



NO. SE261320
VANCOUVER REGISTRY

BETWEEN:

ROYAL BANK OF CANADA

PLAINTIFF

AND:

WESTCOAST APPLIANCE CENTRE 2014 LTD.
CAPITAL IRON (2022) LTD.
ARAM HOLDINGS LTD.
TAHAMTAN ARAM ALSO KNOWN AS FRED ARAM

DEFENDANTS

NOTICE OF CIVIL CLAIM

This action has been started by the plaintiff for the relief set out in Part 2 below.

If you intend to respond to this action, you or your lawyer must

- (a) file a Response to Civil Claim in Form 2 in the above-named registry of this court within the time for response to civil claim described below, and
- (b) serve a copy of the filed response to civil claim on the plaintiff.

If you intend to make a counterclaim, you or your lawyer must

- (a) file a Response to Civil Claim in Form 2 and a Counterclaim in Form 3 in the above-named registry of this court within the time for response to civil claim described below, and
- (b) serve a copy of the filed Response to Civil Claim and Counterclaim on the plaintiff and on any new parties named in the Counterclaim.

JUDGMENT MAY BE PRONOUNCED AGAINST YOU IF YOU FAIL to file the response to civil claim within the time for response to civil claim described below.

Time for Response to Civil Claim

A Response to Civil Claim must be filed and served on the plaintiff(s),

- (a) if you were served with the Notice of Civil Claim anywhere in Canada, within 21 days after that service,
- (b) if you were served with the Notice of Civil Claim anywhere in the United States of America, within 35 days after that service,
- (c) if you were served with the Notice of Civil Claim anywhere else, within 49 days after that service, or
- (d) if the time for Response to Civil Claim has been set by order of the court, within that time.

CLAIM OF THE PLAINTIFF

Part 1: STATEMENT OF FACTS

1. The Plaintiff, Royal Bank of Canada (“RBC”) is a chartered bank having an office at Vancouver, BC and an address for service in this matter c/o Dentons Canada LLP, 20th Floor, 250 Howe Street, Vancouver, BC V6C 3R8.
2. The Defendant Westcoast Appliance Centre 2014 Ltd. (“Westcoast”) is a company incorporated pursuant to the laws of the Province of British Columbia with a registered and records office located at 1 -505 Fisgard Street, Victoria, B.C., V8W 1R3.
3. The Defendant Capital Iron (2022) Ltd. (“Capital Iron”) is a company incorporated pursuant to the laws of the Province of British Columbia with a registered and records office located at 1 -505 Fisgard Street, Victoria, B.C., V8W 1R3.
4. The Defendant Aram Holdings Ltd. (“Aram Holdings”) is a company incorporated pursuant to the laws of the Province of British Columbia with a registered and records office located at 1 -505 Fisgard Street, Victoria, B.C., V8W 1R3.
5. Tahamtan Aram also known as Fred Aram (“Mr. Aram”) is an individual with a last known address of 3250 Muirfield Place, Coquitlam, B.C.
6. Mr. Aram is the sole director of the Defendants Westcoast, Capital Iron, and Aram Holdings.
7. Westcoast and Capital Iron both carry on business as retailers of home appliances, and operate from leased premises at two locations in Victoria, B.C.

8. To the best of the Plaintiff's knowledge, the primary collateral of the Defendants Westcoast and Capital Iron is inventory, leasehold improvements under the lease agreements with the Plaintiff described below, supplier rebates and accounts receivable, if any.

