VANCOUVER
AUG 12 2024
REGISTRY

This is the 1st Affidavit
of Douglas Pankiw in this case
and was made on 11/Aug/2024

No. S-245481
Vancouver Registry

In the Supreme Court of British Columbia

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *COOPERATIVE ASSOCIATION ACT*, S.B.C. 1999, C 28

AND

IN THE MATTER OF BC TREE FRUITS COOPERATIVE, BC TREE FRUITS INDUSTRIES LIMITED and GROWERS SUPPLY COMPANY LIMITED

PETITIONERS

AFFIDAVIT

I, Douglas Pankiw of Calgary, Alberta, Interim Chief Executive Officer and Chief Financial Officer, AFFIRM THAT:

1. I am the Interim Chief Executive Officer and Chief Financial Officer of the Petitioners, BC Tree Fruits Cooperative ("**BCTFC**"), BC Tree Fruits Industries Limited ("**BCTF Industries**") and Growers Supply Company Limited ("**GSC**", together with BCTFC and BCTF Industries, the "**Petitioners**"), and as such, I have personal knowledge of the facts and matters hereinafter deposed to, except where stated to be based on information and belief, in which case I verily believe the same to be true.

Introduction

2. This Affidavit is sworn in support of an application for an initial order (the "**Initial Order**") granting creditor protection to the Petitioners under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), to facilitate restructuring the business and affairs of the Petitioners. This Affidavit also provides

background for a proposed comeback hearing (the "**Comeback Hearing**") on or about August 22, 2024, should the Initial Order be granted.

3. I am authorized to make this Affidavit on behalf of the Petitioners, and the boards of directors of the Petitioners have authorized the filing of this Affidavit and the corresponding Petition.

4. For the reasons set out herein, I verily believe that the Petitioners are insolvent and are entities to which the CCAA applies.

5. The Petitioners are currently in the midst of a liquidity crisis that has been building for many years. There are many factors that have led to this crisis, including decreasing tree fruit volumes, an increase in local packing house competition, aging facilities, aging equipment, market pricing pressures locally and from Washington state, a reduction in contracted BCTFC growers/members, and significant impacts from a changing climate.

6. Past attempts to "right size" BCTFC and its subsidiaries were met with resistance from certain parts of the BCTFC membership. In May 2019, the then board and management purchased a plot of land in Kelowna with the intent to embark on a consolidation plan. In September of 2019, a new CEO (the predecessor to me) was appointed and, after further evaluation, determined that the historically significant debt load and financial position of BCTFC did not allow for the necessary financing to begin the then planned consolidation at the new Kelowna site. After enduring the pandemic, rightsizing operational costs and divesting of three properties, BCTFC was then in a position to seek financing to allow it to embark on a consolidation and equipment upgrade plan in early 2022. However, additional analysis conducted showed that a new build on the designated Kelowna site was not financially feasible for BCTFC, so an alternate plan involving the expansion and upgrade of BCTFC's existing Oliver facility was chosen by the then board.

7. The change in the consolidation plan from Kelowna (in the North Okanagan region) to Oliver (in the Southern Okanagan region) amplified already differing regional views among BCTFC's members, leading to multiple requests for special meetings of BCTFC members to prohibit property sales and governance changes which were ultimately defeated but

caused delays in property divestments (which led to increased interest costs being incurred by BCTFC and decreased returns given the declining property market), delays in equipment installations and an increase in growers electing to resign their membership and/or send their fruit to BCTFC's competitors.

8. The final tipping point in the already precarious financial position of BCTFC was the unexpected and significant crop reduction caused by unusually severe weather pattern in 2024. As a result, the 2024 crop saw a reduction in volume by 85-90% in cherries and all other stone fruit were reduced to zero due to those weather events. Received apple volumes, the largest commodity of BCTFC, had already been dropping over the preceding years but 2024 estimated volumes provided to BCTFC in July 2024 from apple growers showed a staggering approximately 50% reduction in projected apple volumes from the 2023 volumes, significantly less than expected. With rising carrying and debt costs from delayed property sales and significantly reduced fruit volumes, BCTFC is no longer able to meet its overhead requirements, pay its growers or other creditors.

9. As at August 9, 2024, the Petitioners had outstanding borrowings of approximately $51 million. Over $50 million of such borrowings relate to the credit facilities (the "**CIBC Facilities**") provided by the Petitioners' senior secured lender, Canadian Imperial Bank of Commerce ("**CIBC**"). The Petitioners are currently non-compliant and in breach of their debt service loan covenant and certain reporting covenants under the CIBC Facilities.

10. In addition, the Petitioners owe significant payments to BCTFC members and other contracted growers who are fruit suppliers for the 2023 and 2024 fruit deliveries.

11. As a result of these factors and based on current cash balance, the Petitioners will be unable to fund their financial commitments in 2024 absent a restructuring of their affairs. As such, the Petitioners believe it is in the best interests of the Petitioners' stakeholders to apply for relief under the CCAA.

The Petitioners' Background

12. BCTFC is a cooperative association incorporated under the *Cooperative Association Act*, S.B.C. 1999, c 28 (the "***Cooperative Association Act***") formed by an amalgamation

dated June 2, 2008. BCTFC, through its predecessors of the amalgamation, has operated in the Okanagan Valley serving Okanagan fruit producers since 1936. Attached hereto and marked as **Exhibit "A"** to this Affidavit is a true copy of the Business Summary search obtained July 25, 2024.

13. BCTFC currently consists of approximately 290 local fruit grower and orchardist families (the "**Growers**") that work together as part of a larger community. Each grower nurtures their orchards to create the best possible fruit, and is responsible for the care, picking of, and transporting the fruit to BCTFC. In return, BCTFC provides expertise in receiving and storage, sorting and packing, marketing and then transporting the product to customers. Its head office is located at 3335 Sexsmith Road, Kelowna, BC V1X 7T5, with a mailing address of PO Box 2668, Kelowna, BC V1X 6A7.

14. A division of BCTFC is BC Tree Fruits Cider Co. ("**BCTF Cider**"), which is in the business of crafting a premium cider using fruit from the Growers. The cidery is located at 826 Vaughan Avenue, Kelowna, BC V1Y 7E4.

15. BCTF Industries, a wholly owned subsidiary of BCTFC, is a dormant company with no revenue reported since the year ended May 31, 2023. Attached hereto and marked as **Exhibit "B"** to this Affidavit is a true copy of the BC Company Summary obtained August 7, 2024.

16. GSC is a company incorporated pursuant to the laws of British Columbia with a head office located at 2605 Acland Road, Kelowna, BC V1X 7J4. Attached hereto and marked as **Exhibit "C"** to this Affidavit is a true copy of the BC Company Summary obtained July 25, 2024.

17. GSC, a wholly owned subsidiary of BCTFC, is a premier agricultural supplier in the Okanagan Valley and the surrounding district which provides services and sells products related to irrigation design, custom packaging, soil testing and other lab services, fencing solutions, crop protection, crop inputs, animal feed and other farm supplies. GSC has been serving local fruit growers in the Okanagan region of British Columbia for over 83 years

with a goal to providing everything a professional grower requires at an affordable price and convenient location.

Cooperative Organization

18. BCTFC is a member-owned and directed cooperative that specializes in caring, picking and transporting fruit to BCTFC for distribution to its customers. Attached hereto and marked as **Exhibit "D"** to this Affidavit is a true copy of the rules of BCTFC (the "**Rules**").

19. BCTFC owns the shares in the following entities:

    (a) 100% of the shares of GSC; and

    (b) 100% of the shares of BCTF Industries.

20. BCTFC constantly works to improve the quality of the fruit the Growers produce. This includes assistance with sales, marketing, accounting, technology, shipping and regulation compliance. BCTFC ensures that the Growers have state of the art equipment, are replacing trees and varieties when needed, and taking active steps to better serve its customers.

21. BCTFC works with approximately 290 growers and orchard families. To qualify for membership pursuant to the Rules, an applicant must, among other things:

    (a) Operate an orchard that:

        (i) has a minimum of 2 acres of tree fruits contracted to BCTFC;

        (ii) has the potential to produce at least $15,000 in the BCTFC pool from tree fruit crops per year; and

        (iii) is located in either the North Region or South Region, as defined in the Rules,

(b) delivered at least $15,000 in BCTFC pool earnings from tree fruit crops under a contract with BCTFC in place for at least one crop year preceding the application date; and

(c) agree to pay their share of the true direct and indirect costs of processing and marketing the fruit as determined by the cooperative by cost formular from time-to-time.

22. Pursuant to clause 5(e) of the Rules, members may include "investor members" as authorized and as regulated by Part IV, Finance, Sections 9 and 48 to 67 of the *Cooperative Association Act* and as authorized from time-to-time at the discretion of the board of directors of BCTFC.

23. As of July 16, 2024, there were 174 voting members of BCTFC, being 87 in the North Region and 87 in the South Region.

24. On August 3, 2024, two members of BCTFC issued a member requisition requesting for a special general meeting to be called within 7 days. The stated purpose for the special general meeting is to address concerns regarding the fiduciary duties and authority of the directors of BCTFC to continue to act. Attached hereto and marked as **Exhibit "E"** to this Affidavit is a copy of the member requisition.

Operations of the Petitioners

25. BCTFC is responsible for transporting, packing, promoting, and selling the fruit produced by the Growers. To do so, BCTFC operates one packing facility and four fruit storage facilities which are located in British Columbia.

26. In addition, BCTFC operates BCTF Cider, which creates and sells a premium hard cider. BCTF Cider has a tasting room for customers to sample the cider in Kelowna, British Columbia, but the tasting room was permanently closed on July 26, 2024. BCTF Cider continues to sell its products to liquor stores and on-premise establishments to generate revenue for the product on hand.

27. BCTFC has also entered into various lease agreements, as landlord, for some of the real estate property it currently owns.

28. GSC currently operates five supply stores across the Okanagan region of British Columbia and an online e-commerce website selling a wide variety of grower supplies and services. The stores are located at the following addresses:

(a) 2605 Acland Road, Kelowna, BC V1X 7J4;

(b) 1200 Waddington Drive, Vernon, BC V1T 8T3;

(c) #108-272 Dawson Avenue, Penticton, BC V2A 6Y9;

(d) 5911 Sawmill Road, Oliver, BC V0H 1T0; and

(e) 754 – 35 Avenue South, Erickson, BC V0B 1G9,

(collectively, the "**GSC Supply Stores**").

29. GSC has entered into lease agreements for the GSC Supply Stores in British Columbia. The leases for these stores are as follows:

(a) Lease dated December 1, 2019 between 465705 B.C. Ltd. and GSC for the land and premises located at 34625 91 Street, Oliver, British Columbia (now known as 5911 Sawmill Road, Oliver, British Columbia);

(b) Lease dated October 1, 2018 between Hawkeye Holdings Ltd. and GSC, renewed October 1, 2023, for the land and premises located at 3348 Sexsmith Road, Kelowna, British Columbia;

(c) Lease dated May 1, 2023 between Bronquest Properties Inc. and GSC for the land and premises located at 108 - 272 Dawson Avenue East, Penticton, British Columbia; and

(d) Commercial Lease Agreement dated September 1, 2023 between Canada Scaffold Supply Co. Ltd. and GSC for the land and premises located at 250 Edwards Road, Kelowna, British Columbia,

(collectively, the "**GSC Leases**").

30. As of August 6, 2024, primarily due to the factors noted herein, GSC has approximately $70,000 in rent arrears in respect of the GSC Leases.

31. BCTFC has ten directors on its board, consisting of Rob Stewart (Chair), Brian Meyers, (Vice Chair), David Bentall, John Kay, Greg Sanderson, Lakhmer Klar, Ron Vollo, Chamanjit Sharma, Surinder Gosal, and Gurjit Pabla (the "**BCTFC Board**").

32. The board of directors of BCTFC, by way of resolution on July 25, 2024, determined that due to extremely low estimated fruit volumes and the difficult market and financial conditions facing BCTFC, BCTFC would not be able to pay the Growers for their fruit if it were delivered and would not be able to effectively operate the business through 2024. Attached hereto and marked as **Exhibit "F"** to this Affidavit is a copy of the draft resolution.

33. As a result, on July 26, 2024, BCTFC released a letter to all Growers informing them that BCTFC would not be receiving fruit beginning July 26, 2024, as BCTFC would not be able to pay the Growers for the fruit, as required (via pool returns). Attached hereto and marked as **Exhibit "G"** to this Affidavit is a copy of the July 26, 2024, notice to the Growers.

Employees and Senior Management

34. GSC had approximately 67 non-union employees as of July 25, 2024, consisting of:

(a) 32 active salaried employees;

(b) 30 active hourly employees;

(c) 4 active temporary employees; and

(d) 1 employee on paid leave.

35. On July 29, 2024, GSC laid off 7 employees, advising such employees that BCTFC, and all of its subsidiaries, were in the process of ceasing or reducing operations. An additional 11 GSC employees were laid off July 31, 2024.

36. The remaining GSC employees are currently employed on a short-term basis to assist with the shutdown and decommissioning of the facilities.

37. As of August 6, 2024, GSC's senior management consists of:

(a) Robert Bartoseqicz, Director of Finance; and

(b) Mark Welton, General Manager.

38. The board of directors of GSC are the same as BCTFC: Rob Stewart (Chair), Brian Meyers (Vice Chair), David Bentall, Surinder Gosal, John Kay, Lakhmer Klar, Gurjit S. Pabla, Greg Sanderson, Chamanjit Sharma, and Ron Vollo (the "**GSC Board**", together with the BCTFC Board, the "**Boards**").

39. As of July 25, 2024, BCTFC had approximately 193 employees, consisting of:

(a) 115 active union employees;

(b) 12 union employees on unpaid leave;

(c) 39 active salaried non-union employees;

(d) 14 active hourly non-union employees;

(e) 6 active temporary non-union employees;

(f) 3 non-union employees on paid leave; and

(g) 4 non-union employees on long-term disability.

40. The union employees are part of the United Food and Commercial Workers Union, Local 247.

41. On or about October 18, 2023, BCTFC and the United Food and Commercial Works Union, Local 247, entered into a collective agreement dated for reference October 2, 2023, that governs the employment relationship between the union workers and BCTFC. Attached hereto and marked as **Exhibit "H"** to this Affidavit is a true copy of the Collective Bargaining Agreement between BCTFC and the United Food and Commercial Workers Union, Local 247 dated October 2, 2023.

42. On July 29, 2024, BCTFC laid off 157 employees, advising such employees that BCTFC, and all of its subsidiaries, were in the process of ceasing or reducing operations. An additional 11 employees were laid off on August 5, 2024. 21 employees are currently employed on a short-term basis to assist with the shutdown and decommissioning of the facilities.

43. Currently, BCTFC's senior management consists of:

(a) myself, as Interim Chief Executive Officer and Chief Financial Officer;

(b) Laurel Van Dam, Vice President, Grower Relations & Corporate Affairs;

(c) Brent MacKinnon, Vice President, People & Culture; and

(d) Craig Ogilvie, Vice President, Supply Chain,

(collectively, the "**Management**").

44. The Boards and the Management have been and remain engaged in the initiatives and actions set out herein. It is contemplated that many of the Petitioners' directors will continue in their roles during the CCAA proceeding, if the Petitioners' application is granted.

45. Directors on BCTFC's Board are elected by the members of the cooperative for three-year terms. BCTFC must have at least six directors but no more than ten at one time.

46. The Petitioners have arranged and funded standard director and officer liability insurance.

Recent Market Circumstances

47. Fruit processed by BCTFC includes apples, cherries, pears, apricots, peaches, plums, prune plums, nectarines, and table grapes. For the 2023 crop, the commodity volume percentage per fruit was 89% apples, 7% cherries, 2% peaches, and 2% other.

48. BCTFC's apple volume has declined significantly over the years from approximately 122 million lbs. in 2018 to 60 million lbs. in 2022 and 2023 as a result of catastrophic weather events, including the heat dome in 2021, wildfires in 2023 and most recently the arctic air in 2024. BCTFC has also lost market share to independent packers, leading to increased competition, including from the Washington State (US) apple farmers. These factors have also affected GSC as it has reduced demand for grower supplies.

49. Commencing 2020, BCTFC implemented an Apple Quality Income Assurance Program (the "**AQ Program**") for apple growers with full-service apple contracts to ensure product quality and improve returns for the Growers.

50. The AQ Program provides minimum fixed returns and an earn up incentive for Growers who produce apples that reach a certain grade. BCTFC implemented the AQ Program for the 2020-2023 crop years and was committed to maintaining this program for the 2024 harvests.

51. The AQ Program provided apple growers with an assurance of a greater return for certain varieties, grades, and sizes of apples preferred by customers. However, the return to Growers exceeded the respective operating income for the 2023 year, meaning that the excess returns were funded by debt or proceeds from real estate sales.

52. In 2022, the BCTFC Board considered the need to expand and renovate its aging facilities. It was determined that the facilities needed to be upgraded and modernized in order to improve the Growers returns.

53. After consideration, the BCTFC Board resolved to proceed with the Oliver facility capital project expansion (the "**Oliver Project**") as it was determined to be the most cost-effective solution. The expansion would improve the packing facility in Oliver by increasing the apple packing capacity to 80 million lbs. per year, install a new cherry packing line and enhance shipping and storage facilities, among other things.

54. On or about December 18, 2022, BCTFC, as owner, entered into an agreement with Fillmore Construction Management Inc. ("**Fillmore Construction**"), as construction Manager, in which Fillmore Construction was to perform the services and work related to the Oliver Project.

55. In the meantime, in an attempt to reduce its indebtedness to creditors, BCTFC considered selling its non-operational real estate. However, the sale of real estate has not proceeded as quickly as anticipated due to a dispute amongst members on whether it should be sold as well as a decline in the real estate market.

56. The Oliver Project was implemented as a restructuring initiative to reduce capital expenditures and interest burden while modernizing and increasing cost efficiencies in order to improve BCTFC's financial liquidity and Grower returns. Once the Oliver Project is complete, BCTFC planned to decommission its other packaging facilities.

57. The Oliver Project was to be funded by the CIBC Facilities and the sale of certain of BCTFC's real estate to, in turn, reduce the incremental funding from CIBC related to the project.

58. In December 2023, BCTFC engaged Alvarez & Marsal Canada ULC to review and assess the current financial position of BCTFC, among other things, to assist with near-term liquidity issues.

59. On July 31, 2024, BCTFC received a letter from counsel for Fillmore Construction enclosing Claim of Lien no. CB1475172 filed on behalf of Fillmore Construction in the Kamloops Land Title Office regarding monies allegedly owing from BCTFC to Filllmore Construction relating to its role as construction manager for the Oliver Project. Attached hereto and marked as **Exhibit "I"** to this Affidavit is a copy of this letter.

Assets and Liabilities

Recent Financial Statements

60. Attached hereto and marked as **Exhibit "J"** to this Affidavit are true copies of BCTFC's 2022 and 2023 financial statements.

61. Attached hereto and marked as **Exhibit "K"** to this Affidavit are true copies of GSC's 2022 and 2023 financial statements.

Net Losses

62. In the last three years, BCTFC's net earnings or losses can be summarized as follows:

Fiscal Year	**Net Earnings or (Operating Loss)**
2021	$8,023,666
2022	$15,278,735
2023	($4,514,799)

63. In the last three years, GSC's net earnings or losses can be summarized as follows:

Fiscal Year	**Net Earnings or (Operating Loss)**
2021	($121,290)
2022	$613
2023	($980,870)

64. The net earnings and operating losses noted above include a gain on sale of investments, among other things: $7 million in 2021 and $21.8 million in 2022.

65. Earnings, when available, are distributed to the Growers based upon the product delivered to the cooperative.

Assets

66. BCTFC's assets consist primarily of owned and leased real property, equipment, inventory, accounts receivable, membership list and goodwill. As at May 31, 2023, BCTFC recorded a book value of $92,417,705 in current and long-term assets, which included:

(a) $19,878,314 in current assets, mainly comprised of receivables, inventory, prepaid expenses, and property held for sale;

(b) $71,619,821 in property, plant and equipment; and

(c) $917,518 in intangible assets.

67. BCTFC owns the following real estate properties:

Address	**2024 BC Assessment Value**
101-8911 Jubilee Road E, Summerland, BC	$6,602,000
327 Co-op Ave, Oliver, BC	$5,247,000
334 Packing House Lane, BC	$3,127,000
880 Vaughan Avenue, Kelowna, BC	$21,101,000
3335 & 3345 Sexsmith Road, Kelowna, BC	$26,651,600
3670 Highway 97, Kelowna, BC	$2,899,000
9718 Bottom Woodlake Road, Lake Country, BC	$9,762,000
2605 Acland Road, Kelowna, BC	$7,995,000
528 10th Avenue Keremeos, Keremeos, BC	$2,690,000
754 35th Avenue S Erickson, Creston, BC	$1,804,400
1200 Waddington Drive, Vernon, BC	$2,207,000

68. The property with a civic address of 880 Vaughan Avenue, Kelowna, British Columbia is currently subject to a purchase and sale agreement. The buyer of the property has until August 30, 2024, to remove conditions.

69. The assessed values have been included for reference but may not reflect the current market value of the properties.

70. GSC's assets primarily consist of leased real property, equipment, inventory, accounts receivable, and goodwill. As at December 31, 2023, GSC recorded a book value of current and long-term assets in the amount of $19,400,368.

Liabilities

71. The Petitioners liabilities are comprised primarily of amounts owed in respect of the CIBC Facilities, payables and accruals and funds due to Growers.

72. BCTFC's current and long-term liabilities, as reported in its May 31, 2023 Financial Statements, totaled $42,980,037. This amount consists of:

(a) $40,974,444 in current liabilities; and

(b) $2,005,593 in long-term liabilities related to the Growers' loan certificates.

73. GSC's current and long-term liabilities, as reported in its December 31, 2023 Financial Statements, totaled $15,516,061.

74. The Petitioners' financial obligations are discussed in further detail below. Capitalized terms not otherwise defined herein have the meaning from the respective financial agreements.

The CIBC Credit Facilities

75. On March 23, 2012, GSC, as borrower, entered into a credit agreement with CIBC, as lender (the "**GSC Original Credit Agreement**"), which provided for the following credit facilities:

(a) a revolving demand operating line (Credit A);

(b) a demand instalment loan (Credit B);

(c) a demand instalment loan (Credit C);

(d) a demand instalment loan (Credit D);

(e) a revolving demand instalment loan (Credit E);

(f) a demand instalment loan (Credit F); and

(g) a Corporate VISA facility.

76. Attached hereto and marked as **Exhibit "L"** to this Affidavit is a true copy of the GSC Original Credit Agreement.

77. The GSC Original Credit Agreement was amended as follows:

(a) Amendment #1 dated May 4, 2012;

(b) Amendment #2 dated July 24, 2012;

(c) Amendment #3 dated August 14, 2012;

(d) Amendment #4 dated September 19, 2012;

(e) Amendment #5 dated December 20, 2012;

(f) Amendment #6 dated April 17, 2014;

(g) Amendment #7 dated August 4, 2015;

(h) Amendment #8 dated December 11, 2015;

(i) Amendment #9 dated December 30 ,2015;

(j) Amendment #10 dated December 22, 2017;

(k) Amendment #11 dated September 28, 2020;

(l) Amendment #12 dated January 28, 2022;

(m) Amendment #13 dated July 11, 2022;

(n) Amendment #14 dated November 21, 2022; and

(o) Amendment #15 dated December 8, 2023,

(collectively, the "**GSC Amending Agreements**", together with the GSC Original Credit Agreement, the **"GSC Credit Agreement**").

78. Copies of the GSC Amending Agreements are attached to this Affidavit and marked as Exhibits **"M", "N", "O", "P", "Q", "R", "S", "T", "U", "V", "W", "X", "Y", "Z" and "AA"**, respectively.

79. Security for GSC's obligations under the GSC Credit Agreement is summarized as follows:

(a) a general security agreement against all present and future undertakings and personal property;

(b) security under section 427 of the *Bank Act* (Canada);

(c) a guarantee from BCTFC;

(d) a mortgage in the amount of $7,820,000 against the property located at 2605 Acland Road, Kelowna, BC;

(e) an acknowledged assignment of insurance; and

(f) a letter of acknowledgement from BCTFC and GSC dated December 21, 2023 confirming the above referenced security.

80. On January 3, 2018, BCTFC, as borrower, entered into a credit agreement with CIBC, as lender (the "**BCTFC Original Credit Agreement**"), which provided for the following credit facilities:

(a) a revolving demand operating facility (Credit A);

(b) a term revolving credit facility (Credit B);

(c) a corporate visa facility (Credit C);

(d) a demand installment loan (Credit D);

(e) a revolving demand operating AMPA facility (Credit E);

(f) a demand instalment loan (Credit F);

(g) a demand instalment loan (Credit G);

(h) a demand instalment loan (Credit H);

(i) a demand installment loan (Credit I);

(j) a foreign exchange contracts facility (Credit J); and

(k) a multi-draw term installment loan (Equipment Loan).

81. Attached hereto and marked as **Exhibit "BB"** to this Affidavit is a true copy of the BCTFC Original Credit Agreement.

82. The BCTFC Original Credit Agreement was amended as follows:

(a) Amendment #1 dated August 9, 2018;

(b) Amendment #2 dated September 13, 2019;

(c) Amendment #3 dated November 29, 2019;

(d) Amendment #4 dated February 12, 2021;

(e) Amendment #5 dated January 28, 2022;

(f) Amendment #6 dated March 29, 2022;

(g) Amendment #7 dated June 10, 2022;

(h) Amendment #8 dated February 23, 2023;

(i) Amendment #9 dated July 31, 2023;

(j) Amendment #10 dated August 23, 2023;

(k) Amendment #11 dated September 11, 2023;

(l) Amendment #12 dated October 10, 2023;

(m) Amendment #13 dated December 8, 2023,

(n) Amendment #14 dated January 22, 2024;

(o) Amendment #15 dated February 22, 2024; and

(p) Amendment #16 dated March 25, 2024,

(collectively, the "**BCTFC Amending Agreements**", together with the BCTFC Original Credit Agreement, the **"BCTFC Credit Agreement**", together with the GSC Credit Agreement, the "**Credit Agreements**").

83. Copies of the BCTFC Amending Agreements are attached to this Affidavit and marked as Exhibits **"AA", "BB", "CC", "DD", "EE", "FF", "GG", "HH", "II", "JJ", "KK", "LL", "MM",** and **"RR"** respectively.

84. Security for BCTFC's obligations under the BCTFC Credit Agreement is as follows:

(a) a general security agreement against all present and future undertakings and personal property;

(b) a mortgage in the initial amount of $40,000,000 against all real estate owned by BCTFC;

(c) a guarantee from BCTF Industries, as secured by a general security agreement and pledge of Duplicate Certificate of Title in an unspecified amount against the property located at 1473 Water Street Kelowna, BC;

(d) a guarantee from GSC;

(e) an acknowledged assignment of insurance;

(f) a guarantee provided by Her Majesty the Queen in the Rights of Canada;

(g) an environmental indemnity agreement dated October 9, 2008 between BCTFC and CIBC;

(h) an environmental indemnity dated August 21, 2019 between BCTFC and CIBC;

(i) a letter of acknowledgement from BCTFC, BCTF Industries and GSC dated December 21, 2023 confirming the above security; and

(j) an assignment of proceeds granted by BC Tree dated December 21, 2023 with respect to deposits and sale proceeds relating to 880 Vaughn Avenue, Kelowna, British Columbia.

85. Due to the size of the security documents granted in respect of the GSC Credit Agreement and the BCTFC Credit Agreement they are not attached to this Affidavit, but they effectively grant CIBC security over all of GSC's and BCTFC's assets.

86. BCTFC and GSC were found to have been non-compliant with the Adjusted Fixed Charge Cover Ratio under the Credit Agreements as of the 2022 and 2023 fiscal year ends. As a result, CIBC issued a forbearance letter to BCTFC dated January 22, 2024 (the "**Forbearance Letter**") noting this non-compliance and requesting, among other things, that BCTFC ensure compliance going forward. Attached hereto and marked as **Exhibit "SS"** to this Affidavit is a true copy of the Forbearance Letter.

87. As of August 9, 2024, approximately $50.7 million has been borrowed under the Credit Facilities. The Petitioners are currently unable to repay the Credit Facilities. On August 6, 2024, CIBC issued a demand for repayment and notices under section 244 of the *Bankruptcy and Insolvency Act*, copies of which are attached hereto and marked as **Exhibit "TT"** to this Affidavit.

88. CIBC has confirmed its support for the filing of this CCAA proceeding and the relief sought herein, and as discussed further below, has agreed to provide interim financing to the Petitioners to allow them to maintain operations and complete restructuring.

Other Liabilities/Security

89. The Petitioners have other secured creditors with security registrations (mainly relating to equipment such as computers, as well as several vehicles) in the British Columbia Personal Property Registry. Attached hereto and marked as **Exhibit "UU"** to this Affidavit are true copies of personal property registry searches for the Petitioners in British Columbia obtained July 25, 2024.

90. On July 29, 2024, Claim of Lien no. CB14753210 was filed on behalf of Glacier Heights Refrigeration Inc. in the Kamloops Land Title Office regarding monies allegedly owing by BCTFC to Glacier Heights Refrigeration Inc. relating to work done at the property with parcel identifier number 012-603-911. Attached hereto and marked as **Exhibit "VV"** to this Affidavit is a copy of the Claim of Lien no. CB14753210.

91. Further, the Petitioners owe amounts to Growers, suppliers, landlords, and other creditors.

CCAA Relief and the Insolvency of the Petitioners

<u>Circumstances Preceding CCAA Filing</u>

92. The Petitioners are currently in the midst of a liquidity crisis, primarily due to (a) adverse weather resulting in a reduction of fruit volumes and increased competition and (b) the internal dispute among members regarding disposal of non-operational real estate owned by BCTFC. These factors, among other things, have necessitated a restructuring of the

Petitioners' affairs, including the sale of certain real estate assets to reduce the Petitioners' indebtedness.

Statutory Requirements of the CCAA

93. The Petitioners are entities to which the CCAA applies and have debts in excess of $5,000,000.

94. As set out above, and as shown in the Petitioners' financial statements, the Petitioners are in the midst of a liquidity crisis. They are insolvent on a cash flow basis and are unable to meet their obligations as they generally come due.

95. Alvarez & Marsal Canada Inc. (the "**Proposed Monitor**") is an affiliate of the financial advisors that were engaged by the Petitioners in December 2023 to assist with the review of the Petitioners' business and operations and is prepared to act as Court-appointed Monitor should an Initial Order be obtained. Attached hereto and marked as **Exhibit "WW"** to this Affidavit is a copy of A&M's consent to act as Monitor.

96. The Petitioners have formulated the outline of a restructuring plan designed to allow them to maximize recoveries for stakeholders. Specifically, during the course of these proceedings, the Petitioners intend to:

(a) immediately stabilize their cash flows and operations;

(b) develop a strategy that will address the liquidity issues faced by the Petitioners that will generate sufficient revenue to sustain themselves through the CCAA process;

(c) continue the Petitioners' present efforts to restructure, which includes liquidating assets;

(d) commence a sale and investment solicitation process ("**SISP**") that leads to a transaction which will provide for the full repayment to CIBC of amounts owing under the CIBC Facilities and to allow the Petitioners to emerge as a better capitalized operation; and

(e) establish an efficient claims process, which the Petitioners intend to address at a future hearing, by which all claims against the Petitioners can be identified and resolved with a view to formulating a plan of compromise and arrangement for presentation to their creditors.

Stay of Proceedings

97. A stay of proceedings is essential to maintaining the status quo in order to preserve the value of the Petitioners' business and to ensure that no unsecured creditor of the Petitioners receives preferential treatment relative to other unsecured creditors. Such a stay would provide the Petitioners with the opportunity to conduct the SISP with the intention to reduce or repay secured indebtedness to reduce expenses and to formulate and present a transaction for approval to this Court and prepare a CCAA plan of arrangement.

Interim Financing

98. As noted above, during these proceedings, it is anticipated that the Petitioners will require incremental financing.

99. Without interim financing and the cooperation of CIBC, the Petitioners will not have sufficient cash on hand or receipts to meet their obligations as they come due, complete a SISP with a successful bidder and, if applicable, formulate a plan of arrangement for consideration by their creditors.

100. In order to support certain near-term liquidity requirements, the Petitioners have been in negotiations with CIBC for it to act as the interim lender (the "**Interim Lender**") during these proceedings, and to provide an interim financing facility (the "**Interim Financing Facility**") pursuant to an Interim Financing Term Sheet between the Petitioners and the Interim Lender (the "**Interim Financing Term Sheet**").

101. It is anticipated that a condition of the Interim Financing Term Sheet will require that advances made to the Petitioners be secured by a court-ordered security interest, lien and

charge over all of the present and after-acquired property, assets and undertakings of the Petitioners (the "**Interim Lender Charge**").

102. The Petitioners have focused efforts on negotiating an Interim Financing Facility with CIBC. As there are no other significant secured creditors, the Petitioners believe no stakeholder is prejudiced by such a facility.

103. The Petitioners anticipate returning to Court for the Comeback Hearing on or about August 22, 2024, to seek approval of the SISP, and for such further and other relief as may be requested.

Charges on Assets, Properties and Undertakings of the Petitioners

104. It is contemplated that the Proposed Monitor, counsel to the Proposed Monitor, and counsel to the Petitioners will be granted a first-priority Court-ordered charge on the assets, property and undertaking of the Petitioners in priority to all other charges up to a maximum amount of $250,000 (to be increased to $500,000 at the Comeback Hearing) (the "**Administration Charge**").

105. The Petitioners require the expertise, knowledge and continuing participation of the above professionals in order to complete a successful restructuring. The Petitioners believe that the Administrative Charge is necessary to ensure their important continued participation in this process and is fair and reasonable in the circumstances.

106. In addition, it is contemplated that the Interim Lender be granted, in respect of the Interim Financing Term Sheet and Interim Financing Facility provided for therein, the Interim Lender Charge, being a Court-ordered charge on the assets, property and undertakings of the Petitioners in second-priority to all other charges other than the Administration Charge, to secure the obligations of the Petitioners under the Interim Financing Term Sheet.

107. Given the Petitioners' urgent need for funding during the initial period of the proceeding and to run the SISP, the Petitioners believe that the Interim Lender Charge as requested is fair and reasonable in the circumstances.

108. It is also contemplated that the Petitioners directors and officers will be granted a Court-ordered charge on the assets, property and undertakings of the Petitioners in fourth priority to all other charges other than the Administration Charge, the Interim Lender Charge and the CIBC Indebtedness, up to a maximum amount of $350,000 (the "**D&O Charge**").

109. A successful restructuring of the Petitioners' affairs requires the continued participation of the Petitioners' directors and officers. These individuals have specialized expertise, decades of combined experience with the Petitioners, and key relationships with the Petitioners' stakeholders. The directors and officers have knowledge that cannot be easily replaced or replicated. The Petitioners therefore believe the D&O Charge is fair and reasonable in the circumstances.

110. Further, several of the Petitioners' directors and officers have expressed the need for certainty with respect to potential personal liability if they continue in their current capacities for the benefit of the Petitioners' stakeholders during the CCAA proceedings.

111. BCTFC maintains an insurance policy in respect of the potential liability of directors and officers, the limit of which is $5,000,000 for all claims. The D&O Charge is not intended to duplicate insurance coverage, but only to apply in the event that coverage limitations or exclusions were to become an issue.

SISP

112. If the proposed Initial Order is granted, the Petitioners intend to seek approval of the SISP at the Comeback Hearing.

113. It is anticipated that the Proposed Monitor will conduct the SISP, with some assistance from third parties.

Payments During the CCAA Proceedings

114. During the course of the proceeding, the Petitioners intend to make payments for post-filing liabilities that will be set out in a cash flow statement prepared by the Proposed Monitor and the Petitioners.

Position of Secured Creditors

115. These CCAA proceedings and the intended SISP seek to achieve an outcome in which the indebtedness owed to CIBC under the CIBC Facilities be paid out in full from operational receipts and collections and from realizations under the SISP to allow the Petitioners to emerge or formulate a CCAA plan of arrangement with remaining assets or funds. I do verily believe that CIBC supports the Petitioners' proposed CCAA filing, and the Charges as proposed herein.

Monitor

116. I believe the Proposed Monitor has acted as a monitor in this and other Canadian jurisdictions and is qualified and competent to act as the Monitor of the Petitioners. The Proposed Monitor has advised the Petitioners that it is willing to so act as Monitor, if appointed.

Conclusion and Relief Sought

117. I swear this Affidavit in support of the granting of an Initial Order for the Petitioners under the CCAA, including a stay of proceedings, for the purposes of providing the Petitioners with an opportunity to restructure their affairs, allowing them to develop a plan of arrangement for the benefit of their creditors and stakeholders.

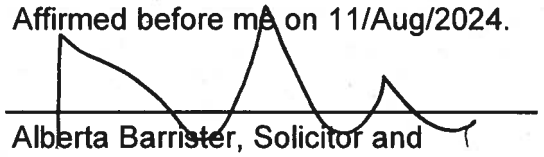
118. The Petitioners require the relief sought on an urgent basis, as absent these proceedings, they will have very little funds to meet their current and upcoming financial obligations. Without the stay of proceedings and other relief provided by the CCAA, the Petitioners will not be able to repay the CIBC Facilities and complete the restructuring necessary to improve their financial position, to the benefit of all stakeholders.

AFFIRMED BEFORE ME at Calgary,)
Alberta, on 11/Aug/2024.)
)
)
)
)
)
A Commissioner for taking)
Oaths in and for the Province of Alberta)

Howard A. Gorman, KC
Barrister & Solicitor

Douglas Pankiw

This is Exhibit "A" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

BRITISH COLUMBIA

BUSINESS SUMMARY

BC Cooperative Association - Cooperative Association Act

BC TREE FRUITS COOPERATIVE

Incorporation Number:	CP0002055
Business Number:	Not Available
Incorporation Date and Time:	June 1, 2008 at 5:00 pm Pacific time (as a result of an Amalgamation)
Summary Date and Time:	July 25, 2024 at 11:22 am Pacific time
Company Status:	ACTIVE

Due to system limitations resulting from the modernization of data across databases, some information may not be available for cooperative association filings. To request copies of paper documents this summary marks as Not Available, contact BC Registries staff.

- Canada and U.S. Toll Free: 1-877-526-1526
- Victoria Office: 250-387-7848
- Email: BCRegistries@gov.bc.ca

Cooperative Type: Not Available

Last Annual Report: November 21, 2023
Last Annual General Meeting: November 21, 2023

In Liquidation: No

Company Name Information

From	To
Not Available	Not Available

Date of Company Name Change: May 31, 2013 at 6:00 am Pacific time

Amalgamating Businesses Information

Amalgamating Businesses	Incorporation Number
Not Available	Not Available

Registered Office Information

Mailing Address

C/O PUSHOR MITCHELL LLP
301 - 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
Canada

Delivery Address

C/O PUSHOR MITCHELL LLP
301 - 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
Canada

BUSINESS SUMMARY

BC Cooperative Association - Cooperative Association Act

BC TREE FRUITS COOPERATIVE

BUSINESS SUMMARY

BC Cooperative Association - Cooperative Association Act

BC TREE FRUITS COOPERATIVE

Director Information

BENTALL, DAVID

Mailing Address
701-150 Athletes Way
Vancouver BC V5Y 0B5
Canada

Delivery Address
701-150 Athletes Way
Vancouver BC V5Y 0B5
Canada

GOSAL, SURINDER

Mailing Address
3480 Fitzgerald Rd
Kelowna BC V1W 4G7
Canada

Delivery Address
3480 Fitzgerald Rd
Kelowna BC V1W 4G7
Canada

KAY, JOHN

Mailing Address
2541 East 4th Avenue
c/o Pushor Mitchell LLP 301 - 1665 Ellis Street
Vancouver BC V5Y 0B5
Canada

Delivery Address
2541 East 4th Avenue
c/o Pushor Mitchell LLP 301 - 1665 Ellis Street
Vancouver BC V5Y 0B5
Canada

KLAR, LAKHMER

Mailing Address
1552 Geen Rd
Kelowna BC V1P 1C7
Canada

Delivery Address
1552 Geen Rd
Kelowna BC V1P 1C7
Canada

MEYERS, BRIAN

Mailing Address
2947 East Kelowna Rd
Kelowna BC V1W 4H4
Canada

Delivery Address
2947 East Kelowna Rd
Kelowna BC V1W 4H4
Canada

PABLA, GURJIT S

Mailing Address
7047 Shanks Rd
Lake Country BC V4V 1M4
Canada

Delivery Address
7047 Shanks Rd
Lake Country BC V4V 1M4
Canada

SANDERSON, GREG

Mailing Address
2105 Barcelo Rd
Cawston BC V0X 1C2
Canada

Delivery Address
2105 Barcelo Rd
Cawston BC V0X 1C2
Canada

BUSINESS SUMMARY

BC Cooperative Association - Cooperative Association Act

BC TREE FRUITS COOPERATIVE

SHARMA, CHAMANJIT	**Mailing Address** 14977 Tada Ave Summerland BC V0H 1Z6 Canada	**Delivery Address** 14977 Tada Ave Summerland BC V0H 1Z6 Canada
STEWART, ROB	**Mailing Address** 1754 Hwy 3 Cawston BC V0X 1C2 Canada	**Delivery Address** 1754 Hwy 3 Cawston BC V0X 1C2 Canada
VOLLO, RON	**Mailing Address** 6504 Cross St Summerland BC V0H 1Z7 Canada	**Delivery Address** 6504 Cross St Summerland BC V0H 1Z7 Canada

This is Exhibit "B" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.

Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

BRITISH COLUMBIA | BC Registry Services

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

BC Company Summary

For

BC TREE FRUITS INDUSTRIES LIMITED

Date and Time of Search: **August 07, 2024 11:29 AM Pacific Time**

Currency Date: April 19, 2024

ACTIVE

Incorporation Number: BC0015210

Name of Company: BC TREE FRUITS INDUSTRIES LIMITED

Business Number: 100433499 BC0001

Recognition Date: Incorporated on July 22, 1936

In Liquidation: No

Last Annual Report Filed: July 22, 2023

Receiver: No

COMPANY NAME INFORMATION

Previous Company Name	Date of Company Name Change
B. C. TREE FRUITS LIMITED	May 29, 2013

REGISTERED OFFICE INFORMATION

Mailing Address:
C/O PUSHOR MITCHELL
3RD FLOOR, 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

Delivery Address:
C/O PUSHOR MITCHELL
3RD FLOOR, 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:
C/O PUSHOR MITCHELL
3RD FLOOR, 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

Delivery Address:
C/O PUSHOR MITCHELL
3RD FLOOR, 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
Bentall, David

Mailing Address:
701-150 ATHLETES WAY
VANCOUVER BC V5Y 0B5
CANADA

Delivery Address:
701-150 ATHLETES WAY
VANCOUVER BC V5Y 0B5
CANADA

Last Name, First Name, Middle Name:
Gosal, Surinder

Mailing Address:
3480 FITZGERALD ROAD
KELOWNA BC V1W 4G7
CANADA

Delivery Address:
3480 FITZGERALD ROAD
KELOWNA BC V1W 4G7
CANADA

Last Name, First Name, Middle Name:
Kay, John

Mailing Address:
2541 EAST 4TH AVENUE
VANCOUVER BC V5Y 0B5
CANADA

Delivery Address:
2541 EAST 4TH AVENUE
VANCOUVER BC V5Y 0B5
CANADA

Last Name, First Name, Middle Name:
Klar, Lakhmer

Mailing Address:
1552 GEEN ROAD
KELOWNA BC V1P 1C7
CANADA

Delivery Address:
1552 GEEN ROAD
KELOWNA BC V1P 1C7
CANADA

Last Name, First Name, Middle Name:
Meyers, Brian

Mailing Address:
2947 EAST KELOWNA ROAD
KELOWNA BC V1W 4H4
CANADA

Delivery Address:
2947 EAST KELOWNA ROAD
KELOWNA BC V1W 4H4
CANADA

Last Name, First Name, Middle Name:
Pabla, Gurjit S

Mailing Address:
7047 SHANKS ROAD
WINFIELD BC V4V 1M4
CANADA

Delivery Address:
7047 SHANKS ROAD
WINFIELD BC V4V 1M4
CANADA

Last Name, First Name, Middle Name:
Sanderson, Greg

Mailing Address:
2105 BARCELO ROAD
CAWSTON BC V0X 1C2
CANADA

Delivery Address:
2105 BARCELO ROAD
CAWSTON BC V0X 1C2
CANADA

Last Name, First Name, Middle Name:
Sharma, Chamanjit

Mailing Address:
14977 TADA AVENUE
SUMMERLAND BC V0H 1Z6
CANADA

Delivery Address:
14977 TADA AVENUE
SUMMERLAND BC V0H 1Z6
CANADA

Last Name, First Name, Middle Name:
Stewart, Rob

Mailing Address:
1754 HWY #3
CAWSTON BC V0X 1C2
CANADA

Delivery Address:
1754 HWY #3
CAWSTON BC V0X 1C2
CANADA

Last Name, First Name, Middle Name:
Vollo, Ron

Mailing Address:
6504 CROSS STREET
SUMMERLAND BC V0H 1Z7
CANADA

Delivery Address:
6504 CROSS STREET
SUMMERLAND BC V0H 1Z7
CANADA

OFFICER INFORMATION AS AT July 22, 2023

Last Name, First Name, Middle Name:
Aardema, Peter

Office(s) Held: (Other Office(s))

Mailing Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Delivery Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Last Name, First Name, Middle Name:
Mackinnon, Brent

Office(s) Held: (Other Office(s))

Mailing Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Delivery Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Last Name, First Name, Middle Name:
Ogilvie, Craig

Office(s) Held: (Other Office(s))

Mailing Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Delivery Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Last Name, First Name, Middle Name:
Pankiw, Doug
Office(s) Held: (CFO)

Mailing Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Delivery Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Last Name, First Name, Middle Name:
Patara, Parmajit
Office(s) Held: (Other Office(s))

Mailing Address:
3010 LAKHA ROAD
KELOWNA BC V1X 7W1
CANADA

Delivery Address:
3010 LAKHA ROAD
KELOWNA BC V1X 7W1
CANADA

Last Name, First Name, Middle Name:
Sarafinchan, Warren
Office(s) Held: (Other Office(s))

Mailing Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Delivery Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Last Name, First Name, Middle Name:
Scheepers, Andre
Office(s) Held: (Other Office(s), President)

Mailing Address:
9903 GILMAN ROAD
SUMMERLAND BC V0H 1Z2
CANADA

Delivery Address:
9903 GILMAN ROAD
SUMMERLAND BC V0H 1Z2
CANADA

Last Name, First Name, Middle Name:
Stewart, Rob
Office(s) Held: (Other Office(s))

Mailing Address:
1754 HWY #3
CAWSTON BC V0X 1C2
CANADA

Delivery Address:
1754 HWY #3
CAWSTON BC V0X 1C2
CANADA

Last Name, First Name, Middle Name:
Van Dam, Laurel
Office(s) Held: (Other Office(s))

Mailing Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Delivery Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Date and Time: August 7, 2024 11:29 AM Pacific Time

BRITISH COLUMBIA | BC Registry Services

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

Notice of Articles

BUSINESS CORPORATIONS ACT

This Notice of Articles was issued by the Registrar on: December 4, 2023 01:54 PM Pacific Time

Incorporation Number: **BC0015210**

Recognition Date: *Incorporated on July 22, 1936*

NOTICE OF ARTICLES

Name of Company:

BC TREE FRUITS INDUSTRIES LIMITED

REGISTERED OFFICE INFORMATION

Mailing Address:
C/O PUSHOR MITCHELL
3RD FLOOR, 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

Delivery Address:
C/O PUSHOR MITCHELL
3RD FLOOR, 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

RECORDS OFFICE INFORMATION

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C/O PUSHOR MITCHELL
3RD FLOOR, 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

Delivery Address:
C/O PUSHOR MITCHELL
3RD FLOOR, 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
Pabla, Gurjit S

Mailing Address:
7047 SHANKS ROAD
WINFIELD BC V4V 1M4
CANADA

Delivery Address:
7047 SHANKS ROAD
WINFIELD BC V4V 1M4
CANADA

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Klar, Lakhmer

Mailing Address:
1552 GEEN ROAD
KELOWNA BC V1P 1C7
CANADA

Delivery Address:
1552 GEEN ROAD
KELOWNA BC V1P 1C7
CANADA

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Sanderson, Greg

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CAWSTON BC V0X 1C2
CANADA

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CAWSTON BC V0X 1C2
CANADA

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Bentall, David

Mailing Address:
701-150 ATHLETES WAY
VANCOUVER BC V5Y 0B5
CANADA

Delivery Address:
701-150 ATHLETES WAY
VANCOUVER BC V5Y 0B5
CANADA

Last Name, First Name, Middle Name:
Kay, John

Mailing Address:
2541 EAST 4TH AVENUE
VANCOUVER BC V5Y 0B5
CANADA

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2541 EAST 4TH AVENUE
VANCOUVER BC V5Y 0B5
CANADA

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SUMMERLAND BC V0H 1Z6
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KELOWNA BC V1W 4G7
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CAWSTON BC V0X 1C2
CANADA

Delivery Address:
1754 HWY #3
CAWSTON BC V0X 1C2
CANADA

PRE-EXISTING COMPANY PROVISIONS

The Pre-existing Company Provisions apply to this company.

AUTHORIZED SHARE STRUCTURE

1.	10,000	Class A voting Shares	With a Par Value of 1.00 Canadian Dollar(s) each With Special Rights or Restrictions attached
2.	10,000	Class B non-voting Shares	Without Par Value With Special Rights or Restrictions attached

3.	200	Class C redeemable non-voting preferance Shares	With a Par Value of 6,750.00 Canadian Dollar(s) each With Special Rights or Restrictions attached

This is Exhibit "C" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.

Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

BRITISH COLUMBIA | BC Registry Services

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

BC Company Summary

For

GROWERS SUPPLY COMPANY LIMITED

Date and Time of Search: **July 25, 2024 10:54 AM Pacific Time**

Currency Date: April 19, 2024

ACTIVE

Incorporation Number: BC0015755

Name of Company: GROWERS SUPPLY COMPANY LIMITED

Business Number: 102214996 BC0001

Recognition Date: Incorporated on May 31, 1937

In Liquidation: No

Last Annual Report Filed: May 31, 2023

Receiver: No

REGISTERED OFFICE INFORMATION

Mailing Address:
C/O PUSHOR MITCHELL LLP
301 - 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

Delivery Address:
C/O PUSHOR MITCHELL LLP
301 - 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:
C/O PUSHOR MITCHELL LLP
301 - 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

Delivery Address:
C/O PUSHOR MITCHELL LLP
301 - 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
Bentall, David

Mailing Address:
701-150 ATHLETES WAY
VANCOUVER BC V5Y 0B5
CANADA

Delivery Address:
701-150 ATHLETES WAY
VANCOUVER BC V5Y 0B5
CANADA

Last Name, First Name, Middle Name:
Gosal, Surinder

Mailing Address:
3480 FITZGERALD ROAD
KELOWNA BC V1W 4G7
CANADA

Delivery Address:
3480 FITZGERALD ROAD
KELOWNA BC V1W 4G7
CANADA

Last Name, First Name, Middle Name:
Kay, John

Mailing Address:
2541 EAST 4TH AVENUE
VANCOUVER BC V5Y 0B5
CANADA

Delivery Address:
2541 EAST 4TH AVENUE
VANCOUVER BC V5Y 0B5
CANADA

Last Name, First Name, Middle Name:
Klar, Lakhmer

Mailing Address:
1552 GEEN ROAD
KELOWNA BC V1P 1C7
CANADA

Delivery Address:
1552 GEEN ROAD
KELOWNA BC V1P 1C7
CANADA

Last Name, First Name, Middle Name:
Meyers, Brian

Mailing Address:
2947 EAST KELOWNA ROAD
KELOWNA BC V1W 4H4
CANADA

Delivery Address:
2947 EAST KELOWNA ROAD
KELOWNA BC V1W 4H4
CANADA

Last Name, First Name, Middle Name:
Pabla, Gurjit S

Mailing Address:
7047 SHANKS ROAD
WINFIELD BC V4V 1M4
CANADA

Delivery Address:
7047 SHANKS ROAD
WINFIELD BC V4V 1M4
CANADA

Last Name, First Name, Middle Name:
Sanderson, Greg

Mailing Address:
2105 BARCELO ROAD
CAWSTON BC V0X 1C2
CANADA

Delivery Address:
2105 BARCELO ROAD
CAWSTON BC V0X 1C2
CANADA

Last Name, First Name, Middle Name:
Sharma, Chamanjit

Mailing Address:
14977 TADA AVENUE
SUMMERLAND BC V0H 1Z6
CANADA

Delivery Address:
14977 TADA AVENUE
SUMMERLAND BC V0H 1Z6
CANADA

Last Name, First Name, Middle Name:
Stewart, Rob

Mailing Address:
1754 HWY #3
CAWSTON BC V0X 1C2
CANADA

Delivery Address:
1754 HWY #3
CAWSTON BC V0X 1C2
CANADA

Last Name, First Name, Middle Name:
Vollo, Ron

Mailing Address:
6504 CROSS STREET
SUMMERLAND BC V0H 1Z7
CANADA

Delivery Address:
6504 CROSS STREET
SUMMERLAND BC V0H 1Z7
CANADA

OFFICER INFORMATION AS AT May 31, 2023

Last Name, First Name, Middle Name:
Pankiw, Doug

Office(s) Held: (CFO)

Mailing Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Delivery Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Last Name, First Name, Middle Name:
Patara, Parmajit

Office(s) Held: (Other Office(s))

Mailing Address:
3010 LAKHA ROAD
KELOWNA BC V1X 7W1
CANADA

Delivery Address:
3010 LAKHA ROAD
KELOWNA BC V1X 7W1
CANADA

Last Name, First Name, Middle Name:
Sarafinchan, Warren

Office(s) Held: (Other Office(s))

Mailing Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Delivery Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Last Name, First Name, Middle Name:
Scheepers, Andre

Office(s) Held: (Chair)

Mailing Address:
9903 GILMAN ROAD
SUMMERLAND BC V0H 1Z2
CANADA

Delivery Address:
9903 GILMAN ROAD
SUMMERLAND BC V0H 1Z2
CANADA

Last Name, First Name, Middle Name:
Stewart, Rob

Office(s) Held: (Other Office(s))

Mailing Address:
1754 HWY #3
CAWSTON BC V0X 1C2
CANADA

Delivery Address:
1754 HWY #3
CAWSTON BC V0X 1C2
CANADA

Last Name, First Name, Middle Name:
Welton, Mark

Office(s) Held: (Other Office(s))

Mailing Address:
1876 HUCKELBERRY ROAD
KELOWNA BC V1P 1H5
CANADA

Delivery Address:
1876 HUCKELBERRY ROAD
KELOWNA BC V1P 1H5
CANADA

Corporate Information

Back | New Search

You are currently logged in as:

pk77494

Corporate Search
Corporate Name Index
Corporate Information
Corporate Summary

Corporate Name Index	Free
Corporate Information	Free
Corporate Details and documents	$7

Need to Restore your Company?

Click here to view the information package

colin 5.1.2 - null

HELP DESK: 1 800 663-6102 (Toll free)

July 25, 2024 10:53 AM

Date and Time of Search: **July 25, 2024 10:53 AM Pacific Time**
Currency Date: **April 19, 2024**
Paper filings received at the Corporate Registry after the currency date may not have been filed.

Active

HELP

Number: **BC0015755**
Name: **GROWERS SUPPLY COMPANY LIMITED**
Type: **BC Company**
Business Number: **102214996BC0001**

There is a $7 charge to view any or all electronic documents listed below including the Corporate Summary. HELP

Documents that are available on paper only may be accessed at the Corporate Registry for a fee.

Proceed to Payment

How long can I view documents after I pay?

Corporate Summary

Click the "View Corporate Summary" button below to see a summary of information about the company, including office addresses and directors. HELP

View Corporate Summary

Corporate History

If there is additional corporate history on this company you can view it on the company's paper file. Contact the Corporate Registry for information about searching the history for this company. HELP

Corporate History	Date and Time Filed (Pacific Time)	Details	View Documents
Notice of Change of Directors	November 28, 2023 9:53 AM	Date of Change: November 21, 2023	Notice of Change of Directors Notice of Articles
Notice of Change of Directors	November 28, 2023 9:52 AM	Date of Change: September 13, 2023	Notice of Change of Directors Notice of Articles
BC Annual Report - MAY 31, 2023	November 20, 2023 8:59 AM		BC Annual Report - MAY 31, 2023
Notice of Change of Directors	January 27, 2023 11:01 AM	Date of Change: December 12, 2022	Notice of Change of Directors Notice of Articles
BC Annual Report - MAY 31, 2022	July 07, 2022 11:41 AM		BC Annual Report - MAY 31, 2022
Notice of Change of Directors	March 28, 2022 10:54 AM	Date of Change: November 16, 2021	Notice of Change of Directors Notice of Articles
Notice of Change of Directors	March 28, 2022 10:51 AM	Date of Change: October 22, 2020	Notice of Change of Directors Notice of Articles

BC Annual Report - MAY 31, 2021	July 15, 2021 9:04 AM		BC Annual Report - MAY 31, 2021
BC Annual Report - MAY 31, 2020	August 27, 2020 10:51 AM		BC Annual Report - MAY 31, 2020
Notice of Change of Directors	August 21, 2020 9:28 AM	Date of Change: October 24, 2019	Notice of Change of Directors Notice of Articles
BC Annual Report - MAY 31, 2019	July 09, 2019 3:53 PM		BC Annual Report - MAY 31, 2019
Notice of Change of Directors	June 03, 2019 7:45 AM	Date of Change: October 25, 2018	Notice of Change of Directors Notice of Articles
Notice of Change of Directors	June 03, 2019 7:40 AM	Date of Change: October 27, 2017	Notice of Change of Directors Notice of Articles
Notice of Change of Directors	June 03, 2019 7:21 AM	Date of Change: October 25, 2017	Notice of Change of Directors Notice of Articles
Notice of Change of Address	May 06, 2019 7:07 AM	Effective Date: May 07, 2019 12:01 AM	Notice of Change of Address Notice of Articles
BC Annual Report - MAY 31, 2018	March 20, 2019 1:34 PM		BC Annual Report - MAY 31, 2018
BC Annual Report - MAY 31, 2017	May 31, 2017 2:02 PM		BC Annual Report - MAY 31, 2017
Notice of Change of Directors	April 13, 2017 1:45 PM	Date of Change: October 27, 2016	Notice of Change of Directors Notice of Articles
Notice of Change of Directors	April 13, 2017 1:30 PM	Date of Change: October 27, 2015	Notice of Change of Directors Notice of Articles
BC Annual Report - MAY 31, 2016	April 13, 2017 10:57 AM		BC Annual Report - MAY 31, 2016
Notice of Change of Directors	April 26, 2016 2:58 PM	Date of Change: December 12, 2014	Notice of Change of Directors Notice of Articles
Notice of Change of Directors	April 21, 2016 11:10 AM	Date of Change: December 12, 2014	Notice of Change of Directors Notice of Articles
BC Annual Report - MAY 31, 2015	April 20, 2016 6:43 PM		BC Annual Report - MAY 31, 2015
Notice of Change of Directors	December 10, 2014 3:06 PM	Date of Change: November 27, 2014	Notice of Change of Directors Notice of Articles
BC Annual Report - MAY 31, 2014	December 10, 2014 2:35 PM		BC Annual Report - MAY 31, 2014
BC Annual Report - MAY 31, 2013	October 18, 2013 11:58 AM		BC Annual Report - MAY 31, 2013
BC Annual Report - MAY 31, 2012	August 20, 2013 10:52 AM		BC Annual Report - MAY 31, 2012
BC Annual Report - MAY 31, 2011	June 29, 2012 10:15 AM		BC Annual Report - MAY 31, 2011
BC Annual Report - MAY 31, 2010	June 15, 2011 10:33 AM		BC Annual Report - MAY 31, 2010
BC Annual Report - MAY 31, 2009	June 08, 2009 11:56 AM		BC Annual Report - MAY 31, 2009
Notice of Change of Directors	May 13, 2009 12:41 PM	Date of Change: January 29, 2009	Notice of Change of Directors Notice of Articles
Notice of Change of Directors	July 04, 2008 3:33 PM	Date of Change: November 26, 2007	Notice of Change of Directors Notice of Articles
BC Annual Report - MAY 31, 2008	July 02, 2008 1:24 PM		BC Annual Report - MAY 31, 2008
BC Annual Report - MAY 31, 2007	June 27, 2007 9:50 AM		BC Annual Report - MAY 31, 2007
Notice of Change of Directors	June 26, 2007 2:20 PM	Date of Change: April 03, 2007	Notice of Change of Directors Notice of Articles
BC Annual Report - MAY 31, 2006	June 15, 2006 11:50 AM		BC Annual Report - MAY 31, 2006
Transition Application	February 23, 2006 10:05 AM		Transition Application Notice of Articles

Notice of Change of Directors	February 23, 2006 9:58 AM	Date of Change: November 03, 2005	Notice of Change of Directors
BC Annual Report - MAY 31, 2005	June 15, 2005 1:03 PM		BC Annual Report - MAY 31, 2005
BC Annual Report - MAY 31, 2004	June 15, 2004 2:14 PM		BC Annual Report - MAY 31, 2004
Notice of Change of Directors	June 15, 2004 2:12 PM	Date of Change: September 24, 2003	Notice of Change of Directors
NOTICE OF DIRECTORS	June 20, 2003		Available on paper only
ANN REPT-MAY 31, 2003	June 20, 2003	Effective Date: June 20, 2003 Accession Number: 91-4035-0093 Batch Number: 18	ANN REPT-MAY 31, 2003
ANN REP-MAY 31, 2002	June 03, 2002	Effective Date: June 03, 2002 Accession Number: 91-4035-0038 Batch Number: 3	ANN REP-MAY 31, 2002
ANNUAL REPORT - MAY 31, 2001	June 01, 2001		Available on paper only
ANNUAL REPORT - MAY 31, 2000	May 31, 2000		Available on paper only
ANNUAL REPORT - MAY 31, 1999	June 01, 1999		Available on paper only
ANNUAL REPORT - MAY 31, 1998	June 01, 1998		Available on paper only
ANNUAL REPORT - MAY 31, 1997	June 06, 1997		Available on paper only
NOTICE OF DIRECTORS	July 24, 1996		Available on paper only
ANNUAL REPORT - MAY 31, 1996	July 24, 1996		Available on paper only
ANNUAL REPORT - MAY 31, 1995	July 07, 1995		Available on paper only
NOTICE OF DIRECTORS	June 15, 1995		Available on paper only
ANNUAL REPORT - MAY 31, 1994	June 08, 1994		Available on paper only
ANNUAL REPORT - MAY 31, 1993	May 31, 1993		Available on paper only
SPEC. RES.	May 27, 1993	View Comments	Available on paper only
ANNUAL REPORT - MAY 31, 1992	August 25, 1992		Available on paper only
NOTICE OF DIRECTORS	July 15, 1992		Available on paper only
F.4	February 20, 1992		Available on paper only
ANNUAL REPORT - MAY 31, 1991	June 27, 1991		Available on paper only
ANNUAL REPORT - MAY 31, 1990	July 17, 1990		Available on paper only
F. 10 & 11	July 17, 1990		Available on paper only
ANNUAL REPORT - MAY 31, 1989	June 13, 1989		Available on paper only
F. 10 & 11	June 01, 1989		Available on paper only
ANNUAL REPORT - MAY 31, 1988	June 03, 1988		Available on paper only
ANNUAL REPORT-870531	June 16, 1987		Available on paper only
ANNUAL REPORT-860531	June 18, 1986		Available on paper only
F. 10 & 11	June 18, 1986		Available on paper only

A.R. 85	May 27, 1985	Available on paper only
A.R. 84	June 28, 1984	Available on paper only
F. 10 & 11	June 28, 1984	Available on paper only
F.18 -1983	June 14, 1983	Available on paper only
F.10 & 11	June 14, 1983	Available on paper only
F.4, SEC.40(4)	June 14, 1983	Available on paper only
F.18 - MAY 31/82	July 12, 1982	Available on paper only
F.10 & 11	July 12, 1982	Available on paper only
F.18 - MAY 31/81	October 14, 1981	Available on paper only
F. 18 - MAY 31/80	June 23, 1980	Available on paper only

Back

New Search

Date and Time: July 25, 2024 10:54 AM Pacific Time

BRITISH COLUMBIA | BC Registry Services

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

Notice of Change of Directors

FORM 10
BUSINESS CORPORATIONS ACT
Section 127

Filed Date and Time: **November 28, 2023 09:53 AM Pacific Time**

Incorporation Number:
BC0015755

Name of Company:
GROWERS SUPPLY COMPANY LIMITED

Date of Change of Directors

November 21, 2023

New Director(s)

Last Name, First Name, Middle Name:
Gosal, Surinder

Mailing Address:
3480 FITZGERALD ROAD
KELOWNA BC V1W 4G7
CANADA

Delivery Address:
3480 FITZGERALD ROAD
KELOWNA BC V1W 4G7
CANADA

Last Name, First Name, Middle Name:
Pabla, Gurjit S

Mailing Address:
7047 SHANKS ROAD
WINFIELD BC V4V 1M4
CANADA

Delivery Address:
7047 SHANKS ROAD
WINFIELD BC V4V 1M4
CANADA

Last Name, First Name, Middle Name:
Sharma, Chamanjit

Mailing Address:
14977 TADA AVENUE
SUMMERLAND BC V0H 1Z6
CANADA

Delivery Address:
14977 TADA AVENUE
SUMMERLAND BC V0H 1Z6
CANADA

Director(s) who have ceased to be Directors

Last Name, First Name, Middle Name:
Dobernigg, David

Mailing Address:
520 B.X. ROAD
VERNON BC V1B 3J2
CANADA

Delivery Address:
520 B.X. ROAD
VERNON BC V1B 3J2
CANADA

Last Name, First Name, Middle Name:
Scheepers, Andre

Mailing Address:
9903 GILMAN ROAD
SUMMERLAND BC V0H 1Z2
CANADA

Delivery Address:
9903 GILMAN ROAD
SUMMERLAND BC V0H 1Z2
CANADA

Director(s) Change of Name or Address

Last Name, First Name, Middle Name:
Bentall, David

Mailing Address:
701-150 ATHLETES WAY
VANCOUVER BC V5Y 0B5
CANADA

Delivery Address:
701-150 ATHLETES WAY
VANCOUVER BC V5Y 0B5
CANADA

Last Name, First Name, Middle Name:
Kay, John

Mailing Address:
2541 EAST 4TH AVENUE
VANCOUVER BC V5Y 0B5
CANADA

Delivery Address:
2541 EAST 4TH AVENUE
VANCOUVER BC V5Y 0B5
CANADA

Last Name, First Name, Middle Name:
Klar, Lakhmer

Mailing Address:
1552 GEEN ROAD
KELOWNA BC V1P 1C7
CANADA

Delivery Address:
1552 GEEN ROAD
KELOWNA BC V1P 1C7
CANADA

Last Name, First Name, Middle Name:
Meyers, Brian

Mailing Address:
2947 EAST KELOWNA ROAD
KELOWNA BC V1W 4H4
CANADA

Delivery Address:
2947 EAST KELOWNA ROAD
KELOWNA BC V1W 4H4
CANADA

Last Name, First Name, Middle Name:
Sanderson, Greg

Mailing Address:
2105 BARCELO ROAD
CAWSTON BC V0X 1C2
CANADA

Delivery Address:
2105 BARCELO ROAD
CAWSTON BC V0X 1C2
CANADA

Last Name, First Name, Middle Name:
Stewart, Rob

Mailing Address:
1754 HWY #3
CAWSTON BC V0X 1C2
CANADA

Delivery Address:
1754 HWY #3
CAWSTON BC V0X 1C2
CANADA

Last Name, First Name, Middle Name:
Vollo, Ron

Mailing Address:
6504 CROSS STREET
SUMMERLAND BC V0H 1Z7
CANADA

Delivery Address:
6504 CROSS STREET
SUMMERLAND BC V0H 1Z7
CANADA

Director(s) as at November 21, 2023

Last Name, First Name, Middle Name:
Bentall, David

Mailing Address:
701-150 ATHLETES WAY
VANCOUVER BC V5Y 0B5
CANADA

Delivery Address:
701-150 ATHLETES WAY
VANCOUVER BC V5Y 0B5
CANADA

Last Name, First Name, Middle Name:
Gosal, Surinder

Mailing Address:
3480 FITZGERALD ROAD
KELOWNA BC V1W 4G7
CANADA

Delivery Address:
3480 FITZGERALD ROAD
KELOWNA BC V1W 4G7
CANADA

Last Name, First Name, Middle Name:
Kay, John

Mailing Address:
2541 EAST 4TH AVENUE
VANCOUVER BC V5Y 0B5
CANADA

Delivery Address:
2541 EAST 4TH AVENUE
VANCOUVER BC V5Y 0B5
CANADA

Last Name, First Name, Middle Name:
Klar, Lakhmer

Mailing Address:
1552 GEEN ROAD
KELOWNA BC V1P 1C7
CANADA

Delivery Address:
1552 GEEN ROAD
KELOWNA BC V1P 1C7
CANADA

Last Name, First Name, Middle Name:
Meyers, Brian

Mailing Address:
2947 EAST KELOWNA ROAD
KELOWNA BC V1W 4H4
CANADA

Delivery Address:
2947 EAST KELOWNA ROAD
KELOWNA BC V1W 4H4
CANADA

Last Name, First Name, Middle Name:
Pabla, Gurjit S

Mailing Address:
7047 SHANKS ROAD
WINFIELD BC V4V 1M4
CANADA

Delivery Address:
7047 SHANKS ROAD
WINFIELD BC V4V 1M4
CANADA

Last Name, First Name, Middle Name:
Sanderson, Greg

Mailing Address:
2105 BARCELO ROAD
CAWSTON BC V0X 1C2
CANADA

Delivery Address:
2105 BARCELO ROAD
CAWSTON BC V0X 1C2
CANADA

Last Name, First Name, Middle Name:
Sharma, Chamanjit

Mailing Address:
14977 TADA AVENUE
SUMMERLAND BC V0H 1Z6
CANADA

Delivery Address:
14977 TADA AVENUE
SUMMERLAND BC V0H 1Z6
CANADA

Last Name, First Name, Middle Name:
Stewart, Rob

Mailing Address:
1754 HWY #3
CAWSTON BC V0X 1C2
CANADA

Delivery Address:
1754 HWY #3
CAWSTON BC V0X 1C2
CANADA

Last Name, First Name, Middle Name:
Vollo, Ron

Mailing Address:
6504 CROSS STREET
SUMMERLAND BC V0H 1Z7
CANADA

Delivery Address:
6504 CROSS STREET
SUMMERLAND BC V0H 1Z7
CANADA

Date and Time: July 25, 2024 10:54 AM Pacific Time

BRITISH COLUMBIA | BC Registry Services

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

Notice of Articles

BUSINESS CORPORATIONS ACT

This Notice of Articles was issued by the Registrar on: November 28, 2023 09:53 AM Pacific Time

Incorporation Number: **BC0015755**

Recognition Date: *Incorporated on May 31, 1937*

NOTICE OF ARTICLES

Name of Company:

GROWERS SUPPLY COMPANY LIMITED

REGISTERED OFFICE INFORMATION

Mailing Address:
C/O PUSHOR MITCHELL LLP
301 - 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

Delivery Address:
C/O PUSHOR MITCHELL LLP
301 - 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:
C/O PUSHOR MITCHELL LLP
301 - 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

Delivery Address:
C/O PUSHOR MITCHELL LLP
301 - 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
Pabla, Gurjit S

Mailing Address:
7047 SHANKS ROAD
WINFIELD BC V4V 1M4
CANADA

Delivery Address:
7047 SHANKS ROAD
WINFIELD BC V4V 1M4
CANADA

Last Name, First Name, Middle Name:
Bentall, David

Mailing Address:
701-150 ATHLETES WAY
VANCOUVER BC V5Y 0B5
CANADA

Delivery Address:
701-150 ATHLETES WAY
VANCOUVER BC V5Y 0B5
CANADA

Last Name, First Name, Middle Name:
Sanderson, Greg

Mailing Address:
2105 BARCELO ROAD
CAWSTON BC V0X 1C2
CANADA

Delivery Address:
2105 BARCELO ROAD
CAWSTON BC V0X 1C2
CANADA

Last Name, First Name, Middle Name:
Kay, John

Mailing Address:
2541 EAST 4TH AVENUE
VANCOUVER BC V5Y 0B5
CANADA

Delivery Address:
2541 EAST 4TH AVENUE
VANCOUVER BC V5Y 0B5
CANADA

Last Name, First Name, Middle Name:
Meyers, Brian

Mailing Address:
2947 EAST KELOWNA ROAD
KELOWNA BC V1W 4H4
CANADA

Delivery Address:
2947 EAST KELOWNA ROAD
KELOWNA BC V1W 4H4
CANADA

Last Name, First Name, Middle Name:
Sharma, Chamanjit

Mailing Address:
14977 TADA AVENUE
SUMMERLAND BC V0H 1Z6
CANADA

Delivery Address:
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SUMMERLAND BC V0H 1Z6
CANADA

Last Name, First Name, Middle Name:
Klar, Lakhmer

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CANADA

Delivery Address:
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KELOWNA BC V1P 1C7
CANADA

Last Name, First Name, Middle Name:
Vollo, Ron

Mailing Address:
6504 CROSS STREET
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CANADA

Delivery Address:
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CANADA

Last Name, First Name, Middle Name:
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3480 FITZGERALD ROAD
KELOWNA BC V1W 4G7
CANADA

Delivery Address:
3480 FITZGERALD ROAD
KELOWNA BC V1W 4G7
CANADA

PRE-EXISTING COMPANY PROVISIONS

The Pre-existing Company Provisions apply to this company.

