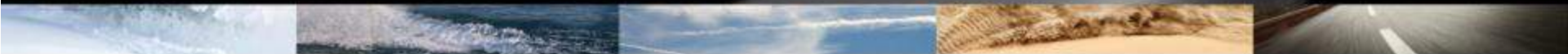




THE ULTIMATE POWERSPORTS EXPERIENCE



# QUARTERLY REVIEW

FOURTH QUARTER AND FISCAL YEAR ENDED JANUARY 31, 2015

# Forward-Looking Statements

Certain statements in this presentation about the Company's current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking statements. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements.

Forward-looking statements are based on estimates and assumptions made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Company believes are appropriate and reasonable in the circumstances, but there can be no assurance that such estimates and assumptions will prove to be correct. Many factors could cause the Company's actual results, level of activity, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the following factors, which are discussed in greater detail in the "Risk Factors" section of the Company's Management Discussion and Analysis for the quarter ended January 31, 2015 dated March 26, 2015: impact of adverse economic conditions on consumer spending; decline in social acceptability of the Company's products; fluctuations in foreign currency exchange rates; high levels of indebtedness; unavailability of additional capital; unfavourable weather conditions; seasonal sales fluctuations; the Company's ability to comply with product safety, health, environmental and noise pollution laws; dependence on dealers, suppliers, financing sources and other strategic partners who may be sensitive to economic conditions; large fixed cost base; inability of dealers and distributors to secure adequate access to capital; supply problems, termination or interruption of supply arrangements or increases in the cost of materials; restrictive covenants in the Company's financing and other material agreements; competition in product lines; loss of members of management team or employees who possess specialized market knowledge and technical skills; inability to maintain and enhance reputation and brands; adverse determination in any significant product liability claim against the Company; significant product repair and/or replacement due to product warranty claims or product recalls; reliance on a network of independent dealers and distributors to manage the retail distribution of products; dependence on customer relationships for the sale of original equipment manufacturer products; unsuccessful management of inventory; risks associated with international operations; inability to enhance existing products and develop and market new products; protection of intellectual property; failure of information technology systems; declining prices for used versions of products and oversupply by competitors; unsuccessful execution of manufacturing strategy; actual results may differ from financial outlook; changes in tax laws and unanticipated tax liabilities; higher fuel costs; deterioration in relationships with employees; pension plan liabilities; natural disasters; failure to carry proper insurance coverage; no prior public market for subordinate voting shares; volatile market price for subordinate voting shares; no current plans to pay dividends; public company expenses; conduct of business through subsidiaries; significant influence by principal shareholders; and future sales of shares by principal shareholders, directors, officers or senior management of the Company.

The purpose of the forward-looking statements is to provide the reader with a description of management's expectations regarding the Company's financial performance and may not be appropriate for other purposes; readers should not place undue reliance on forward-looking statements made herein. Furthermore, unless otherwise stated, the forward-looking statements contained in this presentation are made as of the date of this presentation, and the Company has no intention and undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities regulations. The forward-looking statements contained in this presentation are expressly qualified by this cautionary statement.





**JOSÉ BOISJOLI**

**PRESIDENT & CHIEF EXECUTIVE OFFICER**

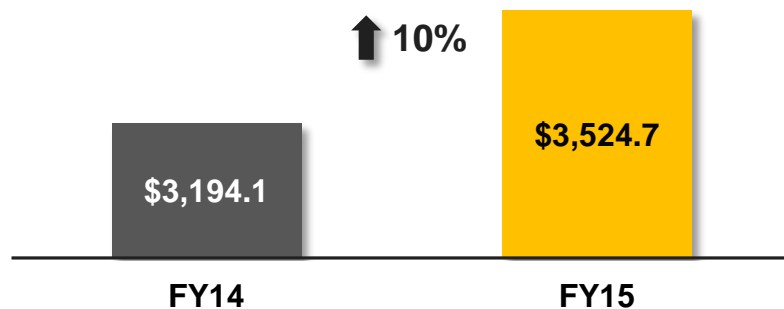
**QUARTERLY REVIEW**

FOURTH QUARTER AND FISCAL YEAR ENDED JANUARY 31, 2015

# FY15 Revenues and Normalized Net Income

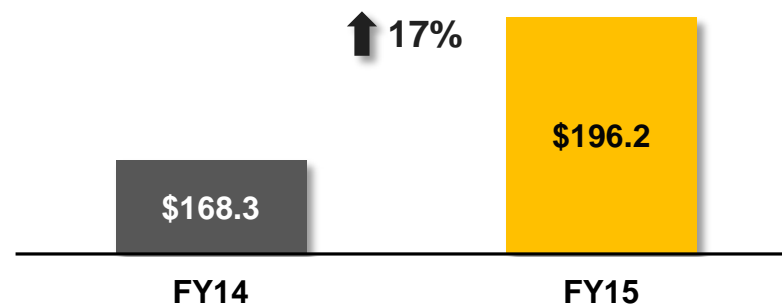
## Revenues

CA\$ millions



## Normalized Net Income<sup>[1]</sup>

CA\$ millions



## Financial Highlights

- Record revenues of \$3.5B, a 10% increase over FY14
- All product categories contributed to the growth
- Normalized EBITDA<sup>[1]</sup> grew 11% to \$421.3M
- Normalized diluted earnings per share<sup>[1]</sup> increased 16%<sup>[2]</sup> to \$1.65, helped by positive retroactive tax enactment impact of \$0.05
- Net income of \$70.1M, compared to a net income of \$59.7M for the same period last year

