of the assets, undertakings and property of the Debtors, including all proceeds (the “**Property**”).

RECEIVER’S POWERS

2. The Receiver is empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
 - (a) to take possession of and exercise control over the Property and any and all receipts and disbursements arising out of or from the Property;
 - (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
 - (c) to manage, operate and carry on the business of the Debtors, 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 Debtors;
 - (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 Debtors or any part or parts thereof;
 - (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting these amounts, including, without limitation, enforcement of any security held by the Debtors;

- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (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 Debtors, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (j) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Debtors, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;
- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver considers appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - (i) without the approval of this Court in respect of a single transaction for consideration up to \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the individual or aggregate purchase price exceeds the limits set out in subparagraph (i) above,and in each such case notice under Section 59(10) of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 shall not be required;
- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers, free and clear of any liens or encumbrances;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if considered necessary or appropriate by the Receiver, in the name of the Debtors;

- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (s) 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 Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

3. Each of (i) the Debtors; (ii) all of the Debtors' current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (collectively, "**Persons**" and each a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
4. All Persons, other than governmental authorities, shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the "**Records**") in that Person's possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person's possession or control.
5. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5 or 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to solicitor client privilege or statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records

without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may require including, without limitation, providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

11. All Persons having oral or written agreements with the Debtors 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 Debtors are restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and the Receiver shall be entitled to the continued use of the Debtors' 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 Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

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

PERSONAL INFORMATION

14. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Receiver may disclose personal information of identifiable

individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “Sale”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER’S LIABILITY

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

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

RECEIVER'S ACCOUNTS

20. The Receiver and its legal counsel, if any, are granted a charge (the "**Receiver's Charge**") on the Property as security for the payment of their fees and disbursements, in each case at their standard rates, in respect of these proceedings, whether incurred before or after the making of this Order. The Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to Sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
21. The Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis.
22. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

23. The Receiver is authorized and empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$1,000,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as the Receiver deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts,¹ 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.

¹ The reference to "trusts" is to trusts, including statutory trusts, which secure the performance of an obligation.

24. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
25. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
26. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

ALLOCATION

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

SERVICE AND NOTICE OF MATERIALS

28. The Receiver shall establish and maintain a website in respect of these proceedings at: [WEB ADDRESS] (the "**Website**") and shall post there as soon as practicable:
 - (a) all materials prescribed by statute or regulation to be made publicly available, including pursuant to Rule 10-2 of the *Supreme Court Civil Rules*; and,
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
29. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Petitioner a demand for notice in the form attached as Schedule B (the "**Demand for Notice**"). The Receiver and the Petitioner need only provide further notice in respect of these proceedings to Persons that have delivered a properly completed Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Petitioner from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.
30. The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the "**Service List**"). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.
31. Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials

to the numbers or addresses, as applicable, set out on the Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.

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

GENERAL

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

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

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

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

APPROVED AND CONSENTED TO BY:

Signature of Jordan Schultz
lawyer for Petitioner



Signature of Steven Weisz
lawyer for Respondents

BY THE COURT

DISTRICT REGISTRAR

Schedule "A"

LIST OF COUNSEL

PARTIES	COUNSEL
Royal Bank of Canada <i>The Petitioner</i>	Jordan Schultz and Cassandra Federico, Dentons Canada LLP
Vicinity Motor (Bus) Corp., Vicinity Motor Corp., Vicinity Motor (Bus) USA Corp., and Vicinity Motor Property, LLC <i>The Respondents</i>	Steven Weisz, Cozen O'Connor LLP
FTI Consulting Canada Inc. <i>Proposed Receiver</i>	

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that **FTI Consulting Canada Inc.** the **Receiver and Manager** (the "**Receiver**") of all of the assets, undertakings and properties of Vicinity Motor (Bus) Corp., Vicinity Motor Corp., Vicinity Motor (Bus) USA Corp., and Vicinity Motor Property, LLC acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Supreme Court of British Columbia and/or the Supreme Court of British Columbia (In Bankruptcy and Insolvency) (the "**Court**") dated the ____ day of _____, 201__ (the "**Order**") made in SCBC Action No. _____ and/or SCBC Action No. _____/Estate No. _____ has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [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 _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of the Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at _____.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

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

DATED the 21 day of February, 2024

FTI Consulting Canada Inc. solely in its capacity as Receiver of the Property, and not in its personal capacity

Per:
Name:
Title:

Schedule "C"

Demand for Notice

TO: ROYAL BANK OF CANADA
c/o Dentons Canada LLP
Attention: Jordan Schultz and Cassandra Federico
Email: jordan.schultz@ca.dentons.com and Cassandra.federico@dentons.com

AND TO: FTI Consulting Canada Inc.
c/o [Name of Counsel to the Receiver]
Attention:
Email:

Re: In the matter of the Receivership of VICINITY MOTOR (BUS) CORP., VICINITY MOTOR CORP., VICINITY MOTOR (BUS) USA CORP., AND VICINITY MOTOR PROPERTY, LLC

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

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

OR

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

OR

- 3. By mail, at the following address:

Name of Creditor: _____

Name of Counsel (if any): _____

Creditor's Contact Address: _____

Creditor's Contact Phone Number: _____

Action No. _____

IN THE SUPREME COURT OF BRITISH
COLUMBIA

BETWEEN:

ROYAL BANK OF CANADA

Plaintiff/Petitioner

- and -

**VICINITY MOTOR (BUS) CORP., VICINITY
MOTOR CORP., VICINITY MOTOR (BUS) USA
CORP., AND VICINITY MOTOR PROPERTY,
LLC**

Defendant/Respondent

AND:

Action No. _____

Estate No. _____

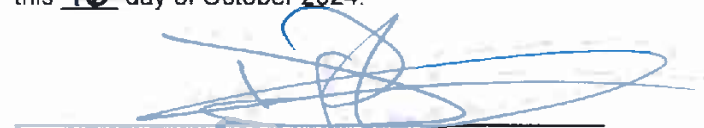
IN THE SUPREME COURT OF BRITISH
COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE RECEIVERSHIP OF
VICINITY MOTOR (BUS) CORP., VICINITY
MOTOR CORP., VICINITY MOTOR (BUS) USA
CORP., AND VICINITY MOTOR PROPERTY, LLC

ORDER MADE AFTER APPLICATION
[RECEIVERSHIP ORDER]

DENTONS CANADA LLP
BARRISTERS & SOLICITORS
250 Howe Street, 20th Floor
Vancouver, BC V6C 3R8
Phone No.: (604) 687-4460
Attention: Jordan Schultz
& Cassandra Federico

This is Exhibit "Q" referred to in the affidavit of
Cameron Bailey sworn before me at Calgary, Alberta
this 16 day of October 2024.



A Commissioner for Taking Affidavits
For Alberta

[Faint signature]
Barrister and Solicitor



EDC GUARANTEE
Approval

EFFECTIVE DATE: February 21, 2023

Reference No. 880-101318

Royal Bank of Canada
200 Bay Street, 30th Floor
Toronto ON M5J 2J5
Canada

Attention: Vir Advani

This Approval is issued in Ottawa, Ontario, by Export Development Canada ("EDC") to the Royal Bank of Canada (the "Institution"), with offices located in Toronto, ON, Canada in response to the Institution's request and it cancels, replaces and supersedes any Approvals specified in the Special Conditions below.

If the Institution has its headquarters in the province of Québec, Chapter XIII of the Civil Code of Québec applies to this Guarantee and all references to "Guarantee", "guarantor", "Guarantor" and "Guaranteed" in this Guarantee and any forms provided by EDC relating thereto, shall be replaced with "Suretyship", "surety", "Surety" and "Suretyship" respectively.

This Approval is subject to and incorporates the EDC Guarantee General Terms and Conditions Form No. 003.

THIS APPROVAL IS ISSUED WITH RESPECT TO THE FOLLOWING TRANSACTION(S) OF THE INSTITUTION:

- (a) Transaction(s):** A loan to the Obligor described as Contract Revolver Loan, in the principal amount of USD 30,000,000, made under the Transaction Agreement
- (b) Transaction Agreement:** The credit agreement dated February 17, 2023
- (c) Obligor:** Vicinity Motor (Bus) Corp., having offices located at 3168 262 St Aldergrove, BC, Canada
- (d) Purpose:** The Transaction provides financing for the costs in relation to performance under one or more export and domestic contracts for goods and/or services. The Transaction is margined against these costs and, if applicable, against accounts receivable due and owing to the Obligor in respect of such contracts.

SPECIFIC INFORMATION REGARDING THE GUARANTEE IS AS FOLLOWS:

- (e) Guarantee Expiry Date:** February 16, 2024, unless otherwise agreed by EDC
- (f) Maximum Liability:** USD 22,500,000 (or the equivalent thereof in the currency of the Transaction, as determined by EDC) plus accrued and unpaid interest calculated at the Guaranteed Interest Rate for up to a maximum of one hundred and twenty (120) days of accrued and unpaid interest.

(g) Set-up Fee: USD 56,250.00, payable within fifteen (15) Business Days of the date hereof.

(h) Guarantee Fee(s): The Institution will pay Guarantee Fee(s) in the amount and on the dates set forth below provided however that no such Guarantee Fee(s) shall be payable after (i) the occurrence of a Guaranteed Event, or (ii) any termination in accordance with Section 21.

Guarantee Fee Payment Dates	Amounts
March 14, 2023	USD 88,810.00
May 21, 2023	USD 101,340.00
August 21, 2023	USD 101,340.00
November 21, 2023	USD 96,940.00

(i) Guarantee Fee Rate: 2.35% per annum

(j) Guaranteed Percentage: 75%

(k) Guaranteed Event: A Payment Default

(l) Guaranteed Amount: Up to the lesser of (i) the Maximum Liability and (ii) the Guaranteed Percentage of the aggregate of: (x) the principal amount outstanding under the Transaction, excluding any principal amounts advanced after the Institution became aware of the occurrence of any Payment Default or any default under the Transaction Documentation other than a Payment Default, the consequence of which is a Material Adverse Effect, and (y) accrued and unpaid interest calculated at the Guaranteed Interest Rate on the amount in (x) up to a maximum of one hundred and twenty (120) days of accrued and unpaid interest.

(m) Guaranteed Interest Rate: (i) for amounts outstanding in Canadian Dollars: 0.5% less than the Prime Rate announced from time to time by the Institution or, if the Institution does not have a Prime Rate, 0.5% less than the average of the Prime Rates announced from time to time by any 3 of the following banks selected by EDC: Royal Bank of Canada, Bank of Montreal, Canadian Imperial Bank of Commerce, The Toronto-Dominion Bank, National Bank of Canada and The Bank of Nova Scotia, and (ii) for amounts outstanding in United States Dollars, Euro Dollars, Pounds Sterling or Australian Dollars: 1.0% less than the Base Rate announced from time to time by the Institution or, if the Institution does not have a Base Rate, 1.0% less than the average of the Base Rates announced from time to time by any 3 of the following banks selected by EDC: Royal Bank of Canada, Bank of Montreal, Canadian Imperial Bank of Commerce, The Toronto-Dominion Bank, National Bank of Canada and The Bank of Nova Scotia

(n) Primary Collateral: Any collateral specified in the Transaction Documentation and not otherwise specified in this paragraph, whose proceeds of realization are applied or designated for application exclusively to the Transaction or to the Transaction before application to other transactions and the following collateral:

- the goods financed by the Transaction, all inventory and work-in-process relating to the manufacture of the goods financed by the Transaction, all payments, guarantees, indemnities, letters of credit or similar obligations owing to or in favour of the Obligor in respect of the goods financed by

- the Transaction or under any agreements related thereto, all proceeds therefrom and all rights related thereto; and
- the real/immovable property located at civic address 5453 & 5457 Pacific Fern Drive, Ferndale, Washington, United States, all proceeds therefrom and all rights related thereto.

Distribution Method: Primary Distribution Method

(o) Other Collateral: Without limiting the definition of Primary Collateral, any collateral specified in the Transaction Documentation and in any other agreement between the Institution and the Obligor which does not constitute Primary Collateral, all proceeds therefrom and all rights related thereto.

Distribution Method: Other Distribution Method

(p) Primary Guarantees: Any guarantees, suretyships, indemnities, letters of credit or similar instruments forming part of the Transaction Documentation and not otherwise specified in this paragraph, the payments under which are applied or designated for application exclusively to the Transaction or to the Transaction before application to other transactions and the following guarantees and/or suretyships:

- of VICINITY MOTOR (BUS) USA CORP.;
- of VICINITY MOTOR PROPERTY, LLC; and
- of VICINITY MOTOR CORP.

Distribution Method: The proceeds of the Primary Guarantees shall first be allocated proportionately to each of the Transaction and the Operating Loan, with the portion of the proceeds allocated to the Transaction then distributed in accordance with the Primary Distribution Method.

(q) Other Guarantees: Any guarantees, suretyships, indemnities, letters of credit or similar instruments forming part of the Transaction Documentation and in any other agreement between the Institution and the Obligor, which does not constitute Primary Guarantees.

Distribution Method: Other Distribution Method

(r) Special Distribution Method: Not applicable

(s) Address for Notices:

for the Institution:

Royal Bank of Canada
200 Bay Street, 30th Floor
Toronto, ON
Canada
M5J 2J5

Attention: Vir Advani

for EDC:

Export Development Canada
150 Slater Street
Ottawa Ontario, K1A 1K3
Canada

Attention: Loans Services – International Financing
Guarantees
Phone: 613-598-2842
Fax: 613-598-2514
Or Email: IFG.loanservices@edc.ca

Cc:

Attention: Asset Management,
Fax: 613-598-3186
or Email: IFG.assetmanagement@edc.ca

(t) Forms: The applicable forms are available in the Canadian Financial Institutions section of EDC's website at www.edc.ca.

SPECIAL CONDITIONS:

Notwithstanding Section 3 of the General Terms and Conditions, the Institution is required to provide an executed Release to EDC as a condition to effectiveness of the Guarantee.

The Institution shall have thirty (30) days from the Effective Date of this Approval to obtain a Rank of Charge in the real/immovable property located at civic address 5453 & 5457 Pacific Fern Drive, Ferndale, Washington, United States, all proceeds therefrom and all rights related thereto ("Designated Assets"), and to amend the Transaction Documentation to include the Designated Assets (if not already included). For greater certainty, exclusion 4.(4)(ii) shall not apply to the Rank of Charge in the Designated Assets until the earlier of: (i) the thirty-first (31st) day from the Effective Date of this Approval, and (ii) the date upon which the Institution has effectively obtained a Rank of Charge in the Designated Assets.

The Institution and EDC agree that loans in respect of contracts may be provided by the Institution pursuant to the Transaction Documentation up to and including the Guarantee Expiry Date and that this Guarantee shall apply to a Guaranteed Event corresponding to such loans. Notwithstanding anything to the contrary in the Guarantee, exclusion 4.(2) is hereby amended as follows: "(i) the Guaranteed Event occurs more than twelve (12) months after the Guarantee Expiry Date, or any earlier termination in accordance with Section 21, or (ii) if the Guaranteed Event is as a result of the failure to pay pursuant to an acceleration notice, the Institution has not demanded from the Obligor prior to the date which falls twelve (12) months after the Guarantee Expiry Date or any earlier termination in accordance with Section 21;". The Institution shall advise EDC of all such loans prior to the Guarantee Expiry Date and pay to EDC a Guarantee Fee in respect of each such loans, in advance either on the Guarantee Expiry Date or on a quarterly basis (at the option of the Institution) until the earlier of twelve (12) months after the Guarantee Expiry or repayment of the relevant loan. The Guarantee Fee in respect of each such loan shall be calculated on the payment date by multiplying the (i) loan amount outstanding in respect of such loan by (ii) the Guarantee Fee Rate by (iii) the Guaranteed Percentage and by (iv) the number of days in the year of the estimated repayment term of the contract related to such loan divided by 360 or 365 (366 in a leap year), consistent with the interest rate calculation used by the Institution.

EXPORT DEVELOPMENT CANADA



Derek Austin
Director
International Financing Guarantees



Robin Chabot
Vice President
Working Capital Solutions

Date: February 21, 2023

Electronic signatures shall be deemed to constitute originals.



EDC GUARANTEE General Terms and Conditions

DEFINITIONS

- Definitions**
1. In this Guarantee, capitalized terms have the meanings ascribed to them below or in the Approval, unless otherwise indicated.
 - "**Approval**" means the approval issued by EDC that incorporates these General Terms and Conditions and sets out the details of this Guarantee, together with any Special Conditions that add to, or supersede any of these General Terms and Conditions.
 - "**Australian Dollars**" and "**AUD**" each mean the lawful currency of Australia.
 - "**Base Rate**" means a fluctuating annual reference rate of interest used for the determination of the interest rate to be charged to Canadian commercial customers of varying degrees of creditworthiness borrowing United States Dollars in Canada, as announced from time to time by a bank.
 - "**Business Day**" means any day excluding Saturday, Sunday and any other day on which banks are closed for business in Toronto or Montreal, Canada and with respect to amounts in United States Dollars, New York, New York, United States of America.
 - "**Canadian Dollars**" and "**CAD**" each mean the lawful currency of Canada.
 - "**Claim Expiry Date**" means the date falling one hundred and twenty (120) calendar days after the Guaranteed Event unless otherwise extended pursuant to Section 11.
 - "**Collateral**" means all Primary Collateral and all Other Collateral.
 - "**Declaration**" means a completed document executed by the Obligor and delivered to EDC.
 - "**Demand**" means a demand by the Institution for payment by EDC under this Guarantee.
 - "**Demand Details Form**" means a document executed by the Institution in the form provided by EDC.
 - "**Distribution Method**" means the Primary Distribution Method, the Other Distribution Method or any Special Distribution Method specified in the Approval.
 - "**EDC Acquired Rights**" means the rights under the Transaction Documentation that accrue to EDC upon payment by it under this Guarantee.
 - "**Effective Date**" means the date set forth on the first page of the Approval.
 - "**Enforcement Plan**" means the general proposed course of action with respect to the enforcement and preservation of rights under the Transaction Documentation other than the Institution Rights.
 - "**Euro Dollars**" and "**EUR**" each mean the lawful currency of the member states of the Economic and Monetary Union of the European Union.
 - "**First Prior Charge**" means the highest obtainable registered perfected or published security interest or hypothec in respect of the Collateral in the relevant jurisdiction by a secured creditor acting prudently in similar circumstances, together with all necessary subordination or cession of rank or other intercreditor agreements required to create a first prior security interest against all prior registered secured creditors.

"Guarantee" means these General Terms and Conditions together with the Approval and any annexes, schedules and amendments thereto.

"Indemnity" means a document which may be executed by EDC in the form provided by EDC.

"Institution Rights" means the rights, obligations and interests of the Institution under transactions other than the Transaction that may be part of the Transaction Documentation.

"Material" means:

- (i) when used to qualify a default, any default which indicates or results from a material adverse change in (1) the financial condition or business of the Obligor or any Third Party Guarantor, (2) the ability of the Obligor or any Third Party Guarantor to perform its obligations under the Transaction Documentation, or (3) the rights and remedies available to the Institution under the Transaction Documentation;
- (ii) when used to qualify the reporting as to the Enforcement Plan, any actions which are not technical or administrative in nature and include (1) the appointment of a receiver, receiver-manager, monitor or other similar professional, (2) the identification and valuation of the Collateral, including the identification of potential buyers for the Collateral, (3) the sale or lease of any Collateral, (4) the receipt and/or application of any Recovered Amounts, (5) the receipt or delivery by the Institution of any communication in respect of the EDC Acquired Rights, (6) the release, subordination or discharge of any Security, (7) any settlement with any creditor or with respect to any Collateral, or (8) the initiation or participation in any bankruptcy, insolvency, reorganization or similar proceedings.

"Material Adverse Effect" means an increase in the risk that EDC would be required to make a payment under this Guarantee and/or not be able to recover the amount claimed under this Guarantee from the Obligor, Third Party Guarantors or any other person under the Transaction Documentation or realize on the Collateral after payment under this Guarantee, provided that if EDC and the Institution disagree as to the occurrence of a Material Adverse Effect, such determination shall be settled by the courts referred to in Section 35.

"Non-Guaranteed Percentage" means the difference between 100% and the applicable Guaranteed Percentage.

"Notice of Demand" means a completed document executed by the Institution in the form provided by EDC.

"Notice of Intent to Enforce" means a completed document executed by the Institution in the form provided by EDC.