AUTHORIZED SHARE STRUCTURE

1.	300,000	Class A Non-Voting Common Shares	With a Par Value of 1.00 Canadian Dollar(s) each With Special Rights or Restrictions attached
2.	10	Class B Voting Common Shares	With a Par Value of 10.00 Canadian Dollar(s) each With Special Rights or Restrictions attached

Date and Time: July 25, 2024 10:54 AM Pacific Time

BRITISH COLUMBIA | BC Registry Services

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

Annual Report

BC COMPANY

FORM 6
BUSINESS CORPORATIONS ACT
Section 51

Filed Date and Time: **November 20, 2023 08:59 AM Pacific Time**

ANNUAL REPORT DETAILS

NAME OF COMPANY

GROWERS SUPPLY COMPANY LIMITED
C/O PUSHOR MITCHELL LLP
301 - 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

INCORPORATION NUMBER
BC0015755

DATE OF RECOGNITION
May 31, 1937

DATE OF ANNUAL REPORT
(ANNIVERSARY DATE OF RECOGNITION IN BC)
May 31, 2023

OFFICER INFORMATION AS AT May 31, 2023

Last Name, First Name, Middle Name:
Pankiw, Doug

Office(s) Held: (CFO)

Mailing Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Delivery Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Last Name, First Name, Middle Name:
Patara, Parmajit
Office(s) Held: (Other Office(s))

Mailing Address:
3010 LAKHA ROAD
KELOWNA BC V1X 7W1
CANADA

Delivery Address:
3010 LAKHA ROAD
KELOWNA BC V1X 7W1
CANADA

Last Name, First Name, Middle Name:
Sarafinchan, Warren
Office(s) Held: (Other Office(s))

Mailing Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Delivery Address:
3335 SEXSMITH ROAD
KELOWNA BC V1X 7J4
CANADA

Last Name, First Name, Middle Name:
Scheepers, Andre
Office(s) Held: (Chair)

Mailing Address:
9903 GILMAN ROAD
SUMMERLAND BC V0H 1Z2
CANADA

Delivery Address:
9903 GILMAN ROAD
SUMMERLAND BC V0H 1Z2
CANADA

Last Name, First Name, Middle Name:
Stewart, Rob
Office(s) Held: (Other Office(s))

Mailing Address:
1754 HWY #3
CAWSTON BC V0X 1C2
CANADA

Delivery Address:
1754 HWY #3
CAWSTON BC V0X 1C2
CANADA

Last Name, First Name, Middle Name:
Welton, Mark
Office(s) Held: (Other Office(s))

Mailing Address:
1876 HUCKELBERRY ROAD
KELOWNA BC V1P 1H5
CANADA

Delivery Address:
1876 HUCKELBERRY ROAD
KELOWNA BC V1P 1H5
CANADA

Date and Time: July 25, 2024 10:55 AM Pacific Time

BRITISH COLUMBIA | BC Registry Services

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

Notice of Change of Address

FORM 2
BUSINESS CORPORATIONS ACT
Sections 35 & 36

Filed Date and Time:	**May 6, 2019 07:07 AM Pacific Time**
Effective Date and Time of Filing:	**May 7, 2019 12:01 AM Pacific Time**

Incorporation Number:
BC0015755

Name of Company:
GROWERS SUPPLY COMPANY LIMITED

REGISTERED OFFICE INFORMATION

Mailing Address:
C/O PUSHOR MITCHELL LLP
301 - 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

Delivery Address:
C/O PUSHOR MITCHELL LLP
301 - 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:
C/O PUSHOR MITCHELL LLP
301 - 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

Delivery Address:
C/O PUSHOR MITCHELL LLP
301 - 1665 ELLIS STREET
KELOWNA BC V1Y 2B3
CANADA

Date and Time: July 25, 2024 10:55 AM Pacific Time

BRITISH COLUMBIA

Ministry of Finance
Corporate and Personal
Property Registries
www.corporateonline.gov.bc.ca

Mailing Address:
PO BOX 9431 Stn Prov Govt.
Victoria BC V8W 9V3

Location:
2nd Floor - 940 Blanshard St.
Victoria BC
1 877 526-1526

Transition Application

FORM 43
BUSINESS CORPORATIONS ACT
Section 437

FILING DETAILS:	*Transition Application for:* **GROWERS SUPPLY COMPANY LIMITED**
Filed Date and Time:	**February 23, 2006 10:05 AM Pacific Time**
Transition Date and Time:	**Transitioned on February 23, 2006 10:05 AM Pacific Time**

TRANSITION APPLICATION

This confirms there has been filed with the registrar all records necessary to ensure that the information in the corporate registry respecting the directors of the company is, immediately before the transition application is submitted to the registrar for filing, correct.

Incorporation Number:
BC0015755

Name of Company:
GROWERS SUPPLY COMPANY LIMITED

NOTICE OF ARTICLES

Name of Company:
GROWERS SUPPLY COMPANY LIMITED

REGISTERED OFFICE INFORMATION

Mailing Address:
2605 ACLAND ROAD
KELOWNA BC V1X 7J4
CANADA

Delivery Address:
2605 ACLAND ROAD
KELOWNA BC V1X 7J4
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:
2605 ACLAND ROAD
KELOWNA BC V1X 7J4
CANADA

Delivery Address:
2605 ACLAND ROAD
KELOWNA BC V1X 7J4
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:
GARTRELL, DAVID

Mailing Address:
3117 GARTRELL ROAD
SUMMERLAND, B.C. V0H1Z0

Delivery Address:
3117 GARTRELL ROAD
SUMMERLAND, B.C. V0H1Z0

Last Name, First Name, Middle Name:
SLOAN, DAVID

Mailing Address:
RR 1
EASTSIDE ROAD
OKANAGAN FALLS BC V0H1R0

Delivery Address:
RR 1
EASTSIDE ROAD
OKANAGAN FALLS BC V0H1R0

Last Name, First Name, Middle Name:
HOLMAN, KEITH

Mailing Address:
1675 MIDLAND ROAD
PENTICTON BC V2A 8T7
CANADA

Delivery Address:
1675 MIDLAND ROAD
PENTICTON BC V2A 8T7
CANADA

Last Name, First Name, Middle Name:
MITCHELL, MALCOLM

Mailing Address:
10210 SEATON ROAD
WINFIELD BC V4V 1K8
CANADA

Delivery Address:
10210 SEATON ROAD
WINFIELD BC V4V 1K8
CANADA

Last Name, First Name, Middle Name:
DIMARIA, SAM

Mailing Address:
2429 LONGHILL ROAD
KELOWNA BC V1V 2G3
CANADA

Delivery Address:
2429 LONGHILL ROAD
KELOWNA BC V1V 2G3
CANADA

PRE-EXISTING COMPANY PROVISIONS

The Pre-existing Company Provisions apply to this company.

AUTHORIZED SHARE STRUCTURE

1.	300,000	Class A Non-Voting Common Shares	With a Par Value of 1.00 Canadian Dollar(s) each With Special Rights or Restrictions attached
2.	10	Class B Voting Common Shares	With a Par Value of 10.00 Canadian Dollar(s) each With Special Rights or Restrictions attached

This is Exhibit "D" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.

Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

TREE FRUITS COOPERATIVE

RULES

Revised Nov. 16, 2021

Rules of

BC Tree Fruits Cooperative

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Rules of

BC Tree Fruits Cooperative

Part 1 — Interpretation

1. Definitions

In these Rules:

"Act" means the Cooperative Association Act of British Columbia from time to time in force and all amendments to it;

"Acres" means land that is actually planted with tree fruits and, for clarity, acres in transition or undergoing replant will still qualify under this definition.

"adjourned meeting" means the meeting to which a meeting is adjourned;

"Association" means the BC Tree Fruits Cooperative;

"board" or **"the directors"** mean the directors of the Association for the time being;

"eligible organization" means a Corporation, First Nations or Government;

"member" means a member of the Association and includes a joint member;

"North Region" means the lands located within the legal boundaries of the following: City of Armstrong, Village of Chase, Municipality of Coldstream, City of Enderby, City of Kelowna, District of Lake Country, Village of Lumby, Municipality of Peachland, City of Salmon Arm, Municipality of Spallumcheen, City of Vernon, Regional District of Central Okanagan (including such future municipalities as may be incorporated within the present boundaries of the Regional District of Central Okanagan), Regional District of Columbia Shuswap (including such future municipalities as may be incorporated within the present boundaries of the Regional District of Columbia Shuswap), and Regional District of North Okanagan (including such future municipalities as may be incorporated within the present boundaries of the Regional District of North Okanagan);

"regulation" means the regulation under the *Cooperative Association Act* as made and amended from time to time;

"Rules" means these Rules and all amendments, additions, deletions or replacements from time to time in force and effect.

"South Region" means the lands located within the legal boundaries of the following: Village of Keremeos, Town of Oliver, Town of Osoyoos, City of Penticton, Town of Princeton, District of Summerland, Regional District of Kootenay Boundary (including such future municipalities as may be incorporated within the present boundaries of the Regional District of Kootenay Boundary), Regional District Okanagan Similkameen (including such future municipalities as may be incorporated within the present boundaries of the Regional District Okanagan Similkameen), Town of Creston, and Regional District of Central Kootenay (including such future municipalities as may be incorporated within the present boundaries of the Regional District of Central Kootenay);

2. *Cooperative Association Act* definitions apply

Subject to Rule 1, words and expressions defined in the Act as they read on the date these Rules become applicable to the Association apply to these Rules, with the necessary changes, so far as applicable.

3. Interpretation

Words in the singular form include the plural and vice versa and words importing a specific gender include the other gender and eligible organizations.

Rules of
BC Tree Fruits Cooperative

4. Cooperative Association Act governs

If there is a conflict or inconsistency between the Act and the Rules, the Act governs.

Part 2 — Membership

5. Membership

To qualify for membership, an applicant must

(a) operate an orchard that:

i) has a minimum of 2 acres of tree fruits contracted to the Association; and

ii) has the potential to produce at least $15,000 in Association pool close earnings from tree fruit crops per year; and

iii) is located in either the North Region or the South Region, and

(b) delivered at least $15,000 in Association pool close earnings from tree fruit crops under a contract with the Association in place for at least one crop year preceding the application date; and

(c) deleted; and

(d) agree to pay their share of the true direct and indirect costs of processing and marketing the fruit as determined by the cooperative by cost formula from time-to-time.

(e) Members as defined in this rule, may also include "investor members" as authorized and as regulated by Part IV, *Finance*, Sections 9 and 48 to 67 of the British Columbia Cooperative Association Act [Chapter 28] and as authorized from time-to-time at the discretion of the Board of Directors.

6. Application for membership

An individual or eligible organization that wishes to become a member must submit to the Association a written application for membership in the form provided by the Association for that purpose and payment for the minimum number of membership shares required under Rule 8 for membership in the Association.

7. Age qualification

To be eligible for membership in the Association, an individual must be at least 18 years of age.

8 Share requirement

Each member must, as a condition of membership, subscribe to one, and only one, membership share. Any application under joint names will only entitle such applicants to one membership, which will be held jointly.

9 Approval of application

The directors, or a person authorized by the directors to approve applications for membership, may approve or refuse an application for membership and may postpone consideration of an application for membership.

10. Effective date of membership

Membership is effective on the day that the application for membership is approved under Rule 9.

11 Withdrawal from membership

A member may withdraw from membership in the Association by:

(a) giving written notice to the directors of the member's intention to withdraw, and

(b) surrendering any share certificates in respect of membership shares.

12 Effective date of withdrawal

The membership of a member ceases on the date which the notice of withdrawal required by Rule 11 was received.

13 Notice of death, bankruptcy, or incapacity of individual member

Notice to the Association of the death or bankruptcy of an individual member, or notice that an individual member has been found by a court, in Canada or elsewhere, to be incapable of managing the individual's own affairs, has the same effect as a notice of intention to withdraw, and Rules 11, 12, 17 and 32 apply with the necessary changes, so far as applicable.

14 Notice of bankruptcy, liquidation or dissolution of eligible organization member

Notice to the Association of the bankruptcy, liquidation or dissolution of a member that is an eligible organization has the same effect as a notice of intention to withdraw, and Rules 11, 12, 17 and 32 apply with the necessary changes, so far as applicable.

15. Grounds for termination of membership

The board may terminate the membership of a member in accordance with the Act if:

(a) the member has engaged in conduct detrimental to the Association,

(b) the member has not paid money due by the member to the Association within a reasonable time after receiving written notice to do so from the Association,

(c) at any time the total sale of tree fruit crops sold through the Association over any two (2) preceding years is less than thirty thousand ($30,000.00) dollars in Association pool close earnings, excluding situations where the member has not delivered crops due to replant, weather events or other crop failures. For clarity, for a determination made in 2014, earnings in years 2012 & 2013 would be considered for purposes of this Rule.

(d) in the opinion of the directors, based on reasonable grounds, the member

i) has breached a material condition of an agreement with the Association, and

ii) has not rectified the breach within a reasonable time after receiving written notice to do so from the Association, or

(e) the member's contract has been cancelled or the member has not transacted any business with the Association for a period of two (2) consecutive years.

[CAA, 1999, section 34]

16. Appeal of termination of membership

The right of appeal of a person whose membership in the Association is terminated is governed by the Act.

[CAA, 1999, section 37]

17. Effect of termination, withdrawal or other cessation of membership

(1) When a member withdraws from membership or a membership is terminated or ceases for any reason, all rights and privileges attached to membership cease except the right to require the Association to redeem, in accordance with Rule 32 or 33, whichever is applicable, the member's membership share.

(2) The cessation of membership does not release the former member from any debt or obligation owed to the Association unless the instrument of debt or obligation states otherwise.

Part 3 — Share Structure

18. Authorized share structure

The authorized share structure of the Association is an unlimited number of membership shares with a par value of $1.00 per share.

Part 4 — [Deleted]

19. [Deleted]

Part 5 — Share Certificates

20. Entitlement to share certificate

A person whose name is entered in the Association's register of members is entitled, without prior payment, to a certificate of the Association, specifying the membership share that is held by the person.

[CAA, 1999, sections 42, 57, 64]

21. Form of share certificate

Every share certificate issued by the Association must be in a form approved by the directors.

[CAA, 1999, sections 58, 216]

22. Signing of share certificates

Each share certificate issued by the Association must be signed by at least one director or officer of the Association.

23. Lost or destroyed certificates

If a share certificate is lost, stolen or destroyed, the Association must issue to the member entitled to the lost, stolen or destroyed certificate a new share certificate as a replacement if

(a) the Association has no notice that the lost, stolen or destroyed certificate has been acquired by a purchaser for value who entered into the transaction honestly and without notice of any adverse claim, including a claim that a transfer was or would be wrongful,

(b) the directors are satisfied that the certificate is lost, stolen or destroyed,

(c) the Association receives payment of the reasonable fee, if any, required by the directors for the issue of a replacement certificate, and

(d) the Association receives the indemnity, if any, the directors consider appropriate.

Part 6 — Transfer of Shares

24. Requirements of instrument of transfer

(1) An instrument of transfer of any shares in the Association must:

(a) be in writing,

(b) specify the number and class of shares being transferred, and

(c) be executed and dated both by the transferor and transferee, or an attorney authorized in writing by the transferor or transferee, as applicable, or if the transferor or transferee is an eligible organization, by a duly authorized director, officer or attorney of the organization.

(2) The transferor remains the holder of the shares until the name of the transferee is entered in the register of members

25. Form of transfer

Shares in the Association may be transferred in the following form, or in another usual or common form approved by the directors:

I, ...*[transferor]*, of ..... *[address of transferor]* in consideration of the sum of $..... paid to me by ..... *[transferee]*, of ..... *[address of transferee]*, do transfer to the transferee ..... *[number and class]* shares in the ..... *[name of association]*, for which certificates are attached, to be held by the transferee or his or her personal representatives and assignees, subject to the conditions on which I held the same at the time of the execution; and I, the transferee, agree to take the shares subject to those conditions.

Signed on ..... (year, month, day)

(Signature of transferor).....

Signature of transferee).....

(Signature of witness).....

26. Effective date of transfer of shares

A transfer of shares does not take effect until:

(a) any lien of the Association on the shares has been satisfied,

(b) the transfer has been authorized by the directors, and

(c) the name of the transferee is entered in the register of members.

27 Registering a transfer

The directors must immediately enter the name of the transferee in the register of members when, with respect to the transfer of a share:

(a) the requirements set out in Rule 26 (a) and (b) have been met,

(b) a duly executed instrument of transfer with the certificate issued in respect of the share attached has been delivered to the Association, and

(c) that certificate has been cancelled.

28. Lien on transfer or assignment of shares

The Association has a lien on the membership shares of the person who holds the shares for a debt due to the Association by that person and the Association may refuse to register a transfer or acknowledge an assignment of membership shares, dividends or interest affected by such a lien.

[CAA, 1999, section 56]

Rules of

BC Tree Fruits Cooperative

Part 7 — Transmission of Shares

29. Procedure on death of a member

The person entitled to the membership share of a deceased member may, on providing proof satisfactory to the directors of the death of the member and the person's entitlement:

(a) if the person is not a member, apply under Part 2 for membership in the Association,

(b) apply to the directors to redeem the share.

30. Redemption of shares

Subject to Rule 35, if the person entitled to the membership share of a deceased member does not qualify for membership under Part 2 the Association must redeem the share by paying to that person, within 4 months of the date on which the person provided the Association with proof of his or her entitlement, the amount paid up on the share.

[CAA, 1999, section 66]

Part 8 — Redemption of Shares

31 Association authorized to purchase and redeem its shares

Subject to these Rules, the Association may, by a resolution of the directors, redeem any of its shares at the price and on the terms specified by the resolution, and such resolution must provide for the cancellation of any shares so redeemed.

[CAA, 1999, section 66]

32 Redemption of shares on withdrawal of membership

Subject to Rule 35, if a member withdraws from membership, the period within which the Association must redeem the shares of the former member is 4 months from the effective date of the withdrawal.

[CAA, 1999, section 38]

33. Redemption of shares on termination of membership

Subject to Rule 35, if the Association terminates the membership of a member under Rule 15, the Association must redeem the shares of the member.

[CAA, 1999, section 38]

34. Amount paid on redemption

A member is entitled to the amount paid up on the par value of a membership share on redemption by the Association under this Part.

35. Restriction on redemption

The Association must not redeem shares if there are reasonable grounds for believing that:

(a) the Association is unable to pay its liabilities as they become due in the ordinary course of business, or

(b) exercising one or more of the Association's powers to redeem membership shares would:

(i) render the Association unable to pay its liabilities as they become due in the ordinary course of

business, or

(ii) cause the realizable value of the Association's assets to be less than its liabilities.

[CAA, 1999, section 66]

Part 9 — Register of Members

36. Register of Members

The Association must keep and maintain a register of members and must enter the following in the register:

(a) the names and address of the members, the number of shares held by each member and the amount paid on each membership share;

(b) the date on which the name of any person was entered in the register as a member;

(c) the date on which any person ceased to be a member.

[CAA, 1999, section 124]

Part 10 — General Meetings of the Association

37. Annual general meetings

(1) The first general meeting of the members of the Association must be held within 3 months after the date of incorporation or within a later period that may be approved by the registrar.

(2) A general meeting of the Association must be held at least once in every calendar year within 4 months after the end of its financial year, or on a suitable date approved by the registrar.

[CAA, 1999, section 143]

38. Ordinary Business at annual general meeting

At the first general meeting and at each annual general meeting the following ordinary business must be considered:

(a) report of the directors;

(b) financial statement;

(c) auditor's report, if applicable;

(d) election or appointment of directors; and

(e) appointment or waiver of appointment of an auditor.

39. Order of business at annual general meeting

The order of business at the first general meeting and at annual general meetings, to the extent appropriate in the circumstances, must be as follows:

(a) meeting to be called to order;

(b) notice convening meeting to be read;

(c) minutes of preceding annual general meeting to be presented and adopted or amended and adopted as required;

(d) business arising out of minutes to be considered;

(e) financial statement to be placed before the meeting;

(f) reports of directors and auditors to be read;

(g) election of directors and appointment of auditors;

(h) special business to be considered;

(i) unfinished business to be considered;

(j) new business to be considered.

40. Special business

(1) Any business other than business listed in Rule 38 is special business.

(2) Special business must be approved by ordinary resolution of the members unless the Act or these Rules require otherwise.

41. Special general meetings

(1) The directors of the Association may call a special general meeting when they think fit unless:

(a) it clearly appears that the proposal is submitted by the members for the purposes of enforcing a personal claim or redressing a personal grievance against the Association or its officers, or primarily for the purpose of promoting causes that are extraneous to the purposes of the Association;

(b) the business of the requisitioned general meeting as stated in the requisition includes a matter outside the powers of the members.

(2) The directors must call a special general meeting on receipt of a written requisition signed by:

(a) if there are 100 or fewer members of the Association, at least 20% of the members,

(b) otherwise, at least the greater of:

i) 20 members, and

ii) 10% of the members.

(3) A requisition of a special general meeting by the members must:

(a) state the object of the meeting,

(b) state the name and address of the representative of requisitioning members,

(c) if applicable, set out the resolution to be submitted to the meeting, and

(d) be served on the Association.

(4) The directors may determine the order of business at a special general meeting.

[CAA, 1999, sections 150, 151, 152]

42. Time and place of general meetings

General meetings must be held at the time and place in British Columbia that the directors specify or in a location outside of British Columbia if the location is approved in writing by the registrar after an application is made by the Association before the meeting.

[CAA, 1999, section 148]

43. Provision for 2 or more general meetings for the same matters

(1) If it is not possible to hold one general meeting at a time when, or place where, a large portion of the membership is able to attend, 2 or more general meetings may be held at the times and the places in British Columbia that the directors specify.

(2) Votes taken at meetings referred to in sub rule (1) must be by secret ballot.

(3) The sum of the total votes taken at the meetings referred to in sub rule (1) determine whether a resolution considered at those meetings is adopted or rejected.

[CAA, 1999, section 144]

44. Record date

(1) The record date for any general meeting is the 30th day before the date of the meeting of members.

(2) Only those members whose names are entered on the register of members on the record date are entitled to vote at the general meeting.

45. Notice of general meetings of the Association

(1) At least 14 days' notice of every annual general meeting of the Association and of every general meeting of the Association at which a special resolution is to be proposed must be given to each member and to the auditor of the Association, if any.

(2) In the case of a general meeting other than one referred to in subsection (1), at least 7 days' notice must be given to each member and to the auditor of the Association, if any.

(3) The notices under this section must specify:

(a) the place, the day and the hour of the meeting, and

(b) in the case of special business, the general nature of that business.

[CAA, 1999, sections 122, 146]

46. Financial statement

A copy of the financial statement that is to be placed before a general meeting must be made available to the members at least 10 days before the date set for the meeting.

47. Notice of special business

If special business is to be considered at a general meeting, the notice of the meeting under Rule 45 must state the nature of the special business in sufficient detail to permit a member to form a reasoned judgment concerning the business.

48. Notice of special resolution

(1) If a special resolution is to be proposed at a general meeting, the notice under Rule 45 of that meeting must include:

(a) the full text of the special resolution; or,

(b) if the full text of the special resolution is too lengthy for convenient inclusion in the notice, a summary of the text in sufficient detail to permit a member to form a reasoned judgment concerning the special resolution.

(2) If a notice under Rule 45 contains a summary of the text of a special resolution as provided in sub rule (1) (b), the notice must also state the place where the full text of that special resolution can be read or

copied.

49. Notice of adjourned meeting

If a general meeting is adjourned for fewer than 30 days, it is not necessary to give notice of the adjourned meeting other than by announcement at the first meeting that is adjourned, but if a general meeting is adjourned by one or more adjournments for an aggregate of 30 days or more, notice of the adjourned meeting must be given in the same manner as for the original meeting.

50. Manner of giving notice

The notice and financial statement required to be provided to members under this Part must be given in a manner permitted in Part 21 of these Rules.

51. Meeting valid despite failure to give notice

The accidental omission to give notice of any general meeting to, or the non-receipt of any notice by, a member or person entitled to receive notice does not invalidate any proceedings at that meeting.

52. Quorum

The quorum for the transaction of business at a general meeting is 10% of the total number of members entitled to vote at the meeting.

53. Requirement of quorum

No business, other than the election of a chair and the adjournment of the meeting, may be transacted at any general meeting unless a quorum is present at the commencement of the meeting, and if at any time during the meeting there ceases to be a quorum present any business then in progress is suspended until there is a quorum present or until the meeting is adjourned or terminated as the case may be.

54. Lack of quorum

(1) If, within one hour from the time appointed for a general meeting, a quorum is not present, the meeting:

(a) if convened by requisition of members, must be dissolved, and

(b) in any other case, stands adjourned to the same day in the next week at the same time and place, unless the place of meeting is changed out of necessity.

(2) If at the adjourned meeting referred to in sub rule (1) a quorum is not present within 1/2 hour from the time appointed, the members present in person or represented by proxy are deemed to constitute a quorum.

55. Chair

Subject to Rule 56, the president or, in the absence of the president, the vice-president of the Association, must preside as chair at every general meeting.

56. Alternate chair

If there is no chair present within 30 minutes after the time appointed for holding the meeting, the members present at a general meeting must elect a member to chair the meeting.

57. Adjournments by chair

The chair of a general meeting may, and if so directed by the members must, adjourn the meeting from time to time and from place to place, but no business may be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

58. Secretary

The directors at a general meeting must appoint an individual to act as secretary at the meeting.

59. Minutes of meetings

The secretary must record the minutes of all resolutions and proceedings at a general meeting in books provided by the directors for that purpose.

60. Persons entitled to be present

The only persons entitled to be present at a general meeting are all members as they appear on the Register of Members as of 30 days prior to such meeting, the auditor of the Association, if any, and others who are entitled or required under any provision of the Act or these Rules to be present.

61. Other persons may be admitted

A person who is not entitled to be present at a general meeting under Rule 60 may be admitted to a meeting only on the invitation of the chair or with the consent of the members at the meeting.

62. Meetings by video conference

The Association may permit members to participate in general meetings and vote by video, if all members participating in the meeting, whether by video or in person, are able to communicate with each other.

[CAA, 1999, section 149]

Part 11 — Voting at General Meetings

63. Actions to be determined by ordinary resolution

At a general meeting, every motion must be determined by ordinary resolution unless otherwise required by the Act or these Rules.

64. Chair not entitled to casting vote

In case of an equality of votes, the chair of a general meeting is not entitled to a second or casting vote.

65. Decisions by show of hands

Unless otherwise provided in these Rules or the Act, every motion for a resolution put to a vote at a general meeting is to be decided on a show of hands or by secret ballot, at the discretion of the chair of the general meeting.

Part 12 — Voting Rights of Members

66. Voting rights and restrictions

(1) A member has one vote on all matters to be decided by the members.

(2) A member's right to vote derives from membership and not membership shares.

[CAA, 1999, sections 40, 41, 42, 59, 60, 61]

67. Votes of persons in representative capacity

Any member who is legally or medically incapacitated may appoint a representative who is not a member to vote in the same manner as if he or she were the member if, at least 48 hours before the meeting at which the representative proposes to vote, he or she provides evidence to the satisfaction of the directors of his or her representative capacity.

68. Executors or administrators as joint shareholders

If there are 2 or more executors or administrators of a deceased member in whose sole name a membership share stands, those executors or administrators, for the purposes of voting at general meetings, are entitled to one vote between them and must provide evidence that complies with Rule 71 of the appointment of an individual to represent the estate of the deceased member at the general meeting.

69. Representative of eligible organization

(1) If an eligible organization provides evidence that complies with Rule 71 of the appointment of an individual to represent it at a general meeting:

(a) the representative is entitled to exercise in respect of and at that meeting the same rights on behalf of the eligible organization as that eligible organization could exercise if it were an individual member of the Association present, and

(b) the representative, if present at a meeting, is to be counted for the purpose of forming a quorum.

(2) The evidence of appointment required by Rule 71 with respect to a representative of an eligible organization may be provided by written instrument, facsimile transmission, telegram, telex or any method of transmitting legibly recorded messages.

70. [Deleted]

[CAA, 1999, section 43]

71. Requirements of proxies and similar instruments

A proxy, representation form, or an instrument appointing a representative of a member who is an eligible organization, must:

(a) be in writing,

(b) identify the appointing shareholder and the proxy holder, or the eligible organization and individual appointed as the representative of the eligible organization,

(c) identify the meeting in respect of which the proxy or representation form is given or the meeting for which the representative is appointed,

(d) be signed by the appointing member or an attorney authorized in writing by the appointing member, or, if the appointing member is an eligible organization, a duly authorized director, officer or attorney of the eligible organization, and

(e) include the date of the signature referred to in paragraph (d).

72. Form of proxy

An instrument appointing a proxy may be in the following form or in any other form approved by the directors:

I, ..., of ....., a member of .....[*name of association*] hereby appoint ..... as my proxy to vote for me and on my behalf at the general meeting to be held on .....[*year, month, day*], and any adjournment of that meeting, and the person I am appointing is a member of the Association.

Signature ..... Date .....[*year, month, day*]

73. Deposit of proxies

A proxy, along with the original or a copy, certified by a notary public, of the power of attorney or other

authority, if any, under which the proxy is signed, must be deposited at the registered office of the Association or at any other place specified for the purpose in the notice calling the meeting, at least 48 hours, excluding Saturdays, Sundays and holidays, before the time for holding the meeting in respect of which the person named in the instrument is appointed.

74. Validity of proxy votes

A vote given in accordance with the terms of a proxy is valid despite the death or incapacity of the member giving the proxy or despite the revocation of the proxy or of the authority under which the proxy is given, unless notice in writing of that death, incapacity or revocation is received at the registered office of the Association, or by the chair of the meeting or adjourned meeting for which the proxy was given, before the vote is taken.

75. Revocation of proxies

A proxy may be revoked in any manner provided by law including by an instrument in writing that is:

(a) signed by the member giving the proxy or by his or her agent authorized in writing or, if the member is an eligible organization, by a duly authorized director, officer or attorney of the organization, and

(b) delivered to:

i) the registered office of the Association, at any time up to and including the last business day preceding the day of the meeting, or any adjournment of that meeting, at which the proxy is to be exercised, or

ii) the chair of the meeting, on the day of the meeting or any adjournment of that meeting before the taking of any vote in respect of which the proxy is to be exercised.

76. Production of evidence of authority to vote

The chair of any meeting may, but need not, inquire into the authority of any person to vote at the meeting and may, but need not, demand from that person evidence of his or her authority to vote.

Part 13 — Directors

77. Age Restriction

In addition to the other requirements set out in the Act, an individual is not qualified to become or act as a director of the Association if that individual is under the age of 18 years.

78. Duties of directors

The directors must manage the Association in accordance with the responsibilities, duties and powers set out in the Act, the regulation, the memorandum and these Rules.

[CAA, 1999, Part 6, Divisions 1, 2, 3]

79. Number of directors

(1) The Association must have at least 6 and not more than 10 directors, of which:

(a) a majority must be individuals ordinarily resident in Canada;

(b) a majority must be individuals who are not employees of the Association;

(c) not less than 3 and not more than 5 must be ordinarily resident in each of the South Region and the North Region;

(d) to the extent possible, there must be an equal number of directors from each of the North Region and the South Region. The Region of a director nominee will be determined by the home owners

grant declaration on their property taxes; and

(e) one-fifth of the total number of board directors must be independent directors as authorized by Section 72(4) of the British Columbia Cooperative Association Act [Chapter 28]. The independent directors shall be accorded full voting rights; and

(f) all of the grower directors of the Association must:

i) be members of the Association or individuals authorized under section 32 of the Act to act on behalf of the government, a first nation or a corporation;
ii) be an active farmer on an orchard;
iii) possess full-service contracts for all apples, pears and stone fruits in which they have an interest (charitable donations & non-commercial fruit excepted) and further to such contracts must:
   1) have delivered a minimum $60,000 in pool close earnings from tree fruit crops for the past 2 years, except this provision does not apply if the grower's earnings have been reduced due to replants or force majeure; and,
   2) show potential to maintain $30,000 in pool close earnings per year for their entire term as director, except this provision does not apply if the grower's earnings have been reduced due to replants or force majeure; and
iv) complete a recognized governance accreditation program (e.g., ICD.D or GPC.D) or satisfactorily pass a board governance competency exam prescribed by the Board of Directors; and,
v) perform in the top two quartiles in the past (4) years on a weighted average basis. In the case of a new grower, qualification will be based on actual years of production; and,
vi) otherwise, be in good standing with the Association; and

(g) where possible, the director will possess a bachelor's degree or diploma in one of the following: business administration, engineering, finance, supply chain management, law, horticultural science or real estate.

(h) all of the directors of the Association must agree to submit a completed criminal record check whenever required by the Association.

(i) a board director who is charged with a criminal offence in or outside of British Columbia shall provide immediate written notice to the Governance Committee of the Board of Directors.

(2) The number of directors may be changed within the limits set out in sub rule (1) by ordinary resolution of the members.

[CAA, 1999, section 72]

Part 14 — Election, Appointment and Removal of Directors

80. Election at annual general meeting

An election of directors must be held at each annual general meeting to replace those directors whose terms of office have expired or will expire at the end of the meeting in accordance with Rule 87.

81. Nomination of candidates

(1) A nominations committee shall be established by the Board of Directors consisting of 6-9 individuals from the following constituencies in equal thirds: board members, external stakeholders (including the senior audit partner and growers in the top two quartiles of production during the preceding two

years), and senior management. To be nominated, a prospective board candidate must receive the support of two-thirds of the members of the committee and half of the members of each of the three nominations committee constituencies. The nominations committee process shall be supported by an external firm with expertise in the director nomination process.

(2) Floor nominations for members of the Board of Directors are prohibited.

82. Voting by secret ballot

If the number of nominees in an election for directors exceeds the number of directors to be elected at the election, the election of directors must be by secret ballot.

83. Candidates declared elected

If the number of candidates nominated for director is equal to the number of directors to be elected, those nominated candidates are declared elected and no election is required.

84. Directors elected according to number of votes

In an election of directors, the chair must declare elected the candidates who received the highest number of valid votes up to the number of directors to be elected.

85. If 2 or more candidates receive equal number of votes for last vacancy

If 2 or more candidates receive an equal number of votes for the last vacancy on the board:

(a) the directors who have already been elected in the election, and

(b) the directors whose terms of office will not expire at the end of the meeting at which the election is held

must determine which of those candidates is to be elected.

86. Consent to act as director

(1) No election or appointment of a person as a director is valid unless:

(a) the person consented to act as a director in writing before the election or appointment; or

(b) if elected or appointed at a meeting, the person was present and did not refuse at the meeting to act as a director.

(2) A consent in writing given under subsection 1(a) is only effective until the next following annual election or appointment of directors unless the consent states it is effective until:

(a) revoked; or

(b) a date or time stated in it.

[CAA, 1999, section 74]

87. Staggered terms of office of directors

(1) In this section, **"1st annual general meeting"** means the first general meeting of the Association.

(2) The term of office of a director ends at the end of the annual general meeting at which a replacement is elected.

(3) A reduction in the number of directors under Rule 79 does not affect the unexpired term of a director in office.

(4) In the election of directors held at the 1st annual general meeting:

(a) one director ordinarily resident in each of the South Region and the North Region must be elected for a term ending at the 2nd annual general meeting;

(b) two directors ordinarily resident in each of the South Region and the North Region must be elected for a term ending at the 3rd annual general meeting; and

(c) two directors ordinarily resident in each of the South Region and the North Region must be elected for a term ending at the 4th annual general meeting;

(5) With respect to subsection (4) above:

(a) the directors described in subsection (4)(a) are the directors from each of the South Region and the North Region who receive the 5th most votes of any candidate ordinarily resident in their respective region;

(b) the directors described in subsection (4)(b) are the directors from each of the South Region and the North Region who receive the 3rd and 4th most votes of any candidate ordinarily resident in their respective region;

(c) the directors described in subsection (4)(c) are the directors from each of the South Region and the North Region who receive the 1st and 2nd most votes of any candidate ordinarily resident in their respective region.

(6) In the election of directors held at each annual general meeting after the 1st annual general meeting, the directors to be elected must be elected for a term ending at the 3rd annual general meeting held after the annual general meeting at which those directors were elected.

(7) A member may vote for as many or as few of the candidates for director on the ballot at any one meeting at which elections are held and the failure of a member to vote for a complete slate of incoming directors shall not render such member's ballot spoiled.

88. Effect of vacancy on ability of directors to act

(1) Despite any vacancy on the board, the continuing directors:

(a) if and so long as the number of continuing directors constitutes a quorum of the board, may continue to function without filling the vacancy provided the board must call, as soon as practicable, a general meeting to elect a qualified member to fill the vacancy, or

(b) if the number of continuing directors does not constitute a quorum of the board, may appoint directors for the purpose of increasing the number of directors to a quorum or to call a general meeting and for no other purposes.

(2) Except in the circumstances described, and to the extent authorized in sub rule (1) (b), the directors are not entitled to fill a vacancy on the board that is caused by either an increase in the number of directors under Rule 79 or a failure to elect the minimum number of directors required by these Rules.

(3) In the circumstances described in sub rule (1) (b) or when there are vacancies on the board as a result of an increase in the number of directors under Rule 79 or a failure to elect the minimum number of directors required by these Rules, the board must call, as soon as practicable, a general meeting to fill the vacancy.

(4) The term of office of a director appointed under sub rule (1) (b) or (2) is until the vacancy is filled under sub rule (3).

(5) If, as the result of a vacancy, there are no directors of the Association, the members may, by ordinary resolution or by an instrument in writing signed by a simple majority of members, appoint a qualified individual as director solely for the purpose of calling a special general meeting to fill the vacancies on the board.

89. Directors eligible for election or appointment again

A person whose term as director is ending is eligible for election to a second three-year term. A director who has previously served two (2) consecutive terms may only stand for election after an absence from the Board of Directors of at least one year.

90. Director ceasing to hold office

A director of the Association ceases to hold office if:

(a) the term of office of that director expires;

(b) the director dies or resigns;

(c) the director is removed;

(d) the director misses three board meetings or more annually as regulated and outlined in the Board Governance Policy and Procedure Manual; or

(e) the director ceases to meet the requirements listed in Rule 79(1)(f)(iii); or

(f) the director fails to comply with the ethical and conflict of interest requirements within Section 84 of the British Columbia Cooperative Association Act, SBC 1999 [Chapter 28] or requirements adopted pursuant to Part II, Section I of the Board Governance Policies and Procedures Manual and as contained in Part V, Section I of the Board Governance Policies and Procedures Manual. (The Board shall task the Governance Committee to determine whether a breach of conduct has occurred.); or

(g) the director fails to meet the disclosure or confidentiality requirements of Part V, Section A of the Board Governance Policies and Procedures Manual; or

(h) the director fails to comply with the mandate of Part III, Section A of the Board Governance Policies and Procedures Manual; or

(i) the director ceases to be qualified to be or act as a director as otherwise indicated in these rules or pursuant to the provisions of Section 79 of the British Columbia Cooperative Association Act, SBC 1999 [Chapter 28]; or,

(j) the director is disqualified by the BC Liquor Control & Licensing Branch or any other governmental entity with jurisdiction over the Cidery operation of the Association.

[CAA, 1999, section 80]

In accordance with section 82 of the Co-operative Association Act [SBC 1999, Ch. 28], and in accordance with the policies and procedures outlined in the Association's Board Governance Policies and Procedures Manual, as amended from time to time, the Board of Directors, by a minimum 2/3rds majority vote, may remove a director from office for a detrimental material breach of section 84 of the Co-operative Association Act (duties of directors) or sections 86 – 91 (disclosure of conflict of interest). A detrimental material breach is defined as a breach that has the potential to cause substantial harm to the economic, financial, reputational, or commercial interests of the Association, or one that calls into question the integrity of the Association, its board of directors, officers, staff, and agents.

91. Removal of director

The Association may by special resolution remove any director before the expiration of his or her term of office, and may by an ordinary resolution fill the vacancy created by the removal.

Rules of

BC Tree Fruits Cooperative

Part 15 — Meetings of Directors

92. Meetings of directors

(1) Subject to the Act and these Rules, the directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they consider appropriate.

[CAA, 1999, section 77]

(2) A Governance Committee shall be established by the Board of Directors. The Board Governance Policies and Procedures Manual, and the provisions therein, dated July 23, 2020, and as amended by the Board of Directors from time-to-time, shall constitute the governance policies and procedures of the Board of Directors and are only superseded by the British Columbia Cooperative Associations Act and these Rules.

93. Time and place of meetings

Meetings of the board must be held at the time and place in British Columbia that the board determines is appropriate, and if the board does not determine the time and place, the president of the Association or any two directors may make that determination.

94. Who may call meetings

Subject to these Rules, the president of the Association may call a meeting of the directors at any time.

95. Notice of meeting

(1) Subject to Rules 96, 97, 98, 99, 100 and 101 at least 7 days' notice of a meeting of the directors, specifying the place, date and hour of the meeting, must be given to each director and is sufficiently given if provided:

(a) by personal delivery,

(b) by mail addressed to the director's address as it appears in the register of directors,

(c) by leaving it at the director's usual business or residential address,

(d) by telegram, telex, facsimile transmission, electronic transmission, or any other method of transmitting legibly recorded messages, or

(e) by telephone to the director's telephone number as provided by the director.

(2) A notice of a meeting of directors must specify the purpose of, or the business to be transacted at, the meeting if the meeting is called to deal with an emergency or any of the following matters:

(a) a question or matter requiring approval of the members;

(b) filling a vacancy on the board;

(c) filling a vacancy in the office of auditor;

(d) issuing shares;

(e) approving a financial statement of the Association;

(f) making decisions that by the Act or these Rules are required to be made by a vote of greater than a majority of the directors.

(3) A notice mailed under sub rule (1) (b) is deemed received on the second day, not including Saturday and holidays, after the date of mailing.

(4) A notice given in accordance with sub rule (1) (c) is deemed received when it is delivered.

(5) A notice given under sub rule (1) (d) is deemed received at the time the telegram, telex, facsimile transmission or other electronic transmission is sent.

(6) A notice given under sub rule (1) (e) is deemed received at the time the information is provided by telephone.

96. Waiver of notice

(1) Despite any other provision of these Rules, a director and any other person entitled to notice of a meeting of directors may waive that entitlement or may agree to reduce the period of that notice.

(2) The right of a person to waive the entitlement to notice or to reduce the period of notice under sub rule (1) need not be exercised in writing.

(3) Without limiting subsection (2), attendance of a person at a meeting of directors is a waiver of entitlement to notice of the meeting, unless that person attends the meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called.

97. Meeting of new board

If a quorum of directors is present, the directors newly elected at an annual general meeting and the directors whose terms of office do not expire at the end of that meeting, without notice, may hold a meeting of the board immediately after that general meeting.

98. Regular meetings

(1) The board may, by resolution, appoint a day or days in any month or months for regular board meetings at the places and times specified by the board.

(2) A copy of the resolution under sub rule (1) must be sent to each director immediately after being passed, and no other notice is required for any regular board meeting, unless the Act or these Rules require that the purpose of the meeting or the business to be transacted at it be specified in a notice.

99. Notice of emergency meeting

In an emergency, the president of the Association may call a meeting of the directors by giving each director at least 48 hours written or oral notice of the meeting.

100. Notice of adjourned meeting

Notice of an adjourned meeting of directors is not required if the time and place of the adjourned meeting is announced at the original meeting.

101. Meeting valid despite failure to give notice

The accidental omission to give notice of any meeting to, or the non-receipt of any notice by, a director does not invalidate any proceedings at that meeting.

102. Quorum of the board

A quorum of the board is six (6) directors personally present.

103. Chair

(1) The president of the Association or, in the absence of the president, the vice-president must chair all meetings of the board.

(2) If both the president and vice-president are absent from a meeting of the board, the directors present must appoint one of their number to chair the meeting.

104. Voting at meetings

Questions arising at any meeting of the directors are to be decided by a majority of votes, unless the Act or these Rules require otherwise and, in the case of an equality of votes, the chair does not have a second or casting vote and the motion is defeated.

105. Minutes of directors' meetings

The directors may cause minutes of the following to be made in books provided for the purpose:

(a) all appointments of officers made by the directors;

(b) the names of the directors present at each meeting of directors;

(c) all resolutions and proceedings at all meetings of the Association or the directors;

(d) the signatures of the directors present at each meeting of directors.

[CAA, 1999, section 137]

106. Transaction of business without a meeting

A resolution of the directors may be passed without a meeting if each of the directors entitled to vote on the resolution consents to the resolution in writing.

[CAA, 1999, section 77]

107. Effective date of written resolution

A resolution referred to in Rule 106 is effective from the date specified in the resolution, but that date must not be before the day on which the last director consents in writing to the resolution.

108. How written consent may be given

For the purposes of a resolution referred to in Rule 106, written consent may be provided by telegram, telex, facsimile transmission, electronic transmission, or any other method of transmitting legibly recorded messages.

109. Meetings by conference telephone

A director may participate in a meeting of the directors by means of telephone or other communications medium if all directors participating in the meeting, whether by telephone, other communication medium or in person, are able to communicate with each other.

[CAA, 1999, section 77]

Part 16 — Officers

110. Age Restriction

In addition to the other requirements of the Act, an individual is not qualified to become or act as an officer of the Association if that individual is under the age of 18 years.

111. Appointment of president and vice-president

The board must appoint, by resolution, a president and a vice-president of the Association from among the directors.

112. Appointment of other officers

(1) The board may appoint, by resolution, a secretary, a treasurer and other officers that the board determines are necessary.

(2) The officers appointed under sub rule (1) may be, but need not be, directors.

113. One person may hold more than one office

Two or more offices of the Association may be held by the same individual.

114. Powers and duties of officers

Subject to the Act, the board may specify the powers, duties and responsibilities of the officers appointed, and may vary, add to, or limit the powers, duties, and responsibilities of any officer.

[CAA, 1999, section 105]

115. Term of office and remuneration

(1) The board must determine the term of office and the remuneration of any officer it appoints.

(2) The board, in its discretion, may remove any officer of the Association without prejudice to that officer's rights under any employment contract.

Part 17 — Conflict of Interest Rules for Directors and Officers

116. Act applies

The directors and officers of the Association are governed by the disclosure and conflict of interest rules set out in the Act.

[CAA, 1999, Part 6, Division 2]

Part 18 — Indemnification of Directors and Officers

117. Act applies

The Association must indemnify the directors and officers in accordance with the Act.

[CAA, 1999, Part 6, Division 3]

Part 19 — Finances

118. Borrowing powers

The directors may, for the purposes of the Association, on behalf of the Association:

(a) borrow or raise money in the manner and amount, from the sources, on terms and conditions; and

(b) issue notes, bonds, debentures and other debt securities;

as the directors consider appropriate.

119. Investment powers

Subject to any limitations adopted by the directors, and, if applicable, to Rule 120, the directors may invest the funds of the Association in the manner they consider appropriate.

120. Limitations on investing

(1) The directors must not invest any of the funds of the Association in excess of $1,000,000.00 at any one time without the prior approval by special resolution of the members or unless the money is to be invested in a security or class of securities in which trustees are permitted to invest trust funds under

the *Trustee Act.*

(2) The Association must not provide loans on the security of its shares.

121. Auditor

(1) Subject to and in accordance with the Act, the directors must appoint the first auditor and the Association must appoint subsequent auditors, if any.

(2) The duties and rights of the auditor are governed by the Act.

[CAA, 1999, Part 7]

122. Accounting records

(1) The directors must cause true accounts to be kept of:

(a) all money received and spent, and the matter in respect of which receipt and expenditure takes place, and

(b) the assets and liabilities of the Association.

(2) The books of account must be kept at the registered office of the Association or at another place the registrar approves in writing or may be kept for temporary purposes at a place or places the directors think fit.

(3) The accounting records of the Association must be open to the inspection of any director during the normal business hours of the Association.

(4) The directors may determine to what extent, at which times and places and under what conditions the accounting records of the Association must be open to the inspection of members.

[CAA, 1999, section 138]

123. Financial year

The financial year of the Association ends on the date fixed by the directors.

124. Use of surplus funds

The directors shall apply surplus funds arising from the operation of the Association for the benefit of the members in such manner as the directors shall from time to time determine.

125. Distribution of surplus in final year of operations

After setting aside the amount required as a reserve and paying any dividend permitted by these Rules, the Association must, but only in the year in which it intends to permanently cease operations, distribute the whole of its then accumulated surplus, including all amounts realized from the sale or other disposition of its assets (but after setting aside an amount equal to the aggregate paid up capital of all its outstanding shares), to the members and former members of the Association (including the heirs, executors, administrators, successors and assigns) in the same proportion that the tonnage of tree fruits accepted by the Association from each of them (or from the grower through whom the member or former member derives or derived membership) in the previous 6 years bears to the total tonnage of tree fruits accepted by the Association from all its growers during those same 6 years.

Part 20 — Dispute Resolution

126. Right to Arbitration

1. Disputes arising out of the affairs of an association must be arbitrated in accordance with the Act, where the dispute is between:

(a) an aggrieved person who currently is a member of the association or has been a member in good standing within the past six months; or

(b) a legally recognized representative of such a person in subpart (1)(a); and

(c) the Association or a director of the Association.

2. Notwithstanding 126(1) disputes arising out of commercial agreements between the association and persons identified in subpart (1)(a) or (b) above, shall be governed according to the terms thereof. In the event a commercial agreement is silent regarding the forum for dispute resolution, or the parties disagree regarding the appropriate dispute resolution mechanism within a commercial agreement, the Supreme Court of British Columbia shall have exclusive jurisdiction to resolve such disputes.

127. Costs of arbitration

Parties to an arbitration must bear their own costs.

Part 21 — Notices

128. Notice to directors, members, and other persons

Unless otherwise specified in the Act or these Rules, any notice required to be given to a director, member, or any other person must be in writing and is sufficiently given if it is:

(a) delivered personally,

(b) delivered to the person's last known address, as recorded in the Association's register of members or other record of the Association,

(c) mailed by prepaid mail to the person's last known address, as recorded in the Association's register of members or other record of the Association,

(d) sent to the person by facsimile transmission to a telephone number provided for that purpose,

(e) sent to the person by electronic transmission, or

(f) served in accordance with Rule 135 or 136.

[CAA, 1999, section 147]

129. Notice to Association

Unless otherwise specified in the Act or these Rules, any notice required to be given to the Association must be in writing and is sufficiently given if it is:

(a) delivered to the registered office of the Association,

(b) mailed to the registered office of the Association by prepaid mail,

(c) sent by facsimile transmission to a telephone number provided for that purpose, or

(d) served personally on a director or officer of the Association.

[CAA, 1999, section 28]

130. Deemed receipt

(1) A notice given in accordance with Rules 128 (b) or 129 (a) is deemed received when it is delivered.

(2) A notice given in accordance with Rules 128 (c) or 129 (b) is deemed received on the second day, not including Saturday and holidays, after the date of mailing.

(3) A notice given in accordance with Rules 128 (d) or 129 (c) is deemed to be received at the time the notice is sent by facsimile.

(4) A notice given in accordance with Rule 128(e) is deemed to be received at the time the notice is sent by electronic transmission.

131. Computation of time

In computing the date when notice must be given under any provision requiring a specified number of days notice of any meeting or other event, the date of giving notice must be excluded and the date of the meeting or other event must be included.

132. Undelivered notices

If a mailed notice is returned on two consecutive occasions because the intended recipient cannot be found, the Association is not required to give any further notices to that intended recipient until the intended recipient informs the Association in writing of his or her new address.

133. Omissions, non-receipt and errors

The accidental omission to give a notice to, or the non-receipt of a notice by, a member, director, officer, or auditor, or an error in a notice that does not affect the substance of it, does not invalidate any action taken at a meeting held in accordance with, or otherwise founded on, that notice.

134. Persons entitled by death or operation of law bound by notice in certain circumstances

A person who, by operation of law, transfer, death of a member, or any other means, becomes entitled to a share in the Association, is bound by every notice in respect of the share that has been duly given to the member from whom that person derives title to the share before the person's name and address were entered on the register of members and before the person furnished the Association with the proof of authority or evidence of the person's entitlement.

Rules of

BC Tree Fruits Cooperative

Part 22 — Service of Documents

135. Service by the Association

(1) A notice or other document required by the Act to be served by the Association may be served by:

(a) mailing it by registered mail to the last known address of the intended recipient, as recorded in the Association's register of members or other record of the Association, or

(b) personal service.

(2) A notice or other document served under subsection (1) (a) is deemed received on the second day, not including Saturday and holidays, after the date of mailing.

136. Service on the Association

A document or other record may be served on the Association by:

(a) leaving it at, or mailing it by registered mail to, the registered office of the Association,

(b) personally serving a director or officer of the Association.

[CAA, 1999, section 28]

Part 23 — Corporate Seal and Execution of Instruments

137. Use of corporate seal

The directors may provide a seal for the Association and may determine its form.

138. Custody of seal

The directors must provide for the safe custody of the seal, which must be stored at the registered office of the Association.

139. Who may attest seal

The seal must not be impressed on any instrument unless that impression is attested by the signature or signatures of:

(a) any 2 directors,

(b) an officer and a director, or

(c) one or more directors, officers or other persons as determined by resolution of the directors.

140. Execution of documents where no seal

Subject to Rule 22, if the directors have not adopted a seal for the Association, instruments may be executed on behalf of the Association by the persons specified in Rule 139.
Part 24 — Records

141. Records of the Association

Retention of, and entitlement and access to, records of the Association are governed by the Act.

[CAA, 1999, Part 8, Divisions 1, 2, 3]

Rules of

BC Tree Fruits Cooperative

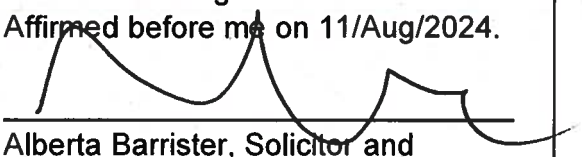
Part 25 — Alteration of Memorandum or Rules

142. Alteration of memorandum or Rules

Amendments to the memorandum and Rules of the Association must be in accordance with the Act and these Rules.

[CAA, 1999, Part 5, Division 1]

This is Exhibit "E" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

August 3, 2024

BC Tree Fruits Cooperative
c/o Pushor Mitchell LLP
#301 – 1665 Ellis Street
Kelowna, BC V1Y 2B3

Dear Sirs/Mesdames:

Re: Member requisition for a special general meeting

Name: [illegible] Name: Sukhjit Sidhu
Address: 934-100th Ave Osoyoos, BC Address: 1605 Green Rd
Phone Number: 250-689 2672 Phone Number: 250-808-1829
Grower Number: 1502-02 Grower Number: 6433

We enclose a member requisition for a special general meeting of the BC Tree Fruits Cooperative (the "BCTF").

Pursuant to rules 150(2)(b)(ii) and 151 of the Cooperative Association Act, SBC 1999, c. 28 and section 41(2)(b)(ii) of the Rules of the BC Tree Fruits Cooperative, rev'd November 16, 2021 the directors of the BCTF must call the requisitioned meeting within 7 days.

As detailed in the attached requisition, the purpose of this special meeting is to address legitimate concerns regarding the fiduciary duties and authority of the BCTF's board of directors.

In the interests of efficiency and openness, we ask the board to confirm its position in respect of the matters we set out below, in writing, in advance of the special meeting.

Votes to take place by secret/paper ballots

1. Pursuant to Rule 65 of the Rules of the BC Tree Fruits Cooperative, all voting on the proposed resolutions will take place by secret, paper ballots. Given that the matters to be voted on are sensitive issues, an open vote could lead to personal animosity. Voting by secret ballot is therefore the most appropriate in the circumstances. The secret ballots must also be in paper form so as to permit the scrutineers to perform their duties (see #4 below), as well as to enable an audit of the votes, if necessary. Voting by secret paper ballot will ensure that the results of the votes at the special general meeting are unimpeachable.

Meeting to take place in person

2. The special general meeting will take place in person in Kelowna. Given the potentially contentious nature of the meeting and the requirement that voting take place by secret, paper ballots as noted above, the meeting must be held in person. An in-person meeting is also necessary for the scrutineers to conduct their work, as detailed below.

Scrutineers

3. Scrutineers must assist in taking attendance and counting ballots at the special general meeting. The scrutineers should be independent parties and growers and must not be employees of the BCTF. The scrutineers will:

    a. Report in writing on the attendance at the meeting;

    b. Collect, examine, and tabulate ballots;

    c. Report in writing on the tabulation of ballots; and

    d. Return all ballots to the chairman.

Board members and management will not use their privileged ability to communicate with members to serve their self-interest.

b. The board will confirm that the directors and BCTF management will not advocate to BCTF members in respect of the board's (or any specific director's) desired outcome in advance of the requisitioned special general meeting. As this requisitioned meeting has the potential to directly impact the personal financial interests of individual directors (i.e., their continued receipt of director stipends), it would be wholly improper for any director or member of management to use their privileged platform of communication with members to advocate a position in advance of the requisitioned meeting. Such communication would be particularly unfair to the requisitioning members, who do not have the same platform and access to membership email and address lists. The only communication that should be circulated to members in advance of the meeting is the notice to BCTF members of the requisitioned meeting. This will ensure an open and fair debate and vote at the meeting.

In addition to the above, we request that on the same day as notice of the special general meeting is provided to members (e.g., within 7 days of receipt of this letter) that an independent entity (no connection to BCTF) review and confirm that the membership list is current and that registered voters meet the eligibility requirements.

2 of 12

Resolution 1 To amend Rule 81and add in section 81 (3) as follows:

3. To waive rule 81 (1) (2) of the BC Tree Fruit Cooperative Rules until the after the completion of the 2024 AGM.

Whereas:

The BC Tree Fruits Cooperative's Growers are demanding that there is an immediate pause on the current trajectory of the organization.

Whereas:

Management and the Board have lost the confidence of the membership.

Whereas:

There was no meeting of the Member Services Committee to discuss the low estimates.

Whereas:

There was no meeting of the Audit and Finance Committee to discuss the implications of the low estimates.

Whereas:

No documented plan was brought forward by Management and the Audit and Finance Committee.

Whereas:

No meeting was held by the Governance Committee to discuss implications with the creditors and possible liquidation of the company.

Whereas:

No documented plan was brought forward to deal with a wind down of the organization.

Whereas:

No communication was sent to growers on the implication of not giving an estimate.

Whereas:

Growers are allowed to change estimates up to harvest and pay penalties for under and over delivering fruit.

Whereas:

No demand letter from the bank was produced and shown at the Special Board Meeting of July 25, 2024.

Whereas:

The directors were given no materials prior to or at the Special Board Meeting of July 25, 2024, to make an informed decision. (only verbal)

3 of 12

Whereas:

The Directors and management have caused economic, reputational damage to the organization and growers.

Resolution 2

Therefore, be it resolved to remove the following as directors of the BCTF and fill vacancies using rule 82 (2) of the BC Cooperative Act and BC Tree Fruits Cooperative Rule 91.

a. Rob Stewart

b. David Bental

c. John Kay

d. Greg Sanderson

e. Lakhmer Klar;

f. Brian Meyers;

g. Ron Vollo

h. Chamanjit Sharma

i. Surinder Gosal

j. Gurjit Pabla

Whereas:

BC Tree Fruits Board has stated that they are winding down the cooperative and no such application has been filed in court.

Whereas:

Rule 71 of the BC Cooperative Act states an association must not dispose of the whole or substantially the whole of the undertaking of the association unless the disposition is authorized by a special resolution of the members.

Resolution 3

Therefore, be it resolved that until a special resolution of the members is passed as stated in Rule 71, the board of directors are prohibited form selling any of BCTF's properties and assets.

This prohibition applies to all the BCTF's properties and assets, including:

a. Oliver Packinghouse— 327 Co-Op Avenue, Oliver, BC V0H 1T0
b. Oliver Packinghouse---334 Co-Op Packing House Lane Oliver
c. Summerland CA — 8911 Jubilee Road East, Summerland, BC V0H 1Z0
d. Grower Supply Auckland Road — 2605 Acland Road, Kelowna, BC V1X 7J4
e. Grower Supply Vernon — 1200 Waddington Drive, Vernon, BC V1T 8T3;

4 of 12

f. Keremeos CA — 813 5th Street, Keremeos, BC VOX 1N3;
g. Oliver packinghouse — 5881 Cessna Street, Oliver, BC VoH 1To;
h. Vaughan Packing House — 880 Vaughan Ave, Kelowna, BC V1Y 7E4;
i. Sexsmith CA — 3335 Sexsmith Road, Kelowna, BC V1X 7TS;
j. Sexsmith Rd---- 3345 Sexsmith Rd Kelowna V1X 7T5;
k. Sexsmith Rd --- 3670 Highway 97 North, Kelowna, BC V1X 5C2;
l. Winfield CA — 9718 Bottom Wood Lake Road, Lake Country, BC, V4V 1S7

This requisition is submitted by the requisitioning members:

Name: Ranjit Singh Dhillon (Ramsar Orchard Ltd) Name: Sukhjit Sidhu

Signature: Ranjit Singh Dhillon Signature: Sukhjit Sidhu

(Signatures of other members attached as Schedule A)

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SCHEDULE A

Signatures of members pursuant to section 120(1)(b)(ii) of the Cooperative Association Act and Rule 41(2)(b)(ii) of the Rules of the BC Tree Fruits Cooperative, rev'd November 16, 2021

No.	Member Name	Grower Number	Address	Signature
1	GIAN WANDER	1051-01	20022-97 HWY OSOYOOS	Gian Wander
2	BRAR RAJINDER SINGH	131-01	360 RD 17 OLIVER BC	
3	Parmjit Dhaliwal	271-01	313 Rd 10 Oliver B.C	
4	GURSEWAK DHALIWAL (SHAREHOLDER)	939-01	52187 SNOW BRUSH	G.S. Dhaliwal
5	Ajmer Sandhu	86201	OSOYOOS 9713-194	Ajmer Sandhu
6	Dhaliwal NAIB	1133	SS90	
7	TALWINDER BASSI	61-01	309, Road 18 Oliver. B.C	T. Bassi
8	Jaswinder Kailay Farm Manager	1261	13220 97th OSOYOOS	J. Kailay
9	Darshan Buttar	146.01	10508 74 AVE OSOYOOS	D. BUTTAR
10	Kanal Johal	527.01	10803 12 AVE OSOYOOS BC	
11	AMT Singh	115701	4161 HWY 97 OLIVER BC	
12	Butter PARMJIT	151.01	OLIVER 609 ROADS	G. B
13	Bhupinder Dhaliwal	272-01	Box 451 OLIVER BC	
14	HARPREET SINGH SEKHON	898-02	OSOYOOS, B.C	
15	Ranbir Kambo	540-01	12795-87th St OSOYOOS, BC	Ranbir Kambo

SCHEDULE A

Signatures of members pursuant to section 120(1)(b)(ii) of the Cooperative Association Act and Rule 41(2)(b)(ii) of the Rules of the BC Tree Fruits Cooperative, rev'd November 16, 2021

No.	Member Name	Grower Number	Address	Signature
16	NIRMAL Singh BRAR	1306	4596 Hwy 97 OLIVER	
17	Rupkaranjeet Benniwal	1522	4614 Ryegrass Road Oliver B.C	
18	Baljit Singh	1450-01	4015 Pebble Beach Dr Osoyoos BC	
19	Manmohan Singh	128-01	3117 10th Ave Keremeos	
20	Ravinder Singh	53-01	2514 Upper Bench Rd	
21	Karmal Sumal	981-01	250-494-8912	
22	Mandeep Sidhu	1218-01	250-499-2018	
23	Baldev Dhaliwal	671-01	250-499-5192	
24	Partap Sandhu	868-01	250-499-4123	
25	Sukhjeevan Singh	1512-01	1910 - Hwy 3	
26	BALSHINDER BRAR	110-01	608 ARMSTRONG Cawston BC	

SCHEDULE A

Signatures of members pursuant to section 120(1)(b)(ii) of the Cooperative Association Act and Rule 41(2)(b)(ii) of the Rules of the BC Tree Fruits Cooperative, rev'd November 16, 2021

No.	Member Name	Grower Number	Address	Signature
1	BEANT CHAHAL	1531	2149 Belgo Rd	
2	PARTH S. SHERGILL	1177	3775 E. K.	
3	SANDEEP S. HOTH	501	3410 Pooley Rd	
4	PARMINDER HANS	1520	3564 Rose Rd	
5	Gurinder Gill	1500	3709 McCulloch Road	
6	KAMALJIT Jaswal	525	4280 SPIERS RD	K Jaswal
7	Inderdeep Sekhon	1318	1210 Ponds Ave	
8	RESHAM LIDDAR	1475	3647-BEMROSE-RD-	
9	SARWAN NIJJAR	721	205 Belgo Rd	
10	GIAN JASWAL	1494	3183 DUNSTER R.D	
11	SURINDER S. SHERGILL	916	3251 E. Kelowna RD.	
12	BALWANT SAINI	1325	765 old vernon Rd	
13	GURDARSHAN S. BRAR	111-02	1990 MCKENZIE RD	
14	DALBIR DEO	0-233	3635-Rutgis Road	
15	BALWINDER SIDHU	921-01	1150 Munson Ave Penticton	

SCHEDULE A

Signatures of members pursuant to section 120(1)(b)(ii) of the Cooperative Association Act and Rule 41(2)(b)(ii) of the Rules of the BC Tree Fruits Cooperative, rev'd November 16, 2021

No.	Member Name	Grower Number	Address	Signature
16	SUKHJIT S IDHU	933	1605 GLEEN Rd	Sukhjit Sidhu
17	HARPREET SIDHU	1525	2015 Belgord Rd	
18	JUTAR S. BOPARAI	97	1995 SWAINSON	
19	AMARJIT S. LALLI	600	1900 MCKENZIE RD KELOWNA BC	
20	CHARANJIT JUDGE	1275	3072 E. KELOWNA BC	
21	JASBIR S KULLAR	591	9915 Reed Rd	
22	Jaswinder S. Gill	1485	415 M.C BC. V1X 7M9	J. S. GILL
23	GURMIT SIDHU	1536	2517 SEXSMITH	Gurmit Sidhu
24	NAVDEEP SIDHU	1314	1750 McKenzie	Navdeep Sidhu
25	Surinder Kaur	1258	1550 Swainson	
26	PARVINDER UPPAL	1417	2711 LAKHARD	
27	Gurdeep Pooni	786	2355 McKenzie Rd	
28	Prabhjit Sidhu	1544	1605 Green Rd	
29	Jagsher Bassi	1124	3691 Oldvernon	
30	Paramjit Gill	368	2611 LAKHA Rd	

SCHEDULE A

Signatures of members pursuant to section 120(1)(b)(ii) of the Cooperative Association Act and Rule 41(2)(b)(ii) of the Rules of the BC Tree Fruits Cooperative, rev'd November 16, 2021

No.	Member Name	Grower Number	Address	Signature
~~827~~ 1	N JNVRCHTRDS RAMESH Rilh	827	10411 GIANTS Hd Rd SLAND	
2	LEKHI ORCHARD'S LTD RAMESH LEKHI	615	7317 HESPELER RD SUMMER LAND	
3	Jagtar Saran J.S. ORCHARD.	1397	9820 RIPPEN AVE SUMMERLAND.	
4	Balwinder Gill Gill Blossom Orz	358	PO Box 670 Summerland V0H 1Z0	
5	Chambaur Saran	879-01	6406 Andrew Ave Summerland	
6	Kiranpreet Gill	1279-10	3034 Paris St Penticton BC V2A 6J4	KS Gill
7	Bhupinder Mandhira	1514	3200 Valleyview Rd. Penticton B.C	
8	CHARNjeet Gulshan	352	P.O Box 21066 Penticton	
9	Tajvir Gill	1530	3034 Paris St Penticton BC V2A 6J4	
10	PHOOLA Sidhu	1403-01	155-102 Waterfront Ave V2A 3T6	Phoola Sidhu
11	Gurmit Gill	365-01	PO Box 21007 Penticton BC V2A 8S8	Gurmit Gill
12	MOHINDER DHALIWAL	1867	318 Upper Bench Rd S	Mohinder Dhaliwal
13	SUKHWINDER DHILLON	~~1529~~ 1529	150 middle BENCH Rd	S. Dhillon
14	SUKHDEV Dhaliwal	1220-02	125 Upper Bench 6W8 #6V2	S. Dhaliwal
15	SAKINDER SINGH	1170-01	7209 Kercher Ave Summerland BC V0H-1Z4	Sakinder Singh

SCHEDULE A

Signatures of members pursuant to section 120(1)(b)(ii) of the Cooperative Association Act and Rule 41(2)(b)(ii) of the Rules of the BC Tree Fruits Cooperative, rev'd November 16, 2021

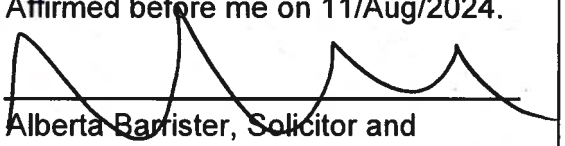
No.	Member Name	Grower Number	Address	Signature
16	GURPIAR DHALIWAL	238	861 - Toovey Rd. Kelowna	
17	Harkaran Dhaliwal	1408	125 Upper Bench Rd N, Penticton	

SCHEDULE A

Signatures of members pursuant to section 120(1)(b)(ii) of the Cooperative Association Act and Rule 41(2)(b)(ii) of the Rules of the BC Tree Fruits Cooperative, rev'd November 16, 2021

No.	Member Name	Grower Number	Address	Signature
1	TAHIR RAZA	1291	9237 HWY 97 VERNON	Tahir Raza
2	AUTAR LIT	1199	6162 old Kamloops Road	Autar Lit
3	Javed ALI	1301	1024 Mountbatten DR	
4	Asam Shahid	1392	1041 Mt. Begbie DR	Asam Shahid
5	Balwinder Dhanoa	1465	4116 Cascade Dr	
6	Kabul Randhawa	0809	7467 Baker Mogg Road	KS Randhawa
7	ABID. M	1284	7419 BUCHANAN Rd	M.A.B.
8	DARAMJIT JANDA	0577	6229 old Kamloops Rd	
9	Harder Aujla	2.6	6775 Bella Vista Road	
10	AVTAR MANAK	1528-01	7026 JASPER DR VERNON	
11	Kulwant TATLA	1298	3100 Elliot Rd West Kelowna	

This is Exhibit "F" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

Resolutions of the Board of Directors held on July 24, 2024

FILING FOR CREDITOR PROTECTION AND ENGAGEMENT OF CERTAIN PROFESSIONALS

RESOLVED THAT:

1. Having considered the financial situation of the BCTF and its wholly-owned subsidiary, Growers Supply Company Limited, BCTF is hereby authorized and directed to take all steps necessary or desirable to make a petition (the "Petition") together with Growers Supply Company Limited to the Supreme Court of British Columbia (the Court) to obtain creditor protection pursuant to the provisions of either the Companies' Creditors Arrangement Act ("CCAA") or the Bankruptcy and Insolvency Act (the "Bankruptcy Act"), and the Chair of the Board be and is authorized on behalf of the Board to make the determination as to whether to proceed under CCAA or the Bankruptcy Act based on advice of counsel. It was noted that if a determination is made for BCTF and its subsidiary to initially file under the Bankruptcy Act, the Chair of the Board shall also have the authority to later convert such filing to a filing under the CCAA if he, on advice of counsel, determines that is the appropriate forum.

2. The Chief Executive Officer of BCTF together with the Chair of the Board be and they are hereby authorized to engage Alvarez & Marsal Canada Inc. or another professional firm that ordinarily provides services as a court appointed monitor under the CCAA or proposal trustee under the Bankruptcy Act, as applicable, to serve as proposed Court-appointed monitor or proposal trustee of BCTF and Growers Supply Company Limited in their proposed proceedings under the CCAA or the Bankruptcy Act, as applicable, on such terms as may be approved by the Chief Executive officer and the Chair of the Board and as may further be set by Order of the Court in any proceedings under the CCAA or the Bankruptcy Act (collectively, the "Monitor Engagement").

3. In furtherance of the above:

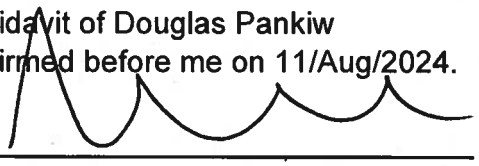
a. The engagement (and together with the Monitor Engagement, the "Professional Engagements") of Norton Rose Fulbright Canada LLP as counsel to BCTF in connection with the Petition and the foregoing generally is hereby approved, ratified and confirmed;
b. Management is hereby instructed to advise members and any other grower suppliers that BCTF will not be accepting, processing or packing any further fruit in the 2024 season and that they should be making alternate arrangements with other packing houses for any fruit they elect to pick;
c. Except for the completion of processing and packing of any fruit which has already been accepted by BCTF, Management is hereby authorized to discontinue accepting, processing and packing fruit;
d. Management is authorized to seek from BCTF's lender, Canadian Imperial Bank of Commerce, or other lender(s) proposals for review and approval by the Board for debtor in possession financing or other financing as needed to fund the BCTF and Growers Supply Company Limited through the CCAA or Bankruptcy Act proceedings; and
e. Management is hereby authorized to take such other steps as they may determine are reasonably required for the prompt and orderly closure of the operating activities of BCTF and Growers Supply Company Limited, including the termination

of all employees (and giving all notices in connection therewith), except for those employees and officers that are determined, after consultation and approval of the Chair of the Board (prior to completion of the Monitor Engagement) or the monitor or trustee, as applicable (after the completion of the Monitor Engagement) to be reasonably required in order to effect the orderly closure and/or to assist with the sale of the assets of the BCTF and Growers Supply Company Limited.

4. Any and all actions taken prior to this date by any of the officers or directors of BCTF in connection with the Petition, the Professional Engagements are hereby ratified.

5. Any one officer or director of BCTF is hereby authorized and directed for and on behalf of BCTF to execute and deliver all such instruments, agreements, notices, consents, acknowledgements, certificates and other documents and to do all such further acts and things and give such further assurances as he or she, in his or her sole discretion, considers necessary, desirable or useful (i) in connection with the Petition and the proceedings to be undertaken in connection therewith, or (ii) otherwise give effect to any of all of the foregoing resolutions.

This is Exhibit "G" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

July 26, 2024

Dear BC Tree Fruits Grower,

It is with profound sadness that we must inform you that BC Tree Fruits Cooperative will not be receiving fruit beginning today, Friday July 26, 2024. We recommend that you immediately search for another alternative to market your fruit for the balance of the 2024 season.

On July 25, 2024, the Board of Directors determined that due to extremely low estimated fruit volumes and difficult market conditions, the cooperative would not be able to effectively operate the business and provide pool returns to growers. BC Tree Fruits Cooperative and all its subsidiaries are taking steps to obtain court direction and assistance to properly wind down the Cooperative to maximize recovery for all stakeholders.

We are certain that this letter will be of great concern to you and will cause you to have many questions. We are committed to sharing more information as we obtain it. Please email growerinfo@bctree.com and we will do our best to answer your questions as quickly as possible.

As the logistics of a cooperative wind down are new to everyone, we ask for your patience as we navigate through the process. BC Tree Fruits Cooperative operates within the BC Cooperative Association Act, and we are therefore required to ensure that the Act is followed. To aid in this process, both legal and accounting advisors will be engaged to provide assistance.

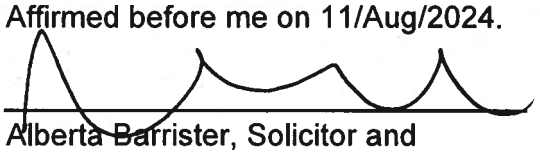
Though there is limited information included in this initial letter, we wanted to provide you with as much time as possible to find a home for your crop. Please monitor your email and regular mail for regular updates.

Respectfully,

Rob Stewart
Chair, Board of Directors
BC Tree Fruits Cooperative

Doug Pankiw
Interim CEO and CFO
BC Tree Fruits Cooperative

This is Exhibit "H" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

COLLECTIVE AGREEMENT

BETWEEN

BC TREE FRUITS COOPERATIVE

AND

UNITED FOOD AND COMMERCIAL WORKERS UNION,
LOCAL NO. 247
Chartered by the United Food and Commercial
Workers International Union, AFL-CIO, CLC

FIRST PRINTING
Errors and Omissions Excepted

TERM OF AGREEMENT
October 2, 2023 to September 30, 2026

Dear Member:

This is your Union Collective Agreement. It represents the progress and efforts of many years of negotiations. Please read it and make sure you are receiving the benefits to which you are entitled.

Only by insisting on your rights, and refusing to let anyone abrogate them, can the Agreement be kept strong and meaningful. Any abuse of the Collective Agreement tends to undermine and weaken it.

Let's respect the Agreement; let's keep it strong and meaningful.

Make full use of your Shop Stewards.

DAN GOODMAN
President

CHARLES PRATT
Secretary-Treasurer

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COLLECTIVE AGREEMENT

THIS AGREEMENT 2nd DAY OF OCTOBER, 2023.

BETWEEN:

BC TREE FRUITS COOPERATIVE
(hereinafter referred to as the "Employer")

AND:

UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 247
(hereinafter referred to as the "Union")

WHEREAS:

It is the intent and purpose of the parties hereto that this Agreement will promote and improve industrial and economic relationships between the employees and the Employer as set forth herein the basic agreement covering rates of pay, hours of work and conditions of employment to be observed between the parties hereto.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH:

ARTICLE 1 – DEFINITIONS

1.01 Employee – Bargaining Unit

The term "Employee" means a person employed by the Employer to do skilled and unskilled manual, clerical or technical work, but does not include office staff or a manager or superintendent or any other person excluded under the provisions of *The British Columbia Labour Relations Code*; and, for further clarity, does not include the following – Sanitation Foreman and Assistant Foreman; and Maintenance and Refrigeration Foremen.