<sup>[1]</sup> For a reconciliation of net income to Normalized Net Income and Normalized EBITDA, see the reconciliation tables in appendix

<sup>[2]</sup> Assuming a constant share count of 118.9M shares for both years



# FY15 Business Highlights

## Markets Dynamics

### North America

- Revenue growth of 14%
- BRP retail sales for *Seasonal Products* and *Year-Round Products* were up 8% in aggregate for the twelve-month period ended January 31, 2015 vs the same period last year
- Network inventory<sup>[1]</sup> was up 15% vs the end of FY14
  - Driven by higher snowmobile inventory compared to a record low level at the same time last year, and shipments of the Sea-Doo Spark in anticipation of the coming retail season

### International

- Revenues up 3% for the year, driven by strong market reception of the Sea-Doo Spark and higher volume of *Year-Round Products*, offset by a decrease in volumes sold in Russia

## Operations

- Solid year for product introductions:
  - **Seasonal Products:** Ski-Doo Renegade XRS and Ski-Doo Summit X - T3 Package
  - **Year-Round Products:** Can-Am Outlander L family, Can-Am Maverick Xds and Xds Turbo and Can-Am Spyder F3
  - **Propulsion Systems:** Evinrude E-TEC G2
- Continued progress in our Mexico program:
  - Announced a \$55M investment for a second Off-Road vehicles plant in Juarez
  - Transfer of traditional PWC assembly in Querétaro is on track
- Signed 76 new Powersports dealers in North America

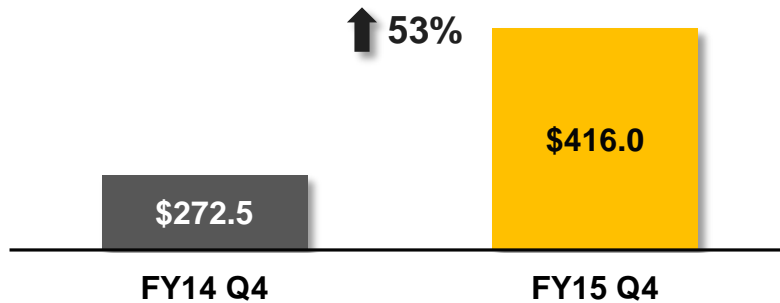
<sup>[1]</sup> Network inventory excluding *Propulsion Systems*



# Year-Round Products

## Revenues

CA\$ millions



## Spyder F3-S



First shipments of the Can-Am Spyder F3 in Q4

## Business Dynamics

Increase in *Year-Round Products* revenues driven by:

- Initial shipments of new products recently introduced
- Shift of Off-Road vehicles deliveries from Q3 to Q4 to better align wholesale shipments with retail demand

### Off-Road Vehicles

- Season-to-date N.A. SSV industry retail was up mid-teens digits %
  - Can-Am SSV retail was up mid-single digits %
- Seven months into the season, N.A. ATV industry retail was about flat
  - Can-Am ATV retail was up low-single digits % driven by the introduction of the Outlander L

### Roadsters

- Early in the season, the North American motorcycle industry retail was up low-double digits %
- Can-Am Spyder retail was up high-single digits %
- Very positive market reception for the new Can-Am Spyder F3





# New Juarez II Off-Road Manufacturing Plant

## Project Update

- \$55M investment
- New 400,000-ft<sup>2</sup> Off-road vehicle plant in Juarez, Mexico
- Broke ground in November 2014
- Close proximity to existing Juarez plant allowing for operational synergies with suppliers, talent pool and potential in-sourcing of activities



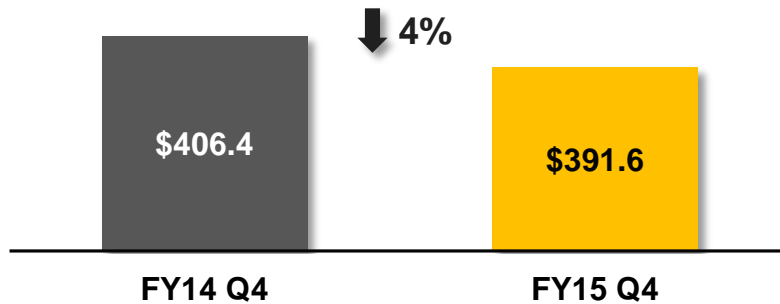
**Juarez II facility is expected to be completed and operational in FY16Q4**



# Seasonal Products

## Revenues

CA\$ millions



## MY15 Renegade XRS



The new MY15 Renegade XRS has generated strong demand and helped BRP to achieve significant market share gains in the crossover segment – the second largest segment of the industry