"Other Distribution Method" means a distribution of amounts in the following order after deduction therefrom of the related reasonable costs of acceleration and enforcement, if any and of any amounts required to be paid in respect of statutory liens, deemed trusts, garnishment rights or other unregistered priority claims:

- (i) first, to the Institution for all indebtedness of the Obligor to the Institution under the Transaction Documentation other than the indebtedness of the Obligor under the Transaction, subject to any limitations specified in the Approval;
- (ii) then, on a pari passu basis, to EDC the applicable Guaranteed Percentage of such amounts and to the Institution, the applicable Non-Guaranteed Percentage of such amounts until EDC has been paid in full in respect of the Guaranteed Amount; and
- (iii) thereafter, but subject to the rights of any other person legally entitled thereto, to the Institution for any other indebtedness owing by the Obligor to the Institution.

"Payment Default" means a failure on the part of the Obligor to make payment to the Institution of all or part of amounts owing under the Transaction, when due, whether at stated maturity, mandatory prepayment, upon acceleration or by reason of bankruptcy, insolvency, winding up, liquidation, dissolution or any similar proceeding.

"Pounds Sterling" and **"GBP"** each mean the lawful currency of the United Kingdom.

"Primary Distribution Method" means a distribution of amounts in the following order after deduction therefrom of the related reasonable costs of acceleration and enforcement, if any and of any amounts required to be paid in respect of statutory liens, deemed trusts, garnishment rights or other unregistered priority claims:

- (i) first, on a pari passu basis, to EDC, the applicable Guaranteed Percentage of such amounts and to the Institution, the applicable Non-Guaranteed Percentage of such amounts, until EDC has been paid in full in respect of the Guaranteed Amount; and
- (ii) then, but subject to the rights of any other person legally entitled thereto, to the Institution for any other indebtedness owing by the Obligor to the Institution.

"Prime Rate" means a fluctuating annual reference rate of interest used for the determination of the interest rate to be charged to Canadian commercial customers of varying degrees of creditworthiness borrowing Canadian Dollars in Canada, as announced from time to time by a bank.

"Rank of Charge" means a First Prior Charge subject to (i) statutory liens, deemed trusts, garnishment rights and other unregistered priority claims and (ii) any permitted liens or other exceptions specified in the Approval.

"Recovered Amounts" means any proceeds of realization of Collateral and any payments under any credit agreement and any Third Party Guarantees.

"Residual Loss" means the Guaranteed Amount minus EDC's share of the Recovered Amounts calculated in accordance with Section 17.

"Release" means a completed document executed by the Institution in the form provided by EDC.

"Security" means all Third Party Guarantees and/or all security interests or hypothecs in the Collateral, as the context may require.

"Subrogation and Release" means a document executed by EDC and the Institution in the form provided by EDC or in such other form as may be mutually satisfactory to EDC and the Institution.

"Third Party Guarantees" means all Primary Guarantees and all Other Guarantees.

"Third Party Guarantor(s)" means any and all providers of Third Party Guarantees.

"Transaction Documentation" means all documentation evidencing the Transaction and the Security, including the Transaction Agreement.

"United States Dollars" and **"USD"** each mean the lawful currency of the United States of America.

"Waiver" means each document executed by any Third Party Guarantor in the form provided by EDC.

GUARANTEE

Guarantee

2. In consideration of the fees payable hereunder by the Institution and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and subject to the terms and conditions of this Guarantee, EDC hereby unconditionally and irrevocably guarantees payment to the Institution of the obligations under the Transaction, up to the Guaranteed Amount (notwithstanding article

2344 of the Civil Code of Québec if the Institution's headquarters are in the province of Québec), in the event of the occurrence of a Guaranteed Event.

Effectiveness 3. This Guarantee is effective as of the Effective Date.

EXCLUSIONS

Uncurable 4. EDC shall not be liable to pay any part of the Guaranteed Amount where any of the following has occurred, unless otherwise agreed by EDC:

- (1) the Guaranteed Event occurs prior to the Effective Date;
- (2) (i) the Guaranteed Event occurs after the Guarantee Expiry Date, or any earlier termination in accordance with Section 21, or (ii) if the Guaranteed Event is as a result of the failure to pay pursuant to an acceleration notice, the Institution has not demanded payment from the Obligor prior to the Guarantee Expiry Date or any earlier termination in accordance with Section 21;
- (3) the Institution has not fulfilled the requirement of Section 5.(1) hereof prior to the Claim Expiry Date;
- (4) (i) the Institution has failed to meet its normal standard of care, applicable at the time the Approval is issued, for comparable transactions not guaranteed by EDC in ensuring that the Transaction Documentation is legal, valid, binding and enforceable and (ii) the Security does not create the Rank of Charge in the Collateral specified in the Approval;
- (5) the Institution has failed to meet its normal standard of care, applicable at the time the Approval is issued, for comparable transactions not guaranteed by EDC in administering and preserving its rights under the Transaction Documentation and the resulting consequence of such failure is a Material Adverse Effect;
- (6) the Institution has failed to meet its normal standard of care, for comparable transactions not guaranteed by EDC in enforcing (to the extent it is required or permitted to do so hereunder) its rights and remedies under the Transaction Documentation against the Obligor, Third Party Guarantors and the Collateral and the resulting consequence of such failure is a Material Adverse Effect;
- (7) the Institution has released, subordinated or discharged any part of the Security, or permitted any of the foregoing to occur (other than the release or discharge of the Collateral required for the purpose of the sale or disposition thereof in connection with the enforcement and realization, by the Institution, against the Collateral);
- (8) the Institution has incurred any obligation or made any advance under or in respect of any part of the Transaction prior to the satisfaction of all conditions precedent applicable thereto other than such conditions precedent which are waived by the Institution acting in accordance with its normal standard of care for comparable transactions not guaranteed by EDC;
- (9) the Institution has amended the Transaction Documentation and the resulting consequence is a Material Adverse Effect;
- (10) the Institution has waived any Payment Default;
- (11) the Institution has waived any default under the Transaction Documentation other than a Payment Default and the resulting consequence is a Material Adverse Effect;
- (12) the Institution has not paid the Guarantee Fee(s) or the Set-up Fee, to the extent due, as set forth in the Approval.

EDC's review of any part of the Transaction Documentation prior to the issuance of the Approval shall not constitute a confirmation that exclusion (4) above has not occurred.

PAYMENT BY EDC

- Demand** 5. (1) To make a Demand, the Institution shall, deliver to EDC prior to the Claim Expiry Date: (i) a Notice of Demand or a Notice of Intent to Enforce (ii) a duly completed Demand Details Form with all required supporting documents attached thereto, (iii) a duly executed Subrogation and Release, to be effective simultaneously with the successful transfer of payment by EDC to the Institution of the Guaranteed Amount and (iv) an Enforcement Plan (except in the case where a Notice of Intent to Enforce has been delivered to EDC pursuant to Section 11). The applicable forms are available in the Canadian Financial Institutions section of EDC's website at www.edc.ca.
- Payment** (2) EDC shall not be liable to pay any part of the Guaranteed Amount until thirty (30) calendar days after the satisfaction of the provisions of Subsection 5.1(1).
- Condition** (3) Unless prohibited by applicable law, the Institution is required to demand payment from the Obligor and all Third Party Guarantors before making a Demand.
- Reductions** 6. EDC may deduct from the Guaranteed Amount payable by EDC the Guaranteed Percentage of any amount received by the Institution before the date of payment by EDC that would, in the normal course, be applied to reduce the obligations owing under the Transaction.

INSTITUTION'S OBLIGATIONS

- Covenants** 7. The Institution shall:
- Information** (1) at the request of EDC, and subject to any restrictions affecting the Institution, provide EDC with all information and documents with respect to any matter relevant to this Guarantee which the Institution has in its possession and take all reasonable steps to allow EDC to obtain from any third party related to the Transaction any such information and documents which the Institution does not have in its possession;
- Environment** (2) notify EDC promptly upon becoming aware of any environmental claim, notice or order against the Obligor;
- Default** (3) notify EDC promptly upon becoming aware of the occurrence of any of the following and of the action the Institution is contemplating in respect thereof: (i) any Payment Default, (ii) any default under the Transaction Documentation other than a Payment Default, the consequence of which is a Material Adverse Effect, or (iii) any payment default or any other Material default under any other agreement between the Institution and the Obligor or any Third Party Guarantor; and
- (4) notify EDC promptly upon transferring the Transaction to its special loans or work out division.

FEES

- Set-Up Fee** 8. The Institution will pay to EDC the Set-Up Fee indicated in the Approval.
- Guarantee Fee** 9. The Institution will pay to EDC the Guarantee Fee(s) indicated in the Approval.
- Late Fees** 10. The Institution will pay interest to EDC on any overdue fees hereunder at the annual rate equal to the Guarantee Fee Rate plus 2%, computed from the due date and compounded monthly on the last day of each month until payment in full.

NOTICE OF INTENT TO ENFORCE**Notice of Intent to Enforce**

11. Notwithstanding anything to the contrary herein, prior to making a Demand hereunder, the Institution may choose, upon the occurrence of a Guaranteed Event but no later than the Claim Expiry Date, to notify EDC of its intent to enforce and exercise all rights and remedies of the Institution under the Transaction Documentation against the Obligor, the Third Party Guarantors and the Collateral, by delivering a Notice of Intent to Enforce. Upon receipt of the Notice of Intent to Enforce, the Claim Expiry Date shall automatically be extended to the date falling one hundred and twenty days (120) calendar days after the date upon which the Institution has exercised all of its rights and remedies under the Transaction Documentation against the Obligor, the Third Party Guarantors and the Collateral. Prior to making a Demand hereunder, the Institution shall calculate the Residual Loss.

CURRENCY AND PLACE OF PAYMENT**Currency**

12. (1) All payments by EDC to the Institution hereunder shall be made in the currency of the Transaction to the account indicated in the Demand Details Form.
- (2) All payments by the Institution to EDC hereunder shall be made in the currency of the Transaction, unless otherwise indicated in the Approval, to the accounts below or to such other accounts as EDC may notify the Institution. Each payment shall specify the Reference No. of the Approval.

CAD Account

13. (1) Payments to EDC in Canadian Dollars shall be made to Royal Bank of Canada, 90 Sparks Street, Ottawa, Ontario, Canada, K1P 5T6, for the credit of Export Development Canada, SWIFT Code ROYCCAT2, institution number 003, transit number 00006, account number 1070481.

USD Account

- (2) Payments to EDC in United States Dollars shall be made to Citibank, N.A., 111 Wall Street, New York, New York 10043, U.S.A. for the credit of Export Development Canada, ABA number 021000089, SWIFT CITIUS33, account number 36236357.

EUR Account

- (3) Payments to EDC in Euro Dollars shall be made to Bank of America, P.O. Box 407, 5 Canada Square, London, UK, E14 5AQ for the credit of Export Development Canada, IBAN number GB36 BOFA 1650 5045 4470 27, SWIFT BOFAGB22, account number 6008 45447027.

GBP Account

- (4) Payments to EDC in Pounds Sterling shall be made to Bank of America, P.O. Box 407, 5 Canada Square, London, UK, E14 5AQ for the credit of Export Development Canada, IBAN number GB58 BOFA 1650 5045 4470 19, SWIFT BOFAGB22, Sort Code 16 50 50, account number 6008 45447019.

AUD Account

- (5) Payments to EDC in Australian Dollars shall be made to Bank of America, P.O. Box 407, 5 Canada Square, London, UK, E14 5AQ for the credit of Export Development Canada, IBAN number GB89 BOFA 1650 5045 4470 43, SWIFT BOFAGB22, account number 6008 45447043, Cover at Bank of America, Sydney, SWIFT BOFAAUSX.

MAXIMUM LIABILITY**Maximum Liability**

14. EDC's maximum liability under this Guarantee is in all events limited to the Maximum Liability.

RECOVERY**Subrogation**

15. EDC shall be immediately subrogated to all rights, title and interest of the Institution under the Transaction Documentation (but not its obligations) upon, and to the extent of, its payment in full of the Guaranteed Amount to the Institution. If the Institution's headquarters are in the province of Québec, such subrogation is pursuant to article 1651 of the Civil Code of Québec and notwithstanding the terms of article 1658 of the Civil Code of Québec.

The Institution agrees to execute a Subrogation and Release with respect to the EDC Acquired Rights, and upon request by EDC, an assignment of the EDC Acquired Rights. For greater certainty, EDC shall not be subrogated into or request an assignment of any Institution Rights.

- Enforcement**
16. (1) The Institution shall take, without requirement for prior consultation with EDC, emergency and routine actions to preserve rights under the Transaction Documentation in accordance with its normal standard of care for comparable transactions not guaranteed by EDC.
- (2) EDC shall not be liable to pay any part of the Guaranteed Amount until receipt by EDC of an Enforcement Plan acceptable to EDC. Upon receipt of EDC's consent to such Enforcement Plan the Institution shall implement such Enforcement Plan in accordance with its normal standard of care for comparable transactions not guaranteed by EDC and the Institution shall deliver a report to EDC on a bi-weekly or other basis agreed by the parties detailing specific Material actions taken in accordance with the Enforcement Plan. If EDC and the Institution cannot agree on the Enforcement Plan, the assistance of the courts referred to in Section 35 may be sought or EDC may exercise its rights under Subsection (4). The Institution shall obtain EDC's consent to any change to the Enforcement Plan. For greater certainty, the Institution shall not obtain EDC's consent to any course of action concerning enforcement action in respect of the Institution Rights.
- (3) Subsection 16.(2) is not applicable where the Institution has delivered to EDC a Notice of Intent to Enforce pursuant to Section 11. In the event that the Institution has delivered to EDC a Notice of Intent to Enforce pursuant to Section 11, the Institution shall enforce all rights and remedies under the Transaction Documentation against the Obligor, Third Party Guarantors and the Collateral in accordance with its normal standard of care for comparable transactions not guaranteed by EDC and the Institution shall deliver a report to EDC when it has taken Material actions but in any event no less than semi-annually.
- (4) EDC may, at any time after or concurrently with payment of the Guaranteed Amount:
- (i) take or retain a third party to take, any enforcement action in respect of the EDC Acquired Rights provided that EDC or such third party shall cooperate with the Institution to ensure an orderly realization of the Security; or
 - (ii) direct the Institution to take any reasonable enforcement action within the reasonable capabilities of the Institution in respect of the EDC Acquired Rights, provided that EDC executes and delivers the Indemnity.

Distribution of Proceeds

17. (1) Any Recovered Amounts shall be held in trust by the Institution or EDC, as the case may be, and promptly distributed in accordance with the Distribution Method(s) specified in the Approval. Any amounts received by the Institution or EDC which cannot be identified specifically as amounts payable by the Borrower or any Third Party Guarantors in connection with the Transaction or as amounts derived from the realization of Primary Collateral or Other Collateral (including amounts which derive from realization by way of a sale of all or substantially all of a party's assets, including the sale of a party's business as a going concern), despite the Institution's commercially reasonable efforts in the circumstance, shall be held in trust by the Institution or EDC, as the case may be, and promptly distributed proportionately to each of the Transaction and other transactions between the Institution and the Obligor, with the portion of the proceeds allocated to the Transaction then distributed in accordance with the Primary Distribution Method.
- (2) Any amounts other than Recovered Amounts (if applicable) that would, in the normal course, be applied in full or in part to reduce the exposure under the Transaction, shall be held in trust by the Institution or EDC, as the case may be, and promptly distributed proportionately to each of the Transaction and other transactions between the Institution and the Obligor, with the portion of the proceeds allocated to the Transaction then distributed in accordance with the Primary Distribution Method.

- (3) In the case of (1) and (2) above, if EDC has not already paid the Institution under a Demand, such amounts shall be applied by the Institution to reduce the indebtedness owed to it in respect of the Transaction, with a corresponding reduction in the amount of the Guaranteed Amount, with any amounts received in excess of the Guaranteed Amount to be applied as the Institution decides, in its sole discretion.

Recovery Costs 18. All acceleration and enforcement costs shall be recovered in accordance with the applicable Distribution Method. Where Recovered Amounts are insufficient to cover the related costs of acceleration and enforcement, such costs shall be shared proportionately by EDC and the Institution based on the ratio of the Guaranteed Amount to the total outstanding principal and interest under all exposure of the Institution to the Obligor secured by the Collateral and/or Third Party Guarantees or such other ratio as may be agreed by the parties.

Claw Back 19. Each of the Institution and EDC agree that the other party may take any action to recover any payment that was paid by the other when not due and payable hereunder.

MISCELLANEOUS

Contribution 20. The obligations of EDC hereunder are not joint with any other guarantor. If the Institution's headquarters are in the province of Québec, EDC renounces the right to invoke the benefit of division or discussion as it may have pursuant to the Civil Code of Québec. The Institution shall obtain a Waiver from any new Third Party Guarantors obtained after this Guarantee becomes effective upon execution of any such Third Party Guarantees and promptly provide a copy thereof to EDC. The Institution shall indemnify EDC for any cost, loss and/or damages to EDC resulting directly or indirectly from the Institution's failure to obtain any Waiver.

Early Termination 21. EDC may terminate its obligations under this Guarantee ten (10) Business Days after notice thereof to the Institution, if the Institution fails to comply with the provisions of Sections 8 or 9 and such failure is not cured within such notice period. Such termination shall not apply in respect of any Guaranteed Event which has taken place prior to such notice by EDC. The termination provision contained in this Subsection is effective notwithstanding the terms of article 2364 of the Civil Code of Québec if the Institution's headquarters are in the province of Québec.

Interest Calculation 22. All interest calculations hereunder using Prime Rate as a reference rate will be calculated on the basis of the actual number of days elapsed divided by 365 (366 days in the case of a leap year). All interest calculations using Base Rate as a reference rate will be calculated on the basis of the actual number of days elapsed divided by 360. For purposes of the *Interest Act* (Canada), where in this Guarantee (i) a rate of interest is to be calculated on the basis of a year of 360 days, the yearly rate of interest to which the 360 day rate is equivalent is such rate multiplied by the number of days in the year for which such calculation is made and divided by 360, or (ii) a rate of interest is to be calculated during a leap year, the yearly rate of interest to which such rate is equivalent is such rate multiplied by 366 and divided by 365.

Declarations 23. The Institution shall notify EDC promptly upon learning that any part of a Declaration is or has become incorrect and agrees, upon EDC's notification, to suspend or terminate any Transaction, on such terms as EDC may advise, if any Declaration is or becomes materially false, if the Obligor fails to provide evidence substantiating the truth of the Declaration to EDC upon request, or if the Obligor fails to comply with any other requirement of the Declaration.

Time Periods 24. In the calculation of any time period hereunder, the first day of such period shall be included in the calculation and the last day of such period shall not be included. Any payments due on a day other than a Business Day shall be deemed to be due on the next succeeding Business Day.

Expiry 25. (1) The Institution recognizes that the Guarantee Expiry Date applies notwithstanding: (i) any outstanding obligations under the Transaction at such date, and (ii) article 2364 of the Civil Code of Québec if the Institution's headquarters are in the province of Québec.

- (2) Renewal or extension of this Guarantee will only be considered upon written request by the Institution and will be subject to EDC's internal authorization processes. Any reminder received by the Institution from EDC advising the Institution of an upcoming expiry of this Guarantee shall not be construed as an agreement express or implied to renew or extend the stated term of this Guarantee.
- (3) No payment of fees by the Institution to EDC shall be construed as an agreement, express or implied, to amend or extend the stated term of this Guarantee nor will any such payment create any new liability for EDC. EDC will return any fee overpayment to the Institution upon written request, without interest.

Waiver of Conditions

26. EDC may waive, with or without conditions, any term or condition for its benefit in this Guarantee.

Disclosure

27. Any obligation of EDC to maintain confidentiality of the matters contained herein or in the Approval shall be subject to the requirements of applicable law, regulation or legal process and Canada's and/or EDC's international commitments. Further, the Institution agrees to EDC's disclosure, following the signing of this Guarantee, of: the name of the Institution, the EDC financial service provided and date of related agreement, a general description of the transactions/project (including country), the amount of EDC support in an approximate dollar range, and the name of the Canadian supplier.

No Representation

28. The Institution makes no representation as to the completeness, accuracy or reliability of any information provided to EDC in any credit write-up of the Institution, under the section entitled "Exporter Profile" of any form of application for this Guarantee or under Subsection 7.(1) and provides such information to EDC solely as a form of assistance to EDC in order that EDC may conduct its own due diligence in regard to the Obligor and the Transaction in a timely fashion. Statements of opinion in any of the foregoing information, whether of the Institution or of others, cannot be relied upon in any manner and no action, whether in contract or in tort, will lie against the Institution or others in respect of the foregoing information or the use to which any of it may be put.