Westcoast Loans

9. There is due and owing from the Defendant Westcoast to the Plaintiff the sum of \$1,481,963.53 as at February 13, 2026, pursuant to an operating loan facility (the extended by the Plaintiff pursuant to a Royal Bank of Canada Credit Agreement dated November 9, 2023, as thereafter amended (the "**Westcoast Credit Agreement**"), together with interest calculated and payable monthly at the Plaintiff's prime rate plus 1.75% per annum, as well after as before maturity and default, with interest on overdue interest at the same rate as on principal.
10. There is due and owing from the Defendant Westcoast to the Plaintiff the sum of \$257,466.62 as at February 13, 2026, pursuant to a Visa Facility extended by the Plaintiff pursuant to the Westcoast Credit Agreement and a Master Client Agreement for Business Clients – Commercial Card Program Service Materials signed by Westcoast on April 6, 2022 (the "**Westcoast Visa Agreement**"), together with interest calculated and payable monthly at the rate of 19.99% per annum, as well as before maturity and default, with interest on overdue interest at the same rate as on principal.
15. There is due and owing from the Defendant Westcoast to the Plaintiff the sum of \$57,192.94 as at February 13, 2026, pursuant to the Westcoast Credit Agreement and a Master Lease Agreement dated October 6, 2017 together with Leasing Schedules #201000071798 and #201000077216 (together the "**Westcoast Lease**").
16. Westcoast is in default of its obligations under the Westcoast Credit Agreement, the Westcoast Visa Agreement and the Westcoast Lease.
17. On or about November 28, 2025, and December 12, 2025, the Plaintiff made demand for payment of the amounts outstanding under its agreements with Westcoast; however, Westcoast refused or failed to pay in response thereto.

Guarantees of Westcoast Indebtedness

18. Pursuant to a written Guarantee and Postponement of Claim dated November 19, 2023, Capital Iron guaranteed payment to the Plaintiff on demand of all debts and liabilities at any time owing or remaining unpaid by Capital Iron to the Plaintiff.
19. Pursuant to a written Guarantee and Postponement of Claim dated November 19, 2023, Aram Holdings Ltd. guaranteed payment to the Plaintiff on demand of all debts and liabilities at any time owing or remaining unpaid by Westcoast to the Plaintiff.

20. Pursuant to a written Guarantee and Postponement of Claim dated January 4, 2023, Mr. Aram guaranteed payment to the Plaintiff on demand of all debts and liabilities at any time owing or remaining unpaid by Westcoast to the Plaintiff.
21. Pursuant to the guarantees, the liability of each guarantor is limited to the sum of \$1,850,000 together with interest thereon from the date of demand for payment at the Plaintiff's Prime Lending Rate plus 5.0% per annum from the date of demand, plus all legal costs on a solicitor and own client (full indemnity) basis.
22. On or about November 28, 2025, the Plaintiff made demand on each of Capital Iron, Aram Holdings and Mr. Aram pursuant to the guarantees for payment of the Westcoast Operating Loan and the Westcoast Visa in the amount of \$1,674,977.23 as at November 27, 2025 plus interest thereafter at prime plus 5% per annum; however, those Defendants have refused or failed to pay.
23. On or about December 12, 2025, the Plaintiff made demand on each of Capital Iron, Aram Holdings and Mr. Aram pursuant to the guarantees for payment of the Westcoast Lease in the amount of \$62,471.91 as at December 9, 2025 plus interest thereafter at prime plus 5% per annum; however, those Defendants have refused or failed to pay.
24. There have been at all material times to this action debts and liabilities owing by Westcoast to the Plaintiff in the amounts set forth above.

Capital Iron Loans

11. There is due and owing from the Defendant Capital Iron to the Plaintiff the sum of \$476,862.01 as at February 13, 2026, pursuant to an operating loan facility extended by the Plaintiff pursuant to a Royal Bank of Canada Credit Agreement dated October 15, 2024, as thereafter amended (the "**Capital Iron Credit Agreement**"), together with interest calculated and payable monthly at the Plaintiff's prime rate plus 1.75% per annum, as well as before maturity and default, with interest on overdue interest at the same rate as on principal.
12. There is due and owing from the Defendant Capital Iron to the Plaintiff the sum of \$62,610.32 as at February 13, 2026, pursuant to a Visa Facility extended by the Plaintiff pursuant to the Capital Iron Credit Agreement and an RBC Royal Bank Business Credit Card Agreement signed by Capital Iron on January 12, 2024 (the "**Capital Iron Visa Agreement**"), together with interest calculated and payable monthly at the rate of 19.99% per annum, as well as before maturity and default, with interest on overdue interest at the same rate as on principal.
25. There is due and owing from the Defendant Capital Iron to the Plaintiff the sum of \$971,704.44 as at February 13, 2026, pursuant to the Capital Iron Credit Agreement and a Master Lease Agreement dated December 11, 2023 together with Leasing Schedule #201000077785 (together the "**Capital Iron Lease**").