## Business Dynamics

**Decrease in *Seasonal Products* revenues driven by lower snowmobile shipments to Russia and Scandinavia**

### Snowmobiles

- Weaker snow coverage in Western North America, Scandinavia and Russia
- North American snowmobile industry season-to-date retail up mid-single digits %
  - Ski-Doo gained market share over the same period
- Scandinavian snowmobile industry season-to-date retail down low-double digits %
  - Ski-Doo and Lynx combined market share slightly declined over the same period

### PWC

- Early in the season, the North American industry retail was up low-single digits %
- Sea-Doo retail sales grew at the same pace as the industry





# MY16 Snowmobile News

## Ski-Doo Grand Touring SE 1200 4-TEC

Expansion of iTC (Intelligent Throttle Control) to the Rotax 1200 4-TEC series engines



## Ski-Doo MXZ Blizzard

First in-season MXZ model with 129 inch track providing same agility as 120 inch track, with better traction



## Ski-Doo Renegade Enduro

Inspired by adventure motorcycles, and equipped to be ridden in the toughest conditions



## Ski-Doo Summit Burton Edition

Appealing to the large population of snowboarders and skiers seeking easy access to the backcountry



## Lynx Xtrim RE 800R E-TEC

The sportiest Lynx crossover sled of all times



## Lynx Commander Touratech

Developed in cooperation with a world-leading adventure motorcycle gear manufacturer - designed for long-haul trips in varying conditions



**BRP also introduced the industry's first adjustable ski, the Pilot TS, and extended the Summit X – T3 high-performance mountain package to in-season models**

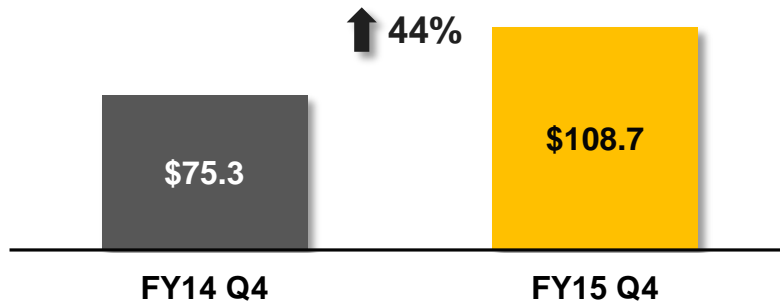
**Ski-Doo and Lynx staying on top of the industry with exciting new products for MY16**



# Propulsion Systems

## Revenues

CA\$ millions



## Business Dynamics

44% increase in *Propulsion Systems* revenues driven by the first deliveries of the new Evinrude E-TEC G2 engines

### Outboard Engines

- Seven months into the 2015 season, industry retail was up mid-single digits %
- BRP retail sales were up low-single digits % over the same period

## Evinrude E-TEC G2 Production Line



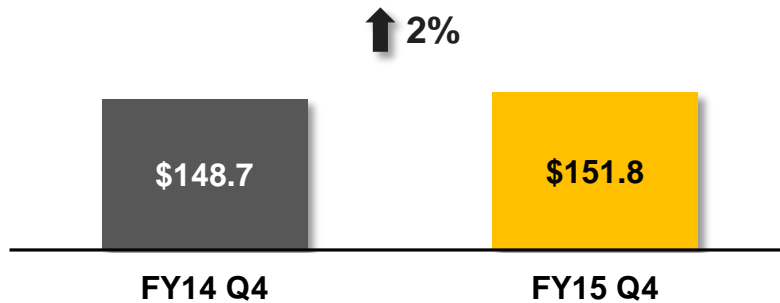
Production of the Evinrude E-TEC G2 production was launched in November



# Parts, Accessories and Clothing

## Revenues

CA\$ millions



## Business Dynamics

### Parts, Accessories and Clothing

- Growth primarily driven by favourable foreign exchange rate variations, offset by lower sales of snowmobile parts and accessories in Russia and Scandinavia

## MY16 Snowmobile PAC Introductions

### Pilot TS Skis

Industry's first adjustable skis, allowing riders to instantly adjust ski bite for changing snow conditions and riding styles



### Adjustable Limiter Strap

Offers mountain riders the opportunity to easily perform handling adjustments simply by flipping a lever



### Additions to the Clothing Line

New jackets, boots, gloves and helmets using the latest fabrics available to enhance styling and comfort