Costs /Expenses

29. Subject to Section 18, each party shall be responsible for its costs incurred in respect of the negotiation, execution and administration of this Guarantee, including in respect of all documents or information to be provided by either of the parties hereunder.

GENERAL**Notice**

30. Every notice, demand, request, consent, approval, waiver or agreement to be given or made hereunder shall be in writing and shall be delivered to the other party by hand, sent by mail or transmitted by electronic mail or fax and shall be deemed to have been given and received: if delivered by hand, upon delivery; if sent by mail, on the earlier of the actual receipt and seven (7) days after posting; and if transmitted by electronic mail or fax, on the earlier of the actual receipt and two (2) days following the date of transmission; in each case excluding Saturdays and Sundays and those statutory holidays on which the offices of EDC and the Institution are normally closed for business. The mailing addresses and electronic mail (if any) and fax numbers of EDC and the Institution for such purposes shall be those specified in the Approval or such other address or electronic mail or fax number as EDC or the Institution may from time to time notify the other party in writing.

Entire Agreement

31. This Guarantee constitutes the entire understanding among the parties hereto with respect to the subject matter hereof and supersedes any and all prior agreements or understandings, written or oral, with respect thereto.

Assignment

32. This Guarantee will enure to the benefit of and be binding on the parties hereto and their respective successors and permitted assignees. Neither party will transfer its rights and obligations under the Transaction Documentation and this Guarantee without the other party's prior written consent, which it may grant or withhold in its sole discretion, with or without conditions. In the event that the Institution takes any such action without EDC's consent as aforesaid, EDC's obligations under this Guarantee will be terminated. For greater certainty, this Section does not apply to the transfer of any Institution Rights.

- Severability** 33. If any provision of this Guarantee or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Guarantee and the application of such provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each provision of this Guarantee shall be separately valid and enforceable to the fullest extent permitted.
- Interpretation** 34. The marginal notes and headings in this Guarantee have been inserted for convenience of reference only and do not form part of this Guarantee, and shall not be referred to in the interpretation of this Guarantee. All references herein to "Section", "Subsection", "herein", "hereunder" and similar terms, shall relate to this Guarantee. Unless the context requires otherwise, the singular shall include the plural and vice versa.
- Governing Law** 35. If the Institution's headquarters are outside the province of Québec, this Guarantee shall be governed by the laws of the province of Ontario and by the laws of Canada as applicable therein. The parties submit to the non-exclusive jurisdiction of the Courts of Ontario.
- If the Institution's headquarters are in the province of Québec, this Guarantee shall be governed by the laws of the province of Québec and by the laws of Canada as applicable therein. The parties submit to the non-exclusive jurisdiction of the Courts of Québec.
- Language** 36. The parties hereto have expressly required that this Guarantee and all document, agreements, correspondence and notices related thereto be drafted in the English language. Les parties aux présentes ont expressément requis que le présent contrat et tous les autres documents, conventions, correspondance ou avis qui y sont afférents soient rédigés en langue anglaise.

EXPORT DEVELOPMENT CANADA



**AMENDMENT TO
THE EDC GUARANTEE**

Date: February 16, 2024

To: Royal Bank of Canada (the "Institution")

Re: EDC Guarantee Approval with Reference No. 880-101318 ("Approval") issued by Export Development Canada ("EDC") in favour of the Institution, as amended from time to time.

EDC and the Institution have agreed to amend the Approval on the terms and subject to the conditions of this amending letter ("Amending Letter").

For good and sufficient consideration, EDC and the Institution agree to amend the Approval as follows:

1. Section (b), Transaction Agreement, is deleted in its entirety and replaced with the following:

"The credit agreement dated February 17, 2023, as amended on February 24, 2023, September 26, 2023, September 27, 2023, December 28, 2023, and February 13, 2024."; and

2. Section (e), Guarantee Expiry Date, is deleted in its entirety and replaced with the following:

"April 16, 2024, unless otherwise agreed by EDC.";

This Amending Letter shall become effective the date hereof and is conditional upon the receipt by EDC of the following: (a) an amendment fee in the amount of USD 1,000.00; and (b) an extension fee in the amount of USD 70,780.00, which are due and payable no later than fifteen (15) Business Days from the date hereof.

In this Amending Letter, capitalized terms have the meanings ascribed to them in the Approval, unless otherwise indicated.

The Approval as amended by this Amending Letter is and shall continue to be in full force and effect and is hereby ratified and confirmed in all respects.

Yours truly,

EXPORT DEVELOPMENT CANADA

A handwritten signature in black ink, appearing to read "Derek Austin". The letters are cursive and somewhat stylized.

Derek Austin
Director
International Financing Guarantees

A handwritten signature in black ink, appearing to read "Vincent Filion". The signature is highly stylized and cursive.

Vincent Filion
Vice President
Small Business

CC: Michael Ansara, EDC



**AMENDMENT TO
THE EDC GUARANTEE**

Date: April 16, 2024

To: Royal Bank of Canada (the "Institution")

Re: EDC Guarantee Approval with Reference No. 880-101318 ("Approval") issued by Export Development Canada ("EDC") in favour of the Institution, as amended from time to time.

EDC and the Institution have agreed to amend the Approval on the terms and subject to the conditions of this amending letter ("Amending Letter").

For good and sufficient consideration, EDC and the Institution agree to amend the Approval as follows:

1. Section (b), Transaction Agreement, is deleted in its entirety and replaced with the following:

"The credit agreement dated February 17, 2023, as amended on February 24, 2023, September 26, 2023, September 27, 2023, December 28, 2023, February 13, 2024, and April 15, 2024."; and

2. Section (e), Guarantee Expiry Date, is deleted in its entirety and replaced with the following:

"April 29, 2024, unless otherwise agreed by EDC.";

This Amending Letter shall become effective the date hereof and is conditional upon the receipt by EDC of the following: (a) an amendment fee in the amount of USD 1,000.00; and (b) an extension fee in the amount of USD 11,520.00, which are due and payable no later than fifteen (15) Business Days from the date hereof.

In this Amending Letter, capitalized terms have the meanings ascribed to them in the Approval, unless otherwise indicated.

The Approval as amended by this Amending Letter is and shall continue to be in full force and effect and is hereby ratified and confirmed in all respects.

Yours truly,

EXPORT DEVELOPMENT CANADA

A handwritten signature in black ink, appearing to read "Derek Austin". The letters are cursive and somewhat stylized.

Derek Austin
Director
International Financing Guarantees

A handwritten signature in black ink, appearing to read "Vincent Filion". The signature is highly stylized and cursive.

Vincent Filion
Vice President
Small Business

CC: Michael Ansara, EDC



**AMENDMENT TO
THE EDC GUARANTEE**

Date: April 30, 2024

To: Royal Bank of Canada (the “Institution”)

Re: EDC Guarantee Approval with Reference No. 880-101318 (“Approval”) issued by Export Development Canada (“EDC”) in favour of the Institution, as amended from time to time.

EDC and the Institution have agreed to amend the Approval on the terms and subject to the conditions of this amending letter (“Amending Letter”).

For good and sufficient consideration, EDC and the Institution agree to amend the Approval as follows:

1. Section (b), Transaction Agreement, is deleted in its entirety and replaced with the following:

“The credit agreement dated February 17, 2023, as amended on February 24, 2023, September 26, 2023, September 27, 2023, December 28, 2023, February 13, 2024, April 15, 2024, and April 25, 2024.”;

2. Section (e), Guarantee Expiry Date, is deleted in its entirety and replaced with the following:

“July 16, 2024, unless otherwise agreed by EDC.”; and

3. Section (f), Maximum Liability, is deleted in its entirety and replaced with the following:

“USD 22,500,000 (or the equivalent thereof in the currency of the Transaction, as determined by EDC) plus accrued and unpaid interest calculated at the Guaranteed Interest Rate for up to a maximum of one hundred and twenty (120) days of accrued and unpaid interest. ”;

This Amending Letter shall become effective the date hereof and is conditional upon the receipt by EDC of the following: (a) an amendment fee in the amount of **USD 1,000.00**; and (b) an

extension fee in the amount of **USD 64,980.00**, which are due and payable no later than fifteen (15) Business Days from the date hereof.

In this Amending Letter, capitalized terms have the meanings ascribed to them in the Approval, unless otherwise indicated.

The Approval as amended by this Amending Letter is and shall continue to be in full force and effect and is hereby ratified and confirmed in all respects.

Yours truly,

EXPORT DEVELOPMENT CANADA



Derek Austin
Director
International Financing Guarantees



Vincent Filion
Vice President
Small Business

CC: Michael Ansara, EDC

This is Exhibit "R" referred to in the affidavit of
Cameron Bailey sworn before me at Calgary, Alberta
this 16 day of October 2024.



A Commissioner for taking Affidavits
For Alberta

Barbara J. [unclear]
[unclear] [unclear]



Canada

PRIORITY AGREEMENT

PRIORITY AGREEMENT, dated as of March 29, 2023 (as amended or otherwise modified, this "**Priority Agreement**"), between EXPORT DEVELOPMENT CANADA ("**EDC**") and ROYAL BANK OF CANADA ("**RBC**").

PREAMBLE

WHEREAS RBC has filed a financing statement under the Uniform Commercial Code ("**UCC**") giving notice of its security interest in some or all of the personal property of VICINITY MOTOR (BUS) USA CORP. (the "**Debtor**");

AND WHEREAS EDC intends to extend credit or other financial accommodations to the Debtor in support of the Debtor's purchase of certain fixed assets, but only if such extension of credit or other financial accommodation is secured by a senior security interest in such assets as described in Schedule A hereto (which may be amended from time to time to add additional collateral by way of the Debtor's deliverance to RBC and EDC of the Notice of Additional EDC Priority Collateral Purchased in the form attached hereto as Schedule B), together with all accessions and additions thereto, replacements and substitutions for any of the foregoing, all component parts for any of the foregoing, all manufacturer's warranties, agreements, documents of title, manuals, books and records relating to any of the foregoing and all proceeds (including insurance proceeds) of the foregoing (hereinafter collectively referred to as the "**EDC Priority Collateral**").

AGREEMENT

NOW THEREFORE, in consideration of the sum of \$2.00 and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, each of EDC and RBC hereby agrees as follows:

1. Notwithstanding the date, manner or order of perfection of the security interests and liens granted to or acquired by RBC and EDC, RBC hereby unconditionally and irrevocably defers, subordinates and postpones any existing and future security interests, liens and rights it may have or acquire in or to the EDC Priority Collateral to any existing and future security interests, liens and rights of EDC in or to the EDC Priority Collateral. RBC agrees that it will not rely on its existing UCC registration or any future financing statements, registrations or any other recording (whether made under the UCC, any personal property security legislation, the *Bank Act* (Canada) or otherwise) to claim priority as against EDC as it relates to this Priority Agreement or as it relates to EDC's right to take possession of, deal with, sell, transfer or otherwise dispose of the EDC Priority Collateral. As between RBC and EDC, EDC shall have a senior and prior

security interest in the EDC Priority Collateral and RBC shall have a junior and subordinate security interest in the EDC Priority Collateral. Further, as between RBC and EDC, the terms of this Priority Agreement shall govern even if all or part of the claims of EDC or the liens or security interests securing payment thereof, are avoided, disallowed, set aside or otherwise invalidated.

2. RBC shall have a senior and prior security interest in the present and future personal and movable property of the Debtor except the EDC Priority Collateral ("**RBC Priority Collateral**") and together with EDC Priority Collateral, the "**Collateral**") and EDC shall have a junior and subordinate security interest in RBC Priority Collateral.
3. EDC shall have the sole right to take enforcement action against the EDC Priority Collateral and RBC shall not take any enforcement action against the EDC Priority Collateral. RBC shall have the sole right to take enforcement action against the RBC Priority Collateral and EDC shall not take any enforcement action against the RBC Priority Collateral. In the event that EDC or RBC obtains possession of the RBC Priority Collateral or the EDC Priority Collateral, respectively, for any reason, upon learning thereof, the parties shall promptly notify the other of such fact and upon the request of the other party deliver such Collateral to EDC or RBC, as applicable.
4. This Priority Agreement may not be amended or otherwise modified, and no provision of this Priority Agreement may be waived, except in a writing signed by RBC and EDC. This Priority Agreement shall be and remain absolute and unconditional under any and all circumstances, and no act or omission on the part of any party to this Priority Agreement or third party shall affect or impair the agreement of the other party hereunder. The agreements contained herein shall continue in force until all of the Debtor's obligations and liabilities to EDC are paid and satisfied in full and all financing arrangements between EDC and the Debtor have been terminated.
5. Nothing in this Priority Agreement shall be construed so as to entitle any party to receive any proceeds of realization upon any of the Collateral in respect of which such party does not have any security or in respect of which such party's security is invalid or unenforceable as against a third party. If any third party shall have a valid claim to proceeds of realization from any of the Collateral in priority to or on a parity with EDC but not in priority to or on a parity with RBC, then this Priority Agreement shall not apply so as to diminish the rights (as such rights would have been but for this Priority Agreement) of RBC against any such third party to the proceeds of realization from the RBC Priority Collateral. Nothing contained in this Priority Agreement shall be construed as conferring any rights upon the Debtor, or any party that is not a party to this Priority Agreement.
6. Subject to the above subordination and postponement contained in paragraph 1, nothing herein contained shall in any way prejudice or otherwise affect the rights of RBC or EDC as against the Debtor pursuant to the security and agreements held by RBC and EDC from the Debtor and nothing herein contained shall in any way prejudice or otherwise affect the rights of RBC and EDC as against the property and assets of the Debtor, other than the Collateral.

7. From time to time each of the parties hereto, at the request of any other, shall execute and deliver such additional documents and other assurances as may be reasonably required effectually to carry out the intent of this Priority Agreement.
8. Without limiting the other terms of this Priority Agreement, RBC and EDC shall each notify the other of the occurrence of an event of default under its credit agreement as soon as is practicable in the circumstances after issuing a notice of such event of default under the applicable credit agreement to the Debtor; provided that no such party shall be liable for any accidental failure to give such notice to the other party as aforesaid and any such failure shall not release, restrict or otherwise affect any of the obligations of RBC and EDC or limit, derogate from or otherwise any of the other provisions hereof or the effect thereof.
9. Upon (i) EDC receiving notice that RBC intends to take enforcement action, or (ii) EDC obtaining possession of the EDC Priority Collateral (in which case EDC shall provide written notice to RBC of such fact), EDC shall provide RBC and its agents, representatives and designees a 90-day (the "**Access Period**") non-exclusive right to have access to, and a right to use, the EDC Priority Collateral for the purpose of arranging for and effecting the manufacture, production, completion, inspection, safeguarding, disposition or removal of the RBC Priority Collateral, including the production, completion, packaging and other preparation or removal of such RBC Priority Collateral for disposition and/or the removal or copying of books and records relating to RBC Priority Collateral and/or protecting the RBC Priority Collateral (the "**Purposes**"). RBC shall have 10 business days to notify EDC of its intention to exercise its access rights hereunder from the date that RBC provides notice to EDC of its intention to take enforcement action, or the date that EDC provides notice to RBC that EDC has taken possession of the EDC Priority Collateral, and if RBC fails to so notify EDC then, upon the expiry of 10 business days, RBC will be deemed to have waived its access rights hereunder. During the Access Period, EDC shall not complete the sale of any EDC Priority Collateral, but shall have the right to market, solicit buyers for, engage a Receiver or sales agent for, engage an equipment auctioneer to inventory all assets and otherwise prepare for, the sale of the assets forming part of the EDC Priority Collateral, provided that these activities shall not interfere with RBC's use of EDC Priority Collateral for the Purposes.
10. During the Access Period, RBC shall:
 - a. take proper and reasonable care of any EDC Priority Collateral in the same manner as would a prudent owner, and shall be responsible for the maintenance and repair and replacement of any damage (ordinary wear-and-tear exempted) of the EDC Priority Collateral caused by RBC, its employees, agents, representatives, contractors or designees, and all such persons shall comply with applicable laws in the use and occupancy of the equipment and the premises;
 - b. maintain or cause to be maintained insurance satisfactory to EDC: (i) over the EDC Priority Collateral, (ii) for personal injury or death of any person on the applicable premises during the Access Period caused by acts or omissions of

persons under the control of RBC or its representatives and, (iii) for any third party liability; and

- c. pay to EDC, on a monthly basis during the Access Period, all payments of principal and interest accruing under EDC's credit facility (such payments to be converted into monthly payments if the credit agreement provides for quarterly or semi-annual installments).

If any order or injunction is issued or any stay in force which prohibits RBC from exercising any of its access rights with respect to the applicable EDC Priority Collateral then, at RBC's written request to EDC, the Access Period will be stayed during the period of such prohibition and upon the termination, expiration or vacation of such prohibition, the Access Period will continue thereafter for the number of days remaining in the Access Period (calculated without reference to the days during which such prohibition was in effect).

11. RBC agrees that, provided that: (i) the Contract Revolver Facility (as such term is defined in the amended and restated loan agreement dated February 17, 2023 between, among others, RBC and the Borrower, as may be amended from time to time) has been permanently repaid in full or otherwise permanently terminated, or (ii) the EDC Guarantee (as such term is defined in the amended and restated loan agreement dated February 17, 2023 between, among others, RBC and the Borrower, as may be amended from time to time) is no longer in force, RBC shall solely be responsible to pay the amounts of any costs and expenses payable by RBC in connection with the EDC Priority Collateral pursuant to the foregoing paragraph 10. Where the Contract Revolver Facility has not been permanently repaid in full or otherwise permanently terminated, and where the EDC Guarantee remains in force, EDC and RBC will mutually agree on any decision to share in any costs and expenses payable by RBC in connection with the EDC Priority Collateral pursuant to paragraph 10 hereof.
12. In the event that any provision or any part of any provision hereof is deemed to be invalid by reason of the operation of any law or by reason of the interpretation placed thereon by a court, this Priority Agreement shall be construed as not containing such provision or such part of such provision and the invalidity of such provision or such part shall not affect the validity of any other provision or the remainder of such provision hereof, and all other provisions hereof which are otherwise lawful and valid shall remain in full force and effect.
13. This Priority Agreement and all documents delivered pursuant thereto shall be governed by the internal laws of the State of New York (without regard to its conflicts of laws principles).
14. EACH PARTY HEREBY IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE NONEXCLUSIVE JURISDICTION OF THE SUPREME COURT OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR

PROCEEDING ARISING OUT OF OR RELATING TO THIS PRIORITY AGREEMENT, AND HEREBY WAIVES ANY OBJECTION TO VENUE OF ANY ACTION INSTITUTED HEREUNDER. EACH PARTY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS PRIORITY AGREEMENT, ANY RIGHTS, REMEDIES, OBLIGATIONS, OR DUTIES HEREUNDER, OR THE PERFORMANCE OR ENFORCEMENT HEREOF.

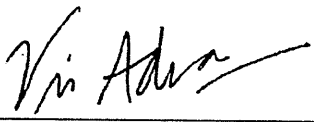
15. Any notices required or desired to be given hereunder shall be directed to the party to be notified at the address set forth herein, or such other address as may be designated by such party in a notice sent in accordance herewith to the other party.
16. This Priority Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original. Delivery of an executed counterpart of this Priority Agreement by telecopier (or by electronic mail, with electronic signature notation) shall be equally as effective, valid, binding and enforceable as delivery of a manually executed counterpart of this Priority Agreement.
17. This Priority Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.
18. Neither this Priority Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by all the parties hereto.

[The remainder of this page is intentionally left blank.]

(Signature Page to Priority Agreement)

This Priority Agreement has been duly executed and delivered as of the day and year specified at the beginning hereof.

ROYAL BANK OF CANADA

By: 
 Name: Vir C. Advani
 Title: Vice President, Corporate Client Group

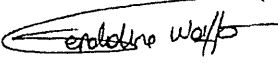
By: _____
 Name: _____
 Title: _____

I/We have authority to bind the bank.

RBC's Notice Address:
 200 Bay Street, Royal Bank Plaza
 13th Floor, S. Tower
 Toronto, ON M5J2J5
 (647) 402 - 4461
 E-MAIL: abladmin@rbccm.com

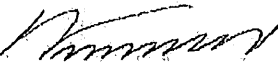
(Signature Page to Priority Agreement)

EXPORT DEVELOPMENT CANADA

By:  _____

Name: Geraldine Waffo

Title: Financing Manager

By:  _____

Name: Pierre Trudel

Title: Principal Financing Manager

We have authority to bind EDC.