1.02 Probationary Employee

The term "probationary employee" as defined in this Collective Agreement shall mean, an employee who has worked less than four hundred and eighty (480) hours from the date of hire with the Employer. During the probationary period employees will not be entitled to seniority and may be terminated by the Employer by reason of being unsuitable for further employment. The reasons for dismissal will be available to the Union on request.

1.03 Hours Worked

For the purposes of this Agreement, hours worked shall be the actual hours an employee has performed work including hours worked on overtime.

1.04 Seniority

The term seniority as used in this Agreement shall mean the numbers of hours worked including the hours accumulated on an approved leave. Employees shall be entitled to accrue seniority only in the plant in which they work. In the case of maintenance or trades, each of the classifications noted shall have an individual regional seniority listing. Present employees will be credited with full hours based on their present seniority.

1.05 Gross Earnings

"Gross Earnings" for the purpose of this Agreement shall be defined as all money received directly from the Employer (wages, overtime, shift premiums, vacation pay, sick leave pay, statutory holidays, bereavement pay and jury duty pay).

1.06 Benefit Qualifying & Accumulation

All days absent on paid vacations, statutory holidays, Workers' Compensation Board, paid sick leave, leave of absence on Union business, jury duty, bereavement leave and Industry related Educational leave as determined by the Employer shall be considered as hours worked toward qualifying for and accumulation of all benefits.

1.07 Full-Time Employee

Regular employees who are hired to work on a full-time scheduled basis.

1.08 Part-Time Employee

Regular employees, who are hired to work one day or more per week on a regularly scheduled basis, but who work less than full-time hours per week.

1.09 Shortage of Work

Absence of work to be done for a period of less than two (2) days does not constitute a layoff. Shortage of work is the day-to-day reductions of work, due to mechanical breakdown or short-term variation in production requirements.

1.10 Layoff

Displacement due to permanent lack of work, or a reduction of the majority of their work hours. Employee bumping or displacement may only occur during a Layoff.

1.11 Posted Incumbent

Employee that is qualified for and currently holds a designated position. They qualified for the position through training or capability.

1.12 Relief Position

A relief position is held by an employee that replaces the Posted Incumbent in a designated position when the incumbent is not available to perform the role. Employee holding a Relief Position must also be qualified for the role through training or capability. The senior qualified employee holding a Relief Position will be assigned to backfill for the Posted Incumbent.

ARTICLE 2 – UNION RECOGNITION

2.01 The Employer recognizes the Union as the sole collective bargaining authority for its employees covered by this Agreement and hereby consents and agrees to negotiate with the Union, or any authorized committees thereof, in any or all matters affecting the relationship between the said Employer and employees, looking towards a peaceful and amicable settlement of any difference that may arise between the Employer and the Union.

2.02 No Discrimination

The Employer agrees that there shall be no discrimination against Union members for continued employment, promotion or transfer, or in the hiring of new employees.

There shall be no discharge because of membership in the Union or legitimate Union activities that do not

interfere with production or the rights of other employees.

2.03 Non-Bargaining Unit Employees

This Collective Agreement shall not apply to any office staff, manager, sales staff, supervisor or any other person excluded under the provisions of the *British Columbia Labour Code.*

2.04 Work of the Bargaining Unit

Supervisors and persons above the rank of supervisor shall not perform work which is normally performed by employees in the bargaining unit except in cases of emergency, temporary urgent production needs and for the purpose of instruction of employees.

2.05 Bulletin Boards

The Employer agrees to supply a bulletin board to be fixed in a prominent, accessible location in each plant, and agrees that the Union shall have the right to use fifty percent (50%) of the space on such bulletin board for the posting of notices of official Union business.

ARTICLE 3 – UNION SECURITY

3.01 Union Membership

a) All employees shall as a condition of employment maintain active membership with the Union. It is agreed that the Employer will have employees complete Union membership applications immediately upon being employed and forward them to the Union office fully completed and signed. Each new employee, at the time of employment, will be provided with material outlining to the employee their responsibility in regard to Union membership as supplied by the Union. The Employer will as soon as possible provide to the Union, in writing, the name, address and mobile phone number of each employee to whom they have presented the above-noted material, along with the employee's date of hire.

b) The Employer further agrees to provide to the Union, once per month, a list containing names of all employees who have terminated their employment during the previous month.

3.02 The Employer shall deduct, as a condition of each employee's continued employment, a sum equivalent to Union dues.

3.03 All new members will pay an initiation fee as established by the Union. The Employer will deduct and

remit same to the financial secretary of the Union within thirty (30) days.

3.04 Special assessments if levied in accordance with the Constitution & By-laws of the Union will be deducted from members of the Union upon proper notification from the Union.

3.05 Deductions of Dues

The Employer shall, during the term of this Agreement, as a condition of employment, deduct from members of the bargaining unit the regular weekly Union Dues and such Dues shall be remitted to the Union within thirty (30) days. Deduction statements shall be documented by location, containing the full name of the employee and their starting date and social insurance number subject to the employee consenting to the use of their social insurance number. The Employer agrees to record the annual Union Dues deductions for each employee on their T4 Form. The Employer shall provide dues information to the Union in an electronic format acceptable to both parties.

The Employer agrees to forward to the Union Office on a monthly basis, a complete alphabetical listing of all employees including their home address, home and mobile phone numbers, starting date, department and social insurance number subject to the employee consenting to the use of their social insurance number.

3.06 It is also agreed that for the purpose of administering payrolls through the Industry computer system the Employer will deduct from each employee the monthly Union dues constitutionally established by the Union, on the basis of twenty-six (26) two (2) week work periods each year.

3.07 The deduction on the records of the Employer shall constitute the sums so deducted as money held by the Employer in trust for the Union.

3.08 The Employer shall show on each pay slip when the employee has completed four hundred and eighty (480) worked hours on each pay slip thereafter. It shall be totaled at the end of each calendar year and new totals accumulated for the next calendar year.

3.09 Shop Stewards

The Union shall select a shop steward(s) for each plant, in whatever manner it deems proper and shall advise the Employer of their selection. With the express permission of the supervisor or plant manager, shop stewards shall be allowed the time required to attend to Union business during working hours with no deduction in pay. Such permission shall not be unreasonably withheld.

3.10 Union Representatives

The authorized business agent or representative of the Union shall be permitted to visit members regarding

Union business during working hours, after obtaining permission from the Employer and no interview shall be more than five (5) minutes unless during lunch time. It is understood that visits during lunch period shall not be restricted so long as the privilege is not abused.

These provisions for Union security shall be a condition of entering into or continuing in the employ of the Employer.

ARTICLE 4 – MANAGEMENT RIGHTS

4.01 The Employer shall have the exclusive right to manage the operation and services subject to the provisions of this Agreement, including without limiting the generality of the foregoing, its right to determine:

a) Employment;

b) Complement;

c) Work methods and procedures;

d) Kinds and locations of equipment;

e) Facilities and buildings;

f) Hours of work, scheduling, assignment, classification, and evaluation of employees;

g) Contracting out of services;

h) Organization;

i) Promotion, demotion, layoff and discharge of employees;

j) Maintenance of order, discipline and efficiency;

k) Employee training and training program selection.

The Employer has the right to make and alter rules and procedures to be observed by the employees.

ARTICLE 5 – HOURS OF WORK AND SCHEDULING

5.01 Normal Hours of Work

The normal hours of work shall be to a maximum of ten (10) hours per day and forty (40) hours per week.

Employees will not be scheduled to work with fewer than eight (8) hours between shifts, except by consent of the Employee.

5.02 Normal Work Week

Every reasonable effort, consistent with good business and efficient operations, will be made to schedule a work week consisting of forty (40) hours for as many senior employees as possible. Shifts will be scheduled consecutively whenever possible.

5.03 Shifts – Day, Afternoon & Graveyard

a) The maximum hours of work for a full shift shall be any ten (10) consecutive hours in a twenty-four (24) hour period.

Shifts will be scheduled to start and finish within the following time frames:

Dayshift	5:00 am to 5:00 pm
Afternoon Shift	3:00 pm to 1:00 am
Graveyard Shift	9:00 pm to 7:00 am

b) The majority of hours worked will determine the appropriate shift for those employees starting work during the overlap periods as indicated above.

5.04 Hours of Work – Full-Time

The Employer will maximize full-time shifts. In addition, full-time employees may access part-time shifts as a result of losing shifts due to lack of production.

5.05 Hours of Work – Schedule

The Employer shall, draw up hours of work schedules to meet with requirements of their operation. Hours of Work schedules shall be posted on the bulletin board and any other communication platform no later than 3:00 pm for the following day and a copy submitted to

the Union upon request. Shifts will be filled by a shift bid process based on seniority. Hours of work schedule changes made after 3:00 pm require the Company to make every reasonable effort to contact the affected employee(s).

Employees who are scheduled and report to work shall be paid a minimum of four (4) hours pay at straight time. However, if the employee does not wish to work the equivalent of four (4) hours and leaves on their own accord, they shall only be paid for the time actually worked.

5.06 Schedule Blocks Offered

Scheduled blocks shall be offered weekly, bi-weekly, or monthly on the basis of seniority. Senior employees will have the first opportunity to bid on a scheduled block. The Employer will endeavor to maximize Monday to Friday schedules for senior employees.

5.07 Scheduling of Multi-Function Roles

Employees posted to a multi-function role or relief position (e.g. Machine Operators) shall be scheduled before single function operators and reliefs. Employees as of October 1, 2023, who are posted to a single-function role, (e.g. Bliss Machine) shall be entitled to apply their seniority in preference to an employee posted to a multi-function role.

ARTICLE 6 – SHIFT DIFFERENTIAL

6.01 The afternoon or night shift premium rate will only apply to any afternoon or night shift hours worked and it is understood that the hours worked on these shifts with the exception of meal hour shall be continuous and the premium shall be one dollar ($1.00) per hour for the afternoon shift, and two dollars ($2.00) per hour for the night (graveyard) shift.

ARTICLE 7 – OVERTIME

7.01 Overtime

a) Overtime shall be offered by seniority, in the following order:

i) scheduled employees on the job performing the assigned work.

ii) remaining employees at work who are posted within the classification.

iii) employees at work working within the classification on a temporary basis.

iv) other employees at work who are qualified and can immediately and adequately perform the duties of the job.

b) Banked Overtime Hours

It is agreed that all employees shall have the option of either being paid or to bank all overtime hours worked.

All hours banked in a calendar year will be paid at the rate of pay at the time the employee banked the overtime if the employee has not exhausted their banked hours at the end of each calendar year.

Employees wishing to take paid time off in lieu of overtime pay must provide at least two (2) weeks` notice to their supervisor. Paid time off must be scheduled by mutual agreement between the employee and supervisor.

Employees will be allowed to bank overtime in dollars until the end of the following calendar year.

c) Overtime – Voluntary

All overtime shall be voluntary. Should there be no volunteers, call in will be in reverse order of seniority.

d) Daily Overtime

All overtime hours worked on any given day in excess of eight (8) hours, or the scheduled shift in a day, whichever is greater shall be paid for at the

rate of one and one-half times (1½x) the regular hourly rate for the first two (2) hours, after which double time will apply.

e) Weekly Overtime

All hours worked in excess of forty (40) hours in a week shall be paid at one and one-half times (1½x) the regular hourly rate for the first eight (8) hours, after which double time will apply.

There shall be no pyramiding of overtime and both daily and weekly overtime shall not be paid for the same hours worked and all overtime shall be paid at the rate for the classification and for job title duties being performed.

ARTICLE 8 – STATUTORY HOLIDAYS

8.01 Working employees will be paid statutory holiday pay on an hourly basis as per the *Employment Standards Act.*

8.02 Recognized Statutory Holidays

New Years Day, Family Day, Good Friday, Victoria Day, Canada Day, B.C. Day, Labour Day, National Truth & Reconciliation Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day.

8.03 Statutory Holidays – Saturday or Sunday

If the statutory holiday falls on a Saturday or a Sunday, the following Monday or preceding Friday shall be observed as a holiday or any other day mutually agreed by Employer and the Union.

8.04 Work on Statutory Holidays

Employees who work Statutory Holidays, shall be paid at the rate of one and one-half times (1½x) their regular hourly rate of pay. All hours in excess of the employee's regularly scheduled hours [e.g., eight (8) or ten (10) hours] shall be paid at double (x2) the regular hourly rate.

Refrigeration Operators may not use seniority to bump a Junior Operator to work on Statutory Holidays.

8.05 Statutory Holidays

Employees shall be offered work on statutory holidays by seniority in the following order:

i) Posted employees.

ii) Employees who can immediately and adequately perform the duties of the job.

iii) Employees not at work.

ARTICLE 9 – CALL IN

9.01 Call-In – Scheduled Day Off

Employees who are not at work and are called in to work shall be paid a minimum of four (4) hours pay at straight time. However, if the employee does not wish to work the equivalent of four (4) hours, and leaves on their own accord, they shall only be paid for the time actually worked.

9.02 Call In – Statutory Holidays

Employees who are called in to work on a Statutory Holiday shall be paid a minimum of four (4) hours at applicable overtime rates. However, if the employee does not wish to work the equivalent of four (4) hours and leaves on their own accord, they shall only be paid for the time actually worked at the overtime rate.

ARTICLE 10 – CALL BACK

10.01 Call Back – After a Completed Shift

Where an employee completes a regularly scheduled shift, leaves the premises, and is called back to work by the Employer, overtime would be applicable and calculated on hours of actual work, or a total of four (4) hours at straight time, whichever is greater. However, if the employee does not wish to work the equivalent of four (4) hours, and leaves on their own accord, they

shall be paid only for the time actually worked at the overtime rate.

ARTICLE 11 – REST PERIODS

11.01 Rest Periods

A break of fifteen (15) consecutive minutes, morning and afternoon, with pay for all hourly workers, shall be granted after not more than two and one-half (2½) hours of work on any one (1) shift. Employees working overtime will be allowed to break after not more than two and one-half (2½) hours of work. It is agreed that no break shall exceed fifteen (15) minutes and that the break shall be timed from equipment shutdown until equipment start-up and employees shall be expected to return to work. It is understood and agreed that receiving and loading crews shall use discretion to avoid unreasonable delays in receiving or loading individual loads of produce or supplies.

11.02 Meal Time Payment

Employees required to remain at the location of their work for all or part of their normal meal period shall be permitted to eat their meal on Employer time without loss of pay. When mechanics and others are required to remain at the location of their work throughout a normal meal period and have not received advance warning to provide their own lunch, they will be allowed up to ten dollars ($10.00) for a meal.

11.03 Meal Time

Employees shall not be required to work over five (5) hours continuously without a meal period.

ARTICLE 12 – SENIORITY

12.01 Seniority List

The Employer shall prepare semi-annual seniority lists. The first list is due June 1st, then December 1st. A copy shall be posted on the bulletin board and shall indicate employees' seniority standing and classification. The Employer is responsible for maintaining this list and it shall be kept posted at all times.

When an employee's seniority standing has been posted for one quarter it will not be subject to correction except by mutual consent, and only if a legitimate error had occurred. Copies are to be forwarded to the Union and in addition to the above shall include the employee's current mailing address and telephone number.

12.02 New Hire List

The employee who completes four hundred and eighty (480) worked hours first shall be added to the seniority. If two (2) or more employees have the same seniority

then relative position on the new hire list shall be alphabetically by surname.

12.03 Transfer to Management

No employee shall be transferred to management or office staff without their consent. If an employee is transferred to management or office staff, they shall be excluded from coverage of this Collective Agreement. Such employee shall retain their seniority for a period of six (6) months, after which all seniority in the bargaining unit shall be lost.

12.04 72-Hour Notice – Loss of Seniority/Termination

The Employer shall, within seventy-two (72) hours or as soon as reasonably possible thereafter, advise the chief or designated shop steward and the Union by letter when the employee has lost their seniority or is terminated for any reason.

ARTICLE 13 – LAYOFFS AND RECALL

13.01 Layoffs shall be by reverse order of plant seniority or in the case of maintenance or trades, by classification on the regional seniority list.

If the senior employee is not qualified or capable of performing the work to be done, the senior employee may be laid off out of line of seniority.

a) Employees not at work in their posted positions during the layoff and recall period shall receive their posted rate of pay or the rate for the job being performed whichever is greater.

b) Employees who choose to exercise their seniority rights to a temporary job shall be paid the rate of the job being performed.

13.02 Recall Requirements

Where the employee has no telephone, the onus shall be on the employee to contact the Employer at frequent intervals during layoffs in order to ensure the maximum opportunity for employment.

If at the commencement of the season an employee has not been notified, through no fault of their own, and reports their availability, they shall be called to work on the following shift.

Where the Employer has carried out the conditions of the Agreement and an employee is not reached but later reports their availability, they will be called to work not later than the following third shift.

13.03 Termination After Nine (9) Months of Layoff

Employees on a layoff will be terminated and their recall rights will be extinguished after nine (9) months. Employees who have been terminated resulting from

closure or permanent job reduction will have their recall rights extinguished after nine (9) months.

ARTICLE 14 – CREW REDUCTION

14.01 Mechanical Breakdown

When employees are made idle by a mechanical breakdown or by any other cause, and such employees are requested to remain at their posts or at the plant, they shall be paid their regular hourly rate. Pieceworkers affected by similar circumstances shall be compensated at the hourly rate for time so lost.

However, if a disruption, mechanical or otherwise, is going to be longer than one half (½) hour, the Employer shall have the prerogative of requesting that employees leave their post or the plant, but to return at a specific time so as to complete the regularly scheduled shift. Employees shall have the option of whether or not they wish to return to work in these circumstances, and in the event they choose to exercise this option, they shall only be paid for time so worked.

When the Employer requires employees to work through their coffee break and then sends the employees home for the balance of the shift, the employees shall be paid for the break period they missed. The Employer may at its discretion reschedule lunch and coffee breaks during a mechanical breakdown.

14.02 Crew Reduction

Should a breakdown or unexpected change of work plans necessitate a reduction of crew for the balance of a shift it shall not be necessary to layoff on the basis of seniority. Crew reductions in accordance with this Article is considered to be shortage of work and do not constitute a layoff.

ARTICLE 15 – CLOSURE OF AN EMPLOYER OPERATION

In the event of a plant closure or semi plant closure, the Employer shall give sixty (60) days` notice in writing to the Union and the parties shall meet forthwith to discuss the actual facts and circumstances of all the employees involved.

Prior to any closure the Employer will provide a vacancy list for all operating plant(s) in order to provide displaced Employees with an opportunity for placement in other plants based on their seniority, qualifications, and ability.

Employees selected for placement who choose not to be placed will be deemed to have accepted a permanent layoff.

ARTICLE 16 – JOB VACANCIES

16.01 Job Classifications

Prior to job classifications being established, deleted or existing job classifications changed, as deemed

necessary or advisable by the Employer, the Union shall be advised. A rate shall be set by the Employer. If, after a trial period of two hundred (240) hours the Union deems the adjustment made by the Employer to be unsatisfactory, the dispute shall be settled pursuant to the grievance procedure herein provided, unless the parties have agreed to the classification changes and the rate of pay in advance of the two hundred and forty (240) hours trial period.

16.02 Temporary Jobs

Temporary vacancies of less than one (1) full shift can be filled with no regard for seniority.

16.03 Trial Period on Posted Job Selections

Employees who receive posted job selections as outlined in this Article will be on a trial period for a period not exceeding four hundred and eighty (480) working hours from date of confirmation of selection. If at any time within the four hundred and eighty (480) working hours trial period the Employer determines that an employee cannot perform the work in the new position in a satisfactory manner, it is agreed that such an employee shall revert to their former classification and rate of pay. If the successful applicant to a formal job posting is named and within four hundred and eighty (480) working hours is removed by the Employer, then the next senior Employee who applied for the same posting and meets the ability and

qualifications criteria, shall then be named as the new successful applicant to the said posting.

16.04 Job Vacancies for Trades and Leadhands

In filling job vacancies for maintenance leadhand, refrigeration leadhand, jobs requiring trade certificates, maintenance mechanics, refrigeration operators, and RSA certified personnel, the Employer shall consider seniority, qualifications, and ability necessary to perform the job.

16.05 Job Vacancies

When the Employer wishes to fill a job vacancy or a new job has been created, notice will be posted on the bulletin boards for five (5) working days in the plant where the vacancy occurs. Notwithstanding this Article, entry level Production Line Worker positions shall not be posted.

The job posting notice will contain the following information:

1) Classification, main duties and qualifications necessary for the job.

2) Rate of pay.

3) The date of posting and the closing date.

16.06 Job Selections

In filling all other job vacancies the job shall be awarded to the applicant with the most seniority provided the applicant has the required qualifications, is able to perform the duties of the job with adequate orientation, and has the necessary physical ability and a satisfactory work record.

a) It shall be the Employer's intent wherever possible to fill the job vacancies from within the plant.

b) Should the Employer be unsuccessful in locating a suitable applicant from among employees on their seniority list, the employer may secure a suitable applicant from any other source.

16.07 Applications in Writing

All job applicants must apply in writing for any job posted, providing name and qualifications.

Employees on layoff, vacation, sick leave, shall be accepted by seniority as applicants on all posted job vacancies. Employees on above leaves wishing to fill job vacancies will have the responsibility of notifying the Employer of their wish to be considered.

16.08 Job Application Procedures

Employees on layoff, vacation, sick leave, leave of absence shall be accepted by seniority as applicants on

all posted job vacancies. These employees shall be contacted by the Employer if they are not recalled during the above job posting period.

The Employer shall provide job posting application forms for interested employees and a copy of each job posting application, and job award, shall be provided for the designated shop steward and the Union office.

16.09 Reclassification to Production Line Worker

Employees wishing to give up their posted position shall give the Employer and the Union four (4) weeks advance notice of such intent in writing. In cases where there is mutual agreement between the employee and supervisor the notice may be less. If an employee wishes to step down for medical reason (proof provided) the notice period may be less than four (4) weeks. The vacancy thus created shall be posted and upon successful awarding of said posting (training, if required) the Employer shall slot the affected employee into the Production Line Worker classification-entry level.

However, if employees choose to avail themselves of this provision they shall not be eligible to post on the same position for a period of twelve (12) months, from the date of transfer.

16.10 Restricted Displacement

No employee shall be displaced from their job because of the temporary assignment of another employee.

16.11 Selection of Job Applicants

The Employer's decision on the selection of an applicant for a posted position shall be provided to the Union office and designated shop steward upon request and remain posted on the bulletin board for five (5) working days.

ARTICLE 17 – TRAINING AND RELIEF POSTINGS

17.01 Selection of Trainees

a) With the exception of refrigeration leadhand, maintenance leadhand, jobs requiring trade certificates, refrigeration operators and maintenance mechanics, the applicant with the most seniority will receive the opportunity for training, provided that such applicant has the necessary physical ability and a satisfactory work record.

b) If a trainee demonstrates that they are unable to perform the job for which they are receiving training, they will be returned to their posted job.

c) An employee may not receive training in a particular job while actively involved in training for another job until they either completes the training or withdraws from the program.

d) When the Employer has a training opportunity for sanitation (custodial) leadhand, maintenance leadhand, refrigeration leadhand, maintenance mechanic, refrigeration operator, or jobs requiring trade certificates, the selection shall be made in accordance with Article 16.04.

e) The Employer may only accept one written application every six (6) months from an employee for a training posting.

17.02 Trainee Rates of Pay

A trainee shall receive their classified rate of pay during the first eighty (80) working hours of the four hundred and eighty (480) working hours training period. Thereafter, until completion of the training period they shall receive the rate of pay applicable for the classifications in which they are being trained while actually training on the job which must commence and be completed in accordance with the four hundred and eighty (480) working hours time frame outlined above.

17.03 Training Time Limits

For job classifications in Job Groups 1 to 7 of Schedule "A" the training for these employees shall commence

from the date of the award and be completed within four hundred and eighty (480) hours.

Once the employee is awarded the training position they shall not be placed on another job until such time as they are considered trained.

However, should the Employer be unable to comply with the above provisions they shall provide reasons for the delay by notifying the Shop Steward and Union. That notice shall include the revised commencement date and the training shall be completed within the two hundred and forty (240) hours training program. Employees taking training programs must perform the job they have trained for when required.

17.04 Training – No Loss of Work or Pay

There shall be no reduction in hours of work or loss of pay for employees who normally perform the work because trainees are involved.

17.05 Designated Trainer Premium

The Employer shall determine the number of "Designated Trainers" who shall train employees. Designated Trainers shall receive a premium of one dollar ($1.00) per hour above the greater of the pay rate of their current position or the pay rate of the position they are training an employee in.

ARTICLE 18 – LOSS OF SENIORITY AND TERMINATION OF EMPLOYMENT

18.01 Termination of employment and removal from the seniority list shall occur if an employee:

1) Voluntarily leaves the employ of the Employer;

2) Is discharged for just cause;

3) Has been out of the employment of the Employer for a period of two (2) consecutive years or longer without leave of absence; or

4) If an employee after a layoff fails for three (3) calendar days to report for work after being recalled first by telephone and then registered letter.

ARTICLE 19 – LEAVES OF ABSENCE

19.01 Leave of Absence

A request by an employee for leave of absence without pay and for good reason may receive full consideration by the Employer and may be granted.

The period of leave is not to exceed three (3) months unless extended by mutual consent.

It is understood there is no minimum period of leave.

19.02 Family Days

Employees shall be allowed up to five (5) unpaid family days per year pursuant to the Employment Standards Act. In order to minimize scheduling problems, employees requesting time off pursuant to this Article shall advise the Employer of their intention to use an unpaid workday.

19.03 Leave When Appointed to Union Office

The Employer will grant leave of absence without pay to employees who are appointed to Union office for a period up to and including one (1) year.

Further leave of absence may be granted by mutual consent. The employees who obtain this leave of absence shall return to the Employer within thirty (30) calendar days after the completion of the term of employment with the Union.

In order for the Employer to replace the employee with a substitute the Union shall give the Employer five (5) working days' notice in writing.

19.04 Leave to Attend to Union Office

The Employer will grant leave of absence without pay to a maximum of two (2) employees in each plant at any one time, who is elected or appointed as Representative to attend Labour Conventions, Union

Meetings, seminars, and negotiations in order that they may carry out these duties on behalf of the Union.

In order for the Employer to replace the employee with a substitute the Union shall give the Employer three (3) working days notice in writing.

19.05 Education Leave

Employees shall be allowed up to ten (10) months leave of absence for approved education purposes. Should the course go beyond ten (10) months, the leave may be extended by mutual agreement.

19.06 Jury Duty or Witness Duty

The difference between jury duty pay, or witness duty when subpoenaed to appear, and the employee's regular rate of pay, will be paid. Hours on jury duty or witness duty shall count as hours worked towards qualifying service for annual vacations, paid sick leave and Employee benefits.

19.07 Bereavement Leave

a) The employee is entitled to forty (40) hours of paid bereavement leave if a member of the immediate family. (Father, Mother, Husband, Wife, Children, Brothers, Sisters, Grandparents, Grandchildren, In-Laws and "step" relations).

Requests for splitting days will be considered by the Employer on a case by case basis and will not be unreasonably withheld.

b) Requests for additional unpaid travel time or additional unpaid funeral leave will be considered.

c) An employee's day off will not be used to circumvent funeral or bereavement leave provisions. This leave may be extended for up to five (5) days by using vacation time and/or other unpaid leave.

19.08 Maternity Leave

An employee supported by a certificate of a medical practitioner that they are pregnant shall be entitled to a leave of absence from work, without pay, for a period of eighteen (18) consecutive weeks or a shorter period if the employee requests, commencing eleven (11) weeks immediately prior to the estimated date of birth or at a later date if the employee requests. Regardless of the date of commencement of the leave taken in this clause, the leave shall extend six (6) weeks beyond the actual date of birth unless the employee requests a shorter period.

19.09 Maternity Leave – Return to Work Notice

A request for a shorter period must be given in writing to the Employer at least one (1) week before the date the employee indicates they intend to return to work,

but can only resume work if supported by a certificate from a medical practitioner.

19.10 Maternity Leave – Extended Leave

Where an employee, who has been granted leave of absence under this Article and for reasons related to the pregnancy supported by a certificate by a medical doctor, is unable to return to work or resume same after the expiration of the initial leave, the Employer shall grant further leave of absence from work, without pay, for a period as may be specified by the medical certificate but not exceeding a total of six (6) consecutive weeks.

19.11 Maternity Leave – Job Duty Requirements

An Employer shall require an employee to commence a leave of absence under this Article if the said employee cannot reasonably perform the duties of the job due to the pregnancy and such leave of absence shall continue until the employee can furnish support from a medical doctor stating that they can perform the work.

19.12 Maternity Leave – Pension & Other Benefits

The employee who has been granted leave of absence under this Article shall be considered to be in continuous employment for the purposes of entitlement to pension, medical or any other benefit and the Employer shall continue to make payments to

the plan in the same manner as if the employee were not absent providing the said employee elects to continue to pay their share of the cost of the plan.

19.13 Maternity Leave – Employment Standards Act

It is also understood that any other provisions as per the Employment Standards regulations of B.C. in respect of maternity leave shall be applicable where appropriate.

19.14 Payment of Wages – Union Members

The Employer agrees to continue carrying employees on payroll and pay usual wages including E.I., C.P.P., and other benefits such as sick leave, statutory holidays and vacation, counted as though they were working when it is necessary for employees to be absent to attend negotiations or Union business.

Such wages and benefits so lost to be reimbursed to the Employer by the Union.

ARTICLE 20 – ILLNESS OR INJURY PLACEMENT

20.01 If an employee, as a result of bona fide illness or injury is unable to do the same or similar work to that which they were doing prior to their disability, the Employer and Union will meet and endeavor to find work they are capable of doing based on their medical restrictions.

20.02 Work Restrictions

Employees will require medical certificates to restrict themselves. Special cases will be reviewed by the Labour Management Committee. The Labour Management Committee will make recommendations to Management on restrictions continuing if no medical certificate is presented.

ARTICLE 21 – ANNUAL HOLIDAYS (VACATIONS)

21.01 From their first day of work an employee will earn vacation leave at a rate of two (2) weeks per year. The employee will also earn vacation pay at four percent (4%) of the employee's total earnings. After completing four hundred and eighty (480) working hours, Employees shall be allowed to take vacation leave to a maximum of their earned leave and pay as set out below.

21.02 Employees who have completed five (5) years of cumulative service with the Employer shall earn three (3) weeks' vacation per year and earn vacation pay of six percent (6%) of the employee's total earnings or three (3) weeks at the regular rate of pay whichever is greater.

21.03 Employees who have completed ten (10) years of cumulative service with the Employer shall earn four (4) weeks' vacation leave per year and earn vacation

pay of eight percent (8%) of the employee's total earnings or four (4) weeks at the regular rate of pay whichever is greater.

21.04 Employees who have completed fifteen (15) years of cumulative service with the Employer shall earn five (5) weeks' vacation leave per year and earn vacation pay of ten percent (10%) of the employees' total earnings or five (5) weeks at the regular rate of pay whichever is greater.

21.05 Employees who have completed twenty-three (23) years of cumulative service with the Employer shall earn six (6) weeks' vacation leave per year and earn vacation pay of twelve percent (12%) of the employees' total earnings or six (6) weeks at the regular rate of pay whichever is greater.

21.06 Vacation – Qualifying Hours

All paid vacations, statutory holidays, sick leave, leave of absence on Jury Duty, leave of absence on Union business, bereavement leave, shifts off on Workers Compensation, and Industry related Educational leave as determined by the Employer taken during a working period of a Industry payroll year shall be counted as shifts worked for the purpose of qualifying for annual holidays.

21.07 Vacation Year

Vacations and vacation pay shall be computed on the basis of the Industry Payroll Year which shall be twenty-six (26) pay periods.

21.08 Vacation Selection Procedure

In order to assure everyone's right by seniority for vacations and the normal operations of the Employer, the following procedure shall apply:

1) Employees will submit vacation requests for the current year by January 31st of each year.

2) Requests will be processed, and vacations shall be scheduled by March 1st. Employees who have not selected vacation time by this date will have their vacations scheduled by management. Employees not granted all or part of their requested vacation time will be contacted by the Employer to arrange alternate available vacation time pursuant to Article 21.08 4) below. Once vacation is approved and scheduled by March 1st, the Employer shall not amend the schedule without the approval of the employee.

3) The vacation schedule shall be posted and requests for vacation will be signed by Management and a copy returned to the applicant.

4) Employees shall indicate their first and alternate choices of vacation time on their application. Should a time become available after the completion of the initial schedule, the employer shall review the schedule and attempt to provide employees with their alternate choice by seniority.

5) Notwithstanding the reference to Industry Payroll Year in other clauses of this Article Annual holiday, the vacation selection procedure shall continue to operate on the basis of the calendar year.

21.09 Vacation Format

1) Employees shall be able to use vacation time while on sick leave or layoff of one or more days at a time during the year.

2) Should a scheduled vacation slot become vacant due to the above past practice provisions a less senior employee shall be entitled to the slot if they wish to do so.

3) The formula for vacations shall be a minimum of two (2) employees per week during the calendar year and no vacations shall be withheld when qualified replacement employees are available, and employees are laid-off from the existing seniority list.

4) The above is subject to the manning requirements and availability of employees for the normal operations of the Employer.

5) It is understood that at certain times the Employer may not be able to allow employees to take vacation. However, as long as in the opinion of Management there is a suitable replacement employee available, the Employer shall allow the employee to take their vacation as scheduled.

21.10 Vacation Payment

Pursuant to any understandings, current or otherwise, the parties agree to be bound by the following:

1) Employees who have qualified and earned full entitlement for two (2), three (3), four (4), five (5), or six (6) weeks' vacation must take this vacation period.

2) Employees who have qualified for, but have not earned full entitlement, must take the time off to the extent that their vacation earnings so provide. [For example, an employee who has qualified for two (2) weeks' vacation on a previous occasion, but for some reason only earned eight (8) days' vacation pay entitlement will only be required to take eight (8) days as vacation time off].

3) However, pursuant to (2) above, if employees wish to have all their vacation entitlement (both paid

and unpaid) credited as hours worked for qualification purposes, they then must schedule and take that vacation period as time off from work. They must advise the Employer of this position.

ARTICLE 22 – GRIEVANCE PROCEDURE

22.01 Definition of Grievance

Grievance means any complaint or claim brought by the Employer or by the Union or by any employee concerning discipline or discharge, or matters relating to the interpretation, application or alleged violation of this Agreement.

22.02 Grievance to be in Writing

All grievances shall be in writing, signed by the party making the grievance. No grievance concerning the termination of an employee shall be considered if the alleged circumstances occurred more than ten (10) working days prior to its presentation to the Employer. When filing a written grievance in respect of an alleged violation of the Collective Agreement, the grievor will endeavour to indicate the Article(s) so violated.

22.03 First Step – Grievance in Writing

All grievances shall be in writing and presented to the supervisor by any individual employee with a shop

steward. Management may request a meeting with the grievor and Shop Steward. In any event, whether the meeting takes place or not, the Employer shall inform the grievor and Shop Steward of the decision in writing within five (5) working days after presentation of the grievance to the Employer.

22.04 Second Step

If settlement is not achieved by the First Step, or if such step is not applicable a meeting will then be held between a Representative of the Union and Employer. The party to whom the grievance was presented shall make its decision known within ten (10) working days of the termination of the meeting. A Union policy grievance or grievance relating to discipline or dismissal of an employee shall start at this step.

ARTICLE 23 – ALTERNATE DISPUTE RESOLUTION - TROUBLESHOOTER

23.01 Troubleshooter

(a) If the Parties agree, rather than referring a matter(s) to formal grievance arbitration, they may utilize the alternative dispute resolution on a without prejudice and non-citable basis. This process will assign a troubleshooter to hear grievances/disputes on an informal basis who is empowered to engage in a mediated process for resolving such grievances/disputes.

(b) Process: The Parties will agree on the number of grievances/disputes to be put to the troubleshooter on a given, scheduled, day. The parties will each give a concise ten to fifteen (10-15) minute overview of the case to the troubleshooter, with their argument on the requested outcome. Mediation will be undertaken and directed by the troubleshooter. If no mediated agreement can be achieved between the parties on a given grievance/dispute, the troubleshooter will deliver a concise, written, decision within thirty (30) days of hearing to the Parties on the matter. Decisions are without prejudice and are non-citable.

(c) Referral to Arbitration: Either party is entitled to take the original grievance/dispute to arbitration if they so choose and in accordance with the grievance-arbitration provisions of the agreement. The troubleshooter's decision cannot be raised in the subsequent arbitration unless the Parties agree to put the decision before the arbitrator.

(d) The Parties agree to utilize any of the following to serve as troubleshooter: Mark Atkinson; Amanda Rogers, Randy Noonan, Corinn Bell.

ARTICLE 24 – ARBITRATION

24.01 1) Notice to proceed to arbitration should only be given once all of the grievance steps are completed within thirty (30) days thereafter.

2) Single Arbitrator

The parties may mutually agree to use the service of a Single Arbitrator. If they cannot decide on the name of an arbitrator, the Minister of Labour shall appoint an arbitrator.

24.02 Final and Binding Decision

The decision of the Arbitrator appointed in the above manner shall be final and binding on both parties.

24.03 No Power to Alter

The Arbitrator shall not have the power to alter or change any of the provisions of this Agreement or to substitute any new provisions for any existing provisions, or to give any decision inconsistent with the terms and provisions of this Agreement.

24.04 Arbitration Cost Sharing

The parties to this Agreement shall bear jointly, on a 50/50 basis, the fee of the Arbitrator and any expenses incurred by them.

ARTICLE 25 – DISCIPLINE

25.01 Discipline

The Employer shall have the right to discipline any employee for just and reasonable cause, including misconduct or failure to perform the allotted duties in a reasonably efficient manner. However, in cases of inefficiency or minor misconduct, such discipline shall take the form of verbal warning and to be confirmed by memo. The second warning shall be a written warning detailing the problem to the employee with a copy to the Union and the employee shall be given reasonable opportunity to attain the necessary standards. All warning letters and all verbal warnings shall be removed from an employee's personnel file after a period of fifteen (15) months if no other infractions take place.

No employee shall be subject to a formal disciplinary investigation or be given a verbal warning, written warning, or be suspended or dismissed except in the presence of a shop steward or in their absence another member of the bargaining unit selected by the employee.

When an employee is dismissed for inefficiency or misconduct, a letter of dismissal shall be handed or mailed to the employee and a copy to the Union. This letter shall detail the reasons for dismissal. All actions under the above sections shall be subject to grievance procedures.

Subject to giving the Employer advanced notice, an Employee shall have access to their personnel file. The review of the file by an Employee will be at the plant.

ARTICLE 26 – NO STRIKE OR LOCKOUT CLAUSE

26.01 The Employer agrees that there shall be no lock-out of employees complete or partial during the term of this Agreement.

26.02 The Union agrees that there shall be no strike or slowdown either complete or partial while this Agreement is in effect.

26.03 The Union shall repudiate in writing and communicate to the Employer within twenty-four (24) hours after cessation of work or commencement of picketing or placarding, any strike or other slowdown, or cessation of work whatsoever occurring while this Agreement is in effect and shall declare that any picketing or placarding line set up in connection therewith is illegal and not binding on the members of the Union.

26.04 It shall be the duty of the Employer to advise the Union immediately following the cessation of work or the commencement of any such picketing or placarding.

26.05 Any employee who refuses to cross the picket line shall not be considered to be in violation of this Agreement. Further, the Employer will not discriminate in any way or take any punitive action against an employee who refuses to cross a picket line.

ARTICLE 27 – WAGES AND CLASSIFICATIONS

27.01 Wages – Schedule "A", "AA", "AAA" & "AAAA"

Wages and classifications shall be in accordance with Schedule "A", "AA", "AAA" & "AAAA", attached hereto. For the purposes of this Collective Agreement the term "working year" shall mean a payroll year.

27.02 Pay Slips

A complete and itemized computation of the employee's pay and sick leave hours shall be shown on their pay slip accompanying their pay. Wages are to be paid within five (5) days of the end of the pay period.

ARTICLE 28 – SAFETY & HEALTH

28.01 Provisions for Safety and Health

The Employer shall make reasonable provisions for safety and health of its employees at the plants during the hours of their employment.

28.02 Safety Committee

The Employer agrees to recognize the Safety Committee as provided for under the Workers' Compensation Board Accident Prevention Regulations. It is understood that representatives of the Employer and representatives of the Union appointed by their

members shall be members of this committee. The Safety Committee will hold monthly meetings as best determined by the Employer, on Employer time with pay. Minutes of the Monthly Meeting shall be forwarded to the Union office upon request of the Union.

28.03 The Employer agrees to post evacuation procedures in all its plants as per WorkSafe B.C. regulations.

28.04 The Employer agrees to make CO_2 measuring devices available when required.

ARTICLE 29 – FIRST AID ATTENDANT

29.01 First Aid Attendant Posting

The Employer will request applications through job posting procedures for a qualified First Aid Attendant and a backup as it deems necessary.

In the event the Employer hires an employee with a first aid ticket or should an employee obtain the ticket on their own, the Employer agrees that the employee shall not be recognized as the posted first aid attendant. However, this shall not preclude the Employer from utilizing said employee in the interim so as to comply with WSBC regulations. In the meantime, the Employer shall post for first aid training and should a senior employee not apply for the position, the less senior ticketed employee will be awarded the position and shall be reimbursed for all costs.

29.02 First Aid Attendant Premium

The qualified First Aid Attendant working on hourly or piece work rates, shall receive their regular hourly rate or the average of their piece-work rate for the day to cover any time spent on First Aid work; and, in addition thereto, they shall receive:

i) $2.40 per hour Level II
$0.60 per hour Level I (transportation endorsement)
$0.40 per hour Level I

29.03 Backup First Aid Attendant – Premium

When backup First Aid Attendant is in to work by seniority, they shall receive fifty percent (50%) of applicable ticket rate per hour in addition to their occupational rate of pay as indicated below.

ii) $1.00 per hour Level II
$0.30 per hour Level I (transportation endorsement)
$0.20 per hour Level I

29.04 Backup First Aid Attendant – Requirement

The Employer shall maintain a trained backup First Aid Attendant for each shift to be available in the event of the absence of the regular First Aid Attendant.

29.05 First Aid – Job Duties

It is understood that any employee receiving the above premium shall carry out the normal responsibilities pertinent to the job classification to which they are assigned.

29.06 First Aid Attendant – Seniority

In the event the First-Aid Attendant is at work out of line of seniority the Employer shall assign the First-Aid Attendant to a job that the First-Aid Attendant is capable of performing but replaces the lowest senior employee called into work.

29.07 First Aid Training

a) Employees who are awarded the first aid posting will be trained or re-qualified for the Industrial First-Aid Certificates and will be compensated subject to the following conditions:

   1) That the Employer will pay all reasonable costs involved, such as course tuition and materials required to those employees who pass the course. Reasonable costs include mileage. Such costs will be mutually agreed to prior to the employee starting their training.

   2) Employees who are renewing their present first aid ticket or upgrading same shall be paid in advance prior to taking the course. Should

the employee fail the particular course they shall repay the advance monies to the Employer in a mutually agreed to manner. If a mutual agreement cannot be reached, the Employer may recover such costs through payroll deductions.

3) Employer reserves the right to set the number of applicants that may apply for training.

b) Employees, who are currently first aid attendants – regular or backup who have tickets, shall be entitled to exercise an option, upon renewal of their present first aid ticket or are upgrading same as may be required by the WSBC;

1) Of being paid for the time required to complete the additional training program or;

2) Taking the time off on their own to complete renewal or upgrade. If they choose option (2) they shall not be paid for time required to complete renewal or upgrade, but shall continue to receive the current first aid rate as provided for in Article 29.02(i). However, should they choose option (1) they shall be paid pursuant to Article 29.03(ii) outlined above.

Employees who do not presently hold valid first aid certificates but are successful applicants to first aid postings and are obtaining their initial first aid

certificate shall not be entitled to exercise an option but shall be paid for the time required to complete the additional training program. Such employees shall attend training programs, while on lay-off, leave of absence or scheduled time off without pay, but upon successful completion of the program shall be paid for the hours normally required to complete same at their posted rate of pay. Such time shall be limited to that first aid certificate as is required by the WSBC regulations. Such time paid shall be consider as time worked for the purpose of the Collective Agreement.

It is further understood that current first aid attendants if they choose option (1) as above, shall be governed in the same manner as employees who are getting their initial first aid certificate.

In respect of hours to be paid, upon successful completion, it is understood that the employee shall receive payment only for actual time required to be in attendance at the first aid course to complete all requirements.

29.08 Bargaining Unit First Aid

The first aid duties will be performed by a bargaining unit employee only, except in the case of an emergency or in the event there is no one qualified as per WSBC requirements from bargaining unit first aid personnel on shift.

ARTICLE 30 – SICK AND WELLNESS LEAVES

30.01 Definitions

Sick leave is a leave exclusively for an employee's absence related to medical and health issues usually for illness and injuries. It may be paid or unpaid. The employer can ask for medical proof.

The primary purpose for Wellness Leave is to maintain or improve an employee's health although it may also be used for sick leave purposes once all sick leave has been used.

30.02 Qualification Period

Employees need to work four hundred and eighty (480) hours to qualify for Sick and Wellness Leaves.

Once qualified, an employee will receive five (5) Sick Days and five (5) Wellness days per calendar year. The first year will be pro-rated as necessary.

30.03 Accumulation

Unused Sick and Wellness Leave days will be carried forward to the next calendar year.

30.04 Remuneration

1) Paid Sick and Wellness Leave hours taken shall be paid at 100% of the employee's classified rate of pay.

2) Should the Employer request the doctor's slip, the Employer shall pay all costs incurred by such a request upon presentation of the receipt by the employee.

3) An employee shall not be entitled to receive sick pay in excess of that which they have accumulated. An employee may use sick leave pay for medical appointments.

4) Willful abuse of any of the provisions of the sick leave plan will result in disciplinary action being taken by the Employer and supported by the Union.

30.05 Payout of Accumulation

At retirement, the accumulated unused sick leave will be paid as follows:

- to the employee's pension account until their annual maximum contribution limit is reached, then,
- to RRSP's until the employees unused contribution maximum is reached, and then,

- paid out as lump sum income with appropriate tax and other statutory deductions.

No other payout of sick leave or wellness will be considered.

30.06 Loss of Earnings on Day of Injury

An employee injured in the plant shall suffer no loss of earnings for the hours they would have worked but were necessarily lost on the day the accident occurred.

30.07 Vacation Pay In Lieu of Sick Leave

In the event that they have no sick leave credits, employees may use accrued vacation pay to augment their loss of earnings while absent due to illness.

ARTICLE 31 – MEDICAL PLAN

31.01 The Medical Services Plan: ("MSP") premiums are no longer payable by the Employer; however, in the event the provincial government reinstates MSP premiums, the Parties agree that the provisions of Article 31 of the 2013-2020 collective agreement shall be re-inserted into this Article.

31.02 Effective on April 1, 2024 or sooner as a plan administrator is secured.

31.03 Coverage

After completing four hundred and eighty (480) hours, a full-time employee will be entitled to receive up to fifteen hundred dollars ($1,500.00) for legitimate and normal medical related expenses in each calendar year through a Health Care Spending Account. Services must be performed by registered medical professionals. The Plan will also include for coverage to all employees, twenty-five thousand dollars ($25,000.00) for AD&D and twenty-five thousand dollars ($25,000.00) for Life Insurance.

Employees will co-insure fifty percent (50%) of each expense. Employees will submit their expenses to an administrator for reimbursement of remaining fifty percent (50%) as per above.

Coverage is for the employee, their spouse, and dependent children.

A spouse is a legal spouse or a person continuously living with you in a role like that of a marriage partner for at least twelve (12) months. Only one (1) person can be insured as the spouse at any given time.

Dependent children are your or your spouse's unmarried natural, adopted, stepchildren, or any other unmarried children for whom you or your spouse have been appointed legal guardian. Dependents are eligible for coverage if they are under age twenty-one (21) and not working more than thirty (30) hours a

week, unless a full-time student or under age twenty-five (25) [under age twenty-six (26) if a resident of Quebec] and registered as a student at a college, university, trade school, or similar education facility and attending on a full-time basis.

31.04 Carry Over of Expenses

Residual expenses that cannot be fully covered in one (1) year may be claimed by the employee in the next year only.

31.05 Employer to Cover Expense of the Administrator

The Employer will cover the expense of the Plan Administrator and disbursement they made to cover expenses.

ARTICLE 32 – PENSION RETIREMENT PLAN

32.01 Employer Contributions

Effective December 6, 2004, it is agreed that all Employers party to this Agreement shall contribute to The B.C. Fruit Industry Pension Plan ("the Plan") at a rate of three and one-half percent (3½%) of Plan Earnings in respect of all employees in the Bargaining Unit who are or become members of the Plan in accordance with 32.04 (1) & (2) below.

32.02 Employee Contributions

Effective December 6, 2004, it is agreed that all employees of the Employers party to this Agreement, who are or become members of the Plan in accordance with 32.04 (1) & (2) below shall contribute to same at a rate of three and one half percent (3½%) of Plan Earnings. In addition to the foregoing, members of the Plan may make additional contributions to the Plan as they so desire, as long as the total contributions allocated to each member (employer contributions, employee required contributions, and additional voluntary contributions) in a calendar year do not exceed the lesser of eighteen percent (18%) of the employee's Plan Earnings and the money purchase limit prescribed under the Income Tax Act (Canada) for such calendar year.

32.03 Plan Earnings

"Plan Earnings" for the purpose of this section shall be defined as all money received directly from the Employer while a member of the Plan (including wages, overtime, shift premiums, vacation pay, sick leave, bereavement pay, credit payments, or other items of a similar nature). Premiums for such things as expenses, allowances, medical payments are not part of the "Plan Earnings" calculation.

32.04 Plan Eligibility Requirements

1) Each employee shall become a member of the Plan on the earlier of:

   i. The first (1st) day of the next pay period following the completion of eight hundred (800) hours of work in a calendar year for the Employer, or

   ii. The first (1st) day of the next pay period following the completion of one thousand, six hundred and twenty (1,620) hours of work for the Employer over a twenty-four (24) consecutive month period, since becoming a member of the Union.

2) Each employee who is not required to become a member of the Plan under 32.04(1) may elect to become a member of the Plan on the first (1st) day of the calendar year next following the satisfaction of the eligibility requirements under the *British Columbia Pension Benefits Standards Act* as set out in 32.05.

32.05 British Columbia Pension Benefits Standards Act Eligibility Requirements

Any employee may elect to participate in the Plan providing the employee meets the following criteria:

1) Has been employed by the Employer for at least the prior two (2) calendar years, and

2) Has completed at least three hundred and fifty (350) hours of employment in each of the prior two (2) calendar years, and

3) Has earned more than thirty-five percent (35%) of the Year's Maximum Pensionable Earnings in each of the prior two (2) calendar years.

32.06 Contributions Remitting and Reporting

Contributions, as defined above, for each member of the Plan according to 32.01 and 32.02 shall be forwarded by the Employers to the Trust Employer or such other financial institution so designated to receive same by the Board of Trustees and shall do so not later than twenty-one (21) days after the end of the month during which they were collected from the members. Further, a list of members from whom the contributions were collected along with the amount of contributions and Plan Earnings for each member shall be forwarded by the Employers to the Trust Employer and shall do so not later than twenty-one (21) days after the end of the calendar year.

32.07 Joint Board of Trustees

The Plan shall be controlled by a Joint Board of Trustees made up of an equal number of representatives from the Union and from the Employers. While the number

may be changed from time to time as the Board deems necessary, it is understood that the number of Trustees will be three (3) from the Union and three (3) from the Employers.

32.08 Administration of the Plan

The Board of Trustees or their valid replacements shall be solely responsible for the overall administration of the Plan and shall from time to time, in addition to those listed below, be empowered to make such rules and regulations in respect of the operation of the Plan as they deem necessary through the Plan Trust Document and/or Agreement.

1) The selection and appointment of Administrator, Actuary Consultant, Investment Counsel, Legal Counsel, or such other individual(s) who may be retained in respect of the operation of the Plan. The foregoing shall be solely responsible to the Board of Trustees.

2) Formulation, design and implementation of Plan Trust Document and/or Agreement.

3) Direct the Administrator to report on the status of the Plan as necessary but not less than once (1x) per year in accordance with pertinent pension legislation. Such reports will be provided to the Union and Employers and include financial statements at the end of each Plan year showing:

i) Contributions made to the fund by the Employers and Employees.

ii) Total benefits from the Fund.

iii) Investment income (interest, dividends, and realized and unrealized capital gains or losses).

iv) Amount of the assets at the beginning and end of each Plan year at book and market value and a description of assets held.

v) Expenses paid from the Plan.

vi) Number of active members and names.

vii) Number of beneficiary claims.

viii) Number of terminations.

4) All reasonable expenses incurred in the operation of the Plan shall be paid from the Plan including the costs of Administration.

32.09 Plan Members – Termination

Plan members who terminate membership in the Plan shall have vesting rights and shall be entitled to withdraw their employee contribution balances (required and voluntary) including interest plus the vested portion of their employer contribution balance

in accordance with the vesting requirements under the *British Columbia Pension Benefits Standards Act* as set out under Article 32.10.

32.10 Vesting Requirements under British Columbia Pension Benefits Standards Act

Effective September 30, 2015, a member is one hundred percent (100%) vested immediately upon joining the Plan.

32.11 Additional Contributions

If employees desire to make additional contributions to the Plan, the Employers shall cooperate in this matter, make payroll deductions and submit same as per above.

32.12 Disputes Procedure

The Governance Policy shall provide that in the event of a dispute arising out of the administration or operation of the Plan or Fund, the matter shall be referred to an arbitrator mutually agreeable to both parties. Failing this, an arbitrator will be so appointed by application to the BC Labour Relations Board pursuant to Section 86 of the *Labour Relations Code*.

32.13 Plan Registration

It is understood and agreed that the Plan shall be such that it can and shall be registered, and continue to be registered, under applicable Federal or Provincial law in respect of pension plans. Subject to the foregoing, the Employers and the Union agree to be bound by actions taken by the Employer and the Union Trustees under the Plan.

32.14 Qualifying Shifts

For the purpose of qualification and accumulation – a call to work, all paid vacations, statutory holidays, paid sick days, shifts absent on WSBC, Union business, jury duty, bereavement leave or industry related education leave as determined by the Employer, taken during a calendar year shall be counted as shifts worked.

32.15 Severance Pay – Retirement

Upon retirement and application for benefits payable under the Plan at age sixty (60) or over, an employee with twenty (20) years of continuous service with an Employer will be paid from the Employer a maximum of two (2) weeks' severance pay.

32.16 WSBC – Contributions While On Leave

An employee who is absent on Workers' Compensation wage loss benefits shall have the option to continue to

make contributions to the Plan. Employer contributions shall continue to be made to the plan only if the employee continues to make contributions at the required rate.

ARTICLE 33 – GENERAL

33.01 Wearing Apparel

1) Gloves and Aprons

Employees required to dip boxes, bins, etc., in any solution shall be supplied with rubber or rubber-type gloves and aprons. Where employees are required to wear suitable gloves, i.e. nylon, plastic, etc., the Employer agrees to supply these gloves or protective sleeves free of charge on a replacement basis. The Employer will provide protective aprons and proper gloves for stackers if so requested and protective sleeves for Production Line Workers on the same basis.

2) Coveralls

The Employer shall supply and launder coveralls for maintenance personnel.

3) Safety Footwear

Employees who have successfully passed probation and require safety footwear will be reimbursed, upon submission of receipts, every

two (2) years at one hundred percent (100%) of the cost of CSA-approved safety footwear up to a maximum of one hundred dollars ($100.00).

33.02 No Sexual Harassment

The Union and the Employer recognize the right of employees to work in an environment free from sexual harassment, and the Employer and Union shall take such actions as are necessary respecting an employee engaging in sexual harassment in the workplace.

33.03 Tool Allowance

A tool allowance of seventy-five cents ($.75) per hour worked will be paid to jobs requiring trades certificates, millwrights, trades helpers, refrigeration operators, and refrigeration mechanics for the purchase of replacement tools used by such personnel in the performance of their work where the employee is required by the Employer to provide their own full set of hand tools.

33.04 Negotiations – Cost Sharing

Employer and Union to split the cost of meeting rooms and printing of the Collective Agreement.

33.05 Buggies and Stools

The Employer shall provide and maintain packer's buggies and Production Line Worker's stools in a safe, proper, and efficient manner.

33.06 Labour Management Committee

It is further agreed that the parties to this Agreement may meet at least three (3) times per year for the purpose of reaching maximum harmony and cooperation in the carrying out of this Agreement. The membership of the Committee shall be comprised of one (1) member from each facility to represent the Employees and one representative from each facility to represent the Employer, in addition to the Unions' Business Agent and the Manager of Human Resources.

33.07 Copies of Collective Agreement

The Employer shall provide all new employees with a copy of the current Collective Agreement.

33.08 Chief Engineers Premium

When Refrigeration Mechanics or Refrigeration Operators are designated as Chief Engineers by the BC Tree Fruits Cooperative and the BC Safety Authority they shall receive an additional premium of one dollar ($1.00) per hour.

33.09 "RSA" Premium

When an Employee has successfully completed their certification for Refrigeration Safety Awareness "RSA" training by BC Tree Fruits Cooperative and the BC Safety Authority they shall receive an additional premium of two dollars ($2.00) per hour.

Employees who hold the RSA Certification receive the two dollar ($2.00) per hour premium regardless of whether they are performing the RSA job.

ARTICLE 34 – TECHNOLOGICAL OR PROCEDURAL CHANGES

34.01 Advance Notification

The Employer will provide the Union with appropriate notice of intention to introduce automation or new type equipment or procedures relevant to automation and/or new type equipment which might result in loss of employment or reduction of personnel or in changes of job classifications.

34.02 Retraining

Employees becoming redundant due to new equipment or procedures shall be eligible for retraining providing that they have the necessary basic education and attributes to absorb such training to equip them for the operation of such new equipment or procedure, or to qualify for new positions. Such retraining will be

provided by the Employer without loss of pay, to the affected employees for a period not to exceed thirty (30) days.

34.03 Rate Adjustment

An employee who is setback to a lower paid job because of technological change will receive the rate of pay of their regular job at the time of the setback for a period of three (3) working months. The displaced employee will receive an hourly rate based on each employee's average hourly earnings on regular shifts during the season immediately prior to the displacement, for a period of three (3) working months. At the end of the three (3) working month period the rate of pay for the new regular job will apply to all employees setback due to technological change.

34.04 Severance Pay

In cases where the Employer considers the employees are not trainable for available positions, those employees with one thousand, six hundred and eighty (1,680) hours worked may elect to terminate their employment with severance pay of one (1) week's pay for each year of service up to a maximum of twelve (12) weeks pay.

34.05 New Classifications

In the event changes in methods or equipment relevant to automation or new type equipment become necessary and the classifications contained in this Agreement are not applicable, the Employer and the Union will review and establish such new classifications as may be required.

34.06 Individual Plants

It is agreed that all Clauses in Article 34 on Technological Change shall be on a basis of individual plants.

34.07 Standard Rates of Pay

Where Technological Change results in jobs of essentially the same nature being created in different plants, the rate paid in all plants shall be the same.

ARTICLE 35 – DURATION OF AGREEMENT

This Agreement shall be effective October 2, 2023 up to and including September 30, 2026 and from year to year thereafter, subject to the right of either party to the Agreement, within four (4) months immediately preceding September 30, 2026 or any subsequent anniversary date thereafter to require the other party to this Agreement, in writing, to commence collective bargaining to conclude a revision or renewal of this Agreement.

Should either party give notice as outlined above, this Agreement shall thereafter continue in full force and effect and neither party shall make any change in the terms of the said Agreement, or increase or decrease the rate of pay of any employee for whom collective bargaining is being conducted, or alter any other term or condition of employment.

The Parties agree to commence collective bargaining to renew the 2023-2026 Collective Agreement before the end of August 2026.

Signed this 18th day of October, 2023.

FOR THE EMPLOYER

David Cox

Brent Mackinnon

Sandra Tanemura

Melanie Schierbeck

FOR THE UNION

Anthony Glavin

Elisca Long

Sara Brown

Jason Kendrick

Angrej Raike

SCHEDULE "A" CLASSIFICATIONS

JOB CLASS 1
Receiver, Shipper, Line Operator

	A – Day
CURRENT	$25.50
OCT. 2, 2023	$28.05
OCT. 2 2024	$28.89
OCT. 2, 2025	$29.75

JOB CLASS 1A
Lift Truck Operator, Machine Operator

	A – Day
CURRENT	$23.46
OCT. 2, 2023	$25.80
OCT. 2, 2024	$26.57
OCT. 2, 2025	$27.36

JOB CLASS 3
Stacker

	A – Day
CURRENT	$21.73
OCT. 2, 2023	$23.90
OCT. 2, 2024	$24.61
OCT. 2, 2025	$25.35

JOB CLASS 4
Palletizer Operator, Grade Checker, Bliss Machine

	A – Day
CURRENT	$21.12
OCT. 2, 2023	$23.23
OCT. 2, 2024	$23.92
OCT. 2, 2025	$24.63

JOB CLASS 5
Dumper, Bin Filler, Scanner, Bagging Machine, Denester/Labeller Operators, Tray Inserter Operators

	A – Day
OCT. 2, 2022	$20.37
OCT. 2, 2023	$22.40
OCT. 2, 2024	$23.07
OCT. 2, 2025	$23.76

JOB CLASS 6
Clean-up, Paper Supply, Bin Repairs/Washing

	A – Day
CURRENT	$19.72
OCT. 2, 2023	$21.69
OCT. 2, 2024	$22.34
OCT. 2, 2025	$23.01

JOB CLASS 7
Production Line Worker, Hand Bagging, Packer Minimum

	A – Day
CURRENT	$19.08
OCT. 2, 2023	$20.98
OCT. 2, 2024	$21.60
OCT. 2, 2025	$22.50

SCHEDULE "AA" CLASSIFICATIONS

JOB CLASS 2

Journeyperson Millwright, Journeyperson Electrician

	Day
CURRENT	$40.80
OCT. 2, 2023	$44.88
OCT. 2, 2024	$46.22
OCT. 2, 2025	$47.60

JOB CLASS 3

		Day
Refrigeration Operator	**CURRENT**	$30.00
	OCT. 2, 2023	$33.00
	OCT. 2, 2024	$33.99
	OCT. 2, 2025	$35.00
Refrigeration Operator Class 4	**CURRENT**	$35.00
	OCT. 2, 2023	$38.50
	OCT. 2, 2024	$39.65
	OCT. 2, 2025	$40.83
Refrigeration Operator Class 3	**CURRENT**	$37.00
	OCT. 2, 2023	$40.70
	OCT. 2, 2024	$41.92
	OCT. 2, 2025	$43.17

JOB CLASS 4

		Day
Apprentice Millwright Year 1 - 80%	CURRENT	$32.64
	OCT. 2, 2023	$35.90
	OCT. 2, 2024	$36.97
	OCT. 2, 2025	$38.07
Apprentice Millwright Year 2 - 85%	CURRENT	$34.68
	OCT. 2, 2023	$38.14
	OCT. 2, 2024	$39.28
	OCT. 2, 2025	$40.45
Apprentice Millwright Year 3 - 90%	CURRENT	$36.72
	OCT. 2, 2023	$40.39
	OCT. 2, 2024	$41.60
	OCT. 2, 2025	$42.84
Apprentice Millwright Year 4 - 95%	CURRENT	$38.76
	OCT. 2, 2023	$42.63
	OCT. 2, 2024	$43.90
	OCT. 2, 2025	$45.21

JOB CLASS 5

		Day
Journeyperson Refrigeration Mechanic	**CURRENT**	$40.80
	OCT. 2, 2023	$44.88
	OCT. 2, 2024	$46.23
	OCT. 2, 2025	$47.62

JOB CLASS 6

		Day
Apprentice Refrigeration Mechanic - Year 1 - 80%	**CURRENT**	$32.64
	OCT. 2, 2023	$35.90
	OCT. 2, 2024	$36.97
	OCT. 2, 2025	$38.07
Apprentice Refrigeration Mechanic - Year 2 - 85%	**CURRENT**	$34.68
	OCT. 2, 2023	$38.14
	OCT. 2, 2024	$39.28
	OCT. 2, 2025	$40.45
Apprentice Refrigeration Mechanic - Year 3 - 90%	**CURRENT**	$36.72
	OCT. 2, 2023	$40.39
	OCT. 2, 2024	$41.60
	OCT. 18, 2025	$42.84
Apprentice Refrigeration Mechanic - Year 4 - 95%	**CURRENT**	$38.76
	OCT. 2, 2023	$42.63
	OCT. 2, 2024	$43.90
	OCT. 2, 2025	$45.21

JOB CLASS 7

		Day
Apprentice Refrigeration Operator	**CURRENT**	$27.19
	OCT. 2, 2023	$29.90
	OCT. 2, 2024	$30.79
	OCT. 2, 2025	$31.71

JOB CLASS 8

		Day
Trade Helper	**CURRENT**	$27.44
	OCT. 2, 2023	$30.18
	OCT. 2, 2024	$31.08
	OCT. 2, 2025	$32.01
Chief Engineer Premium		$1.00

JOB CLASS 9

		Day
Power Engineer 4th Class	**CURRENT**	$31.62
	OCT. 2, 2023	$34.78
	OCT. 2, 2024	$35.82
	OCT. 2, 2025	$36.89
Power Engineer 3rd Class	**CURRENT**	$35.70
	OCT. 2, 2023	$39.27
	OCT. 2, 2024	$40.44
	OCT. 2, 2025	$41.65
Mechanic Leadhand Operator Premium		$2.00
Refrigeration Leadhand Operator Premium		$2.00

SCHEDULE "AAA" CLASSIFICATIONS

JOB CLASS 1
Sanitation Cleaner

	Day
CURRENT	$23.69
OCT. 2, 2023	$26.05
OCT. 2, 2024	$26.83
OCT. 2, 2025	$27.63
Shift Leadhand Premium	$2.00

SCHEDULE "AAAA" CLASSIFICATIONS

JOB CLASS 3

		Day
Cellar Machine Operator	**CURRENT**	$24.48
	OCT. 2, 2023	$26.92
	OCT. 2, 2024	$27.72
	OCT. 2, 2025	$28.55

JOB CLASS 4

		Day
Cellar Supply Hand	**CURRENT**	$23.46
	OCT. 2, 2023	$25.80
	OCT. 2, 2024	$26.57
	OCT. 2, 2025	$27.36

JOB CLASS 5

		Day
Cidery Line Worker	**CURRENT**	$19.08
	OCT. 2, 2023	$20.98
	OCT. 2, 2024	$21.61
	OCT. 2, 2025	$22.25
Leadhand Operator Premium		$2.00
Graveyard Shift Premium		$2.00

FIRST AID ATTENDANT PREMIUM

Pay Schedules (Updated to Current Rates) effective July 26, 2019

First Aid Attendant Premium

Level 1	$0.80
Level 1 Transportation Endorsement	$0.60
Level 2	$2.40

Backup First Aid Attendant Premium

Level 1	$0.20
Level 1 Transportation Endorsement	$0.30
Level 2	$1.00

LETTER OF UNDERSTANDING NO. 1

RE: Respect and Dignity

The Employer agrees that employees, the people who are a vital part of our success, must be treated with dignity, respect and fairness appropriate in the circumstances.

The parties agree that allegations of inappropriate conduct may be grieved under Article 22. If the parties cannot resolve the Issue through the grievance procedure, the matter may be referred to an arbitrator under Article 23. In the event the arbitrator finds that a violation of this letter has occurred, they will be limited to referring the case to the following dispute resolution process.

1. The matter will be referred to mediator Mark Atkinson, or alternatively, a mediator from the following agreed list of suitable mediators:

   - Randy Noonan
   - Amanda Rogers
   - Corinn Bell

2. If the matter is not resolved through direct mediation, the mediator will write a report outlining their view of the matter and make recommendations for a resolution.

3. Individuals identified through the process as having engaged in inappropriate conduct will be retrained or

appropriately disciplined as determined by the Employer.

LETTER OF UNDERSTANDING NO. 2

RE: Contracting Out

The Employer can only contract out bargaining unit work where there are insufficient qualified bargaining unit members available to meet the demands of operations. For clarity, the Employer shall not contract out work normally or historically performed by the bargaining unit if such contracting out results in a reduction of hours or layoff of any existing bargaining unit member from the impacted seniority list. Furthermore, no contracting out of bargaining unit work may be undertaken while a bargaining unit member is on a layoff or on reduced work hours, nor may a contracted employee be assigned overtime before members of the bargaining unit.

LETTER OF UNDERSTANDING NO. 3

RE: Domestic Violence and Abuse

The Employer shall use early prevention strategies to avoid or minimize the occurrence and effects of domestic violence in the workplace and to offer assistance and a supportive environment to its employees experiencing domestic violence. The Employer affirms that it will avail to its employees the leave provisions of the Employment Standards Act pertaining to domestic violence and abuse.

LETTER OF UNDERSTANDING NO. 4

RE: Cider Company Positions, Wage and Classification Changes

July 13, 2018

In order to stay competitive in the labour market, to keep up with production in the most efficient way possible, and to encourage internal posting opportunities, the Employer and Union have entered into this letter of understanding.

SCHEDULE AAAA – Creation, Names, and Wage Adjustments

As per Article 16 - Job Vacancies, sub Article 16.01 - Job Classifications, the Employer will be adding to the Cidery operations a separate seniority list named SCHEDULE "AAAA" Classifications. All rights of seniority, posting practices, and inter-list movement will be commensurate with current established practices and the collective agreement.

Schedule "AAAA" classifications are as follows:

Job Class 1	Cellar Operator Leadhand	$19.00
Job Class 2	Cellar Supply Leadhand	$18.25
Job Class 3	Cellar Machine Operator	$18.00
Job Class 4	Cellar Supply Hand	$17.25
Job Class 5	Cidery Line Worker (formerly known as Cellar Hand)	$15.00

Cellar Machine Operator Leadhand and Cellar Supply Leadhand are two new positions that the Cidery has added to the seniority list. The job descriptions for Job Class 1, 2 and 3 have all been

attached to this letter of understanding so it is clear as to what the position entails.

SCHEDULE AAAA – Supervision

The parties agree the Cidery Leadhands (persons) will be hired as unionized employees working and supervising alongside other Union employees and it is acknowledged that their primary function will be to supervise the Schedule "AAAA" classifications. The introduction of these additional positions shall not result in a reduction of hours or be used to prevent overtime in the department as specified in Schedule "AAAA".

In accordance with our current practice, the Cellar Foreman and Cellar Foreman/Assistant will work as management staff answering to the Senior Cellar Foreman. This position will work side by side with Union employees performing the same work within the Schedule AAAA classification and their responsibilities will include the supervision of union employees.

RECLASSIFICATION TO PREVIOUS JOB CLASS

Cidery Employees wishing to give up their posted position shall give the Employer and the Union four (4) weeks advance notice of such intent in writing. In cases where there is a mutual agreement between the Cidery employee and Employer the notice may be less. If the Cidery employee wishes to step down for medical reason (proof provided), the notice period may be less than four (4) weeks. The vacancy thus created shall be posted and upon successful awarding of said posting (training, if required) the Employer shall slot the affected Cidery employee into their previously posted position.

However, if a Cidery employee chooses to avail themselves of this provision they shall not be eligible to post to the same position for a period of twelve (12) months from the date of transfer.

All changes will be effective August 7, 2018 unless otherwise stated above. This letter will expire at the end of the current contract.

MERGER OF THE NORTHERN REGIONAL AND CIDERY SENIORITY LISTS:

Effective October 2, 2023 the North Regional and Cidery seniority lists are merged by dovetailing the hourly groups from North and Cidery and end tail them after the date hires in the North. Note that the following employees on the hourly list in the Cidery, who came from the North at the time of plant closure, must go back to the Date of Hire Group on the North Date of Hire Group List:

Debbie Szing
Gurpal Nijjar

Please also note that the following employee on the hourly list in the Cidery, who came from North when the plant closed, must have their hours reinstated as they existed at the time they transferred to the Cidery, and then be dovetailed with the Hourly Group:

Theresa Reiswig

AS TO ALL SCHEDULES AND LETTERS OF UNDERSTANDING:

Signed this 18th day of October, 2023

FOR THE EMPLOYER

David Cox

Brent Mackinnon

Sandra Tanemura

Melanie Schierbeck

FOR THE UNION

Anthony Glavin

Elisca Long

Sara Brown

Jason Kendrick

Angrej Raike

IN THE MATTER OF A TROUBLESHOOTER

BETWEEN:

BC TREE FRUITS COOPERATIVE
(the "Employer")

AND:

UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 247
(the "Union")

TROUBLESHOOTER:	Mark Atkinson
FOR THE EMPLOYER:	David Cox
FOR THE UNION:	Anthony Glavin
DATE OF HEARING:	September 24, 2021
DATE OF DECISION:	September 27, 2021

INTRODUCTION

I was appointed as a troubleshooter by the BC Tree Fruits Cooperative (the "Employer") and United Food and Commercial Workers Union, Local 247 (the "Union") to assist the parties in resolving a grievance filed by the Union alleging a violation of Article 31.03: Sick Leave – Renumeration.

A troubleshooter hearing was held on September 24, 2021, via Zoom.

The parties agree that I have full jurisdiction to craft a full and equitable resolve to a difference arising between them on payout of sick bank accumulation, as well as address the circumstances of the Grievor.

DECISION

Following presentations by the parties, I issue the following award concerning Article 31.03(5):

1. Consistent with the retirement age in the pension plan, employees of BC Tree Fruits Cooperative, regardless of years of service, shall be entitled to 100% of accumulated sick pay when leaving the employment of BC Tree Fruits Cooperative provided they are 55 years of age or older.

2. Employees of BC Tree Fruits Cooperative, with 25 years of service, shall be entitled to the following amounts of accumulated sick pay when leaving the employment of BC Tree Fruits Cooperative:

a) If 50 to 54 years of age – 50% of their accumulated sick pay;

b) If 49 years of age or less – 25% of their accumulated sick pay.

3. Any payout entitlements pursuant to paragraphs 1 or 2, are payable upon the employee leaving employment with BC Tree Fruits Cooperative. Employees are not required to retire from the general workforce in order to take payouts under Article 31.03(5). For clarity, employees who take payouts in accordance with this interpretation of Article 31.03(5) may take up employment with other employers.

4. The parties agree to amend Article 31.03(5) during the next round of bargaining to reflect the terms of this award, unless they agree otherwise at the bargaining table.

5. BC Tree Fruits Cooperative and UFCW 247 shall each be responsible for payment of $150 to the Grievor in this matter. Process of payment to the Grievor of the $300 shall be worked out by the parties and paid as soon as is practicable.

6. I shall remain seized of any issue concerning the interpretation, application or alleged violation of the terms contained herein.

It is so awarded.

Dated in the city of Kamloops, B.C. this 27th day of September 2021.

Mark Atkinson
Troubleshooter

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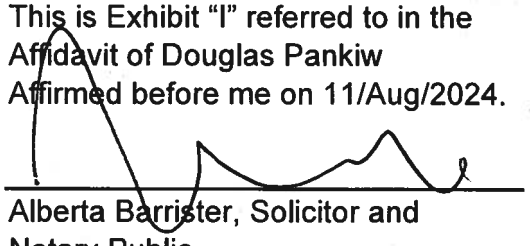
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This is Exhibit "I" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

boughtonlaw

July 31, 2024

File #: 97172.2
Direct: 604 647 4116
Email: smackenzie@boughtonlaw.com

BY E-MAIL - *COGILVIE@BCTREE.COM*

BC Tree Fruits Cooperative
9751 Bottom Wood Lake Road
Lake Country, BC V4V 1S7

Attention: Doug Pankiw, Interim CEO and CFO
Craig Ogilvie, Vice President of Supply Chain

Dear Sirs and Mesdames:

Re: BC Tree Fruits Oliver Facility Expansion – 327 Co-op Ave, Oliver, BC V0H 1T0

Please be advised that we are counsel for Fillmore Construction Management Inc. ("Fillmore")

Please find enclosed Claim of Lien no. CB1475172 filed on behalf of Fillmore in the Kamloops Land Title Office regarding monies owing to Fillmore in relation to construction management services at the above-noted address.