2016 Ski-Doo PAC line-up offers the latest technologies to enhance riders' experience



# North America Powersports Dealer Network Optimization Update



## FY15 Results

# of new dealers signed

**76**<sup>[1]</sup>

SSV and Spyder network coverage improvement

**+10%**

## Targets

# of new dealers to sign in FY16

**75-85**

# of new dealers to sign by the end of FY17

**200-300**<sup>[2]</sup>

<sup>[1]</sup> FY15 target was 65 to 75 new dealers

<sup>[2]</sup> Target reaffirmed







**SÉBASTIEN MARTEL**

CHIEF FINANCIAL OFFICER

QUARTERLY **REVIEW**

FOURTH QUARTER AND FISCAL YEAR ENDED JANUARY 31, 2015

# FY15 Q4 - Financial Highlights

CA\$ millions	Q4 comparison			12-month comparison		
	FY15	FY14	Change	FY15	FY14	Change
<b>Total Revenues</b>	<b>\$1,068.1</b>	<b>\$902.9</b>	<b>\$165.2</b>	<b>\$3,524.7</b>	<b>\$3,194.1</b>	<b>\$330.6</b>
Growth	+18.3%			+10.4%		
<b>Gross Profit</b>	<b>\$289.7</b>	<b>\$223.2</b>	<b>\$66.5</b>	<b>\$845.6</b>	<b>\$807.7</b>	<b>\$37.9</b>
As a % of revenues	27.1%	24.7%		24.0%	25.3%	
<b>Operating Income</b>	<b>\$174.3</b>	<b>\$78.2</b>	<b>\$96.1</b>	<b>\$305.0</b>	<b>\$295.1</b>	<b>\$9.9</b>
As a % of revenues	16.3%	8.7%		8.7%	9.2%	
<b>Net Income</b>	<b>\$8.5</b>	<b>(\$6.3)</b>	<b>\$14.8</b>	<b>\$70.1</b>	<b>\$59.7</b>	<b>\$10.4</b>
As a % of revenues	0.8%	(0.7%)		2.0%	1.9%	
<b>Normalized Net Income<sup>[1]</sup></b>	<b>\$116.5</b>	<b>\$48.3</b>	<b>\$68.2</b>	<b>\$196.2</b>	<b>\$168.3</b>	<b>\$27.9</b>
<b>Normalized EBITDA<sup>[1]</sup></b>	<b>\$199.3</b>	<b>\$106.0</b>	<b>\$93.3</b>	<b>\$421.3</b>	<b>\$380.2</b>	<b>\$41.1</b>
<b>EPS - Diluted</b>	<b>\$0.07</b>	<b>(\$0.05)</b>	<b>\$0.12</b>	<b>\$0.59</b>	<b>\$0.53</b>	<b>\$0.06</b>
<b>Normalized EPS – Diluted<sup>[1]</sup></b>	<b>\$0.98</b>	<b>\$0.41</b>	<b>\$0.57</b>	<b>\$1.65</b>	<b>\$1.49</b>	<b>\$0.16</b>

<sup>[1]</sup> For a reconciliation of net income to Normalized Net Income and Normalized EBITDA, see the reconciliation tables in appendix