EDC's Notice Address:
150 Slater Street
Ottawa, Ontario, Canada K1A 1K3

Attention: Geraldine Waffo – International Financing Direct
Email: gwaffo@edc.ca

AND TO:
Attention: IFD Clerk
Email: IFDClerk@edc.ca

(Signature Page to Priority Agreement)

ACKNOWLEDGEMENT BY DEBTOR

The undersigned hereby accepts and agrees to the foregoing.

VICINITY MOTOR (BUS) USA CORP.

By: 

Name: William Trainer

Title: Chief Executive Officer

I have authority to bind the Debtor.

Debtor's Notice Address:

3168 262nd Street
Aldergrove, British Columbia, Canada, V4W 2Z6

Attention: Danial Buckle
Email: dan.buckle@vicinitymotor.com

Schedule A

The EDC Priority Collateral of the Debtor means:

All of the Debtor's right, title and interest of every kind and nature whatsoever, related to or used over the following assets as financed by EDC pursuant to a Credit Facility Agreement dated February 24, 2023 between the Debtor, as borrower, Vicinity Motor Corp. and Vicinity Motor (Bus) Corp., as guarantors, and EDC, as lender (as the same may be amended, restated, renewed or replaced from time to time) (the "**Loan Agreement**"), and all Proceeds and Replacements, including all rights thereto:

- (i) the machinery, equipment and other assets of the Debtor as set out in the copies of purchase orders, invoices, or receipts appended hereto under Exhibit A; and
- (ii) any of the Borrower's after acquired equipment, machinery, motor vehicles or other assets (the "**Additional Financed Equipment**") as set out in a Notice of EDC Priority Collateral Purchased in the form of Schedule B hereto with copies of purchase orders, invoices, or receipts corresponding to such Additional Financed Equipment appended thereto as Exhibit B, which shall be delivered by the Borrower to RBC and EDC advising of the Borrower's purchase of such Additional Financed Equipment.

"**Proceeds**" means all proceeds and personal property in any form derived directly or indirectly from any disposal of or other dealing with any EDC Priority Collateral, or that indemnifies or compensates for such EDC Priority Collateral stolen, lost, destroyed or damaged, and proceeds of Proceeds whether or not of the same type, class or kind as the original Proceeds, and (as the context so admits) any item or part thereof.

"**Replacements**" means all increases, additions and accessions to, and all substitutions for and replacements of, any item or part of the EDC Priority Collateral, and (as the context so admits) any item or part thereof.

- 10 -

Exhibit A

**Copies of Purchase Orders, Invoices or Receipts
for the EDC Priority Collateral of the Debtor purchased to date
as financed by EDC under the Loan Agreement**

(see attached)

INDEX Technology Services SARL
 102 Avenue des Champs Elysées
 75008 Paris
 info@index.eu

Date	03/03/2022
Client	VMC Vicinity Motor
Adresse client	5433 Pacific Fern Drive FERNDALÉ, WA, 98248 AMERICA
Bon de commande	PO0300129
Facture N°	1

Quality Software Development for Ferndale Plant

"Pro-Inspector" PREMIUM User License - White Labelled Enterprise Product License (One Time Cost) with 1 to 50 User's

Total HT :	77 000,00 €
TOTAL TTC :	77 000,00 €

*Project #101
Budget.*

Numéro de TVA intracommunautaire : FR02908316177
 Conditions d'escompte : néant.
 Indemnité forfaitaire de 40€ en cas de retard de paiement

Domiciliation : Qonto
 Code Banque : 16958 Code guichet : 00001 N° Compte : 6004749376 Clé : 04
 IBAN : FR76 1695 8000 0160 0474 7937 604
 BIC : QNTQFRP1XXX

Approved by _____ *Email is Attached*

1013

AINDEX Technology Services SARL
102 Avenue des Champs Elysées
75008 Paris
info@aindex.eu

Date	08/09/2022
Client	VMC Vicinity Motor
Adresse client	5433 Pacific Fern Drive FERNDAL, WA, 98248 AMERICA
Bon de commande	PO0300129
Facture N°	2

Quality Software Development for Ferndale Plant

"Pro-Inspector" PREMIUM User License - White Labelled Enterprise Product License (One Time Cost) with 1 to 50 User's

Total HT : 77 000,00 €

TOTAL TTC : 77 000,00 €

Numéro de TVA intracommunautaire : FR02908316177

Conditions d'escompte : néant.

Indemnité forfaitaire de 40€ en cas de retard de paiement

Domiciliation : Qonto

Code Banque : 16958 Code guichet : 00001 N° Compte : 6004749376 Clé : 04

IBAN : FR76 1695 8000 0160 0474 7937 604

BIC : QNTOFRP1XXX

102, Avenue des Champs Elysées - 75008 Paris
SIRET 908 316 177 00017 - SARL



CALGARY
1228 - 26 AVENUE S.E.
CALGARY, AB. T2G 5S2
PHONE (403) 243-8666
FAX (403) 243-6487

EDMONTON
14522 - 123 AVENUE
EDMONTON, AB. T5L 2Y3
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FAX (780) 452-2908

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PAGE	1
INVOICE NO.	VA 2457971-000
INVOICE DATE	JUL-26-2022

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3168 - 262 STREET
ALDERGROVE, BC V4W 2Z6
CANADA
604-607-4000

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GRANDE WEST TRANSPORTATION
INTERNATIONAL LTD.
3168 - 262 STREET
ATTN: ASHOK THATI
ALDERGROVE, BC V4W 2Z6
CANADA

ORDER DATE	ORDERED BY	CUSTOMER PURCHASE ORDER NO.	DATE SHIPPED	PICK TICKET NO.
FEB-16-2022	ASHOK/ MIKE	PO300128	JUL-26-2022	2457971-000
SHIP VIA		SHIPPED FROM	F.O.B.	PPD / COLL
INTER-CITY CARTAGE		VAN	YOUR DOCK	PPD & CHARGE
G.S.T.	PST / HST	SLMN 1	SLMN 2	TERMS
EXTRA	EXTRA	12		NET 15 FOLLOWING

SPECIAL INSTRUCTIONS:

ORDERED	SHIPPED	B/O	MANU	ITEM NO./ DESCRIPTION	PRICE	U/M	DISC	AMOUNT	
4.00		4.00	RTRY	RESTOCKING CHARGES MAY BE APPLICABLE ON RETURNED GOODS AND "UP TO" 100% ON SPECIAL ORDERS MOBILE COLUMNS ***** MCH-FLEX-119 FLEX PORTABLE LIFTING SYSTEM 18,800 LB CAPACITY -18,800 LB CAPACITY -69" RISE -RISE SPEED 78 SECONDS -LOWER TO LOCK BUTTON -110 VAC CHARGE SYSTEM -FOR TIRES 9" - 24" -WIRELESS COMMUNICATION -GRAPHICAL DISPLAY -WEIGHT GAUGES -LOCKING LIGHT -REMOTE OPERATION OPTIONAL CROSSBEAMS	12627.83	EA			
SUBTOTAL		SHIPPING & HANDLING		TAX	SUBTOTAL		DEPOSIT		BALANCE DUE



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FAX (780) 452-2908

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FAX (604) 945-8213

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CANADA

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SHIP VIA		SHIPPED FROM	F.O.B.	PPD / COLL
INTER-CITY CARTAGE		VAN	YOUR DOCK	PPD & CHARGE
G.S.T.	PST / HST	SLMN 1	SLMN 2	TERMS
EXTRA	EXTRA	12		NET 15 FOLLOWING

SPECIAL INSTRUCTIONS:

ORDERED	SHIPPED	B/O	MANU	ITEM NO./ DESCRIPTION	PRICE	U/M	DISC	AMOUNT
2.00	2.00		RTRY	***** ML41YL CROSS BEAM SADDLE WITH TWO SUPPORT BLOCKS	3679.98	EA		7359.96
12.00		12.00	RTRY	MCH-FLEX-114 FLEX PORTABLE LIFTING SYSTEM 14,000 LB CAPACITY PER COLUMN - 69" RISE - RISE SPEED 78 SECONDS - LOWER TO LOCK BUTTON - 110 VAC CHARGE SYSTEM - FOR TIRES 9" - 24" - WIRELESS COMMUNICATION - DIGITAL WEIGHT GAUGE - GRAPHICAL DISPLAY - LOCKING LIGHT - REMOTE OPERATION ONE IS NOT ON SITE	10117.12	EA		
32.00		32.00	KELX	MCH-BATTERY24 SRM-24 BATTERY (STANDARD DEEP CYCLE)	151.50	EA		
176.00		176.00	KELX	MCH-OIL	6.60	EA		
SUBTOTAL		SHIPPING & HANDLING	TAX	SUBTOTAL	DEPOSIT	BALANCE DUE		



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ALDERGROVE, BC V4W 2Z6
CANADA
604-607-4000

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INTERNATIONAL LTD.
3168 - 262 STREET
ATTN: ASHOK THATI
ALDERGROVE, BC V4W 2Z6
CANADA

ORDER DATE	ORDERED BY	CUSTOMER PURCHASE ORDER NO.	DATE SHIPPED	PICK TICKET NO.
FEB-16-2022	ASHOK/ MIKE	PO300128	JUL-26-2022	2457971-000
SHIP VIA	SHIPPED FROM	F.O.B.	PPD / COLL	
INTER-CITY CARTAGE	VAN	YOUR DOCK	PPD & CHARGE	
G.S.T.	PST / HST	SLMN 1	SLMN 2	TERMS
EXTRA	EXTRA	12		NET 15 FOLLOWING

SPECIAL INSTRUCTIONS:

ORDERED	SHIPPED	B/O	MANU	ITEM NO./ DESCRIPTION	PRICE	U/M	DISC	AMOUNT
				HYDRAULIC OIL 11L PER COLUMN MFC SURCHARGE FREIGHT - INCOMING COLUMN/CROSSBEAM FREIGHT FREIGHT OUT FREIGHT OUT CROSS BEAM SADDLES ONLY				135.00
				THANKS FOR THE ORDER				
				GOODS & SERVICES TAX 7494.96	5.00 %			374.75
				B.C. PROVINCIAL SALES TAX 7359.96	7.00 %			515.20

SUBTOTAL	SHIPPING & HANDLING	TAX	SUBTOTAL	DEPOSIT	BALANCE DUE
7494.96	.00	889.95	8384.91	.00	8384.91

GST# 102793189RT

CANADIAN DOLLAR



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FAX (780) 452-2908

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PAGE	1
INVOICE NO.	VA 2457971-001
INVOICE DATE	JUL-29-2022

INVOICE

TR21427
GRANDE WEST TRANSPORTATION
INTERNATIONAL LTD.
3168 - 262 STREET
ALDERGROVE, BC V4W 2Z6
CANADA
604-607-4000

GRANDE WEST TRANSPORTATION
INTERNATIONAL LTD.
3168 - 262 STREET
ASHOK 604-607-4000
ALDERGROVE, BC V4W 2Z6
CANADA

ORDER DATE	ORDERED BY	CUSTOMER PURCHASE ORDER NO.	DATE SHIPPED	PICK TICKET NO.
FEB-16-2022	ASHOK/ MIKE	PO300128	JUL-29-2022	2457971-001
SHIP VIA		SHIPPED FROM	F.O.B.	PPD / COLL
INTER-CITY CARTAGE		VAN	YOUR DOCK	PPD & CHARGE
G.S.T.	PST / HST	SLMN 1	SLMN 2	TERMS
EXTRA	EXTRA	12		NET 15 FOLLOWING

SPECIAL INSTRUCTIONS:

ORDERED	SHIPPED	B/O	MANU	ITEM NO. / DESCRIPTION	PRICE	U/M	DISC	AMOUNT
4.00	4.00		RTRY	RESTOCKING CHARGES MAY BE APPLICABLE ON RETURNED GOODS AND "UP TO" 100% ON SPECIAL ORDERS MCH-FLEX-119 FLEX PORTABLE LIFTING SYSTEM 18,800 LB CAPACITY -18,800 LB CAPACITY -69" RISE -RISE SPEED 78 SECONDS -LOWER TO LOCK BUTTON -110 VAC CHARGE SYSTEM -FOR TIRES 9" - 24" -WIRELESS COMMUNICATION -GRAPHICAL DISPLAY -WEIGHT GAUGES -LOCKING LIGHT -REMOTE OPERATION * SN# HDW22F0047 * * SN# HDW22F0045 * * SN# HDW22F0046 * * SN# HDW22F0048 *	12627.83	EA		50511.32
SUBTOTAL	SHIPPING & HANDLING	TAX	SUBTOTAL	DEPOSIT			BALANCE DUE	



CALGARY
1228 - 26 AVENUE S.E.
CALGARY, AB. T2G 5S2
PHONE (403) 243-8666
FAX (403) 243-6487

EDMONTON
14522 - 123 AVENUE
EDMONTON, AB. T5L 2Y3
PHONE (780) 452-6640
FAX (780) 452-2908

VANCOUVER
UNIT 116, 1525 BROADWAY STREET
PORT COQUITLAM, B.C. V3C 6P6
PHONE (604) 945-5550
FAX (604) 945-8213

VERNON
SALES OFFICE
PHONE (250) 549-0481
FAX (250) 549-1440

WINNIPEG 450
212 HUTCHINGS STREET
WINNIPEG, MB R2X 2Y2
PHONE (204) 694-4100
FAX (204) 694-7222

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REMIT TO: 1228 - 26 AVENUE S.E.

CALGARY, AB T2G 5S2

PAGE	2
INVOICE NO.	VA 2457971-001
INVOICE DATE	JUL-29-2022

INVOICE

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GRANDE WEST TRANSPORTATION
INTERNATIONAL LTD.
3168 - 262 STREET
ALDERGROVE, BC V4W 2Z6
CANADA
604-607-4000

GRANDE WEST TRANSPORTATION
INTERNATIONAL LTD.
3168 - 262 STREET
ASHOK 604-607-4000
ALDERGROVE, BC V4W 2Z6
CANADA

ORDER DATE	ORDERED BY	CUSTOMER PURCHASE ORDER NO.		DATE SHIPPED	PICK TICKET NO.
FEB-16-2022	ASHOK/ MIKE	PO300128		JUL-29-2022	2457971-001
SHIP VIA		SHIPPED FROM	F.O.B.	PPD / COLL	
INTER-CITY CARTAGE		VAN	YOUR DOCK	PPD & CHARGE	
G.S.T.	PST / HST	SLMN 1	SLMN 2	TERMS	
EXTRA	EXTRA	12		NET 15 FOLLOWING	

SPECIAL INSTRUCTIONS:

ORDERED	SHIPPED	E/O	MANU	ITEM NO./ DESCRIPTION	PRICE	U/M	DISC	AMOUNT
12.00	12.00		RTRY	MCH-FLEX-114 FLEX PORTABLE LIFTING SYSTEM 14,000 LB CAPACITY PER COLUMN - 69" RISE - RISE SPEED 78 SECONDS - LOWER TO LOCK BUTTON - 110 VAC CHARGE SYSTEM - FOR TIRES 9" - 24" - WIRELESS COMMUNICATION - DIGITAL WEIGHT GAUGE - GRAPHICAL DISPLAY - LOCKING LIGHT - REMOTE OPERATION ONE IS NOT ON SITE * SN# HDY22F0144 * * SN# HDY22F0148 * * SN# HDY22F0142 * * SN# HDY22F0139 * * SN# HDY22F0147 * * SN# HDY22F0141 * * SN# HDY22F0146 * * SN# HDY22F0143 * * SN# HDY22F0138 *	10117.12	EA		121405.44

SUBTOTAL	SHIPPING & HANDLING	TAX	SUBTOTAL	DEPOSIT	BALANCE DUE



CALGARY
1228 - 26 AVENUE S.E.
CALGARY, AB. T2G 5S2
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FAX (403) 243-6487

EDMONTON
14522 - 123 AVENUE
EDMONTON, AB. T5L 2Y3
PHONE (780) 452-6640
FAX (780) 452-2908

VANCOUVER
UNIT 116, 1525 BROADWAY STREET
PORT COQUITLAM, B.C. V3C 6P6
PHONE (604) 945-5550
FAX (604) 945-8213

VERNON
SALES OFFICE
PHONE (250) 549-0481
FAX (250) 549-1440

451 WINNIPEG
212 HUTCHINGS STREET
WINNIPEG, MB R2X 2Y2
PHONE (204) 694-4100
FAX (204) 694-7222

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REMIT TO: 1228 - 26 AVENUE S.E.

CALGARY, AB T2G 5S2

PAGE	3
INVOICE NO.	VA 2457971-001
INVOICE DATE	JUL-29-2022

INVOICE

TR21427
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GRANDE WEST TRANSPORTATION
INTERNATIONAL LTD.
3168 - 262 STREET
ALDERGROVE, BC V4W 2Z6
CANADA
604-607-4000

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GRANDE WEST TRANSPORTATION
INTERNATIONAL LTD.
3168 - 262 STREET
ASHOK 604-607-4000
ALDERGROVE, BC V4W 2Z6
CANADA

ORDER DATE	ORDERED BY	CUSTOMER PURCHASE ORDER NO.	DATE SHIPPED	PICK TICKET NO.
FEB-16-2022	ASHOK/ MIKE	PO300128	JUL-29-2022	2457971-001
SHIP VIA		SHIPPED FROM	F.O.B.	PPD / COLL
INTER-CITY CARTAGE		VAN	YOUR DOCK	PPD & CHARGE
G.S.T.	PST / HST	SLMN 1	SLMN 2	TERMS
EXTRA	EXTRA	12		NET 15 FOLLOWING

SPECIAL INSTRUCTIONS:

ORDERED	SHIPPED	B/O	MANU	ITEM NO./ DESCRIPTION	PRICE	U/M	DISC	AMOUNT
22.00	22.00		KELX	* SN# HDY22F0145 * * SN# HDY22F0149 * * SN# HDY22F0140 * MCH-BATTERY24 SRM-24 BATTERY (STANDARD DEEP CYCLE) (NOTE: 32 BATTERIES WERE SHIPPED WITH THE LIFTS)	220.36	EA		4847.99
44.00	44.00		KELX	MCH-OIL HYDRAULIC OIL 11L PER COLUMN MFG SURCHARGE FREIGHT - INCOMING COLUMN/CROSSBEAM FREIGHT FREIGHT OUT THANKS FOR THE ORDER	26.40	EA		1161.60
				GOODS & SERVICES TAX 177926.35	5.00 %			8,896.32
				B.C. PROVINCIAL SALES TAX 177926.35	7.00 %			12,454.84
SUBTOTAL		SHIPPING & HANDLING	TAX	SUBTOTAL	DEPOSIT	BALANCE DUE		
177926.35		.00	21351.16	199277.51	.00	199277.51		

GST# 102793189RT

CANADIAN DOLLAR



CALGARY
 1228 - 26 AVENUE S.E.
 CALGARY, AB. T2G 5S2
 PHONE (403) 243-8666
 FAX (403) 243-6487

EDMONTON
 14522 - 123 AVENUE
 EDMONTON, AB. T5L 2Y3
 PHONE (780) 452-6640
 FAX (780) 452-2908

VANCOUVER
 UNIT 116, 1525 BROADWAY STREET
 PORT COQUITLAM, B.C. V3C 6P6
 PHONE (604) 945-5550
 FAX (604) 945-8213

VERNON
 SALES OFFICE
 PHONE (250) 549-0481
 FAX (250) 549-1440

WINNIPEG 452
 212 HUTCHINGS STREET
 WINNIPEG, MB R2X 2Y2
 PHONE (204) 694-4100
 FAX (204) 694-7222

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REMIT TO: 1228 - 26 AVENUE S.E.