Under s. 41(1) of the *Builders Lien Act*, S.B.C. 1997, c. 45, we request that we be provided in writing with the following information:

1. the name and address of the savings institution in which a holdback account has been opened, and the account number; and

2. particulars of credits to and payments from the holdback account, including the dates of credits and payments, and the balance at the time the information is given.

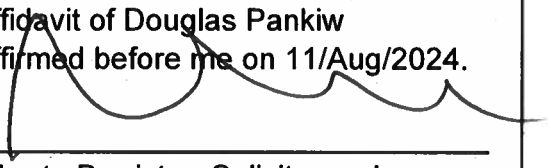
We advise that under s. 41(3), you must provide this information within 10 days after the day this request is received. In addition, s. 41(4) provides that if you fail to comply with this request within 10 days, or if you knowingly or negligently misstate the information requested, you would be liable for any resulting damage.

Yours truly,

Boughton Law Corporation
by Scott M. MacKenzie Law Corporation

Scott M. MacKenzie
SMM/as
Enclosure
cc Pushor Mitchell LLP, Attention: Eric C.H. Ledding – *via email*

This is Exhibit "J" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

Grant Thornton

Non-consolidated Financial Statements

BC Tree Fruits Cooperative

May 31, 2022

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Grant Thornton

Independent Auditor's Report

Grant Thornton LLP
200-1633 Ellis Street
Kelowna, BC
V1Y 2A8

T +1 250 712 6800
F +1 250 712 6850
www.GrantThornton.ca

To the Members of
BC Tree Fruits Cooperative

Qualified opinion

We have audited the non-consolidated financial statements of BC Tree Fruits Cooperative, which comprise the non-consolidated balance sheet as at May 31, 2022, and the non-consolidated statements of income and retained earnings and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for qualified opinion section of our report, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of the Cooperative as at May 31, 2022, and the non-consolidated results of its operations and its non-consolidated cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Basis for qualified opinion

As discussed in Note 2 of the financial statements, the amortization of the Cooperative's property, plant and equipment is provided in an amount prescribed by the Directors, which constitutes a departure from Canadian accounting standards for private enterprises. We were unable to obtain sufficient appropriate audit evidence about the estimates of the useful life of the property, plant and equipment. Accordingly, we were unable to determine the required adjustments to accumulated amortization, due to growers, surplus, amortization expense and gain/loss on disposal of property, plant and equipment.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the non-consolidated financial statements section of our report. We are independent of the Cooperative in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of management and those charged with governance for the non-consolidated financial statements

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the non-consolidated financial statements, management is responsible for assessing the Cooperative's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Cooperative or to cease operations, or has no realistic alternative but to do so.

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Independent Auditor's Report (continued)

Those charged with governance are responsible for overseeing the Cooperative's financial reporting process.

Auditor's responsibilities for the audit of the non-consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Cooperative's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Cooperative's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Cooperative to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Grant Thornton LLP

Kelowna, Canada
October 25, 2022

Chartered Professional Accountants

BC Tree Fruits Cooperative
Non-consolidated Balance Sheet

May 31	2022	2021
Assets		
Current		
Receivables (Note 3)	$ 10,542,420	$ 12,351,197
Inventory (Note 4)	3,034,522	3,564,560
Prepaid expenses	1,387,300	1,972,985
Property held for sale	-	1,631,776
	14,964,242	19,520,518
Long-term		
Investments in other companies		
Growers Supply Company Limited (Note 5)	50	50
BC Tree Fruits Industries Limited (Note 6)	2,002	2,002
Property, plant and equipment (Note 7)	70,726,949	72,449,897
Intangible assets (Note 8)	917,518	917,518
	71,646,519	73,369,467
	$ 86,610,761	$ 92,889,985
Liabilities		
Current		
Bank indebtedness (Note 9)	$ 3,647,174	$ 12,879,372
Payables and accruals (Note 10)	9,697,772	11,131,701
Due to growers (Note 11)	5,904,907	10,797,574
Growers' special deposits (Note 12)	6,798	97,924
Current portion of bank loans (Note 13)	971,429	1,221,437
Current portion of growers' loan certificates (Note 14)	1,255,416	128,693
	21,483,496	36,256,701
Callable portion of bank loans (Note 13)	7,895,238	12,179,113
	29,378,734	48,435,814
Long-term		
Growers' loan certificates (Note 14)	3,279,542	4,658,469
Crop deductions	-	816,698
Defined benefit pension liability (Note 15)	-	305,200
	32,658,276	54,216,181
Members' equity		
Share capital (Note 16)	211	265
Retained earnings	53,952,274	38,673,539
	53,952,485	38,673,804
	$ 86,610,761	$ 92,889,985

On behalf of the board

Director — Andre Scheepers

Director — Steve Brown

See accompanying notes and schedules to the non-consolidated financial statements.

BC Tree Fruits Cooperative
Non-consolidated Statement of Income and Surplus

Year ended May 31

	2022	2021
Revenues		
Crop proceeds	$ 54,236,440	$ 67,523,373
Freight revenue	3,316,395	3,174,495
Store sales	520,404	637,791
Rebates	(1,077,487)	(1,244,931)
Pallet (loss) revenue	(6,895)	3,046
	56,988,857	70,093,774
Direct expenses		
Sorting and packing	10,760,075	12,130,339
Sales and marketing	1,729,690	1,499,015
Direct costs	4,758,326	5,098,743
Freight expense	3,216,903	3,094,667
	20,464,994	21,822,764
Overheads		
Indirect Costs		
Amortization	4,915,550	4,834,136
Bins	289,861	115,948
Buildings	505,613	391,108
Equipment	2,190,969	1,850,957
Equipment rental	71,619	79,054
Field service	306,145	364,024
Food safety	176,298	47,770
Hauling	883,342	997,404
IS services and supplies	53,496	36,599
Insurance	900,622	797,802
Interest (Note 18)	462,751	667,032
Interest on bank loans	275,892	460,307
Janitorial and pest control	1,147,122	1,272,100
Licenses, fees and permits	27,762	29,286
Office and telephone	174,234	156,480
On farm food safety	122,578	226,721
Plant uniforms	42,820	40,231
Property taxes	899,490	784,480
Quality development and research	166,441	105,260
Sundry	12,893	1,883
Supervisory wages	985,500	1,136,201
Training	35,975	2,721
Travel	134,713	40,096
Utilities	1,846,859	1,840,268
Worker safety	258,873	185,322
	16,887,418	16,463,190

BC Tree Fruits Cooperative
Non-consolidated Statements of Income and Retained Earnings (continued)

Year ended May 31

	2022	2021
Overheads (continued)		
Administrative		
Amortization	**14,377**	14,377
Bad debts	**140,064**	-
Consulting fees	**873,277**	602,498
Directors' fees	**196,570**	113,098
Human resources and recruitment	**121,158**	103,104
Information services	**613,938**	500,816
Insurance	**132,812**	181,142
Management and office wages	**3,356,001**	2,739,793
Memberships, dues and fees	**22,872**	27,212
Professional fees	**202,285**	162,611
Property tax	**1,831**	29,430
R&M building	**-**	3,397
Severance	**25,108**	1,675
Stationary and office	**55,366**	83,501
Telephone	**69,591**	45,108
Travel	**28,761**	26,332
Utilities	**15,108**	24,660
	5,869,119	4,658,754
	22,756,537	21,121,944
Other income (expenses)		
Other income (Note 19)	**3,305,394**	4,214,583
Gain on disposal of property, plant and equipment	**21,755,243**	7,015,547
Foreign exchange loss	**(161,654)**	(36,184)
Sourced product income	**25,825**	10,866
Government assistance (Note 20)	**1,953,803**	5,273,335
Closure (remeasurement) of pension plan	**305,200**	(334,594)
Dividend income	**-**	1,624,000
Cidery income (loss)	**27,953**	(245,104)
	27,211,764	17,522,449
Net income prior to distribution	**40,979,090**	44,671,515
Returned to growers	**(25,700,355)**	(36,647,849)
Net income	**$ 15,278,735**	$ 8,023,666
Surplus, beginning of year	**$ 38,673,539**	$ 30,649,873
Net income	**15,278,735**	8,023,666
Surplus, end of year	**$ 53,952,274**	$ 38,673,539

See accompanying notes and schedules to the non-consolidated financial statements.

BC Tree Fruits Cooperative
Non-consolidated Statement of Cash Flows

Year ended May 31

	2022	2021
Increase (decrease) in bank indebtedness		
Operating		
Net income	$ 15,278,735	$ 8,023,666
Items not affecting cash		
Amortization	5,063,425	4,985,383
Gain on disposal of property, plant and equipment	(21,755,243)	(7,015,547)
(Closure) remeasurement of pension plan	(305,200)	334,594
	(1,718,283)	6,328,096
Change in non-cash working capital items		
Receivables	1,808,777	(2,309,732)
Inventory	530,038	978,685
Prepaid expenses	322,260	(795,545)
Payables and accruals	(1,433,929)	4,310,632
Due to growers	(4,892,667)	6,813,961
	(5,383,804)	15,326,097
Financing		
Decrease in special deposits	(91,126)	(109,533)
Repayment of bank loans	(4,533,883)	(15,755,360)
(Decrease) increase in growers' loan certificates, net	(252,204)	827,633
Decrease in crop deduction, net	(816,698)	(256,830)
	(5,693,911)	(15,294,090)
Investing		
Purchase of property, plant and equipment	(3,094,182)	(2,267,842)
Proceeds on disposal of property, plant and equipment	23,404,149	7,850,158
Redemption of members' shares, net	(54)	(23)
	20,309,913	5,582,293
Decrease in bank indebtedness	9,232,198	5,614,300
Bank indebtedness		
Beginning of year	(12,879,372)	(18,493,672)
End of year	$ (3,647,174)	$ (12,879,372)
Bank indebtedness consists of:		
Cash	$ 2,429,773	$ 9,396,834
Bankers' Acceptance Notes	(6,076,947)	(22,276,206)
	$ (3,647,174)	$ (12,879,372)
Supplemental cash flow information		
Reclassification of property held for sale	$ (1,631,776)	$ 1,631,776

See accompanying notes and schedules to the non-consolidated financial statements.

BC Tree Fruits Cooperative
Notes to the Non-consolidated Financial Statements
May 31, 2022

1. Nature of operations

BC Tree Fruits Cooperative ("the Cooperative") was incorporated under the Cooperative Association Act of British Columbia on June 2, 2008. Its principal business activities include packing and shipping fruit as an agent for its member growers. The Cooperative recovers its packing and shipping expenses from the growers' market receipts and distributes the remainder to the growers.

2. Summary of significant accounting policies

Basis of presentation

These non-consolidated financial statements have been prepared in accordance with Canadian accounting standards for private enterprises ("ASPE") with the exception of the accounting policies related to amortization.

Inventory

The cost of inventory comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories are measured at the lower of cost and net realizable value, with cost being determined using the weighted average cost method for all inventory. Net realizable value is the estimated selling price in the ordinary course of business less applicable selling costs.

Inventories are written down to net realizable value when the cost of inventories is not estimated to be recoverable. The cost of inventories may not be recoverable if those inventories have been damaged, become obsolete or selling prices have declined.

The amount of any write downs of inventories to net realizable value and all losses of inventories are recognized as an expense, and included in cost of sales, in the period the write down or loss occurs.

When the circumstances that previously caused the inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of a changed economic circumstance, the amount of write down is reversed in the period of change. The amount of any reversal of write-down of inventories, arising from an increase in net realizable value, shall be recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs. The reversal is limited to the amount of the original write down.

Defined benefit plan

Certain of the Cooperative's employees were members of a contributory defined benefit pension plan. Effective December 31, 2010, this contributory defined benefit plan was amended to curtail the future accrual of defined pensionable service in the plan. On June 1, 2013, the plan was merged with the BC Tree Fruits Industries Limited, a subsidiary company, contributory defined benefit plan, which had also been curtailed effective December 31, 2010.

All obligations were satisfied though payment of lump sum commuted values and purchase of individual annuities. As a result, there is no defined benefit obligation at May 31, 2022.

2. Summary of significant accounting policies (continued)

Investment in other companies

The investment in Growers Supply Company Limited, a wholly owned subsidiary, is recorded using the cost method.

The investment in BC Tree Fruits Industries Limited, a wholly owned subsidiary, is recorded using the cost method.

Property, plant and equipment and amortization

Property, plant and equipment are initially recorded at cost and subsequently measured at cost less accumulated amortization.

Amortization of property, plant and equipment is determined each year by the Directors. Accordingly, amortization does not necessarily bear any relationship to estimated useful life of the property, plant and equipment and is not in accordance with ASPE. The effects of this departure are not determinable as estimates of the useful life are not readily available.

Intangible assets

The Cooperative has elected to capitalize development costs that meet the criteria for capitalization as an internally generated intangible asset. The costs are not amortized as the assets are deemed to have an indefinite useful life.

Impairment of long lived-assets

The Cooperative tests long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Disposal of long-lived assets

Long-lived assets are classified as property held for sale when:

- Management commits to a plan to sell;
- They are available for immediate sale in their present condition subject only to terms that are usual and customary for sales of such assets;
- An active program to locate a buyer and other actions required to complete the sale plan have been initiated;
- The sale is probable, and is expected to qualify for recognition as a completed sale within one year;
- They are being actively marketed for sale at a price that is reasonable in relation to their current fair values; and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets held for sale are measured at the lower of their carrying amounts or fair values less cost to sell and are no longer amortized.

2. Summary of significant accounting policies (continued)

Revenue recognition

Crop proceeds are recorded on an accrual basis and are recognized as revenue when the ownership of the product has been transferred to the customer and the collection of the sales amount is reasonably assured.

All other revenues are recognized in the period the goods or services are delivered.

Government assistance

The Cooperative recognizes government assistance toward current expenses in the statement of earnings as other income. When government assistance relates to future expenses, the Cooperative defers the assistance and recognizes it in the statement of earnings as the related expenses are incurred.

Packing expenses

Packing and other expenses related to the operations are recorded on the accrual basis.

Research and development

The Cooperative incurs costs for activities that relate to research and development. Research costs are expensed as they are incurred. Development costs (including costs to develop new products) are also expensed as they are incurred unless they meet all the criteria for deferral under ASPE and their recovery is reasonably assured in which case these costs are capitalized and reflected as intangible assets.

Capitalized development costs will be amortized based on their useful life upon commencing release of the developed product. Indefinite life intangible assets will not be amortized but will be tested for impairment on an annual basis in accordance with the impairment of long-lived assets policy above. Investment tax credits arising from research and development activities are included in income when there is reasonable assurance that the credits will be realized.

Income taxes

The Cooperative has elected to apply the future income taxes method of accounting. Future tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of assets and liabilities and their respective tax bases. Enacted or substantively enacted tax rates anticipated to be in effect when these differences reverse are used to calculate future income taxes. To the extent that the Cooperative does not consider it to be more likely than not that a future tax asset will be recovered, it provides a valuation allowance against the excess.

2. Summary of significant accounting policies (continued)

Financial instruments

The Cooperative considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. A financial asset or liability is recognized when the Cooperative becomes party to contractual provisions of the instrument. It is management's opinion that the Cooperative is not exposed to significant credit, liquidity, or market risks arising from these financial instruments except as disclosed in note x. The Cooperative accounts for the following as financial instruments:

- Receivables
- Bank indebtedness
- Payables and accruals
- Due to growers
- Growers' special deposits
- Bank loans
- Growers' loan certificates

Initial measurement

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

Prior to amendments effective June 1, 2021

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the Cooperative is in the capacity of management in which case they are accounted for in accordance with financial instruments.

After amendments effective June 1, 2021

Financial assets and financial liabilities in related party transactions are initially measured at cost, with the exception of certain instruments which are initially measured at fair value. The Cooperative does not have any financial assets or financial liabilities in related party transactions which are initially measured at fair value.

Gains or losses arising on initial measurement differences are generally recognized in net income when the transaction is in the normal course of operations, and in equity when the transaction is not in the normal course of operations, subject to certain exceptions.

Subsequent measurement

The Cooperative subsequently measures all of its financial assets and financial liabilities at amortized cost.

2. Summary of significant accounting policies (continued)

Financial instruments (continued)

Prior to amendments effective June 1, 2021

Financial assets or liabilities obtained in related party transactions are measured in accordance with the accounting policy for related party transactions except for those transactions that are with a person or entity whose sole relationship with the Cooperative is in the capacity of management in which case they are accounted for in accordance with financial instruments.

After amendments effective June 1, 2021

Financial assets and financial liabilities recognized in related party transactions are subsequently measured based on how the Cooperative initially measured the instrument. Financial instruments initially measured at cost are subsequently measured at cost, less any impairment for financial assets. Financial instruments initially measured at fair value, of which the Cooperative has none, would be subsequently measured at amortized cost or fair value based on certain conditions.

Derecognition

The Cooperative removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

Derivative financial instruments

Derivative financial instruments are financial contracts that provide an option or a requirement to exchange cash flows or payments determined by applying certain rates, indices or changes therein to notional contract amounts. Derivative financial instruments are used to manage financial risks, such as movements in interest rates, foreign exchange rates, and other financial indices as well as to take trading positions.

Gains and losses on settlement of these derivative financial instruments are recognized in earnings the period in which they occur.

Translation of foreign currencies

Transactions denominated in foreign currencies are translated into Canadian dollars at the exchange rate in effect at the time of each transaction. At the balance sheet date, monetary assets and liabilities denominated in a foreign currency are translated at the period end rate of exchange. Exchange gains and losses arising on translation or settlement of foreign currency denominated items are included in the determination of net income for the current period.

2. Summary of significant accounting policies (continued)

Use of estimates

Management reviews the carrying amounts of items in the non-consolidated financial statements at each balance sheet date to assess the need for revision or any possibility of impairment. Certain items in the preparation of these non-consolidated financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to the net income or net return to growers as appropriate in the year they become known.

Items subject to a significant degree of estimation are as follows:

Financial statement element:	**Respective management estimates:**
Receivables	Allowance for doubtful accounts
Inventory	Obsolescence of inventory

3. Receivables

	2022	2021
Growers Supply Company Limited receivable, net	$ 3,197,138	$ 1,841,446
Grower receivables, net	942,495	1,047,370
Trade accounts, net	6,306,880	9,347,490
GST recoverable, net	95,907	114,891
	$ 10,542,420	$ 12,351,197

Receivables are recorded net of allowance for doubtful accounts of $239,177 (2021 - $113,251).

4. Inventory

	2022	2021
Packing supplies	$ 1,603,188	$ 3,025,974
Box materials and containers	1,088,201	127,014
Cidery	232,010	269,285
Bin repair supplies	64,357	132,251
Other	46,766	10,036
	$ 3,034,522	$ 3,564,560

During the year, inventory in the amount of $350,781 (2021 - $nil) was written down and was included in direct costs for the year.

In 2022, a total of $6,504,068 (2021 – $7,358,286) of inventories were included in the non consolidated statement of income as direct costs.

Inventory is pledged as security for CIBC bank indebtedness and loans as outlined in Note 9.

BC Tree Fruits Cooperative
Notes to the Non-consolidated Financial Statements
May 31, 2022

5. Investment in Growers Supply Company Limited

The Cooperative owns 100% of the issued Class "B" voting shares of Growers Supply Company Limited and accounts for the investment using the cost method.

The investment is comprised of:

	2022	2021
Shares at cost	$ 50	$ 50

Financial summaries of Growers Supply Company Limited as at December 31, 2021 and for its fiscal year then ended are as follows:

	2021	2020
Financial position		
Current assets	$ 14,960,846	$ 10,953,653
Property and equipment	1,980,949	1,741,652
	16,941,795	12,695,305
Current liabilities	12,064,565	7,657,409
Long-term liabilities	12,666	52,042
Share capital	50	50
Retained earnings	4,864,514	4,985,804
	16,941,795	12,695,305
Income		
Sales	$ 38,163,941	$ 35,921,514
Cost of sales	28,424,398	26,877,215
Gross profit	9,739,543	9,044,299
Other income	420,572	472,320
	10,160,115	9,516,619
Expenses	9,397,926	8,906,698
Income from operations	762,189	609,921
Other expenses	883,479	885,847
Income before taxes	(121,290)	(275,926)
Income taxes expense (recovery)	-	(75,310)
Net income	$ (121,290)	(200,616)

5. Investment in Growers Supply Company Limited (continued)

During the year ended May 31, 2022, the subsidiary charged to the Cooperative $2,242,847 (2021 – $2,660,029) of grower purchases on account, made merchandise sales to the Cooperative of $318,628 (2021 – $105,723), charged $178,132 (2021 – $334,794) of hauling expenses and paid sundry service fees to the Cooperative of $3,231,370 (2021 – $3,249,230).

Included in receivables at year end is $3,197,138 (2021 – $4,149,689) receivable from Growers Supply Company Limited relating to other expenses paid for by the Cooperative.

Included in payables and accruals at year end is $55,343 (2021 – $786,687) payable to Growers Supply Company Limited relating to the Cooperative's grower purchases on account.

These transactions are recorded at the exchange amount, which is the amount of consideration agreed to between the related parties.

6. BC Tree Fruits Industries Limited

The Cooperative owns 100% of the issued shares of BC Tree Fruits Industries Limited and accounts for the investment using the cost method.

The investment is comprised of:

	2022	2021
1,001 Class A voting shares at cost	$ 1,001	$ 1,001
1,001 Class B non-voting common shares at cost	1,001	1,001
	$ 2,002	$ 2,002

Financial summaries of BC Tree Fruits Industries Limited as at May 31, 2022 and for its fiscal year then ended are as follows:

	2022	2021
Financial position		
Current assets	$ 4,857,021	$ 5,274,142
Current liabilities	-	405,930
Share capital	2,002	2,002
Retained earnings	4,855,019	4,866,210
	4,857,021	5,274,142

BC Tree Fruits Cooperative
Notes to the Non-consolidated Financial Statements
May 31, 2022

6. BC Tree Fruits Industries Limited (continued)

	2022	2021
Income		
Revenue	$ -	$ 3,413
Expense	**12,195**	3,413
Other income	-	6,896,140
Income before income taxes	**(12,195)**	6,896,140
Income taxes(recovery)	**(1,004)**	405,930
Net income	**$ (11,191)**	6,490,210

During the year ended May 31, 2022, the Cooperative paid $nil (2021 – $3,413) for rent, computer and other sundry services. Included in payables at year end is $4,855,069 (2021 – $5,273,476) payable to BC Tree Fruits Industries Limited. BC Tree Fruits Industries Limited also paid a dividend of $nil (2021 -$1,624,000) to the Cooperative during the year.

These transactions are recorded at the exchange amount, which is the amount of consideration agreed to between the related parties.

7. Property, plant and equipment

	Cost	Accumulated Amortization	**Net Book Value**	Net Book Value
			2022	2021
Land	$ 8,982,297	$ -	**$ 8,982,297**	$ 8,977,482
Buildings	48,284,320	29,644,855	**18,639,465**	19,719,823
Paving and roadways	1,123,417	570,468	**552,949**	509,631
Machinery and equipment	90,257,298	54,889,707	**35,367,591**	36,215,779
Automotive equipment	6,702,770	5,810,119	**892,651**	800,877
Bulk bins	18,818,145	13,705,150	**5,112,995**	5,550,243
Computer hardware and software	1,635,306	456,305	**1,179,001**	676,062
	$ 175,803,553	$ 105,076,604	**$ 70,726,949**	$ 72,449,897

8. Intangible assets

Intangible assets consist of costs incurred for brand development and recipe formulation related to the Cooperative's Broken Ladder cider, sold under the trade name of BC Tree Fruits Cider Co.

BC Tree Fruits Cooperative
Notes to the Non-consolidated Financial Statements
May 31, 2022

9. Bank indebtedness

Restricted cash

Bank indebtedness includes a guaranteed investment certificate ("GIC"). A portion of this GIC equal to 1% of the outstanding Agricultural Marketing Programs Act ("AMPA") loans (Note 17) is required to be held as security for the AMPA loans. As at May 31, 2022, the restricted amount is $10,769 (2021 – $12,762).

AMPA credit facility

The Cooperative has a $8,000,000 operating credit facility with CIBC for the administration of the AMPA program. The operating line of credit bears interest at bank prime rate minus 0.25% or Bankers' Acceptance rate plus 0.65%. The credit facility is secured as described in Note 17. As at May 31, 2022, $238,883 (2021 – $247,703) has been drawn against the operating line and $838,064 (2021 – $1,028,503) has been drawn as Bankers' Acceptance notes.

Operating credit facility

The Cooperative, jointly with BC Tree Fruits Industries Limited and Growers Supply Company Limited, has a demand operating line of credit facility with CIBC for an authorized amount of $27,750,000 (2021 – $24,500,000) which bears interest at bank prime rate minus 0.25% or Bankers' Acceptance rate plus 1.0%. As at May 31, 2022, the Cooperative has drawn $nil (2021 – $nil) against the operating line and $5,000,000 (2021 – $21,000,000) as Bankers' Acceptance notes.

The operating credit facility and bank loans (Note 13) are secured as follows:

- Security agreement covering all present and future acquired assets including receivables, inventory and machinery and equipment.
- Collateral mortgage in the amount of $40,000,000 over land and buildings of the Cooperative.
- Assignment of insurance proceeds.
- Guarantees from BC Tree Fruits Industries Limited and Growers Supply Company Limited, subsidiary companies.

10. Payables and accruals

	2022	2021
Trade accounts	$ 3,909,502	$ 4,759,531
BC Tree Fruits Industries Limited payable, net	4,855,069	5,273,476
Holiday pay and payroll	543,287	846,588
Government remittances	389,914	252,106
	$ 9,697,772	$ 11,131,701

BC Tree Fruits Cooperative
Notes to the Non-consolidated Financial Statements
May 31, 2022

11. Due to growers

	2022	2021
Balance, beginning of year	$ 10,797,574	$ 3,983,613
Net return to growers	25,700,355	36,647,849
Payments to growers	(30,593,022)	(29,833,888)
Balance, end of year	$ 5,904,907	$ 10,797,574

12. Growers' special deposits

Growers' special deposits are repayable on demand, are unsecured and bear interest calculated daily and compounded monthly at 1% below the Cooperative's bank's prime interest rate.

13. Bank loans

The Cooperative has with CIBC two demand instalment loan facilities for an authorized amount of $10,000,000 each which bear interest at bank prime rate minus 0.25% or Bankers' Acceptance rate plus 0.85%, and two demand instalment loan facilities for $5,000,000 each which bear interest at bank prime rate minus 0.25% or Bankers' Acceptance plus 0.85%.

	2022	2021
CIBC demand instalment loan, interest payable monthly at Bankers' Acceptance rate plus 0.85%, monthly principal repayment of $33,333 until April 2039	$ 6,866,668	$ 7,266,667
CIBC demand instalment loan, repaid during the year	-	3,562,454
CIBC demand instalment loan, interest payable monthly at prime rate less 0.25% monthly principal repayment of $47,619 until September 2025	1,999,999	2,571,429
	$ 8,866,667	$ 13,400,550
Less current portion	$ 971,429	$ 1,221,437
Less callable portion	7,895,238	12,179,113
	$ 8,866,667	$ 13,400,550

13. Bank loans (continued)

The aggregate principal payment required in each of the next five years is as follows:

2023	$ 971,429
2024	$ 971,429
2025	$ 971,429
2026	$ 685,714
2027	$ 400,000
Subsequent years	$ 4,866,666

The CIBC bank loans are secured as described in Note 9.

As part of the existing debt agreement, the Cooperative is subject to various covenants under the CIBC credit facility agreement.

At year end, the Cooperative was in compliance with its covenants.

14. Growers' loan certificates

	Crop year	Interest rate	Redemption date	2022	2021
	2015	2.00%	June 1, 2021	$ -	$ 128,693
	2016	2.95%	June 1, 2022	**1,255,416**	1,284,239
	2017	2.95%	June 1, 2023	**1,205,972**	1,237,696
	2019	2.79%	June 1, 2024	**1,043,969**	1,075,368
	2019	2.00%	June 1, 2025	**1,029,601**	1,061,166
Total certificates				**4,534,958**	4,787,162
Less: current portion				**1,255,416**	128,693
				3,279,542	4,658,469

The loan certificates may be redeemed in advance of the due date at the discretion of the Cooperative's Directors.

15. Defined benefit pension liability

All obligations were satisfied though payment of lump sum commuted values and purchase of individual annuities. As a result, there is no defined benefit obligation at May 31, 2022.

BC Tree Fruits Cooperative
Notes to the Non-consolidated Financial Statements
May 31, 2022

16. Share capital

Authorized

An unlimited number of grower membership shares of $1

Issued

	2022	2021
Shares	$ 211	$ 265

During the year, 58 memberships were cancelled for $58 and 4 membership share was issued for $4.

17. Agriculture Marketing Programs Act ("AMPA")

The Cooperative administers Agriculture and Agri-Food Canada's AMPA program. Under the program, advances of approximately $249,964 in the current year were made directly to growers, which are financed by a loan with CIBC. The advances are subsequently recovered from the growers' crop proceeds. The loan, which must be repaid in full by July 31, 2022, is secured by an assignment of the grower loans receivable, an unlimited guarantee from the Cooperative and all present and future property owned by the BC Tree Fruits Industries Limited, a subsidiary company. As at May 31, 2022, the related balances were:

AMPA loan payable	$ 1,076,947
Receivable from participating growers	1,076,947
Net liability	$ -

18. Interest expense

	2022	2021
Bank interest and service charges	$ 358,200	$ 554,555
Growers' special deposits	1,118	1,992
Growers' loan certificates	103,433	110,485
	$ 462,751	$ 667,032

19. Other income

	2022	2021
Administration fees	$ 77,550	$ 140,100
Growers Supply Company Limited - management fees	525,000	525,000
Interest - grower and retail accounts	61,629	58,916
Miscellaneous	28,853	225,153
Rentals	2,612,362	3,265,414
	$ 3,305,394	$ 4,214,583

20. Government assistance

During the year the Company received $1,953,803 (2021 - $5,273,335) in government assistance relating to the Canada Emergency Wage Subsidy (CEWS) for payroll expenses which has been included in other income.

21. Financial instruments

The main risks the Cooperative is exposed to through its financial instruments are credit risk, liquidity risk and market risk.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Cooperative's main credit risk relates to its receivables. The Cooperative provides credit to its clients in the normal course of its operations. There was no change in the exposure to credit risk during the year.

Before engaging in providing credit to clients, the Cooperative performs a credit risk evaluation. The Cooperative's clients are numerous and diverse, which reduces the concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that the Cooperative will encounter difficulty in meeting the obligations associated with its financial liabilities. The Cooperative is exposed to this risk mainly in respect of its bank indebtedness, payables and accruals, due to growers, growers' special deposits, bank loans, and grower loan certificates..

The Cooperative manages liquidity risk through the management of its capital structure and financial leverage. It also manages liquidity risk by continuously monitoring cash flows to ensure that it will always has sufficient liquidity to meet its liabilities when due.

The Cooperative is exposed to concentration risk as all of its financing facilities are provided by Canadian Imperial Bank of Commerce (CIBC).

The Cooperative had a significant reduction in liquidity risk during the year as a result of the repayment of debt during the year.

(c) Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Cooperative is mainly exposed to currency risk and interest rate risk.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Exposures to foreign currency exchange rates arise from the Cooperative's sales and purchases in the United States and Asia. The Cooperative is also exposed to currency risk on its US dollar receivables, bank indebtedness and payables and accruals. There was no significant change in exposure from the prior year.

21. Financial instruments (continued)

(c) Market risk (continued)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Cooperative is exposed to interest rate risk on its bank indebtedness, growers' special deposits, and bank loans. Given the current composition of long term debt, fixed rate instruments subject the Cooperative to a fair value risk while the floating rate instruments subject it to a cash flow risk. There was an no significant change in exposure from the prior year.

The Cooperative enters into interest rate swap derivative financial instruments to manage its exposure to fluctuations in interest rates on its floating-rate bank loans.

22. Derivative financial instruments

In the normal course of business, the Cooperative enters into various forward foreign exchange contracts and interest rate swap contracts. The notional amounts for derivative financial instruments are not included in the financial statements.

Foreign exchange contracts

The Cooperative's foreign currency translation policy is described in Note 2. Certain portions of the Cooperative's revenues and expenses are in a foreign currency. Consequently, some assets and liabilities are exposed to foreign exchange fluctuations. The Cooperative enters into derivative financial instruments to manage its exposure to fluctuations in foreign exchange rates. The carrying values of any outstanding forward foreign exchange contracts are measured at their fair market value. At year end, the Cooperative had no foreign exchange derivative instruments.

Interest rate swap contracts

The Cooperative's interest rate risk is described in Note 21. The Cooperative has entered into an interest rate swap contract in the amount of $6,866,667 of notional principal (2021 – $7,266,667) whereby it agreed to pay at fixed interest rates and receive at floating interest rates based on Banker's Acceptance rates. The swap contract has a fixed interest rate of 2.38% and matures January 2028. As at May 31, 2022, the Cooperative had an unrealized gain of $303,436 (2021 – loss of $244,650) on the interest rate swap contract.

23. Comparative figures

Comparative figures have been adjusted to conform to changes in the current year presentation.

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Non-consolidated Financial Statements

BC Tree Fruits Cooperative

May 31, 2023

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Independent Auditor's Report

Grant Thornton LLP
200-1633 Ellis Street
Kelowna, BC
V1Y 2A8

T +1 250 712 6800
F +1 250 712 6850
www.GrantThornton.ca

To the Members of
BC Tree Fruits Cooperative

Qualified opinion

We have audited the non-consolidated financial statements of BC Tree Fruits Cooperative, which comprise the non-consolidated balance sheet as at May 31, 2023, and the non-consolidated statements of loss and retained earnings and cash flows for the year then ended, and notes to the non-consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for qualified opinion section of our report, the accompanying non-consolidated financial statements present fairly, in all material respects, the non-consolidated financial position of the Cooperative as at May 31, 2023, and the non-consolidated results of its operations and its non-consolidated cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Basis for qualified opinion

As discussed in Note 2 of the non-consolidated financial statements, the amortization of the Cooperative's property, plant and equipment is recorded in an amount prescribed by the Cooperative's Directors, which constitutes a departure from Canadian accounting standards for private enterprises. The impact of this departure from Canadian accounting standards for private enterprises on these non-consolidated financial statements has not been determined and therefore we were unable to determine the adjustments necessary to amortization expense, gain on disposal of property, plant and equipment and net income for the year ended May 31, 2023, property, plant and equipment and surplus as at May 31, 2023. Our audit opinion on the non-consolidated financial statements for the year ending May 31, 2022 was modified because of the effects of this departure from Canadian accounting standards for private enterprises.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the non-consolidated financial statements section of our report. We are independent of the Cooperative in accordance with the ethical requirements that are relevant to our audit of the non-consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of management and those charged with governance for the non-consolidated financial statements

Management is responsible for the preparation and fair presentation of the non-consolidated financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of non-consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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Independent Auditor's Report (continued)

In preparing the non-consolidated financial statements, management is responsible for assessing the Cooperative's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Cooperative or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Cooperative's financial reporting process.

Auditor's responsibilities for the audit of the non-consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the non-consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these non-consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Cooperative's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Cooperative's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the non-consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Cooperative to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the non-consolidated financial statements, including the disclosures, and whether the non-consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Grant Thornton LLP

Kelowna, Canada
October 26, 2023

Chartered Professional Accountants

BC Tree Fruits Cooperative
Non-consolidated Balance Sheet

May 31	2023	2022
Assets		
Current		
Receivables (Note 3)	$ 9,417,650	$ 10,542,420
Inventory (Note 4)	2,908,017	3,034,522
Prepaid expenses	2,551,528	1,387,300
Property held for sale	5,001,119	-
	19,878,314	14,964,242
Long-term		
Investments in other companies		
Growers Supply Company Limited (Note 5)	50	50
BC Tree Fruits Industries Limited (Note 6)	2,002	2,002
Property, plant and equipment (Note 7)	71,619,821	70,726,949
Intangible assets (Note 8)	917,518	917,518
	72,539,391	71,646,519
	$ 92,417,705	$ 86,610,761
Liabilities		
Current		
Bank indebtedness (Note 9)	$ 13,241,270	$ 3,647,174
Payables and accruals (Note 10)	10,094,372	9,697,772
Due to growers (Note 11)	4,284,834	5,904,907
Growers' special deposits (Note 12)	7,040	6,798
Current portion of bank loans (Note 13)	1,589,237	971,429
Current portion of growers' loan certificates (Note 14)	1,144,964	1,255,416
	30,361,717	21,483,496
Callable portion of bank loans (Note 13)	10,612,727	7,895,238
	40,974,444	29,378,734
Long-term		
Growers' loan certificates (Note 14)	2,005,593	3,279,542
	42,980,037	32,658,276
Members' equity		
Share capital (Note 15)	193	211
Retained earnings	49,437,475	53,952,274
	49,437,668	53,952,485
	$ 92,417,705	$ 86,610,761

On behalf of the board

_____ Director _____ Director

See accompanying notes and schedules to the non-consolidated financial statements.

BC Tree Fruits Cooperative
Non-consolidated Statement of Loss and Retained Earnings

Year ended May 31	2023	2022
Revenues		
Crop proceeds	$ 56,421,498	$ 57,552,835
Store sales	435,133	520,404
Rebates	(1,145,376)	(1,077,487)
Pallet revenue (loss)	753	(6,895)
	55,712,008	56,988,857
Direct expenses		
Sorting and packing	9,307,098	10,760,075
Sales and marketing	1,416,703	1,729,690
Direct costs	4,421,634	4,758,326
Freight expense	3,259,878	3,216,903
	18,405,313	20,464,994
Overheads		
Indirect Costs		
Amortization	4,937,660	4,915,550
Bins	83,189	289,861
Buildings	546,919	505,613
Equipment	1,723,740	2,190,969
Equipment rental	6,193	71,619
Field service	141,263	306,145
Food safety	178,106	176,298
Hauling	1,275,845	883,342
IS services and supplies	50,188	53,496
Insurance	786,785	900,622
Interest (Note 17)	534,128	462,751
Interest on bank loans	308,906	275,892
Janitorial and pest control	868,851	1,147,122
Licenses, fees and permits	23,340	27,762
Office and telephone	163,800	174,234
On farm food safety	314,222	122,578
Plant uniforms	44,482	42,820
Property taxes	889,000	899,490
Quality development and research	154,847	166,441
Sundry	3,572	12,893
Supervisory wages	821,288	985,500
Training	3,832	35,975
Travel	131,285	134,713
Utilities	1,674,050	1,846,859
Worker safety	219,184	258,873
	15,884,675	16,887,418

BC Tree Fruits Cooperative
Non-consolidated Statements of Loss and Retained Earnings (continued)

Year ended May 31

	2023	2022
Overheads (continued)		
Administrative		
Amortization	**14,377**	14,377
Bad debts	**250,000**	140,064
Consulting fees	**903,158**	873,277
Directors' fees	**228,343**	196,570
Human resources and recruitment	**141,308**	121,158
Information services	**627,183**	613,938
Insurance	**213,727**	132,812
Management and office wages	**3,270,884**	3,356,001
Memberships, dues and fees	**74,813**	22,872
Professional fees	**452,121**	202,285
Property tax	**-**	1,831
R&M building	**3,568**	-
Severance	**18,330**	25,108
Stationary and office	**60,893**	55,366
Telephone	**66,245**	69,591
Travel	**96,817**	28,761
Utilities	**12,150**	15,108
	6,433,917	5,869,119
	22,318,592	22,756,537
Other income (expenses)		
Other income (Note 18)	**3,263,352**	3,305,394
Gain on disposal of property, plant and equipment	**118,380**	21,755,243
Foreign exchange gain (loss)	**100,245**	(161,654)
Sourced product income	**17,590**	25,825
Government assistance (Note 19)	**-**	1,953,803
Peach claim	**651,876**	-
Closure of pension plan	**-**	305,200
Cidery income	**355,526**	27,953
Retention expense	**(487,462)**	-
	4,019,507	27,211,764
Net income prior to distribution	**19,007,610**	40,979,090
Returned to growers	**(23,522,409)**	(25,700,355)
Net (loss) income	**$ (4,514,799)**	$ 15,278,735
Retained earnings, beginning of year	**$ 53,952,274**	$ 38,673,539
Net (loss) income	**(4,514,799)**	15,278,735
Retained earnings, end of year	**$ 49,437,475**	$ 53,952,274

See accompanying notes and schedules to the non-consolidated financial statements.

BC Tree Fruits Cooperative
Non-consolidated Statement of Cash Flows

Year ended May 31	2023	2022
Increase (decrease) in bank indebtedness		
Operating		
Net (loss) income	$ (4,514,799)	$ 15,278,735
Items not affecting cash		
Amortization	5,082,471	5,063,425
Gain on disposal of property, plant and equipment	(118,380)	(21,755,243)
Closure of pension plan	-	(305,200)
	449,292	(1,718,283)
Change in non-cash working capital items		
Receivables	1,124,770	1,808,777
Inventory	126,505	530,038
Prepaid expenses	(1,446,699)	322,260
Payables and accruals	396,600	(1,433,929)
Due to growers	(1,620,073)	(4,892,667)
	(969,605)	(5,383,804)
Financing		
Increase (decrease) in special deposits	242	(91,126)
Proceeds of bank loans	4,304,048	-
Repayment of bank loans	(968,751)	(4,533,883)
Decrease in growers' loan certificates, net	(1,384,400)	(252,204)
Decrease in crop deduction, net	-	(816,698)
Redemption of share capital, net	(18)	-
	1,951,121	(5,693,911)
Investing		
Purchase of property, plant and equipment	(10,783,162)	(3,094,182)
Proceeds on disposal of property, plant and equipment	207,550	23,404,149
Redemption of members' shares, net	-	(54)
	(10,575,612)	20,309,913
Decrease in bank indebtedness	(9,594,096)	9,232,198
Bank indebtedness		
Beginning of year	(3,647,174)	(12,879,372)
End of year	$ (13,241,270)	$ (3,647,174)
Bank indebtedness consists of:		
Cash	$ 1,452,401	$ 2,429,773
Bankers' Acceptance Notes	(14,693,671)	(6,076,947)
	$ (13,241,270)	$ (3,647,174)
Supplemental cash flow information		
Reclassification of property held for sale	$ -	$ (1,631,776)

See accompanying notes and schedules to the non-consolidated financial statements.

BC Tree Fruits Cooperative
Notes to the Non-consolidated Financial Statements
May 31, 2023

1. Nature of operations

BC Tree Fruits Cooperative ("the Cooperative") was incorporated under the Cooperative Association Act of British Columbia on June 2, 2008. Its principal business activities include packing and shipping fruit as an agent for its member growers. The Cooperative recovers its packing and shipping expenses from the growers' market receipts and distributes the remainder to the growers.

2. Summary of significant accounting policies

Basis of presentation

These non-consolidated financial statements have been prepared in accordance with Canadian accounting standards for private enterprises ("ASPE") with the exception of the accounting policies related to amortization.

Inventory

The cost of inventory comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Inventories are measured at the lower of cost and net realizable value, with cost being determined using the weighted average cost method for all inventory. Net realizable value is the estimated selling price in the ordinary course of business less applicable selling costs.

Inventories are written down to net realizable value when the cost of inventories is not estimated to be recoverable. The cost of inventories may not be recoverable if those inventories have been damaged, become obsolete or selling prices have declined.

The amount of any write downs of inventories to net realizable value and all losses of inventories are recognized as an expense, and included in cost of sales, in the period the write down or loss occurs.

When the circumstances that previously caused the inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of a changed economic circumstance, the amount of write down is reversed in the period of change. The amount of any reversal of write-down of inventories, arising from an increase in net realizable value, shall be recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs. The reversal is limited to the amount of the original write down.

Investment in other companies

The investment in Growers Supply Company Limited, a wholly owned subsidiary, is recorded using the cost method.

The investment in BC Tree Fruits Industries Limited, a wholly owned subsidiary, is recorded using the cost method.

2. Summary of significant accounting policies (continued)

Property, plant and equipment and amortization

Property, plant and equipment are initially recorded at cost and subsequently measured at cost less accumulated amortization.

Amortization of property, plant and equipment is determined each year by the Directors. Accordingly, amortization does not necessarily bear any relationship to estimated useful life of the property, plant and equipment and is not in accordance with ASPE. The effects of this departure are not determinable as estimates of the useful life are not readily available.

Intangible assets

The Cooperative has elected to capitalize development costs that meet the criteria for capitalization as an internally generated intangible asset. The costs are not amortized as the assets are deemed to have an indefinite useful life.

Impairment of long lived-assets

The Cooperative tests long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Disposal of long-lived assets

Long-lived assets are classified as property held for sale when:

- Management commits to a plan to sell;
- They are available for immediate sale in their present condition subject only to terms that are usual and customary for sales of such assets;
- An active program to locate a buyer and other actions required to complete the sale plan have been initiated;
- The sale is probable, and is expected to qualify for recognition as a completed sale within one year;
- They are being actively marketed for sale at a price that is reasonable in relation to their current fair values; and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Assets held for sale are measured at the lower of their carrying amounts or fair values less cost to sell and are no longer amortized.

Revenue recognition

Crop proceeds are recorded on an accrual basis and are recognized as revenue when the ownership of the product has been transferred to the customer and the collection of the sales amount is reasonably assured.

All other revenues are recognized in the period the goods or services are delivered.

2. Summary of significant accounting policies (continued)

Government assistance

The Cooperative recognizes government assistance toward current expenses in the statement of earnings as other income. When government assistance relates to future expenses, the Cooperative defers the assistance and recognizes it in the statement of earnings as the related expenses are incurred.

Packing expenses

Packing and other expenses related to the operations are recorded on the accrual basis.

Research and development

The Cooperative incurs costs for activities that relate to research and development. Research costs are expensed as they are incurred. Development costs (including costs to develop new products) are also expensed as they are incurred unless they meet all the criteria for deferral under ASPE and their recovery is reasonably assured in which case these costs are capitalized and reflected as intangible assets.

Capitalized development costs will be amortized based on their useful life upon commencing release of the developed product. Indefinite life intangible assets will not be amortized but will be tested for impairment on an annual basis in accordance with the impairment of long-lived assets policy above. Investment tax credits arising from research and development activities are included in income when there is reasonable assurance that the credits will be realized.

Income taxes

The Cooperative has elected to apply the future income taxes method of accounting. Future tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of assets and liabilities and their respective tax bases. Enacted or substantively enacted tax rates anticipated to be in effect when these differences reverse are used to calculate future income taxes. To the extent that the Cooperative does not consider it to be more likely than not that a future tax asset will be recovered, it provides a valuation allowance against the excess.

Financial instruments

The Cooperative considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. A financial asset or liability is recognized when the Cooperative becomes party to contractual provisions of the instrument. It is management's opinion that the Cooperative is not exposed to significant credit, liquidity, or market risks arising from these financial instruments except as disclosed in Note 21. The Cooperative accounts for the following as financial instruments:

- Receivables
- Bank indebtedness
- Payables and accruals
- Due to growers
- Growers' special deposits
- Bank loans
- Growers' loan certificates

2. Summary of significant accounting policies (continued)

Financial instruments (continued)

Initial measurement

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

Subsequent measurement

The Cooperative subsequently measures all of its financial assets and financial liabilities at amortized cost.

Derecognition

The Cooperative removes financial liabilities, or a portion of, when the obligation is discharged, cancelled or expires.

Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

Derivative financial instruments

Derivative financial instruments are financial contracts that provide an option or a requirement to exchange cash flows or payments determined by applying certain rates, indices or changes therein to notional contract amounts. Derivative financial instruments are used to manage financial risks, such as movements in interest rates, foreign exchange rates, and other financial indices as well as to take trading positions.

Gains and losses on settlement of these derivative financial instruments are recognized in earnings the period in which they occur. Unrealized gains and losses on the derivative financial instrument is not recognized in earnings.

Translation of foreign currencies

Transactions denominated in foreign currencies are translated into Canadian dollars at the exchange rate in effect at the time of each transaction. At the balance sheet date, monetary assets and liabilities denominated in a foreign currency are translated at the period end rate of exchange. Exchange gains and losses arising on translation or settlement of foreign currency denominated items are included in the determination of net income for the current period.

BC Tree Fruits Cooperative
Notes to the Non-consolidated Financial Statements
May 31, 2023

2. Summary of significant accounting policies (continued)

Use of estimates

Management reviews the carrying amounts of items in the non-consolidated financial statements at each balance sheet date to assess the need for revision or any possibility of impairment. Certain items in the preparation of these non-consolidated financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to the net income or net return to growers as appropriate in the year they become known.

Items subject to a significant degree of estimation are as follows:

Financial statement element:	**Respective management estimates:**
Receivables	Allowance for doubtful accounts
Inventory	Obsolescence of inventory

3. Receivables

	2023	2022
Growers Supply Company Limited receivable, net	$ 2,239,635	$ 3,197,138
Grower receivables, net	569,338	942,495
Trade accounts, net	6,425,335	6,306,880
GST recoverable, net	183,342	95,907
	$ 9,417,650	$ 10,542,420

Receivables are recorded net of allowance for doubtful accounts of $485,675 (2022 - $239,177).

4. Inventory

	2023	2022
Packing supplies	$ 539,906	$ 1,603,188
Box materials and containers	1,933,725	1,088,201
Cidery	345,967	232,010
Bin repair supplies	61,288	64,357
Other	27,131	46,766
	$ 2,908,017	$ 3,034,522

During the year, inventory in the amount of $221,251 (2022 - 350,781) was written down and was included in direct costs for the year.

In 2023, a total of $5,595,023 (2022 – $6,504,068) of inventories were included in the non consolidated statement of income as direct costs.

Inventory is pledged as security for CIBC bank indebtedness and loans as outlined in Note 9.

BC Tree Fruits Cooperative
Notes to the Non-consolidated Financial Statements
May 31, 2023

5. Investment in Growers Supply Company Limited

The Cooperative owns 100% of the issued Class "B" voting shares of Growers Supply Company Limited and accounts for the investment using the cost method.

The investment is comprised of:

	2023	2022
Shares at cost	$ 50	$ 50

Financial summaries of Growers Supply Company Limited as at December 31, 2023 and for its fiscal year then ended are as follows:

	2022	2021
Financial position		
Current assets	$ 20,225,395	$ 14,960,846
Property and equipment	1,907,571	1,980,949
	22,132,966	16,941,795
Current liabilities	17,260,792	12,064,565
Long-term liabilities	6,997	12,666
Share capital	50	50
Retained earnings	4,865,127	4,864,514
	22,132,966	16,941,795
Income		
Sales	$ 37,865,938	$ 38,163,941
Cost of sales	27,948,205	28,424,398
Gross profit	9,917,733	9,739,543
Other income	880,981	420,572
	10,798,714	10,160,115
Expenses	10,072,266	9,397,926
Income from operations	726,448	762,189
Other expenses	725,835	883,479
Income before taxes	613	(121,290)
Net income	$ 613	(121,290)

5. Investment in Growers Supply Company Limited (continued)

During the year ended May 31, 2023, the subsidiary charged to the Cooperative $1,843,566 (2022 – $2,242,847) of grower purchases on account, made merchandise sales to the Cooperative of $498,836 (2022 – $318,628), charged $Nil (2022 – $178,132) of hauling expenses and paid sundry service fees to the Cooperative of $711,236 (2022 – $3,231,370).

Included in receivables at year end is $2,439,635 (2022 – $3,197,138) receivable from Growers Supply Company Limited relating to other expenses paid for by the Cooperative.

Included in payables and accruals at year end is $47,071 (2022 – $786,687) payable to Growers Supply Company Limited relating to the Cooperative's grower purchases on account.

These transactions are recorded at the exchange amount, which is the amount of consideration agreed to between the related parties.

6. BC Tree Fruits Industries Limited

The Cooperative owns 100% of the issued shares of BC Tree Fruits Industries Limited and accounts for the investment using the cost method.

The investment is comprised of:

	2023	2022
1,001 Class A voting shares at cost	$ 1,001	$ 1,001
1,001 Class B non-voting common shares at cost	1,001	1,001
	$ 2,002	$ 2,002

Financial summaries of BC Tree Fruits Industries Limited as at May 31, 2023 and for its fiscal year then ended are as follows:

	2023	2022
Financial position		
Current assets	$ 4,855,603	$ 4,857,021
Share capital	2,002	2,002
Retained earnings	4,853,601	4,855,019
	4,855,603	4,857,021

BC Tree Fruits Cooperative
Notes to the Non-consolidated Financial Statements
May 31, 2023

6. BC Tree Fruits Industries Limited (continued)

	2023	2022
Income		
Expense	$ 1,418	$ 12,195
Income before income taxes		
Income taxes(recovery)	-	(1,004)
Net loss	$ (1,418)	(11,191)

Included in payables at year end is $4,853,581 (2022 – $4,855,069) payable to BC Tree Fruits Industries Limited.

These transactions are recorded at the exchange amount, which is the amount of consideration agreed to between the related parties.

7. Property, plant and equipment

	Cost	Accumulated Amortization	2023 Net Book Value	2022 Net Book Value
Land	$ 9,001,997	$ -	**$ 9,001,997**	$ 8,982,297
Buildings	44,711,263	31,081,214	**13,630,049**	18,639,465
Paving and roadways	1,123,417	614,124	**509,293**	552,949
Machinery and equipment	98,840,077	57,642,458	**41,197,619**	35,367,591
Automotive equipment	7,206,346	5,880,595	**1,325,751**	892,651
Bulk bins	18,298,362	13,625,467	**4,672,895**	5,112,995
Computer hardware and software	1,831,606	549,389	**1,282,217**	1,179,001
	$ 181,013,068	$ 109,393,247	**$ 71,619,821**	$ 70,726,949

8. Intangible assets

Intangible assets consist of costs incurred for brand development and recipe formulation related to the Cooperative's Broken Ladder cider, sold under the trade name of BC Tree Fruits Cider Co.

9. Bank indebtedness

Restricted cash

Bank indebtedness includes a guaranteed investment certificate ("GIC"). A portion of this GIC equal to 1% of the outstanding Agricultural Marketing Programs Act ("AMPA") loans (Note 17) is required to be held as security for the AMPA loans. As at May 31, 2023, the restricted amount is $6,846 (2022 – $10,769).

AMPA credit facility

The Cooperative has a $8,000,000 operating credit facility with CIBC for the administration of the AMPA program. The operating line of credit bears interest at bank prime rate minus 0.25% or Bankers' Acceptance rate plus 0.65%. The credit facility is secured as described in Note 17. As at May 31, 2023, $Nil (2022 – $238,883) has been drawn against the operating line and $684,620 (2022 – $838,064) has been drawn as Bankers' Acceptance notes.

Operating credit facility

The Cooperative, jointly with BC Tree Fruits Industries Limited and Growers Supply Company Limited, has a demand operating line of credit facility with CIBC for an authorized amount of $27,750,000 (2022 – $27,750,000) which bears interest at bank prime rate minus 0.25% or Bankers' Acceptance rate plus 1.0%. As at May 31, 2023, the Cooperative has drawn $4,651,923 (2022 – $Nil) against the operating line and $9,000,000 (2022 – $5,000,000) as Bankers' Acceptance notes.

The operating credit facility and bank loans (Note 13) are secured as follows:

- Security agreement covering all present and future acquired assets including receivables, inventory and machinery and equipment.
- Collateral mortgage in the amount of $40,000,000 over land and buildings of the Cooperative.
- Assignment of insurance proceeds.
- Guarantees from BC Tree Fruits Industries Limited and Growers Supply Company Limited, subsidiary companies.

10. Payables and accruals

	2023	2022
Trade accounts	$ 3,577,321	$ 3,909,502
BC Tree Fruits Industries Limited payable, net	4,853,652	4,855,069
Holiday pay and payroll	628,073	543,287
Government remittances	1,035,326	389,914
	$ 10,094,372	$ 9,697,772

BC Tree Fruits Cooperative
Notes to the Non-consolidated Financial Statements
May 31, 2023

11. Due to growers

	2023	2022
Balance, beginning of year	$ 5,904,907	$ 10,797,574
Net return to growers	23,522,409	25,700,355
Payments to growers	(25,142,482)	(30,593,022)
Balance, end of year	$ 4,284,834	$ 5,904,907

12. Growers' special deposits

Growers' special deposits are repayable on demand, are unsecured and bear interest calculated daily and compounded monthly at 1% below the Cooperative's bank's prime interest rate.

13. Bank loans

The Cooperative has with CIBC two demand instalment loan facilities for an authorized amount of $10,000,000 each which bear interest at bank prime rate minus 0.25% or Bankers' Acceptance rate plus 0.85%, and two demand instalment loan facilities for $5,000,000 each which bear interest at bank prime rate minus 0.25% or Bankers' Acceptance plus 0.85%.

	2023	2022
CIBC demand instalment loan, interest payable monthly at Bankers' Acceptance rate plus 0.85%, monthly principal repayment of $33,333 until April 2039	$ 6,466,669	$ 6,866,668
CIBC demand instalment loan, interest payable monthly at prime rate less 0.25% monthly principal repayment of $47,619 until September 2025	1,428,571	1,999,999
CIBC demand instalment loan, interest only until December 31, 2023 then interest payable monthly at prime rate plus 0.25% monthly principal repayment of $51,484 until December 31, 2030	4,306,724	-
	$ 12,201,964	$ 8,866,667
Less current portion	$ 1,589,237	$ 971,429
Less callable portion	10,612,727	7,895,238
	$ 12,201,964	$ 8,866,667

13. Bank loans (continued)

The aggregate principal payment required in each of the next five years is as follows:

2024	$ 1,589,237
2025	$ 1,589,237
2026	$ 1,303,522
2027	$ 1,017,808
2028	$ 1,017,808
Subsequent years	$ 5,684,353

The CIBC bank loans are secured as described in Note 9.

As part of the existing debt agreement, the Cooperative is subject to various covenants under the CIBC credit facility agreement.

At year end, the Cooperative was not in compliance with its covenants.

14. Growers' loan certificates

	Crop year	Interest rate	Redemption date	2023	2022
	2015	2.00%	June 1, 2021	$ -	$ -
	2016	2.95%	June 1, 2022	-	1,255,416
	2017	2.95%	June 1, 2023	**1,144,964**	1,205,972
	2018	2.79%	June 1, 2024	**1,005,418**	1,043,969
	2019	2.00%	June 1, 2025	**1,000,175**	1,029,601
Total certificates				**3,150,557**	4,534,958
Less: current portion				**1,144,964**	1,255,416
				2,005,593	3,279,542

The loan certificates may be redeemed in advance of the due date at the discretion of the Cooperative's Directors.

15. Share capital

Authorized

An unlimited number of grower membership shares of $1

Issued

	2023	2022
Shares	**$ 193**	$ 211

During the year, 28 memberships were cancelled for $28 and 10 membership share was issued for $10.

BC Tree Fruits Cooperative
Notes to the Non-consolidated Financial Statements
May 31, 2023

16. Agriculture Marketing Programs Act ("AMPA")

The Cooperative administers Agriculture and Agri-Food Canada's AMPA program. Under the program, advances of approximately $4,440,496 in the current year were made directly to growers, which are financed by a loan with CIBC. The advances are subsequently recovered from the growers' crop proceeds. The loan, which must be repaid in full by July 31, 2023, is secured by an assignment of the grower loans receivable, an unlimited guarantee from the Cooperative and all present and future property owned by the BC Tree Fruits Industries Limited, a subsidiary company. As at May 31, 2023, the related balances were:

AMPA loan payable	$ 684,620
Receivable from participating growers	684,620
Net liability	$ -

17. Interest expense

	2023	2022
Bank interest and service charges	$ 300,452	$ 358,200
Growers' special deposits	138,781	1,118
Growers' loan certificates	94,895	103,433
	$ 534,128	$ 462,751

18. Other income

	2023	2022
Administration fees	$ 68,100	$ 77,550
Growers Supply Company Limited - management fees	525,000	525,000
Interest - grower and retail accounts	176,987	61,629
Miscellaneous	(51,055)	28,853
Rentals	2,544,320	2,612,362
	$ 3,263,352	$ 3,305,394

19. Government assistance

During the year the Company received $Nil (2022 - $1,953,803) in government assistance relating to the Canada Emergency Wage Subsidy (CEWS) for payroll expenses which has been included in other income.

20. Financial instruments

The main risks the Cooperative is exposed to through its financial instruments are credit risk, liquidity risk and market risk.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Cooperative's main credit risk relates to its receivables. The Cooperative provides credit to its clients in the normal course of its operations. There was no change in the exposure to credit risk during the year.

Before engaging in providing credit to clients, the Cooperative performs a credit risk evaluation. The Cooperative's clients are numerous and diverse, which reduces the concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that the Cooperative will encounter difficulty in meeting the obligations associated with its financial liabilities. The Cooperative is exposed to this risk mainly in respect of its bank indebtedness, payables and accruals, due to growers, growers' special deposits, bank loans, and grower loan certificates.

The Cooperative manages liquidity risk through the management of its capital structure and financial leverage. It also manages liquidity risk by continuously monitoring cash flows to ensure that it will always has sufficient liquidity to meet its liabilities when due.

The Cooperative is exposed to concentration risk as all of its financing facilities are provided by Canadian Imperial Bank of Commerce (CIBC).

The Cooperative had a significant reduction in liquidity risk during the year as a result of the repayment of debt during the year.

(c) Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Cooperative is mainly exposed to currency risk and interest rate risk.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Exposures to foreign currency exchange rates arise from the Cooperative's sales and purchases in the United States and Asia. The Cooperative is also exposed to currency risk on its US dollar receivables, bank indebtedness and payables and accruals. There was no significant change in exposure from the prior year.

20. Financial instruments (continued)

(c) Market risk (continued)

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Cooperative is exposed to interest rate risk on its bank indebtedness, growers' special deposits, and bank loans. Given the current composition of long term debt, fixed rate instruments subject the Cooperative to a fair value risk while the floating rate instruments subject it to a cash flow risk. There was an no significant change in exposure from the prior year.

The Cooperative enters into interest rate swap derivative financial instruments to manage its exposure to fluctuations in interest rates on its floating-rate bank loans.

21. Derivative financial instruments

In the normal course of business, the Cooperative enters into various forward foreign exchange contracts and interest rate swap contracts. The notional amounts for derivative financial instruments are not included in the financial statements.

Foreign exchange contracts

The Cooperative's foreign currency translation policy is described in Note 2. Certain portions of the Cooperative's revenues and expenses are in a foreign currency. Consequently, some assets and liabilities are exposed to foreign exchange fluctuations. The Cooperative enters into derivative financial instruments to manage its exposure to fluctuations in foreign exchange rates. The carrying values of any outstanding forward foreign exchange contracts are measured at their fair market value. At year end, the Cooperative had no foreign exchange derivative instruments.

Interest rate swap contracts

The Cooperative's interest rate risk is described in Note 21. The Cooperative has entered into an interest rate swap contract in the amount of $6,466,667 of notional principal (2022 – $6,866,667) whereby it agreed to pay at fixed interest rates and receive at floating interest rates based on Banker's Acceptance rates. The swap contract has a fixed interest rate of 2.38% and matures January 2028. As at May 31, 2023, the Cooperative had an unrealized gain of $454,187 (2022 – $303,436) on the interest rate swap contract which has not been recorded in the financial statements,

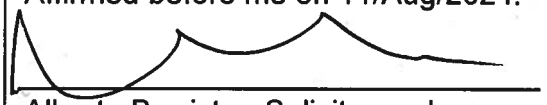
22. Comparative figures

Comparative figures have been adjusted to conform to changes in the current year presentation.

23. Subsequent events

Subsequent to year end the Winfield property was sold on August 31, 2023 for the purchase price of $15,800,000. As a result, the carrying value of the property has been reclassified as a current asset to better reflect the classification of the asset at year end.

This is Exhibit "K" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

Grant Thornton

Financial Statements

Growers Supply Company Limited

December 31, 2022

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Grant Thornton

Independent Auditor's Report

Grant Thornton LLP
200-1633 Ellis Street
Kelowna, BC
V1Y 2A8

T +1 250 712 6800
F +1 250 712 6850
www.GrantThornton.ca

To the Shareholders of
Growers Supply Company Limited

Opinion

We have audited the financial statements of Growers Supply Company Limited ("the Company"), which comprise the balance sheet as at December 31, 2022, and the statements of income and retained earnings and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Grant Thornton LLP

Kelowna, Canada
May 12, 2023

Chartered Professional Accountants

Growers Supply Company Limited
Balance Sheet

December 31	2022	2021
Assets		
Current		
Cash	$ 345,560	$ 45,362
Receivables (Note 3)	4,494,921	3,541,879
Inventory (Note 4)	14,801,144	10,435,647
Prepaid expenses	583,770	937,958
	20,225,395	14,960,846
Property and equipment (Note 5)	1,907,571	1,980,949
	$ 22,132,966	$ 16,941,795
Liabilities		
Current		
Bank indebtedness (Note 6)	$ 10,399,183	$ 6,027,740
Payables and accruals (Note 7)	2,987,669	2,965,306
Due to BC Tree Fruits Cooperative (Note 8)	3,029,683	2,235,014
Current portion of long-term debt (Note 9)	223,400	354,200
Current portion of capital lease obligation (Note 10)	-	34,267
	16,639,935	11,616,527
Callable portion of long-term debt (Note 9)	620,857	448,038
	17,260,792	12,064,565
Capital lease obligation (Note 10)	-	5,669
Future income taxes	6,997	6,997
	17,267,789	12,077,231
Shareholders' equity		
Share capital (Note 11)	50	50
Retained earnings	4,865,127	4,864,514
	4,865,177	4,864,564
	$ 22,132,966	$ 16,941,795

Commitments (Note 12)

On behalf of the board

_____ Director _____ Director

See accompanying notes to the financial statements.

Growers Supply Company Limited
Statements of Income and Retained Earnings

Year ended December 31

	2022	2021
Sales	$ 37,865,938	$ 37,754,269
Cost of sales	27,948,205	28,424,398
Gross profit	9,917,733	9,329,871
Expenses		
Advertising and promotion	25,399	28,223
Amortization	392,099	514,560
Bad debts (recovered)	(16,417)	28,588
Credit card charges	473,474	471,284
Data processing	61,486	65,285
Insurance	114,780	109,737
Interest and bank charges	218,952	76,578
Interest on long-term debt	29,823	12,597
Janitor	35,206	35,594
Licenses, dues and fees	17,515	8,232
Light, heat and water	168,960	143,856
Office and store	96,722	124,848
Professional fees	263,055	156,003
Property taxes	96,584	120,961
Rent	1,995,683	1,979,674
Repairs and maintenance	261,548	276,205
Telephone	62,536	79,965
Travel and automotive	99,878	44,057
Truck operating	655,902	617,448
Wages and benefits	5,019,081	4,504,231
	10,072,266	9,397,926
Other operating income (expense)		
Interest	24,732	3,510
Trucking income	288,100	334,096
Gain on foreign exchange	56,426	81,677
(Loss) gain on disposal of property and equipment	(254)	1,289
Warehouse income	511,977	409,672
	880,981	830,244
Income from operations	726,448	762,189
Other expenses		
Rebates (Note 8)	(200,835)	(358,479)
Management fees (Note 8)	(525,000)	(525,000)
	(725,835)	(883,479)
Net income (loss)	$ 613	$ (121,290)
Retained earnings, beginning of year	$ 4,864,514	$ 4,985,804
Net income (loss)	613	(121,290)
Retained earnings, end of year	$ 4,865,127	$ 4,864,514

See accompanying notes to the financial statements.

Growers Supply Company Limited
Statement of Cash Flows
Year ended December 31

	2022	2021
Increase (decrease) in net bank indebtedness		
Operating		
Net income (loss)	$ 613	$ (121,290)
Adjustments for non-cash items		
Amortization	392,099	514,560
Loss (gain) on disposal of property and equipment	254	(1,289)
	392,966	391,981
Change in non-cash working capital items		
Receivables	(953,042)	(1,764,456)
Inventory	(4,365,497)	(2,704,584)
Prepaid expenses	354,188	(51,774)
Payables and accruals	22,363	733,538
Due to BC Tree Fruits Cooperative	794,669	(947,799)
Income tax payable	-	161,100
	(3,754,353)	(4,181,994)
Financing		
Proceeds on issuance of long-term debt	407,000	481,841
Repayment of long-term debt	(364,981)	(277,067)
Repayment of obligation under capital lease	(39,936)	(38,782)
	2,083	165,992
Investing		
Purchase of property and equipment	(322,775)	(756,367)
Proceeds from disposal of property and equipment	3,800	3,799
	(318,975)	(752,568)
Decrease in net bank indebtedness	(4,071,245)	(4,768,570)
Net bank indebtedness		
Beginning of year	(5,982,378)	(1,213,808)
End of year	$ (10,053,623)	$ (5,982,378)
Net bank indebtedness compromises of:		
Cash	$ 345,560	$ 45,362
Bank indebtedness	(10,399,183)	(6,027,740)
	$ (10,053,623)	$ (5,982,378)

See accompanying notes to the financial statements.

Growers Supply Company Limited
Notes to the Financial Statements
December 31, 2022

1. Nature of operations

Growers Supply Company Limited (the "Company") was incorporated under the B.C. Company Act on May 31, 1937. The Company is engaged in the wholesale of commercial farm and agricultural products.

2. Basis of accounting and significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for private enterprises ("ASPE"). As a result these financial statements are in accordance with Canadian generally accepted accounting principles ("Canadian GAAP").

Inventory

The cost of inventory comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The costs of purchase comprise the purchase price, import duties, non-recoverable taxes, transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Inventory is comprised of finished goods held for resale.

Inventories are measured at the lower of cost and net realizable value, with cost being determined using the weighted average cost method. Net realizable value is the estimated selling price in the ordinary course of business less any applicable variable selling costs.

Inventories are written down to net realizable value when the cost of inventories is not estimated to be recoverable. The cost of inventories may not be recoverable if those inventories have been damaged, become obsolete, selling prices have declined or their estimated costs of completion or the estimated costs to be incurred to make the sale have increased. The amount of any write-downs of inventories to net realizable value and all losses of inventories are recognized as an expense, and included in cost of sales, in the period the write-down or loss occurs.

When the circumstances that previously caused the inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of a changed economic circumstance, the amount of write-down is reversed in the period of change. The amount of any reversal of write-down of inventories, arising from an increase in net realizable value, shall be recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs. The reversal is limited to the amount of the original write-down.

2. Basis of accounting and significant accounting policies (continued)

Property and equipment

Property and equipment is initially measured at cost and subsequently measured at cost less accumulated amortization. Cost is net of related investment tax credits. Rates of amortization applied on a declining balance basis, except for leasehold improvements, weather station network and automotive equipment under capital lease which is calculated using the straight-line method, to write off the cost of property and equipment over their estimated lives are as follows:

Building	5%
Parking Lot	4%
Automotive equipment	30%
Computer equipment	30%
Furniture and fixtures	20%
Leasehold improvements	5 years
Weather station network	10 years

Assets and obligations under capital lease

Assets and obligations under capital leases are accounted for at cost. The cost is determined by calculating the present value of the minimum lease payments.

Rates of amortization is applied on a straight-line method over their estimated lives as follows:

Automotive equipment under capital lease	5 years

Impairment of long-lived assets

The Company tests long-lived assets for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Income taxes

The Company has elected to apply the future income taxes method of accounting. Future tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of assets and liabilities and their respective tax bases. Enacted or substantively enacted tax rates anticipated to be in effect when these differences reverse are used to calculate future income taxes. To the extent that the Company does not consider it to be more likely than not that a future tax asset will be recovered, it provides a valuation allowance against the excess.

Growers Supply Company Limited
Notes to the Financial Statements
December 31, 2022

2. Basis of accounting and significant accounting policies (continued)

Financial instruments

The Company considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. A financial asset or liability is recognized when the Company becomes party to contractual provisions of the instrument. It is management's opinion that the Company is not exposed to significant credit, liquidity, or market risks arising from these financial instruments except as disclosed in Note 13. The Company accounts for the following as financial instruments:

- Cash
- Receivables
- Bank Indebtedness
- Payables and accruals
- Long-term debt

Initial measurement

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

Financial assets and financial liabilities in related party transactions are initially measured at cost, with the exception of certain instruments which are initially measured at fair value. The Company does not have any financial assets or financial liabilities in related party transactions which are initially measured at fair value.

Gains or losses arising on initial measurement differences are generally recognized in net income when the transaction is in the normal course of operations, and in equity when the transaction is not in the normal course of operations, subject to certain exceptions.

Subsequent measurement

Financial assets and financial liabilities are subsequently measured according to the following methods:

Financial instrument	Subsequent measurement
Cash	Amortized cost
Receivables	Amortized cost
Bank indebtedness	Amortized cost
Payables and accruals	Amortized cost
Long-term debt	Amortized cost

Financial assets and financial liabilities recognized in related party transactions are subsequently measured based on how the Company initially measured the instrument. Financial instruments initially measured at cost are subsequently measured at cost, less any impairment for financial assets. Financial instruments initially measured at fair value, of which the Company has none, would be subsequently measured at amortized cost or fair value based on certain conditions.

2. Basis of accounting and significant accounting policies (continued)

Financial instruments (continued)

Derecognition

The Company removes financial liabilities, or a portion thereof, when the obligation is discharged, cancelled or expires.

Impairment

A financial asset (or group of similar financial assets) measured at cost or amortized cost are tested for impairment when there are indicators of impairment. Impairment losses are recognized in the statement of operations. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

Revenue recognition

Revenue is recognized when the ownership of the product has been transferred to the customer and the collection of the sales amount is reasonably assured. Revenue is stated net of discounts and returns. All other income is recognized as it is earned and the collection of the sales amount is reasonable assured.

Translation of foreign currencies

Transactions denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the time of each transaction. At the balance sheet date, monetary assets and liabilities denominated in a foreign currency are translated at the period end rate of exchange. Exchange gains and losses arising on translation or settlement of foreign currency denominated items are included in the determination of net income for the current period.

Use of estimates

Management reviews the carrying amounts of items in the financial statements at each balance sheet date to assess the need for revision or any possibility of impairment. Many items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to net income as appropriate in the year they become known.

Items subject to significant management estimates include allowance for doubtful accounts, obsolete inventory provision and property and equipment useful lives and related amortization.

Guarantees

The Company enters into guarantees on behalf of related parties. Contracts under which the Company may be required to make payments if a related party does not follow the terms and conditions of a contract and contracts under which the Company provides indirect guarantees of another party's indebtedness, are considered guarantees to be disclosed, and in some instances recognized in the financial statements. The Company records liabilities for guarantees when there is an obligation to make a payment on behalf of a related party and the payment is likely.

Growers Supply Company Limited
Notes to the Financial Statements
December 31, 2022

3. Receivables

Receivables are presented on the balance sheet net of estimated uncollectible amounts. The Company records an allowance for doubtful accounts of $100,108 (2021 - $100,108).

4. Inventory

	2022	2021
Inventory is comprised of:		
Pesticides and pest control	**$ 4,387,527**	$ 3,395,992
Fertilizers	**3,187,787**	1,760,020
Irrigation equipment	**1,190,087**	896,813
Packaging	**791,381**	924,651
Nursery supplies and soils	**1,090,611**	703,036
Farm supplies, tools and hardware	**2,223,842**	1,374,014
Livestock feed and fencing	**1,929,909**	1,381,121
	$ 14,801,144	$ 10,435,647

In 2022, a total of $27,948,205 (2021 - $28,424,398) of inventory was included in profit and loss as an expense. Inventory has been pledged as security against the CIBC credit facilities, as disclosed in Notes 6 and 9.