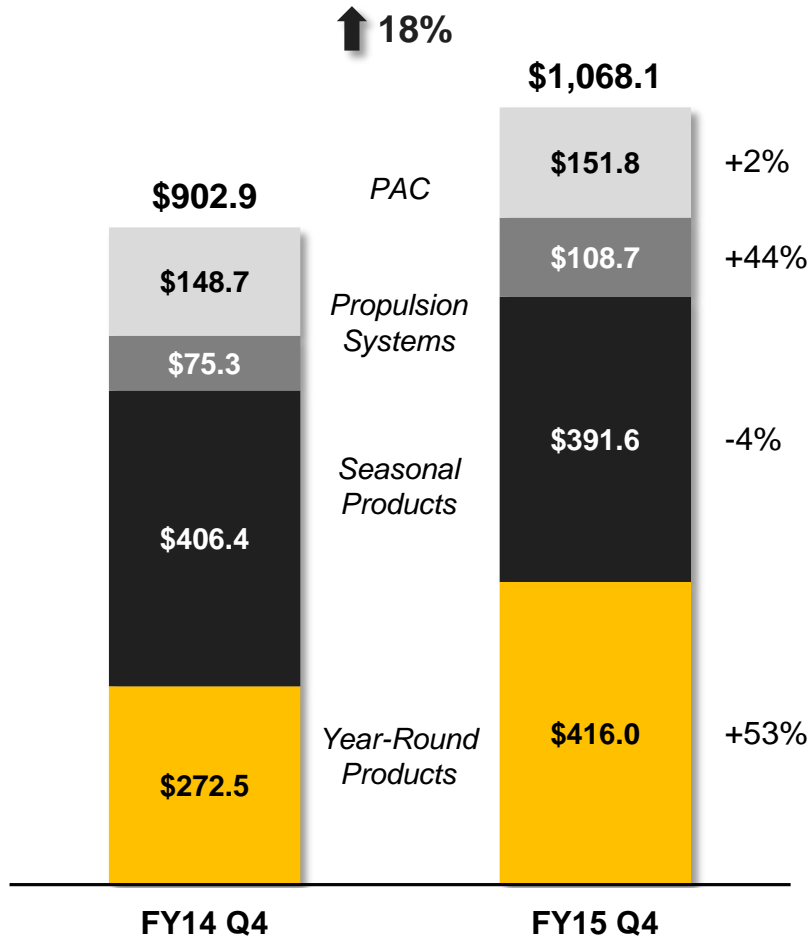




# FY15 Q4 - Revenues by Product Category and Geography

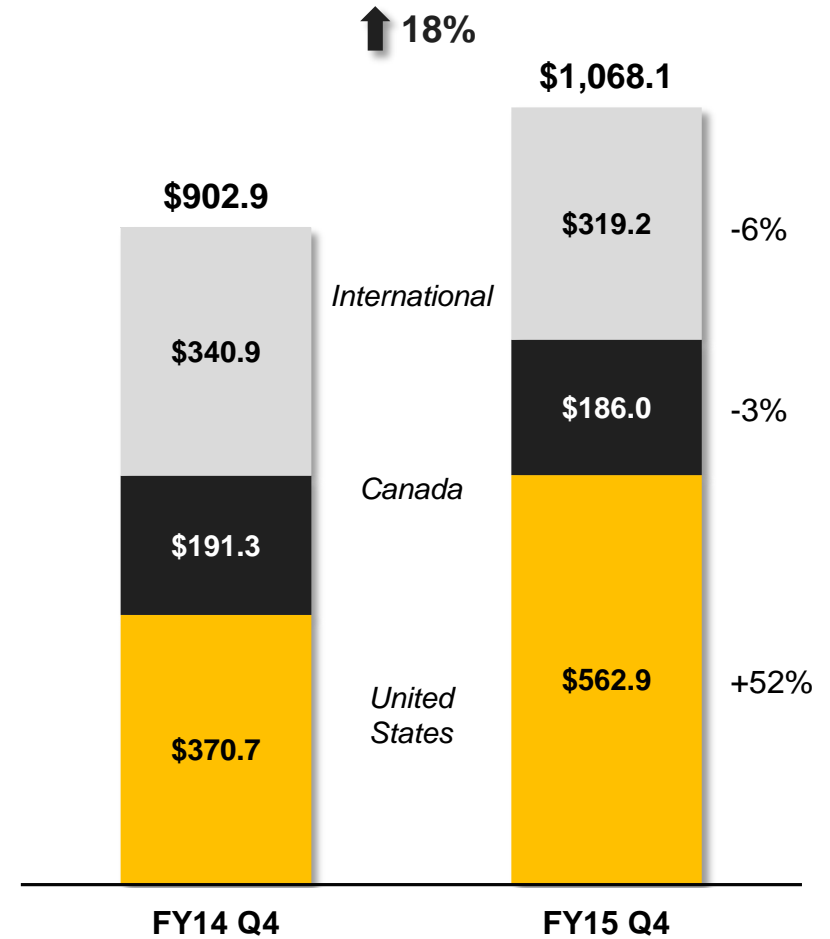
## Revenues by Product Category

CA\$ millions



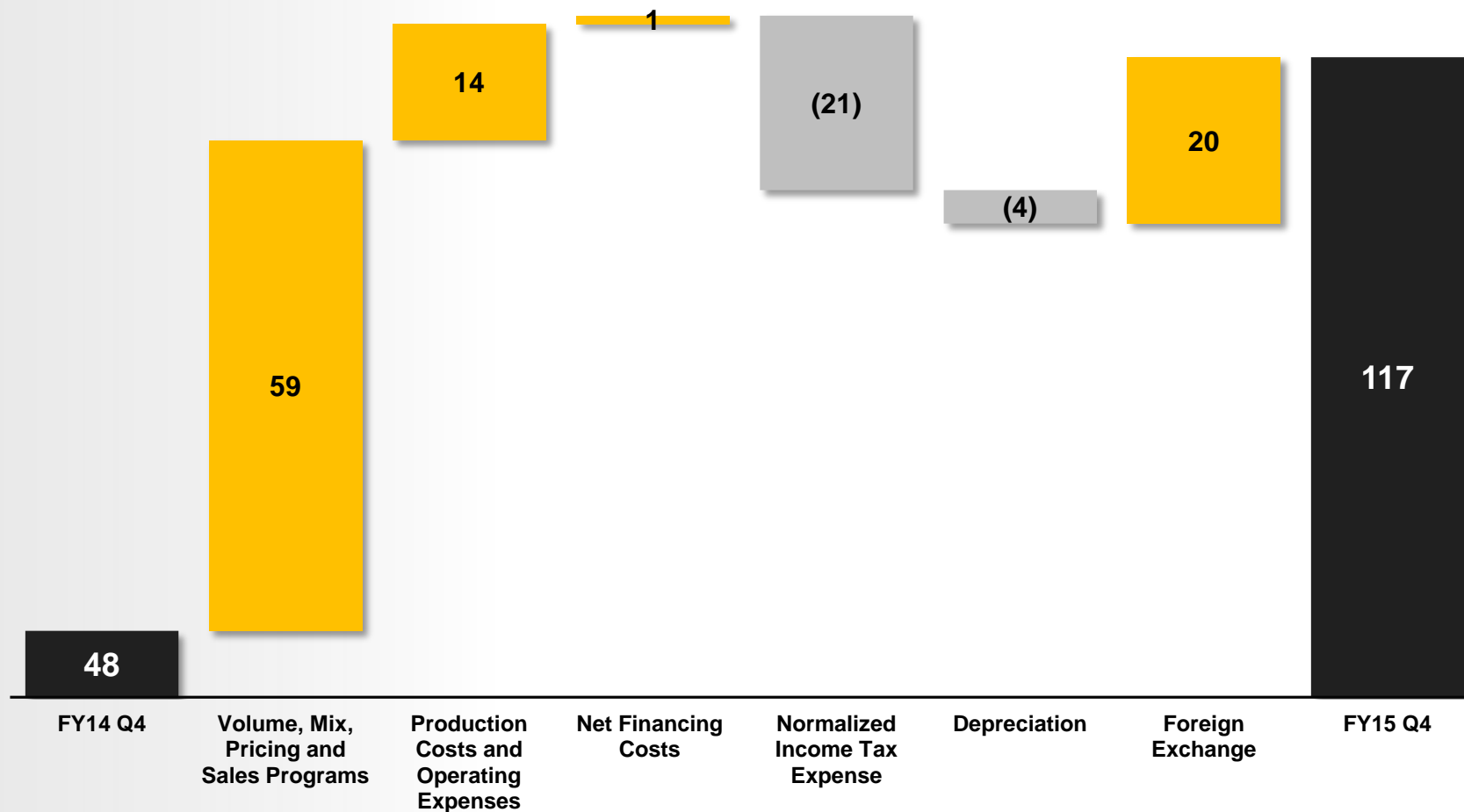
## Revenues by Geography

CA\$ millions



# Quarterly Normalized Net Income Bridge

CA\$ millions



**Normalized Net Income increased 141% compared to FY14 Q4**



# FY15 Q4 - Financial Position and Liquidity Profile

CA\$ millions	As at Jan. 31	As at Jan. 31	Change
	2015	2014	
Cash	\$232.0	\$75.4	\$156.6
Working capital	291.8	155.6	136.2
Revolving credit facilities	-	10.5	(10.5)
Long-term debt <sup>[1]</sup>	1,035.5	889.9	145.6

CA\$ millions	12-month comparison		
	FY15	FY14	Change
Capital expenditures	(\$172.0)	(\$153.3)	(\$18.7)
Free cash flow <sup>[2]</sup>	202.8	61.5	141.3

<sup>[1]</sup> Including current portion of long-term debt

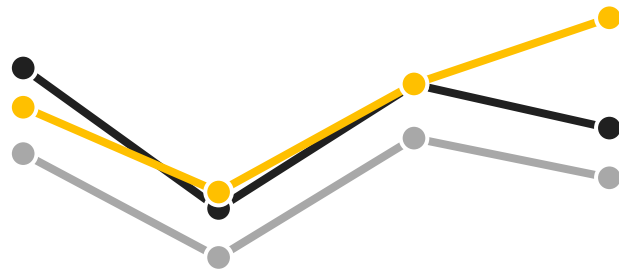
<sup>[2]</sup> Free cash flow is defined as net cash flow from operating activities minus capital expenditures



# BRP North American Powersports Dealer Inventory

## North American Dealer Inventory Level

Units, Excluding Outboard Engines



Q1

Q2

Q3

Q4

—●— FY13

—●— FY14

—●— FY15

Dealer inventory<sup>[1]</sup> ended FY15 Q4 up 15% from FY14 Q4 level