CALGARY, AB T2G 5S2

PAGE	1
INVOICE NO.	VA 2457971-002
INVOICE DATE	AUG-02-2022

INVOICE

TR21427
 S O L D T O
 GRANDE WEST TRANSPORTATION
 INTERNATIONAL LTD.
 3168 - 262 STREET
 ALDERGROVE, BC V4W 2Z6
 CANADA
 604-607-4000

S H I P T O
 GRANDE WEST TRANSPORTATION
 INTERNATIONAL LTD.
 3168 - 262 STREET
 ASHOK 604-607-4000
 ALDERGROVE, BC V4W 2Z6
 CANADA

ORDER DATE	ORDERED BY	CUSTOMER PURCHASE ORDER NO.	DATE SHIPPED	PICK TICKET NO.
FEB-16-2022	ASHOK/ MIKE	PO300128	AUG-02-2022	2457971-002
SHIP VIA		SHIPPED FROM	F.O.B.	PPD / COLL
INTER-CITY CARTAGE		VAN	YOUR DOCK	PPD & CHARGE
G.S.T.	PST / HST	SLMN 1	SLMN 2	TERMS
EXTRA	PST# 1011-9576	12		NET 15 FOLLOWING

SPECIAL INSTRUCTIONS:

ORDERED	SHIPPED	B/O	MANU	ITEM NO./ DESCRIPTION	PRICE	U/M	DISC	AMOUNT
				RESTOCKING CHARGES MAY BE APPLICABLE ON RETURNED GOODS AND "UP TO" 100% ON SPECIAL ORDERS				
				MFC SURCHARGE				23838.08
				FREIGHT - INCOMING				16500.00
				COLUMN/CROSSBEAM FREIGHT				
				FREIGHT OUT - POCO TO ALDERGROVE - FULL TRUCK				725.00
				THANKS FOR THE ORDER				
				PST# 1011-9576				
				GOODS & SERVICES TAX	41063.08	5.00 %		2,053.15

SUBTOTAL	SHIPPING & HANDLING	TAX	SUBTOTAL	DEPOSIT	BALANCE DUE
41063.08	.00	2053.15	43116.23	.00	43116.23

GST# 102793189RT

CANADIAN DOLLAR



CALGARY
 1228 - 26 AVENUE S.E.
 CALGARY, AB. T2G 5S2
 PHONE (403) 243-8666
 FAX (403) 243-6487

EDMONTON
 14522 - 123 AVENUE
 EDMONTON, AB. T5L 2Y3
 PHONE (780) 452-6640
 FAX (780) 452-2908

VANCOUVER
 UNIT 116, 1525 BROADWAY STREET
 PORT COQUITLAM, B.C. V3C 6P6
 PHONE (604) 945-5550
 FAX (604) 945-8213

VERNON
 SALES OFFICE
 PHONE (250) 549-0481
 FAX (250) 549-1440

453
WINNIPEG
 212 HUTCHINGS STREET
 WINNIPEG, MB R2X 2Y2
 PHONE (204) 694-4100
 FAX (204) 694-7222

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REMIT TO: 1228 - 26 AVENUE S.E.

CALGARY, AB T2G 5S2

PAGE	1
INVOICE NO.	VR 2468511-000
INVOICE DATE	AUG-02-2022

**INVOICE
 CREDIT MEMO**

TR21427
 SOLD TO GRANDE WEST TRANSPORTATION
 INTERNATIONAL LTD.
 3168 - 262 STREET
 ALDERGROVE, BC V4W 2Z6
 CANADA
 604-607-4000

SHIPPED TO GRANDE WEST TRANSPORTATION
 PST CREDIT VA 2457971-1
 AND 2457971
 ALDERGROVE, BC V4W 2Z6
 CANADA
 604-607-4000

ORDER DATE	ORDERED BY	CUSTOMER PURCHASE ORDER NO.	DATE SHIPPED	PICK TICKET NO.
AUG-02-2022	KELLER ADMIN	PO300128	AUG-02-2022	2468511-000
SHIP VIA		SHIPPED FROM	F.O.B.	PPD / COLL
NOT APPLICABLE		VAN	YOUR DOOR	PREPAID
G.S.T.	PST / HST	SLMN 1	SLMN 2	TERMS
EXTRA	EXTRA	12		CREDIT MEMO

SPECIAL INSTRUCTIONS:

ORDERED	SHIPPED	B/O	MANU	ITEM NO./ DESCRIPTION	PRICE	U/M	DISC	AMOUNT
				RESTOCKING CHARGES MAY BE APPLICABLE ON RETURNED GOODS AND "UP TO" 100% ON SPECIAL ORDERS				
				BC PST CHARGES ON VA 2457971 ON 7359.96				515.20-
				BC PST CREDIT ON VA 2457971-1 ON 177926.35				12454.84-
				REF: VA 2457971 / VA2457971-1				
				PST# 1011-9576				
SUBTOTAL		SHIPPING & HANDLING	TAX	SUBTOTAL	DEPOSIT	BALANCE DUE		
-12970.04		.00	.00	-12970.04	.00	-12970.04		

GST# 102793189RT

CANADIAN DOLLAR

NorthWest Handling Systems, Inc.

BRANCH OFFICES

*Renton, Washington (425)255-0500

*Portland Oregon (503)465-9200

*Anchorage, Alaska (907)563-0600

*Spokane, Washington (509)922-0500

*Yakima, Washington (509)577-0500

**REMIT TO: P.O. Box 749861
Los Angeles, CA 90074-9861**

INVOICE NUMBER: 01E0328880

DATE: 02/10/22

S
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Vicinity Motor USA Corp
2219 Rimland Dr
Suite 301
Bellingham, WA 98226

S
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P

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Vicinity Motor USA Corp
5433 Pacific Fern Drive

Ferndale, WA 98248

F.O.B. Shipping Point

TERMS: 50% down payment

CUSTOMER ORDER NO.		JOB NUMBER		SALESMAN	DATE SHIPPED	VIA	PPD	COL
PO0300127		1029590M		R49		Truck	X	
Qty Ordered	Qty Shipped	Back Ordered	Product Code	ITEM NUMBER	DESCRIPTION	PRICE EACH	TOTAL	
1	0.5	0.5			Spacerak Selective Pallet Racking Materials	67,527.50	33,763.75	
1	0.5	0.5			Freight	11,800.00	5,900.00	
1	0.5	0.5			Installation, Anchoring, and Equipment Rental	8,900.00	4,450.00	
1	0.5	0.5			Engineering, Permits, Inspections	4,950.00	2,475.00	
SUBTOTAL							46,588.75	
SALES TAX							4,099.81	
INVOICE TOTAL							50,688.56	

ORIGINAL Invoice

SEE REVERSE FOR TERMS ----->

NorthWest Handling Systems, Inc.

BRANCH OFFICES

- * Renton, Washington (425)255-0500
- * Portland, Oregon (503)465-9200
- * Anchorage, Alaska (907)563-0600
- * Spokane, Washington (509)922-0500
- * Yakima, Washington (509)577-0500

**REMIT TO: P.O. Box 749861
Los Angeles, CA 90074-9861**

PAGE 01

INVOICE NUMBER 01E0328881

DATE 09/19/22

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VICINITY MOTOR USA CORP
2219 RIMLAND DR
SUITE 301
BELLINGHAM, WA 98226

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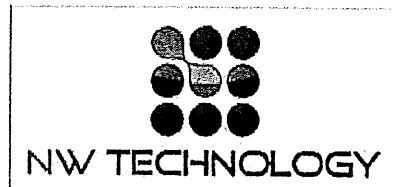
VICINITY MOTOR USA CORP
5433 PACIFIC FERN DRIVE
FERNDAL, WA 98248

F.O.B. SHIPPING POINT

TERMS: *NET 15 DAYS*****

QTY ORDERED		QTY SHIPPED		BACK ORDERED		PRODUCT CODE		DESCRIPTION		PRICE EACH		TOTAL					
CUSTOMER ORDER NO. PO0300127				1029590M				SALESMAN R49		DATE SHIPPED 09/08/22		VIA NFI		PPD. X		COL.	
1	0	1	0500	*1029590M3		ANCHOR INSPECTION			.00	.00							
1	1	6000	*1029590M	FINAL PAYMENT		FOR PALLET RACK PROJECT			46588.75	46588.75							
(70) UPRIGHTS, (480) BEAMS, (480) DECKS, (105) ROW SPACERS, (20) RACK END GUARDS (380) ANCHORS MATERIALS, DELIVERY, INSTALLATION, EQUIPMENT RENTAL, PERMITS AND INSPECTION																	
SUB-TOTAL										46588.75							
SALES TAX										4099.81							
INVOICE TOTAL										50688.56							

NW Technology LLC
 5160 Industrial PL
 Suite 104
 Ferndale, WA 98248
 (360) 384-6987



Bill To:
VMC Attn: Carl Wang 2219 Rimland Dr Suite 301 Bellingham, WA 98226 United States

Date	Invoice
07/26/2022	46595
Account	
VICINITY MOTOR (BUS) USA CORP.	

Terms	Due Date	PO Number	Reference
Net 30 days	08/25/2022		

Services	Work Type	Staff	Hours	Rate	Amount
Billable Services					
Level 3	Engineering	Jason Kelley	1.00	130.00	\$130.00
Total Services:					\$130.00

Other Charges	Quantity	Price	Amount
Billable Other Charges			
Dell Networking N1548P, PoE+, 48x 1GbE + 4x 10GbE SFP+ fixed ports, Stacking, IO to PSU airflow, AC Dell Networking N1500 Series User Guide Dell Networking, Cable, SFP+ to SFP+, 10GbE, Copper Twinax Direct Attach Cable, 0.5 Meter Power Cord, 125V, 13A, 6 Feet, C15 to NEMA 5-15P, for POE N-Series Only Lifetime Ltd Hardware Warranty with Basic Hardware Service Next Business Day Parts Only	3.00	\$4,610.00	\$13,830.00
Dell Networking N1524P, PoE+, 24x 1GbE + 4x 10GbE SFP+ fixed ports, Stacking, IO to PSU airflow, AC Dell Networking N1500 Series User Guide Dell Networking, Cable, SFP+ to SFP+, 10GbE, Copper Twinax Direct Attach Cable, 0.5 Meter Power Cord, 125V, 13A, 6 Feet, C15 to NEMA 5-15P, for POE N-Series Only Lifetime Ltd Hardware Warranty with Basic Hardware Service Next Business Day Parts Only	1.00	\$3,919.00	\$3,919.00
Dell Networking N1524P, PoE+, 24x 1GbE + 4x 10GbE SFP+ fixed ports, Stacking, IO to PSU airflow, AC Dell Networking N1500 Series User Guide Power Cord, 125V, 13A, 6 Feet, C15 to NEMA 5-15P, for POE N-Series Only Lifetime Ltd Hardware Warranty with Basic Hardware Service Next Business Day Parts Only	1.00	\$3,879.00	\$3,879.00
Legrand Finisar FTLX8571D3BCL Compatible 10GBase-SR MMF SFP+ Transceiver - TAA - For Optical Network, Data Networking - 1 LC 10GBase-SR Network - Optical Fiber Multi-mode - 10 Gigabit Ethernet - 10GBase-SR - Hot-swappable - TAA Compliant	8.00	\$20.00	\$160.00
1ft Cat5e Snagless Unshielded (UTP) Ethernet Network Patch Cable - Blue	120.00	\$2.10	\$252.00

Fiber Patch Cable - LC to LC OM3 10Gb/Gigabit Multi-mode Jumper Duplex 50/125 LSZH Fiber Optic Cord for SFP Transceiver, Computer Fiber Networks and Fiber Test Equipment, 1-Meter(3.3ft)	5.00	\$9.00	\$45.00
Fiber Patch Cable - LC to LC OM3 10Gb/Gigabit Multi-Mode Jumper Duplex 50/125 LSZH Fiber Optic Cord for SFP Transceiver, Computer Fiber Networks and Fiber Test Equipment, 0.5-Meter	1.00	\$7.00	\$7.00
Sonicwall NSA 3700 Secure Upgrade Plus - Advanced Edition - 2YR	1.00	\$6,935.00	\$6,935.00
SonicWave 231C Wireless Access Point Secure Upgrade Plus with Secure Cloud WiFi Management and Support 3yr (Non POE)	1.00	\$394.00	\$394.00
SonicWave 231C Wireless Access Point 4-Pack, Secure Upgrade Plus with Secure Cloud WiFi Management and Support - 3yr (No POE)	1.00	\$1,497.00	\$1,497.00
SonicWave 231c Wireless Access Point 8-Pack Secure Upgrade Plus with Secure Cloud WiFi Management and Support - 3yr (Non-POE)	1.00	\$2,835.00	\$2,835.00
Sonicwave 231O Wireless Access Point - Secure Upgrade Plus with Secure Cloud WiFi Management and Support - 3yr - No PoE	1.00	\$670.00	\$670.00
Misc. Supplies	1.00	\$350.00	\$350.00
APC by Schneider Electric Smart-UPS SRT 3000VA RM 120V Network Card - 2U Rack-mountable - 3 Hour Recharge - 120 V AC Input - 120 V AC Output - 8 x NEMA 5-20R, 1 x NEMA L5-30R, 1 x NEMA L5-20R	1.00	\$3,424.00	\$3,424.00
Rack PDU 2G, Metered, ZeroU, 30A, 100-120V, (24) 5-20R	1.00	\$619.00	\$619.00
APC Smart-UPS Li-Ion, Short Depth 500VA, 120V with SmartConnect	2.00	\$381.00	\$762.00
Schneider Electric Rack Cabinet - 42U Rack Height x 19" Rack Width - Black - 2254.73 lb Dynamic/Rolling Weight Capacity - 3006.31 lb Static/Stationary Weight Capacity	1.00	\$2,193.00	\$2,193.00
1U 19 Black Modular Toolless Airflow Management Blanking Panel - Qty 10	4.00	\$61.00	\$244.00
12U WALL MOUNT CABINET Clear Tempered Plexiglass Front Door Shatter Resistance Lockable Door 100 lb Support Dual Hinges EIA/ECA-310-E/EIA-310-D Compliant	1.00	\$444.00	\$444.00
5U Wall Mount Low Profile Secure Rack Enclosure Cabinet Vertical	1.00	\$454.00	\$454.00
FHD High Density 1U Rack Mount Enclosure Unloaded, Sliding Drawer, Holds up to 4 x FHD Cassettes or Panels, 144 Fibers	3.00	\$199.00	\$597.00
FHD Blanking Fiber Adapter Panel	8.00	\$6.00	\$48.00
FHD Fiber Adapter Panel, 24 Fibers OM4 MultiMode, 12 x LC UPC Duplex (Aqua) Adapter, Ceramic Sleeve	4.00	\$35.00	\$140.00
Cable Management Hardware	1.00	\$400.00	\$400.00
Fiber Cables	2.00	\$991.00	\$1,982.00
Cabling Provided by sub contractor	1.00	\$35,128.08	\$35,128.08

		Total Other Charges:	\$81,208.08
Beginning August 1, 2022, NW Technology will be charging a 3.0% transaction fee to all Credit Card payment. Fee will be added at the time of payment. Make checks payable to NW Technology LLC		Invoice Subtotal:	\$81,338.08
		Sales Tax:	\$7,157.75
		Invoice Total:	\$88,495.83
		Payments:	-\$65,910.14
		Credits:	\$0.00
		Balance Due:	\$22,585.69

Thank you for your business!
 All invoices due over 30 days are subject to 18% finance charge.

Invoice Time Detail

Invoice Number: 46595
 Company: VMC

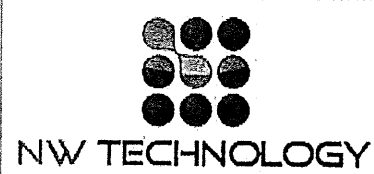
Charge To: VMC / Networking Project Date: 7/25/2022

Staff	Notes	Bill	Hours
Kelley, Jason	Service Ticket:279220 Site walk-though with Roads.	Y	1.00

Subtotal: \$130.00 USD

Invoice Time Total: Billable Hours: 1.00

NW Technology LLC
 5160 Industrial PL
 Suite 104
 Ferndale, WA 98248
 (360) 384-6987



Bill To:
VMC Attn: Carl Wang 2219 Rimland Dr Suite 301 Bellingham, WA 98226 United States

Date	Invoice
07/26/2022	46597
Account	
VICINITY MOTOR (BUS) USA CORP.	

Terms	Due Date	PO Number	Reference
Net 30 days	08/25/2022		

Services	Work Type	Staff	Hours	Rate	Amount
Billable Services					
Level 3	Engineering	Steve Bailey	0.75	130.00	\$97.50
Level 3	Engineering	Pat Alexander	1.00	130.00	\$130.00
Total Services:					\$227.50

Other Charges	Quantity	Price	Amount
Billable Other Charges			
Synology RackStation RS1619xs+ SAN/NAS Storage System - Intel Xeon D-1527 Quad-core (4 Core) 2.20 GHz - 4 x HDD Supported - 4 x SSD Supported - 8 GB RAM DDR4 SDRAM - Serial ATA Controller - RAID Supported - 4 x Total Bays - 4 x 2.5"/3.5" Bay - 1 x Total Slot(s) - Gigabit Ethernet - 2 USB Port(s) - Network (RJ-45) - DiskStation Manager - iSCSI, LDAP, HTTP, HTTPS, SMB, AFP, NFS, WEBDAV, CalDAV, Telnet, SSH, ... - 1U - Rack-mountable	1.00	\$2,410.00	\$2,410.00
Synology License Pack - Surveillance Station - License 8 Camera	4.00	\$444.00	\$1,776.00
Synology IP Camera License Pack For 1	3.00	\$67.00	\$201.00
Synology 8 TB Hard Drive - 3.5" Internal - SATA (SATA/600) - Server Device Supported - 7200rpm - 550 TB TBW	4.00	\$390.00	\$1,560.00
Arecont Vision MegaDome G3 3 Megapixel Network Camera - Dome - 50 ft Night Vision - MJPEG, H.264, MPEG-4 - 2048 x 1536 - 2.9x Optical - CMOS - Junction Box Mount, Pole Mount, Corner Mount, Pendant Mount, Wall Mount, Flush Mount	4.00	\$713.00	\$2,852.00
Wall Mount Bracket with J-Box	6.00	\$80.00	\$480.00
MEGADOME CAP FOR PENDANT MOUNTING (1.5" NPT NIPPLE)	4.00	\$56.00	\$224.00
Arecont Vision MegaView 2 10 Megapixel Network Camera - 1 Pack - Bullet - 100 ft Night Vision - MJPEG, H.264, MPEG-4 - 3648 x 2752 - 1.9x Optical - Pole Mount, Corner Mount, Wall Mount	6.00	\$936.00	\$5,616.00

Mount Cap for SurroundVideo	2.00	\$48.00	\$96.00
Corner Mount for SurroundVideo	2.00	\$27.00	\$54.00
360 Day/Night WDR 12MP IP Camera 2.8-6mm remote zoom and focus	1.00	\$2,286.00	\$2,286.00
5ft Cat5e Snagless UTP Cable - Blue	35.00	\$4.50	\$157.50
5MP Contera Outdoor Micro Bullet,H.265/H.264/M-JPEG, WDR 120db, NightView, SNAPstream+, 3.6mm Lens, 30fps, IR, Defog IP66, IK-10, POE	23.00	\$222.00	\$5,106.00
MCB-JBA-W is a junction box accessory for Contera Micro Bullet IP megapixel cameras. The perfect solution for mounting Contera Micro Bullet in outdoor environments.	23.00	\$42.00	\$966.00
Mounting Accessories	1.00	\$200.00	\$200.00
Total Other Charges:			\$23,984.50
Beginning August 1, 2022, NW Technology will be charging a 3.0% transaction fee to all Credit Card payment. Fee will be added at the time of payment. Make checks payable to NW Technology LLC	Invoice Subtotal:		\$24,212.00
	Sales Tax:		\$2,130.66
	Invoice Total:		\$26,342.66
	Payments:		-\$23,000.00
	Credits:		\$0.00
	Balance Due:		\$3,342.66

Thank you for your business!
 All invoices due over 30 days are subject to 18% finance charge.

Invoice Time Detail

Invoice Number: 46597
Company: VMC

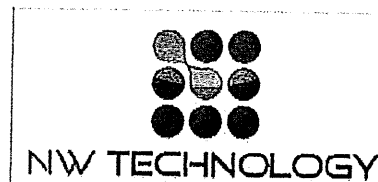
Charge To: VMC / New Camera System Date: 4/6/2022

Staff	Notes	Bill	Hours
Bailey, Steve	Service Ticket:279218 Onsite with General, and Jason and Pat to go over location changes.	Y	0.75
Alexander, Pat	Service Ticket:279218 Onsite walk thru	Y	1.00

Subtotal: \$227.50 USD

Invoice Time Total: Billable Hours: 1.75

NW Technology LLC
 5160 Industrial PL
 Suite 104
 Ferndale, WA 98248
 (360) 384-6987



Bill To:
VMC Attn: Carl Wang 2219 Rimland Dr Suite 301 Bellingham, WA 98226 United States

Date	Invoice
07/26/2022	46598
Account	
VICINITY MOTOR (BUS) USA CORP.	