26. Capital Iron is in default of its obligations under the Capital Iron Credit Agreement, the Capital Iron Visa and the Capital Iron Lease.
27. On or about November 28, 2025, and December 12, 2025, the Plaintiff made demand for payment of the amounts outstanding under its agreements with Capital Iron; however, Capital refused or failed to pay in response thereto.

Guarantees of Capital Iron Indebtedness

28. Pursuant to a written Guarantee and Postponement of Claim dated November 17, 2023, Westcoast guaranteed payment to the Plaintiff on demand of all debts and liabilities at any time owing or remaining unpaid by Capital Iron to the Plaintiff.
29. Pursuant to a written Guarantee and Postponement of Claim dated November 17, 2023, Aram Holdings guaranteed payment to the Plaintiff on demand of all debts and liabilities at any time owing or remaining unpaid by Capital Iron to the Plaintiff.
30. Pursuant to a written Guarantee and Postponement of Claim dated November 17, 2023, Mr. Aram guaranteed payment to the Plaintiff on demand of all debts and liabilities at any time owing or remaining unpaid by Capital Iron to the Plaintiff.
31. Pursuant to the guarantees, the liability of each guarantor is limited to the sum of \$1,550,000 together with interest thereon from the date of demand for payment at the Plaintiff's Prime Lending Rate plus 5.0% per annum from the date of demand, plus all legal costs on a solicitor and own client (full indemnity) basis.
32. On or about November 28, 2025, the Plaintiff made demand on each of Westcoast, Aram Holdings and Mr. Aram pursuant to the guarantees for payment of the Capital Iron Operating Loan and the Capital Iron Visa in the amount of \$373,594.73 as at November 27, 2025; however, those Defendants have refused or failed to pay.
33. On or about December 12, 2025, the Plaintiff made demand on each of Westcoast, Aram Holdings and Mr. Aram pursuant to the guarantees for payment of the Capital Iron Lease in the amount of \$1,014,891.30 as at December 9, 2025; however, those Defendants have refused or failed to pay.
34. There have been at all material times to this action debts and liabilities owing by Capital Iron to the Plaintiff in the amounts set forth above.

Security

35. Pursuant to a General Security Agreement and a Chattel Mortgage granted to the Plaintiff and perfected by registration in the Personal Property Registry for the Province of British Columbia, Westcoast granted the Plaintiff a security interest in all and certain of its present and after-acquired personal property as security for the debts and obligations of Westcoast to the Plaintiff.

36. Pursuant to a General Security Agreement granted to the Plaintiff and perfected by registration in the Personal Property Registry for the Province of British Columbia, Capital Iron granted the Plaintiff a security interest in all of its present and after-acquired personal property as security for the debts and obligations of Capital Iron to the Plaintiff.
37. Pursuant to a General Security Agreement granted to the Plaintiff and perfected by registration in the Personal Property Registry for the Province of British Columbia, Aram Holdings granted the Plaintiff a security interest in all of its present and after-acquired personal property as security for the debts and obligations of Aram Holdings to the Plaintiff.
38. Pursuant to the terms of the security, these Defendants agreed the Plaintiff would be entitled to the appointment of a receiver upon default.
39. Each of Westcoast, Capital Iron and Aram Holdings is in default under the terms of the security.
40. On or about November 28, 2025 and December 12, 2025, the Plaintiff issued to each of Westcoast, Capital Iron and Aram Holdings 10 day statutory notices of the Plaintiff's intention to enforce its security under section 244 of the *Bankruptcy and Insolvency Act*.
41. The statutory notice period has expired.