5. Property and equipment

	Cost	Accumulated Amortization	2022 Net Book Value	2021 Net Book Value
Land	$ 216,161	$ -	**$ 216,161**	$ 216,161
Building and parking lot	2,167,099	1,416,492	**750,607**	780,353
Automotive equipment	2,116,290	1,783,818	**332,472**	215,963
Computer equipment	489,079	469,517	**19,562**	27,945
Furniture and fixtures	691,950	519,452	**172,498**	183,807
Leasehold improvements	2,535,593	2,371,768	**163,825**	225,230
Weather station network	504,006	251,560	**252,446**	283,671
Automotive equipment under capital lease	-	-	-	47,819
	$ 8,720,178	$ 6,812,607	**$ 1,907,571**	$ 1,980,949

Growers Supply Company Limited
Notes to the Financial Statements
December 31, 2022

6. Bank indebtedness

During the year the Company, jointly with BC Tree Fruits Cooperative and BC Tree Fruits Industries Limited, entered into a demand operating line of credit facility with CIBC for an authorized amount of $27,750,000, which bears interest at bank prime rate minus 0.25% or Bankers' Acceptance rate plus 1.0%. As at Dec 31, 2022, the Company has drawn $10,683,049 against the operating line and $nil) as Bankers' Acceptance notes. This facility replaced the old operating line of credit and banker's acceptance facility with CIBC which was present in the prior year. That facility had a maximum principal amount of $6,250,000 and at December 31, 2021 the Company had drawn $5,861,325 against that balance.

The operating credit facility and bank loans (Note 9) are secured as follows:

- Security agreement covering all present and future acquired assets including receivables, inventory and machinery and equipment.
- Collateral mortgage in the amount of $40,000,000 over land and buildings of the Cooperative.

Assignment of insurance proceeds:

- Guarantees from BC Tree Fruits Cooperative and BC Tree Fruits Industries Limited, parent company.

As part of the existing debt agreement, the Company is subject to various covenants under the CIBC credit facility agreement. These covenants are jointly calculated and reported in the May 31, 2023 financial statements of BC Tree Fruits Cooperative, and as such the Company has no standalone financial reporting covenants at December 31, 2022.

Guarantees

Under the terms of the credit facility the Company has guaranteed any outstanding debt of BC Tree Fruits Cooperative and BC Tree Fruits Industries Limited. At year end, the outstanding balance of debt owed under the facility from BC Tree Fruits Cooperative was $36,454,560. There was no debt outstanding under the facility from BC Tree Fruits Industries Limited.

7. Payables and accruals

Included in payables and accruals are government remittances payable of $19,487 (2021- $7,062).

Growers Supply Company Limited
Notes to the Financial Statements
December 31, 2022

8. Due to BC Tree Fruits Cooperative

Amounts due to the parent Cooperative, BC Tree Fruits Cooperative ("the Cooperative") are unsecured, non-interest bearing and have no specific terms of repayment.

Transactions

These transactions are in the normal course of operations and are measured at the exchange value, the amount of consideration established and agreed to by the related parties.

		2022		2021
Rebate for Grower spend paid	$	**194,361**	$	338,381
Management fees paid	$	**525,000**	$	525,000
Warehouse storage space rent paid	$	**1,452,890**	$	1,452,890
Various expenditures paid	$	**177,390**	$	146,207
Sales of supplies and use of automotive equipment charged	$	**587,328**	$	557,041
Interest expenses for shared line of credit	$	**153,313**	$	-
Purchased weather station network	$	**-**	$	300,000
Weather data information services charged	$	**-**	$	25,000

9. Long-term debt

	2022	2021
CIBC demand instalment loan, bearing interest at prime rate minus .25% per annum, due November 2026, repayable in monthly installments of $8,488 principal plus interest	$ **387,504**	$ 466,653
CIBC demand instalment loan, bearing interest at prime rate per annum due February 2023, repayable in monthly installments of $15,943 principal plus interest	**78,242**	263,561
CIBC demand instalment loan, bearing interest at prime rate minus .25% per annum due July 2027, repayable in monthly installments of $7,394.93 principal plus interest	**378,511**	-
CIBC demand instalment loan, repaid during the year	**-**	72,024
	844,257	802,238
Less current portion	**223,400**	354,200
Less callable portion	**620,857**	448,038
	$ **-**	$ -

9. Long-term debt (continued)

The CIBC bank loans are secured as described in Note 6.

Assuming CIBC does not demand repayment of the demand installment loans, the aggregate principal payment required in the next five years is:

2023	$ 223,400
2024	156,300
2025	166,400
2026	177,100
2027	121,057
	$ 844,257

The Company is required to maintain a net capital expenditure limit of no more than $1,000,000 per year jointly with BC Tree Fruits Cooperative and BC Tree Fruits Industries Limited . During the year, the Company spent $322,775, on capital expenditures. This amount will be reviewed jointly in the May 31, 2023 financial statements of BC Tree Fruits Cooperative.

10. Capital lease obligation

	2022	2021
Automotive equipment lease, repaid during the year	$ -	$ 39,936
Less current portion	-	34,267
	$ -	$ 5,669

Interest expense on obligations under capital lease was $576 and is included in interest on long-term debt in the statement of income and retained earnings.

11. Share capital

Authorized

300,000 Class A non-voting common shares, $1 par value
10 Class B voting common shares, $10 par value

Issued

	2022	2021
5 Class B shares	$ 50	$ 50

Growers Supply Company Limited
Notes to the Financial Statements
December 31, 2022

12. Commitments

The Company has various operating leases for certain warehouse space and equipment expiring between 2023 and 2025.

The minimum annual payments under these commitments for the next three years are as follows:

2023	$	514,734
2024	$	186,206
2025	$	12,296

The Company has also entered into an agreement to purchase inventory subsequent to year-end. Included in prepaid expenses are related deposits of $504,635 (2021 - $857,328). The company has also committed to purchasing inventory of $864,778 subsequent to year-end.

13. Financial instruments

The main risks the Company is exposed to through its financial instruments are credit risk and market risk.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's main credit risks relate to its receivables. The Company provides credit to its clients in the normal course of its operations.

Before providing credit to clients, the Company performs a credit risk evaluation. The Company's clients are numerous and diverse, which reduces the concentration of credit risk. There was no significant change in exposure from the previous year.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities. The Company is exposed to this risk mainly in respect of its payables and accruals, bank indebtedness and long-term debt.

The Company manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities. There was a significant change in exposure from the previous year as the Company entered into a new loan agreement during the year.

13. Financial instruments (continued)

(c) Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Company is mainly exposed to currency risk and interest rate risk.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company is exposed to currency risk as a portion of its purchases are in foreign currency. Consequently, some assets and liabilities are exposed to foreign exchange fluctuations. As at December 31, 2022 cash and accounts payable of $179,555 and $241,819 respectively are denominated in US dollars and converted into Canadian dollars. There was no significant change in exposure from the previous year.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Given the current composition of long-term debt, the floating-rate instruments subject the Company to a cash flow risk. There was no significant change in exposure from the previous year.

14. Income taxes

For income tax purposes, the Company has non-capital losses which can be applied to reduce future years' taxable income. These losses expire as follows:

2040	$ 206,174
2041	176,612
2042	249,033
	$ 631,819

Financial Statements

Growers Supply Company Limited

December 31, 2023

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Grant Thornton LLP
200-1633 Ellis Street
Kelowna, BC
V1Y 2A8

T +1 250 712 6800
F +1 250 712 6850
www.GrantThornton.ca

Independent Auditor's Report

To the Shareholders of
Growers Supply Company Limited

Opinion

We have audited the financial statements of Growers Supply Company Limited ("the Company"), which comprise the balance sheet as at December 31, 2023, and the statements of loss and retained earnings and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Kelowna, Canada
June 5, 2024

Chartered Professional Accountants

Growers Supply Company Limited
Balance Sheet

December 31

	2023	2022
Assets		
Current		
Cash	$ 111,082	$ 345,560
Receivables (Note 3)	3,488,539	4,494,921
Inventory (Note 4)	13,470,205	14,801,144
Prepaid expenses	126,666	583,770
	17,196,492	20,225,395
Property and equipment (Note 5)	1,787,836	1,907,571
Future income taxes (Note 6)	416,040	-
	$ 19,400,368	$ 22,132,966
Liabilities		
Current		
Bank indebtedness (Note 7)	$ 10,819,112	$ 10,399,183
Payables and accruals (Note 8)	1,565,782	2,987,669
Due to BC Tree Fruits Cooperative (Note 9)	2,509,367	3,029,683
Current portion of long-term debt (Note 10)	153,400	223,400
	15,047,661	16,639,935
Callable portion of long-term debt (Note 10)	468,400	620,857
	15,516,061	17,260,792
Future income taxes (Note 6)	-	6,997
	15,516,061	17,267,789
Shareholders' equity		
Share capital (Note 11)	50	50
Retained earnings	3,884,257	4,865,127
	3,884,307	4,865,177
	$ 19,400,368	$ 22,132,966

Commitments (Note 12)

On behalf of the Board

Director

Director

See accompanying notes to the financial statements.

Growers Supply Company Limited
Statements of Loss and Retained Earnings

Year ended December 31	2023	2022
Sales	$ 33,682,552	$ 37,865,938
Cost of sales	24,403,364	27,948,205
Gross profit	9,279,188	9,917,733
Expenses		
Advertising and promotion	86,366	25,399
Amortization	311,048	392,099
Bad debts (recovered)	252,736	(16,417)
Credit card charges	409,620	473,474
Data processing	82,250	61,486
Insurance	140,482	114,780
Interest and bank charges	684,054	218,952
Interest on long-term debt	47,654	29,823
Janitor	60,616	35,206
Licenses, dues and fees	23,259	17,515
Light, heat and water	175,206	168,960
Office and store	93,588	96,722
Professional fees	70,482	263,055
Property taxes	102,160	96,584
Rent	1,997,233	1,995,683
Repairs and maintenance	245,818	261,548
Telephone	51,162	62,536
Travel and automotive	133,887	99,878
Truck operating	642,139	655,902
Wages and benefits	5,199,492	5,019,081
	10,809,252	10,072,266
Other operating income (expense)		
Interest	61,288	24,732
Trucking income	427,821	288,100
(Loss) gain on foreign exchange	(9,216)	56,426
Loss on disposal of property and equipment	-	(254)
Warehouse income	204,370	511,977
	684,263	880,981
(Loss) income from operations	(845,801)	726,448
Other expenses		
Rebates	(33,106)	(200,835)
Management fees (Note 9)	(525,000)	(525,000)
	(558,106)	(725,835)
Future income taxes (recovery)	423,037	-
Net (loss) income	$ (980,870)	$ 613
Retained earnings, beginning of year	$ 4,865,127	$ 4,864,514
Net (loss) income	(980,870)	613
Retained earnings, end of year	$ 3,884,257	$ 4,865,127

See accompanying notes to the financial statements.

Growers Supply Company Limited
Statement of Cash Flows

Year ended December 31

	2023	2022
Increase (decrease) in net cash		
Operating		
Net (loss) income	$ (980,870)	$ 613
Adjustments for non-cash items		
Amortization	311,048	392,099
Loss on disposal of property and equipment	-	254
Future income taxes	(423,037)	-
	(1,092,859)	392,966
Change in non-cash working capital items		
Receivables	1,006,382	(953,042)
Inventory	1,330,939	(4,365,497)
Prepaid expenses	457,104	354,188
Payables and accruals	(1,421,887)	22,363
Due to BC Tree Fruits Cooperative	(520,316)	794,669
	(240,637)	(3,754,353)
Financing		
Bank indebtedness	419,929	4,371,443
Proceeds on issuance of long-term debt	-	407,000
Repayment of callable portion of long-term debt	(222,457)	(364,981)
Repayment of obligation under capital lease	-	(39,936)
	197,472	4,373,526
Investing		
Purchase of property and equipment	(191,313)	(322,775)
Proceeds from disposal of property and equipment	-	3,800
	(191,313)	(318,975)
Decrease in cash	(234,478)	300,198
Net cash		
Beginning of year	345,560	45,362
End of year	$ 111,082	$ 345,560

See accompanying notes to the financial statements.

Growers Supply Company Limited
Notes to the Financial Statements
December 31, 2023

1. Nature of operations

Growers Supply Company Limited (the "Company") was incorporated under the B.C. Company Act on May 31, 1937. The Company is engaged in the wholesale and retail sale of commercial farm and agricultural products.

2. Basis of accounting and significant accounting policies

Basis of presentation

These financial statements have been prepared in accordance with Canadian accounting standards for private enterprises ("ASPE"). As a result these financial statements are in accordance with Canadian generally accepted accounting principles ("Canadian GAAP").

Inventory

The cost of inventory comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The costs of purchase comprise the purchase price, import duties, non-recoverable taxes, transport, handling and other costs directly attributable to the acquisition of finished goods, materials and services. Inventory is comprised of finished goods held for resale.

Inventories are measured at the lower of cost and net realizable value, with cost being determined using the weighted average cost method. Net realizable value is the estimated selling price in the ordinary course of business less any applicable variable selling costs.

Inventories are written down to net realizable value when the cost of inventories is not estimated to be recoverable. The cost of inventories may not be recoverable if those inventories have been damaged, become obsolete, selling prices have declined or their estimated costs of completion or the estimated costs to be incurred to make the sale have increased. The amount of any write-downs of inventories to net realizable value and all losses of inventories are recognized as an expense, and included in cost of sales, in the period the write-down or loss occurs.

When the circumstances that previously caused the inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realizable value because of a changed economic circumstance, the amount of write-down is reversed in the period of change. The amount of any reversal of write-down of inventories, arising from an increase in net realizable value, shall be recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs. The reversal is limited to the amount of the original write-down.

Growers Supply Company Limited
Notes to the Financial Statements
December 31, 2023

2. Basis of accounting and significant accounting policies (continued)

Property and equipment

Property and equipment is initially measured at cost and subsequently measured at cost less accumulated amortization. Cost is net of related investment tax credits. Rates of amortization applied on a declining balance basis, except for leasehold improvements, weather station network and automotive equipment under capital lease which is calculated using the straight-line method, to write off the cost of property and equipment over their estimated lives are as follows:

Building and parking lot	4% - 5%
Automotive equipment	15% - 30%
Computer equipment	30%
Furniture and fixtures	20%
Leasehold improvements	5 years
Weather station network	11%

Impairment of long-lived assets

The Company tests long-lived assets for impairment whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount of the asset exceeds the sum of the undiscounted cash flows resulting from its use and eventual disposition. The impairment loss is measured as the amount by which the carrying amount of the long-lived asset exceeds its fair value.

Income taxes

The Company has elected to apply the future income taxes method of accounting. Future tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of assets and liabilities and their respective tax bases. Enacted or substantively enacted tax rates anticipated to be in effect when these differences reverse are used to calculate future income taxes. To the extent that the Company does not consider it to be more likely than not that a future tax asset will be recovered, it provides a valuation allowance against the excess.

Revenue recognition

Revenue is recognized when the ownership of the product has been transferred to the customer and the collection of the sales amount is reasonably assured. Revenue is stated net of discounts and returns. All other income is recognized as it is earned and the collection of the sales amount is reasonable assured.

Translation of foreign currencies

Transactions denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the time of each transaction. At the balance sheet date, monetary assets and liabilities denominated in a foreign currency are translated at the period end rate of exchange. Exchange gains and losses arising on translation or settlement of foreign currency denominated items are included in the determination of net income for the current period.

2. Basis of accounting and significant accounting policies (continued)

Use of estimates

Management reviews the carrying amounts of items in the financial statements at each balance sheet date to assess the need for revision or any possibility of impairment. Many items in the preparation of these financial statements require management's best estimate. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to net income as appropriate in the year they become known.

Items subject to significant management estimates include allowance for doubtful accounts, useful lives of property and equipment and related amortization, and net realizable value of inventory.

Guarantees

The Company enters into guarantees on behalf of related parties. Contracts under which the Company may be required to make payments if a related party does not follow the terms and conditions of a contract and contracts under which the Company provides indirect guarantees of another party's indebtedness, are considered guarantees to be disclosed, and in some instances recognized in the financial statements. The Company records liabilities for guarantees when there is an obligation to make a payment on behalf of a related party and the payment is likely.

Financial instruments

The Company considers any contract creating a financial asset, liability or equity instrument as a financial instrument, except in certain limited circumstances. A financial asset or liability is recognized when the Company becomes party to contractual provisions of the instrument. It is management's opinion that the Company is not exposed to significant credit, liquidity, or market risks arising from these financial instruments except as disclosed in Note 13. The Company accounts for the following as financial instruments:

- Cash
- Receivables
- Bank Indebtedness
- Payables and accruals
- Long-term debt

A financial asset or liability is recognized when the Company becomes party to contractual provisions of the instrument.

Initial measurement

Financial assets or liabilities obtained in arm's length transactions are initially measured at their fair value. In the case of a financial asset or liability not being subsequently measured at fair value, the initial fair value will be adjusted for financing fees and transaction costs that are directly attributable to its origination, acquisition, issuance or assumption.

2. Basis of accounting and significant accounting policies (continued)

Financial instruments (continued)

Subsequent measurement

Financial assets and financial liabilities are subsequently measured according to the following methods:

Financial instrument	Subsequent measurement
Cash	Amortized cost
Receivables	Amortized cost
Bank indebtedness	Amortized cost
Payables and accruals	Amortized cost
Long-term debt	Amortized cost

Financial instruments in related party transactions

Financial assets and financial liabilities in related party transactions are initially measured at cost, with the exception of certain instruments which are initially measured at fair value. The Company does not have any financial assets or financial liabilities in related party transactions which are initially measured at fair value.

Financial assets and financial liabilities recognized in related party transactions are subsequently measured based on how the Company initially measured the instrument. Financial instruments initially measured at cost are subsequently measured at cost, less any impairment for financial assets.

Derecognition

The Company removes financial liabilities, or a portion thereof, when the obligation is discharged, cancelled or expires.

Impairment

A financial asset (or group of similar financial assets) measured at cost or amortized cost are tested for impairment when there are indicators of impairment. Impairment losses are recognized in the statement of operations. Previously recognized impairment losses are reversed to the extent of the improvement provided the asset is not carried at an amount, at the date of the reversal, greater than the amount that would have been the carrying amount had no impairment loss been recognized previously. The amounts of any write-downs or reversals are recognized in net income.

3. Receivables

Receivables are presented on the balance sheet net of estimated unelectable amounts. The Company records an allowance for doubtful accounts of $53,944 (2022 - $100,108).

Growers Supply Company Limited
Notes to the Financial Statements
December 31, 2023

4. Inventory

	2023	2022
Inventory is comprised of:		
Farm supplies, tools, hardware and equipment	$ **2,606,985**	$ 2,223,842
Fertilizers	**1,528,329**	3,187,787
Irrigation equipment	**1,185,380**	1,190,087
Livestock feed and fencing	**2,014,487**	1,929,909
Nursery supplies and soils	**1,042,349**	1,090,611
Packaging	**441,222**	791,381
Pesticides and pest control	**4,651,453**	4,387,527
	$ **13,470,205**	$ 14,801,144

In 2023, a total of $24,403,364 (2022 - $27,948,205) of inventory was included in profit and loss as an expense. Inventory has been pledged as security against the CIBC credit facilities, as disclosed in Notes 7 and 10.

5. Property and equipment

	Cost	Accumulated Amortization	2023 Net Book Value	2022 Net Book Value
Land	$ 216,161	$ -	$ **216,161**	$ 216,161
Building and parking lot	2,167,099	1,452,856	**714,243**	750,607
Automotive equipment	2,130,092	1,757,170	**372,922**	332,472
Computer equipment	498,536	476,805	**21,731**	19,562
Furniture and fixtures	691,950	553,952	**137,998**	172,498
Leasehold improvements	2,539,916	2,439,812	**100,104**	163,825
Weather station network	504,006	279,329	**224,677**	252,446
	$ 8,747,760	$ 6,959,924	$ **1,787,836**	$ 1,907,571

6. Future income taxes

	2023	2022
The amount of future income taxes attributable to each type of temporary difference, unused tax losses and unused income tax reductions is as follows:		
Property and equipment	$ **(142,844)**	$ (6,997)
Land replacement	**(36,139)**	-
Non-capital loss carryforwards	**595,023**	-
	$ **416,040**	$ (6,997)

The Company has non-capital losses in the amount of $2,180,519 available for carry forward to reduce future years' taxable income which begin to expire in fiscal 2040.

Growers Supply Company Limited
Notes to the Financial Statements
December 31, 2023

7. Bank indebtedness

The Company, jointly with BC Tree Fruits Cooperative and BC Tree Fruits Industries Limited, utilizes a demand operating line of credit facility with the Canadian Imperial Bank of Commerce ("CIBC") for an authorized amount of $27,750,000, which bears interest at bank prime rate minus 0.25% or Bankers' Acceptance rate plus 1.0%. As at December 31, 2023, the Company has drawn $10,829,561 (2022 - $10,683,049) against the operating line of credit. The bank indebtedness balance represents the excess of outstanding deposits or cheques over the balance in the operating account as of the year-end date.

The operating credit facility and long-term debt as disclosed in Note 10 are secured as follows:

- Security agreement covering all present and future acquired assets including receivables, inventory and machinery and equipment;
- Collateral mortgage in the amount of $40,000,000 over land and buildings of the Cooperative;
- Assignment of insurance proceeds, and;
- Guarantees from BC Tree Fruits Cooperative and BC Tree Fruits Industries Limited, parent company.

As part of the existing debt agreement, the Company is subject to various covenants under the CIBC credit facility agreement. These covenants are jointly calculated and reported in the May 31, 2024 financial statements of BC Tree Fruits Cooperative, and as such the Company has no stand-alone financial reporting covenants at December 31, 2023.

Guarantees

Under the terms of the credit facility, the Company has guaranteed any outstanding debt of BC Tree Fruits Cooperative and BC Tree Fruits Industries Limited. At year end, the outstanding balance of debt owed under the facility from BC Tree Fruits Cooperative was $37,245,777 (2022 - $36,454,560). There was no debt outstanding under the facility from BC Tree Fruits Industries Limited.

8. Payables and accruals

Included in payables and accruals are government remittances payable of $67,341 (2022 - $19,487).

Growers Supply Company Limited
Notes to the Financial Statements
December 31, 2023

9. Due to BC Tree Fruits Cooperative

Amounts due to the parent Cooperative, BC Tree Fruits Cooperative ("the Cooperative") are unsecured, non-interest bearing and have no specific terms of repayment.

The following related party transactions are in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed upon by the related parties.

	2023	2022
Sales	$ 1,806,215	$ 587,328
Interest and bank charges	$ 665,975	$ 184,631
Rent	$ 1,389,777	$ 1,452,890
Truck operating	$ 383,558	$ -
Various expenditures paid	$ 71,001	$ 177,390
Rebates	$ -	$ 194,361
Management fees	$ 525,000	$ 525,000

10. Long-term debt

	2023	2022
CIBC demand instalment loan, bearing interest at prime rate minus 0.25% per annum due July 2027, repayable in monthly installments of $7,395 principal plus interest	$ 312,940	$ 378,511
CIBC demand instalment loan, bearing interest at prime rate minus 0.25% per annum, due November 2026, repayable in monthly installments of $8,488 principal plus interest	308,860	387,504
CIBC demand instalment loan, repaid during the year	-	78,242
	621,800	844,257
Less current portion	153,400	223,400
Less callable portion	468,400	620,857
	$ -	$ -

The CIBC bank loans are secured as described in Note 7.

Growers Supply Company Limited
Notes to the Financial Statements
December 31, 2023

10. Long-term debt (continued)

Assuming CIBC does not demand repayment of the demand installment loans, the aggregate principal payments required in the next five years is:

2024	$ 153,400
2025	$ 164,000
2026	$ 175,400
2027	$ 125,600
2028	$ 3,400

The Company is required to maintain a net capital expenditure limit of no more than $1,000,000 per year jointly with BC Tree Fruits Cooperative and BC Tree Fruits Industries Limited. During the year, the Company spent $191,313 on capital expenditures. This amount will be reviewed jointly in the May 31, 2024 financial statements of BC Tree Fruits Cooperative.

11. Share capital

Authorized

300,000 Class A non-voting common shares, $1 par value
10 Class B voting common shares, $10 par value

Issued

	2023	2022
Class B shares	$ 50	$ 50

12. Commitments

The Company has various operating leases for certain warehouse space, equipment and vehicles expiring between 2024 and 2028.

The minimum annual payments under these commitments for the next five years are as follows:

2024	$ 657,189
2025	$ 505,407
2026	$ 539,580
2027	$ 548,244
2028	$ 302,408

13. Financial instruments

The main risks the Company is exposed to through its financial instruments are credit risk, liquidity. risk and market risk.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's main credit risks relate to its receivables. The Company provides credit to its clients in the normal course of its operations.

Before providing credit to clients, the Company performs a credit risk evaluation. The Company's clients are numerous and diverse, which reduces the concentration of credit risk. There was no significant change in exposure from the previous year.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities. The Company is exposed to this risk mainly in respect of its bank indebtedness, payables and accruals, and long-term debt.

The Company manages its liquidity needs by monitoring scheduled debt servicing payments for long-term financial liabilities and negotiating extended payment terms with suppliers. There was no significant change in exposure from the previous year.

(c) Market risk

Market risk is the risk that the fair value or expected future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Company is mainly exposed to currency risk and interest rate risk.

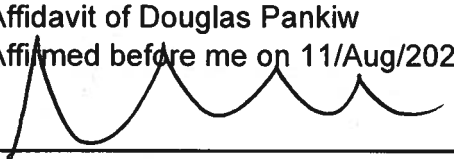
(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The company is exposed to currency risk as a portion of its purchases are in foreign currency. Consequently, some assets and liabilities are exposed to foreign exchange fluctuations. As at December 31, 2023 cash and accounts receivable of $824 and $3,366 (2022 - cash and accounts payable of $179,555 and $241,819), respectively, are denominated in US dollars and converted into Canadian dollars. There was no significant change in exposure from the previous year.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk on its fixed and floating interest rate financial instruments. Given the current composition of long-term debt, the floating-rate instruments subject the Company to a cash flow risk. There was an increase in this risk exposure from the prior year due to an increase in the bank's prime rate.

This is Exhibit "L" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

ODR 47

160/42-00012
$450 Fixed Fee.

sent to CPS
Apr 3/12

CIBC Commercial Banking

Canadian Imperial Bank of Commerce
Commercial Banking
328 Bernard Avenue
Kelowna, BC
Canada
V1Y 6N5

March 23, 2012

Growers Supply Company Limited
2605 Acland Road
Kelowna, B. C.
V1X 7J4

Attention: Mr. Stanley Swales

Dear Sirs:

We, Canadian Imperial Bank of Commerce ("CIBC"), are pleased to establish the following Credits for you, our customer.

Credit A: Operating Line

Credit Limit: $3,400,000

Description and Rate: A revolving demand credit, for general business purposes, as follows:

(1) Canadian dollar loans, overdrafts and Acceptances. Loans, overdrafts and Acceptances under this part of this Operating Line may not at any time exceed $3,400,000. The Interest Rate is Prime rate per year.

(2) Canadian dollar B/A's. The total face amount of Bankers' Acceptances outstanding at any time may not exceed $3,400,000. The Interest Rate is Bankers' Acceptance rate plus 1.00% per year.

Credit B: Demand Instalment Loan

Balance @ Mar 15 $17,315

Loan Amount: $112,238

Purpose: To assist with the purchase of two International trucks and two trailers.

Interest Rate/Fees: Prime Rate per year.

Scheduled Payments:	Unless we make demand, you will pay CIBC as follows: Regular monthly blended payments of $5,800.00 each, including interest. The last payment, plus any outstanding principal and interest together with any other amount due under this Agreement, is due on December 20, 2013.
Special Conditions/Provisions:	The blended monthly payment will be subject to adjustments as required to ensure that the loan is liquidated within a five year amortization period.

Credit C: Demand Instalment Loan

$630,846.07 applied on Apr 16/15 re: sale of 360 Okanagan Ave, Penticton #9818154

Loan Amount:	$2,109,581
Purpose:	To assist with the asset purchase of TerraLink Horticulture Inc., South Valley Sales Division, in the approximate amount of $5,000,000.
Description and Rate:	A non-revolving demand credit, available as follows: **(1) Canadian dollar loans.** The Interest Rate is Prime Rate per year with an option to fix the rate.
Scheduled Payments:	Unless we make demand, you will pay CIBC as follows: Regular monthly blended payments of $18,180.00 each, including interest. The last payment, plus any outstanding principal and interest together with any other amount due under this Agreement, is due on May 29, 2024.
Special Conditions/Provisions:	The blended monthly payment will be subject to adjustments as required to ensure that the loan is liquidated within a fifteen year amortization period. Subject to the availability of funds, the Customer may elect to fix the rate on the outstanding loan balance. Rates may be booked for terms of 1 through 5 years (with the term not to exceed the remaining amortization on the loan, monthly blended payments to apply).

May 1/14 P-.25 ✓

Balance @ May 15/15 $959,371

Credit D: Demand Instalment Loan

Loan Amount:	$120,055
Purpose:	To assist with the purchase of a new 2012 Western Star truck and Vanguard trailer.
Interest Rate/Fees:	Prime Rate per year.
Scheduled Payments:	Unless we make demand, you will pay CIBC as follows: Regular monthly blended payments of $2,300.00 each, including interest. The last payment, plus any outstanding principal and interest together with any other amount due under this Agreement, is due on November 1, 2016.
Special Conditions/Provisions:	The blended monthly payment will be subject to adjustments as required to ensure that the loan is liquidated within a five year amortization period.

Security

Security:	The following security is required.
Security Agreement:	All personal property of the business now owned (which includes receivables, inventory, equipment and machinery), and all personal property acquired in the future. Plus adequate fire and other perils insurance, with loss payable to CIBC. To be registered in the following jurisdictions: British Columbia
Bank Act Security:	Security under section 427 of the Bank Act. This security is held specifically in support of the Operating Line.
Guarantee:	Guarantee from Okanagan Tree Fruit Cooperative in an amount that is unlimited, supported by all security provided for direct liabilities.
Collateral Mortgage:	Collateral Mortgage in the amount of $7,800,000 giving CIBC first charges, including Assignment of Rents, over the following properties:

- 2605 Acland Road, Kelowna, B.C., legally described as Lot A, District Lot 123, Osoyoos Division Yale District, Plan KAP55505; and
- 360 Okanagan Avenue East, Penticton, B.C., legally described as Lot 4, District Lots 1997S and 3429S, Similkameen Division Yale District, Plan 32262

sold - Apr 16/15 - discharged

plus acknowledged assignment of adequate fire and other perils insurance, with loss payable to CIBC as first mortgagee. A certified copy of the policy shall be provided to CIBC.

It is understood that the amount of the mortgage is for the convenience of the client to secure further advances, if such further advances are approved in the sole discretion of CIBC, and is not an implied or expressed commitment to provide funding to that level.

Insurance: Acknowledged assignment of adequate fire and other perils insurance on the business assets, with loss payable to CIBC.

Covenants

Covenants: You will ensure that:

Capital Expenditures: Your total capital expenditures for fixed or capital assets in the current fiscal year do not exceed $100,000, without our prior consent (which consent will not be unreasonably withheld).

Reporting Requirements

Reporting Requirements: You will provide:

(1) Within 45 days of the end of each quarter, a quarterly financial statement for the fiscal quarter with the exception of the fiscal year-end, prepared on an in-house basis.
(2) Within 120 days of each fiscal year-end, financial statement for that fiscal year, prepared on a consolidated and audited basis.
(3) Within 120 days of each fiscal year-end, a financial

forecast.

(4) Within 60 days of the end of each year-end, a confirmation that we hold a copy of a current and valid Certificate of Compliance Warehousing Standards from Agrichemical Warehousing Standards Association will be on file.

Fees

Loan Administration: Waived.

Other Provisions

Calculations: When applicable, the calculations made under the "Covenants" and "Reporting Requirements" sections of this Agreement are to be done on a consolidated basis.

Interest Rate Applicable to Credit Limit Excesses: Currently 21% per year. If the Credit Limit of a Credit, or the Credit Limit of part of a Credit, or the Overall Credit Limit, is exceeded at any time, the Interest Rate Applicable to Credit Limit Excesses is calculated on that excess amount.

In connection with any amounts in foreign currency, see "Foreign Currency Conversion" in the Attached Schedule.

Next Scheduled Review Date: We will review the credit by November 30, 2012. At that time, we will review your financial statements, and how well you have complied with the requirements of this Agreement. The terms of this Agreement will continue to apply until either a new Agreement or an Amendment to this one is settled.

Acknowledgement: From time to time, CIBC publishes advertisements or announcements of completed transactions. These advertisements or announcements may take the form of direct marketing materials, press releases, paid advertisements, project financing signs, internally displayed tombstones, or information displayed on the Internet or on CIBC's Intranet and may include, without limitation, the Borrower's name and logo together with the transaction date and value. The Borrower hereby consents to the publication of an advertisement or announcement of the within transaction.

Standard Credit Terms: The attached Schedule A forms part of this Agreement.

Please indicate your acceptance of these terms by signing below and returning the enclosed copy to our attention no later than April 13, 2012.

Upon acceptance, this Agreement replaces the existing credit agreement dated February 14, 2012, between you and CIBC. Outstanding amounts (and security) under that Agreement will be covered by this Agreement.

Yours truly,

Canadian Imperial Bank of Commerce

by: BKAbel

Barry K. Abel
Assistant General Manager

Phone: 250-868-5356
Fax: 250-470-1603
E-mail: Barry.Abel@cibc.com
Mobile: 250-863-5757

Acknowledgement: The undersigned certifies that all information provided to CIBC is true, and acknowledges receipt of a copy of this Agreement (including any Schedules referred to above).

Accepted this 28 day of MARCH, 2012.

Growers Supply Company Limited

By: _____

Name: Stanley Swales

Title: General Manager

By: _____

Name: Mae Shannon

Title: Secretary/Treasurer

SCHEDULE A - ADDITIONAL DEFINITIONS AND PROVISIONS FOR DEMAND & TERM FACILITIES

1. GENERAL

1.1 Use of Funds, Returns. The Borrower will use the Credits only for the purposes specified in this Agreement. The Borrower may not at any time exceed the limit of any Credit, and CIBC may, without notice to the Borrower, return any item that, if paid, would result in the limit of any Credit being exceeded. If, on the other hand, CIBC in its sole discretion elects to pay any such item, the Borrower will pay to CIBC immediately the amount by which the limit of the applicable Credit has been exceeded.

1.2 Notice of Failure. The Borrower will promptly notify CIBC of the occurrence of any failure to perform or observe any of its covenants in this Agreement.

1.3 Confidentiality. The terms of this Agreement are confidential between the Borrower and CIBC, and accordingly the Borrower will not disclose the contents of this Agreement to anyone except its professional advisors.

1.4 Applying money received. At any time that the Borrower has failed (beyond any period of grace permitted by CIBC) to perform or observe of any of its covenants in this Agreement, all moneys received by CIBC from the Borrower or from any Security may be applied on such parts of the Borrower's liabilities to CIBC as CIBC may determine.

1.5 Right of Set-Off. At any time that the Borrower has failed (beyond any period of grace permitted by CIBC) to perform or observe any of its covenants in this Agreement, CIBC is authorized at any time to set-off and apply any deposits held by it and any other amounts owed by it to or for the credit of the Borrower against any and all of the obligations of the Borrower with respect to the Credits, irrespective of whether or not CIBC has made any demand and even though any such obligations may not yet be due and payable.

1.6 Registration of Security. The Security will be registered or filed in all jurisdictions and in all offices as CIBC considers necessary or advisable from time to time to create, perfect or protect any Lien created thereby.

1.7 Expenses. The Borrower will reimburse CIBC for all fees and out-of-pocket expenses (including the reasonable fees and expenses of CIBC's solicitors and of any other experts and advisors hired by CIBC) incurred by CIBC in preparing and registering any Security, in responding to requests from the Borrower for waivers, amendments and other matters, in exercising its rights under this Agreement or any Security, and in enforcing any Security.

1.8 Further information requirements. The Borrower will provide such further information about its business and its Subsidiaries as is reasonably requested by CIBC from time to time, and such information shall be in a form acceptable to CIBC.

1.9 Consent to release information. CIBC may from time to time give any credit or other information about the Borrower to, or receive such information from, (i) any financial institution, credit reporting agency, rating agency or credit bureau, (ii) any person, firm or corporation with whom the Borrower may have or proposes to have financial dealings, and (iii) any person, firm or corporation in connection with any dealings the Borrower has or proposes to have with CIBC. The Borrower agrees that CIBC may use that information to establish and maintain the Borrower's relationship with CIBC and to offer any services as permitted by law, including services and products offered by CIBC's Subsidiaries when it is considered that this may be suitable to the Borrower.

1.10 Instructions by fax, phone and e-mail. The Borrower may deliver, and CIBC may accept, instructions by fax, telephone (including cellular phone) and internet e-mail ("Electronic Communication"), according to CIBC-approved procedures, which procedures may be limited to particular types of communications or services. Unless the Borrower expressly indicates otherwise, the Borrower agrees that CIBC may also communicate with the Borrower by e-mail or fax. This may include (i) CIBC sending confidential information to the Borrower, at the Borrower's request; or (ii) the Borrower sending confidential information to CIBC. An Electronic Communication may not be a secure means of communication and the Borrower assumes responsibility for the risks of using Electronic Communications including, without limitation, the possibility that an Electronic Communication is: intercepted by or sent to an unauthorized person, misunderstood, lost, delayed, or not received by CIBC at all. CIBC is entitled to rely upon any Electronic Communication from or purporting to be from the Borrower, as if such instructions were given in writing. However, CIBC may choose not to act upon an Electronic Communication if it believes that the Electronic Communication is unauthorized, incorrect or unclear. CIBC shall not be liable for, and the Borrower will indemnify and save CIBC harmless from, any claims, losses, damages, liabilities and expenses that CIBC incurs (other than those due to CIBC's gross negligence or wilful misconduct) including among other things all legal fees and expenses, arising from CIBC acting or declining to act on any of your Electronic Communications given under this Agreement. This indemnity is in addition to any other indemnity or assurance against loss provided by you to CIBC under this Agreement or otherwise.

1.11 Further Assurances. The Borrower will, and will ensure that each of its Subsidiaries will, from time to time promptly upon request by CIBC do and execute all such acts and documents as may be reasonably required by CIBC to give effect to the Credits and the Security, and to any transfer pursuant to section 1.16 of this Schedule.

1.12 Insurance. The Borrower will, and will ensure that each of its Subsidiaries will, keep all its respective assets and property insured (to the full insurable value) against loss or damage by fire and all other risks usual for similar property and for any other

risks CIBC may reasonably require. If CIBC requests, these policies will include a loss payable clause (and with respect to mortgage security, a mortgagee clause) in favour of CIBC. As further security, the Borrower assigns all insurance proceeds to CIBC. The Borrower will provide to CIBC either the policies themselves or adequate evidence of their existence. If any insurance coverage for any reason stops, CIBC may (but shall have no obligation to) insure the property. The Borrower will notify CIBC immediately of any loss or damage to any such asset or property.

1.13 **Environmental.** The Borrower will, and will ensure that each of its Subsidiaries will, carry on its business, and maintain its assets and property in accordance with all applicable environmental laws and regulations. If there is any release, deposit, discharge or disposal of pollutants of any sort (collectively, a "Discharge") in connection with the business or property of the Borrower or any of its Subsidiaries, and CIBC pays any fines or for any clean-up suffers any loss or damage as a result of the Discharge, the Borrower will reimburse CIBC, its directors, officers, employees and agents for any and all losses, damages, fines, costs and other amounts (including amounts spent preparing any necessary environmental assessment or other reports, or defending any lawsuits) that result. If CIBC asks, the Borrower will defend any lawsuits, investigations or prosecutions brought against CIBC or any of its directors, officers, employees and agents in connection with any Discharge. The Borrower's obligation under this section continues even after all Credits have been repaid and this Agreement has terminated.

1.14 **Related Transactions.** None of the Borrower and its Subsidiaries will enter into any transaction, including the purchase, sale or exchange of any property or the rendering of any services, with any of its shareholders or with any of its Affiliates, or with any of its or their directors or officers, or enter into, assume or permit to exist any employment, consulting or analogous agreement or arrangement with any such shareholder or Affiliate or with any of its directors or officers, except a transaction or agreement or arrangement which is in the ordinary course of business of the Borrower or such Subsidiary and which is upon fair and reasonable terms not less favourable to the Borrower or its applicable Subsidiary than it would obtain in a comparable arms-length transaction.

1.15 **Waiver.** No delay on the part of CIBC in exercising any right or privilege will operate as a waiver thereof, and no waiver of any failure or default will operate as a waiver thereof unless made in writing and signed by an authorized officer of CIBC, or will be applicable to any other failure or default.

1.16 **Assignment.** CIBC may assign, sell or participate (herein referred to as a "transfer") all or any part of its rights and obligations under all or any of the Credits to any third party, and the Borrower agrees to sign any documents and take any actions that CIBC may reasonably require in connection with any such transfer. Upon completion of the transfer, the third party will have the same rights and obligations under this Agreement as if it were a party to it, with respect to all rights and obligations included in the transfer. The Borrower may not assign any of its rights or obligations under any of the Credits.

1.17 **Authorized Debits.** The Borrower authorizes CIBC to debit its Operating Account for any interest, fees or other amounts that are payable by the Borrower to CIBC with respect to the Credits, as and when such amounts are payable.

1.18 **Communications.** Any communication or notice to be given with respect to the Credits may be effectively given by delivering the same at the addresses set out on the signature page of this Agreement, or by sending the same by facsimile or prepaid registered mail to the parties at such addresses. Any notice so mailed will be deemed to have been received on the tenth day next following the mailing thereof, provided that postal service is in normal operation during such time. Any facsimile notice will be deemed to have been received on transmission if sent on a Business Day and, if not, on the next Business Day following transmission. Either party may from time to time notify the other party, in accordance with this section, of any change of its address which thereafter will be the address of such party for all purposes of the Credits.

1.19 **Governing Law.** This Agreement shall be governed by the laws of British Columbia, and the Borrower submits itself to the jurisdiction of any competent federal or provincial court in such jurisdiction.

1.20 **Certain Definitions.** In this Agreement the following terms have the following meanings:

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

"**Agreement**" means the attached letter agreement between CIBC and the Borrower, including this Schedule and any other Schedules thereto, as the same may be amended or supplemented from time to time.

"**Business Day**" means (i) with respect to any amount denominated in Canadian dollars and all matters pertaining thereto, any day excluding Saturday, Sunday and any day which is a legal holiday in Toronto [or Montreal], Canada, and (ii) with respect to any amount denominated in US dollars and all matters pertaining thereto, any day excluding Saturday, Sunday or any day which is a legal holiday in New York, U.S.A.,[or] Toronto [or Montreal], Canada.

"**Compliance Certificate**" means an Officer's Certificate in the form prescribed by CIBC and stating, as of the applicable date, (i) that the Borrower is not in default of the observance or performance of any of its covenants in this Agreement (or describing any default then existing), (ii) that all representations and warranties contained in this Agreement are true and accurate as if made on and as of such date (or describing any thereof that are not then true and accurate), (iii) the particulars and calculation of all financial covenants of the Borrower contained in this Agreement.

"**Event of Default**" means any of the following events or circumstances:

(i) if the Borrower fails to pay any amount when due and payable hereunder;

(ii) if the Borrower defaults in the performance or observance of any negative covenant contained herein, or of any other term or covenant contained herein if such other default continues for 30 days or more;

(iii) if any representation or warranty contained in this Agreement or the Security or in any certificate delivered to CIBC by or on behalf of the Borrower is untrue in any material respect on the date as of which it was made;

(iv) if an aggregate amount exceeding nil owed by the Borrower or its Subsidiaries is not paid when due or the maturity thereof is accelerated;

(v) if any obligation of the Borrower and its Subsidiaries to CIBC is or becomes unenforceable or if the enforceability thereof is disputed, or if any of the Security ceases to constitute a Lien of the nature and priority contemplated by this Agreement;

(vi) if any of the Borrower and its Subsidiaries commits an act of bankruptcy under the Bankruptcy and Insolvency Act (Canada), or if any insolvency proceeding or proceeding for its winding up, liquidation or dissolution is commenced by or against any of them and is not being contested in good faith, or publicly announces or admits in writing its inability to pay its debts generally as they become due, or suspends or threatens to suspend transaction of all or any substantial part of its usual business, or any action is taken by any of the Borrower and its Subsidiaries or any shareholder of any of them in furtherance of any of the foregoing;

(vii) if an encumbrancer (including without limitation an execution creditor) takes possession of any property of any of the Borrower and its Subsidiaries which in the opinion of CIBC is material;

(viii) if there exists for three Business Days any final judgement of a court of competent jurisdiction against any of the Borrower and its Subsidiaries which has not been satisfied in full (exclusive of any amount adequately covered by insurance);

(ix) if in the reasonable opinion of CIBC there has occurred any event which has had a Material Adverse Effect; or

(x) if there is any change in the effective control of the Borrower, as determined by CIBC.

"GAAP" means those accounting principles which are recognized as being generally accepted in Canada from time to time as set out in the handbook published by the Canadian Institute of Chartered Accountants. If the Borrower, or the party to which references to GAAP are intended to apply, has adopted International Financial Reporting Standards ("IFRS"), then the applicable references in this Agreement to GAAP or Generally Accepted Accounting Principles may be interpreted to mean IFRS, but only if CIBC has consented to such change.

"Inventory Value" means, at any time, the inventory of the Borrower and its Subsidiaries (which shall not include any work-in-process for the purpose of this definition) then existing, less any inventory that (i) is not located in Canada, (ii) is not subject to the applicable duly perfected Liens created by the Security, (iii) is subject to any Lien other than as specifically permitted by CIBC, (iv) is located in or on leased premises unless the applicable lessor has waived all Liens that may at any time be held by such lessor in respect of any inventory, (v) is obsolete or not readily saleable in the ordinary course of business, all valued at the lower of cost and market on a first-in, first-out basis, (vi) that has not been paid for in full and is subject to a right of repossession by the seller thereof, or (vii) that is otherwise excluded by CIBC in its reasonable discretion.

"Investment" means, with respect to any person, any direct or indirect investment in or purchase or other acquisition of the securities of or any equity interest in any other person, any loan or advance to, or arrangement for the purpose of providing funds or credit to (excluding extensions of trade credit in the ordinary course of business in accordance with customary commercial terms), or capital contribution to, any other person, or any purchase or other acquisition of all or substantially all of the property of any other person.

"Lien" includes without limitation a mortgage, hypothec, whether legal or conventional lien, Prior Ranking Claims, security interest, prior claim, charge or encumbrance of any sort on any property or asset, and includes conditional sales contracts, title retention agreements, capital trusts, capital leases and leasing.

"Material Adverse Effect" means a material adverse effect on the business, property, condition (financial or otherwise) or prospects of the Borrower and its Subsidiaries, considered as a whole, or a material adverse effect on the ability of any of the Borrower and its Subsidiaries to perform its obligations under any of this Agreement and the Security to which it is a party.

"Monthly Statement of Available Credit" means an Officer's Certificate stating, the amount and particulars of calculation of Receivable Value, Inventory Value (if applicable) and Prior Ranking Claims, and the resulting maximum available amount and undrawn amount of the Demand Operating Credit, as of a specified date.

"Normal Course Lien" means, at any time, the following:

(i) Liens for taxes and other undetermined or inchoate Liens arising in the ordinary course of business which relate to amounts not overdue or a claim for which has not been filed or registered pursuant to applicable law;

(ii) easements, rights-of-way, restrictions and other similar encumbrances arising in the ordinary course of business which, in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value or use of the property subject thereto;

(iii) Liens created by the Security and other Liens consented to in writing by CIBC;

"Officer's Certificate" means a certificate, in form satisfactory to CIBC, signed by a senior officer of the Borrower.

"Operating Account" means any Canadian dollar or US dollar account of the Borrower with CIBC as is selected by CIBC from time to time for the purposes hereof.

"Prior Ranking Claims" means, at any time, any liability of any of the Borrower and its Subsidiaries that ranks, in right of payment in any circumstances, equal to or in priority to any liability of the Borrower or such Subsidiary to CIBC, and may include unpaid wages, salaries and commissions, unremitted source deductions for vacation pay, arrears of rent, unpaid taxes, amounts owed in respect of worker's compensation, amounts owed to unpaid vendors who have a right of repossession, and amounts owing to creditors which may claim priority by statute or under a Purchase Money Lien.

"Purchase Money Lien" means any Lien which secures a Purchase Money Obligation permitted by this Agreement, provided that such Lien is created not later than 30 days after such Purchase Money Obligation is incurred and does not affect any asset other than the asset financed by such Purchase Money Obligation.

"Purchase Money Obligation" means any Debt (including without limitation a capitalized lease obligation) incurred or assumed to finance all or any part of the acquisition price (and not exceeding the fair market value) of any asset acquired by any of the Borrower and its Subsidiaries.

"Receivable Value" means, at any time, the receivables of the Borrower and its Subsidiaries then existing, less any receivable that (i) is not then subject to the applicable duly perfected Liens created by the Security, (ii) is subject to any Lien other than as specifically permitted by CIBC, (iii) is payable more than 30 days after the date of shipment of the inventory or the provision of the service that created such receivable, (iv) has been outstanding for 90 days or more, (v) is subject to any offset or counterclaim by the applicable account debtor, (vi) is owed by any person whose principal place of business is located outside Canada or the United States of America, (vii) is payable in a currency other than Canadian or U.S. dollars, (viii) is owed by an Affiliate of the Borrower or any employee, agent or representative of the Borrower or of any such Affiliate, (ix) with respect to which a cheque, note, draft or other payment instrument has not been honoured in accordance with its terms, or (x) has been specifically identified by CIBC as an excluded receivable for the purpose hereof or is owed by any person that is insolvent or is otherwise doubtful of collection in the reasonable opinion of CIBC.

"Security" means, collectively, all of the items of security held by CIBC for the indebtedness and liabilities, or any part thereof, of the Borrower to CIBC.

"Subsidiary" of any person means any other person of which shares or other equity units having ordinary voting power to elect a majority of the board of directors or other individuals performing comparable functions, or which are entitled to or represent more than 50% of the owners' equity or capital or entitlement to profits, are owned beneficially or controlled, directly or indirectly, by any one or more of such first person and the Subsidiaries of such first person, and shall include any other person in like relationship to a Subsidiary of such first person.

2. INTEREST RATES; PAYMENTS; CALCULATIONS

2.1 Variable Interest. Each variable interest rate provided for in this Agreement will change automatically, without notice, whenever the Prime Rate or the US Base Rate, as the case may be, changes.

2.2 Payment of Interest. Interest is calculated on the applicable balance at the end of each day. Interest is payable in arrears once a month on the day required by CIBC, unless otherwise specified in this Agreement, and interest on amounts in default is payable on demand.

2.3 Interest Rate Applicable to Credit Limit Excesses. The Interest Rate Applicable to Credit Limit Excesses will be charged on the amount outstanding under a Credit that exceeds the limit of such Credit, and if there are several parts of a Credit, the Interest Rate Applicable to Credit Limit Excesses will be charged if the limit of a particular part is exceeded. To determine if the limit of a Credit has been exceeded, any amount in a currency other than the currency in which the limit is designated will be converted into that currency, as described in section 2.10 of this Schedule.

2.4 Interest on Overdue Amounts. Except as otherwise specified herein, if any principal is not paid when due, such overdue principal will bear interest (as well after as before judgement), payable on demand, at the interest rate applicable to such principal prior to default, and interest will be payable on overdue interest (as well after as before judgement) at the same rate as is applicable to the related principal. If any amount is not paid by the Borrower when due and there is no interest otherwise applicable to such amount specified herein, such overdue amount will bear interest (as well after as before judgement), payable on demand, at a rate per annum equal at all times to the Prime Rate plus 5% (in the case of any such amount payable in Canadian dollars) or the US Base Rate plus 5% (in the case of any such amount payable in US dollars) from the date of non-payment until paid in full.

2.5 Reductions of Limit of Credits. On or prior to each date on which the limit of any Credit is reduced, the Borrower will repay such outstanding amounts thereunder, if any, as are necessary so that, after giving effect to the repayment, the total of all amounts outstanding under such Credit does not exceed the limit as so reduced.

2.6 Payments. If any payment is due on a day other than a Business Day, such payment will be due on the next Business Day.

2.7 **CIBC's pricing policy.** The fees, interest rates and other charges for the Borrower's banking arrangements with CIBC are dependent upon each other. Accordingly, if the Borrower cancels or does not follow through with, in the manner originally contemplated, any of these arrangements, CIBC reserves the right to require payment by the Borrower of increased or added fees, interest rates and charges as a condition of the continuation of the Borrower's banking arrangements.

2.8 **Calculations.** The following terms apply to all calculations under the Credits:

(a) CDOR, Federal Funds Rate, Prime Rate and US Base Rate shall be determined by CIBC if and whenever such determination is required for the purpose of this Agreement, and such determination by CIBC shall be conclusive evidence of such rate.

(b) All interest and fees hereunder shall be computed on the basis of the actual number of days elapsed divided by 365. Any such applicable interest rate, expressed as an annual rate of interest for the purpose of the *Interest Act* (Canada), shall be equivalent to such applicable interest rate multiplied by the actual number of days in the calendar year in which the same is to be determined and divided by 365.

(c) In calculating interest or fees payable hereunder for any period, unless otherwise specifically stated, the first day of such period shall be included and the last day of such period shall be excluded.

2.9 **CIBC's Records.** CIBC's loan accounting records will provide conclusive evidence of all terms and conditions of the Credits such as principal loan balances, interest calculations, and payment dates.

2.10 **Foreign Currency Conversion.** If it is necessary for any purpose relating to the Credits that an amount denominated in a currency other than Canadian dollars be expressed in or equated to an amount of Canadian dollars (such as, for example, to determine whether amounts denominated in US dollars that are outstanding under a Credit which has a limit specified in Canadian dollars exceed the limit of such Credit so as to make applicable the Interest Rate Applicable to Credit Limit Excesses), the applicable amount of Canadian dollars shall be determined by CIBC in accordance with its normal practice.

2.11 **Deemed Re-Investment Principle.** For the purpose of the *Interest Act* (Canada) and any other purpose, the principle of deemed re-investment of interest is not applicable to any calculation under this Agreement, and the rates of interest and fees specified in this Agreement are intended to be nominal rates and not effective rates or yields.

2.12 **Certain Definitions.** If and whenever required for the purpose of this Agreement, the following terms have the following definitions:

"CDOR" means, for any day, the average of the annual discount rates for bankers' acceptances denominated in Canadian dollars of certain banks named in Schedule I to the *Bank Act* (Canada) for a specified term that appears on the CDOR page of the Reuters Screen as of 10:00 a.m. on such day (or, if such day is not a Business Day, as of 10:00 a.m. on the next preceding Business Day).

"Federal Funds Rate" means, for any day, an annual interest rate equal to the weighted average of the rates on overnight United States federal funds transactions with members of the Federal Reserve System arranged by United States federal funds brokers, as published for such day (or, if such day is not a business day in New York, for the next preceding business day in New York) by the Federal Reserve Bank of New York, or for any such business day on which such rate is not so published, the arithmetic average of the quotations for such day on such transactions received by CIBC from three United States federal funds brokers of recognized standing selected by it.

"Interest Rate Applicable to Credit Limit Excesses" means the annual interest rate generally established by CIBC from time to time for the purpose of calculating interest on overdrafts in accounts maintained with CIBC in Canada.

"Prime Rate" means a fluctuating annual interest rate equal at all times to the greater of (i) the reference rate of interest (however designated) of CIBC for determining interest chargeable by it on loans in Canadian dollars made in Canada and (ii) 1% per annum above the CDOR for 30-day bankers' acceptances from time to time.

"US Base Rate" means a fluctuating annual interest rate equal at all times to the greater of (i) the reference rate of interest (however designated) of CIBC for determining interest chargeable by it on loans in US dollars made in Canada, and (ii) 1% per annum above the Federal Funds Rate from time to time.

3. NOTICE OF BORROWING; NOTICE OF REPAYMENT; OVERDRAFTS

3.1 **Notice of Borrowing.** Whenever the Borrower desires to obtain any amount under a Credit (other than a loan by way of a permitted overdraft), it will give to CIBC irrevocable prior written notice (a "Notice of Borrowing") specifying the Credit under which such amount is to be obtained and the particulars of such amount including the Business Day on which such amount is to be obtained. A notice requesting any loan in an amount exceeding $10,000,000 or US $10,000,000 must be given not later than 10:00 a.m. on the Business Day preceding the applicable borrowing date.

3.2 **Notice of Repayment.** Whenever the Borrower desires to make any repayment or repayments under one or more of the Credits in an aggregate amount exceeding $10,000,000 (or an equivalent amount in any other currency) on any day, it will give to CIBC irrevocable written notice specifying the particulars of such repayment not later than 10:00 a.m. on the Business Day preceding the applicable repayment date.

3.3 **Overdrafts.** If the Borrower is entitled under any Credit to obtain loans in Canadian dollars or US dollars by way of overdraft, the debit balance in the Borrower's applicable Operating Account from time to time will be deemed to be a loan in Canadian dollars or US dollars, as the case may be, outstanding to the Borrower under such Credit and bearing interest as set out in this Agreement for loans in such currency under such Credit. If at any time the Borrower is a party to a cash concentration arrangement with CIBC, the amount of any overdraft from time to time in the Canadian dollar or US dollar concentration account of the Borrower established pursuant to such arrangement will also be deemed to be a loan in Canadian dollars or US dollars, as applicable, outstanding to the Borrower under the applicable Credit and bearing interest as set out above on the basis of the Prime Rate or the US Base Rate, as the case may be.

4. INDEMNITIES

4.1 **Reserve Indemnity.** If subsequent to the date of this Agreement any change in or introduction of any applicable law, or compliance by CIBC with any request or directive by any central bank, superintendent of financial institutions or other comparable authority, shall subject CIBC to any tax with respect to the Credits or change the basis of taxation of payments to CIBC of any amount payable under the Credits (except for changes in the rate of tax on the overall net income of CIBC), or impose any capital maintenance or capital adequacy requirement, reserve requirement or similar requirement with respect to the Credits, or impose on CIBC any other condition or restriction, and the result of any of the foregoing is to increase the cost to CIBC of making or maintaining the Credits or any amount thereunder or to reduce any amount otherwise received by CIBC under the Credits, CIBC will promptly notify the Borrower of such event and the Borrower will pay to CIBC such additional amount calculated by CIBC as is necessary to compensate CIBC for such additional cost or reduced amount received. A certificate of CIBC as to any such additional amount payable to it and containing reasonable details of the calculation thereof shall be conclusive evidence thereof.

4.2 **Currency Indemnity.** Interest and fees hereunder shall be payable in the same currency as the principal to which they relate. Any payment on account of an amount payable in a particular currency (the "proper currency") made to or for the account of CIBC in a currency (the "other currency") other than the proper currency, whether pursuant to a judgement or order of any court or tribunal or otherwise and whether arising from the conversion of any amount denominated in one currency into another currency for any purpose, shall constitute a discharge of the Borrower's obligation only to the extent of the amount of the proper currency which CIBC is able, in the normal course of its business within one Business Day after receipt by it of such payment, to purchase with the amount of the other currency so received. If the amount of the proper currency which CIBC is able to purchase is less than the amount of the proper currency due to CIBC, the Borrower shall indemnify and save CIBC harmless from and against any loss or damage arising as a result of such deficiency.

4.3 **Default Indemnity.** The Borrower shall indemnify and save harmless CIBC from all claims, demands, liabilities, damages, losses, costs, charges and expenses, including any loss or expense arising from interest or fees payable by CIBC to lenders of funds obtained by it in order to make or maintain any amount under the Credits and any loss or expense incurred in liquidating or re-employing deposits from which such funds were obtained, which may be incurred by CIBC as a consequence of (i) default by the Borrower in the payment when due of any amount hereunder or the occurrence of any other default relative to any of the Credits, (ii) default by the Borrower in obtaining any amount after the Borrower has given notice hereunder that it desires to obtain such amount, (iii) default by the Borrower in making any optional repayment of any amount after the Borrower has given notice hereunder that it desires to make such repayment, or (iv) the repayment of any loan on which interest is payable at a fixed annual rate otherwise than on the expiration of the fixed interest rate period applicable thereto, or the repayment of any other amount otherwise than on any specified maturity date thereof. A certificate of CIBC as to any such loss or expense and containing reasonable details of the calculation thereof shall be *prima facie* evidence thereof.

5. CONDITIONS PRECEDENT

5.1 Conditions Precedent to the Initial Amount

CIBC shall not be obliged to make available the initial amount under any Credit unless it shall have received (a) all required Security, which shall have been duly registered and filed as required hereby, (b) such financial and other information relating to the Borrower and its Subsidiaries, and any guarantor, as CIBC shall have reasonably requested, (c) confirmation of all insurance maintained by the Borrower and its Subsidiaries, and such insurance shall comply with the requirements of this Agreement, (d) payment of all fees and other amounts which shall have become due and payable by the Borrower to CIBC on or prior to the initial borrowing date, and (e) the following documents in form, substance and execution acceptable to CIBC: (i) a certified copy of the constating documents and by-laws of each of the Borrower and its Subsidiaries, and of each corporate guarantor, and of all corporate proceedings taken and required to be taken by each of them to authorize the execution and delivery of such of this Agreement and the Security to which it is a party and the performance of the transactions by it contemplated therein; (ii) a certificate of incumbency for each of the Borrower and its Subsidiaries, and for each corporate guarantor, setting forth specimen signatures of the persons authorized to execute such of this Agreement and the Security to which it is a party; (iii) such legal opinions addressed to CIBC relative to the Borrower, this Agreement and the Security as CIBC may require; and (iv) such other documents relative to this Agreement and the transactions contemplated herein as CIBC may reasonably require.

5.2 Conditions Precedent to All Amounts

CIBC shall not be obliged to make available any amount under any Credit unless (a) CIBC shall have received any applicable Notice of Borrowing, (b) on the applicable borrowing date the Borrower shall not have failed to observe or perform any of its covenants in this Agreement, and the Borrower shall have delivered to CIBC, if so requested by CIBC, an Officers' Certificate to such effect, (c) the representations and warranties contained in this Agreement shall be true on and as of the applicable borrowing date with the same effect as if such representations and warranties had been made on and as of the applicable borrowing date, and

the Borrower shall have delivered to CIBC, if so requested by CIBC, an Officers' Certificate to such effect, (d) all other conditions specified herein, to the extent not previously satisfied for any reason, other shall have been satisfied, and (e) in respect of any amount that would result in the aggregate amount outstanding under the Credits being increased, there shall not have occurred subsequent to the date of last annual financial statements of the Borrower, in the opinion of CIBC, any event which (individually or with any other events) has had, or which has a reasonable possibility of having, a Material Adverse Effect.

6 REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties. To induce CIBC to establish and maintain each Credit, the Borrower represents and warrants as follows:

(a) Each of the Borrower and its Subsidiaries has all necessary power and authority to own its property, to carry on the business carried on by it, to enter into and perform its obligations under such of this Agreement and the Security to which it is a party.

(b) This Agreement, and upon delivery thereof the Security, have been duly executed and delivered by each of the Borrower and its Subsidiaries as are parties thereto, and constitute the legal, valid and binding obligation of each of them enforceable in accordance with their terms.

(c) The execution and delivery by the Borrower and its Subsidiaries of this Agreement and the Security and the performance by them of their obligations thereunder, and the obtaining by the Borrower of amounts under the Credits, will not conflict with or result in a breach of any applicable law, and will not conflict with or result in a breach of or constitute a default under any of the provisions of its constating documents or by-laws or any agreement or restriction to which it is a party or by which it is bound.

(d) The Borrower has delivered to CIBC a true and complete copy of its most recent financial statements, and such financial statements present fairly the financial position of the Borrower, in accordance with GAAP, as of the date thereof and for the fiscal period then ended. All financial statements of the Borrower delivered by the Borrower to CIBC after the date of this Agreement will present fairly the financial position of the Borrower, in accordance with GAAP, as of the dates thereof and for the fiscal periods then ended.

(e) Since the date of the most recent financial statements of the Borrower delivered to CIBC, there has occurred no event which (individually or with any other events) has had, or which has a reasonable possibility of having, a Material Adverse Effect.

(f) The Borrower has not failed to observe or perform (beyond any period of grace permitted by CIBC) any of its covenants in this Agreement.

(g) Except as disclosed in writing by the Borrower to CIBC prior to the date of this Agreement with specific reference to this paragraph, to the best knowledge of the Borrower, (i) the business carried on and the property owned or used at any time by any of the Borrower and its Subsidiaries and their respective predecessors have at all times been carried on, owned or used in compliance with all environmental laws; (ii) there are no circumstances that could reasonably be expected to give rise to any civil or criminal proceedings or liability regarding the release from or presence of any hazardous substance on any lands used in or related to the business or property of any of the Borrower and its Subsidiaries (iii) there are no proceedings and there are no circumstances or material facts which could give rise to any proceeding in which it is or could be alleged that any of the Borrower and its Subsidiaries is responsible for any domestic or foreign clean up or remediation of lands contaminated by hazardous substances or for any other remedial or corrective action under any environmental laws; and (iv) each of the Borrower and its Subsidiaries has maintained all environmental and operating documents and records relating to its business and property in the manner and for the time periods required by any environmental laws and has never had conducted an environmental audit of its business or property(h) No representation or warranty made by the Borrower herein or in any other document furnished to CIBC from time to time contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make the statements herein or therein, in light of the circumstances under which they are made, not misleading. All projections and *pro forma* information delivered to CIBC from time to time by the Borrower were prepared in good faith based on assumptions believed by the Borrower to be reasonable at the time of delivery.

6.2 Survival. All representations and warranties contained in this Agreement shall survive the execution and delivery of this Agreement and the obtaining of amounts under any Credit, and the delivery of each Notice of Borrowing and the obtaining of any amount under any Credit shall constitute a reaffirmation on and as of such delivery date and such borrowing date, in each case by reference to the then-existing facts and circumstances, of all representations and warranties contained in this Agreement.

7. FINANCIAL COVENANTS

7.1 Calculation. All financial covenants will be calculated including the Borrower and its Subsidiaries on a consolidated basis (or, if agreed upon by CIBC in its sole discretion, including the Borrower but excluding its Subsidiaries on an unconsolidated basis), and each amount derived from the Borrower's profit and loss statement shall be calculated as the total of such amount during the Borrower's four most recently-completed fiscal quarters (or, if agreed upon by CIBC in its sole discretion, during the Borrower's most recently-completed fiscal year), as shown in the Borrower's most recent financial statements delivered to CIBC.

7.2 Certain Definitions. In this Agreement the following terms have the following meanings:

"**Adjusted Debt Service Ratio**" means, for any period, the ratio of (a) the sum of (i) EBITDA for such period, (ii) all management bonuses and similar payments deducted in the calculation of such EBITDA but not paid out during such period (and with respect to which the entitlement to receive payment thereof has been postponed in a manner satisfactory to CIBC) and (iii) all management bonuses and similar payments deducted in the calculation of such EBITDA and paid out during such period, and which have then been loaned back to the Borrower during such period by way of Postponed Debt, to (b) Debt Service Requirements.

"**Adjusted Fixed Charge Coverage Ratio**" means, for any period, the ratio of (a) the sum of (i) EBITDA for such period, (ii) all management bonuses and similar payments deducted in the calculation of such EBITDA but not paid out during such period (and with respect to which the entitlement to receive payment thereof has been postponed in a manner satisfactory to CIBC) and (iii) all management bonuses and similar payments deducted in the calculation of such EBITDA and paid out during such period, and which have then been loaned back to the Borrower during such period by way of Postponed Debt to (b) the sum of (i) Debt Service Requirements for such period, [and] (ii) cash income taxes for such period [and (iii) Unfunded Capital Expenditures for such period] [and (iii) capital expenditures for such period].

"**Current Assets**" means assets that would be shown as current assets on the balance sheet prepared in accordance with GAAP, less all amounts due from Affiliates.

"**Current Liabilities**" means liabilities that would be shown as current liabilities on a balance sheet prepared in accordance with GAAP.

"**Current Ratio**" means the ratio of Current Assets to Current Liabilities.

"**Debt**" means, with respect to any person, (i) an obligation of such person for borrowed money, (ii) an obligation of such person evidenced by a note, bond, debenture or other similar instrument, (iii) an obligation of such person for the deferred purchase price of property or services, excluding trade payables and other accrued current liabilities incurred in the ordinary course of business in accordance with customary commercial terms, (iv) a capitalized lease obligation of such person, (v) a guarantee, indemnity, or financial support obligation of such person, determined in accordance with GAAP, (vi) an obligation of such person or of any other person secured by a Lien on any property of such person, even though such person has not otherwise assumed or become liable for the payment of such obligation, or (vii) an obligation arising in connection with an acceptance facility or letter of credit issued for the account of such person.

"**Debt Service Requirements**" means, for any periods (i) all principal payments in respect of Debt made or required to be made during such period, (ii) Interest Expense for such period, and (iii) all dividends paid during such period on all preferred shares of the Borrower.

"**EBIT**" means, for any period, Net Income for such period plus all amounts deducted in the calculation thereof on account of Interest Expense and income taxes.

"**EBITDA**" means, for any period, Net Income for such period plus all amounts deducted in the calculation thereof on account of Interest Expense, income taxes, depreciation and amortization.

"**Effective Tangible Net Worth**" means the sum of (i) Shareholders' Equity less any amount that would be included on a balance sheet prepared in accordance with GAAP as an investment in or as amounts owed by any Affiliate or as an Intangible, and (ii) Postponed Debt.

"**Intangible**" includes without limitation such personal property as goodwill; copyrights, patents and trademarks; franchises; licences, leases; research and development costs; and deferred development costs.

"**Interest Coverage Ratio**" means the ratio of EBIT to Interest Expense calculated on a consolidated basis.

"**Interest Expense**" means, for any period the aggregate amount accrued (whether or not payable or paid) during such period in accordance with GAAP on account of (i) interest expense including amortization of Debt discount and Debt issuance costs, capitalized interest, standby fees, commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptances and (ii) the interest expense components of all capitalized lease obligations.

"**Net Income**" means, for any period, the net income (loss) for such period, calculated in accordance with GAAP [before unusual and extraordinary items] [but excluding (i) the income (or loss) of any person accrued prior to the date it becomes a Subsidiary of the Borrower or is amalgamated with or consolidated into the Borrower or into any of its Subsidiaries or such person's property is acquired by the Borrower or any of its Subsidiaries, and (ii) any after-tax gains (but not pre-tax losses) attributable to dispositions of property out of the ordinary course of business].

"**Postponed Debt**" means any Debt for borrowed money that is incurred at such time as no failure by the Borrower to perform or observe any of its covenants in this Agreement is continuing or would be created by the incurrence thereof (to be evidenced by *pro forma* financial statements delivered to CIBC) and which has the following attributes: (i) no principal thereof is repayable so long as any amount is owed by the Borrower to CIBC (or until such earlier date as CIBC may agree upon in writing), (ii) no covenant with respect to such Debt is more onerous than or in addition to the covenants specified herein, and (iii) all rights of the holder of such Debt are postponed and subordinated to all rights of CIBC under or in respect of the Credits pursuant to a subordination agreement satisfactory in form and substance to CIBC.

"**Senior Debt**" means all Debt less all Postponed Debt.

"Senior Debt to EBITDA Ratio" means the ratio of Senior Debt to EBITDA.

"Shareholders' Equity" means, at any time, the amount which would, in accordance with GAAP, then be included as shareholders' equity on a balance sheet.

"Tangible Net Worth" means the sum of Shareholders' Equity less any amount that would be included on a balance sheet prepared in accordance with GAAP as an investment in or as amounts owed by any Affiliate or as an Intangible.

"Total Liabilities" means, all Debt and other liabilities..

"Total Liabilities less Postponed Debt to Effective Tangible Net Worth Ratio " means the ratio of Total Liabilities, less all Postponed Debt, to Effective Tangible Net Worth.

"Unfunded Capital Expenditures" means capital expenditures that are not specifically financed with long term Debt.

"Working Capital" means the excess of Current Assets over Current Liabilities.

8. BANKERS' ACCEPTANCES

8.1 **Power of Attorney.** To facilitate the issuance of Bankers' Acceptances under the Credits, the Borrower appoints CIBC to execute, endorse and deliver on behalf of the Borrower drafts in the form or forms prescribed by CIBC for bankers' acceptances denominated in Canadian dollars (each such executed draft which has not yet been accepted by CIBC is referred to herein as a "Draft"). Each Bankers' Acceptance executed and delivered by CIBC on behalf of the Borrower as provided herein shall be binding upon the Borrower as if it had been executed and delivered by a duly authorized officer or officers of the Borrower.

8.2 **Drafts.** Notwithstanding the above section, the Borrower will from time to time provide to CIBC if so required by CIBC an appropriate number of Drafts drawn by the Borrower upon CIBC and payable and endorsed as specified by CIBC. The dates, maturity dates and face amounts of all Drafts delivered by the Borrower shall be left blank, to be completed by CIBC as required. All such Drafts shall be held by CIBC subject to the same degree of care as if they were such Lender's own property. CIBC will, upon written request by the Borrower, advise the Borrower of the number and designations, if any, of the Drafts of the Borrower then held by it. CIBC shall not be liable for its failure to accept a Draft as required hereby if the cause of such failure is, in whole or in part, due to the failure of the Borrower to provide appropriate Drafts to CIBC on a timely basis.

8.3 **Term and Amount.** The term of all Bankers' Acceptances issued pursuant to any Notice of Borrowing must be identical. Each Bankers' Acceptance shall be in a face amount of $100,000 or any whole multiple thereof, and the aggregate face amount of Bankers' Acceptances issued pursuant to any Notice of Borrowing must not be less than $1,000,000. Each Bankers' Acceptance will be dated the date on which it is issued, and will be for a term of one, two, three or six months or such other period as may be agreed to by CIBC.

8.4 **Calculation of Fee.** The fee for any Bankers' Acceptance will be calculated, at the rate specified, on the basis of the face amount and term of such Bankers' Acceptance.

8.5 **Payment of Fee.** Upon acceptance of a Draft the Borrower will pay to CIBC the related fee specified in this Agreement, and to facilitate payment CIBC will be entitled to deduct and retain for its own account the amount of such fee from the amount to be paid by CIBC to the Borrower as the purchase price for the resulting Bankers' Acceptance.

8.6 **Purchase by CIBC.** Each Bankers' Acceptance will be purchased by CIBC for a price which produces a yield thereon equal to the Bankers' Acceptance Yield then in effect. Such price will be credited by CIBC to the applicable Operating Account.

8.7 **No Market.** If CIBC determines in good faith, which determination will be conclusive and binding on the Borrower, and so notifies the Borrower, that there does not exist at the applicable time a normal market in Canada for the purchase and sale of bankers' acceptances, then notwithstanding any other provision hereof any obligation of CIBC to purchase Bankers' Acceptances will be suspended until CIBC determines that such market does exist and gives notice thereof to the Borrower, and any Notice of Borrowing requesting Bankers' Acceptances will be deemed to be a Notice of Borrowing requesting Loans in Canadian dollars in a similar aggregate principal amount.