Terms	Due Date	PO Number	Reference
Net 30 days	08/25/2022		

Other Charges	Quantity	Price	Amount
Billable Other Charges			
Yealink WH63 DECT Wireless Headset for Microsoft Teams - Convertible Headset Multiple wearing options USB Connection Seamless integration with Yealink Teams phones or PC	1.00	\$199.00	\$199.00
Yealink IP Phone - T46U	1.00	\$269.00	\$269.00
Yealink IP Phone - T43U	13.00	\$179.00	\$2,327.00
SSL Purchase	1.00	\$135.00	\$135.00
Total Other Charges:			\$2,930.00

Beginning August 1, 2022, NW Technology will be charging a 3.0% transaction fee to all Credit Card payment. Fee will be added at the time of payment. Make checks payable to NW Technology LLC	Invoice Subtotal:	\$2,930.00
	Sales Tax:	\$245.96
	Invoice Total:	\$3,175.96
	Payments:	-\$2,795.00
	Credits:	\$0.00
	Balance Due:	\$380.96

Thank you for your business!
 All invoices due over 30 days are subject to 18% finance charge.

From: Ashok Thatl <ashok.thatl@vicinitymotor.com>
 Sent: Thursday, February 10, 2022 3:28 PM
 To: Carl Wang <carl@vicinitymotor.com>; Amanpreet Singh <Amanpreet.Singh@vicinitymotor.com>
 Cc: Jeanle Lee <jlee@vicinitymotor.com>; Nan Tang <ntang@vicinitymotor.com>
 Subject: RE: BA Facility IT Networking & Security Surveillance systems payments

Thank you Carl for the information.

@Aman – Refer below emails for the payment approvals from Manuel and Dan, can you please send a check to NW Technology for upfront payment of ~~103,795.00~~

One thing I'm not sure is when to add the taxes?? Carl/Nan do you know this?

BA Plant Networking and Surveillance System						
Project Code : 101						
Item	PO Number	Price	Order status	deposit required	Balance	Taxes
Plant Networking	PO0300123	90,508.08	done	65,000.00	25,508.08	7,964.71
Surveillance Camera	PO0300124	30,984.50	done	23,000.00	7,984.50	2,726.64
Wireless equip	PO0300126	14,416.00	done	13,000.00	1,416.00	1,268.61
Telephones	PO0300125	6,130.00	done	2,795.00	3,335.00	527.56
Total, US\$		142,038.58		103,795.00	38,243.58	12,487.52
Grand total (total + tax), US\$		154,526.10				

Ashok

From: Carl Wang <carl@vicinitymotor.com>
 Sent: February 10, 2022 3:09 PM
 To: Ashok Thatl <ashok.thatl@vicinitymotor.com>
 Cc: Jeanle Lee <jlee@vicinitymotor.com>; Amanpreet Singh <Amanpreet.Singh@vicinitymotor.com>
 Subject: RE: BA Facility IT Networking & Security Surveillance systems payments

Hi Ashok,

I confirmed with NWT that we simply need to mail them a check addressed to "NW Technology" for the total deposit amounts. One check is enough.

Best regards,

Carl Wang
 IT Manager

M: 778-991-0036
 W: vicinitymotorcorp.com
 E: carl@vicinitymotor.com



Approved by Email's Attache

CONTRACTOR PAYMENT APPLICATION

TO OWNER:

Vicinity Motor Corporation
 3168 262nd Street
 Aldergrove, BC V4W-2Z6 CANADA

PROJECT:

Vicinity Motor PEMB
 5435 LaBounty Road
 Ferndale, WA 98248

APPLICATION No.: 015
 PERIOD FROM: 11/1/2022
 PERIOD THROUGH: 1/31/2023
 PAGE: 1 OF 2
 CONTRACT No.: n/a
 PROJECT No.: 2130.4

FROM CONTRACTOR:

FABER CONSTRUCTION CORP.
 6951 Hannegan Road
 Lynden WA 98264

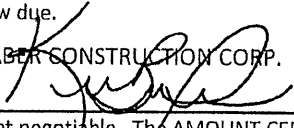
PAY REQUEST SUMMARY

Application is made for payment, as shown below, in connection with the Contract, per Continuation Sheet attached.

1. Original Contract Sum WITHOUT Sales Tax		\$11,322,000.00
2. Net Change By Previously Authorized Change Orders		\$101,129.73
3. Contract Sum To Date (Line 1 +/- Line 2)		<u>\$11,423,129.73</u>
4. Total Completed (Column F on Continuation Sheet)	98%	\$11,210,333.89
5. Less: Previous Total Completed (Line 4 from prior Certificate)		<u>\$11,106,912.83</u>
6. Total Completed This Period		\$103,421.06
7. Sales Tax	8.8% of Total Completed This Period	\$9,101.05
8. Payment Due (Line 6 plus Line 7)		<u>\$112,522.11</u>
9. Balance to Completion (Line 3 minus Line 4)		<u>\$212,795.84</u>

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS	NET CHANGES
Total changes approved in previous months	\$83,530.13	\$0.00	\$83,530.13
Total approved this Month	\$17,599.60	\$0.00	\$17,599.60
TOTALS	\$101,129.73	\$0.00	\$101,129.73

CONTRACTOR'S CERTIFICATION: The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: **FABER CONSTRUCTION CORP.**
 Signature: 
 Date: 03.10.2023

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment, and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CONTINUATION SHEET

PROJECT: Vicinity Motor PEMB

APPLICATION No.: 015
 PERIOD FROM: 11/1/2022
 PERIOD THROUGH: 1/31/2023
 PAGE: 2 of 2
 CONTRACT No.: n/a
 PROJECT No.: 2130.4

A ITEM NO	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F TOTAL COMPLETED	G PERCENT COMPLETED (F+C)	H BALANCE TO FINISH (C-F)
			FROM PREVIOUS	THIS PERIOD			
001	Mobilization	\$ 50,000.00	\$ 50,000.00	\$ -	\$ 50,000.00	100%	\$ -
002	Insurance	\$ 88,350.00	\$ 88,350.00	\$ -	\$ 88,350.00	100%	\$ -
003	Supervision	\$ 315,000.00	\$ 302,675.00	\$ 3,150.00	\$ 305,825.00	97%	\$ 9,175.00
004	Misc. General Conditions	\$ 77,633.00	\$ 74,363.19	\$ 776.33	\$ 75,139.52	97%	\$ 2,493.48
005	Concrete Layout	\$ 20,000.00	\$ 20,000.00	\$ -	\$ 20,000.00	100%	\$ -
006	Concrete Pumping	\$ 16,000.00	\$ 16,000.00	\$ -	\$ 16,000.00	100%	\$ -
007	Concrete Reinforcement	\$ 85,000.00	\$ 85,000.00	\$ -	\$ 85,000.00	100%	\$ -
008	Concrete Materials	\$ 576,660.00	\$ 576,660.00	\$ -	\$ 576,660.00	100%	\$ -
009	Concrete Subcontractor	\$ 289,000.00	\$ 289,000.00	\$ -	\$ 289,000.00	100%	\$ -
010	Structural Steel Labor	\$ 46,240.00	\$ 46,240.00	\$ -	\$ 46,240.00	100%	\$ -
011	Structural Material	\$ 164,600.00	\$ 164,600.00	\$ -	\$ 164,600.00	100%	\$ -
012	Metal Fabrications	\$ 92,000.00	\$ 92,000.00	\$ -	\$ 92,000.00	100%	\$ -
013	Lumber Framing labor	\$ 12,000.00	\$ 12,000.00	\$ -	\$ 12,000.00	100%	\$ -
014	Lumber Package	\$ 109,110.00	\$ 109,110.00	\$ -	\$ 109,110.00	100%	\$ -
015	Metal Panels - Kingspan	\$ 1,037,676.00	\$ 1,037,676.00	\$ -	\$ 1,037,676.00	100%	\$ -
016	Metal Panels - Labor	\$ 226,124.00	\$ 226,124.00	\$ -	\$ 226,124.00	100%	\$ -
017	Building Insulation	\$ 120,000.00	\$ 120,000.00	\$ -	\$ 120,000.00	100%	\$ -
018	Doors	\$ 116,890.00	\$ 116,890.00	\$ -	\$ 116,890.00	100%	\$ -
019	Overhead Doors	\$ 144,000.00	\$ 144,000.00	\$ -	\$ 144,000.00	100%	\$ -
020	Windows	\$ 110,000.00	\$ 110,000.00	\$ -	\$ 110,000.00	100%	\$ -
021	Storefront	\$ 25,000.00	\$ 25,000.00	\$ -	\$ 25,000.00	100%	\$ -
022	Drywall/Framing	\$ 329,140.00	\$ 329,140.00	\$ -	\$ 329,140.00	100%	\$ -
023	Acoustical Ceilings	\$ 65,000.00	\$ 65,000.00	\$ -	\$ 65,000.00	100%	\$ -
024	Flooring	\$ 55,000.00	\$ 55,000.00	\$ -	\$ 55,000.00	100%	\$ -
025	Painting	\$ 40,000.00	\$ 40,000.00	\$ -	\$ 40,000.00	100%	\$ -
026	Toilet And Bath Accessories	\$ 33,200.00	\$ 33,200.00	\$ -	\$ 33,200.00	100%	\$ -
027	Dock Loading Equipment	\$ 55,170.00	\$ 55,170.00	\$ -	\$ 55,170.00	100%	\$ -
028	Pre-engineered Building Material	\$ 1,650,000.00	\$ 1,650,000.00	\$ -	\$ 1,650,000.00	100%	\$ -
029	Pre-engineered Building - Labor	\$ 830,975.00	\$ 830,975.00	\$ -	\$ 830,975.00	100%	\$ -
030	Gutters Downspouts/Flashing	\$ 68,000.00	\$ 68,000.00	\$ -	\$ 68,000.00	100%	\$ -
031	Fire Sprinkler System	\$ 445,500.00	\$ 445,500.00	\$ -	\$ 445,500.00	100%	\$ -
032	Plumbing	\$ 262,000.00	\$ 262,000.00	\$ -	\$ 262,000.00	100%	\$ -
033	Plumbing: Leak Test Bay	\$ 200,000.00	\$ 200,000.00	\$ -	\$ 200,000.00	100%	\$ -
034	HVAC	\$ 692,500.00	\$ 680,450.00	\$ 12,050.00	\$ 692,500.00	100%	\$ -
035	HVAC: Main Compressor	\$ 160,000.00	\$ 160,000.00	\$ -	\$ 160,000.00	100%	\$ -
036	Electrical	\$ 1,362,112.00	\$ 1,160,984.64	\$ -	\$ 1,160,984.64	85%	\$ 201,127.36
037	Earthwork	\$ 1,352,120.00	\$ 1,352,120.00	\$ -	\$ 1,352,120.00	100%	\$ -
TOTAL		\$ 11,322,000.00	\$ 11,093,227.83	\$ 15,976.33	\$ 11,109,204.16	98%	\$ 212,795.85
OWNER APPROVED CHANGE ORDERS							
038	Change Order 001 - Builders Risk	\$ 13,685.00	\$ 13,685.00	\$ -	\$ 13,685.00	100%	\$ -
039	Change Order 002 - Temp Permanent Service Power	\$ 69,845.13	\$ -	\$ 69,845.13	\$ 69,845.13	100%	\$ -
040	Change Order 003 - Paint Booth Electrical Additions	\$ 17,599.60	\$ -	\$ 17,599.60	\$ 17,599.60	100%	\$ -
TOTAL		\$ 101,129.73	\$ 13,685.00	\$ 87,444.73	\$ 101,129.73	100%	\$ -
GRAND TOTAL		\$ 11,423,129.73	\$ 11,106,912.83	\$ 103,421.06	\$ 11,210,333.89	98%	\$ 212,795.84
ITEMS DO NOT INCLUDE SALES TAX							

SIEMENS

Siemens Industry Software ULC , 1577 North Service Rd E, Oakville, Ontario,
L6H 0H6 Canada

Attn: Accounts Payable
GRANDE WEST TRANSPORTATION
INTERNATIONAL LTD
3168 262 ST
V4W 2Z6 ALDERGROVE British Columbia
Canada

Billing address/Compte de Fact
GRANDE WEST TRANSPORTATION
INTERNATIONAL LTD
3168 262 ST
V4W 2Z6 ALDERGROVE British Columbia
Canada

Facture/Invoice

Please quote with all payments and queries:/Merci d'utiliser ces références pour
toute correspondance

Invoice No./Numéro de 573H0009477515
Date/Date 14 SEP 2021
Customer No./Numéro de 1796638
Billing address/Compte 4407606

Name/Nom Van Pham
Department/Département DI SW FIN OPS OTCO PL CS US

Telephone/Téléphone +1 (513) 5763690
E-mail/Email VAN.PHAM@SIEMENS.COM

LSDA No./N° de LSDA 1305220-6
Your Order No./N° de PO05417
Commande 10 SEP 2021
Your Contact/Contact Client Fuchun Ma

Order/N° de Commande 22689027 / 14 SEP 2021

Shipping Address/Adresse de Li
Grande West Transportation
International Ltd.
3168 262 Street
V4W 2Z6 Aldergrove British Columbia
Canada

Item/Article	Designation/Description Produit	Quantity /Qté	QU/Unité	Price in/Prix en USD Price unit/Prix Unitaire	Total in/Total en USD
000001	NX11110 NX Mach 1 Design (Floating) - legacy Installation: 1796638/Grande West Transportation Subscription Period/Priode de: 11 SEP 2021 - 10 SEP 2022 AL Code: N ECCN Code: 5D002ENCU Country of Origin/Pays d'origi: US	2	USR	6,900.00	13,800.00
000002	NX12100 NX Mach 2 Product Design - legacy Installation: 1796638/Grande West Transportation Subscription Period/Priode de: 11 SEP 2021 - 10 SEP 2022 AL Code: N ECCN Code: 5D002ENCU	6	USR	8,676.00	52,056.00

Siemens Industry Software ULC

1577 North Service Rd E
Oakville, Ontario L6H 0H6
Canada

Tel: +1 905-618-4000
Fax: +1 905-618-4001
www.siemens.com/plm

SIEMENS

Facture/Invoice

Invoice No./Numéro de 573H0009477515
Date/Date 14 SEP 2021

Item/Article	Designation/Description Produi	Quantity /Qté	QU/U /Qté	Price in/Prix en USD Price unit/Prix Unitaire	Total in/Total en USD
000003	NX30160 NX Routing Harness Installation: 1796638/Grande West Transportation Subscription Period/Priode de: 11 SEP 2021 - 10 SEP 2022 AL Code: N ECCN Code: EAR99	2	USR	10,044.00	20,088.00
000004	UG10000-WISD NX S/W and Doc Media Site Set - Windows Installation: 1796638/Grande West Transportation Subscription Period/Priode de: 11 SEP 2021 - 10 SEP 2022 AL Code: N ECCN Code: EAR99 Country of Origin/Pays d'origi: US	1	USR	300.00	300.00
				Net Value/Sous total HT:	86,244.00
Tax Code: C8 Tax Jur Code Level 1 5.000%		86,244.00		4,312.20	
				Tax:	4,312.20
				Total/Total final TTC:	90,556.20

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Payment terms/Terms de paiement: Net due within 30 days, without offset or deduction/ sans compensation ou déduction

Please remit to/Payables à:
Siemens Industry Software ULC.
P.O.BOX 3002
Carol Stream, IL 60132-3002
QST Number-1020891234TQ001
HST Number-871432977RT

For Wire Transfers:

SIEMENS

Facture/Invoice

Invoice No./Numéro de 573H0009477515
Date/Date 14 SEP 2021

Bank Account Name	Bank Name	Account Number	ABA	SWIFT Code
Siemens Industry Software ULC	CITIBANK NEW YORK	30900392	021000089	CITIUS33

Please email remittance detail to: REMITTANCEDetail.PLM@SIEMENS.COM or fax 314-264-8912

With kind regards,

Siemens Industry Software ULC

SIEMENS

Siemens Industry Software ULC, 1577 North Service Rd E, Oakville, Ontario,
L6H 0H6 Canada

Attn: Accounts Payable
VICINITY MOTOR (BUS) CORP
3168 262 ST
V4W 2Z6 ALDERGROVE British Columbia
Canada

Billing address/Compte de Fact
VICINITY MOTOR (BUS) CORP
3168 262 ST
V4W 2Z6 ALDERGROVE British Columbia
Canada

Facture/Invoice

Please quote with all payments and queries:/Merci d'utiliser ces références pour
toute correspondance

Invoice No./Numéro de 573H0009499711
Date/Date 25 MAR 2022
Customer No./Numéro de 1933599
Billing address/Compte 4407606

Name/Nom TERM 02/01/2022 Van Pham
Department/Département DI SW FIN OPS OTCO PL CS US

Telephone/Téléphone +1 (513) 5763690
E-mail/Email VAN.PHAM@SIEMENS.COM

LSDA No./N° de LSDA 1305188-7
Your Order No./N° de PO05416
Commande 10 SEP 2021
Your Contact/Contact Client Fuchun Ma

Order/N° de Commande 22689246 / 14 SEP 2021

Shipping Address/Adresse de Li
VICINITY MOTOR (BUS) CORP
3168 262 St
V4W 2Z6 ALDERGROVE British Columbia
Canada

Item/Article	Designation/Description Produit	Quantity /Qté	QU/U nité	Price in/Prix en USD Price unit/Prix Unitaire	Total in/Total en USD
000001	TC010231 Change management User Installation: 1933599/VICINITY MOTOR (BUS) CORP Subscription Period/Priode de: 11 SEP 2021 - 10 SEP 2022 AL Code: N ECCN Code: 5D002ENCU	5	USR	1,008.00	5,040.00
000002	TC030401 Classification User Installation: 1933599/VICINITY MOTOR (BUS) CORP Subscription Period/Priode de: 11 SEP 2021 - 10 SEP 2022 AL Code: N ECCN Code: 5D002ENCU Country of Origin/Pays d'origi: US	4	USR	660.00	2,640.00

Siemens Industry Software ULC

1577 North Service Rd E
Oakville, Ontario L6H 0H6
Canada

Tel: +1 905-618-4000
Fax: +1 905-618-4001
www.siemens.com/plm

SIEMENS**Facture/Invoice**

Invoice No./Numéro de 573H0009499711
Date/Date 25 MAR 2022

Item/Article	Designation/Description Produit	Quantity QU/U /Qté nité	Price in/Prix en USD Price unit/Prix Unitaire	Total in/Total en USD
000003	TC10101 Teamcenter Author Installation: 1933599/MICINITY MOTOR (BUS) CORP Subscription Period/Priode de: 11 SEP 2021 - 10 SEP 2022 AL Code: N ECCN Code: 5D002ENCU Country of Origin/Pays d'origi: US	20 USR	1,308.00	26,160.00
000004	TC10102 Teamcenter Consumer Installation: 1933599/MICINITY MOTOR (BUS) CORP Subscription Period/Priode de: 11 SEP 2021 - 10 SEP 2022 AL Code: N ECCN Code: 5D002ENCU	10 USR	624.00	6,240.00
000005	TC1DOTC Teamcenter Deployment Installation: 1933599/MICINITY MOTOR (BUS) CORP Subscription Period/Priode de: 11 SEP 2021 - 10 SEP 2022 AL Code: N ECCN Code: EAR99	1 USR	0.00	0.00
000006	TC30600 NX Embedded Client Installation: 1933599/MICINITY MOTOR (BUS) CORP Subscription Period/Priode de: 11 SEP 2021 - 10 SEP 2022 AL Code: N ECCN Code: 5D002ENCU Country of Origin/Pays d'origi: US	8 USR	1,260.00	10,080.00
Tax Code: C8 Tax Jur Code Level 1 5.000%			Net Value/Sous total HT:	50,160.00
			50,160.00	2,508.00
			Tax:	2,508.00
			Total/Total final TTC:	52,668.00

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Ces articles sont contrôlés par le Gouvernement des Etats-Unis (lorsqu'il est mentionné un code "ECCN" différent de "N") et leur exportation n'est autorisée que vers le pays de destination finale pour utilisation par le destinataire final ou l'utilisateur final identifié dans le présent document. Ils ne doivent pas être revendus, transférés ou cédés de toute autre manière à un autre pays ou à une personne autre que le destinataire final ou l'utilisateur final autorisé, soit sous leur forme originale, soit après avoir été incorporés dans d'autres articles, sans l'approbation préalable du gouvernement des Etats-Unis, à moins que les dispositions législatives ou réglementaires en vigueur aux Etats-Unis ne le permettent. Les articles codifiés "AL" différent de "N" sont soumis à une autorisation d'exportation européenne. Les articles codifiés "GB" différent de "N" sont soumis à une autorisation d'exportation nationale britannique. Les articles non codifiés, ou avec les codes "AL:N" / "ECCN:N" / "GB:N" peuvent nécessiter une autorisation des autorités compétentes, selon leur utilisation finale ou leur destination.