Forbearance Agreement

42. The Plaintiff entered into a written forbearance agreement with the Defendants dated December 15, 2025 (the "**Forbearance Agreement**") pursuant to which the Plaintiff agreed to forbear from enforcing its security until January 31, 2026.
43. Pursuant to the terms of the Forbearance Agreement, the Defendants covenanted and agreed, *inter alia*:
 - a. The loan agreements described herein are in default;
 - b. The Defendants are responsible for payment of the indebtedness outstanding to the Plaintiff as claimed herein;
 - c. None of the Defendants have any defence, set off or counterclaims to their obligation to pay the indebtedness to the Plaintiff, which is due and owing;
 - d. The security described herein is valid and enforceable, and in default;
 - e. To pay the Plaintiff's legal costs on a full indemnity basis;
 - f. To pay to the Plaintiff the indebtedness, interest and costs in full by January 31, 2026;

- g. To sign a consent judgment in favour of the Plaintiff in respect of all the indebtedness;
 - h. The forbearance period during which the Plaintiff would forbear from enforcing its security would expire on January 31, 2026;
 - i. Upon expiry of the forbearance period if the indebtedness was not paid in full, the Plaintiff would be entitled to, *inter alia*:
 - (i) enforce the security by the appointment of a Receiver or Receiver-Manager of the assets and undertakings of Westcoast and Capital Iron pursuant to a court order, by consent; and
 - (ii) enter the consent judgment with the court registry and proceed with enforcement.
44. The Defendants had the benefit of legal counsel in negotiating the terms of the Forbearance Agreement with the Plaintiff.
45. The Defendants signed and delivered to the Plaintiff a consent order for judgment in accordance with the terms of the Forbearance Agreement.
46. The forbearance period under the Forbearance Agreement expired without payout and has not been renewed or extended.
47. The Plaintiff is entitled to proceed with enforcing its security and recovering the indebtedness as claimed.

Part 2: RELIEF SOUGHT

- 1. Judgment against each of the Defendants for the indebtedness described in Part 1 herein;
- 2. A declaration that the Defendant Westcoast, Capital Iron and Aram Holdings are in default under the security granted to the Plaintiff and that the security creates a charge on all present and after acquired personal property of those Defendants, ranking in priority to the interests of all the Defendants.
- 3. An order for the appointment of a receiver or receiver-manager over all or any portion of the undertaking, property and assets of any or all of the Defendants Westcoast and Capital Iron.
- 4. Costs of this action on a full indemnity basis on the basis of the contractual agreements among the Plaintiff and the Defendants.
- 5. Such further or other relief as to this Honourable Court may seem meet.

Part 3: LEGAL BASIS

1. The Plaintiff's claim against the Defendants is for unpaid debt, which is due and owing.
2. The Plaintiff advanced money which has not been repaid in full.
3. The Plaintiff is a secured creditor of the Defendants Westcoast, Capital Iron and Aram Holdings pursuant to the security described in Part 1 hereto.
4. The Defendants are in default under the loans and security agreements with the Plaintiff.
5. The forbearance period has expired under the Forbearance Agreement entered into among the Plaintiff and the Defendants.
6. Under the terms of its security and the Forbearance Agreement, the Plaintiff is contractually entitled to the appointment of a receiver or receiver-manager.
7. The Applicant relies on:
 - a. *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 [**BIA**], in particular s. 243;
 - b. *Law and Equity Act*, R.S.B.C., 1996, c. 253 [**LEA**], in particular s. 39;
 - c. *Supreme Court Civil Rules*, B.C. Reg. 168/2009 [**Rules**], in particular R. 10-2; and
 - d. Such further and other legal bases and authorities as counsel may advise and this Court may permit.