8.8 **Payment on Maturity.** On the maturity of each Bankers' Acceptance the Borrower will pay to CIBC, for the account of the holder of such Bankers' Acceptance, Canadian dollars in an amount equal to the face amount of such Bankers' Acceptance. The obligation of the Borrower to make such payment is absolute and unconditional, and will not be prejudiced by the fact that the holder of any such Bankers' Acceptance is CIBC. No days of grace may be claimed by the Borrower for the payment at maturity of any Bankers' Acceptance. If the Borrower does not make such payment, the amount of such payment shall be deemed to be a loan in Canadian dollars made to the Borrower by CIBC and payable on demand. The Borrower hereby confirms the application of the proceeds of such loan in payment of the liability of the Borrower with respect to the related Bankers' Acceptance.

8.9 **Cash Collateralization.** If any Bankers' Acceptance is outstanding at any time that an Event of Default occurs, the Borrower will forthwith upon demand by CIBC pay to CIBC, for the account of the holder of such Bankers' Acceptance, Canadian

dollars in an amount equal to the face amount thereof. Such funds shall be held by CIBC for payment of the liability of the Borrower in respect of such Bankers' Acceptance on the maturity thereof.

8.10 **Signatures on Drafts.** The signature of any duly authorized officer of the Borrower on a Draft may be mechanically reproduced in facsimile, and all Drafts bearing such facsimile signature shall be binding upon the Borrower as if they had been manually signed by such officer, notwithstanding that such person whose manual or facsimile signature appears on such Draft may no longer hold office at the date thereof or at the date of acceptance of such Draft by CIBC or at any time thereafter.

8.11 **Undisbursed Credit.** For the purpose of calculating the undisbursed amount of any Credit and for any other relevant provision of this Agreement, the amount constituted by any Bankers' Acceptance shall be the face amount thereof.

8.12 **Certain Definitions.** In this Agreement the following terms shall have the following meanings:

"Bankers' Acceptance" or "B/A" means a Draft which has been accepted by CIBC pursuant to a Credit.

"Bankers Acceptance Yield" means, with respect to any Bankers' Acceptance to be purchased by CIBC at any time, the annual yield resulting from the price at which CIBC is offering to purchase at such time bankers' acceptances accepted by it having a term identical to such Bankers' Acceptance and in a comparable face amount to the Bankers' Acceptances to be purchased by CIBC from the Borrower at such time.

"face amount" means, with respect to any Bankers' Acceptance, the principal amount thereof payable on the maturity thereof.

9. LETTERS OF CREDIT AND ACCEPTANCES

The following terms apply to each Letter of Credit issued by CIBC for the Borrower whether issued under any Credit or otherwise.

9.1 **Reimbursement, Payment or Prepayment.** The Borrower agrees, forthwith upon demand by CIBC, to provide CIBC with cash in the proper currency to meet each drawing that CIBC is required to pay under an L/C or to reimburse CIBC for each drawing that CIBC has paid under an L/C. If we demand payment of any Credit under which a Letter of Credit is outstanding, or if the Borrower elects to permanently repay or terminate any Credit under which a Letter of Credit is outstanding, the Borrower must provide CIBC with cash, in the same currency as the L/C, or marketable securities satisfactory to us (collectively the "Cash Collateral") in an amount equal to CIBC's maximum potential liability under the L/C. The Cash Collateral will be held by us as security for, and may be applied to satisfy obligations under the L/C or otherwise under any Credit. We shall release any Cash Collateral that is no longer required for such purposes.

9.2 Neither CIBC nor any of its correspondents shall be liable for the use which may be made with respect to any L/C; any acts or omissions of the beneficiary of any L/C including the application of any payment made to such beneficiary; the form, validity, sufficiency, correctness, genuineness or legal effect of any document relating to any L/C, even if such document should prove to be in any respect invalid, insufficient, inaccurate, fraudulent or forged; any failure of the beneficiary of any L/C to meet the obligations of such beneficiary to the Borrower or to any other person; or any failure by CIBC to make payment under any L/C as a result of any law, control or restriction rightfully or wrongfully exercised or imposed by any domestic or foreign court or government or governmental authority or as a result of any other cause beyond the control of CIBC. The obligations of the Borrower under this Clause 9 are absolute and unconditional under all circumstances including without limitation any matter referred to above

9.3 **Indemnity.** The Borrower hereby indemnifies and agrees to hold CIBC harmless from all losses, damages, costs, demands, claims, expenses (including out-of-pocket expenses) and other consequences which CIBC may incur, sustain or suffer, other than as a result of its own negligence or wilful misconduct, as a result of issuing or amending an L/C, including legal and other expenses incurred by CIBC in any action to compel payment by CIBC under an L/C or to restrain CIBC from making payment under an L/C. Any amounts due under this indemnity shall form part of the Debt.

9.4 **L/C Fees.** Unless the Borrower has made other arrangements with us, we will automatically debit the operating account of the Borrower for all fees payable with respect to L/Cs. Any Overdraft in the operating account in excess of any Credit Limit attached to the operating account will bear interest at the Excess Interest Rate.

9.5 **Standard Agreements.** The terms and conditions of our standard Application for Irrevocable Documentary Credit or Application for Standby Letter of Credit, as applicable, and any of our other standard documentation relating to L/C's, in effect from time to time will be applicable to each L/C whether or not any such Application or other documentation has been executed by or on behalf of the Borrower. A copy of any such Application or other documentation is available from CIBC.

9.6 Unless otherwise specified in the applicable Application or other documentation referred to above, and subject to any provision herein to the contrary, each L/C shall be subject to the Uniform Customs and Practice for Documentary Credits or the

International Standby Practices, as applicable, of the International Chamber of Commerce current at the time of issuance of such L/C.

9.7 **Cash Collateralization.** If any Letter of Credit or Acceptance is outstanding at any time that the Borrower has failed to perform or observe (beyond any period of grace permitted by CIBC) any of its covenants in this Agreement or at the date of termination of the applicable Credit, the Borrower will forthwith pay to CIBC, in the currency of such Letter of Credit or Acceptance, as the case may be, funds in an amount equal to the total maximum actual and contingent liability of CIBC pursuant thereto. Such funds will be held by CIBC for payment of the liability of the Borrower in respect of such Letter of Credit or Acceptance, as the case may be, and any excess thereof will be applied to any other liabilities of the Borrower pursuant to the Credits or will be returned to the Borrower at such time as no such liabilities exist or may arise

9.8 **Undisbursed Credit.** For the purpose of calculating the undisbursed amount of any Credit and for any other relevant provision of this Agreement, the amount constituted by any Letter of Credit or Acceptance shall be the total maximum actual and contingent liability of CIBC pursuant thereto.

9.9 **Definitions.** In this Agreement, the following terms shall have the following meanings:

"Acceptance" means an outstanding bill of exchange which CIBC has accepted at the request of the Borrower and which CIBC is therefore obligated to pay at maturity.

"Letter of Credit" or "L/C" means a documentary or standby letter of credit, a letter of guarantee or a similar instrument, as the context may require, in form and substance satisfactory to CIBC.

10. INSTALMENT LOANS

10.1 **Instalment Loans.** The following terms apply to each Instalment Loan:

(a) **Non-revolving Loans.** Unless otherwise stated in this Agreement, any Instalment Loan is non-revolving. This means that any principal repayment is not available to be re-borrowed, and permanently reduces the amount of such Instalment Loan.

(b) **Floating Rate Instalment Loans.** Floating Rate Instalment Loans may have either (i) blended payments or (ii) payments of fixed principal amounts, plus interest, as described below:

(i) **Blended payments.** If a Floating Rate Instalment Loan has blended payments, the amount of the monthly payments is fixed for the term of such Loan, but the interest rate will vary with changes in the Prime Rate or the US Base Rate (as the case may be). If the Prime Rate or the US Base Rate during any month is lower than it was at the outset, a larger portion of the monthly payment will be allocated to principal and as a result such Loan may be repaid prior to its original maturity. If, however, the Prime Rate or the US Base Rate is higher than it was at the outset, the amount of principal that is repaid will be reduced, and as a result there may remain principal outstanding on the original maturity date.

(ii) **Payments of principal plus interest.** If a Floating Rate Instalment Loan has specified principal payments, in addition to interest, such principal payments are due on each specified payment date. The interest payment is also due on the same date, and will usually be a different amount each month due to the reducing balance of the Loan, the number of days in the month, and changes in the Prime Rate or the US Base Rate (as the case may be) during the month and from month to month.

(c) **Prepayment.** Unless otherwise specified in this Agreement:

(i) all or part of a Floating Rate Instalment Loan may be prepaid at any time without penalty; and

(ii) all (but not part) of a Fixed Rate Instalment Loan may be prepaid provided that the Borrower also pays to CIBC, on the prepayment date, any amount determined by CIBC pursuant to clause 4.3(iv) of this Schedule.

(d) **Demand of Fixed Rate Instalment Loans.** Upon demand for payment of a Fixed Rate Instalment Loan the Borrower will pay to CIBC the prepayment fee specified in clause 10.1(c)(ii) above.

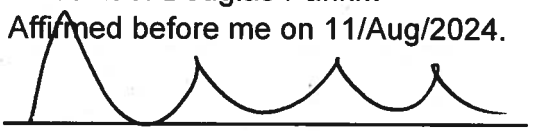
(e) **Certain Definitions.** In this Agreement the following terms have the following meanings:

"Fixed Rate Instalment Loan" means an Instalment Loan with respect to which interest is payable at a fixed annual rate of interest (as opposed to being payable on the basis of the Prime Rate or the US Base Rate).

"Floating Rate Instalment Loan" means an Instalment Loan with respect to which interest is payable on the basis of the Prime Rate or the US Base Rate.

"Instalment Loan" means a principal amount that is repayable either in fixed instalments of principal, plus interest, or in blended instalments of both principal and interest, and that (notwithstanding any such specified instalments) is repayable on demand by CIBC at any time if so specified in this Agreement.

This is Exhibit "M" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

Sent to CPS May 29/12

RECEIVED MAY 18 2012

CIBC Commercial Banking

Amendment No. 1

to the Business Credit Agreement

dated ~~February 14, 2012~~ March 23, 2012

Between Canadian Imperial Bank of Commerce ("CIBC") and the Customer noted below

INITIALS

Customer:	CIBC Branch/Centre:
Growers Supply Company Limited	Commercial Banking Centre 328 Bernard Avenue Kelowna, B.C., V1Y 6N5

Amendments. The Agreement is amended as follows:

Credit E: Revolving Demand Instalment Loan

Credit Limit: $500,000

Purpose: To assist with the purchase of vehicles or equipment required in the day-to-day operations.

Interest Rate/Fees: Prime Rate per year.

Scheduled Payments: Unless we make demand, you will pay CIBC as follows:

Blended monthly instalments of principal and interest based on a five year term and amortization period from the date of advance.

Availability:

1). This Credit is readvanceable with individual loans advanced as required. The aggregate loan amount is to remain within the Credit Limit.

2). Financing will be provided up to a maximum of 75% of the cost with an invoice to be provided.

Special Conditions/Provisions:

1). The instalment amount on loans being carried on a floating rate basis will be adjusted as necessary due to changes in Prime Rate to ensure repayment is effected within the original term.

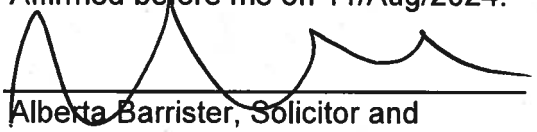
2). Credits B and D are cancelled and the existing term loans under these facilities are now a part of Credit E.

Other Matters. (1) The term "the Agreement" means the Business Credit Agreement referred to above, as it may have been revised up to the date of this Amendment. (2) Except as revised by this Amendment, the Agreement remains in full force.

Dated as of: May 4, 2012

For CIBC:	For the Customer:	
By: BK Abel	By:	By: Mae Shannon
Name: Barry K. Abel	Name: Stanley Swales	Name: Mae Shannon
Title: Authorized Signatory	Title: General Manager	Title: Secretary/Treasurer

This is Exhibit "N" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

July 25/12-305

ODR 47 -
Aug 10/12
ODR 51

CIBC Commercial Banking

Amendment No. 2

to the Business Credit Agreement

dated March 23, 2012

Between Canadian Imperial Bank of Commerce ("CIBC") and the Customer noted below

Customer:	CIBC Branch/Centre:
Growers Supply Company Limited	Commercial Banking Centre 328 Bernard Avenue Kelowna, B.C., V1Y 6N5

Amendments. The Agreement is amended as follows:

Credit A: Operating Line

Credit Limit: Increased to $4,250,000 until September 30, 2012 at which time the limit will revert to $3,400,000.

Description and Rate:

A revolving demand credit, for general business purposes, as follows:

(1) Canadian dollar loans, overdrafts and Acceptances. Loans, overdrafts and Acceptances under this part of this Operating Line may not at any time exceed $4,250,000. The Interest Rate is Prime rate per year.

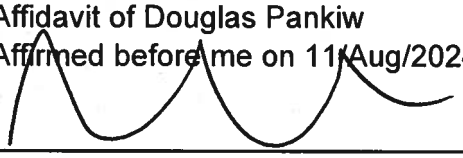
(2) Canadian dollar B/A's. The total face amount of Bankers' Acceptances outstanding at any time may not exceed $4,250,000. The Interest Rate is Bankers' Acceptance rate plus 1.00% per year.

Other Matters. (1) The term "the Agreement" means the Business Credit Agreement referred to above, as it may have been revised up to the date of this Amendment. (2) Except as revised by this Amendment, the Agreement remains in full force.

Dated as of: Jul 24, 2012

For CIBC:	For the Customer:	
By: BKAbel	By:	By:
Name: Barry K. Abel	Name: Stanley Swales	Name: Mae Shannon
Title: Authorized Signatory	Title: General Manager	Title: Secretary/Treasurer

This is Exhibit "O" referred to in the Affidavit of Douglas Pankiw Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

KODR ↑ 51

Aug 28/12

CIBC Commercial Banking

Amendment No. 3

to the Business Credit Agreement

dated March 23, 2012

Between Canadian Imperial Bank of Commerce ("CIBC") and the Customer noted below

Customer:	CIBC Branch/Centre:
Growers Supply Company Limited	Commercial Banking Centre 328 Bernard Avenue Kelowna, B.C., V1Y 6N5

Amendments. The Agreement is amended as follows:

Credit A: Operating Line

Description and Rate:

A revolving demand credit, for general business purposes, as follows:

(1) Canadian dollar loans, overdrafts and Acceptances. Loans, overdrafts and Acceptances under this part of this Operating Line may not at any time exceed $4,250,000. The Interest Rate is Prime rate per year. ✓

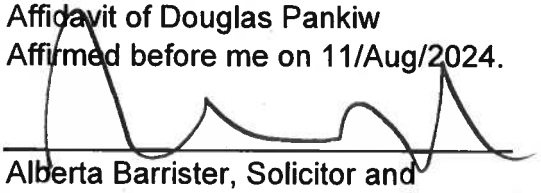
(2) Canadian dollar B/A's. The total face amount of Bankers' Acceptances outstanding at any time may not exceed $4,250,000. The Interest Rate is Bankers' Acceptance rate plus 1.20% per year. ↑ increased

Other Matters. (1) The term "the Agreement" means the Business Credit Agreement referred to above, as it may have been revised up to the date of this Amendment. (2) Except as revised by this Amendment, the Agreement remains in full force.

Dated as of: Aug 14, 2012

For CIBC:	For the Customer:	
By: BK Abel p/ Donald Prescott	By:	By:
Name: Barry K. Abel	Name: Stanley Swales	Name: Mae Shannon
Title: Authorized Signatories	Title: General Manager	Title: Secretary/Treasurer

This is Exhibit "P" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

sent to GPS Oct 30/12

160/42-00012 ODR 51 Nov/12 - 47

CIBC Commercial Banking

Amendment No. 4

to the Business Credit Agreement

dated March 23, 2012

Between Canadian Imperial Bank of Commerce ("CIBC") and the Customer noted below

Customer:	CIBC Branch/Centre:
Growers Supply Company Limited	Commercial Banking Centre 328 Bernard Avenue Kelowna, B.C., V1Y 6N5

Amendments. The Agreement is amended as follows:

Credit A: Operating Line

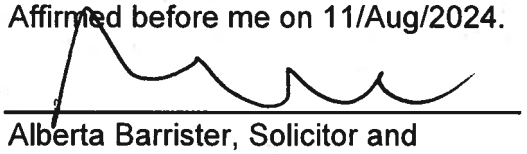
Credit Limit: $4,250,000 until November 30, 2012 at which time the limit will revert to $3,400,000.

Other Matters. (1) The term "the Agreement" means the Business Credit Agreement referred to above, as it may have been revised up to the date of this Amendment. (2) Except as revised by this Amendment, the Agreement remains in full force.

Dated as of:
September 19, 2012

For CIBC:	For the Customer:	
By:	By:	By:
Name: Barry K. Abel Donald Prescott	Name: Stanley Swales	Name: Mae Shannon
Title: Authorized Signatories	Title: General Manager	Title: Secretary/Treasurer

This is Exhibit "Q" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

160/42-00012 JAN 9/13

ODR 47
↓
ODR 44 (Dec 20/13)

CIBC Commercial Banking

Amendment No. 5

to the Business Credit Agreement

dated March 23, 2012

Between Canadian Imperial Bank of Commerce ("CIBC") and the Customer noted below

Customer:	CIBC Branch/Centre:
Growers Supply Company Limited	Commercial Banking Centre 328 Bernard Avenue Kelowna, B.C., V1Y 6N5

Amendments. The Agreement is amended as follows:

Credit A: Operating Line

Credit Limit: Increased from $3,400,000. to $4,250,000.

Description & Rate: A revolving demand credit, for general business purposes, as follows:

(1) Canadian dollar loans, overdrafts and Acceptances. Loans, overdrafts and Acceptances under this part of this Operating Line may not at any time exceed $4,250,000. The Interest Rate is Prime rate per year.

(2) Canadian dollar B/A's. The total face amount of Bankers' Acceptances outstanding at any time may not exceed $4,250,000. The Interest Rate is Bankers' Acceptance rate plus 1.20% per year.

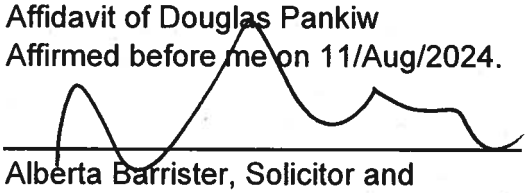
Next Scheduled Review Date: November 30, 2013

Other Matters. (1) The term "the Agreement" means the Business Credit Agreement referred to above, as it may have been revised up to the date of this Amendment. (2) Except as revised by this Amendment, the Agreement remains in full force.

Dated as of:
December 20, 2012

For CIBC:	For the Customer:	
By: BKAbel	By:	By:
Name: Barry K. Abel Donald Prescott	Name: Stanley Swales	Name: Mae Shannon
Title: Authorized Signatories	Title: General Manager	Title: Secretary/Treasurer

This is Exhibit "R" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

ODR 44

MAY 1/14 3/3

CIBC Commercial Banking

160/42-00012

Amendment No. 6
to the Business Credit Agreement
dated March 23, 2012

Between Canadian Imperial Bank of Commerce ("CIBC") and the Customer noted below

Customer:	CIBC Branch/Centre:
Growers Supply Company Limited	Commercial Banking Centre 328 Bernard Avenue Kelowna, B.C., V1Y 6N5

Amendments. The Agreement is amended as follows:

Credit A: Operating Line

Description & Rate: A revolving demand credit, for general business purposes, as follows:

(1) Canadian dollar loans, overdrafts and Acceptances. Loans, overdrafts and Acceptances under this part of this Operating Line may not at any time exceed $4,250,000. The Interest Rate is decreased to Prime rate minus 0.25% per year. ✓

(2) Canadian dollar B/A's. The total face amount of Bankers' Acceptances outstanding at any time may not exceed $4,250,000. The Interest Rate is decreased to Bankers' Acceptance rate plus 1.00% per year.

Credit C: Demand Instalment Loan

Description & Rate: A non-revolving demand credit, available as follows: #9818154

(1) Canadian dollar loans.

The Interest Rate is decreased to Prime Rate minus 0.25% per year with an option to fix the rate. ✓

Credit E: Revolving Demand Instalment Loan

Interest Rate/Fees: Decreased to Prime Rate minus 0.25% per year. #9818361 ✓

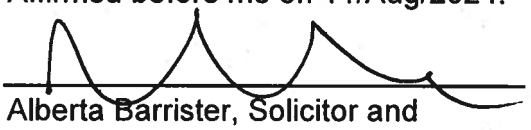
Next Scheduled Review Date: November 30, 2014

Other Matters. (1) The term "the Agreement" means the Business Credit Agreement referred to above, as it may have been revised up to the date of this Amendment. (2) Except as revised by this Amendment, the Agreement remains in full force.

Dated as of: April 17, 2014

For CIBC:	For the Customer:	
By: BKAbel DPrescott	By:	By:
Name: Barry K. Abel Donald Prescott	Name: Stanley Swales	Name: Mae Shannon
Title: Authorized Signatories	Title: General Manager	Title: Secretary/Treasurer

This is Exhibit "S" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

sent to CIBC Aug 12/15

CIBC Commercial Banking

Amendment No. 7
to the Business Credit Agreement
dated March 23, 2012
Between Canadian Imperial Bank of Commerce ("CIBC") and the Customer noted below

Customer:	CIBC Branch/Centre:
Growers Supply Company Limited	Commercial Banking Centre 328 Bernard Avenue Kelowna, B.C., V1Y 6N5

Amendments. The Agreement is amended as follows:

Credit F: Demand Instalment Loan
Description & Rate: A demand credit, for general business purposes, as follows:
Credit Limit: $550,000 advanced Aug 13/15
Purpose: Leasehold Improvements
Interest Rate/Fees: Prime Rate per year payable monthly.
Scheduled Payments: Unless we make demand, you will pay CIBC as follows:
Monthly instalments of principal based on a 7 year amortization period from the date of the advance.

$6550 p/m plus interest

Next Scheduled Review Date: November 30, 2015

Other Matters. (1) The term "the Agreement" means the Business Credit Agreement referred to above, as it may have been revised up to the date of this Amendment. (2) Except as revised by this Amendment, the Agreement remains in full force.

Dated as of: August 4, 2015

For CIBC: For the Customer:

By:	By:	By:
Name: Barry K. Abel Donald Prescott	Name: Warren Everton	Name: Mae Shannon
Title: Authorized Signatories	Title: Authorized Signing Officer	Title: Secretary/Treasurer

BS WE

This is Exhibit "T" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, K.C.
Barrister & Solicitor

Rec. Dec 16, 2015

CIBC Commercial Banking

Amendment No. 8

to the Business Credit Agreement

dated March 23, 2012

Between Canadian Imperial Bank of Commerce ("CIBC") and the Customer noted below

Customer:	CIBC Branch/Centre:
Growers Supply Company Limited	Commercial Banking Centre 328 Bernard Avenue Kelowna, B.C., V1Y 6N5

Amendments. The Agreement is amended as follows:

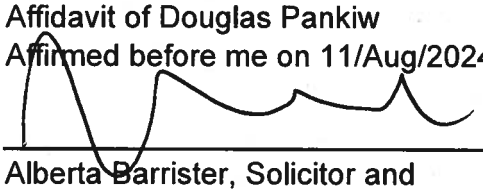
Corporate VISA Facility
Credit Limit: $40,000
Purpose: For general business purposes.
Documentation: CIBC's standard documentation is required.
Termination: This Credit may be terminated in whole or in part by CIBC at any time

Other Matters. (1) The term "the Agreement" means the Business Credit Agreement referred to above, as it may have been revised up to the date of this Amendment. (2) Except as revised by this Amendment, the Agreement remains in full force.

Dated as of:
December 11, 2015

For CIBC:	For the Customer:	
By: BK Abel	By: Warren Everton	By: Mae Shannon
Name: Barry K. Abel Thomas Tobias	Name: Warren Everton CFO	Name: Mae Shannon Accounting
Title: Authorized Signatories	Title: Authorized Signatory	Title: Authorized Signatory

This is Exhibit "U" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

Rec. Jan 19/2016

CIBC Commercial Banking

Amendment No. 9

to the Business Credit Agreement

dated March 23, 2012

Between Canadian Imperial Bank of Commerce ("CIBC") and the Customer noted below

Customer:	CIBC Branch/Centre:
Growers Supply Company Limited	Commercial Banking Centre 328 Bernard Avenue Kelowna, B.C., V1Y 6N5

Amendments. The Agreement is amended as follows:

Corporate VISA Facility
Credit Limit: $30,000
Purpose: For general business purposes.
Documentation: CIBC's standard documentation is required.
Termination: This Credit may be terminated in whole or in part by CIBC at any time

Other Matters. (1) The term "the Agreement" means the Business Credit Agreement referred to above, as it may have been revised up to the date of this Amendment. (2) Except as revised by this Amendment, the Agreement remains in full force.

Dated as of:
December 30, 2015

For CIBC:	For the Customer:	
By: BK Abel	By: Warren Everton	By: Mae Shannon
Name: Thomas Tobias Barry Abel	Name: Warren Everton	Name: Mae Shannon
Title: Authorized Signatory	Title: Authorized Signatory	Title: Authorized Signatory

This is Exhibit "V" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.

Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

1st original recd 22Dec17 & scan to Portal
This is 2nd original recd 18Jan18

321

328 Bernard Ave
Kelowna, BC
V1Y6N5

Amendment No. 10
to the
Credit Agreement
Dated March 23, 2012 (including all previous amendments thereto, the "Agreement"
between Canadian Imperial Bank of Commerce ("CIBC") and Growers Supply Company Limited (the "Borrower")

Amendments. The Agreement is amended as follows:

Credit A: Operating Line

Credit Limit : Increased from $4,250,000 to $6,250,000

Description & Rate: A revolving demand credit, for general business purposes, as follows:
(1) Canadian dollar loans, overdrafts and Acceptances. Loans, overdrafts and Acceptances under this part of this Operating Line may not at any time exceed $6,250,000. The Interest Rate is Prime rate minus 0.25% per year,
(2) Canadian dollar B/A's. The total face amount of Bankers' Acceptances outstanding at any time may not exceed $6,250,000. The Interest Rate is Bankers' Acceptance rate plus 1.00% per year.

Credit E: Revolving Demand Instalment Loan

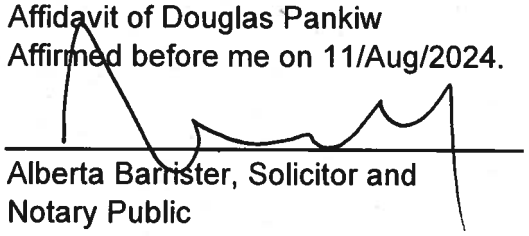
Credit Limit increased from $500,000 to $1,000,000

Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of:
December 22, 2017

For CIBC:	For the Borrower:	
By:	By:	By:
Name: Thomas Tobias; Don Prescott	Name: MARIETTA JENSEN	Name: STAN SWALES
Title: Authorized Signatory	Title: CONTROLLER	Title: CEO

This is Exhibit "W" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

328 Bernard Ave
Kelowna, BC
V1Y6N5

Amendment No. 11
to the
Credit Agreement
Dated March 23, 2012 (including all previous amendments thereto, the "Agreement"
between Canadian Imperial Bank of Commerce ("CIBC") and Growers Supply Company Limited (the "Borrower")

Amendments. The Agreement is amended as follows:

Covenants
Amend

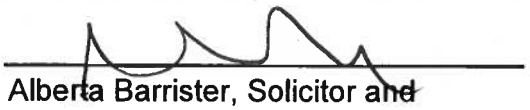
You will ensure that;
Capital Expenditures: Your total capital expenditures for fixed or capital assets in the current fiscal year do not exceed $500,000, without our prior consent (which consent will not be unreasonably withheld).

Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of: September 28, 2020

For CIBC:	For the Borrower:	
By:	By: Stew Hill	By: M. Welton
Name: Thomas Tobias Phil Lehn	Name: Stewart Hill	Name: MARK WELTON
Title: Authorized Signatory	Title: Category Manager Authorized Signatory	Title: GENERAL MANAGER Authorized Signatory

This is Exhibit "X" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

CIBC

328 Bernard Ave
Kelowna, BC
V1Y6N5

Amendment No. 12
to the
Credit Agreement
Dated March 23, 2012 (including all previous amendments thereto, the "Agreement")
between Canadian Imperial Bank of Commerce ("CIBC") and Growers Supply Company Limited (the "Borrower")

Amendments. The Agreement is amended as follows:

Credit A: Operating Line

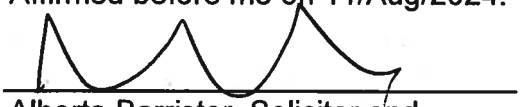
CANCELLED

Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of: January 28, 2022

For CIBC:	For the Borrower:	
By:	By:	By:
Name: Adam Hutchens	Name:	Name: Doug Pankiw
Title: Authorized Signatory	Title: Authorized Signatory	Title: CFO Authorized Signatory

This is Exhibit "Y" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

CIBC

328 Bernard Ave
Kelowna, BC
V1Y6N5

Amendment No. 13
to the
Credit Agreement
Dated March 23, 2012 (including all previous amendments thereto, the "Agreement"
between Canadian Imperial Bank of Commerce ("CIBC") and Growers Supply Company Limited (the "Borrower")

Amendments. The Agreement is amended as follows:

Credit E: Revolving Demand Instalment Loan

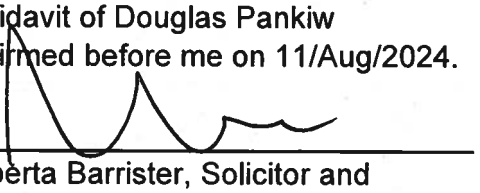
Purpose: To assist with the purchase of vehicles, equipment or leasehold improvements required in the day-to-day operations

Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of: July 11, 2022

For CIBC:	For the Borrower:	
By:	By:	By:
Name: Adam Hutchens	Name: Doug Pankiw	Name:
Title: Authorized Signatory	Title: Authorized Signatory CFO	Title: Authorized Signatory

This is Exhibit "Z" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

328 Bernard Ave
Kelowna, BC
V1Y6N5

Amendment No. 14
to the
Credit Agreement
Dated March 23, 2012 (including all previous amendments thereto, the "Agreement"
between Canadian Imperial Bank of Commerce ("CIBC") and Growers Supply Company Limited (the "Borrower")

Amendments. The Agreement is amended as follows:

Corporate Visa Facility
Credit Limit: $50,000

Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of: November 21, 2022

For CIBC:	For the Borrower:	
By:	By:	By:
Name: Adam Hutchens	Name:	Name:
Title: Authorized Signatory	Title: Authorized Signatory	Title: Authorized Signatory

This is Exhibit "AA" referred to in the Affidavit of Douglas Pankiw Affirmed before me on 11/Aug/2024.

Alberta Barrister, Solicitor and Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

328 Bernard Ave
Kelowna, BC
V1Y6N5

Amendment No. 15
to the
Credit Agreement
Dated March 23, 2012 (including all previous amendments thereto, the "Agreement"
between Canadian Imperial Bank of Commerce ("CIBC") and Growers Supply Company Limited (the "Borrower")

Amendments. The Agreement is amended as follows:

Security:

Collateral Mortgage: Collateral mortgage in the amount of $20,000,000 giving CIBC a first charge, including Assignment of Rents, over the following property: 2605 Acland Road, Kelowna, B.C., legally described as Lot A, District Lot 123, Osoyoos Division Yale District, Plan KAP55505, plus acknowledged assignment of adequate fire and other perils insurance, with loss payable to CIBC as first mortgagee.

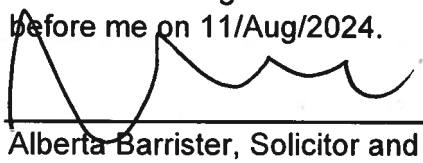
It is understood that the amount of the mortgage is for the convenience of the client to secure further advances, if such further advances are approved in the sole discretion of CIBC, and is not an implied or expressed commitment to provide funding to that level.

Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of: December 8, 2023

For CIBC:		For the Borrower:	
By:	By:	By:	By:
Name: Adam Hutchens	Name: Ryan Kakoske	Name: Doug Pankiw	Name: Gina Ephan
Title: Authorized Signatory	Title: Authorized Signatory	Title: CFO	Title: SV Manager Business Analytics

This is Exhibit "BB" referred to in the Affidavit of Douglas Pankiw Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

• Sent to Warren Jan 5 2018
11 May 18 Sent to Peter original

CIBC Commercial Banking

Canadian Imperial Bank of Commerce
328 Bernard Avenue
Kelowna, B.C.
V1Y 6N5

January 3, 2018

BC Tree Fruits Cooperative
1473 Water Street
Kelowna, B.C.
V1Y 1J6

Attention: Mr. Warren Everton

Dear Sir:

Re: Credit Facility

Canadian Imperial Bank of Commerce ("CIBC") is pleased to establish the following credit facility in favour of BC Tree Fruits Cooperative (the "Borrower").

Demand Operating – Credit A

Credit Limit:	$24,500,000 X
Purpose:	All amounts obtained under this Credit are to be used for general business purposes.
Description and Rate:	A revolving Credit, available as follows:

- Canadian dollar loans, which will also be available by way of overdrafts.
  Interest on Canadian dollar loans will be calculated at the Prime Rate minus 0.25% per annum. ✓
- US dollar Base Rate loans, which will also be available by way of overdrafts not exceeding US $5,000,000 at any time.
  Interest on US dollar Base Rate loans will be ✓

calculated at the US Base Rate per annum.

- Canadian dollar B/As. CIBC's stamping fee for B/As will be calculated at 1.00% per annum.

  Bankers' Acceptances may be drawn in the minimum amount of $500,000 and in multiples of $100,000, for periods on 7 to 365 days. The Borrower will provide three days notice of a drawing or redemption of B.A.'s of $1 million or more.

Repayment:

All amounts under this Credit are repayable immediately on demand by CIBC, and this Credit may be terminated in whole or in part by CIBC at any time.

The Borrower shall have the option to repay any amount under this Credit at any time; B/As may be repaid only on their maturity.

Term Revolving – Credit B

Credit Limit:

$10,000,000

Purpose:

All amounts obtained under this Credit are to be used for current capital expenditure requirements.

Description and Rate:

A revolving Credit, available as follows:

- Canadian dollar loans.
  Interest on Canadian dollar loans will be calculated at the Prime Rate minus 0.25% per annum.

- Fixed-rate loans in Canadian dollars.
  Interest on each fixed-rate loan will be calculated at a rate agreed upon by the Borrower and CIBC at the time of drawdown, for such period as they may agree upon. CIBC may require the Borrower to deliver a promissory note evidencing the principal amount, interest rate and term of any such fixed-rate loan, and in the absence of such note, CIBC's records will be conclusive evidence thereof.

- Canadian dollar B/As.
  CIBC's stamping fee for B/As will be

calculated at 1.00% per annum.

Bankers' Acceptances may be drawn in the minimum amount of $500,000 for a period of one month. The Borrower will provide three days notice of a drawing or redemption of B.A.'s of $1 million or more.

Repayment:

All amounts under this Credit are repayable immediately on demand by CIBC, and this Credit may be terminated *in whole or in part* by CIBC at any time.

Each loan is to be repaid in monthly instalments of principal plus interest based on a five year term and amortization period from the date of advance.

This Credit is readvanceable within the Credit Limit for the specific purpose of assisting with normal annual capital expenditure requirements.

The Borrower shall have the option to repay any amount under this Credit at any time, provided that fixed-rate loans may be repaid only at the end of a fixed-rate interest period, and B/As may be repaid only on their maturity.

Corporate Visa – Credit C

Credit Limit: $30,000

Purpose: All amounts obtained under this Credit are to be used for general business purposes.

Documentation: CIBC's standard documentation is required.

Termination: This Credit may be terminated in whole or in part by CIBC at any time.

Demand Instalment Loan – Credit D

Loan Amount: $8,533,334

Purpose: Funds were originally provided to assist with the plant upgrades and purchase of equipment for the Winfield and Oliver locations and replacement/repair of bin inventory. Funds were re-advanced back to $10,000,000 on April 7, 2014.

Description and Rate:

A non-revolving loan, available as follows:

- Canadian dollar loans.
  Interest on Canadian dollar loans will be calculated at the Prime Rate minus 0.25% per annum.

- Fixed-rate loans in Canadian dollars.
  Interest on each fixed-rate loan will be calculated at a rate agreed upon by the Borrower and CIBC at the time of drawdown, for such period as they may agree upon. CIBC may require the Borrower to deliver a promissory note evidencing the principal amount, interest rate and term of any such fixed-rate loan, and in the absence of such note, CIBC's records will be conclusive evidence thereof.

- Canadian dollar B/As.
  CIBC's stamping fee for B/As will be calculated at 0.85% per annum.

  Bankers' Acceptances may be drawn in the minimum amount of $500,000 for a period of one month. The Borrower will provide three days notice of a drawing or redemption of B.A.'s of $1 million or more.

Repayment:

All amounts under this loan are repayable immediately on demand by CIBC. Prior to the time that any such demand is made, and without prejudice to CIBC's right to require immediate payment, the Borrower shall repay this loan by regular monthly payments of $33,333.33 each, together with accrued interest.

Payments have been based on a twenty five year amortization period from April 7, 2014.

The Borrower shall have the option to repay any amount under this Credit at any time, provided that fixed-rate loans may be repaid only at the end of a fixed-rate interest period, and B/As may be repaid only on their maturity.

Demand Operating – AMPA – Credit E

Credit Limit:	$12,000,000
Purpose:	To provide assistance in financing advances to producers which are guaranteed under the Agricultural Marketing Programs Act.
Description and Rate:	A revolving Credit, available as follows: ▸ Canadian dollar loans, which will also be available by way of overdrafts. Interest on Canadian dollar loans will be calculated at the Prime Rate minus 0.25% per annum. ▸ Canadian dollar B/As. CIBCs stamping fee for B/As will be calculated at 0.80% per annum. Should the rate charged on the B/As exceed Prime Rate minus 0.25% per year, the Borrower will be responsible to pay the difference charged on the B/As. Bankers' Acceptances may be drawn for periods of 1 – 180 days. There is no minimum amount stipulated.
Repayment:	All amounts under this Credit are repayable immediately on demand by CIBC, and this Credit may be terminated in whole or in part by CIBC at any time. Repayment of all amounts outstanding must be made in full no later than the close of business on the final day of the "Production Period" as defined in the AAFC Guarantee Agreement.
Special Provisions:	Funding under this Operating Line will be available from the "Production Period" start date until the "Deadline to issue an Advance" date as stated in the current AAFC Guarantee Agreement. The Borrower covenants and agrees with CIBC that, while any amount remains outstanding under this Operating Line, the Borrower will: a) File with the Minister of Agriculture and Agri-Food all applications and materials necessary with

respect to entering into the AMPA agreement at the earliest possible time, and keep CIBC informed as the Borrower's progress with respect thereto.

b) Meet all requirements of the AMPA agreement for providing advances to the producers as specified in the AMPA agreement including with respect to security and documentation, and to direct producers, or any buyers of produce, to repay the outstanding advances to such bank accounts as may be designated by CIBC from time to time.

c) Deliver to CIBC not later than the 20th day of each month, a report for the previous month in form and substance satisfactory to CIBC.

d) Will not accept any prepayment or create any trust, hold back or similar arrangement between themselves and any producer.

Representations and Warranties: No consent, approval or authorization of, or declaration, registration, filing or qualification with, or giving notice to, or taking of any other action in respect of, any governmental authority or agency is required in connection with the execution and delivery and enforcement of this agreement, the security or the consummation of any of the transactions contemplated hereby or thereby other than (i) the entering into the agreements with the Minister of Agriculture and Agri-Food; (ii) the giving of the notices of the assignments; and (iii) the obtaining of the acknowledgements.

Demand Instalment Loan – Credit F

Loan Amount: $2,166,671 paid out in Feb X 2018

Purpose: To term out a portion of the operating facility that was previously used for capital expenditures. BA not rolled over

Description and Rate: A non-revolving loan, available as follows:

- Canadian dollar loans.
  Interest on Canadian dollar loans will be calculated at the Prime Rate minus 0.25% per annum. ✓

- Fixed-rate loans in Canadian dollars.
  Interest on each fixed-rate loan will be calculated at a rate agreed upon by the

Borrower and CIBC at the time of drawdown, for such period as they may agree upon. CIBC may require the Borrower to deliver a promissory note evidencing the principal amount, interest rate and term of any such fixed-rate loan, and in the absence of such note, CIBC's records will be conclusive evidence thereof.

- Canadian dollar B/As.
  CIBC's stamping fee for B/As will be calculated at 0.85% per annum. ✓

  Bankers' Acceptances may be drawn in the minimum amount of $500,000 for a period of one month. The Borrower will provide three days notice of a drawing or redemption of B.A.'s of $1 million or more. ✓

Repayment:

All amounts under this loan are repayable immediately on demand by CIBC. Prior to the time that any such demand is made, and without prejudice to CIBC's right to require immediate payment, the Borrower shall repay this loan by regular monthly payments of $83,333.00 each, together with accrued interest. $83,374.

Payments have been based on a five year amortization period from February 9, 2015. ✓

The Borrower shall have the option to repay any amount under this Credit at any time, provided that fixed-rate loans may be repaid only at the end of a fixed-rate interest period, and B/As may be repaid only on their maturity.

Demand Instalment Loan – Credit G

Loan Amount: $4,354,146 ✗

Purpose: To provide funds to assist with capital expenditures relating to the facilities in Oliver and Winfield.

Description and Rate: A non-revolving loan, available as follows:

- Canadian dollar loans.
  Interest on Canadian dollar loans will be calculated at the Prime Rate minus 0.25% per annum. ✓

- Fixed-rate loans in Canadian dollars. Interest on each fixed-rate loan will be calculated at a rate agreed upon by the Borrower and CIBC at the time of drawdown, for such period as they may agree upon. CIBC may require the Borrower to deliver a promissory note evidencing the principal amount, interest rate and term of any such fixed-rate loan, and in the absence of such note, CIBC's records will be conclusive evidence thereof.

- Canadian dollar B/As. CIBC's stamping fee for B/As will be calculated at 0.85% per annum.

  Bankers' Acceptances may be drawn in the minimum amount of $500,000 for a period of one month. The Borrower will provide three days notice of a drawing or redemption of B.A.'s of $1 million or more.

Repayment:

All amounts under this loan are repayable immediately on demand by CIBC. Prior to the time that any such demand is made, and without prejudice to CIBC's right to require immediate payment, the Borrower shall repay this loan by regular monthly payments of $20,834.00 each, together with accrued interest.

Payments have been based on a twenty year amortization period from May 29, 2015.

The Borrower shall have the option to repay any amount under this Credit at any time, provided that fixed-rate loans may be repaid only at the end of a fixed-rate interest period, and B/As may be repaid only on their maturity.

Demand Instalment Loan – Credit H

Loan Amount: $8,250,004

Purpose: To provide funds to assist with the plant upgrades, purchase of new bins and purchase of equipment for the Oliver, Kelowna, and Winfield locations.

Description and Rate:

A non-revolving loan, available as follows:

- Canadian dollar loans.
  Interest on Canadian dollar loans will be calculated at the Prime Rate minus 0.25% per annum. ✓

- Fixed-rate loans in Canadian dollars.
  Interest on each fixed-rate loan will be calculated at a rate agreed upon by the Borrower and CIBC at the time of drawdown, for such period as they may agree upon. CIBC may require the Borrower to deliver a promissory note evidencing the principal amount, interest rate and term of any such fixed-rate loan, and in the absence of such note, CIBC's records will be conclusive evidence thereof.

- Canadian dollar B/As.
  CIBC's stamping fee for B/As will be calculated at 0.85% per annum. ✓

  Bankers' Acceptances may be drawn in the minimum amount of $500,000 for a period of one month. The Borrower will provide three days notice of a drawing or redemption of B.A.'s of $1 million or more. ✓

Repayment:

All amounts under this loan are repayable immediately on demand by CIBC. Prior to the time that any such demand is made, and without prejudice to CIBC's right to require immediate payment, the Borrower shall repay this loan by regular monthly payments of $83,333.00 each, together with accrued interest. – 83,333.33

Payments have been based on a ten year amortization period from March 7, 2016. ✓

The Borrower shall have the option to repay any amount under this Credit at any time, provided that fixed-rate loans may be repaid only at the end of a fixed-rate interest period, and B/As may be repaid only on their maturity.

Foreign Exchange Contracts – Credit J

Contingency Limit:	US $2,000,000
Description:	At the Borrower's request CIBC may in its sole discretion enter into one or more spot, forward or other foreign exchange rate transactions with the Borrower. The maximum term for any such transaction may not exceed 12 months, and each such transaction will be subject to CIBC's normal documentation. The amount of the Borrower's contingency liability from time to time under transactions entered into by it under this Credit will be calculated by CIBC in accordance with its normal practise.
Termination:	This Credit may be terminated in whole or in part by CIBC at any time.

Security

The following security, which shall be in form and substance satisfactory to CIBC, is required to secure all present and future indebtedness and liabilities of the Borrower to each of CIBC and CIBC's affiliates (including under any foreign exchange contract or derivative). All references in any such security to indebtedness or liabilities of the Borrower to CIBC shall be deemed to be references to indebtedness and liabilities of the Borrower to each of CIBC and CIBC's affiliates.

- General Security Agreement creating in favour of CIBC a first-priority security interest in all present and future undertaking and personal property of the Borrower including receivables, inventory, equipment and machinery.

  Registered in the following jurisdictions: British Columbia, Albert, Saskatchewan, and Manitoba

- Collateral mortgage creating in favour of CIBC a first-priority charge in the amount of $40,000,000 over the all of the Borrower's properties.

  It is understood that the amount of the mortgage is for the convenience of the client to secure

further advances, if such further advances are approved in the sole discretion of CIBC, and is not an implied or expressed commitment to provide further funding to that level.

- Guarantee from BC Tree Fruits Industries Limited (formerly B.C. Tree Fruits Limited) with respect to all of the liabilities of the Borrower to CIBC, secured by a:

  - General Security Agreement creating in favour of CIBC a first-priority security interest in all present and future undertaking and personal property of the Borrower including receivables, inventory, equipment and machinery. Registered in British Columbia

  - Pledge of Duplicate Certificate of Title in an unspecified amount over the property located at 1473 Water Street, Kelowna, B.C., together with adequate fire insurance with loss, if any, payable firstly to CIBC.

- Guarantee from Growers Supply Company Limited with respect to all of the liabilities of the Borrower to CIBC, secured by all security provided for direct liabilities.

- Acknowledged assignment of adequate fire and other perils insurance on the property and assets of the Borrower that are subject to CIBC's security, with loss payable to CIBC.

Held Specifically for the AMPA Credit facility:

- Guarantee provided by Her Majesty the Queen in Right of Canada, as represented by the Minister of Agriculture and Agri-Food ("AAFC") in an amount representing 100% of the authorized limit of the AMPA credit facility.

Special Conditions/Provisions:
An executed copy of the guarantee must be on file with CIBC as a condition precedent to availability of the Facility for the respective Production Period.

Conditions

Conditions:

The Borrower will ensure that:

- The securing properties, in aggregate, will not have a BCAA value of less than $50 Million, without the prior consent of CIBC.

Financial Covenants

Covenants:

The Borrower will ensure that:

Financial Covenants:

- The **Adjusted Fixed Charge Coverage Ratio** is not less than 1.0 to 1.0 at any time. This ratio is to be tested based on the fiscal year-end results.

  The Adjusted Fixed Charge Coverage Ratio means, for any period, the ratio of (a) the sum of (i) EBITDA for such period, (ii) all management bonuses and similar payments deducted in the calculation of such EBITDA but not paid out during such period (and with respect to which the entitlement to receive payment thereof has been postponed in a manner satisfactory to CIBC) and (iii) all management bonuses and similar payments deducted in the calculation of such EBITDA and paid out during such period, and which have then been loaned back to the Borrower during such period by way of Postponed Debt to (b) the sum of (i) Debt Service Requirements for such period, (ii) cash income taxes for such period and (iii) Unfunded Capital Expenditures for such period. For purposes of this calculation the net return to growers amount will be added to the numerator and denominator. The ratio is based on the combined results of B.C. Tree Fruits Industries Limited, B.C. Tree Fruits Cooperative and Growers Supply Company Limited.

- **Profit Distribution and/or Withdrawals:** Distribution to the growers in the current fiscal year is permitted subject to the Adjusted Fixed Charge Ratio being met.

Negative Covenants

Lien Restrictions:	None of the Borrower and its Subsidiaries will create, incur or suffer to exist any Lien on any of its property or assets, except: (a) Purchase Money Liens; (b) Liens existing on an asset when it was acquired by the Borrower or its Subsidiary (and not created in contemplation of the acquisition) to secure indebtedness existing at such time; or (c) Normal Course Liens.
Debt Restrictions:	None of the Borrower and its Subsidiaries will create, incur, assume or permit to exist any Debt except: (i) amounts owed to CIBC under the Credits; (ii) Purchase Money Obligations; (iii) Postponed Debt;

Reporting Requirements

Reporting Requirements:	The Borrower will provide to CIBC: ▸ Within 120 days after the end of each fiscal year, the combined Notice to Reader financial statements of the Borrower for such year, prepared in accordance with GAAP. The combined statement is to include BC Tree Fruits Cooperative, BC Tree Fruits Industries Limited, and Growers Supply Company Limited. It will be prepared based on the May 31st year-end for BC Tree Fruits Cooperative and BC Tree Fruits Industries Limited and the December 31st year-end for Growers Supply Company Limited. ▸ Within 120 days after the end of each fiscal year, the audited unconsolidated financial statements of the Borrower for such year, prepared in accordance with GAAP ▸ Within 45 days after the end of each of the first

three fiscal quarters, the unaudited consolidated financial statements of the Borrower for such quarter, prepared in accordance with GAAP. The consolidated statement is to include BC Tree Fruits Cooperative and BC Tree Fruits Industries Limited.

- Within 120 days after the end of each fiscal year, the unconsolidated Notice to Reader financial statements of each guarantor for such year, prepared in accordance with GAAP.

Fees

Annual Fee:	A fee of $5,000, payable on each anniversary date of this letter.

Other Provisions

Schedule A:	The attached Schedule A, which contains certain additional provisions applicable to the Credits, and certain definitions, forms part of this Agreement.
Notice of Borrowing:	Whenever the Borrower desires to obtain any amount under a Credit (other than by way of a permitted overdraft), it will give to CIBC irrevocable prior written notice as specified in Schedule A hereto.
Notice of Repayment:	Whenever the Borrower desires to make one or more repayments under one or more Credits in an aggregate amount exceeding $10,000,000 (or the equivalent in any other currency) on any day, it will give to CIBC irrevocable prior written notice as specified in Schedule A hereto.
Interest on Excess Amounts:	The interest rate applicable to any outstanding amount under a Credit which is in excess of the limit of such Credit shall be the Interest Rate Applicable to Credit Limit Excesses specified in Schedule A hereto.
Interest on Overdue Amounts:	Interest on overdue amounts is payable as specified in Schedule A hereto.
Interest Payment Dates:	Except with respect to interest on amounts in default, which is payable on demand, or as otherwise specified herein or in Schedule A hereto, interest and fees will be calculated and payable monthly in arrears on such day in each month as CIBC requires.

Authorized Debits:	The Borrower authorizes CIBC to debit its Operating Account for any interest, fees or other amounts that are payable by the Borrower to CIBC with respect to the Credits, as and when such amounts are payable.
Communications:	Any communication or notice to be given with respect to the Credits may be effectively given by delivering the same at the addresses set out on the signature page hereof, or by sending the same by facsimile or prepaid registered mail to the parties at such addresses. Any notice so mailed will be deemed to have been received on the tenth day next following the mailing thereof, provided that postal service is in normal operation during such time. Any facsimile notice will be deemed to have been received on transmission if sent on a Business Day and, if not, on the next Business Day following transmission. Either party may from time to time notify the other party, in accordance with this section, of any change of its address which thereafter will be the address of such party for all purposes of the Credits.
Replacements:	This letter supersedes and replaces all prior discussions, letters and agreements (if any) describing the terms and conditions of any credit facility established by CIBC in favour of the Borrower.

Please indicate your acceptance of these terms by signing below and returning the enclosed copy to our attention no later than January 19, 2018.

Yours truly,

CANADIAN IMPERIAL BANK OF COMMERCE

By:_____

Name: Thomas Tobias
Authorized Signatory

Address: 328 Bernard Avenue
Kelowna, B.C.
V1Y 6N5

Attention: Thomas Tobias
Facsimile: 250-470-1603
e-mail Thomas.Tobias@cibc.com

By:_____

Name: Phil Lehn
Authorized Signatory

Authorized Debits:	The Borrower authorizes CIBC to debit its Operating Account for any interest, fees or other amounts that are payable by the Borrower to CIBC with respect to the Credits, as and when such amounts are payable.
Communications:	Any communication or notice to be given with respect to the Credits may be effectively given by delivering the same at the addresses set out on the signature page hereof, or by sending the same by facsimile or prepaid registered mail to the parties at such addresses. Any notice so mailed will be deemed to have been received on the tenth day next following the mailing thereof, provided that postal service is in normal operation during such time. Any facsimile notice will be deemed to have been received on transmission if sent on a Business Day and, if not, on the next Business Day following transmission. Either party may from time to time notify the other party, in accordance with this section, of any change of its address which thereafter will be the address of such party for all purposes of the Credits.
Replacements:	This letter supersedes and replaces all prior discussions, letters and agreements (if any) describing the terms and conditions of any credit facility established by CIBC in favour of the Borrower.

Please indicate your acceptance of these terms by signing below and returning the enclosed copy to our attention no later than January 19, 2018.

Yours truly,

CANADIAN IMPERIAL BANK OF COMMERCE

By: _____

Name: Thomas Tobias
Authorized Signatory

By: _____

Name: Phil Kohn
Authorized Signatory

Address: 328 Bernard Avenue
Kelowna, B.C.
V1Y 6N5

Attention: Thomas Tobias
Facsimile: 250-470-1603
e-mail Thomas.Tobias@cibc.com

Accepted this 30th day of April, 2018.

Address:

BC Tree Fruits Cooperative

By: Warren Everton

Name: Warren Everton
Title: Chief Financial Officer

By:

Name: Stan Swales
Title: CEO

Attention:
Facsimile:
e-mail:

SCHEDULE A - ADDITIONAL DEFINITIONS AND PROVISIONS

1. GENERAL

1.1 **Use of Funds, Returns.** The Borrower will use the Credits only for the purposes specified in this Agreement. The Borrower may not at any time exceed the limit of any Credit, and CIBC may, without notice to the Borrower, return any item that, if paid, would result in the limit of any Credit being exceeded. If, on the other hand, CIBC in its sole discretion elects to pay any such item, the Borrower will pay to CIBC immediately the amount by which the limit of the applicable Credit has been exceeded.

1.2 **Notice of Failure.** The Borrower will promptly notify CIBC of the occurrence of any failure to perform or observe any of its covenants in this Agreement.

1.3 **Confidentiality.** The terms of this Agreement are confidential between the Borrower and CIBC, and accordingly the Borrower will not disclose the contents of this Agreement to anyone except its professional advisors.

1.4 **Applying money received.** At any time that the Borrower has failed (beyond any period of grace permitted by CIBC) to perform or observe of any of its covenants in this Agreement, all moneys received by CIBC from the Borrower or from any Security may be applied on such parts of the Borrower's liabilities to CIBC as CIBC may determine.

1.5 **Right of Set-Off.** At any time that the Borrower has failed (beyond any period of grace permitted by CIBC) to perform or observe any of its covenants in this Agreement, CIBC is authorized at any time to set-off and apply any deposits held by it and any other amounts owed by it to or for the credit of the Borrower against any and all of the obligations of the Borrower with respect to the Credits, irrespective of whether or not CIBC has made any demand and even though any such obligations may not yet be due and payable.

1.6 **Registration of Security.** The Security will be registered or filed in all jurisdictions and in all offices as CIBC considers necessary or advisable from time to time to create, perfect or protect any Lien created thereby.

1.7 **Expenses.** The Borrower will reimburse CIBC for all reasonable fees (including legal fees) and out-of-pocket expenses incurred in preparing and registering any Security, in responding to requests from the Borrower for waivers, amendments and other matters, and in enforcing CIBC's rights under this Agreement or any Security.

1.8 **Further information requirements.** The Borrower will provide such further information about its business and its Subsidiaries as is reasonably requested by CIBC from time to time, and such information shall be in a form acceptable to CIBC.

1.9 **Consent to release information.** CIBC may from time to time give any credit or other information about the Borrower to, or receive such information from, (i) any financial institution, credit reporting agency, rating agency or credit bureau, (ii) any person, firm or corporation with whom the Borrower may have or proposes to have financial dealings, and (iii) any person, firm or corporation in connection with any dealings the Borrower has or proposes to have with CIBC.

The Borrower agrees that CIBC may use that information to establish and maintain the Borrower's relationship with CIBC and to offer any services as permitted by law, including services and products offered by CIBC's Subsidiaries when it is considered that this may be suitable to the Borrower.

1.10 **Instructions by fax, phone and e-mail.** The Borrower may deliver, and CIBC may accept, instructions by fax, telephone (including cellular phone) and internet e-mail ("Electronic Communication"), according to CIBC-approved procedures, which procedures may be limited to particular types of communications or services. Unless the Borrower expressly indicates otherwise, the Borrower agrees that CIBC may also communicate with the Borrower by e-mail or fax. This may include (i) CIBC sending confidential information to the Borrower, at the Borrower's request; or (ii) the Borrower sending confidential information to CIBC. An Electronic Communication may not be a secure means of communication and the Borrower assumes responsibility for the risks of using Electronic Communications including, without limitation, the possibility that an Electronic Communication is: intercepted by or sent to an unauthorized person, misunderstood, lost, delayed, or not received by CIBC at all. CIBC is entitled to rely upon any Electronic Communication from or purporting to be from the Borrower, as if such instructions were given in writing. However, CIBC may choose not to act upon an Electronic Communication if it believes that the Electronic Communication is unauthorized, incorrect or unclear. CIBC shall not be liable for, and the Borrower will indemnify and save CIBC harmless from, any claims, losses, damages, liabilities and expenses that CIBC incurs (other than those due to CIBC's gross negligence or wilful misconduct) including among other things all legal fees and expenses, arising from CIBC acting or declining to act on any of your Electronic Communications given under this Agreement. This indemnity is in addition to any other indemnity or assurance against loss provided by you to CIBC under this Agreement or otherwise.

1.11 **Further Assurances.** The Borrower will from time to time promptly upon request by CIBC do and execute all such acts and documents as may be reasonably required by CIBC to give effect to the Credits and the Security, and to any transfer pursuant to section 1.15 of this Schedule.

1.12 **Insurance.** The Borrower will keep all its assets and property insured (to the full insurable value) against loss or damage by fire and all other risks usual for similar property and for any other risks CIBC may reasonably require. If CIBC requests, these policies will include a loss payable clause (and with respect to mortgage security, a mortgagee clause) in favour of CIBC. As further security, the Borrower assigns all insurance proceeds to CIBC. The Borrower will provide to CIBC either the policies themselves or adequate evidence of their existence. If any insurance coverage for any reason stops, CIBC may (but shall have no obligation to) insure the property. Finally, the Borrower will notify CIBC immediately of any loss or damage to any of its property.

1.13 **Environmental.** The Borrower will, and will ensure that each of its Subsidiaries will, carry on its business, and maintain its assets and property in accordance with all applicable environmental, health and safety laws and regulations. If there occurs or occurred in the past any release, deposit, discharge or disposal of any substance that may cause any environmental harm or adverse environmental effect or that is or may be regulated by any law for the protection of the environment, human health or safety, (collectively, a "Discharge") in connection with the

business or property of the Borrower or any of its Subsidiaries, and as a result CIBC suffers any third party claim, legal obligation, loss, expense or damage whatsoever, the Borrower will reimburse CIBC, its directors, officers, employees and agents for any and all losses, damages, fines, costs and other amounts that result (including amounts spent conducting any necessary environmental assessments or investigations or defending any third party claims or proceedings, government demands or orders). If CIBC asks, the Borrower will defend any third party claims or proceedings, investigations or prosecutions brought against CIBC or any of its directors, officers, employees and agents in connection with any Discharge. The Borrower's obligation under this section continues even after all Credits have been repaid and this Agreement has terminated.

1.14 **Waiver.** No delay on the part of CIBC in exercising any right or privilege will operate as a waiver thereof, and no waiver of any failure or default will operate as a waiver thereof unless made in writing and signed by an authorized officer of CIBC, or will be applicable to any other failure or default.

1.15 **Assignment.** CIBC may assign, sell or participate (herein referred to as a "transfer") all or any part of its rights and obligations under all or any of the Credits to any third party, and the Borrower agrees to sign any documents and take any actions that CIBC may reasonably require in connection with any such transfer. Upon completion of the transfer, the third party will have the same rights and obligations under this Agreement as if it were a party to it, with respect to all rights and obligations included in the transfer. The Borrower may not assign any of its rights or obligations under any of the Credits.

1.16 **Application to Subsidiaries.** The Borrower will ensure that each of its Subsidiaries complies with sections 1.11, 1.12 and 1.13 of this Schedule, as if the references to the Borrower therein were references to each such Subsidiary.

1.17 **Governing Law.** This Agreement shall be governed by the laws of British Columbia, and the Borrower submits itself to the jurisdiction of any competent federal or provincial court in such jurisdiction.

1.18 **Counterparts.** This Agreement may be executed in one or more counterparts, and all of such counterparts shall constitute the same agreement.

1.19 **Certain Definitions.** In this Agreement the following terms have the following meanings:

"Affiliate" means, with respect to any person, any other person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such person, and includes any person in like relation to an Affiliate. A person shall be deemed to control another person if the first person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of the other person, whether through the ownership of voting securities, by contract or otherwise.

"Agreement" means the attached letter agreement between CIBC and the Borrower, including this Schedule and any other Schedules thereto, as the same may be amended or supplemented from time to time.

"Business Day" means (i) with respect to any amount denominated in Canadian dollars and all matters pertaining thereto, any day excluding Saturday, Sunday and any day which is a legal holiday in Toronto, Canada; (ii) with respect to any amount denominated in US dollars (except as provided below) and all matters pertaining thereto, any day excluding Saturday, Sunday or any day which is a legal holiday in New York, U.S.A. or Toronto, Canada, and (iii) with respect to any LIBOR Loan and all matters pertaining thereto, any day which is a day for dealings by and between banks in US dollars in the London interbank market, excluding Saturday, Sunday or any day which is a legal holiday in London, England or New York, U.S.A. or Toronto, Canada.

"Compliance Certificate" means an Officer's Certificate stating, as of the applicable date, (i) that the Borrower is not in default of the observance or performance of any of its covenants in this Agreement (or describing any default then existing), (ii) that all representations and warranties contained in this Agreement are true and accurate as if made on and as of such date (or describing any thereof that are not then true and accurate), (iii) the particulars and calculation of all financial covenants of the Borrower contained in this Agreement, and (iv) where applicable, the amount and particulars of calculation of Receivable Value, Inventory Value and Priority Claims, and the resulting maximum available amount and undrawn amount of any Credit, as of such date. Unless otherwise prescribed by CIBC, a Compliance Certificate shall be substantially in the form attached to this Schedule A.

"GAAP" means those accounting principles which are recognized as being generally accepted in Canada from time to time as set out in the handbook published by the Canadian Institute of Chartered Accountants. If the Borrower, or the party to which references to GAAP are intended to apply, has adopted International Financial Reporting Standards ("IFRS"), then the applicable references in this Agreement to GAAP or Generally Accepted Accounting Principles may be interpreted to mean IFRS, but only if CIBC has consented to such change.

"Investment" means, with respect to any person, any direct or indirect investment in or purchase or other acquisition of the securities of or any equity interest in any other person, any loan or advance to, or arrangement for the purpose of providing funds or credit to (excluding extensions of trade credit in the ordinary course of business in accordance with customary commercial terms), or capital contribution to, any other person, or any purchase or other acquisition of all or substantially all of the property of any other person.

"Lien" includes without limitation a mortgage, charge, lien, security interest or encumbrance of any sort on any property or asset, and includes conditional sales contracts, title retention agreements, capital trusts and capital leases.

"Material Adverse Effect" means a material adverse effect on the business, property, condition (financial or otherwise) or prospects of the Borrower and its Subsidiaries, considered as a whole, or a material adverse effect on the ability of any of the Borrower and its Subsidiaries to perform its obligations under any of this Agreement and the Security to which it is a party.

"Normal Course Lien" means, at any time, the following:

(i) Liens for taxes not overdue, or which are being contested if adequate reserves with respect thereto are maintained by the Borrower and its Subsidiaries in accordance with GAAP and the enforcement of any related Lien is stayed;

undetermined or inchoate Liens arising in the ordinary course of business which relate to obligations not overdue or a claim for which has not been filed or registered pursuant to applicable law;

carriers', warehousemens', mechanics', materialmens', repairmens', construction or other similar Liens arising in the ordinary course of business which relate to obligations not overdue;

easements, rights-of-way, restrictions and other similar encumbrances incurred in the ordinary course of business which, in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the property subject thereto or interfere with the ordinary conduct of the business of the Borrower or its Subsidiaries;

zoning and building by-laws and ordinances and municipal by-laws and regulations so long as the same are complied with;

statutory Liens incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation;

the reservations and exceptions contained in, or implied by statute in, the original disposition from the Crown and grants made by the Crown of interests so reserved or excepted;

Liens created by the Security; and

Liens in respect of which CIBC has given its specific written consent.

"Officer's Certificate" means a certificate, in form satisfactory to CIBC, signed by a senior officer of the Borrower.

"Operating Account" means Canadian dollar account no. 00160/71-06416 of the Borrower with CIBC, or US dollar account no. 00160/05-78614 of the Borrower with CIBC, or any such other account as is agreed upon by the Borrower and CIBC from time to time for the purposes hereof.

"Priority Claims" means, at any time, any liability of any of the Borrower and its Subsidiaries that ranks, in right of payment in any circumstances, equal to or in priority to any liability of the Borrower or such Subsidiary to CIBC, and may include unpaid wages, salaries and commissions, unremitted source deductions for vacation pay, arrears of rent, unpaid taxes, amounts owed in respect of worker's compensation, amounts owed to

unpaid vendors who have a right of repossession, and amounts owing to creditors which may claim priority by statute or under a Purchase Money Lien.

"Purchase Money Lien" means any Lien which secures a Purchase Money Obligation permitted by this Agreement, provided that such Lien is created not later than 30 days after such Purchase Money Obligation is incurred and does not affect any asset other than the asset financed by such Purchase Money Obligation.

"Purchase Money Obligation" means any Debt (including without limitation a capitalized lease obligation) incurred or assumed to finance all or any part of the acquisition price of any asset acquired by any of the Borrower and its Subsidiaries or to finance all or any part of the cost of any improvement to any asset of any of the Borrower and its Subsidiaries, provided that such obligation is incurred or assumed prior to or within 30 days after the acquisition of such asset or the completion of such improvement and does not exceed the lesser of the acquisition price payable by the Borrower or such Subsidiary for such asset or improvement and the fair market value of such asset or improvement; and includes any extension, renewal or refunding of any such obligation so long as the principal amount thereof outstanding on the date of such extension, renewal or refunding is not increased.

"Security" means, collectively, all of the items of security held by CIBC for the indebtedness and liabilities, or any part or parts thereof, of the Borrower to CIBC.

"Subsidiary" of any person means any other person of which shares or other equity units having ordinary voting power to elect a majority of the board of directors or other individuals performing comparable functions, or which are entitled to or represent more than 50% of the owners' equity or capital or entitlement to profits, are owned beneficially or controlled, directly or indirectly, by any one or more of such first person and the Subsidiaries of such first person, and shall include any other person in like relationship to a Subsidiary of such first person.

2. INTEREST RATES; PAYMENTS; CALCULATIONS

2.1 **Interest Rates.** Interest is payable with respect to:

(i) excess amounts (provided that nothing herein shall be deemed to imply that the Borrower is entitled to obtain any such excess amount, or that the limit of a Credit is to be increased in any circumstance) above the limit of a Credit or a part of a Credit, as described in section 2.4 of this Schedule,

(ii) amounts that are not paid when due, at the Interest Rate Applicable to Credit Limit Excesses, and

(iii) any other amounts, at the rate specified in this Agreement.

2.2 **Variable interest.** Each variable interest rate provided for in this Agreement will change automatically, without notice, whenever the Prime Rate or the US Base Rate, as the case may be, changes.

2.3 **Payment of interest.** Interest is calculated on the applicable balance at the end of each day. Interest is payable in arrears once a month on the day required by CIBC, unless otherwise specified in this Agreement.

2.4 **Interest Rate Applicable to Credit Limit Excesses.** To determine whether the Interest Rate Applicable to Credit Limit Excesses is to be charged, the following rules apply:

(a) The Interest Rate Applicable to Credit Limit Excesses will be charged on the amount that exceeds the limit of any particular Credit.

(b) If there are several parts of a Credit, the Interest Rate Applicable to Credit Limit Excesses will be charged if the limit of a particular part is exceeded. For example, if Credit A's limit is $250,000, and the limit of one part of Credit A is $100,000 and the limit of that part is exceeded by $25,000, the Interest Rate Applicable to Credit Limit Excesses will be charged on that $25,000 excess, even if the total amount outstanding under Credit A is less than $250,000.

(c) To determine if the limit of a Credit has been exceeded, any amounts in a currency other than the currency in which the limit is designated will be converted into that currency, as described in section 2.11 of this Schedule.

2.5 **Interest on Overdue Amounts.** Except as otherwise specified herein, if any principal is not paid when due, such overdue principal will bear interest (as well after as before judgement), payable on demand, at the interest rate applicable to such principal prior to default, and interest will be payable on overdue interest (as well after as before judgement) at the same rate as is applicable to the related principal. If any amount is not paid by the Borrower when due and there is no interest otherwise applicable to such amount specified herein, such overdue amount will bear interest (as well after as before judgement), payable on demand, at a rate per annum equal at all times to the Prime Rate plus 5% (in the case of any such amount payable in Canadian dollars) or the US Base Rate plus 5% (in the case of any such amount payable in US dollars) from the date of non-payment until paid in full.

2.6 **Reductions of Limit of Credits.** On or prior to each date on which the limit of any Credit is reduced, the Borrower will repay such outstanding amounts thereunder, if any, as are necessary so that, after giving effect to the repayment, the total of all amounts outstanding under such Credit does not exceed the limit as so reduced.

2.7 **Payments.** If any payment is due on a day other than a Business Day, such payment will be due on the next Business Day.

2.8 **CIBC's pricing policy.** The fees, interest rates and other charges for the Borrower's banking arrangements with CIBC are dependent upon each other. Accordingly, if the Borrower cancels or does not follow through with, in the manner originally contemplated, any of these arrangements, CIBC reserves the right to require payment by the Borrower of increased or added fees, interest rates and charges as a condition of the continuation of the Borrower's banking arrangements.

2.9 **Calculations.** The following terms apply to all calculations under the Credits:

(a) CDOR, Federal Funds Rate, Bankers' Acceptance Yield, LIBO Rate, Prime Rate and US Base Rate shall be determined by CIBC if and whenever such determination is required for the purpose of this Agreement, and such determination by CIBC shall be conclusive evidence of such rate.

(b) Except as provided in the next sentence, all interest and fees hereunder shall be computed on the basis of the actual number of days elapsed divided by 365. Interest on each LIBOR Loan shall be computed on the basis of the actual number of days elapsed divided by 360. Any such applicable interest rate, expressed as an annual rate of interest for the purpose of the *Interest Act* (Canada), shall be equivalent to such applicable interest rate multiplied by the actual number of days in the calendar year in which the same is to be determined and divided by 365 or 360, as the case may be.

(c) In calculating interest or fees payable hereunder for any period, unless otherwise specifically stated, the first day of such period shall be included and the last day of such period shall be excluded.

2.10 **CIBC's Records.** CIBC's loan accounting records will provide conclusive evidence of all terms and conditions of the Credits such as principal loan balances, interest calculations, and payment dates.

2.11 **Foreign Currency Conversion.** If it is necessary for any purpose relating to the Credits that an amount denominated in a currency other than Canadian dollars be expressed in or equated to an amount of Canadian dollars (such as, for example, to determine whether amounts denominated in US dollars that are outstanding under a Credit which has a limit specified in Canadian dollars exceed the limit of such Credit so as to make applicable the Interest Rate Applicable to Credit Limit Excesses), the applicable amount of Canadian dollars shall be determined by CIBC in accordance with its normal practice.

2.12 **Deemed Re-Investment Principle.** For the purpose of the *Interest Act* (Canada) and any other purpose, the principle of deemed re-investment of interest is not applicable to any calculation under this Agreement, and the rates of interest and fees specified in this Agreement are intended to be nominal rates and not effective rates or yields.

2.13 **Certain Definitions.** If and whenever required for the purpose of this Agreement, the following terms have the following definitions:

"CDOR" means, for any day, the average of the annual discount rates for bankers' acceptances denominated in Canadian dollars of certain banks named in Schedule 1 to the *Bank Act* (Canada) for a specified term and face amount that appears on the CDOR page of the Reuters Screen as of 10:00 a.m. on such day (or, if such day is not a Business Day, as of 10:00 a.m. on the next preceding Business Day).

"Federal Funds Rate" means, for any day, an annual interest rate equal to the weighted average of the rates on overnight United States federal funds transactions with members of the Federal Reserve System arranged by United States federal funds brokers, as published for such day (or, if such day is not a business day in New York, for the next

preceding business day in New York) by the Federal Reserve Bank of New York, or for any such business day on which such rate is not so published, the arithmetic average of the quotations for such day on such transactions received by CIBC from three United States federal funds brokers of recognized standing selected by it.

"Interest Rate Applicable to Credit Limit Excesses" means the annual interest rate generally established by CIBC from time to time for the purpose of calculating interest on overdrafts in accounts maintained with CIBC in Canada.

"Prime Rate" means a fluctuating annual interest rate equal at all times to the greater of (i) the reference rate of interest (however designated) of CIBC for determining interest chargeable by it on loans in Canadian dollars made in Canada and (ii) 3/4 of 1% per annum above the CDOR for 30-day bankers' acceptances from time to time.

"US Base Rate" means a fluctuating annual interest rate equal at all times to the greater of (i) the reference rate of interest (however designated) of CIBC for determining interest chargeable by it on loans in US dollars made in Canada, and (ii) 3/4 of 1% per annum above the Federal Funds Rate from time to time.

3. NOTICE OF BORROWING; NOTICE OF REPAYMENT; OVERDRAFTS

3.1 **Notice of Borrowing.** Whenever the Borrower desires to obtain any amount under a Credit (other than a loan by way of a permitted overdraft), it will give to CIBC irrevocable prior written notice (a "Notice of Borrowing") specifying the Credit under which such amount is to be obtained and the particulars of such amount including the term of any Bankers' Acceptances, the term of any LIBOR Period, the particulars of all maturing Bankers' Acceptances in the case of a rollover or conversion of Bankers' Acceptances, and the Business Day on which such amount is to be obtained. No amount shall be obtained if the term thereof or any LIBOR Period applicable thereto would mature beyond any scheduled repayment or reduction date for the applicable Credit and all or any part of such amount will be required to be repaid on such date. The amount to be obtained under any Credit at any time shall not exceed the undisbursed amount of that Credit at such time. CIBC will not be obliged to make available at any time LIBOR Loans in an aggregate amount less than US $1,000,000. A notice requesting any loan in an amount exceeding $10,000,000 or US $10,000,000 (other than a LIBOR Loan) must be given not later than 10:00 a.m. on the Business Day preceding the applicable borrowing date; a notice requesting any Bankers' Acceptances in an amount exceeding $10,000,000 must be given not later than 10:00 a.m. on the second Business Day preceding the applicable borrowing date; and a notice requesting any LIBOR Loan must be given not later than 10:00 a.m. on the third Business Day preceding the applicable borrowing date.