Payment terms/Terms de paiement: Net due within 30 days, without offset or deduction/ sans compensation ou

SIEMENS

Facture/Invoice

Invoice No./Numéro de 573H0009499711
Date/Date 25 MAR 2022

déduction

Please remit to/Payables à:
Siemens Industry Software ULC.
P.O.BOX 3002
Carol Stream, IL 60132-3002
QST Number-1020891234TQ001
HST Number-871432977RT

For Wire Transfers:

Bank Account Name	Bank Name	Account Number	ABA	SWIFT Code
Siemens Industry Software ULC	CITIBANK NEW YORK	30900392	021000089	CITIUS33

Please email remittance detail to: REMITTANCEDETAIL.PLM@SIEMENS.COM or fax 314-264-8912

With kind regards,

Siemens Industry Software ULC

INVOICE

Hoist Company Inc.
Avenue SW
98047
663-6661

INVOICE NUMBER:0003398-IN

INVOICE DATE:6/23/2021

SALESPERSON:MCC

CUSTOMER NO:GW 1BC

JOB NUMBER:F3658

and West Transportation
68 262 St
dergrove, BC V4W 2Z6, Canada

TERMS:Due Upon Receipt

PO 0300121

CONTACT:
CONTRACT No.:
JOB DESC:Bridge Cranes
COMMENT:Jobsite: Ferndale, WA

BILL METHOD:TIME & MATERIAL

ORIGINAL CONTRACT AMOUNT:	175,895.00
TAXABLE AMOUNT:	0.00
NON-TAXABLE AMOUNT:	43,973.75
AMOUNT BILLED THIS INVOICE:	43,973.75
INVOICE TOTAL:	<u>43,973.75</u>

25%

INVOICE DETAIL

INVOICE NUMBER:0003398-IN
INVOICE DATE:06/23/2021
JOB NUMBER:F3658

Cranes

CODE	TYPE	DESCRIPTION	TC	U/M	UNITS	TRAN DATE	BILL RATE	BILL AMOUNT
		(2) 3-ton bridge cranes						
		25% With Order	NT					43,973.75

NET INVOICE: 43,973.75

INVOICE

475 1

Washington Crane & Hoist Company Inc.
1334 Thornton Avenue SW
Pacific, WA 98047
(253) 863-6661

INVOICE NUMBER:0003512-IN

INVOICE DATE:12/31/2021

SALESPERSON:MCC

CUSTOMER NO:GW 1BC

JOB NUMBER:F3658

Grande West Transportation
3168 262 St
Aldergrove, BC V4W 2Z6, Canada

TERMS:Due Upon Receipt

CONTACT:
CONTRACT No.:
JOB DESC:Bridge Cranes
COMMENT:Jobsite: Ferndale, WA

BILL METHOD:TIME & MATERIAL

ORIGINAL CONTRACT AMOUNT:	175,895.00
TAXABLE AMOUNT:	0.00
NON-TAXABLE AMOUNT:	43,973.75
AMOUNT BILLED THIS INVOICE:	43,973.75
INVOICE TOTAL:	<u>43,973.75</u>

INVOICE DETAIL

JOB DESC: Bridge Cranes

INVOICE NUMBER: 0003512-IN

INVOICE DATE: 12/31/2021

JOB NUMBER: F3658

COST CODE	TYPE	DESCRIPTION	TC	U/M	UNITS	TRAN DATE	BILL RATE	BILL AMOUNT
		(2) 3-ton bridge cranes						
		25% Due Upon Submittal Approval						
		NT						43,973.75

NET INVOICE: 43,973.75

INVOICE

Washington Crane & Hoist
1334 Thornton Avenue SW
Pacific, WA 98047
(253) 863-6661

INVOICE NUMBER: 0003564-IN

INVOICE DATE: 4/30/2022

SALESPERSON: MCC

CUSTOMER NO: GW 1BC

JOB NUMBER: F3658

Grande West Transportation
3168 262 St
Aldergrove, BC V4W 2Z6, Canada

TERMS: Net 30

CONTACT:
CONTRACT No.:
JOB DESC: Bridge Cranes
COMMENT: Jobsite: Ferndale, WA

BILL METHOD: TIME & MATERIAL

ORIGINAL CONTRACT AMOUNT:	175,895.00
TAXABLE AMOUNT:	0.00
NON-TAXABLE AMOUNT:	43,973.75
AMOUNT BILLED THIS INVOICE:	43,973.75
INVOICE TOTAL:	<u>43,973.75</u>

INVOICE DETAIL

JOB DESC: Bridge Cranes

INVOICE NUMBER: 0003564-IN
INVOICE DATE: 04/30/2022
JOB NUMBER: F3658

COST CODE	TYPE	DESCRIPTION	TC	U/M	UNITS	TRAN DATE	BILL RATE	BILL AMOUNT
		(2) 3-ton bridge cranes						
		25% Due Prior to Shipment						
			NT					43,973.75

NET INVOICE: 43,973.75

INVOICE

Washington Crane & Hoist
1334 Thornton Avenue SW
Pacific, WA 98047
(253) 863-6661

INVOICE NUMBER: 0003652-IN

INVOICE DATE: 10/31/2022

SALESPERSON: MCC

CUSTOMER NO: GW 1BC

JOB NUMBER: F3658

Grande West Transportation
3168 262 St
Aldergrove, BC V4W 2Z6, Canada

TERMS: Net 30

CONTACT:
CONTRACT No.:
JOB DESC: Bridge Cranes
COMMENT: Jobsite: Ferndale, WA

BILL METHOD: TIME & MATERIAL

ORIGINAL CONTRACT AMOUNT:	175,895.00
TAXABLE AMOUNT:	0.00
NON-TAXABLE AMOUNT:	43,973.75
AMOUNT BILLED THIS INVOICE:	43,973.75
INVOICE TOTAL:	<u>43,973.75</u>

INVOICE DETAIL

JOB DESC: Bridge Cranes

INVOICE NUMBER: 0003852-IN
INVOICE DATE: 10/31/2022
JOB NUMBER: F3658

COST CODE	TYPE	DESCRIPTION	TC	U/M	UNITS	TRAN DATE	BILL RATE	BILL AMOUNT
		(2) 3-ton bridge cranes						
		25% Due Net 30 Days After Completion						
		NT						43,973.75

NET INVOICE: 43,973.75

GRANDE WEST

Grande West Transportation USA Inc.
 1541 Reynolds Rd. - Building 7
 CHARLOTTE, MI 48813 AMERICA
 Phone 604 607 4000
 www.grandewest.com

PURCHASE ORDER

PO NUMBER: PO0300121
 REVISION NUMBER: 0
 DATE: 2021-06-24

BILL TO:

Grande West Transportation USA Inc.
 2219 Rimland Dr. Suite 301
 BELLINGHAM, WA, 98226 AMERICA

SHIP TO:

Grande West Transportation USA Inc. (Ferndale)
 5433 Pacific Fern Drive
 FERNDAL, WA, 98248 AMERICA

PURCHASE ORDER ISSUED TO:

VENDOR: WASHINGTON CRANE & HOIST
 ADDRESS: 1334 Thornton Avenue S.W.
 PACIFIC, WA, 98047 AMERICA

CONTACT: Mike Currie
 PHONE: +1 (253) 863-6661
 EMAIL: mcurrie@washingtoncrane.com

ADDITIONAL INFORMATION:

All Shipment Labelled GRANDE WEST - DO NOT Inventory
 WA Plant Crane

PLEASE SHIP ON: 2021-10-15

LINE #	GRANDE WEST PART #	VENDOR PART #	DESCRIPTION	QTY	UNIT PRICE	AMOUNT
1	SVC-0072	3T-SGTR-70.5	Bridge Crane, Single girder top running, Capacity 3-Ton Capability	2Set	68615.00	137,230.00
2	SVC-0006		Production Freight	1Ea	2800.00	2,800.00
3	SVC-0069		INSTALLATION, START-UP & LOAD TEST	1Ea	36865.00	35,865.00
REQUESTED SHIP DATE: 2021-10-15 PROMISED SHIP DATE: BUS BUILD: WA END USER: WA Plant Crane					TOTAL (USD)	175,895.00
SHIP COMPLETE AND CONSOLIDATED UNLESS WRITTEN AUTHORIZATION PROVIDED BY GRANDE WEST						
SUPPLIER NOTE: All Shipment Labelled GRANDE WEST - DO NOT Inventory						
SHIPPING REQUIREMENTS: *Buy America Certificate is required *NAFTA documentation is required for International Shipping *Customs Broker:						
PAYMENT TERMS: Net 30						

25/6

PLEASE SEND CONFIRMATION OF ORDER AND SHIPPING DETAILS VIA EMAIL TO ntang@grandewest.com

PURCHASE ORDER ISSUED BY:

Nan Tang

APPROVED BY:

FOR SUPPLIER PURPOSE ONLY

PURCHASE ORDER DETAILS CONFIRMED: _____ PER _____

**Wheeler's Equipment Company and Services /
CarbonTek USA Washington**

14751 N Kelsey St
Monroe, WA 98272
+1 4254356404
nwdistributors@live.com



INVOICE

BILL TO	SHIP TO	SHIP DATE	07/01/2022	INVOICE	2018-539
Vicinity Motor (Bus) USA Corp.	Vicinity Motor (Bus) USA Corp.			DATE	12/17/2021
2219 Rimland Dr. Suite 301	(Ferndale)			TERMS	Due on receipt
BELLINGHAM, WA, 98226	5433 Pacific Fern Drive			DUE DATE	12/31/2021
AMERICA	FERNDALE, WA, 98248				
	AMERICA				
P.O. NUMBER	SALES REP	SITE LOCATION			
300122	JW	Ferndale, WA			

DATE	ACTIVITY	QTY	RATE	AMOUNT
	V-040-A-30F Vertical Rise Drive-On Lift 40000lb x 30' (Flush Mounted)	0.45	108,449.00	48,802.05
	V-000-A-264 Rolling Jack - 26,400lbs (for 35-64K Lifts)	0.90	9,725.00	8,752.50
	V-502-A-420 Alignment Cutout Extension (for 35- 64K Lifts)	0.45	6,265.00	2,819.25
	V-502-A-101 U Shaped Rolling Jack Rail (3' Increments) (for 35-64K Lifts)	9	245.00	2,205.00
	V-403-A-620 Track Lights (24V) - 10 LED Lights - up to 42' Track (for 35-64K Lifts)	0.45	2,805.00	1,262.25
	Misc Steel Surcharge *Mohawk VR lift*	0.45	5,422.45	2,440.10
	Install Lift Installation *Mohawk VR lift*	0.45	5,500.00	2,475.00
	Misc Equipment rental *Mohawk VR lift	0.45	1,500.00	675.00
	Misc Hunter Alignment Equipment ***See attachment***	0.90	48,986.35	44,087.72
	HDC50U011RD 33' Long Ramp Kit HDC50U011RD	0.45	82,444.80	37,100.16
	Rotary 25K Rolling Jacks Rotary 25K Rolling Jacks	0.90	13,419.26	12,077.33

Rotary Lighting Kit for FlexMax 19	0.45	1,248.80	561.96
Rotary Lighting Kit for FlexMax 19			
Misc	0.45	10,465.00	4,709.25
Steel Surcharge *Rotary lift*			
Install	0.45	2,500.00	1,125.00
Lift Installation *Rotary lift*			
Misc	0.45	1,800.00	810.00
Forklift rental *Rotary lift*			
Installation And Shipping Terms	0.45	0.00	0.00
<p>>A fork truck must be supplied by the customer to unload the equipment from the freight carrier at time of delivery and for installation of the lift. If not available, please inquire for other options.>The customer is responsible for inspecting all items at the time of delivery and before signing the delivery receipt, freight bill, or bill of lading. Should the customer determine at the time of delivery that any items are damaged or missing, the customer must note the item, discrepancy, or condition on the delivery receipt, freight bill, or bill of lading.>Mohawk is not responsible for missing or damaged items when the customer has signed they are in good condition.If any damage to the lift or missing parts or pieces is noted by the installer at the time of installation, it will be the customer's financial responsibility to replace the damaged or missing parts.>The quoted installation price is for standard installation and does not include any unforeseen circumstances such as plumbing, electrical, in-ground hot water heat, rebar, steel structures, drains, or drain slopes in the existing floor.>The quoted installation price does not include electrical hook-up or any concrete work that may be required. Electrical and concrete work must be performed prior to the scheduled installation date.>The installation price is subject to change if the lift is unable to be installed within 30 days after receipt, if the lift is not in new condition, or if shop conditions (lack of adequate concrete, no electrical service, etc) prevent scheduled installation and requires additional return trips.>Any and all permits, brokerage fees, duties, and sales tax are the responsibility of the customer.</p>			

Thank you for your business and have a great day!!! 3% processing fee applied to credit card payments. No parts will be ordered or shipped

SUBTOTAL

169,902.57

without payment.

Price subject to change without notice

Shipping costs estimated at this time

TAX

TOTAL

BALANCE DUE

484

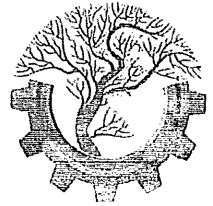
0.00

169,902.57

\$169,902.57

**Wheeler's Equipment Company and Services /
CarbonTek USA Washington**

14751 N Kelsey St, Ste: 105-602
Monroe, WA 98272
+1 4254356404
nwdistributors@live.com



INVOICE

BILL TO	SHIP TO	SHIP DATE	07/08/2022	INVOICE	2018-570
A6 Tower – 8th Floor, No.16	VMC			DATE	06/27/2022
Grand Southern Trunk Road	5453 Pacific Fern Dr			TERMS	Due on receipt
Chennai 600063	Ferndale, WA 98248			DUE DATE	07/01/2022

P.O. NUMBER	SALES REP	SITE LOCATION
Ferndale Facility	JW	Ferndale, WA

DATE	ACTIVITY	QTY	RATE	AMOUNT
	V-040-A-30F Vertical Rise Drive-On Lift 40000lb x 30' (Flush Mounted)	0.45	108,449.00	48,802.05
	V-000-A-264 Rolling Jack - 26,400lbs (for 35-64K Lifts)	0.90	9,725.00	8,752.50
	V-502-A-420 Alignment Cutout Extension (for 35- 64K Lifts)	0.45	6,265.00	2,819.25
	V-502-A-101 U Shaped Rolling Jack Rail (3' Increments) (for 35-64K Lifts)	9	245.00	2,205.00
	V-403-A-620 Track Lights (24V) - 10 LED Lights - up to 42' Track (for 35-64K Lifts)	0.45	2,805.00	1,262.25
	Misc Steel Surcharge *Mohawk VR lift*	0.45	5,422.45	2,440.10
	Install Lift Installation *Mohawk VR lift*	0.45	5,500.00	2,475.00
	Misc Equipment rental *Mohawk VR lift	0.45	1,500.00	675.00
	Misc Hunter Alignment Equipment ***See attachment***	0.90	48,986.35	44,087.72
	HDC50U011RD 33' Long Ramp Kit HDC50U011RD	0.45	82,444.80	37,100.16
	Rotary 25K Rolling Jacks Rotary 25K Rolling Jacks	0.90	13,419.26	12,077.33
	Rotary Lighting Kit for FlexMax 19 Rotary Lighting Kit for FlexMax 19	0.45	1,248.80	561.96

Misc Steel Surcharge *Rotary lift*	0.45	10,465.00	4,709.25
Install Lift Installation *Rotary lift*	0.45	2,500.00	1,125.00
Misc Forklift rental *Rotary lift*	0.45	1,800.00	810.00
Installation And Shipping Terms >A fork truck must be supplied by the customer to unload the equipment from the freight carrier at time of delivery and for installation of the lift. If not available, please inquire for other options.>The customer is responsible for inspecting all items at the time of delivery and before signing the delivery receipt, freight bill, or bill of lading. Should the customer determine at the time of delivery that any items are damaged or missing, the customer must note the item, discrepancy, or condition on the delivery receipt, freight bill, or bill of lading.>Mohawk is not responsible for missing or damaged items when the customer has signed they are in good condition.If any damage to the lift or missing parts or pieces is noted by the installer at the time of installation, it will be the customer's financial responsibility to replace the damaged or missing parts.>The quoted installation price is for standard installation and does not include any unforeseen circumstances such as plumbing, electrical, in-ground hot water heat, rebar, steel structures, drains, or drain slopes in the existing floor.>The quoted installation price does not include electrical hook-up or any concrete work that may be required. Electrical and concrete work must be performed prior to the scheduled installation date.>The installation price is subject to change if the lift is unable to be installed within 30 days after receipt, if the lift is not in new condition, or if shop conditions (lack of adequate concrete, no electrical service, etc) prevent scheduled installation and requires additional return trips.>Any and all permits, brokerage fees, duties, and sales tax are the responsibility of the customer.	0.45	0.00	0.00

Thank you for your business and have a great day!!! 3% processing fee applied to credit card payments. No parts will be ordered or shipped without payment.

SUBTOTAL	169,902.57
TAX	0.00

Price subject to change without notice

Shipping costs estimated at this time.

TOTAL

487

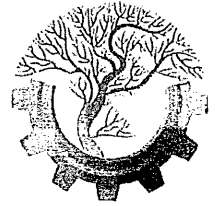
169,902.57

BALANCE DUE

\$169,902.57

**Wheeler's Equipment Company and Services /
CarbonTek USA Washington**

14751 N Kelsey St, Ste: 105-602
Monroe, WA 98272
+1 4254356404
nwdistributors@live.com



INVOICE

BILL TO	SHIP TO	INVOICE	2018-583
VMC	VMC	DATE	10/20/2022
5453 Pacific Fern Dr	5453 Pacific Fern Dr	TERMS	Net 30
Ferndale, WA 98248	Ferndale, WA 98248	DUE DATE	11/19/2022
P.O. NUMBER	SALES REP	SITE LOCATION	
VMC Ferndale WA	JW	Ferndale, WA	

DATE	ACTIVITY	QTY	RATE	AMOUNT
	V-040-A-30F Vertical Rise Drive-On Lift 40000lb x 30' (Flush Mounted)	0.10	108,449.00	10,844.90
	V-000-A-264 Rolling Jack - 26,400lbs (for 35-64K Lifts)	0.20	9,725.00	1,945.00
	V-502-A-420 Alignment Cutout Extension (for 35- 64K Lifts)	0.10	6,265.00	626.50
	V-502-A-101 U Shaped Rolling Jack Rail (3' Increments) (for 35-64K Lifts)	2	245.00	490.00
	V-403-A-620 Track Lights (24V) - 10 LED Lights - up to 42' Track (for 35-64K Lifts)	0.10	2,805.00	280.50
	Misc Steel Surcharge *Mohawk VR lift*	0.10	5,422.45	542.25
	Install Lift Installation *Mohawk VR lift*	0.10	5,500.00	550.00
	Misc Equipment rental *Mohawk VR lift	0.10	1,500.00	150.00
	Misc Hunter Alignment Equipment ***See attachment***	0.20	48,986.35	9,797.26
	HDC50U011RD 33' Long Ramp Kit HDC50U011RD	0.10	82,444.80	8,244.48
	Rotary 25K Rolling Jacks Rotary 25K Rolling Jacks	0.20	13,419.26	2,683.86
	Rotary Lighting Kit for FlexMax 19 Rotary Lighting Kit for FlexMax 19	0.10	1,248.80	124.88

Misc	0.10	10,465.00	1,046.50
Steel Surcharge *Rotary lift*			
Install	0.10	2,500.00	250.00
Lift Installation *Rotary lift*			
Misc	0.10	1,800.00	180.00
Forklift rental *Rotary lift*			
Installation And Shipping Terms	1	0.00	0.00
<p>>A fork truck must be supplied by the customer to unload the equipment from the freight carrier at time of delivery and for installation of the lift. If not available, please inquire for other options.>The customer is responsible for inspecting all items at the time of delivery and before signing the delivery receipt, freight bill, or bill of lading. Should the customer determine at the time of delivery that any items are damaged or missing, the customer must note the item, discrepancy, or condition on the delivery receipt, freight bill, or bill of lading.>Mohawk is not responsible for missing or damaged items when the customer has signed they are in good condition.If any damage to the lift or missing parts or pieces is noted by the installer at the time of installation, it will be the customer's financial responsibility to replace the damaged or missing parts.>The quoted installation price is for standard installation and does not include any unforeseen circumstances such as plumbing, electrical, in-ground hot water heat, rebar, steel structures, drains, or drain slopes in the existing floor.>The quoted installation price does not include electrical hook-up or any concrete work that may be required. Electrical and concrete work must be performed prior to the scheduled installation date.>The installation price is subject to change if the lift is unable to be installed within 30 days after receipt, if the lift is not in new condition, or if shop conditions (lack of adequate concrete, no electrical service, etc) prevent scheduled installation and requires additional return trips.>Any and all permits, brokerage fees, duties, and sales tax are the responsibility of the customer.</p>			

Installation Finished on 10/19. After power is installed in building and your crew is hired we will set up equipment training on all new lifts and alignment machines.