### Year-Round Products

- **Inventory slightly up** – Mostly driven by the introduction of the Can-Am Maverick Xds, the Can-Am Spyder F3 and the Can-Am Outlander L family

### Seasonal Products

- **Inventory up** – driven by higher snowmobile inventory compared to an all time low level last year, and higher PWC inventory for upcoming season, in-line with industry increase

<sup>[1]</sup> Network inventory excluding *Propulsion Systems*

**Adequate network inventory position in-line with our plan**



# FY16 Full-Year Guidance - as at March 27, 2015

Financial Metric	FY16 Guidance vs FY15	
Revenues		
Year-Round Products	Up 7% to 11%	
Seasonal Products	Flat to up 4%	
Propulsion Systems	Up 7% to 10%	
PAC	Up 10% to 15%	
Total Company Revenues	Up 5% to 9%	
Normalized EBITDA	Up 6% to 10%	
Effective Tax Rate <sup>[1]</sup>	27% - 29%	Up from a normalized income tax rate of 22.0% in FY15
Normalized Net Income <sup>[2]</sup>	Down 9% to Flat	Flat to up 7% adjusting FY15 using FY16 estimated tax rates
Normalized Earnings per Share – Diluted	\$1.50 to \$1.65	
Capital Expenditures	\$200M to \$220M	

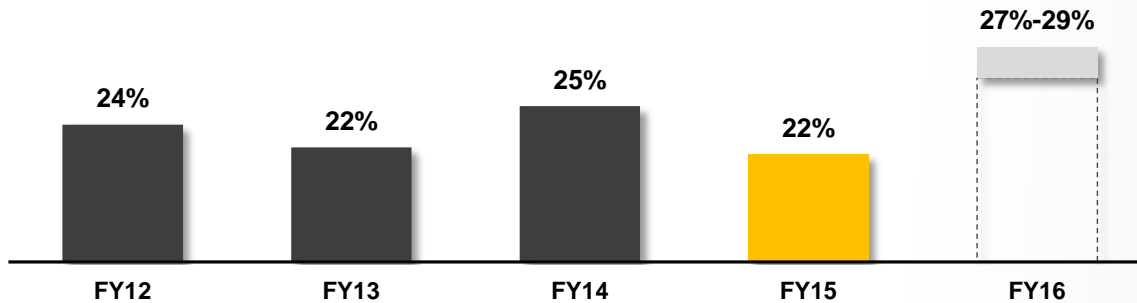
<sup>[1]</sup> Effective tax rate based on Normalized Earnings before Normalized Income Tax