3.2 **Notice of Repayment.** Whenever the Borrower desires to make any repayment or repayments under one or more of the Credits in an aggregate amount exceeding $10,000,000 (or an equivalent amount in any other currency) on any day, it will give to CIBC irrevocable written notice specifying the particulars of such repayment not later than 10:00 a.m. on the Business Day preceding the applicable repayment date.

3.3 **Overdrafts.** If the Borrower is entitled under any Credit to obtain loans in Canadian dollars or US dollars by way of overdraft, the debit balance in the Borrower's applicable

Operating Account from time to time will be deemed to be a loan in Canadian dollars or US dollars, as the case may be, outstanding to the Borrower under such Credit and bearing interest as set out in this Agreement for loans in such currency under such Credit. If at any time the Borrower is a party to a cash concentration arrangement with CIBC, the amount of any overdraft from time to time in the Canadian dollar or US dollar concentration account of the Borrower established pursuant to such arrangement will also be deemed to be a loan in Canadian dollars or US dollars, as applicable, outstanding to the Borrower under the applicable Credit and bearing interest as set out above on the basis of the Prime Rate or the US Base Rate, as the case may be.

4. INDEMNITIES

4.1 **Reserve Indemnity.** If subsequent to the date of this Agreement any change in or introduction of any applicable law, or compliance by CIBC with any request or directive by any central bank, superintendent of financial institutions or other comparable authority, shall subject CIBC to any tax with respect to the Credits or change the basis of taxation of payments to CIBC of any amount payable under the Credits (except for changes in the rate of tax on the overall net income of CIBC), or impose any capital maintenance or capital adequacy requirement, reserve requirement or similar requirement with respect to the Credits, or impose on CIBC or the London interbank market (in the case of any matter relating to any actual or requested LIBOR Loan), any other condition or restriction, and the result of any of the foregoing is to increase the cost to CIBC of making or maintaining the Credits or any amount thereunder or to reduce any amount otherwise received by CIBC under the Credits, CIBC will promptly notify the Borrower of such event and the Borrower will pay to CIBC such additional amount calculated by CIBC as is necessary to compensate CIBC for such additional cost or reduced amount received. A certificate of CIBC as to any such additional amount payable to it and containing reasonable details of the calculation thereof shall be conclusive evidence thereof.

4.2 **Currency Indemnity.** Interest and fees hereunder shall be payable in the same currency as the principal to which they relate. Any payment on account of an amount payable in a particular currency (the "proper currency") made to or for the account of CIBC in a currency (the "other currency") other than the proper currency, whether pursuant to a judgement or order of any court or tribunal or otherwise and whether arising from the conversion of any amount denominated in one currency into another currency for any purpose, shall constitute a discharge of the Borrower's obligation only to the extent of the amount of the proper currency which CIBC is able, in the normal course of its business within one Business Day after receipt by it of such payment, to purchase with the amount of the other currency so received. If the amount of the proper currency which CIBC is able to purchase is less than the amount of the proper currency due to CIBC, the Borrower shall indemnify and save CIBC harmless from and against any loss or damage arising as a result of such deficiency.

4.3 **Tax Indemnity.** All payments by the Borrower under this Agreement shall be made free and clear of, and without reduction for or on account of, any present or future income, stamp or other taxes, levies, imposts, duties, charges, fees, deductions or withholdings, other than taxes imposed on the overall net income of CIBC or franchise taxes, taxes on doing business or taxes measured by the capital or net worth of CIBC (collectively "Excluded Taxes"), now or hereafter imposed, levied, collected, withheld or assessed by any country or any political subdivision thereof (collectively "Taxes"); provided, however, that if any Taxes are required to be withheld

from any interest or other amount payable to the CIBC hereunder, the amount so payable to the CIBC shall be increased to the extent necessary to yield to CIBC, on a net basis after payment of all Taxes and after payment of all Excluded Taxes imposed by any relevant jurisdiction on any additional amounts payable under this section, interest or any such other amount payable hereunder at the rate or in the amount specified in this Agreement. The Borrower shall be fully liable and responsible for and shall, promptly following receipt of a request from CIBC, pay to CIBC any and all sales, goods and services taxes payable under the laws of Canada or any political subdivision thereof with respect to any and all goods and services made available hereunder to the Borrower by CIBC, and such taxes shall be included in the definition of "Taxes" for all purposes hereof. Whenever any Taxes are payable by the Borrower, as promptly as possible thereafter it shall send to CIBC, a certified copy of an original official receipt showing payment thereof. If the Borrower fails to pay any Taxes when due or fails to remit to CIBC as aforesaid the required documentary evidence thereof, the Borrower shall indemnify and save harmless CIBC from any incremental taxes, interest, penalties or other liabilities that may become payable by CIBC or to which CIBC may be subjected as a result of any such failure. A certificate of CIBC as to the amount of any such taxes, interest or penalties and containing reasonable details of the calculation thereof shall be *prima facie* evidence thereof.

4.4 **Default Indemnity.** The Borrower shall indemnify and save harmless CIBC from all claims, demands, liabilities, damages, losses, costs, charges and expenses, including any loss or expense arising from interest or fees payable by CIBC to lenders of funds obtained by it in order to make or maintain any amount under the Credits and any loss or expense incurred in liquidating or re-employing deposits from which such funds were obtained, which may be incurred by CIBC as a consequence of (i) default by the Borrower in the payment when due of any amount hereunder or the occurrence of any other default relative to any of the Credits, (ii) default by the Borrower in obtaining any amount after the Borrower has given notice hereunder that it desires to obtain such amount, (iii) default by the Borrower in making any optional repayment of any amount after the Borrower has given notice hereunder that it desires to make such repayment, or (iv) the repayment by the Borrower of any LIBOR Loan otherwise than on the expiration of any applicable LIBOR Period, or the repayment of any loan on which interest is payable at a fixed annual rate otherwise than on the expiration of the fixed interest rate period applicable thereto, or the repayment of any other amount otherwise than on any specified maturity date thereof. A certificate of CIBC as to any such loss or expense and containing reasonable details of the calculation thereof shall be *prima facie* evidence thereof.

5. CONDITIONS PRECEDENT

5.1 Conditions Precedent to the Initial Amount

CIBC shall not be obliged to make available the initial amount under the Credits unless:

CIBC shall have received the Security, which shall have been duly registered and filed as required hereby.

CIBC shall have received such financial and other information relating to the Borrower and its Subsidiaries, and any guarantor, as it shall have reasonably requested.

(a) CIBC shall have received confirmation of all insurance maintained by the Borrower and its Subsidiaries, and such insurance shall comply with the requirements of this Agreement.

The Borrower shall have paid to CIBC all fees and other amounts which shall have become due and payable by it to CIBC on or prior to the initial borrowing date.

The following documents in form, substance and execution acceptable to CIBC shall have been delivered to CIBC:

(i) a certified copy of the constating documents and by-laws of each of the Borrower and its Subsidiaries, and of each corporate guarantor, and of all corporate proceedings taken and required to be taken by each of them to authorize the execution and delivery of such of this Agreement and the Security to which it is a party and the performance of the transactions by it contemplated therein;

(ii) a certificate of incumbency for each of the Borrower and its Subsidiaries, and for each corporate guarantor, setting forth specimen signatures of the persons authorized to execute such of this Agreement and the Security to which it is a party;

(iii) such legal opinions addressed to CIBC relative to the Borrower, this Agreement and the Security as CIBC may require; and

(iv) such other documents relative to this Agreement and the transactions contemplated herein as CIBC may reasonably require.

5.2 **Conditions Precedent to All Amounts**

CIBC shall not be obliged to make available any amount under the Credits unless:

(a) CIBC shall have received any applicable Notice of Borrowing.

On the applicable borrowing date the Borrower shall not have failed to observe or perform any of its covenants in this Agreement, and the Borrower shall have delivered to CIBC, if so requested by CIBC, an Officers' Certificate to such effect.

The representations and warranties contained in this Agreement shall be true on and as of the applicable borrowing date with the same effect as if such representations and warranties had been made on and as of the applicable borrowing date, and the Borrower shall have delivered to CIBC, if so requested by CIBC, an Officers' Certificate to such effect.

All other conditions specified herein, to the extent not previously satisfied for any reason, other shall have been satisfied.

(e) In respect of any amount that would result in the aggregate amount outstanding under the Credits being increased, there shall not have occurred subsequent to the date of last annual financial statements of the Borrower, in the opinion of CIBC, any event which (individually or with any other events) has had, or which has a reasonable possibility of having, a Material Adverse Effect.

6 REPRESENTATIONS AND WARRANTIES

6.1 Representations and Warranties. To induce CIBC to establish and maintain the Credits, the Borrower represents and warrants as follows:

(a) Each of the Borrower and its Subsidiaries has all necessary power and authority to own its property, to carry on the business carried on by it, to enter into and perform its obligations under such of this Agreement and the Security to which it is a party, and in the case of the Borrower to obtain amounts under the Credits. Each of the Borrower and its Subsidiaries is in compliance with all applicable laws except to the extent that the failure to comply therewith would not, in the aggregate, have, or reasonably be expected to have, a Material Adverse Effect.

(b) The Borrower has taken all action necessary to be taken to authorize the execution and delivery of and the performance of its obligations under this Agreement and the Security, and the obtaining of amounts under the Credits. Except as has been obtained and is in full force and effect, no consent, waiver or authorization of, or filing with or notice to, any person is required to be obtained in connection with the execution and delivery of and the performance by each of the Borrower and its Subsidiaries of its obligations under this Agreement and the Security, or the obtaining by the Borrower of amounts under the Credits. This Agreement and the Security have been duly executed and delivered by each of the Borrower and its Subsidiaries as are parties thereto, and constitute the legal, valid and binding obligation of each of them enforceable in accordance with their terms.

(c) The execution and delivery by the Borrower and its Subsidiaries of this Agreement and the Security and the performance by them of their obligations thereunder, and the obtaining by the Borrower of amounts under the Credits, will not conflict with or result in a breach of any applicable law, and will not conflict with or result in a breach of or constitute a default under, or permit the termination of, or cause any material right of any of the Borrower and its Subsidiaries to be adversely affected under, any of the provisions of its constating documents or by-laws or any agreement, permit, instrument, judgement, injunction or other contractual obligation to which it is a party or by which it is bound, or result in the creation or imposition of any Lien (other than the Security) upon any of its property or assets.

(d) Except as disclosed in writing by the Borrower to CIBC prior to the date of this Agreement with specific reference to this paragraph or, with respect to events occurring subsequent to the date of this Agreement, as the Borrower has otherwise disclosed in writing to CIBC with specific reference to this paragraph, there is no action, suit or proceeding (whether or not purportedly on behalf of any

of the Borrower and its Subsidiaries) pending or, to the knowledge of the Borrower, threatened, against or affecting any of its Borrower and its Subsidiaries before any court or before or by any governmental department, commission or agency, in Canada or elsewhere, or before any arbitrator or board, and none of the Borrower and its Subsidiaries is in default with respect to any order or award of any arbitrator or government department, commission or agency.

(e) The Borrower has delivered to CIBC a true and complete copy of its most recent financial statements, and such financial statements present fairly the financial position of the Borrower, in accordance with GAAP, as of the date thereof and for the fiscal period then ended. All financial statements of the Borrower delivered by the Borrower to CIBC after the date of this Agreement will present fairly the financial position of the Borrower, in accordance with GAAP, as of the dates thereof and for the fiscal periods then ended.

(f) Since the date of the most recent financial statements of the Borrower delivered to CIBC, there has occurred no event which (individually or with any other events) has had, or which may reasonably be expected to have, a Material Adverse Effect.

(g) The Borrower has not failed to observe or perform (beyond any period of grace permitted by CIBC) any of its covenants in this Agreement.

(h) Except as disclosed in writing by the Borrower to CIBC prior to the date of this Agreement with specific reference to this paragraph, to the best knowledge of the Borrower, (i) the business carried on and the property owned or used at any time by any of the Borrower and its Subsidiaries and their respective predecessors (including the lands owned or occupied by any of them and the waters on or under such lands) have at all times been carried on, owned or used in compliance with all environmental laws; (ii) none of the Borrower and its Subsidiaries is subject to any proceeding alleging the violation of any environmental law, and no part of its business or property is the subject of any proceeding to evaluate whether remedial action is needed as a result of the release from or presence of any hazardous substance on any lands owned or occupied by it; (iii) there are no circumstances that could reasonably be expected to give rise to any civil or criminal proceedings or liability regarding the release from or presence of any hazardous substance on any lands used in or related to the business or property of any of the Borrower and its Subsidiaries or on any lands on which any of the Borrower and its Subsidiaries has disposed or arranged for the disposal of any materials arising from the business carried on by it, or regarding the violation of any environmental law by any of the Borrower and its Subsidiaries or by any other person for which it is responsible; (iv) all hazardous substances disposed of, treated or stored on lands owned or occupied by any of the Borrower and its Subsidiaries have been disposed of, treated and stored in compliance with all environmental laws; (v) there are no proceedings and there are no circumstances or material facts which could give rise to any proceeding in which it is or could be alleged that any of the Borrower and its Subsidiaries is responsible for any domestic or foreign clean up or remediation of lands contaminated by hazardous substances or for any other remedial or corrective action under any environmental laws; (vi) each of the

Borrower and its Subsidiaries has maintained all environmental and operating documents and records relating to its business and property in the manner and for the time periods required by any environmental laws and has never had conducted an environmental audit of its business or property; and (vii) the Borrower is not aware of any pending or proposed change to any environmental law which would render illegal or materially adversely affect its business or property.

(i) No representation or warranty made by the Borrower herein or in any other document furnished to CIBC from time to time contains or will contain any untrue statement of a material fact or omits or will omit to state any material fact necessary to make the statements herein or therein, in light of the circumstances under which they are made, not misleading. All projections and *pro forma* information delivered to CIBC from time to time by the Borrower were prepared in good faith based on assumptions believed by the Borrower to be reasonable at the time of delivery. There is no fact known to the Borrower on the date of this Agreement which has had, or which has a reasonable possibility of having, a Material Adverse Effect.

6.2 **Survival.** All representations and warranties contained in this Agreement shall survive the execution and delivery of this Agreement and the obtaining of amounts under the Credits, and the delivery of each Notice of Borrowing and the obtaining of any amount under any Credit shall constitute a reaffirmation on and as of such delivery date and such borrowing date, in each case by reference to the then-existing facts and circumstances, of all representations and warranties contained in this Agreement.

7. FINANCIAL COVENANTS

7.1 **Calculation.** All financial covenants will be calculated including the Borrower and its Subsidiaries on a consolidated basis, and each amount derived from the Borrower's profit and loss statement shall be calculated as the total of such amount during the Borrower's four most recently-completed fiscal quarters (or, if agreed upon by CIBC in its sole discretion, during the Borrower's most recently-completed fiscal year), as shown in the Borrower's most recent financial statements delivered to CIBC.

7.2 **Certain Definitions.** In this Agreement the following terms have the following meanings:

"Adjusted Debt Service Ratio" means, for any period, the ratio of the sum of (i) EBITDA for such period, (ii) all management bonuses and similar payments deducted in the calculation of such EBITDA but not paid out during such period (and with respect to which the entitlement to receive payment thereof has been postponed in a manner satisfactory to CIBC) and (iii) all management bonuses and similar payments deducted in the calculation of such EBITDA and paid out during such period, and which have then been loaned back to the Borrower during such period by way of Postponed Debt, to Debt Service Requirements all calculated on a consolidated basis.

"Adjusted Fixed Charge Coverage Ratio" means, for any period, the ratio of (a) the sum of (i) EBITDA for such period, (ii) all management bonuses and similar payments deducted in the calculation of such EBITDA but not paid out during such period (and with respect to which the entitlement to receive payment thereof has been postponed in a manner satisfactory to CIBC) and (iii) all management bonuses and similar payments deducted in the calculation of such EBITDA and paid out during such period, and which have then been loaned back to the Borrower during such period by way of Postponed Debt to (b) the sum of (i) Debt Service Requirements for such period, (ii) cash income taxes for such period and (iii) Unfunded Capital Expenditures for such period.

"Capitalization" means Debt plus Shareholders' Equity plus minority interest.

"Cash Interest Coverage Ratio" means the ratio of EBITDA to Interest Expense calculated on a consolidated basis.

"Current Assets" means assets that would be shown as current assets on a consolidated balance sheet of the Borrower prepared in accordance with GAAP, and would include such assets as cash, accounts receivable, inventory and other assets that are likely to be converted into cash, sold, exchanged or expended in the normal course of business within one year or less, but shall exclude for the purpose of this definition all amounts due from Affiliates.

Current Liabilities" means liabilities that would be shown as current liabilities on a consolidated balance sheet of the Borrower prepared in accordance with GAAP, and would include such liabilities as Debt that is or will become payable within one year or one operating cycle, whichever is longer, accounts payable, accrued expenses and deferred revenue. For clarification purposes, only scheduled principal repayments of CIBC demand instalment loans will be included as Debt rather than the entire balance.

"Current Ratio" means the ratio of Current Assets to Current Liabilities.

"Debt" means, with respect to any person, (i) an obligation of such person for borrowed money, (ii) an obligation of such person evidenced by a note, bond, debenture or other similar instrument, (iii) an obligation of such person for the deferred purchase price of property or services, excluding trade payables and other accrued current liabilities incurred in the ordinary course of business in accordance with customary commercial terms, (iv) a capitalized lease obligation of such person, (v) a guarantee, indemnity, or financial support obligation of such person, determined in accordance with GAAP, (vi) an obligation of such person or of any other person secured by a Lien on any property of such person, even though such person has not otherwise assumed or become liable for the payment of such obligation, (vii) an obligation arising in connection with an acceptance facility or letter of credit issued for the account of such person, or (viii) a share in the capital of such person that is redeemable by such person either at a fixed time or on demand by the holder of such share (valued at the maximum purchase price at which such person may be required to redeem, repurchase or otherwise acquire such share).

"Debt to Capitalization" means the ratio of all Debt of the Borrower and its Subsidiaries on a consolidated basis, to Capitalization.

"Debt to EBITDA Ratio" means the ratio of all Debt of the Borrower and its Subsidiaries, to EBITDA all calculated on a consolidated basis.

"Debt Service Ratio" means the ratio of EBITDA to Debt Service Requirements on a consolidated basis.

"Debt Service Requirements" means (i) all permanent principal payments in respect of Debt made or required to be made during such period, (ii) Interest Expense for such period, and (iii) all dividends paid during such period on all preferred shares of the Borrower. For clarification purposes, only scheduled principal payments of CIBC demand instalment loans will be included in i) rather than the entire balance.

"Debt to Equity Ratio" means the ratio of all Debt of the Borrower and its Subsidiaries on a consolidated basis, to Shareholders' Equity.

"Debt to Tangible Net Worth Ratio" means the ratio of all Debt of the Borrower and its Subsidiaries on a consolidated basis, to Tangible Net Worth.

"EBIT" means, for any period, Net Income for such period plus all amounts deducted in the calculation thereof on account of Interest Expense and income taxes.

"EBITDA" means, for any period, Net Income for such period plus all amounts deducted in the calculation thereof on account of Interest Expense, income taxes, depreciation and amortization.

"Effective Tangible Net Worth" means the sum of (i) Shareholders' Equity less all amounts due from Affiliates and all Intangibles, and (ii) Postponed Debt.

"Fixed Charge Coverage Ratio" means the ratio of EBITDA to the sum of (i) Debt Service Requirements, [and] (ii) cash income taxes [and (iii) capital expenditures for such period] [and (iii) Unfunded Capital Expenditures for such period] all calculated on a consolidated basis.

"Intangible" includes without limitation such personal property as goodwill; copyrights, patents and trademarks; franchises; licences, leases; research and development costs; and deferred development costs.

"Interest Coverage Ratio" means the ratio of EBIT [EBITDA less capital expenditures for such period] to Interest Expense all calculated on a consolidated basis.

"Interest Expense" means, for any period, the aggregate amount accrued (whether or not payable or paid) during such period in accordance with GAAP on account of (i) interest expense including amortization of debt discount and debt issuance costs, capitalized interest, standby fees, commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptances and (ii) the interest expense components of all capitalized lease obligations.

"Net Income" means, for any period, the consolidated net income (loss) of the Borrower for such period, calculated in accordance with GAAP [before extraordinary items] [but excluding (i) the income (or loss) of any person accrued prior to the date it becomes a Subsidiary of the Borrower or is amalgamated with or consolidated into the Borrower or into any of its Subsidiaries or such person's property is acquired by the Borrower or any of its Subsidiaries, and (ii) any after-tax gains (but not pre-tax losses) attributable to dispositions of property out of the ordinary course of business].

"Postponed Debt" means any Debt for borrowed money of any of the Borrower and its Subsidiaries that is incurred at such time as no failure by the Borrower to perform or observe any of its covenants in this Agreement is continuing or would be created by the incurrence thereof (to be evidenced by *pro forma* financial statements delivered to CIBC) and which has the following attributes: (i) no principal thereof is repayable so long as any amount is owed by the Borrower to CIBC (or until such earlier date as CIBC may agree upon in writing), (ii) no covenant with respect to such Debt is more onerous than or in addition to the covenants specified herein, and (iii) all rights of the holder of such Debt are postponed and subordinated to all rights of CIBC under or in respect of the Credits pursuant to a subordination agreement containing payment and non-payment default standstills and other provisions satisfactory in form and substance to CIBC.

"Restricted Payments" means any payment by any person (i) of any dividends on any of its shares, (ii) on account of the purchase, redemption or other acquisition of any of its shares or any rights to acquire any such shares, or any other distribution in respect of any of its shares, (iii) of any principal, interest or other amount in respect of any Postponed Debt, or (iv) by way of gift or other gratuity or in an amount exceeding an arms-length amount to any of its shareholders or affiliates or to any director or officer thereof.

"Senior Debt" means all Debt of the Borrower and its Subsidiaries, less all Postponed Debt.

"Senior Debt to EBITDA Ratio" means the ratio of Senior Debt to EBITDA on a consolidated basis.

"Senior Debt to Effective Tangible Net Worth Ratio" means the ratio of all Senior Debt of the Borrower and its Subsidiaries on a consolidated basis, to Effective Tangible Net Worth.

"Shareholders' Equity" means the amount which would, in accordance with GAAP, then be included as shareholders' equity on a consolidated balance sheet of the Borrower.

"Tangible Net Worth" means Shareholders' Equity less all amounts that would be included on a consolidated balance sheet of the Borrower as amounts owed by any Affiliate of the Borrower or as Intangibles.

"Total Liabilities to Tangible Net Worth Ratio" means the ratio of all amounts that would be included as liabilities on a consolidated balance sheet of the Borrower, to Tangible Net Worth.

"Unfunded Capital Expenditures" means capital expenditures that are not specifically financed with long term Debt.

"Working Capital" means the excess of Current Assets over Current Liabilities.

8. BANKERS' ACCEPTANCES

8.1 **Power of Attorney.** To facilitate the issuance of Bankers' Acceptances under the Credits, the Borrower appoints CIBC to execute, endorse and deliver on behalf of the Borrower drafts in the form or forms prescribed by CIBC for bankers' acceptances denominated in Canadian dollars (each such executed draft which has not yet been accepted by CIBC is referred to herein as a "Draft"). Each Bankers' Acceptance executed and delivered by CIBC on behalf of the Borrower as provided herein shall be binding upon the Borrower as if it had been executed and delivered by a duly authorized officer or officers of the Borrower.

8.2 **Drafts.** Notwithstanding the above section, the Borrower will from time to time provide to CIBC if so required by CIBC an appropriate number of Drafts drawn by the Borrower upon CIBC and payable and endorsed as specified by CIBC. The dates, maturity dates and face amounts of all Drafts delivered by the Borrower shall be left blank, to be completed by CIBC as required. All such Drafts shall be held by CIBC subject to the same degree of care as if they were such Lender's own property. CIBC will, upon written request by the Borrower, advise the Borrower of the number and designations, if any, of the Drafts of the Borrower then held by it. CIBC shall not be liable for its failure to accept a Draft as required hereby if the cause of such failure is, in whole or in part, due to the failure of the Borrower to provide appropriate Drafts to CIBC on a timely basis.

8.3 **Term and Amount.** The term of all Bankers' Acceptances issued pursuant to any Notice of Borrowing must be identical. Each Bankers' Acceptance shall be in a face amount of $100,000 or any whole multiple thereof, and the aggregate face amount of Bankers' Acceptances issued pursuant to any Notice of Borrowing must not be less than $500,000. Each Bankers' Acceptance will be dated the date on which it is issued, and will be for a term of one, two, three or six months or such other period as may be agreed to by CIBC.

8.4 **Calculation of Fee.** The fee for any Bankers' Acceptance will be calculated, at the rate specified, on the basis of the face amount and term of such Bankers' Acceptance.

8.5 **Payment of Fee.** Upon acceptance of a Draft the Borrower will pay to CIBC the related fee specified in this Agreement, and to facilitate payment CIBC will be entitled to deduct and retain for its own account the amount of such fee from the amount to be paid by CIBC to the Borrower as the purchase price for the resulting Bankers' Acceptance.

8.6 **Purchase by CIBC.** Each Bankers' Acceptance will be purchased by CIBC for a price which produces a yield thereon equal to the Bankers' Acceptance Yield then in effect. Such price will be credited by CIBC to the applicable Operating Account.

8.7 **No Market.** If CIBC determines in good faith, which determination will be conclusive and binding on the Borrower, and so notifies the Borrower, that there does not exist at the applicable time a normal market in Canada for the purchase and sale of bankers' acceptances,

then notwithstanding any other provision hereof any obligation of CIBC to purchase Bankers' Acceptances will be suspended until CIBC determines that such market does exist and gives notice thereof to the Borrower, and any Notice of Borrowing requesting Bankers' Acceptances will be deemed to be a Notice of Borrowing requesting Loans in Canadian dollars in a similar aggregate principal amount.

8.8 **Payment on Maturity.** On the maturity of each Bankers' Acceptance the Borrower will pay to CIBC, for the account of the holder of such Bankers' Acceptance, Canadian dollars in an amount equal to the face amount of such Bankers' Acceptance. The obligation of the Borrower to make such payment is absolute and unconditional, and will not be prejudiced by the fact that the holder of any such Bankers' Acceptance is CIBC. No days of grace may be claimed by the Borrower for the payment at maturity of any Bankers' Acceptance. If the Borrower does not make such payment, the amount of such payment shall be deemed to be a loan in Canadian dollars made to the Borrower by CIBC and payable on demand. The Borrower hereby confirms the application of the proceeds of such loan in payment of the liability of the Borrower with respect to the related Bankers' Acceptance.

8.9 **Cash Collateralization.** If any Bankers' Acceptance is outstanding at any time that an Event of Default occurs, the Borrower will forthwith upon demand by CIBC pay to CIBC, for the account of the holder of such Bankers' Acceptance, Canadian dollars in an amount equal to the face amount thereof. Such funds shall be held by CIBC for payment of the liability of the Borrower in respect of such Bankers' Acceptance on the maturity thereof.

8.10 **Signatures on Drafts.** The signature of any duly authorized officer of the Borrower on a Draft may be mechanically reproduced in facsimile, and all Drafts bearing such facsimile signature shall be binding upon the Borrower as if they had been manually signed by such officer, notwithstanding that such person whose manual or facsimile signature appears on such Draft may no longer hold office at the date thereof or at the date of acceptance of such Draft by CIBC or at any time thereafter.

8.11 **Undisbursed Credit.** For the purpose of calculating the undisbursed amount of any Credit and for any other relevant provision of this Agreement, the amount constituted by any Bankers' Acceptance shall be the face amount thereof.

8.12 **Certain Definitions.** In this Agreement the following terms shall have the following meanings:

"Bankers' Acceptance" or "B/A" means a Draft which has been accepted by CIBC pursuant to a Credit.

"Bankers' Acceptance Yield" means, with respect to any Bankers' Acceptance to be purchased by CIBC at any time, the annual yield resulting from the price at which CIBC is offering to purchase at such time bankers' acceptances accepted by it having a term identical to such Bankers' Acceptance and in a comparable face amount to the Bankers' Acceptances to be purchased by CIBC from the Borrower at such time.

"face amount" means, with respect to any Bankers' Acceptance, the principal amount thereof payable on the maturity thereof.

9. LETTERS OF CREDIT

The following terms apply to each Letter of Credit issued by CIBC for the Borrower whether issued under any Credit or otherwise.

9.1 Reimbursement, Payment or Prepayment. The Borrower agrees, forthwith upon demand by CIBC, to provide CIBC with cash in the proper currency to meet each drawing that CIBC is required to pay under an L/C or to reimburse CIBC for each drawing that CIBC has paid under an L/C. If we demand payment of any Credit under which a Letter of Credit is outstanding, or if the Borrower elects to permanently repay or terminate any Credit under which a Letter of Credit is outstanding, the Borrower must provide CIBC with cash, in the same currency as the L/C, or marketable securities satisfactory to us (collectively the "Cash Collateral") in an amount equal to CIBC's maximum potential liability under the L/C. The Cash Collateral will be held by us as security for, and may be applied to satisfy obligations under the L/C or otherwise under any Credit. We shall release any Cash Collateral that is no longer required for such purposes.

9.2 Neither CIBC nor any of its correspondents shall be liable for the use which may be made with respect to any L/C; any acts or omissions of the beneficiary of any L/C including the application of any payment made to such beneficiary; the form, validity, sufficiency, correctness, genuineness or legal effect of any document relating to any L/C, even if such document should prove to be in any respect invalid, insufficient, inaccurate, fraudulent or forged; any failure of the beneficiary of any L/C to meet the obligations of such beneficiary to the Borrower or to any other person; or any failure by CIBC to make payment under any L/C as a result of any law, control or restriction rightfully or wrongfully exercised or imposed by any domestic or foreign court or government or governmental authority or as a result of any other cause beyond the control of CIBC. The obligations of the Borrower under this Clause 9 are absolute and unconditional under all circumstances including without limitation any matter referred to above.

9.3 Indemnity. The Borrower hereby indemnifies and agrees to hold CIBC harmless from all losses, damages, costs, demands, claims, expenses (including out-of-pocket expenses) and other consequences which CIBC may incur, sustain or suffer, other than as a result of its own negligence or wilful misconduct, as a result of issuing or amending an L/C, including legal and other expenses incurred by CIBC in any action to compel payment by CIBC under an L/C or to restrain CIBC from making payment under an L/C. Any amounts due under this indemnity shall form part of the Debt.

9.4 L/C Fees. Unless the Borrower has made other arrangements with us, we will automatically debit the operating account of the Borrower for all fees payable with respect to L/Cs. Any Overdraft in the operating account in excess of any Credit Limit attached to the operating account will bear interest at the Excess Interest Rate.

9.5 Standard Agreements. The terms and conditions of our standard Application for Irrevocable Documentary Credit or Application for Standby Letter of Credit, as applicable, and any of our other standard documentation relating to L/C's, in effect from time to time will be applicable to each L/C whether or not any such Application or other documentation has been executed by or on behalf of the Business. A copy of any such Application or other documentation is available from CIBC.

9.6 Unless otherwise specified in the applicable Application or other documentation referred to above, and subject to any provision herein to the contrary, each L/C shall be subject to the Uniform Customs and Practice for Documentary Credits or the International Standby Practices, as applicable, of the International Chamber of Commerce current at the time of issuance of such L/C.

9.7 Cash Collateralization. If any Letter of Credit is outstanding at any time that the Borrower has failed to perform or observe (beyond any period of grace permitted by CIBC) any of its covenants in this Agreement, the Borrower will forthwith pay to CIBC, in the currency of such Letter of Credit, funds in an amount equal to the total maximum actual and contingent liability of CIBC pursuant thereto. Such funds will be held by CIBC for payment of the liability of the Borrower in respect of such Letter of Credit, and any excess thereof will be applied to any other liabilities of the Borrower pursuant to the Credits or will be returned to the Borrower at such time as no such liabilities exist or may arise.

9.8 Undisbursed Credit. For the purpose of calculating the undisbursed amount of any Credit and for any other relevant provision of this Agreement, the amount constituted by any Letter of Credit shall be the total maximum actual and contingent liability of CIBC pursuant thereto.

9.9 Definitions. In this Agreement, the following terms shall have the following meanings:

"Documentary L/C Sublimit" has the meaning specified under "Description and Rate" in the description of the Demand Operating Credit herein.

"Letter of Credit" or "L/C" means a documentary or standby letter of credit, a letter of guarantee or a similar instrument, in form and substance satisfactory to CIBC.

"L/C Acceptance" means an outstanding bill of exchange drawn by the beneficiary of a documentary L/C and which CIBC has accepted and is therefore obligated to pay at maturity.

"Undrawn Documentary L/C Sublimit" means the Documentary L/C Sublimit then in effect less the undrawn amount of all documentary L/Cs then outstanding under the Demand Operating Credit herein.

10. INSTALMENT LOANS

10.1 Instalment Loans. The following terms apply to each Instalment Loan:

(a) **Non-revolving Loans.** Unless otherwise stated in this Agreement, any Instalment Loan is non-revolving. This means that any principal repayment is not available to be re-borrowed, and permanently reduces the amount of such Instalment Loan.

(b) **Floating Rate Instalment Loans.** Floating Rate Instalment Loans may have either (i) blended payments or (ii) payments of fixed principal amounts, plus interest, as described below:

(i) **Blended payments.** If a Floating Rate Instalment Loan has blended payments, the amount of the monthly payments is fixed for the term of such Loan, but the interest rate will vary with changes in the Prime Rate on the US Base Rate (as the case may be). If the Prime Rate or the US Base Rate during any month is lower than it was at the outset, a larger portion of the monthly payment will be allocated to principal and as a result such Loan may be repaid prior to its original maturity. If, however, the Prime Rate or the US Base Rate is higher than it was at the outset, the amount of principal that is repaid will be reduced, and as a result there may remain principal outstanding on the original maturity date.

(ii) **Payments of principal plus interest.** If a Floating Rate Instalment Loan has specified principal payments, in addition to interest, such principal payments are due on each specified payment date. The interest payment is also due on the same date, and will usually be a different amount each month due to the reducing balance of the Loan, the number of days in the month, and changes in the Prime Rate or the US Base Rate (as the case may be) during the month and from month to month.

(c) **Prepayment.** Unless otherwise specified in this Agreement:

(i) all or part of a Floating Rate Instalment Loan may be prepaid at any time without penalty; and

(ii) all (but not part) of a Fixed Rate Instalment Loan may be prepaid provided that the Borrower also pays to CIBC, on the prepayment date, any amount determined by CIBC pursuant to clause 4.4(iv) of this Schedule.

(d) **Demand of Fixed Rate Instalment Loans.** Upon demand for payment of a Fixed Rate Instalment Loan the Borrower will pay to CIBC the prepayment fee specified in clause 10.1(c)(ii) above.

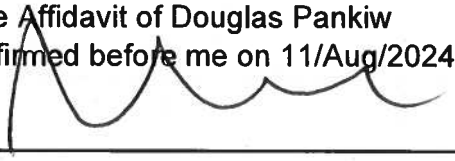
(e) **Certain Definitions.** In this Agreement the following terms have the following meanings:

"Fixed Rate Instalment Loan" means an Instalment Loan with respect to which interest is payable at a fixed annual rate of interest (as opposed to being payable on the basis of the Prime Rate or the US Base Rate).

"Floating Rate Instalment Loan" means an Instalment Loan with respect to which interest is payable on the basis of the Prime Rate or the US Base Rate.

"Instalment Loan" means a loan that is repayable either in fixed instalments of principal, plus interest, or in blended instalments of both principal and interest, and that (notwithstanding any such specified instalments) is repayable on demand by CIBC at any time if so specified in this Agreement.

This is Exhibit "CC" referred to in the Affidavit of Douglas Pankiw Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

8Aug18

CIBC

CIBC Commercial Banking Centre
328 Bernard Avenue
Kelowna, B.C. V1Y 6N5

Amendment #1 to the
Credit Agreement
dated January 3, 2018 (including all previous amendments thereto, the "Agreement")
between Canadian Imperial Bank of Commerce ("CIBC") and BC Tree Fruits Cooperative (the "Borrower")

Amendments. The Agreement is amended as follows:

Demand Instalment Loan - Credit I

Loan Amount: $4,000,000 advanced 9Aug18 repayment $47619.05/m from Sept 9/18

Purpose: To recapitalize F2017 CAPEX spend related to modernizing the cherry line in Kelowna facility

Description and Rate: A non-revolving loan, available as follows:

- Canadian dollar loans.
  Interest on Canadian dollar loans will be calculated at the Prime Rate minus 0.25% per annum.
- Fixed rate loans in Canadian dollars.
  Interest on each fixed rate loan will be calculated at a rate agreed upon by the Borrower and CIBC at the time of drawdown, for such period as they may agree upon. CIBC may require the Borrower to deliver a promissory note evidencing the principal amount, interest rate and term of any such fixed rate loan, and in the absence of such note, CIBC's records will be conclusive evidence thereof.
- Canadian dollar B/As.
  CIBC's stamping fee for B/As will be calculated at 0.85% per annum.
  Bankers' Acceptances may be drawn in the minimum amount of $500,000 for a period of one month. The Borrower will provide three days' notice of a drawing or redemption of B.A.'s of $1 million or more.

Repayment: All amounts under this loan are repayable immediately on demand by CIBC. Prior to the time that any such demand is made, and without prejudice to CIBC's right to require immediate payment, the Borrower shall repay this loan by regular monthly payments of $47,619.05 each, together with accrued interest.

Payments have been based on a seven year amortization period from the date of advance.

The Borrower shall have the option to repay any amount under this Credit at any time, provided that fixed rate loans may be repaid only at the end of a fixed rate interest period, and B/As may be repaid only on their maturity.

Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of: August 9th, 2018

For CIBC:	For the Borrower:	
By:	By:	By:
Name: ~~Thomas~~ Tobias Phil Lehn	Name: Warren Everton	Name: Stan Swales
Title: Authorized Signatories	Title: CFO	Title: CEO

This is Exhibit "DD" referred to in
the Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.

Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

Sep 16 2019

CIBC

CIBC Commercial Banking Centre
328 Bernard Avenue
Kelowna, B.C. V1Y 6N5

Amendment #2 to the
Credit Agreement
dated January 3, 2018 (including all previous amendments thereto, the "Agreement")
between Canadian Imperial Bank of Commerce ("CIBC") and BC Tree Fruits Cooperative (the "Borrower")

Amendments. The Agreement is amended as follows:

Demand Operating – AMPA – Credit E

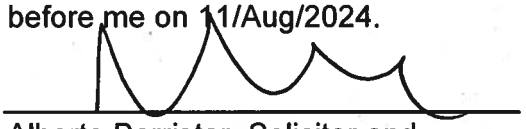
Description and Rate:
Interest on this loan will be calculated at CIBC's stamping fee for B/As at 0.65% per annum.

Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of: September 13th, 2019

For CIBC:	For the Borrower:	
By:	By:	By:
Name: Thomas Tobias Phil Lehn	Name: ROSS DWHYTIE	Name: TODD McMYN
Title: Authorized Signatories	Title: Authorized Signatories CFO	Title: Authorized Signatories CEO

This is Exhibit "EE" referred to in the Affidavit of Douglas Pankiw Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

CIBC Commercial Banking Centre
328 Bernard Avenue
Kelowna, B.C. V1Y 6N5

Amendment #3 to the Credit Agreement

dated January 3, 2018 (including all previous amendments thereto, the "Agreement" between Canadian Imperial Bank of Commerce ("CIBC") and BC Tree Fruits Cooperative (the "Borrower")

Amendments. The Agreement is amended as follows:

Demand Operating – AMPA – Credit E

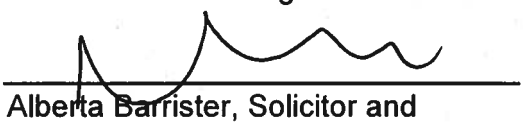
Credit Limit: $11,000,000

Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of: November 29, 2019

For CIBC:	For the Borrower:	
By:	By:	By:
Name: Thomas Tobias Phil Lehn	Name: Ross Dwhytie	Name: Regan Gibbon
Title: Authorized Signatories	Title: Authorized Signatories CFO	Title: Authorized Signatories Controller

This is Exhibit "FF" referred to in the Affidavit of Douglas Pankiw Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

CIBC Commercial Banking Centre
328 Bernard Avenue
Kelowna, B.C. V1Y 6N5

Amendment #4 to the
Credit Agreement
dated January 3, 2018 (including all previous amendments thereto, the "Agreement")
between Canadian Imperial Bank of Commerce ("CIBC") and BC Tree Fruits Cooperative (the "Borrower")

Amendments. The Agreement is amended as follows:

Term Revolving – Credit B

CANCELLED

Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of: February 12, 2021

For CIBC:	For the Borrower:	
By: Thomas Tobias	By:	By:
Name: Adam Hutchens	Name: Ian Small	Name: Warren Sacuskchan
Title: Authorized Signatories	Title: Authorized Signatories DIRECTOR FINANCE	Title: Authorized Signatories Chief Executive Officer

This is Exhibit "GG" referred to in
the Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, K.
Barrister & Solicitor

CIBC

CIBC Commercial Banking Centre
328 Bernard Avenue
Kelowna, B.C. V1Y 6N5

Amendment #5 to the
Credit Agreement
dated January 3, 2018 (including all previous amendments thereto, the "Agreement")
between Canadian Imperial Bank of Commerce ("CIBC") and BC Tree Fruits Cooperative (the "Borrower")

Amendments. The Agreement is amended as follows:

Demand Operating – Credit A

Credit Limit: $30,750,000

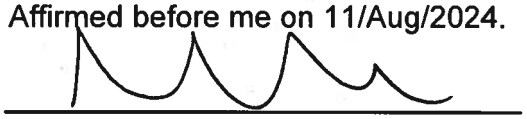
Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of: January 28, 2022

For CIBC:	For the Borrower:	
By:	By:	By:
Name: Adam Hutchens	Name: W. Sara Fitchett	Name: Dan Pankiw
Title: Authorized Signatories	Title: Authorized Signatories CEO	Title: Authorized Signatories CFO

Name: Ryan Kakoske
Title: Authorized Signatory

This is Exhibit "HH" referred to in
the Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

CIBC Commercial Banking Centre
328 Bernard Avenue
Kelowna, B.C. V1Y 6N5

Amendment #6 to the
Credit Agreement
dated January 3, 2018 (including all previous amendments thereto, the "Agreement"
between Canadian Imperial Bank of Commerce ("CIBC") and BC Tree Fruits Cooperative (the "Borrower")

Amendments. The Agreement is amended as follows:

Demand Operating – Credit A

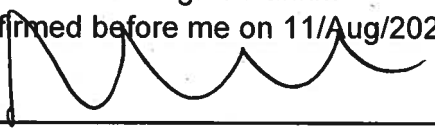
Credit Limit: $27,750,000

Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of: March 29, 2022

For CIBC:	For the Borrower:	
By:	By:	By:
Name: Adam Hutchens/Ryan Kakoske	Name: Doug Pankiw	Name: Warren Sarafinchan
Title: Authorized Signatories	Title: Authorized Signatories CFO	Title: Authorized Signatories President and CEO

This is Exhibit "II" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

CIBC Commercial Banking Centre
328 Bernard Avenue
Kelowna, B.C. V1Y 6N5

Amendment #7 to the
Credit Agreement
dated January 3, 2018 (including all previous amendments thereto, the "Agreement"
between Canadian Imperial Bank of Commerce ("CIBC") and BC Tree Fruits Cooperative (the "Borrower")

Amendments. The Agreement is amended as follows:

Demand Operating – Credit E - AMPA

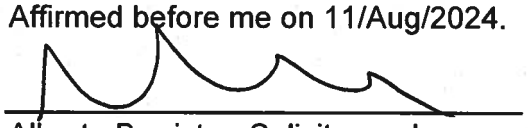
Credit Limit: $8,000,000

Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of: June 10, 2022

For CIBC:	For the Borrower:	
By:	By:	By:
Name: Adam Hutchens/Ryan Kakoske	Name: Gina Epman	Name:
Title: Authorized Signatories	Title: Authorized Signatories Sr. Manager, Business Analyst.	Title: Authorized Signatories PRESIDENT & CHIEF EXECUTIVE OFFICER

This is Exhibit "JJ" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

CIBC Commercial Banking Centre
328 Bernard Avenue
Kelowna, B.C. V1Y 6N5

Amendment #8 to the
Credit Agreement
dated January 3, 2018 (including all previous amendments thereto, the "Agreement"
between Canadian Imperial Bank of Commerce ("CIBC") and BC Tree Fruits Cooperative (the "Borrower")

Amendments. The Agreement is amended as follows:

Multi-Draw Term Instalment Loan – Equipment Loan

Amount: $10,665,000

Purpose: To facilitate the purchase of a pre-grade line.

Description and Rate: A non-revolving, multi-draw Instalment Loan.

- Canadian dollar loans. Interest on Canadian dollar loans will be calculated at the Prime Rate minus 0.25% per annum.
- Fixed rate loans in Canadian dollars. Interest on each fixed rate loan will be calculated at a rate agreed upon by the Borrower and CIBC at the time of drawdown, for such period as they may agree upon. CIBC may require the Borrower to deliver a promissory note evidencing the principal amount, interest rate and term of any such fixed rate loan, and in the absence of such note, CIBC's records will be conclusive evidence thereof.
- Canadian dollar B/As. CIBC's stamping fee for B/As will be calculated at 0.85% per annum.

Repayment: All amounts under this loan are repayable immediately on demand by CIBC. Prior to the time that any such demand is made, and without prejudice to CIBC's right to require immediate payment, the Borrower shall repay this loan by regular interest only monthly payments until December 31, 2023 followed by regular monthly principal and interest payments based on a 7 year amortization period from the end of the interest only period.

The Borrower shall have the option to repay any amount under this Credit at any time, provided that fixed rate loans may be repaid only at the end of a fixed rate interest period, and B/As may be repaid only on their maturity.

Advance Conditions:

- All drawdowns to be supported by a written request from the borrower supported by satisfactory invoices provided to CIBC.
- The initial advance of USD$3,159,000 shall be made available at close, subject to a written request from the borrower supported by satisfactory invoices provided to CIBC.

Subsequent Drawdowns:

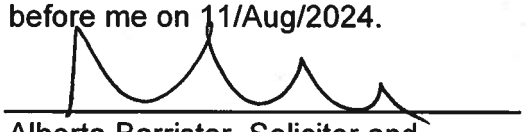
- As a condition of the second advance, currently scheduled for May 15, 2023, the Borrower shall provide an updated detailed budget and projected timeline for the Capital Investment Plan, including the proposed real estate divestments, as well as such other information relative to the Borrower, as CIBC may reasonably require, not later than April 30, 2023.

Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of: February 23, 2023

For CIBC:		For the Borrower:	
By:	By:	By:	By:
Name: Adam Hutchens	Name: Ryan Kakoske	Name: Doug Parkiw	Name: Warren Sarafinchan
Title: Authorized Signatory	Title: Authorized Signatory	Title: CFO	Title: CEO

This is Exhibit "KK" referred to in the Affidavit of Douglas Pankiw Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

CIBC

CIBC Commercial Banking Centre
328 Bernard Avenue
Kelowna, B.C. V1Y 6N5

Amendment #9 to the
Credit Agreement
dated January 3, 2018 (including all previous amendments thereto, the "Agreement"
between Canadian Imperial Bank of Commerce ("CIBC") and BC Tree Fruits Cooperative (the "Borrower")

Amendments. The Agreement is amended as follows:

Demand Operating – Credit A

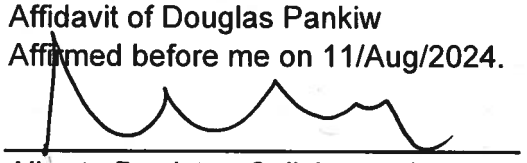
Credit Limit: $37,750,000 until September 1, 2023 at which time the limit will revert back to $27,750,000

Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of: July 31, 2023

For CIBC:		For the Borrower:	
By:	By:	By:	By:
Name: Adam Hutchens	Name: Ryan Kakoske	Name: Doug Pankiw	Name: Warren Sawatzky
Title: Authorized Signatory	Title: Authorized Signatory	Title: CFO	Title: CEO

This is Exhibit "LL" referred to in the
Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

CIBC Commercial Banking Centre
328 Bernard Avenue
Kelowna, B.C. V1Y 6N5

Amendment #10 to the
Credit Agreement
dated January 3, 2018 (including all previous amendments thereto, the "Agreement"
between Canadian Imperial Bank of Commerce ("CIBC") and BC Tree Fruits Cooperative (the "Borrower")

Amendments. The Agreement is amended as follows:

Demand Operating – Credit A

Credit Limit: $37,750,000 until the earlier of the date of closing of the Winfield property or September 30, 2023 at which time the limit will revert back to $27,750,000 less any drawn amount on the Documentary L/C sublimit as hereinafter defined.

Description and Rate: Canadian dollar standby L/Cs. At no time shall the total amount of outstanding standby L/Cs (which for greater certainty shall be net of the amount of any previous drawing made under any standby L/C then outstanding) under this Credit (including the equivalent amount in Canadian dollars of any standby L/C denominated in US dollars) exceed $500,000. Standby L/Cs under this Credit may not have terms to expiry of more than 12 months. Fees for standby financial L/Cs (being L/Cs that serve as direct credit substitutes and secure, directly or indirectly, payment of financial obligations such as indebtedness for borrowed money or the purchase price of goods or services, or lease payments) under this Credit will be calculated at 2% per annum, and for standby non-financial L/Cs (being all other types of L/Cs including generally those that relate to transaction-related contingencies arising in the normal course of business) under this Credit will be calculated at 2% per annum. The minimum fee for each standby L/C under this Credit is $300. In each case the Borrower shall reimburse CIBC for its out of pocket expenses relative to all standby L/Cs under this Credit. CIBC's standard L/C documentation is also required.

Documentation: CIBC's standard L/C documentation is required.

Termination: This Credit may be terminated in whole or in part by CIBC at any time.

Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of: August 23, 2023

For CIBC:		For the Borrower:	
By:	By:	By:	By:
Name: Adam Hutchens	Name: Ryan Kakoske	Name: Doug Pankiw	Name: Erna Egman
Title: Authorized Signatory	Title: Authorized Signatory	Title: CFO	Title: Sr. Manager Profitmax Analytics

This is Exhibit "MM" referred to in the Affidavit of Douglas Pankiw Affirmed before me on 11/Aug/2024.

Alberta Barrister, Solicitor and Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

CIBC Commercial Banking Centre
328 Bernard Avenue
Kelowna, B.C. V1Y 6N5

Amendment #11 to the
Credit Agreement
dated January 3, 2018 (including all previous amendments thereto, the "Agreement"
between Canadian Imperial Bank of Commerce ("CIBC") and BC Tree Fruits Cooperative (the "Borrower")

Amendments. The Agreement is amended as follows:

The schedule attached to this Amendment as "Schedule D" is hereby added as Schedule D to the Agreement, and is incorporated by reference into, and forms part of, the Agreement.

Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of: September 11, 2023

For CIBC:		For the Borrower:	
By:	By:	By:	By:
Name: Adam Hutchens	Name: Ryan Kakoske	Name: Doug Pankiw	Name: Gina Epmeier
Title: Authorized Signatory	Title: Authorized Signatory	Title: CFO	Title: Sr Manager Business Analytics



SCHEDULE "D"
CANADIAN BENCHMARK REPLACEMENT SETTING for cdor and bankers' acceptances

Notwithstanding anything to the contrary in this Agreement or in any other Loan Document (and any Swap Agreement shall be deemed not to be a "Loan Document" for purposes of this Schedule):

(a) *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 Canadian Available Tenors of CDOR have either permanently or indefinitely ceased to be provided by RBSL (the "**CDOR Cessation Date**"), if the then-current Canadian Benchmark is CDOR (or, subject to the occurrence of a BA Cessation Effective Date, Bankers Acceptance Yield), the Canadian Benchmark Replacement will replace each such Canadian Benchmark for all purposes under this Agreement and under any Loan Document in respect of any setting of each such Canadian 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 Canadian Benchmark Replacement is Daily Compounded CORRA, all interest payments will be payable on a monthly or quarterly basis as agreed between the Borrower and CIBC. For certainty, in the case of the Bankers Acceptance Yield, such Canadian Benchmark will only be replaced upon the occurrence of both the CDOR Cessation Date and the BA Cessation Effective Date.

(b) *Replacing Future Canadian Benchmarks*. Upon the occurrence of a Canadian Benchmark Transition Event, the Canadian Benchmark Replacement will replace the then-current Canadian Benchmark for all purposes under this Agreement and under any Loan Document in respect of any Canadian Benchmark setting at or after 5:00 p.m. (Toronto time) on the fifth (5th) Business Day after the date notice of such Canadian Benchmark Replacement is provided to the Borrower without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document. At any time that the administrator of the then-current Canadian Benchmark has permanently or indefinitely ceased to provide such Canadian Benchmark or such Canadian Benchmark has been announced by the administrator or the regulatory supervisor for the administrator of such Canadian Benchmark pursuant to public statement or publication of information to be no longer representative of the underlying market and economic reality that such Canadian Benchmark is intended to measure and that representativeness will not be restored, the Borrower may revoke any request for a borrowing of, conversion to or continuation of Loans to be made, converted or continued that would bear interest by reference to such Canadian Benchmark until the Borrower's receipt of notice from CIBC that a Canadian Benchmark Replacement has replaced such Canadian Benchmark, and, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to Prime Loans. During the period referenced in the foregoing sentence, the component of Prime Rate based upon the Canadian Benchmark will not be used in any determination of Prime Rate.

(c) *Canadian Benchmark Replacement Conforming Changes*. In connection with the implementation and administration of a Canadian Benchmark Replacement, CIBC will have the right to make Canadian Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary in this Agreement or in any other Loan Document, any amendments implementing such Canadian Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement.



(d) *Notices; Standards for Decisions and Determinations*. CIBC will promptly notify the Borrower of (i) the implementation of any Canadian Benchmark Replacement, (ii) any occurrence of a Term CORRA Transition Event, (iii) the effectiveness of any Canadian Benchmark Replacement Conforming Changes, and (iv) if applicable, its intention to terminate the obligation of CIBC to make or maintain Bankers' Acceptances by delivering a BA Cessation Notice pursuant to clause (g) of this Schedule. Any determination, decision or election that may be made by CIBC pursuant to this Schedule, 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, 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, except, in each case, as expressly required pursuant to this Schedule.

(e) *Unavailability of Tenor of Canadian Benchmark*. At any time (including in connection with the implementation of a Canadian Benchmark Replacement), if the then-current Canadian Benchmark is a term rate (including Term CORRA, CDOR or Bankers' Acceptance Yield), then (i) CIBC may remove any tenor of such Canadian Benchmark that is unavailable or non-representative for Canadian Benchmark (including Canadian Benchmark Replacement) settings and (ii) CIBC may reinstate any such previously removed tenor for Canadian Benchmark (including Canadian Benchmark Replacement) settings.

(f) *Secondary Term CORRA Conversion.* Notwithstanding anything to the contrary in this Agreement or in any Loan Document and subject to the proviso below in this clause, 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 Canadian Benchmark Replacement described in clause (1)(a) of such definition will replace the then-current Canadian Benchmark for all purposes under this Agreement or under any Loan Document in respect of any setting of such Canadian 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 Loan outstanding on the Term CORRA Transition Date bearing interest based on the then-current Canadian Benchmark shall convert, on the last day of the then current interest payment period, into a Loan bearing interest by reference to the Canadian Benchmark Replacement described in clause (1)(a) of such definition having a tenor approximately the same length as the interest payment period applicable to such Loan immediately prior to the conversion or such other Canadian Available Tenor as may be selected by the Borrower and agreed by CIBC; provided that, this clause (f) shall not be effective unless CIBC has delivered to the Borrower a Term CORRA Notice, and so long as CIBC 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.

(g) *Bankers' Acceptances.* CIBC shall have the option to, effective as of the date set out in the BA Cessation Notice, which shall be a date on or after the CDOR Cessation Date (the "**BA Cessation Effective Date**"), terminate the obligation of CIBC to make or maintain Bankers' Acceptances, provided that CIBC shall give notice to the Borrower at least thirty (30) Business Days prior to the BA Cessation Effective Date ("**BA Cessation Notice**"). If the BA Cessation Notice is provided, then as of the BA Cessation Effective Date, (i) any Notice of Borrowing that requests the conversion of any Loan to, or rollover of any Loans as, a Bankers' Acceptance shall be ineffective, and (ii) if any Notice of Borrowing requests a Bankers' Acceptance such Loan shall be made as a Loan bearing interest by reference to the applicable Canadian Benchmark Replacement (and in the case of Term CORRA, of the same tenor, if available) or a Prime Rate Loan but only upon request by the Borrower and agreement of CIBC. For the avoidance of doubt, any outstanding Bankers' Acceptance shall remain in effect following the CDOR Cessation Date until such Bankers' Acceptance's stated maturity.

(h) *Definitions*.

"***Canadian Available Tenor***" means, as of any date of determination and with respect to the then-current Canadian Benchmark, as applicable, (x) if the then-current Canadian Benchmark is a term rate, any tenor for such Canadian Benchmark that is or may be used in connection with or for determining (A) in the case of CDOR or Bankers' Acceptances, the length of the term for CDOR or of such Bankers Acceptances or (B) in all other cases, the interest payment period for such Canadian Benchmark, as the case may be, or (y) otherwise, any payment period for interest calculated with reference to such Canadian Benchmark, as applicable, pursuant to this Agreement as of such date.

"***Canadian Benchmark***" means, initially, each of CDOR and, subject to the occurrence of a BA Cessation Effective Date, Bankers Acceptance Yield; provided that if a replacement of the Canadian Benchmark has occurred pursuant to the Section titled "Canadian Benchmark Replacement Setting", then "Canadian Benchmark" means the applicable Canadian Benchmark Replacement to the extent that such Canadian Benchmark Replacement has replaced such prior benchmark rate. Any reference to "Canadian Benchmark" shall include, as applicable, the published component used in the calculation thereof.

"***Canadian Benchmark Replacement***", means, for any Canadian Available Tenor:

(1) For purposes of Section (a) of this Schedule, the first alternative set forth below that can be determined by CIBC:

(a) the sum of: (i) Term CORRA and (ii) the CORRA Adjustment, or

(b) the sum of: (i) Daily Compounded CORRA and (ii) the CORRA Adjustment; and

(2) For purposes of Section (b) of this Schedule, 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 CIBC and the Borrower as the replacement for such Canadian Available Tenor of such Canadian 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 syndicated credit facilities at such time;

provided that, if the Canadian Benchmark Replacement as determined pursuant to clause (1) or (2) above would be less than the Floor, the Canadian Benchmark Replacement will be deemed to be the Floor for the purposes of this Agreement and the other Loan Documents.

"***Canadian Benchmark Replacement Conforming Changes***" means, with respect to any Canadian Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Prime Rate," the definition of "Business Day," the definition of "Interest Period," the definition of "Bankers' Acceptance," the definition of "Bankers' Acceptance Yield", available tenors, the timing and frequency of determining rates and making payments of fees and interest or purchase of Bankers' Acceptances, 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, including with respect to the obligation of CIBC to create, maintain or issue Bankers' Acceptances (and in such case, the substitution of a margin for the stamping fee) that CIBC decides may be appropriate to reflect the adoption and implementation of such Canadian Benchmark Replacement and to permit the administration thereof by CIBC in a manner substantially consistent with market practice (or, if CIBC decides that adoption of any portion of such market practice is not administratively feasible or if CIBC determines that no market practice for the



administration of such Canadian Benchmark Replacement exists, in such other manner of administration as CIBC decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents). Without limiting the foregoing, Canadian Benchmark Replacement Conforming Changes made in connection with the replacement of CDOR and/or Bankers Acceptance Yield with a Canadian Benchmark Replacement may include the implementation of mechanics for borrowing loans that bear interest by reference to the Canadian Benchmark Replacement, to replace the creation or purchase of drafts or Bankers' Acceptances (and, for certainty, in such case, adjusting the presentation of the pricing to one based on such Canadian Benchmark Replacement plus a margin equal to the stamping fee for Bankers Acceptances (or such other margin as may be agreed between CIBC and the Borrower)).

"***Canadian Benchmark Transition Event***" means, with respect to any then-current Canadian Benchmark other than CDOR or Bankers Acceptance Yield, the occurrence of a public statement or publication of information by or on behalf of the administrator of the then-current Canadian Benchmark, the regulatory supervisor for the administrator of such Canadian Benchmark, the Bank of Canada, an insolvency official with jurisdiction over the administrator for such Canadian Benchmark, a resolution authority with jurisdiction over the administrator for such Canadian Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for such Canadian Benchmark, announcing or stating that (a) such administrator has ceased or will cease on a specified date to provide all Canadian Available Tenors of such Canadian 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 Canadian Available Tenor of such Canadian Benchmark or (b) all Canadian Available Tenors of such Canadian Benchmark are or will no longer be representative of the underlying market and economic reality that such Canadian Benchmark is intended to measure and that representativeness will not be restored.

"***CDOR***" means 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).

"***CORRA***" means the Canadian Overnight Repo Rate Average administered and published by the Bank of Canada (or any successor administrator).

"***CORRA Adjustment***" means (a) 0.29547% (29.547 basis points) for a Canadian Available Tenor of one-month's duration or such other adjustment amount as may be agreed between the Borrower and CIBC, (b) 0.32138% (32.138 basis points) for a Canadian Available Tenor of three-months' duration or such other adjustment amount as may be agreed between the Borrower and CIBC, and (c) such adjustment amount as may be agreed between the Borrower and CIBC for tenors other than one-month's and three-month's duration.

"***Daily Compounded CORRA***" means, for any day, 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 CIBC 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 CIBC decides that any such convention is not administratively feasible for CIBC, then CIBC may establish another convention in its reasonable discretion; and provided that if the administrator has not provided or published CORRA and a Canadian 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.

"***Floor***" means zero or such other 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 CDOR.

"***Loan Document***" means this Agreement, the Security and all other deeds, certificates, instruments, agreements and other documents delivered to or obtained by CIBC in connection with any of the foregoing.

"***Prime Loan***" means a loan with respect to which interest is calculated under this Agreement for the time being by reference to the Prime Rate.

"***Relevant Governmental Body***" means the Bank of Canada, or a committee officially endorsed or convened by the Bank of Canada, or any successor thereto.

"***Swap Agreement***" means any arrangement or transaction between the Borrower (or any predecessor or Affiliate of the Borrower) and CIBC (or any Affiliate) which is an interest rate swap transaction, basis swap, forward interest rate transaction, commodity swap, interest rate option, forward foreign exchange transaction, cap transaction, floor transaction, collar transaction, currency swap transaction, cross-currency interest rate swap transaction, currency option or any other similar transaction (including any option with respect to any of such transactions or arrangements) designed to protect or mitigate against risks in interest, currency exchange or commodity price fluctuations.

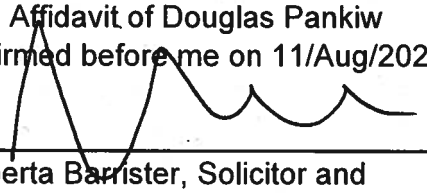
"***Term CORRA***" means, for the applicable corresponding tenor, the forward-looking term rate based on CORRA that has been selected or recommended by the Relevant Governmental Body, and that is published by an authorized benchmark administrator and is displayed on a screen or other information service,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

"***Term CORRA Notice***" means the notification by CIBC 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 Canadian Benchmark with the Canadian Benchmark Replacement described in clause 1(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 CIBC that (a) Term CORRA has been recommended for use by the Relevant Governmental Body, and is determinable for any Canadian Available Tenor, (b) the administration of Term CORRA is administratively feasible for CIBC and (c) a Canadian Benchmark Replacement, other than Term CORRA, has replaced CDOR or Bankers' Acceptance Yield, as applicable, in accordance with paragraph (a) of the Section titled "Canadian Benchmark Replacement Setting".

This is Exhibit "NN" referred to in
the Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

CIBC

CIBC Commercial Banking Centre
328 Bernard Avenue
Kelowna, B.C. V1Y 6N5

Amendment #12 to the
Credit Agreement
dated January 3, 2018 (including all previous amendments thereto, the "Agreement"
between Canadian Imperial Bank of Commerce ("CIBC") and BC Tree Fruits Cooperative (the "Borrower")

Amendments. The Agreement is amended as follows:

Demand Operating – Credit A

Description and Rate: Canadian dollar standby L/Cs. At no time shall the total amount of outstanding standby L/Cs (which for greater certainty shall be net of the amount of any previous drawing made under any standby L/C then outstanding) under this Credit (including the equivalent amount in Canadian dollars of any standby L/C denominated in US dollars) exceed $1,000,000. Standby L/Cs under this Credit may not have terms to expiry of more than 12 months. Fees for standby financial L/Cs (being L/Cs that serve as direct credit substitutes and secure, directly or indirectly, payment of financial obligations such as indebtedness for borrowed money or the purchase price of goods or services, or lease payments) under this Credit will be calculated at 2% per annum, and for standby non-financial L/Cs (being all other types of L/Cs including generally those that relate to transaction-related contingencies arising in the normal course of business) under this Credit will be calculated at 2% per annum. The minimum fee for each standby L/C under this Credit is $300. In each case, the Borrower shall reimburse CIBC for its out of pocket expenses relative to all standby L/Cs under this Credit. CIBC's standard L/C documentation is also required.

Documentation: CIBC's standard L/C documentation is required.

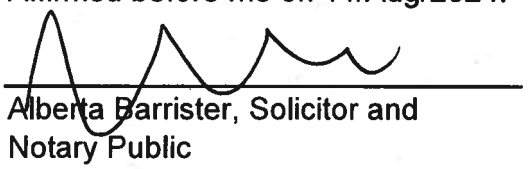
Termination: This Credit may be terminated in whole or in part by CIBC at any time.

Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of: October 10, 2023

For CIBC:		For the Borrower:	
By:	By: Sam Jamal	By:	By:
Name: Adam Hutchens	Name: Sameer Jamal	Name: Doug Pankiw	Name: Gina Epman
Title: Authorized Signatory	Title: Authorized Signatory	Title: CFO	Title: Sr Manager. Business Th

This is Exhibit "OO" referred to in
the Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

CIBC Commercial Banking Centre
328 Bernard Avenue
Kelowna, B.C. V1Y 6N5

Amendment #13 to the
Credit Agreement
dated January 3, 2018 (including all previous amendments thereto, the "Agreement"
between Canadian Imperial Bank of Commerce ("CIBC") and BC Tree Fruits Cooperative (the "Borrower")

Amendments. The Agreement is amended as follows:

Demand Operating – Credit A

Credit Limit: $37,750,000 until the earlier of i) April 8, 2024 and ii) the sale of the property at 826 Vaughn Ave., Kelowna, BC, at which time the limit will revert back to $27,750,000.

The limit shall be increased to $35,000,000 upon execution of this agreement, further increasing to $37,750,000 upon confirmation from our solicitor that the below noted security has been registered along with the registration of the amending security provided by Growers Supply Company Limited.

Security:

Collateral mortgage creating in favor of CIBC a first-priority charge in the amount of $100,000,000 over all of the Borrower's properties.

It is understood that the amount of the mortgage is for the convenience of the client to secure further advances, if such further advances are approved in the sole discretion of CIBC, and is not implied or expressed commitment to provide further funding to that level.

Confirmation: As revised by this Amendment, the Agreement remains in full force.

Dated as of: December 8, 2023

For CIBC:		For the Borrower:	
By:	By:	By:	By:
Name: Adam Hutchens	Name: Ryan Kakoske	Name: Doug Pankiw	Name: Gina Eppich
Title: Authorized Signatory	Title: Authorized Signatory	Title: CFO	Title: Sr. Manager Business Analytics

This is Exhibit "PP" referred to in the Affidavit of Douglas Pankiw Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

Confidential

CIBC

CIBC COMMERCIAL BANKING

Canadian Imperial Bank of Commerce
328 Bernard Ave.
Kelowna, BC
V1Y 6N5

January 22, 2024

BC Tree Fruits Cooperative
3335 Sexsmith Road
Kelowna, BC
V1X 7J4

Attention: Doug Pankiw

Amendment to Credit Facilities of BC Tree Fruits Cooperative

WHEREAS CANADIAN IMPERIAL BANK OF COMMERCE (the **"Lender"**) has made available certain credit facilities (the **"Credit Facilities"**) to BC Tree Fruits Cooperative (the **"Borrower"**) pursuant to that certain credit agreement letter dated January 3; 2018, as amended and supplemented to the date of this Amendment (the **"Existing Credit Agreement"**) between the Borrower, and the Lender.

AND WHEREAS the Lender, and the Borrower wish to amend the Credit Agreement as set forth in this Agreement.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. **Interpretation**

Unless otherwise defined or amended herein, capitalized terms used herein have the meanings assigned to them in the Existing Credit Agreement. **"Credit Agreement"** shall mean the Existing Credit Agreement as amended by this Amendment and as further amended, supplemented, amended and restated or replaced from time to time.

2. **Amendments – Demand Operating – Credit A**

Credit Limit: $42,750,000 until the earlier of i) April 16, 2024 or ii) the sale of the property at 826 Vaughn Ave., Kelowna, BC, at which time the limit will revert back to $27,750,000.

- The Credit Limit shall be increased by $3,000,000 to $40,750,000 effective upon the satisfaction of the Conditions Precedent below, further increasing by $2,000,000 to $42,750,000 on February 1, 2024.
- The increase to the Credit Limit is subject to the implementation of a negative covenant in respect of Restricted Payments, as described below.

Condition Precedent:

(1) Satisfactory review by CIBC of the transmittal letter for the property located at 8911 Jubilee Rd, Summerland, British Columbia.

Restricted Payments:

(1) The Grower payment/pool close scheduled for January 2024 shall not be made by the Borrower without prior written consent from CIBC; and

(2) The Borrower will make no future payment(s) towards the proposed new cherry processing equipment to be provided by Unitec S.p.A., including the issuance of an import letter of credit, without prior written consent from CIBC.

- Notwithstanding the aforementioned Restricted Payment, CIBC shall provide consent for a payment to Unitec S.p.A., not to exceed CAD$1,100,000, to permit the shipment, delivery, and installation of the proposed new cherry processing equipment, subject to the satisfaction of the following conditions:

  i. Satisfactory review by CIBC of all contracts with Unitec S.p.A, including confirmation of the payment terms; and

  ii. Satisfactory review by CIBC of all agreements pertaining to any financing agreement with Unitec S.p.A.

3. **Interest Rate Amendments – Demand Operating – Credit A**

The Section entitled **"Description and Rate"** under Credit A is amended by deleting the section its entirety and replacing it with the following:

- A revolving Credit, available as follows:
  - Canadian dollar loans, which will also be available by way of overdrafts. Interest on Canadian dollar loans will be calculated at the Prime Rate plus 0.50% per annum.
  - US dollar Base Rate loans, which will also be available by way of overdrafts not exceeding US $5,000,000 at any time. Interest on US dollar Base rate loans will be calculated at the US Base Rate plus 0.5% per annum.

4. **Interest Rate Amendments – Demand Operating - AMPA – Credit E**

The Section entitled **"Description and Rate"** under Credit E is amended by deleting the section its entirety and replacing it with the following:

- A revolving Credit, available as follows:
  - Canadian dollar loans, which will also be available by way of overdrafts. Interest on Canadian dollar loans will be calculated at the Prime Rate plus 0.50% per annum.

5. **Interest Rate Amendments – Multi-Draw Term Instalment Loan – Equipment Loan**

The Section entitled **"Description and Rate"** under the Multi-Draw Term Instalment Loan – Equipment Loan is amended by deleting the section its entirety and replacing it with the following:

- A non-revolving, multi-draw Instalment Loan, available as follows:
  - Canadian dollar loans. Interest on Canadian dollar loans will be calculated at the Prime Rate plus 0.50% per annum.

6. **Effectiveness**

This Amendment is effective as of January 16, 2024 (the **"Effective Date"**).

7. **Representations and Warranties**

The Borrower, and to the extent applicable, the Guarantor, represent and warrant to the Lender, that the representations and warranties set forth in the Credit Agreement are true in all material respects as of the date hereof as if such representations and warranties had been made by the Borrower and to the extent applicable, the Guarantor, on such day.

8. **No Default**

The Borrower, and to the extent applicable, the Guarantor, confirm to the Lender that no Default has occurred and remains outstanding and no event has occurred and remains outstanding which, with the passing of time or giving of notice, or both, would be a Default.

9. Security In Effect

This Amendment shall not constitute (a) a modification or alteration of the terms, conditions or covenants of the Existing Credit Agreement (except as expressly provided herein) or any Security to which the Lender, the Borrower or the Guarantor are parties, or (b) a waiver, release or limitation upon the exercise by the Lender of any of its rights thereunder. The Credit Agreement shall continue in full force and effect in accordance with the provisions thereof and all documents issued or granted in connection therewith are hereby ratified and confirmed and shall continue in full force and effect. The Lender reserves any and all rights and remedies which it has had, has or may have had under the Credit Agreement and any other documents, and this Amendment shall not operate any novation of any obligations under the Credit Agreement. After the Effective Date any reference to the Credit Agreement shall refer to the Credit Agreement as amended hereby.

10. Counterparts

This Amendment may be executed in any number of counterparts, and may be delivered by facsimile, .pdf or other similar electronic transmission, and all of such counterparts shall constitute originals and the same Amendment. The words "executed", "execution", "signed", "signature", and words of like import in this Amendment and the other loan documents, shall be deemed to include electronic signatures or electronic records, 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 record keeping system, as the case may be, to the extent permitted under, and as provided for in, any applicable law. all of which taken together constitute one and the same instrument.

11. Governing Law

This Amendment is governed by and construed in accordance with laws of the Province of British Columbia and the laws of Canada applicable therein.

12. Language

The parties hereto have expressly required that this Amendment and all documents, agreements and notices related thereto be drafted in the English language. *Les parties aux présentes ont expressément exigé que le présent contrat et tous les autres documents, conventions ou avis qui y sont afférents soient rédigés en langue anglaise.*

[*Signature page follows*]

Yours very truly,

CANADIAN IMPERIAL BANK OF COMMERCE

Per: _____
Name: Adam Hutchens
Title: Authorized Signatory

Per: _____
Name: Ryan Kakoske
Title: Authorized Signatory

Confidential

We hereby acknowledge and agree to the amendments to the Existing Credit Agreement on the terms and conditions stated herein and each person executing this Amendment on behalf of any Borrower or Guarantor represents and warrants that he/she has the power and authority to bind such Borrower or Guarantor.

ACCEPTED AND AGREED AS OF THE 24 DAY OF January, 2024.