SUBTOTAL	37,756.13
TAX	0.00

Shipping totals:
Mohawk Shipping \$26,737.56
Rotary Shipping \$10,407.82
Hunter Shipping \$2,843.17

	490
SHIPPING	39,888.55
TOTAL	77,644.68

Thank you for your business and have a great day!!! 3% processing fee applied to credit card payments. No parts will be ordered or shipped without payment.

BALANCE DUE	\$77,644.68
-------------	--------------------

Price subject to change without notice

Shipping costs estimated at this time.



Vicinity Motor (Bus) USA Corp.
 Suite 301 2219 Rimland Dr.
 Bellingham, WA 99226
 United States
 Phone 604 607 4000
 www.vicinitymotorcorp.com

PURCHASE ORDER

PO NUMBER: PO0300122
 REVISION NUMBER: 0
 DATE: 2021-12-17

BILL TO:

Vicinity Motor (Bus) USA Corp.
 2219 Rimland Dr. Suite 301
 BELLINGHAM, WA, 98226 AMERICA

SHIP TO:

Vicinity Motor (Bus) USA Corp. (Ferndale)
 5433 Pacific Fern Drive
 FERNDAL, WA, 98248 AMERICA

PURCHASE ORDER ISSUED TO:

VENDOR: Wheelers Equipment Company and Services / CarbonTek
 USA Washington
 ADDRESS: 14751 N Kelsey St
 MONROE, WA, 98272 AMERICA

ADDITIONAL INFORMATION:

WA Plant

CONTACT:

PHONE:

EMAIL:

PLEASE SHIP ON: **2022-07-01**

LINE #	GW PART NO	VENDOR PART NO	DESCRIPTION	QTY	UNIT PRICE	AMOUNT
1	SVC-0072		V-040-A-30F, Vertical Rise Drive-On Lift 40000lb x 30' (Flush Mounted)	1Set	108449.00	108,449.00
2	SVC-0072		V-000-A-264, Rolling Jack - 26,400lbs (for 35-64K Lifts)	2Set	9725.00	19,450.00
3	SVC-0072		V-502-A-420, Alignment Cutout Extension (for 35-64K Lifts)	1Set	6265.00	6,265.00
4	SVC-0072		V-502-A-101bility, U Shaped Rolling Jack Rail (3' Increments) (for 35-64K Lifts)	20Set	245.00	4,900.00
5	SVC-0072		V-403-A-620, Track Lights (24V) - 10 LED Lights - up to 42' Track (for 35-64K Lifts)	1Set	2805.00	2,805.00
6	SVC-0072		Misc, Steel Surcharge *Mohawk VR lift*	1Set	5422.45	5,422.45
7	SVC-0073		INSTALLATION, Lift Installation *Mohawk VR lift*	1Ea	5500.00	5,500.00
8	SVC-0072		Misc, Equipment rental *Mohawk VR lift	1Set	1500.00	1,500.00
9	SVC-0072		Misc. Hunter Alignment Equipment ***See attachment***	2Set	48986.35	97,972.70
10	SVC-0072		HDC50U011RD, 33' Long Ramp Kit HDC50U011RD	1Set	82444.80	82,444.80
11	SVC-0072		Rotary 25K Rolling Jacks	2Set	13419.26	26,838.52
12	SVC-0072		Rotary Lighting Kit for FlexMax 19	1Set	1248.80	1,248.80
13	SVC-0072		Misc. Steel Surcharge *Rotary lift*	1Set	10465.00	10,465.00
14	SVC-0073		INSTALLATION, Lift Installation *Rotary lift*	1Ea	2500.00	2,500.00
15	SVC-0072		Misc. Forklift rental *Rotary lift*	1Set	1800.00	1,800.00
16	SVC-0006		Production Freight	1Ea	15401.00	15,401.00

LINE #	GW PART NO	VENDOR PART NO	DESCRIPTION	QTY	UNIT PRICE	AMOUNT
REQUESTED SHIP DATE: 2022-07-01 PROMISED SHIP DATE: BUS BUILD: WA END USER: WA Plant - ESTIMATE # 1134 dtd 12/09/2021; 45% Due with PO, 45% Due prior to shipping, 10% Due at installation					TOTAL (USD)	392,962.27
SHIP COMPLETE AND CONSOLIDATED, UNLESS WRITTEN AUTHORIZATION VICINITY MOTOR CORP.						
SUPPLIER NOTE:						
SHIPPING REQUIREMENTS: * DAP * Free Trade documentation is required for International Shipping * Customs Broker:						
PAYMENT TERMS: Net 30						

PLEASE SEND CONFIRMATION OF ORDER AND SHIPPING DETAILS VIA EMAIL TO ntang@vicinitymotor.com

PURCHASE ORDER ISSUED BY:

Nan Tang

APPROVED BY:

FOR SUPPLIER PURPOSE ONLY	
PURCHASE ORDER DETAILS CONFIRMED:	PER:
COMPANY NAME:	DATE:



Zpar International LLC
 P.O. Box 1395
 Tualatin OR 97062

Invoice

Date	Invoice #
6/3/2021	KZ18174

Bill To
Grande West Transportation International 3168 282nd Street Aldergrove, BC V4W 2Z6

Ship To
Grande West Transportation USA 5457, 5453, 5433 Pacific Fern Ferndale, WA

P.O. Number	Terms	Rep	Ship	Via	F.O.B.
PO0300107	See comments	KZ	6/3/2021	Ground Freig...	

Quantity	Item Code	Description	Amount
1	Booth	RTT-67528-R3-DP Grand West Transportation Group XDS-22-18-52 Side Down Draft Paint Booth w/ Spray/Cure Capability See additional documentation for details and options *Includes Washington Stamp drawings *Includes powder coated white *Includes 3 days of startup and training with "travel expense added to final bill"	274,044.60
1	LDPI Misc.	2ea LPI 3-Axis Man Lifts (one each side of booth)	87,997.00
1	Mixing Ro...	PMR-6-24-8 Paint Mixing Room See additional documentation for details and options *Includes Washington stamp drawings *Includes white powder coat finish	16,462.88
1	Labor	Mechanical Assembly of Supplied Items Includes nut & bolt assembly, seal, standard anchor, erect supplied ducting. Includes axis lift install Excludes permits, all electrical, fire suppression, plumbing, opening close building penetrations, necessary lift equipment for install. *see installation sheet for details	62,054.40
1	Specialize...	Star Rental Equipment	5,479.24
1	Freight	Booth Estimated Shipping: Actual rate may adjust at time of shipment. FOB Manufacturer. Prepaid and Add.	43,310.00
1	Freight	LPI Lifts Estimated Shipping: Actual rate may adjust at time of shipment. FOB Manufacturer. Prepaid and Add. Terms: 10% down to initiate drawings, 40% upon drawing approval to initiate production, 40% five days prior to shipping. Balance upon startup. Startup to occur within 30 days of assembly. US Dollars. Excludes Tax	5,025.00

-Pricing does not include tax where applicable. Customer is responsible for the sales tax and/or duty should it be required.

Total	\$484,373.02
Payments/Credits	-\$410,002.90
Balance Due	\$74,370.12

Phone # 603-778-0212

Fax #

keith@zparint.com

www.zparint.com



Zpar International LLC
 P.O. Box 1395
 Tualatin, OR 97062

Invoice

Date	Invoice #
5/26/2022	KZ19272

Bill To
Grande West Transportation International 3168 262nd Street Aldergrove, BC V4W 2Z6

Ship To

P.O. Number	Terms	Rep	Ship	Via	FOB
Per Mert	Due on receipt	KZ	5/11/2022	Ground Freig...	

Quantity	Item Code	Description	Amount
1	Booth Co...	Custom intake duct and stock exhaust offsets	12,528.00
1	Booth Co...	Flashing Ordered Last minute	1,700.00
1	Labor	Flights and travel for return trip	6,500.00
1	Specialize...	Lift Equipment (two scissors lifts and reach)	3,510.00
1	Freight	Duct Estimated Shipping: Actual rate may adjust at time of shipment. FOB Manufacturer. Prepaid and Add.	9,000.00
1	Freight	Flashing Estimated Shipping: Actual rate may adjust at time of shipment. FOB Manufacturer. Prepaid and Add.	1,581.00

Terms: 50% down with balance due upon completion.

-Pricing does not include tax where applicable. Customer is responsible for the sales tax and/or duty should it be required.

Total	\$34,819.00
Payments/Credits	-\$15,769.00
Balance Due	\$19,050.00

Phone # 503-778-0212

Fax #

keilh@zparint.com

www.zparint.com



Vicinity Motor (Bus) USA Corp.
 Suite 301 2219 Rimland Dr.
 Bellingham, WA 99226
 United States
 Phone 804 607 4000
 www.vicinitymotorcorp.com

PURCHASE ORDER

PO NUMBER: PO0300107
 REVISION NUMBER: 1
 DATE: 2021-06-03

BILL TO:

Vicinity Motor (Bus) USA Corp.
 2219 Rimland Dr. Suite 301
 BELLINGHAM, WA, 98226 AMERICA

SHIP TO:

Vicinity Motor (Bus) USA Corp. (Ferndale)
 5433 Pacific Fern Drive
 FERNDALE, WA, 98248 AMERICA

PURCHASE ORDER ISSUED TO:

VENDOR: Zpar International LLC
 ADDRESS: PO Box 1395
 TUALATIN, OR, 97062 AMERICA
 CONTACT: Kellh Zralka
 PHONE: +1 (503) 778-0212
 EMAIL: kellh@zparint.com

ADDITIONAL INFORMATION:

Paint Booth WA Plant

PLEASE SHIP ON 2022-01-06

LINE #	GW PART NO	VENDOR PART NO	DESCRIPTION	QTY	UNIT PRICE	AMOUNT
1	SVC-0068	XDS-22-18-52	Side Down Draft Paint Booth w/ Spray/Cure Capability	1Set	274044.50	274,044.50
2	SVC-0070	LPI 3-Axis	Man Lifts	1Set	87897.00	87,997.00
3	SVC-0071	PMR-6-24-8	Paint Mxng Room	1Set	16462.88	16,462.88
4	SVC-0069	Labor	Mechanical Assembly of Supplied Items	1Ea	52054.40	52,054.40
5	SVC-0121	ferndale rental	Star Rental Equipment	1Ea	5479.24	5,479.24
6	SVC-0006		Estimated Freight	1Ea	43310.00	43,310.00
7	SVC-0006		LPI Lifts Estimated Shipping	1Ea	6025.00	6,025.00
8	SVC-0117	ferndale ducting	Custom Intake duct and stock exhaust offsets	1Ea	12528.00	12,528.00
9	SVC-0118	ferndale flashing	Flashing	1Ea	1700.00	1,700.00
10	SVC-0119	ferndale return trip	Flights and travel for return trip	1Ea	6500.00	6,500.00
11	SVC-0120	ferndale lift equipment	Lift Equipment (two scissors lifts and reach)	1Ea	3510.00	3,510.00
12	SVC-0006		Duct Estimated Shipping	1Ea	9000.00	9,000.00
13	SVC-0006		Flashing Estimated Shipping	1Ea	1581.00	1,581.00
REQUESTED SHIP DATE: 2022-01-06					TOTAL (USD)	519,192.02
PROMISED SHIP DATE: BUS BUILD: WA END USER: Paint Booth WA Plant- Estimate KZ18097 dated May 6, 2021						
SHIP COMPLETE AND CONSOLIDATED UNLESS WRITTEN AUTHORIZATION VICINITY MOTOR CORP						
SUPPLIER NOTE:						
SHIPPING REQUIREMENTS:						
<ul style="list-style-type: none"> * DAP * Free Trade documentation is required for International Shipping * Customs Broker: 						

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Schedule B**NOTICE OF****EDC PRIORITY COLLATERAL PURCHASED**

TO: EXPORT DEVELOPMENT CANADA ("EDC")
 150 Slater Street
 Ottawa, Ontario, Canada K1A 1K3

Attention: Geraldine Waffo – International Financing Direct
 Email: gwaffo@edc.ca

AND TO:
 Attention: IFD Clerk
 Email: IFDClerk@edc.ca

TO: ROYAL BANK OF CANADA ("RBC")

 Attention: _____
 Email: _____

FROM: VICINITY MOTOR (BUS) USA CORP. (the "**Debtor**")

RE: Priority Agreement between EDC and RBC dated February ____, 2023 (the "**Priority Agreement**") (capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Priority Agreement)
 EDC Reference No. 880-100050

The undersigned Debtor hereby notifies each of EDC and RBC that it has purchased the EDC financed assets set out in the copies of purchase orders, invoices, or receipts appended hereto under Exhibit B, which shall form part of the EDC Priority Collateral of the Debtor under the Priority Agreement.

For and on behalf of
VICINITY MOTOR (BUS) USA CORP.

Signature: _____
 Authorized Signing Officer

Name:

Title:

Date: _____

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Exhibit B

**Copies of Purchase Orders, Invoices or Receipts
for Additional Financed Equipment to form part of the
EDC Priority Collateral of the Debtor under the Priority Agreement**

(see attached)

This is **Exhibit "S"** referred to in the affidavit of
Cameron Bailey sworn before me at Calgary, Alberta
this 16 day of October 2024.



A Commissioner for taking Affidavits
For Alberta

D. J. Baird
Barrister and Solicitor

Vicinity Motor Corp. Notification of Workout Plan Conclusion Without Successful Financial Restructuring

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VANCOUVER, BC / ACCESSWIRE / October 11, 2024 / Vicinity Motor Corp. (NASDAQ:VEV)(TSXV:VMC) ("Vicinity" or the "Company"), a North American supplier of commercial electric vehicles, today announced that it has not been successful renegotiating terms with Royal Bank of Canada ("RBC") or Export Development Canada ("EDC" and together with RBC, the "Creditors").

As disclosed in the Company's publicly filed interim financial statements for the three months ended March 31, 2024, the credit facilities were set be renewed on a yearly basis, at the discretion of the Creditors, on July 16, 2024. The Company had actively been working with RBC and EDC on securing a renewal, but as previously announced by the Company, on August 9, 2024, the Creditors exercised their discretion not to renew the credit facilities and provided the Company with Notice of Intention to Enforce Security pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada).

Additionally, in early August, RBC restricted the Company's access to certain assets without advance notice which gravely impeded the Company's ability to operate at that time. Accordingly, the Company has been severely constrained in its ability to manage its finances, including vendor and customer obligations.

On August 21, 2024, the Company announced that it had reached an agreement with RBC to enter into a Workout Plan ("Plan") period whereby the Company would continue to operate on a limited basis while protecting and monetizing Company assets and endeavoring toward a financial restructuring. During the Plan period, the Creditor-imposed constraints were enhanced resulting in further financial and operational stress. The Company has continued to negotiate with the Creditors in good-faith during the Plan period to evaluate potential solutions to enable the Company to carry on in some form in the future. Moreover, the Company had expected that a restructuring of current debt would remove RBC's restrictions and create an environment that would lead to further capital injection supporting the Company's long-term financial plan. The conclusion of the Plan period is October 11, 2024 as previously announced.

The Company believes that the Creditors will proceed toward receivership enforcement impeding the Company's ability to continue to operate. If that happens, the Company will likely be forced to lay off its remaining staff and cease operations.

However, as of the end of the day on Friday October 11, 2024 the Company did not receive any definitive information for how the Creditors will proceed.

The Company also provides an update to its news release dated September 25, 2024, announcing its update about its management cease trade order (MCTO) relating to the late filing of the Company's interim financial statements, MD&A (management's discussion and analysis), and applicable chief executive officer and chief financial officer certifications for the six months ended June 30, 2024.

The Company's principal regulator, the British Columbia Securities Commission, granted the MCTO on August 15, 2024, under National Policy 12-203 - *Management Cease Trade Orders*. Pursuant to the MCTO, the chief executive officer and the chief financial officer of the Company may not trade in securities of the Company until such time as the Company files the interim filings and the commission revokes the MCTO. The MCTO does not affect the ability of shareholders to trade their securities. The Company's board of directors and management are experiencing the challenges described in this news release; however the uncertainty means the Company continues to work with its accounting team and other stakeholders as it relates to the interim filings. If the Company is not able to file its interim filings for the six months ended June 30, 2024 by October 18, 2024, the British Columbia Securities Commission will issue a broad failure to file cease trade order and no shares of the Company will be permitted to be traded in Canada.

Until the interim filings are filed, the Company intends to comply with the provisions of the alternative information guidelines as set out in NP 12-203 for as long as it remains in default, including the issuance of biweekly default status reports in the form of a news release. The Company has imposed an insider trading blackout pending the filing of the interim filings.

The Company confirms that, since the date of the announcement: (i) there has been no material change to the information set out in the announcement that has not been generally disclosed; (ii) there has not been any other specified default by the Company under NP 12-203; (iii) the Company is not subject to any insolvency proceedings as of the date of this news release, though the Company has entered into the Plan with its secured lenders as disclosed in the Company's news release dated August 21, 2024 and which Plan expires today though the Creditors have not specifically advised that a receivership order will be sought as described elsewhere in this news release; and (iv) there is no material information concerning the affairs of the Company that has not been generally disclosed.

About Vicinity Motor Corp.

Vicinity Motor Corp. (NASDAQ:VEV)(TSXV:VMC) ("VMC") is a North American supplier of electric vehicles for both public and commercial enterprise use. The Company leverages a dealer network and close relationships with world-class manufacturing partners to supply its flagship electric, CNG and clean-diesel Vicinity buses, as well as the VMC 1200 electric truck to the transit and industrial markets. For more information, please visit www.vicinitymotorcorp.com.

Company Contact:

John LaGourgue
VP Corporate Development
604-288-8043
IR@vicinitymotor.com

Investor Relations Contact:

Lucas Zimmerman
MZ Group - MZ North America
949-259-4987
VMC@mzgroup.us
www.mzgroup.us

Neither the TSX-V nor its Regulation Service Provider (as that term is defined in the policies of the TSX-V) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Note Regarding Forward-Looking Statements

This press release includes certain "forward-looking information" and "forward-looking statements" (collectively "forward-looking statements") within the meaning of applicable securities laws. All statements, other than statements of historical fact, included herein are forward-looking statements. Forward-looking statements are frequently, but not always, identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible", and similar expressions, or statements that events, conditions, or results "will", "may", "could", or "should" occur or be achieved. In particular, and without limitation, this news release contains forward-looking statements respecting the Company's expectations about the Creditors proceeding toward receivership and the inability of the Company to continue to operate. Forward-looking statements involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate, and actual results and future events could differ materially from those anticipated in such statements. 500

Important factors that could cause actual results to differ materially from Vicinity's expectations include the ongoing discussions with the Creditors and impact of a receivership order on the Company if obtained; uncertainties relating to the economic conditions in the markets in which Vicinity operates, vehicle sales volume, anticipated future sales growth, the success of Vicinity's operational strategies, production prospects at Vicinity's assembly facility in the State of Washington, the success of Vicinity's strategic partnerships; and other risk and uncertainties disclosed in Vicinity's reports and documents filed with applicable securities regulatory authorities from time to time. Vicinity's forward-looking statements reflect the beliefs, opinions and projections on the date the statements are made. Vicinity assumes no obligation to update the forward-looking statements or beliefs, opinions, projections, or other factors, should they change, except as required by law.

SOURCE: Vicinity Motor Corp.

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10/11/2024 8:00:00 PM