<sup>[2]</sup> Assuming \$135M Depreciation Expense, compared to \$113M in FY15



# Guidance – Effective Tax Rate<sup>[1]</sup> Impact

## Historical Effective Tax Rate<sup>[1]</sup>



- FY15 effective tax rate<sup>[1]</sup> was impacted by a retroactive tax enactment as well as a favourable country mix
- FY16 effective tax rate<sup>[1]</sup> is expected increase to 27%-29% due unfavourable country mix
- Long-term we expect similar effective tax rate<sup>[1]</sup> to FY16

## Impact on FY16 Normalized EPS Growth

FY16 Effective Tax Rate <sup>[1]</sup> Guidance Range	At 29% Effective Tax Rate <sup>[1]</sup>	FY15 adjusted normalized EPS	FY16 low-end of normalized EPS guidance range	➔	Year-over-Year Growth
		<b>\$1.50</b>	<b>\$1.50</b>		<b>Flat</b>
	At 27% Effective Tax Rate <sup>[1]</sup>	FY15 adjusted normalized EPS	FY16 high-end of normalized EPS guidance range	➔	Year-over-Year Growth
		<b>\$1.54</b>	<b>\$1.65</b>		<b>↑ 7%</b>

<sup>[1]</sup> Effective tax rate based on Normalized Earnings before Normalized Income Tax

**At comparable effective tax rate<sup>[1]</sup>, FY16 normalized EPS is expected be flat to up 7%**

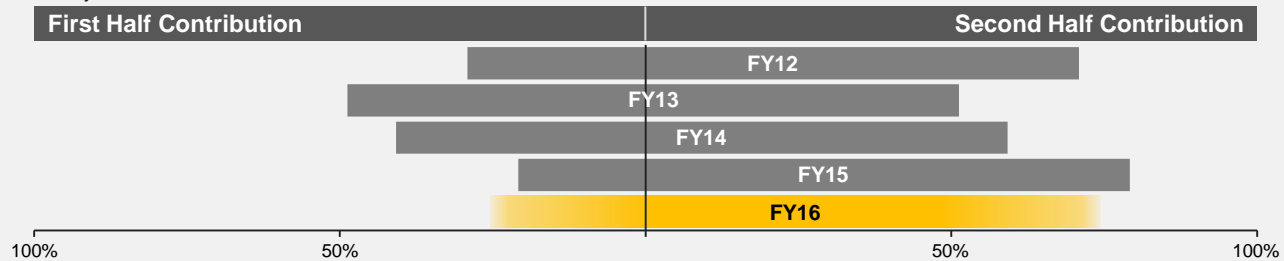




# FY16 Guidance - Back Half Loaded Profitability

## Normalized EBITDA by Half Year

As a percentage of full fiscal year normalized EBITDA



### Elements Impacting FY16H1 vs. FY15H1

- Expecting lower *Year-Round Products* shipments to Russia due to difficult economy
- Increased marketing investments
- + Shipments of newly introduced products
- + Additional volume of the Sea-Doo Spark
- + No costs related to hull production start-up in Querétaro
- + PAC distribution transfer completed

### Elements Impacting FY16H2 vs. FY15H2

- Expecting lower international snowmobile sales due to difficult economy in Russia and Scandinavia
- Planning for lower snowmobile sales in North America since the next season will not start with an abnormally low inventory level
- Juarez II start of production
- + Completion of PWC transfer to Querétaro
- + Shipments of new product introduction


**FY16 Normalized EBITDA repartition between H1 and H2 is expected to be similar to FY15**



# Currency Exposure and Hedging

	Net exposure (Local Currency)		FY14 to FY15 rate variation <sup>[1]</sup>	FY15 to March 2015 spot rate variation <sup>[2]</sup>	FY16 expected gross profit margin impact
	Short	Long			
USD	(50M)		+7%	+15%	↓
EUR	(100M)		+6%	-8%	↑
AUD <sup>[3]</sup>		50M	+1%	-2%	↓
BRL		100M	-1%	-16%	↓
SEK <sup>[3]</sup>		525M	-%	-8%	↓
NOK <sup>[3]</sup>		300M	-1%	-10%	↓
MXN	(400M)		+2%	-1%	↑

## Expected FY16 currency impact

Revenue :  ~5%

Gross Profit Margin:  ~100bps

<sup>[1]</sup> Variation between BRP weighted average rate for FY14 and BRP weighted average rate for FY15

<sup>[2]</sup> Variation between March 13, 2015 spot rate and BRP weighted average for FY15

<sup>[3]</sup> The Company hedges up to 50% of the budgeted exposure in these currencies during the annual budget period and continually increases the coverage up to 80% six months before the expected exposures arise





## CLOSING REMARKS

### QUARTERLY REVIEW

FOURTH QUARTER AND FISCAL YEAR ENDED JANUARY 31, 2015

SKI-DOO.  
LYNX.  
SEA-DOO.  
EVINRUDE.  
ROTAX.  
CAN-AM.