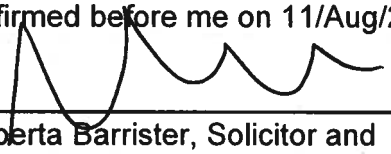
BORROWER:

BC TREE FRUITS COOPERATIVE

Per: _____
Name: Doug Parkin
Title: CFO

Per: _____
Name:
Title: Gilka Epman
Sr. Manager Business Analytics

This is Exhibit "QQ" referred to in
the Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

Canadian Imperial Bank of Commerce
328 Bernard Ave.
Kelowna, B.C. V1Y 6N5

Fifteenth Amending Agreement to the Credit Agreement dated January 3, 2018 (including all previous amendments thereto, the "Credit Agreement") between Canadian Imperial Bank of Commerce ("CIBC") and BC Tree Fruits Cooperative (the "Borrower")

WHEREAS CIBC has made available certain credit facilities to the Borrower pursuant to the Credit Agreement (the "**Credit Facilities**");

AND WHEREAS CIBC has agreed to increase the credit limit of "**Demand Operating – Credit A**" (as that term is used in the Credit Agreement) subject to the execution of this Amendment and the terms and conditions contained herein;

AND WHEREAS the Borrower, and Growers Supply Company Limited, acknowledge that as of February 15, 2024, the total indebtedness of those parties to CIBC is as set out in the attached **Schedule A**, which amounts continue to increase on account of interest and other amounts owing pursuant to the applicable credit facilities;

AND WHEREAS the Borrower acknowledges that it is non-compliant with certain terms of the Credit Agreement, including the following: Pursuant to the terms of the Credit Agreement, Fixed Charge Coverage Ratio is to be no less than 1.0:1.0 for the 2023/2022 fiscal year, calculated on a combined basis for B.C. Tree Fruits Industries Limited, B.C. Tree Fruits Cooperative and Growers Supply Company Limited. For the 2023/2022 fiscal years, the Fixed Charge Coverage Ratio was 0.76:1.00; and (b) the Borrower failed to provide combined statements for B.C. Tree Fruits Industries Limited, B.C. Tree Fruits Cooperative and Growers Supply Company Limited annually based on the May 31st year-end for B.C. Tree Fruits Industries Limited, and B.C. Tree Fruits Cooperative and the December 31st year-end for Growers Supply Company Limited;

AND WHEREAS the Borrower acknowledges that its non-compliance with the above noted terms is event of default under the Credit Agreement;

AND WHEREAS the Borrower acknowledges CIBC's security continues to be valid, binding and enforceable security which secures all of the debts and liabilities owing by the Borrower to CIBC;

AND WHEREAS the Borrower acknowledges that CIBC is entitled to exercise its rights and remedies under the Credit Agreement, in contract, at law and/or in equity, and that CIBC has not made any promises or taken any actions that would constitute a waiver of its rights including in relation to taking any enforcement action in connection with the Credit Agreement; and

AND WHEREAS the Borrower has requested certain amendments to the Credit Agreement as set forth in this Amendment.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. **Interpretation and Recitals**

   Unless otherwise defined or amended herein, capitalized terms used herein have the meanings assigned to them in the Credit Agreement.

2. **Amendments – Demand Operating – Credit A**

   Credit Limit: $42,750,000

   - The Credit Limit shall be increased by $5,000,000 to $42,750,000 (the "**Demand Operating A Increase**") until the earlier of (i) April 16, 2024, or (ii) the sale of the property at 826 Vaughn Ave., Kelowna, BC, at which time the limit will revert back to $27,750,000.

Canadian Imperial Bank of Commerce
328 Bernard Ave.
Kelowna, B.C. V1Y 6N5

- The availability of the Demand Operating A Increase and CIBC's obligation to make any additional advances thereunder is conditional upon the terms of the Credit Agreement including the amendments thereto set out below.

Amendment - Conditions

1. The Section entitled "Conditions" is amended by inserting the following:

   Condition: By February 28, 2024, the Borrower shall provide to CIBC a written report, satisfactory to CIBC, prepared by an independent third party, satisfactory to CIBC, outlining the Borrower's capital requirements necessary to facilitate the completion of the proposed multi-line processing/packing facility in the South Okanagan (the "**Oliver Project**"). The report shall include the following:

   A. A detailed revised budget for the Oliver Project on a cost-to-complete basis, reviewed by the independent third party noted above;

   B. A detailed plan and budget for the funding of both (i) the ongoing operations of the Borrower; and (ii) the capital requirements related to the completion of the Oliver Project, which shall also contemplate scenarios involving a reduction to capital expenditures but not limited to the deferral or cancellation of (I) the cherry processing line, and/or (II) the optimization of the storage and shipping facility; and,

   C. A detailed plan for the divestment of surplus real estate with completion of such sales no later than October 31, 2024.

Amendment - Reporting Requirements

1. The Section entitled "Reporting Requirements" is amended by inserting the following:

   Reporting Requirements: Within 5 business days following the receipt or occurrence thereof, the Borrower shall provide CIBC with copies of any reports, memoranda, meeting minutes or similar items produced by or following any meeting of the board of directors of the Borrower or any committees thereof.

Amendment – Negative Covenants

1. The Section entitled "Negative Covenants" is amended by inserting the following:

   Restricted Payments: The Borrower shall not make a Grower payment without the prior written consent of CIBC.

   Restricted Payments: The Borrower will make no payment(s) towards the proposed new cherry processing equipment to be provided by United S.p.A., including the issuance of an import letter of credit, without the prior written consent of CIBC.

3. **Effectiveness**

This Amendment is effective upon full execution by CIBC and the Borrower (the "**Effective Date**").

Canadian Imperial Bank of Commerce
328 Bernard Ave.
Kelowna, B.C. V1Y 6N5

4. **Representations and Warranties**

The Borrower represents and warrants to the Lender that (i) the representations and warranties set forth in the Credit Agreement are true in all material respects as of the date hereof as if such representations and warranties had been made by the Borrower on such day; and (ii) the Recitals contained herein are true and accurate.

5. **Security in Effect**

This Amendment shall not constitute (a) a modification or alteration of the terms, conditions or covenants of the Existing Credit Agreement (except as expressly provided herein) or any Security to which the Lender, the Borrower, or the Guarantor are parties, or (b) a waiver, release or limitation upon the exercise by the Lender of any of its rights thereunder. The Credit Agreement shall continue in full force and effect in accordance with the provisions thereof and all documents issued or granted in connection therewith are hereby ratified and confirmed and shall continue in full force and effect. The Lender reserves any and all rights and remedies which it has had, has or may have had under the Credit Agreement and any other documents, and this Amendment shall not operate any novation of any obligations under the Credit Agreement. After the Effective Date any reference to the Credit Agreement shall refer to the Credit Agreement as amended hereby.

6. **Counterparts**

This Amendment may be executed in any number of counterparts, and may be delivered by facsimile, .pdf or other similar electronic transmission, and all of such counterparts shall constitute originals and the same Amendment. The words "executed", "execution", "signed", "signature", and words of like import in this Amendment and the other loan documents, shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity, enforceability as a manually executed signature or the use of a paper-based record keeping system, as the case may be, to the extent permitted under, and as provided for in, any applicable law, all of which taken together constitute one and the same instrument.

7. **Governing Law**

This Amendment is governed by and construed in accordance with laws of the Province of British Columbia and the laws of Canada applicable therein.

8. **Release and Acknowledgments**

The Borrower acknowledges that the actions of CIBC in connection with the Credit Agreement and obligations of the Borrower thereunder and in entering into this Amendment have been fair and reasonable and that CIBC has not acted in a managerial capacity with respect to the Borrower or has any fiduciary duty to the Borrower. The Borrower confirms that it has had the benefit of independent legal counsel in connection with this Agreement. The Borrower waives and agrees not to assert or cause to be asserted any defences, rights, or claims against CIBC including, but not limited to, in relation to, or in connection with, the Credit Agreement or any amendments thereto, and releases and remises CIBC (and each of its legal representatives, officers, directors, affiliates, shareholders, trustees, agents, or employees) from any and all claims arising up to the date of this Agreement.

The Borrower further acknowledges that CIBC is entitled to repayment of all outstanding indebtedness upon demand.

Canadian Imperial Bank of Commerce
328 Bernard Ave.
Kelowna, B.C. V1Y 6N5

9. **Language**

The parties hereto have expressly required that this Amendment and all documents, agreements and notice related thereto be drafted in the English language.

All other terms and conditions of the Agreement remain unchanged.

Dated as of: February 22, 2024

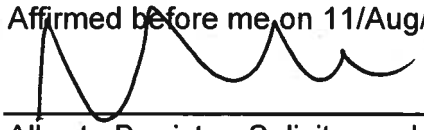
For CIBC:		For the Borrower:	
By:	By:	By:	By:
Name:	Name:	Name: Doug Pankiw	Name: Gina Tipman
Title: Authorized Signatory	Title: Authorized Signatory	Title: CFO	Title: Sr. Business Am. Man.
For Growers Supply Company Limited (as borrower and guarantor):		For BC Tree Fruits Industries Limited (as guarantor):	
By:	By: M. Welte	By:	By:
Name: Doug Pankiw	Name: Mark Welte	Name: Doug Pankiw	Name: Gina Tipman
Title: CFO Authorized Signatory	Title: General Manager Authorized Signatory	Title: CFO	Title: Sr Business Am. Man.

Canadian Imperial Bank of Commerce
328 Bernard Ave.
Kelowna, B.C. V1Y 6N5

SCHEDULE A

	Outstanding Feb 15, 2024
BC Tree Fruits Cooperative	
Revolving Facility (Operating)	$36,007
Revolving Facility (AMPA)	$0
Term Facility (Credit D)	$6,167
Term Facility (Pre-Grade)	$8,374
Corporate Visa	$30
Total (CAD)	**$50,578**
Growers Supply Company Limited	
Revolving Term Loan	$597
Corporate Visa	$50
Total (CAD)	**$647**
Group Total (CAD)	**$51,225**

This is Exhibit "RR" referred to in
the Affidavit of Douglas Pankiw
Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and
Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

Canadian Imperial Bank of Commerce
328 Bernard Ave.
Kelowna, B.C. V1Y 6N5

Sixteenth Amending Agreement to the Credit Agreement dated January 3, 2018 (including all previous amendments thereto, the "Credit Agreement") between Canadian Imperial Bank of Commerce ("CIBC") and BC Tree Fruits Cooperative (the "Borrower")

WHEREAS CIBC has made available certain credit facilities to the Borrower pursuant to the Credit Agreement (the "**Credit Facilities**");

AND WHEREAS CIBC has agreed to establish and make available a new non-revolving loan in an amount of up to $12,500,000 to the Borrower subject to the execution of this Amendment and the terms and conditions contained herein;

AND WHEREAS the Borrower, and Growers Supply Company Limited, acknowledge that as of March 20, 2024, the total indebtedness of those parties to CIBC is as set out in the attached **Schedule A**, which amounts continue to increase on account of interest and other amounts owing pursuant to the applicable credit facilities;

AND WHEREAS the Borrower acknowledges that it continues to be non-compliant with certain terms of the Credit Agreement, including the following: Pursuant to the terms of the Credit Agreement, Fixed Charge Coverage Ratio is to be no less than 1.0:1.0 for the 2023/2022 fiscal year, calculated on a combined basis for B.C. Tree Fruits Industries Limited, B.C. Tree Fruits Cooperative and Growers Supply Company Limited. For the 2023/2022 fiscal years, the Fixed Charge Coverage Ratio was 0.76:1.00; and (b) the Borrower failed to provide combined statements for B.C. Tree Fruits Industries Limited, B.C. Tree Fruits Cooperative and Growers Supply Company Limited annually based on the May 31st year-end for B.C. Tree Fruits Industries Limited, and B.C. Tree Fruits Cooperative and the December 31st year-end for Growers Supply Company Limited;

AND WHEREAS the Borrower acknowledges that its continued non-compliance with the above noted terms constitutes events of default under the Credit Agreement;

AND WHEREAS the Borrower acknowledges CIBC's security continues to be valid, binding and enforceable security which secures all of the debts and liabilities owing by the Borrower to CIBC;

AND WHEREAS CIBC acknowledges that it has consented to the Borrower (i) utilizing its current availability under the "**Demand Operating – Credit A**" facility in order to fund the construction of the cherry processing line, and (ii) drawing down on its remaining availability under the "**Multi-Draw Term Instalment Loan – Equipment Loan**" facility in order to provide funds to assist with certain capital expenditures;

AND WHEREAS the Borrower acknowledges that CIBC is entitled to exercise its rights and remedies under the Credit Agreement, in contract, at law and/or in equity, and that CIBC has not made any promises or taken any actions that would constitute a waiver of its rights including in relation to taking any enforcement action in connection with the Credit Agreement; and

AND WHEREAS the Borrower has requested certain amendments to the Credit Agreement as set forth in this Amendment.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. **Interpretation and Recitals**

   Unless otherwise defined or amended herein, capitalized terms used herein have the meanings assigned to them in the Credit Agreement.

2. **Amendments – Demand Operating – Credit A**

   Effective as of September 30, 2024, the "Credit Limit" under the "**Demand Operating – Credit A**" facility shall be permanently reduced from "$36,250,000" to "$21,250,000".

Canadian Imperial Bank of Commerce
328 Bernard Ave.
Kelowna, B.C. V1Y 6N5

3. **Amendments – Demand Operating – AMPA – Credit E**

   CANCELLED

4. **Amendments – Demand Instalment Loan – EDC TELP CapEx Loan – Credit K**

   Demand Instalment Loan – EDC TELP CapEx Loan – Credit K

   Loan Amount: $12,500,000

   Purpose: All amounts obtained under this credit are to be used to fund (i) a permanent credit limit reduction of $6,500,000 under the **"Demand Operating – Credit A"** facility, and (ii) to apply up to $6,000,000 for general business and working capital purposes related to the completion of the Oliver Project.

   Description and Rate: A non-revolving loan, available as follows:

   Canadian Dollar Loans. Interest on Canadian dollar loans will be calculated at the Prime Rate plus 0.50% per annum.

   Repayment:

   All amounts under this loan are repayable immediately on demand by CIBC. Prior to the time that any such demand is made, and without prejudice to CIBC's right to require immediate payment, the Borrower shall repay this loan by regular principal and interest monthly payments based on a ninety six (96) month amortization period from the date of advance.

   The Borrower shall have the option to repay any amount under this Credit at any time.

   Advance Conditions:

   As a condition to the first advance under this Credit, the Borrower shall provide CIBC with:

   a) Evidence reasonably satisfactory to CIBC that the Borrower has met the eligibility requirements for Export Development Canada's (**"EDC"**) trade expansion lending program (the **"TELP"**).

   b) Evidence reasonably satisfactory to CIBC that EDC has provided a loan loss guarantee of not less than 75% in respect of this Credit (which maximum loan loss guarantee shall reflect an amount of $9,375,000).

   c) Invoices reasonably satisfactory to CIBC reflecting the relevant figures, costs and/or expenses which reflect the aggregate amount of the advance so requested by the Borrower for the purposes of funding general business and working capital purposes related to completion of the Oliver Project.

   d) A confirmation of purchaser subject removal in respect of the property located at 3330 Old Vernon Road, Kelowna, BC V1X 6P1, and legally described as LOT A SECTIONS 1, 11 AND 12 TOWNSHIP 23 OSOYOOS DIVISION YALE DISTRICT PLAN 13387 EXCEPT PLAN 16551; PID: 009-223-746, in form and substance satisfactory to CIBC in its sole discretion.

Canadian Imperial Bank of Commerce
328 Bernard Ave.
Kelowna, B.C. V1Y 6N5

Special Conditions:

The Borrower covenants and agrees with CIBC that, while any amount remains outstanding under this Credit, the Borrower will:

a) Deliver to CIBC not later than May 31, 2024, a strategic review prepared by the Borrower and Alvarez & Marsal Management Consulting of Growers Supply Company Limited, in form and substance satisfactory to CIBC in its sole discretion, which shall include, without limitation, options for divestiture (including the divestment of associated owner-occupied real estate) and any unwinding or downsizing of the business.

b) Deliver to CIBC not later than May 31, 2024, a 12-month working capital forecast of the Borrower, in form and substance satisfactory to CIBC in its sole discretion, with a reasonably detailed summary of the requirements of the Borrower's various business lines.

c) Commencing from March 31, 2024, deliver to CIBC on the last day of each calendar month, a 13-week cash flow projection, along with an accompanying variance analysis of the Borrower's forecasted and actual cash flows, each in form and substance satisfactory to CIBC in its sole discretion.

d) From the period commencing on March 31, 2024 and ending upon the divesting of each of (i) the property located at 826-880 Vaughan Avenue, Kelowna, BC V1Y 7E4, and legally described as THE NORTHERLY 349.38 FEET OF BLOCK 30 MEASURED ALONG THE EASTERLY BOUNDARY OF SAID BLOCK BY THE FULL DEPTH THEREOF SECTION 30, TOWNSHIP 26, ODYD, PLAN 202; PID: 012-603-911 (the "**Vaughan Property**"), and (ii) property located at 3335 & 3345 Sexsmith Road and 3670 Highway 97 North, Kelowna, BC V1X 7T5, and legally described as LOT 1, SECT 35, TOWNSHIP 26, ODYD, PLAN 36362; PID 003-285-359; THE WEST 40 FEET OF LOT 2, SECTION 35, TOWNSHIP 26, ODYD, PLAN 2946; PID: 010-931-121; LOT A, SECTION 35, TOWNSHIP 26, ODYD, PLAN 4410 EXCEPT 1) ROAD ON PLAN 37429 AND H8110, AND 2) PLAN 37430; PID: 005-312-060 (the "**Sexsmith Property**"), deliver to CIBC on the last day of each calendar month, a reasonably detailed summary of any sale, transfer or other disposition of any of the Borrower's or any Guarantor's property or assets (collectively, the "**Asset Dispositions**"), in form and substance satisfactory to CIBC in its sole discretion, which shall include, without limitation, the activity levels of the Asset Dispositions, any offers or ongoing discussions related to any contemplated Asset Disposition and the Borrower's pricing strategy in respect of its consummated or contemplated Asset Dispositions.

e) Deliver to CIBC by no later than July 31, 2024, a duly executed and delivered purchase and sale agreements for each of the Vaughan Property and the Sexsmith Property, which in each case, contemplate the consummation and completion of such sales by no later than September 30, 2024.

Terms and Conditions:

a) **Consent to Share Information:** You hereby authorize CIBC to share or provide to EDC all information required to participate in and administer the EDC Trade Expansion Lending Program requirements guarantee. Such information may include

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Kelowna, B.C. V1Y 6N5

personal and business information and documents regarding your financial situation, operations or business, or your accounts with CIBC.

b) **CapEx Loan Conditions:** Loan proceeds cannot be used to finance any of the following: the leasing of machinery/equipment, associated costs (such as delivery or installation of financed assets), leasehold improvements, or the purchase of any intangible assets (except for software integrated into the financed assets and necessary for its operation).

c) **EDC TELP Guarantee:** You understand and acknowledge that you must, at all times, satisfy EDC Trade Expansion Lending Program's mandate requirements, including timely reconfirmation upon EDC's request.

d) **Acceptance of Fees:** You agree to pay the EDC guarantee fees and other administration fees associated with this loan. The EDC guarantee fee calculation will be disclosed in a Guarantee Fee Acknowledgement to be provided to you and are in addition to any other fees or expenses relating to the operating line.

5. **Effectiveness**

This Amendment is effective upon full execution by CIBC and the Borrower (the "**Effective Date**").

6. **Representations and Warranties**

The Borrower represents and warrants to the Lender that (i) the representations and warranties set forth in the Credit Agreement are true in all material respects as of the date hereof as if such representations and warranties had been made by the Borrower on such day; and (ii) the Recitals contained herein are true and accurate.

7. **Security in Effect**

This Amendment shall not constitute (a) a modification or alteration of the terms, conditions or covenants of the Existing Credit Agreement (except as expressly provided herein) or any Security to which the Lender, the Borrower, or the Guarantor are parties, or (b) a waiver, release or limitation upon the exercise by the Lender of any of its rights thereunder. The Credit Agreement shall continue in full force and effect in accordance with the provisions thereof and all documents issued or granted in connection therewith are hereby ratified and confirmed and shall continue in full force and effect. The Lender reserves any and all rights and remedies which it has had, has or may have had under the Credit Agreement and any other documents, and this Amendment shall not operate any novation of any obligations under the Credit Agreement. After the Effective Date any reference to the Credit Agreement shall refer to the Credit Agreement as amended hereby.

8. **Counterparts**

This Amendment may be executed in any number of counterparts, and may be delivered by facsimile, .pdf or other similar electronic transmission, and all of such counterparts shall constitute originals and the same Amendment. The words "executed", "execution", "signed", "signature", and words of like import in this Amendment and the other loan documents, shall be deemed to include electronic signatures or electronic records, each of which shall be of the same legal effect, validity, enforceability as a manually executed signature or the use of a paper-based record keeping system, as the case may be, to the extent permitted under, and as provided for in, any applicable law, all of which taken together constitute one and the same instrument.

Canadian Imperial Bank of Commerce
328 Bernard Ave.
Kelowna, B.C. V1Y 6N5

9. **Governing Law**

This Amendment is governed by and construed in accordance with laws of the Province of British Columbia and the laws of Canada applicable therein.

10. **Release and Acknowledgments**

The Borrower acknowledges that the actions of CIBC in connection with the Credit Agreement and obligations of the Borrower thereunder and in entering into this Amendment have been fair and reasonable and that CIBC has not acted in a managerial capacity with respect to the Borrower or has any fiduciary duty to the Borrower. The Borrower confirms that it has had the benefit of independent legal counsel in connection with this Agreement. The Borrower waives and agrees not to assert or cause to be asserted any defences, rights, or claims against CIBC including, but not limited to, in relation to, or in connection with, the Credit Agreement or any amendments thereto, and releases and remises CIBC (and each of its legal representatives, officers, directors, affiliates, shareholders, trustees, agents, or employees) from any and all claims arising up to the date of this Agreement.

The Borrower further acknowledges that CIBC is entitled to repayment of all outstanding indebtedness upon demand.

11. **Language**

The parties hereto have expressly required that this Amendment and all documents, agreements and notice related thereto be drafted in the English language.

All other terms and conditions of the Agreement remain unchanged.

Dated as of: March ____, 2024

For CIBC:		For the Borrower:	
By:	By:	By:	By:
Name:	Name:	Name: Doug Pankiw	Name: Gina Tymon.
Title: Authorized Signatory	Title: Authorized Signatory	Title: CFO	Title: Sr. Business Am. Mgr
For Growers Supply Company Limited (as borrower and guarantor):		For BC Tree Fruits Industries Limited (as guarantor):	
By: M. Welton	By:	By:	By:
Name: MARK WELTON	Name: Doug Pankiw	Name: Doug Pankiw	Name: Gina Tymon.
Title: GENERAL MANAGER	Title: CFO	Title: CFO	Title: Sr Business Am. Mgr.

Canadian Imperial Bank of Commerce
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Kelowna, B.C. V1Y 6N5

SCHEDULE A

	Outstanding March 20, 2024
BC Tree Fruits Cooperative	
Revolving Facility (Operating)	$37,132,336
Revolving Facility (AMPA)	$0
Term Facility (Credit D)	$6,133,333
Term Facility (Pre-Grade)	$10,358,633
Corporate Visa	$30,000
Total (CAD)	**$53,753,702**
Growers Supply Company Limited	
Revolving Term Loan	$585,232
Corporate Visa	$50,000
Total (CAD)	**$635,232**
Group Total (CAD)	**$53,803,702**

This is Exhibit "SS" referred to in the Affidavit of Douglas Pankiw Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and Notary Public

Howard A. G[illegible]n, KC
Barrister & Solicitor

Canadian Imperial Bank of Commerce
328 Bernard Ave
Kelowna, BC
V1Y 6N5

January 22, 2024

BC Tree Fruits Cooperative
3335 Sexsmith Road
Kelowna, BC
V1X 7T5

Attention: Doug Pankiw

Dear Sirs:

RE: Forbearance Letter

We refer to our Credit Agreement (and any subsequent amendments) dated January 3, 2018 for BC Tree Fruits Cooperative (the "Credit Agreement") which outlines the framework in which our credit facilities are structured, and the ongoing requirements that are to be met by yourselves as the Borrowers. The purpose of this letter is to highlight the areas under the Credit Agreements that are not being met and to summarize our previous discussions and presentations. We advise that the Borrower has been non-compliant with the following:

1. **Covenants:** Fixed Charge Coverage Ratio (to be no less than 1.0:1.0 for the 2023/2022 fiscal year, calculated on a combined basis for B.C. Tree Fruits Industries Limited, B.C. Tree Fruits Cooperative and Growers Supply Company Limited.

    a. For the 2023/22 fiscal years, the Fixed Change Coverage Ration ("FCCR") covenant was calculated at 0.76 : 1.00, and thus deemed to be in non-compliance.

2. **Reporting Requirements:** combined statements for BC Tree Fruits Cooperative, BC Tree Fruits Industries Limited, and Growers Supply Company Limited are to be provided annually based on the May 31st year-end for BC Tree Fruits Cooperative and BC Tree Fruits Industries Limited and the December 31st year-end for Growers Supply Company Limited.

Based on the above mentioned concerns, we expect the following actions to be undertaken by the Board of Directors:

1. Management of fixed charges, specifically, the Return to Growers amounts each quarter and unfunded capital expenditures, with sufficient funds remaining with the Borrower to ensure compliance with the FCCR covenant.

2. The Borrower is to provide CIBC a combined statement for BC Tree Fruits Cooperative, BC Tree Fruits Industries Limited, and Growers Supply Company Limited. within 120 days of BC Tree Fruits 2024 fiscal year end based on the May 31st year-end for BC Tree Fruits Cooperative and BC Tree Fruits Industries Limited and the December 31st year-end for Growers Supply Company Limited.

Upon execution of this Letter, it is acknowledged by the Directors of BC Tree Fruits Cooperative that the Fixed Charge Coverage Ratio is in breach for the 2023/2022 fiscal years. The Directors further agree to comply with the additional actions as outlined above.

Your cooperation is earnestly solicited.

Sincerely,

Adam Hutchens
Senior Manager, Commercial Banking
328 Bernard Ave., Kelowna, BC, V1Y 6N5
Direct Line: 250 470 1604

Please indicate that you have read and accept the above-mentioned conditions and requirements as outlined in this Letter by signing below.

BC Tree Fruits Cooperative

_____

Name:

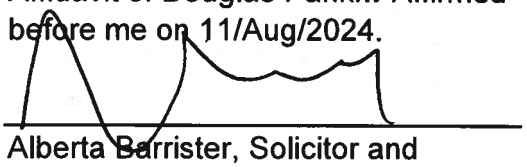
Title:

_____

Name:

Title:

This is Exhibit "TT" referred to in the Affidavit of Douglas Pankiw Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

Blakes

Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trademark Agents
1133 Melville Street
Suite 3500, The Stack
Vancouver, B.C. V6E 4E5 Canada
Tel: 604-631-3300 Fax: 604-631-3309

Peter Rubin*
Dir: 604-631-3315
peter.rubin@blakes.com
*Law Corporation

Reference: 2100/78574

August 6, 2024

VIA EMAIL

BC Tree Fruits Cooperative
1473 Water Street
Kelowna, BC V1Y 1J6

BC Tree Fruits Industries Limited
1473 Water Street
Kelowna, BC V1Y 1J6

Growers Supply Company Limited
1473 Water Street
Kelowna, BC V1Y 1J6

Attention: Mr. Doug Pankiw

RE: Demand for Payment, Demand on Guarantees and Notice of Defaults

Dear Sirs/Mesdames:

As you are aware, we are legal counsel to Canadian Imperial Bank of Commerce (the "**Bank**").

Capitalized terms used but not defined herein shall have the meanings ascribed to them under the Loan Agreement (as defined below).

We write with respect to the following:

(a) The Loan Agreement dated January 3, 2018, as amended by a first amending agreement dated August 8, 2018, a second amending agreement dated September 13, 2018, a third amending agreement dated November 29, 2019, a fourth amending agreement dated February 21, 2021, a fifth amending agreement dated January 28, 2022, a sixth amending agreement dated March 29, 2022, a seventh amending agreement dated June 10, 2022, an eighth amending agreement dated February 23, 2023, a ninth amending agreement dated July 31, 2023, a tenth amending agreement dated August 23, 2023, an eleventh amending agreement dated September 11, 2023, a twelfth amending agreement dated October 10, 2023, a thirteenth amending agreement dated December 8, 2023, a fourteenth amending agreement dated January 22, 2024, a fifteenth amending agreement (the "**Fifteenth Amendment**") dated February 22, 2024 and a sixteenth amending agreement (the "**Sixteenth Amendment**") dated March 25, 2024 (collectively, as may be further amended, revised, restated, replaced or modified from time to time, the "**Loan Agreement**") among:

i. BC Tree Fruits Cooperative, as borrower (the "**Borrower**");

ii. BC Tree Fruits Industries Limited ("**BCTFI**") and Growers Supply Company Limited ("**Growers**"), as guarantors (collectively, the "**Guarantors**"); and

iii. the Bank, as lender;

(b) the unlimited guarantee dated May 10, 2010 between BCTFI as guarantor and the Bank (the "**BCTFI Guarantee**");

(c) the unlimited guarantee dated April 13, 2013 between Growers as guarantor and the Bank (the "**Growers Guarantee**", and together with the BCTFI Guarantee, the "**Guarantees**");

(d) the first-ranking collateral mortgage and assignment of rents dated October 9, 2008 and registered October 15, 2008 under registration no.s CA945413 and CA945414, as extended by an extension of mortgage and assignment of rents dated December 18, 2012 and registered December 20, 2012 under registration no.s CA2926030 and CA2926031 as further extended by an extension of mortgage and assignment of rents dated August 21, 2019 and registered October 10, 2019 under registration no.s CA7803437 and CA7803438 and as amended on December 21, 2023 and registered under registration no. CB1095332 (collectively, as amended from time to time, the "**Mortgage**"), over various real property (collectively, the "**Properties**"), granted by the Borrower in favour of the Bank;

(e) the general security agreement dated July 20, 1993 (the "**BCTFI GSA**") granted by BCTFI to the Bank;

(f) the security agreement dated May 21, 1997 (the "**Growers GSA**") granted by Growers to the Bank; and

(g) the security agreement dated October 9, 2008 (the "**Borrower GSA**", and, together with the BCTFI GSI and the Growers GSA, the "**GSAs**") granted by the Borrower to the Bank.

The facilities granted pursuant to the Loan Agreement are demand facilities which are repayable immediately upon demand by the Bank and may be terminated in whole or in part by the Bank at any time.

Apart from the demand nature of the facilities, the Borrower is in breach of Loan Agreement and related loan and security agreements, for reasons which include those matters and circumstances as described below:

(a) On July 25, 2024 the Board of the Borrower passed resolutions pursuant to which (i) growers were to be notified that the Borrower was not accepting any more inventory for the current season; (ii) the vast majority of employees were to be terminated; and (iii) a decision was made to pursue an insolvency filing. All three of those resolutions have been carried out. Such actions are a Material Adverse Effect under the Loan Agreement; and

(b) Pursuant to subparagraph (e) of the subsection entitled "Special Conditions" under the Section entitled "Demand Instalment Loan – EDC TELP CapEx Loan – Credit K" of the Loan Agreement, the Borrower was required to deliver to the Bank by no later than July 31, 2024, a duly executed and delivered purchase and sale agreements for each of the Vaughan Property and the Sexsmith Property, which in each case, contemplate the consummation and completion of such sales by no later than September 30, 2024. The Borrower did not provide such an agreement in respect of the Sexsmith Property to the Bank.

(collectively, the "**Defaults**").

We write to provide the Borrowers and Guarantors with notice that the Defaults remain continuing Events of Default under the Loan Agreement which have not been remedied as of the date of this letter. The Bank confirms to the Borrower that it has no obligation to make further advances or other accommodation under the Loan Agreement.

The total indebtedness outstanding under the Loan Agreement includes the outstanding principal, plus all accrued and accruing interest, fees, indemnities, legal fees, prepayment penalties and other amounts payable, each of which shall continue to accrue and be determined at the date of pay-out, by the Borrower under the Loan Agreement and any other documents, instruments, and agreements executed pursuant thereto or in connection therewith from time to time (collectively, the "**Indebtedness**"). The Indebtedness as of July 30, 2024 was in excess of CAD $52,000,000 but which continues to increase.

Pursuant to the Loan Agreement and the Guarantees, the Borrower and the Guarantors jointly and severally guarantee payment to the Bank of all present and future debts and liabilities of the Borrower, including all costs and disbursements incurred by the Bank in recovering or attempting to recover said debts and liabilities. We further note that failure by the Borrower and the Guarantors to pay the Bank any outstanding indebtedness pursuant to the Loan Agreement is itself an Event of Default under the Loan Agreement.

We also write to provide notice of events of default under the GSA and Mortgage, including as set out in this letter, that have not been remedied. Pursuant to the GSA and Mortgage, an event of default occurs including but not limited to where the Borrower fails to pay or perform or observe any obligation, covenant, term, provision or condition contained in the GSA, Mortgage, or any other agreement, security instrument or other document made by the Borrower with or in favour of the Bank, among others.

We hereby demand that the Borrower and/or the Guarantors, pursuant to the Guarantees, pay the Indebtedness to the Bank. Please contact the Bank in advance of any payout so that an up to date payout amount can be provided, which payout will include any additional amounts that have accrued by that date. Should the Indebtedness not be paid to the Bank the Bank may take steps to enforce its legal rights under the Loan Agreement and any other documents, instruments, and agreements executed pursuant thereto or in connection therewith from time to time, and otherwise at law or in equity without further notice.

Blakes

We confirm that the Bank has not waived, and hereby expressly reserves, its rights to take all further and additional actions available to the Bank under the Loan Agreement, the GSA, the Guarantees, the Mortgage, or any other documents, instruments, and agreements executed pursuant thereto or in connection therewith, and at law, or in equity, including, among other available relief, without limitation: (a) judgment against the Borrower and/or the Guarantors, jointly and severally, for the amounts owing to the Bank; (b) an order appointing a receiver over the assets, undertakings, and/or property of the Borrower and/or the Guarantors; and/or (c) all other remedies afforded by law, in equity, or under the Loan Agreement, the GSA, the Guarantees, the Mortgage, or any other documents, instruments, and any agreements executed pursuant thereto or in connection therewith from time to time, to which the Bank is entitled with respect to the recovery of the amounts owing by the Borrower.

Please also see the enclosed notice pursuant to section 244 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3.

Yours truly,

Peter Rubin

Copy: Client

NOTICE OF INTENTION TO ENFORCE SECURITY
(Subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada))

To: BC Tree Fruits Cooperative ("**BCTF**"), BC Tree Fruits Industries Limited ("**BCTFI**") and Growers Supply Company Limited ("**Growers**") each an insolvent person (collectively, the "**Debtors**")

TAKE NOTICE THAT:

1. Canadian Imperial Bank of Commerce (the "**Creditor**" or the "**Bank**") a secured creditor, intends to enforce its security on the property of the Debtors including all or substantially all the property of the Debtors over which the Debtors have granted security, as more particularly set out below but not limited to:

   (a) the British Columbia properties legally described as: (i) PID: 009-223-746 LOT A SECTIONS 1, 11 AND 12 TOWNSHIP 23 OSOYOOS DIVISION YALE DISTRICT PLAN 13387 EXCEPT PLAN 16551, (ii) PID: 008-237-051 LOT 1 DISTRICT LOT 174 SIMILKAMEEN DIVISION YALE DISTRICT PLAN 18668 EXCEPT PLAN KAP61843, (iii) PID: 025-774-778 LOT A DISTRICT LOTS 5617 AND 9640 KOOTENAY DISTRICT PLAN NEP74260, (iv) PID: 026-463-504 LOT 1 DISTRICT LOT 2450S SIMILKAMEEN DIVISION YALE DISTRICT PLAN KAP79366, (v) PID: 010-931-121 THE WEST 40 FEET OF LOT 2 SECTION 35 TOWNSHIP 26 OSOYOOS DIVISION YALE DISTRICT PLAN 2946, (vi) PID: 003-285-359 LOT 1 SECTION 35 TOWNSHIP 26 OSOYOOS DIVISION YALE DISTRICT PLAN 36362, (vii) PID: 029-001-285 LOT A DISTRICT LOT 2450S SIMILKAMEEN DIVISION YALE DISTRICT PLAN EPP25807, (viii) PID: 029-001-293 LOT B DISTRICT LOT 2450S SIMILKAMEEN DIVISION YALE DISTRICT PLAN EPP25807, (ix) PID: 009-868-135 LOT 1 DISTRICT LOT 473 OSOYOOS DIVISION YALE DISTRICT PLAN 8244, (x) PID: 005-529-018 LOT 1 DISTRICT LOT 473 OSOYOOS DIVISION YALE DISTRICT PLAN 25403, (xi) PID: 005-529-026 LOT 2 DISTRICT LOT 473 OSOYOOS DIVISION YALE DISTRICT PLAN 25304, (xii) PID: 005-056-535 LOT 29 SECTION 26 TOWNSHIP 9 OSOYOOS DIVISION YALE DISTRICT PLAN 457 EXCEPT PLANS 17370, 22191 AND 36673, (xiii) PID: 005-312-060 LOT A SECTION 35 TOWNSHIP 26 OSOYOOS DIVISION YALE DISTRICT PLAN 4410 EXCEPT (1) ROAD ON PLAN 37429 AND H8110 (2) PLAN 37430 and (xiv) PID 012-603-911 THE NOTHERLY 349.38 FEET OF BLOCK 30 MEASURED ALONG THE EASTERNLY BOUNDARY OF SAID BLOCK BY THE FULL DEPTH THEREOF SECTION 30 TOWNSHIP 26 OSOYOOS DIVISION YALE DISTRICT PLAN 202; and

   (b) all present and after-acquired personal property and undertakings of the Debtors.

2. The security (the "**Security**") that is to be enforced is set out in **Schedule "A"** hereto.

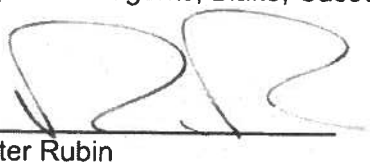
3. Total amount of indebtedness secured by the Security, as of July 30, 2024 is in excess of CAD $52,000,000 with interest, fees, indemnities and other amounts accruing thereafter as provided for in the Loan Agreement dated January 3, 2018, as amended by a first amending agreement dated August 8, 2018, a second amending agreement dated September 13, 2018, a third amending agreement dated November 29, 2019, a fourth amending agreement dated February 21, 2021, a fifth amending agreement dated January 28, 2022, a sixth amending agreement dated March 29, 2022, a seventh amending agreement dated June 10, 2022, an eighth amending agreement dated February 23, 2023, a ninth amending agreement dated July 31, 2023, a tenth amending agreement dated August 23, 2023, an eleventh amending agreement dated September 11, 2023, a twelfth amending agreement dated October 10, 2023, a thirteenth amending agreement dated December 8, 2023, a fourteenth amending agreement dated January 22, 2024, a fifteenth amending agreement dated February 22, 2024

and a sixteenth amending agreement dated March 25, 2024 (as the same may be further amended, revised, restated, replaced or modified from time to time, the "**Loan Agreement**"), and its related documents, instruments and agreements.

4. The Bank 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 Debtors consent to an earlier enforcement or the Court so orders.

Dated at Vancouver, British Columbia, this 6th day of August, 2024.

CANADIAN IMPERIAL BANK OF COMMERCE
By its lawyers and agents, Blake, Cassels & Graydon LLP



By: _____
Name: Peter Rubin
Title: Partner

SCHEDULE "A"

The Security that is to be enforced is the security granted by the Debtors to the Creditor pursuant to the Loan Agreement, including (but not limited to):

1. the first-ranking collateral mortgage and assignment of rents dated October 9, 2008 and registered October 15, 2008 under registration nos. CA945413 and CA945414, as extended by an extension of mortgage and assignment of rents dated December 18, 2012 and registered December 20, 2012 under registration nos. CA2926030 and CA2926031 as further extended by an extension of mortgage and assignment of rents dated August 21, 2019 and registered October 10, 2019 under registration nos. CA7803437 and CA7803438 and as amended on December 21, 2023 and registered under registration no. CB1095332 (as amended from time to time).

2. the security agreement dated July 20, 1993 granted by BC Tree Fruits Industries Limited to Canadian Imperial Bank of Commerce.

3. the security agreement dated May 21, 1997 granted by Growers Supply Company Limited to Canadian Imperial Bank of Commerce.

4. the security agreement dated October 9, 2008 granted by the BC Tree Fruits Cooperative to Canadian Imperial Bank of Commerce.

5. Such further and other security as is provided for by the above listed documents, instruments, and agreements.

CONSENT TO IMMEDIATE ENFORCEMENT

BC Tree Fruits Cooperative, BC Tree Fruits Industries Limited and Growers Supply Company Limited consent to the immediate enforcement by the Creditor of the Security described in paragraph 2 above pursuant to Section 244(2) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended.

DATED at _____, this _____ of _____, 2024.

DEBTORS

BC TREE FRUITS COOPERATIVE

By: _____
Name:
Title:

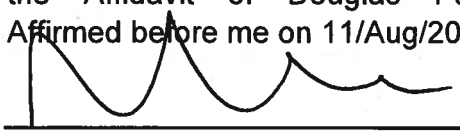
BC TREE FRUITS INDUSTRIES LIMITED

By: _____
Name:
Title:

GROWERS SUPPLY COMPANY LIMITED

By: _____
Name:
Title:

This is Exhibit "UU" referred to in the Affidavit of Douglas Pankiw Affirmed before me on 11/Aug/2024.



Alberta Barrister, Solicitor and Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

BC Registries and Online Services

T

BC Registries Dashboard > My Personal Property Registry > Selection List

My Personal Property Registry

Taylor Thurston
NORTON ROSE FULBRIGHT CANADA LLP

Help

Search Results

for Business Debtor Name "GROWERS SUPPLY COMPANY LIMITED" as of July 25, 2024 at 10:52:16 am Pacific time

Folio Number: 1001252553

Select the registrations you want to include in a printable PDF search report. Exact matches are automatically selected. This report will contain the full record of the registration for each selected match and will be automatically saved to your PPR Dashboard.

4 matches found | **4** exact matches
4 total matches in **4** registrations added to report

PDF Generate Search Result Report

Select All	Debtor Name
Exact Matches (4)	
exact match added	GROWERS SUPPLY COMPANY LIMITED
exact match added	GROWERS SUPPLY COMPANY LIMITED

Select All	Debtor Name
exact match added	GROWERS SUPPLY COMPANY LIMITED
exact match added	GROWERS SUPPLY COMPANY LIMITED

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Business Debtor - "GROWERS SUPPLY COMPANY LIMITED"

Search Date and Time: July 25, 2024 at 10:52:16 am Pacific time
Account Name: NORTON ROSE FULBRIGHT CANADA LLP
Folio Number: 1001252553

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4 Matches in 4 Registrations in Report | Exact Matches: 4 (*) | Total Search Report Pages: 11

	Base Registration	Base Registration Date	Debtor Name	Page
1	7053455	May 30, 1997	* GROWERS SUPPLY COMPANY LIMITED	2
2	658013I	June 11, 2015	* GROWERS SUPPLY COMPANY LIMITED	6
3	189166M	April 28, 2020	* GROWERS SUPPLY COMPANY LIMITED	8
4	433982P	March 24, 2023	* GROWERS SUPPLY COMPANY LIMITED	10

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 7053455

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	May 30, 1997 at 10:04:40 am Pacific time
Current Expiry Date and Time:	May 30, 2032 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of July 25, 2024 at 10:52:16 am Pacific time)

Secured Party Information

CANADIAN IMPERIAL BANK OF COMMERCE

Address

595 BAY ST. 5TH FLOOR
TORONTO ON
M5G 2C2 Canada

Debtor Information

GROWERS SUPPLY COMPANY LIMITED

Address

2005 ACLAND ROAD
KELOWNA BC
V1X 7J4 Canada

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF BRITISH COLUMBIA AND REGULATION THEREUNDER.

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Original Registering Party

CANADIAN IMPERIAL BANK OF COMMERCE

Address

595 BAY ST. 5TH FLOOR
TORONTO ON
M5G 2C2 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

HISTORY

(Showing most recent first)

RENEWAL

Registration Date and Time: March 16, 2022 at 8:55:09 am Pacific time
Registration Number: 600024N
Registration Life: 10 Years
New Expiration Date and Time: May 30, 2032 at 11:59:59 pm Pacific time

Registering Party Information

TERANET COLLATERAL MANAGEMENT SOLUTIONS CORPORATION

Address

2 ROBERT SPECK PARKWAY, 15TH FL
MISSISSAUGA ON
L4Z 1H8 Canada

RENEWAL

Registration Date and Time: February 10, 2017 at 11:29:27 am Pacific time
Registration Number: 817832J
Registration Life: 5 Years
New Expiration Date and Time: May 30, 2022 at 11:59:59 pm Pacific time

Registering Party Information

D & H LIMITED PARTNERSHIP

Address

4126 NORLAND AVENUE, SUITE 201
BURNABY BC
V5G 3S8 Canada

RENEWAL

Registration Date and Time: March 15, 2012 at 8:08:49 am Pacific time
Registration Number: 635717G
Registration Life: 5 Years
New Expiration Date and Time: May 30, 2017 at 11:59:59 pm Pacific time

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Registering Party Information

D & H LIMITED PARTNERSHIP

Address

4126 NORLAND AVENUE, SUITE 201
BURNABY BC
V5G 3S8 Canada

RENEWAL

Registration Date and Time: March 9, 2007 at 8:07:14 am Pacific time
Registration Number: 545308D
Registration Life: 5 Years
New Expiration Date and Time: May 30, 2012 at 11:59:59 pm Pacific time

Registering Party Information

D & H LIMITED PARTNERSHIP

Address

4126 NORLAND AVENUE, SUITE 201
BURNABY BC
V5G 3S8 Canada

RENEWAL

Registration Date and Time: March 12, 2002 at 10:03:27 am Pacific time
Registration Number: 273904A
Registration Life: 5 Years
New Expiration Date and Time: May 30, 2007 at 11:59:59 pm Pacific time

Registering Party Information

PROCESSING CENTRE CSRS

Address

180-13571 COMMERCE PARKWAY
RICHMOND BC
V6V 2L1 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 658013I

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	June 11, 2015 at 9:47:16 am Pacific time
Current Expiry Date and Time:	June 11, 2025 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of July 25, 2024 at 10:52:16 am Pacific time)

Secured Party Information

BAYER CROPSCIENCE INC.

Address

200 - 160 QUARRY PK BLVD SE
CALGARY AB
T2C 3G3 Canada

Debtor Information

GROWERS SUPPLY COMPANY LIMITED

Address

2605 ACLAND ROAD
KELOWNA BC
V1X 7J4 Canada

Vehicle Collateral

None

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

PURSUANT TO SECTION 35(7) OF THE PERSONAL PROPERTY SECURITY ACT (BRITISH COLUMBIA), THIS IS A REREGISTRATION OF EXPIRED BASE REGISTRATION NUMBER 8889663 (REGISTERED ON MAY 24, 2000) THAT LAPSED ON MAY 24, 2015. . ,ALL PRESENT AND AFTER-ACQUIRED INVENTORY OF AGRICULTURAL CROP PROTECTION PESTICIDES, AGRICULTURAL SEED, AGRICULTURAL SEED PRODUCTS AND OTHER RELATED PRODUCTS OR ITEMS SUPPLIED TO THE DEBTOR BY THE SECURED PARTY, INCLUDING WITHOUT RESTRICTION, AGRICULTURAL CROP HERBICIDES, INSECTICIDES AND FUNGICIDES. ,. PROCEEDS: GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES AND CROPS, EQUIPMENT, ACCOUNTS, INVENTORY, INSURANCE CLAIMS AND PROCEEDS, CHOSES IN ACTION.

Original Registering Party

MACPHERSON LESLIE & TYERMAN LLP

Address

1800 - 355 BURRARD STREET
VANCOUVER BC
V6C 2G8 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 189166M

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	April 28, 2020 at 3:39:15 pm Pacific time
Current Expiry Date and Time:	April 28, 2026 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of July 25, 2024 at 10:52:16 am Pacific time)

Secured Party Information

TRAILWOOD ENTERPRISES LTD

Address

2072 FALCON ROAD
KAMLOOPS BC
V2C 4J3 Canada

MERCEDES-BENZ FINANCIAL SERVICES CANADA CORPORATION

Address

2680 MATHESON BLVD E STE 500
MISSISSAUGA ON
L4W 0A5 Canada

Debtor Information

GROWERS SUPPLY COMPANY LIMITED

Address

2605 ACLANDS RD
KELOWNA BC
V1X 7J4 Canada

Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2019	WESTERN STAR / 4700SB	5KJJAXDV4KLKX0756

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

COMPLETE WITH ALL ATTACHMENTS

Original Registering Party

RJAMES MANAGEMENT GROUP LTD

Address

2072 FALCON ROAD
KAMLOOPS BC
V2C 4J3 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 433982P

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	March 24, 2023 at 2:58:27 pm Pacific time
Current Expiry Date and Time:	March 24, 2028 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of July 25, 2024 at 10:52:16 am Pacific time)

Secured Party Information

JIM PATTISON INDUSTRIES LTD.

Address

4937 REGENT ST
BURNABY BC
V5C 4H4 Canada

Debtor Information

GROWERS SUPPLY COMPANY LIMITED

Address

2605 ACKLAND RD
KELOWNA BC
V1X 7J4 Canada

Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2023	CHEVROLET / SILVERADO 1500	3GCPDBEK0PG143724

General Collateral

None.

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Original Registering Party

JIM PATTISON INDUSTRIES LTD.

Address

4937 REGENT ST
BURNABY BC
V5C 4H4 Canada

BC Registries and Online Services

T

BC Registries Dashboard > My Personal Property Registry > Selection List

My Personal Property Registry

Taylor Thurston
NORTON ROSE FULBRIGHT CANADA LLP

Help

Search Results

for Business Debtor Name "BC TREE FRUITS COOPERATIVE" as of July 25, 2024 at 10:50:17 am Pacific time

Folio Number: 1001252553

Select the registrations you want to include in a printable PDF search report. Exact matches are automatically selected. This report will contain the full record of the registration for each selected match and will be automatically saved to your PPR Dashboard.

6 matches found | **6** exact matches
6 total matches in **6** registrations added to report

PDF Generate Search Result Report

Select All	**Debtor Name**
Exact Matches (6)	
exact match added	BC TREE FRUITS COOPERATIVE
exact match added	BC TREE FRUITS COOPERATIVE

Select All	Debtor Name
exact match added	BC TREE FRUITS COOPERATIVE
exact match added	BC TREE FRUITS COOPERATIVE
exact match added	BC TREE FRUITS COOPERATIVE
exact match added	BC TREE FRUITS COOPERATIVE

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Business Debtor - "BC TREE FRUITS COOPERATIVE"

Search Date and Time: July 25, 2024 at 10:50:17 am Pacific time
Account Name: NORTON ROSE FULBRIGHT CANADA LLP
Folio Number: 1001252553

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6 Matches in 6 Registrations in Report | Exact Matches: 6 (*) | Total Search Report Pages: 16

	Base Registration	Base Registration Date	Debtor Name	Page
1	641068E	October 14, 2008	* BC TREE FRUITS COOPERATIVE	2
2	040521N	June 14, 2021	* BC TREE FRUITS COOPERATIVE	6
3	049600N	June 17, 2021	* BC TREE FRUITS COOPERATIVE	8
4	194120N	August 23, 2021	* BC TREE FRUITS COOPERATIVE	11
5	268660N	September 28, 2021	* BC TREE FRUITS COOPERATIVE	13
6	975770P	December 18, 2023	* BC TREE FRUITS COOPERATIVE	15

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 641068E

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	October 14, 2008 at 1:41:37 pm Pacific time
Current Expiry Date and Time:	October 14, 2028 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of July 25, 2024 at 10:50:17 am Pacific time)

Secured Party Information

CANADIAN IMPERIAL BANK OF COMMERCE

Address

595 BAY STREET, 5TH FLOOR
TORONTO ON
M5G 2C2 Canada

Debtor Information

BC TREE FRUITS COOPERATIVE

Address

1473 WATER STREET
KELOWNA BC
V1Y 1J6 Canada

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY.

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Original Registering Party

PUSHOR MITCHELL LLP

Address

301 - 1665 ELLIS STREET
KELOWNA BC
V1Y 2B3 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

HISTORY

(Showing most recent first)

RENEWAL

Registration Date and Time: August 10, 2018 at 12:27:04 pm Pacific time
Registration Number: 952314K
Registration Life: 10 Years
New Expiration Date and Time: October 14, 2028 at 11:59:59 pm Pacific time

Registering Party Information

D & H LIMITED PARTNERSHIP

Address
4126 NORLAND AVENUE, SUITE 201
BURNABY BC
V5G 3S8 Canada

AMENDMENT

Registration Date and Time: August 14, 2013 at 2:47:11 pm Pacific time
Registration Number: 509022H
Description: AMEND BOTH DEBTOR AND SECURED PARTY

Debtor Information

BC TREE FRUITS COOPERATIVE
ADDED

Address
1473 WATER STREET
KELOWNA BC
V1Y 1J6 Canada

OKANAGAN TREE FRUIT COOPERATIVE
DELETED

Address
880 VAUGHN AVENUE
KELOWNA BC
V1Y 7E4 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Secured Party Information

CANADIAN IMPERIAL BANK OF COMMERCE

ADDED

Address

595 BAY STREET, 5TH FLOOR
TORONTO ON
M5G 2C2 Canada

CIBC-COMMERCIAL SALES & SERVICE CENTRE

DELETED

Address

595 BAY STREET. 5TH FLOOR
TORONTO ON
M5G 2C2 Canada

Registering Party Information

D & H LIMITED PARTNERSHIP

Address

4126 NORLAND AVENUE, SUITE 201
BURNABY BC
V5G 3S8 Canada

RENEWAL

Registration Date and Time:	August 14, 2013 at 1:05:45 pm Pacific time
Registration Number:	508396H
Registration Life:	5 Years
New Expiration Date and Time:	October 14, 2018 at 11:59:59 pm Pacific time

Registering Party Information

D & H LIMITED PARTNERSHIP

Address

4126 NORLAND AVENUE, SUITE 201
BURNABY BC
V5G 3S8 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 040521N

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	June 14, 2021 at 2:32:47 pm Pacific time
Current Expiry Date and Time:	June 14, 2026 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of July 25, 2024 at 10:50:17 am Pacific time)

Secured Party Information

PROSEAL AMERICA INC.

Address

7611 WHITEPINE ROAD
RICHMOND BC
23237 Canada

Debtor Information

BC TREE FRUITS INDUSTRIES LIMITED

Address

880 VAUGHAN AVENUE
KELOWNA BC
V1Y 7E4 Canada

BC TREE FRUITS COOPERATIVE

Address

880 VAUGHAN AVENUE
KELOWNA BC
V1Y 7E4 Canada

Vehicle Collateral

None

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

GT0E MACHINE MACHINE- SERIAL NUMBER: SN-M-06278 AND ALL PROCEEDS FROM THE SALE OF THE FOREGOING.

Original Registering Party

WATSON GOEPEL

Address

1200 - 1075 WEST GEORGIA ST
VANCOUVER BC
V6E 3C9 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 049600N

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	June 17, 2021 at 12:41:41 pm Pacific time
Current Expiry Date and Time:	June 17, 2026 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of July 25, 2024 at 10:50:17 am Pacific time)

Secured Party Information

RCAP LEASING INC.

Address

5575 NORTH SERVICE RD, STE 300
BURLINGTON ON
L7L 6M1 Canada

Debtor Information

BC TREE FRUITS COOPERATIVE

Address

3335 SESMITH RD.
KELOWNA BC
V1X 7T5 Canada

Vehicle Collateral

None

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

June 30, 2021 at 12:36:35 pm Pacific time

ADDED

004-274968- 045827, 004-295012- 045835, 004-295125- 045832, 056-785296- 045965, 056-785296- 045965, 006-298519- 045895

Base Registration General Collateral:

ALL COMPUTER EQUIPMENT FROM TIME TO TIME LEASED BY THE SECURED PARTY TO THE DEBTOR AS DESCRIBED ON LEASES, CONDITIONAL SALES AGREEMENTS AND ANY OTHER FINANCING AGREEMENTS ENTERED INTO BETWEEN THE SECURED PARTY AND THE DEBTOR FROM TIME TO TIME AND ANY PROCEEDS THEREOF, TOGETHER WITH ALL REPLACEMENT PARTS, ACCESSORIES AND ATTACHMENTS.

Original Registering Party

(REGISTRY=RECOVERY) TM INC.

Address

1551 THE QUEENSWAY
TORONTO ON
M8Z 1T8 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

HISTORY

(Showing most recent first)

AMENDMENT

Registration Date and Time: June 30, 2021 at 12:36:35 pm Pacific time
Registration Number: 079844N
Description: ADD SERIAL NUMBER TO GENERAL COLLATERALS

General Collateral

June 30, 2021 at 12:36:35 pm Pacific time

ADDED

004-274968- 045827, 004-295012- 045835, 004-295125- 045832, 056-785296- 045965, 056-785296- 045965, 006-298519- 045895

Registering Party Information

(REGISTRY=RECOVERY) TM INC.

Address

1551 THE QUEENSWAY
TORONTO ON
M8Z 1T8 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 194120N

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	August 23, 2021 at 12:05:42 pm Pacific time
Current Expiry Date and Time:	August 23, 2026 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of July 25, 2024 at 10:50:17 am Pacific time)

Secured Party Information

DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.

Address

3450 SUPERIOR COURT, UNIT 1
OAKVILLE ON
L6L 0C4 Canada

Debtor Information

BC TREE FRUITS COOPERATIVE

Address

3335 SEXSMITH ROAD
KELOWNA BC
V1X 7T5 Canada

Vehicle Collateral

None

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

ALL GOODS OF THE DEBTOR FINANCED BY THE SECURED PARTY, WHEREVER SITUATED, CONSISTING OF NINE (9) KYOCERA COPIERS, TOGETHER WITH ALL PARTS AND ACCESSORIES RELATING THERETO, ALL ATTACHMENTS, ACCESSORIES AND ACCESSIONS THERETO OR THEREON AND ALL REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND ,IMPROVEMENTS OF ALL OR ANY PART OF THE FOREGOING AND ALL PROCEEDS IN ANY FORM DERIVED THEREFROM. PROCEEDS: ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY WHICH IS DERIVED, DIRECTLY OR INDIRECTLY, FROM ANY DEALING WITH OR DISPOSITION OF THE ABOVE-DESCRIBED COLLATERAL, INCLUDING WITHOUT LIMITATION, ALL INSURANCE AND OTHER PAYMENTS PAYABLE AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE THERETO, ACCOUNTS, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE ABOVE-DESCRIBED COLLATERAL, GOODS, CHATTEL PAPER, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, CHEQUES, DEPOSITS, SECURITIES AND INTANGIBLES.

Original Registering Party

DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.

Address

3450 SUPERIOR COURT, UNIT 1
OAKVILLE ON
L6L 0C4 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 268660N

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	September 28, 2021 at 6:13:57 am Pacific time
Current Expiry Date and Time:	September 28, 2024 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of July 25, 2024 at 10:50:17 am Pacific time)

Secured Party Information

RCAP LEASING INC.

Address

5575 NORTH SERVICE RD, STE 300
BURLINGTON ON
L7L 6M1 Canada

Debtor Information

BC TREE FRUITS COOPERATIVE

Address

3335 SEXSMITH ROAD
KELOWNA BC
V1X 7T5 Canada

Vehicle Collateral

None

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

ALL EQUIPMENT FROM TIME TO TIME LEASED BY THE SECURED PARTY TO THE DEBTOR AS DESCRIBED ON LEASES, CONDITIONAL SALES AGREEMENTS AND ANY OTHER FINANCING AGREEMENTS ENTERED INTO BETWEEN THE SECURED PARTY AND THE DEBTOR FROM TIME TO TIME AND ANY PROCEEDS THEREOF, TOGETHER WITH ALL REPLACEMENT PARTS, ACCESSORIES AND ATTACHMENTS. (4) HE150-2TB RAW ,STORAGE - 32GB RAM - W/ INTEL CORE I7-10710U, (2) XGS 3300 W XSTREAM, (2) WEBSERVER PROTECTION, (2) XGS 3300 ENHANCED TO ENHANCED, (1) XGS 2100 WITH XSTREAM, INCLUDING ALL ACCESSORIES S/NS: 004-274968-057312 004-295012-057296 004-295125-057493 004-295178-057487 C190A2HJQKX632A C320ABRX2R6C63D C180AJYWTX624 C180C0JYTEYC519 C23076KWCVJV939 ,C1403AJRTK9GGA5 R60012MC936JQ10 R60014MC936JQ11 R60001MC936JQ43 R60001MC936JQ56 R60001MC936JQ66 R60001MC936JQ79 R60001MC936JQ82 R60001MC936JQ93 R60001MC936JQ12 R60001MC936JQ27

Original Registering Party

(REGISTRY=RECOVERY) TM INC.

Address

1551 THE QUEENSWAY
TORONTO ON
M8Z 1T8 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 975770P

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	December 18, 2023 at 9:49:05 am Pacific time
Current Expiry Date and Time:	December 18, 2028 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of July 25, 2024 at 10:50:17 am Pacific time)

Secured Party Information

CIBC-COMMERCIAL SALES & SERVICE CENTRE

Address

595 BAY STREET. 5TH FLOOR
TORONTO ON
M5G 2C2 Canada

Debtor Information

BC TREE FRUITS COOPERATIVE

Address

3335 SEXSMITH RD
KELOWNA BC
V1X 7T5 Canada

Vehicle Collateral

None

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

ALL OF THE RIGHT, TITLE, CLAIM AND INTEREST OF THE DEBTOR IN AND TO ALL THE PRE-SALE DEPOSITS AND SALE PROCEEDS DUE OR WHICH MAY BECOME DUE TO THE DEBTOR IN CONNECTION WITH THE PROPERTY LEGALLY DESCRIBED AS: PID: 012-603-911, THE NORTHERLY 349.38 FEET OF BLOCK 30 MEASURED ALONG THE EASTERLY BOUNDARY OF SAID BLOCK BY THE FULL DEPTH THEREOF SECTION 30 TOWNSHIP 26 OSOYOOS DIVISION YALE DISTRICT PLAN 202 LOCATED KELOWNA, BRITISH COLUMBIA.

Original Registering Party

PUSHOR MITCHELL LLP

Address

DBA PUSHOR MITCHELL LLP
301 1665 ELLIS STREET
KELOWNA BC
V1Y 2B3 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Business Debtor - "BC TREE FRUITS INDUSTRIES LIMITED"

Search Date and Time: August 7, 2024 at 11:41:49 am Pacific time
Account Name: NORTON ROSE FULBRIGHT CANADA LLP
Folio Number: 1001252553

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5 Matches in 5 Registrations in Report | Exact Matches: 2 (*) | Total Search Report Pages: 15

	Base Registration	Base Registration Date	Debtor Name	Page
1	4666645	June 21, 1993	* BC TREE FRUITS INDUSTRIES LIMITED	2
2	040521N	June 14, 2021	* BC TREE FRUITS INDUSTRIES LIMITED	8
3	132154Q	January 12, 2024	BC TREE COMPANY	10
4	191396Q	February 14, 2024	BC TREE COMPANY	12
5	228137Q	March 4, 2024	BC TREE COMPANY	14

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 4666645

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	June 21, 1993 at 4:07:03 pm Pacific time
Current Expiry Date and Time:	June 21, 2030 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of August 7, 2024 at 11:41:49 am Pacific time)

Secured Party Information

CANADIAN IMPERIAL BANK OF COMMERCE

Address

595 BAY STREET, 5TH FLOOR
TORONTO ON
M5G 2C2 Canada

Debtor Information

BC TREE FRUITS INDUSTRIES LIMITED

Address

1473 WATER STREET
KELOWNA BC
V1Y 1J6 Canada

Vehicle Collateral

None

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

April 22, 1996 at 8:51:44 am Pacific time

ADDED

AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF BRITISH COLUMBIA ,AND REGULATIONS THEREUNDER.

Base Registration General Collateral:

ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY

Original Registering Party

PUSHOR MITCHELL DAVIES MONTGOMERY & CO

Address

301 1665 ELLIS STREET
KELOWNA BC
V1Y 2B3 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

HISTORY

(Showing most recent first)

RENEWAL

Registration Date and Time: May 11, 2020 at 1:58:29 pm Pacific time
Registration Number: 209958M
Registration Life: 10 Years
New Expiration Date and Time: June 21, 2030 at 11:59:59 pm Pacific time

Registering Party Information

TERANET COLLATERAL MANAGEMENT SOLUTIONS CORPORATION

Address

2 ROBERT SPECK PARKWAY, 15TH F
MISSISSAUGA ON
L4Z 1H8 Canada

RENEWAL

Registration Date and Time: March 18, 2015 at 1:49:16 pm Pacific time
Registration Number: 496275I
Registration Life: 5 Years
New Expiration Date and Time: June 21, 2020 at 11:59:59 pm Pacific time

Registering Party Information

D & H LIMITED PARTNERSHIP

Address

4126 NORLAND AVENUE, SUITE 201
BURNABY BC
V5G 3S8 Canada

AMENDMENT

Registration Date and Time: June 13, 2013 at 4:00:14 pm Pacific time
Registration Number: 402162H
Description: TO AMEND DEBTOR NAME AND SECURITY PARTY ADDRESS

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Debtor Information

BC TREE FRUITS INDUSTRIES LIMITED
(Formerly B C TREE FRUITS LIMITED)
NAME CHANGED

Address
1473 WATER STREET
KELOWNA BC
V1Y 1J6 Canada

Secured Party Information

CANADIAN IMPERIAL BANK OF COMMERCE
ADDRESS CHANGED

Address
595 BAY STREET, 5TH FLOOR
TORONTO ON
M5G 2C2 Canada

Registering Party Information

D & H LIMITED PARTNERSHIP

Address
4126 NORLAND AVENUE, SUITE 201
BURNABY BC
V5G 3S8 Canada

RENEWAL

Registration Date and Time:	April 23, 2010 at 11:02:14 am Pacific time
Registration Number:	520737F
Registration Life:	5 Years
New Expiration Date and Time:	June 21, 2015 at 11:59:59 pm Pacific time

Registering Party Information

D & H LIMITED PARTNERSHIP

Address
4126 NORLAND AVENUE, SUITE 201
BURNABY BC
V5G 3S8 Canada

RENEWAL

Registration Date and Time:	March 29, 2005 at 1:45:56 pm Pacific time
Registration Number:	259546C
Registration Life:	5 Years
New Expiration Date and Time:	June 21, 2010 at 11:59:59 pm Pacific time

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Registering Party Information

D & H LIMITED PARTNERSHIP

Address

4126 NORLAND AVENUE, SUITE 201
BURNABY BC
V5G 3S8 Canada

RENEWAL

Registration Date and Time: April 24, 1998 at 10:23:58 am Pacific time
Registration Number: 7625177
Registration Life: 7 Years
New Expiration Date and Time: June 21, 2005 at 11:59:59 pm Pacific time

Registering Party Information

CANADIAN IMPERIAL BANK OF COMMERCE

Address

595 BAY ST. 5TH FLOOR
TORONTO ON
M5G 2C2 Canada

AMENDMENT

Registration Date and Time: April 22, 1996 at 8:51:44 am Pacific time
Registration Number: 6346955
Description: CHANGE SECURED PARTY AND ADDITION OF GENERAL COLLATERAL

General Collateral

April 22, 1996 at 8:51:44 am Pacific time

ADDED

AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF BRITISH COLUMBIA ,AND REGULATIONS THEREUNDER.

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Secured Party Information

CANADIAN IMPERIAL BANK OF COMMERCE

ADDRESS CHANGED

Address

5TH FLOOR 1066 W HASTINGS ST.
VANCOUVER BC
V6E 4M1 Canada

Registering Party Information

CANADIAN IMPERIAL BANK OF COMMERCE

Address

5TH FLOOR 1066 W HASTINGS ST.
VANCOUVER BC
V6E 4M1 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 040521N

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	June 14, 2021 at 2:32:47 pm Pacific time
Current Expiry Date and Time:	June 14, 2026 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of August 7, 2024 at 11:41:49 am Pacific time)

Secured Party Information

PROSEAL AMERICA INC.

Address

7611 WHITEPINE ROAD
RICHMOND BC
23237 Canada

Debtor Information

BC TREE FRUITS INDUSTRIES LIMITED

Address

880 VAUGHAN AVENUE
KELOWNA BC
V1Y 7E4 Canada

BC TREE FRUITS COOPERATIVE

Address

880 VAUGHAN AVENUE
KELOWNA BC
V1Y 7E4 Canada

Vehicle Collateral

None

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

GT0E MACHINE MACHINE- SERIAL NUMBER: SN-M-06278 AND ALL PROCEEDS FROM THE SALE OF THE FOREGOING.

Original Registering Party

WATSON GOEPEL

Address

1200 - 1075 WEST GEORGIA ST
VANCOUVER BC
V6E 3C9 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 132154Q

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	January 12, 2024 at 11:13:00 am Pacific time
Current Expiry Date and Time:	January 12, 2026 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of August 7, 2024 at 11:41:49 am Pacific time)

Secured Party Information

CATERPILLAR FINANCIAL SERVICES LIMITED

Address

1122 INTERNATIONAL BLVD. SUITE 400
BURLINGTON ON
L7L 6Z8 Canada

Debtor Information

0884865 B.C. LTD.

Address

8821 TOOPS WAY
CHASE BC
V0E 1M2 Canada

BC TREE COMPANY

Address

8821 TOOPS WAY
CHASE BC
V0E 1M2 Canada

Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2007	CATERPILLAR / 14H	CAT0014HVASE02104

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

ONE (1) CATERPILLAR 14H MOTOR GRADER C/W SNOW ARRANGEMENT & RIPPER

TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVEMENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.
PROCEEDS MEANS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Original Registering Party

ESC CORPORATE SERVICES LTD.

Address

445 KING STREET WEST, SUITE 400
TORONTO ON
M5V 1K4 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 191396Q

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	February 14, 2024 at 5:53:38 am Pacific time
Current Expiry Date and Time:	February 14, 2027 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of August 7, 2024 at 11:41:49 am Pacific time)

Secured Party Information

CATERPILLAR FINANCIAL SERVICES LIMITED

Address

1122 INTERNATIONAL BLVD. SUITE 400
BURLINGTON ON
L7L 6Z8 Canada

Debtor Information

0884865 B.C. LTD.

Address

8821 TOOPS WAY
CHASE BC
V0E 1M2 Canada

BC TREE COMPANY

Address

8821 TOOPS WAY
CHASE BC
V0E 1M2 Canada

Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2007	CATERPILLAR / 14H	CAT0014HVASE02104

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

ONE (1) CATERPILLAR 14H MOTOR GRADER C/W SNOW ARRANGEMENT & RIPPER

TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS TO THE ABOVE MENTIONED COLLATERAL AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH SUCH COLLATERAL AND A RIGHT TO AN INSURANCE PAYMENT OR ANY PAYMENT THAT INDEMNIFIES OR COMPENSATES FOR LOSS OR DAMAGE TO SUCH COLLATERAL OR PROCEEDS OF SUCH COLLATERAL.
PROCEEDS MEANS GOODS, SECURITIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS, MONEY AND INTANGIBLES.

Original Registering Party

ESC CORPORATE SERVICES LTD.

Address

445 KING STREET WEST, SUITE 400
TORONTO ON
M5V 1K4 Canada

BRITISH COLUMBIA

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 228137Q

Registration Description:	REPAIRERS LIEN
Act:	REPAIRERS LIEN ACT
Base Registration Date and Time:	March 4, 2024 at 1:54:58 pm Pacific time
Current Expiry Date and Time:	August 31, 2024 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Surrender Date:	March 28, 2024
Lien Amount:	$107,221.59

CURRENT REGISTRATION INFORMATION

(as of August 7, 2024 at 11:41:49 am Pacific time)

Secured Party Information

BRANDT TRACTOR LTD.

Address

9500 190TH ST.
SURREY BC
V4N 3S2 Canada

Debtor Information

BC TREE COMPANY

Address

BC TREE COMPANY
DAVIS LK RD
CHASE BC
V0E 1M2 Canada

Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2023	JD / 3154G	1FF3154GJKF310100

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

None.

Original Registering Party

BRANDT TRACTOR LTD.

Address

29 TOWER ROAD PO BOX 32063 VICTORIA SQUARE
REGINA SK
S4N 7L2 Canada

This is Exhibit "VV" referred to in the Affidavit of Douglas Pankiw Affirmed before me on 11/Aug/2024.

Alberta Barrister, Solicitor and Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

bc Land Title & Survey

Builders Lien Act

Claim of Lien

Province of British Columbia

KAMLOOPS LAND TITLE OFFICE
JUL 29 2024 14:47:56.001
CB1473210

Application

Document Fees: $0.00

FH&P Lawyers LLP
400 - 1628 Dickson Avenue
Kelowna BC V1Y 9X1
2507624222

I, **Brett Davenport** of **10496 Sherman Drive, Lake Country BC V4V 2N2**, **agent of the lien claimant** state that:

1. **Glacier Heights Refrigeration Inc.**
of **10496 Sherman Drive, Lake Country BC V4V 2N2** claims a lien against the following land:

PID/Plan Number	Legal Description
012-603-911	THE NORTHERLY 349.38 FEET OF BLOCK 30 MEASURED ALONG THE EASTERLY BOUNDARY OF SAID BLOCK BY THE FULL DEPTH THEREOF SECTION 30 TOWNSHIP 26 OSOYOOS DIVISION YALE DISTRICT PLAN 202

2. A general description of the work done or material supplied, or to be done or supplied, or both, is as follows:
Remove ammonia refrigeration charge as part of partial decommissioning of refrigeration

3. The person who engaged the lien claimant, or to whom the lien claimant supplied material, and who is or will become indebted to the lien claimant is:
BC Tree Fruits Cooperative, Inc.No. CP-2055

4. The sum of **$63,094.50** is or will become due and owing to **Glacier Heights Refrigeration Inc.** on **2024-07-29**

5. The lien claimant's address for service is:
10496 Sherman Drive, Lake Country BC V4V 2N2

Signature
X

Date (YYYY-MM-DD)
2024-07-29

Note: Section 45 of the *Builders Lien Act* provides as follows:
45 (1) A person who knowingly files or causes an agent to file claim of lien containing a false statement commits an offence.
(2) A person who commits an offence under subsection (1) is liable to a fine not exceeding the greater of $2,000 and the amount by which the stated claim exceeds the actual claim.

Electronic Signature
Your electronic signature is a representation that you are a designate authorized to certify this document under section 168.4 of the *Land Title Act*, RSBC 1996 c.250, that you certify this document under section 168.41(4) of the act, and that an execution copy, or a true copy of that execution copy, is in your possession.

Clayton Bruce Williams MJ2PWH

Digitally signed by Clayton Bruce Williams MJ2PWH
Date: 2024-07-29 14:46:04 -07:00

Form 5 (Sections 15, 16, 18)
© Copyright 2024, Land Title and Survey Authority of BC. All rights reserved.

2024 07 29 13:55:33.747

1 of 1 Pages

This is Exhibit "WW" referred to in the Affidavit of Douglas Pankiw Affirmed before me on 11/Aug/2024.

Alberta Barrister, Solicitor and Notary Public

Howard A. Gorman, KC
Barrister & Solicitor

No. _____
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,

R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *COOPERATIVE ASSOCIATION ACT*, S.B.C. 1999, C 28

AND

IN THE MATTER OF BC TREE FRUITS COOPERATIVE, BC TREE FRUITS INDUSTRIES LIMITED and GROWERS SUPPLY COMPANY LIMITED

PETITIONERS

CONSENT TO ACT

Alvarez & Marsal Canada Inc. consents to act as the Monitor of the Petitioners pursuant to the *Companies' Creditors Arrangement Act*.

Date at Vancouver, British Columbia, this 8th day of August, 2024.

ALVAREZ & MARSAL CANADA INC.

Per: Anthony Tillman
Senior Vice President

No. _____
Vancouver Registry

In the Supreme Court of British Columbia

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *COOPERATIVE ASSOCIATION ACT*, S.B.C. 1999, C 28

AND

IN THE MATTER OF BC TREE FRUITS COOPERATIVE, BC TREE FRUITS INDUSTRIES LIMITED and GROWERS SUPPLY COMPANY LIMITED

Petitioners

AFFIDAVIT

NORTON ROSE FULBRIGHT CANADA LLP
Barristers & Solicitors
1800 – 510 West Georgia Street
Vancouver, BC V6B 0M3
Attention: Howard A. Gorman, K.C. & Candace Formosa

CLF/ Matter# 1001252553