## Q&A PERIOD

### QUARTERLY REVIEW

FOURTH QUARTER AND FISCAL YEAR ENDED JANUARY 31, 2015

SKI-DOO.  
LYNX.  
SEA-DOO.  
EVINRUDE.  
ROTAX.  
CAN-AM.

# Global Leader in Powersports Vehicles and Engines

## Year-Round Products

**can-am**



All-Terrain Vehicles



Recreational Side-by-Side Vehicles



Roadsters

## Seasonal Products

**ski-doo**

**LYNX**

**SEA-DOO**



Snowmobiles



Personal Watercraft

## Propulsion Systems

**EVINRUDE**

**ROTAX**



Outboard Engines



OEM Engines

**Diversified Product Portfolio AND Powerful Brands**







## APPENDIX

### QUARTERLY REVIEW

FOURTH QUARTER AND FISCAL YEAR ENDED JANUARY 31, 2015

SKI-DOO.  
LYNX.  
SEA-DOO.  
EVINRUDE.  
ROTAX.  
CAN-AM.



# Reconciliation Tables

CA\$ millions	Three-month periods ended		Twelve-month periods ended	
	Jan. 31, 2015	Jan. 31, 2014	Jan. 31, 2015	Jan. 31, 2014
<b>Net Income (Loss)</b>	<b>\$8.5</b>	<b>(\$6.3)</b>	<b>\$70.1</b>	<b>\$59.7</b>
Normalized elements:				
Foreign exchange loss on long-term debt	111.5	52.9	123.9	96.4
Increase in fair value of common shares	-	-	-	19.6
Restructuring costs reversal <sup>[1]</sup>	(0.1)	(0.5)	(1.1)	(1.6)
Impairment charge reversal <sup>[2]</sup>	-	-	-	(0.3)
(Gain) reversal from insurance recovery <sup>[3]</sup>	-	-	1.4	(11.0)
Other elements <sup>[4]</sup>	(5.5)	0.5	2.8	2.9
Depreciation expense adjustment <sup>[5]</sup>	-	1.7	-	1.7
Income taxes adjustment	2.1	-	(0.9)	0.9
<b>Normalized Net Income</b>	<b>116.5</b>	<b>48.3</b>	<b>196.2</b>	<b>168.3</b>
Normalized income taxes expense	37.9	16.5	55.3	56.5
Financing costs	15.1	15.6	59.3	64.5
Financing income	(0.8)	(0.5)	(2.7)	(2.5)
Depreciation expense adjusted	30.6	26.1	113.2	93.4
<b>Normalized EBITDA</b>	<b>\$199.3</b>	<b>\$106.0</b>	<b>\$421.3</b>	<b>\$380.2</b>

<sup>[1]</sup> The Company revised its estimates related to the exit of the sport boat business and reversed in net income restructuring costs of \$0.1 million and \$1.1 million for the three and twelve-month periods ended January 31, 2015 compared to \$0.5 million and \$1.6 million for the three and twelve-month periods ended January 31, 2014. These costs were previously recorded during the twelve-month period ended January 31, 2013.

<sup>[2]</sup> During the twelve-month period ended January 31, 2014, the Company reversed \$0.3 million of the impairment charge that was previously recorded during Fiscal 2013 following the Company's decision to exit the sport boat business.

<sup>[3]</sup> During the twelve-month period ended January 31, 2015, the Company revised its estimates in relation with the insurance recovery for the damages which occurred during Fiscal 2013 at the research & development centre located in Valcourt, Canada and reversed in net income \$1.4 million of the \$11.0 million gain that was previously recorded during the twelve-month period ended January 31, 2014.

<sup>[4]</sup> During the three and twelve-month periods ended January 31, 2015, other normalized elements include \$0.5 million and \$7.2 million of employee severances following the Company's decision to optimize its worldwide workforce. For all the reported periods, other normalized elements include retention salaries related to the transfer of the assembly of PWC from Canada to Mexico and the outsourcing of the majority of its North American powersports PAC distribution to a third-party logistics provider. The retention salaries totalled respectively \$0.6 million for the three-month periods ended January 31, 2015 and 2014 and \$2.2 million, \$2.5 million and \$1.7 million for the twelve-month periods ended January 31, 2015 and 2014. For all the reported periods, other normalized elements include gains related to the termination of the defined benefit plan coverage for most of the Company's Austrian employees. The gains totalled \$5.2 million for the three and twelve-month periods ended January 31, 2015 compared to \$0.5 million for the three and twelve-month periods ended January 31, 2014. During the three and twelve-month periods ended January 31, 2015, other normalized elements include a \$1.4 million gain related to the disposal of land in Austria. During the three and twelve-month periods ended January 31, 2014, other normalized elements include \$0.4 million and \$0.9 million of fees and expenses related to the two secondary offering transactions.

<sup>[5]</sup> During the three and twelve-month periods ended January 31, 2014, the Company recorded a non-recurring depreciation charge of \$1.7 million related to the damaged assets of the Company's research & development centre in Valcourt, Canada.



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