The Legal Test for Appointing a Receiver

6. Section 243(1) of the *BIA* provides that, on application by a secured creditor, a court may appoint a receiver to do any or all of the following "if it considers it to be just and convenient" to do so:
 - a. take possession of all or substantially all of the inventory, accounts receivable or other property of an insolvent person or bankrupt that was acquired for or used in relation to a business carried on by the insolvent person or bankrupt;
 - b. exercise any control that the court considers advisable over that property and over the insolvent person's or bankrupt's business; or
 - c. take any other action that the court considers advisable.

BIA, s. 243(1).

7. Similarly, s. 39 of the *LEA* permits a court to appoint a receiver by interlocutory order if it “appears to the court to be just or convenient that the order should be made.”

LEA, s. 39.

8. In *Maple Trade Finance Inc. v. CY Oriental Holdings Ltd.*, this Court identified several factors that may inform a holistic determination of whether it is “just and convenient” to appoint a receiver, including:

- a. whether irreparable harm might be caused if no order were made, although it is not essential for a creditor to establish irreparable harm if a receiver is not appointed, particularly where the appointment of a receiver is authorized by the security documentation;
- b. the risk to the security holder taking into consideration the size of the debtor’s equity in the assets and the need for protection or safeguarding of the assets while litigation takes place;
- c. the nature of the property;
- d. the apprehended or actual waste of the debtor’s assets;
- e. the preservation and protection of the property pending judicial resolution;
- f. the balance of convenience to the parties;
- g. the fact that the creditor has the right to appoint a receiver under the documentation provided for the loan;
- h. the enforcement of rights under a security instrument where the security-holder encounters or expects to encounter difficulty with the debtor and others;
- i. the principle that the appointment of a receiver is extraordinary relief which should be granted cautiously and sparingly;
- j. the consideration of whether a court appointment is necessary to enable the receiver to carry out its duties more efficiently;
- k. the effect of the order upon the parties;
- l. the conduct of the parties;
- m. the length of time that a receiver may be in place;
- n. the cost to the parties;
- o. the likelihood of maximizing return to the parties; and

p. the goal of facilitating the duties of the receiver.

Maple Trade Finance Inc v. CY Oriental Holdings Ltd., 2009 BCSC 1527 at para. 25.

9. In applying these factors, this Court has held that the right of a secured creditor to appoint a receiver under a security agreement between the parties holds considerable weight and is a "strong factor" in support of granting a receivership order.

Maple Trade at para. 26.

10. In determining whether it is just or convenient to appoint the proposed Receiver under subsection 243(1) of the *BIA*, the Court must have regard to "all of the circumstances but in particular the nature of the property and the rights and interests of all parties in relation thereto."

Bank of Nova Scotia v. Freure Village of Clair Creek, 1996 CanLII 8258 (O.N.S.C.) at para. 10.

11. Although the appointment of a receiver has traditionally been considered an extraordinary remedy, it is now well established that "its extraordinary nature is significantly reduced when dealing with a secured creditor who has the right to a receivership under its security arrangements."

BCIMC Construction Fund Corporation v. The Clover on Yonge Inc., 2020 ONSC 1953 at para. 43;

Royal Bank of Canada v. Kingsley Trucking Ltd., 2025 BCSC 756 at para. 21.

12. In such circumstances, the burden on the applicant secured creditor is relaxed as the applicant is simply seeking to enforce a term of an agreement assented to by the parties.

Bank of Montreal v. Sherco Properties Inc., 2013 ONSC 7023 at para. 41.

It is Just and Convenient to Appoint a Receiver in the Circumstances

13. It is just and convenient in the present circumstances to appoint a receiver for the following reasons:
- a. the security agreements held by the Plaintiff contain a contractual right to the appointment of a receiver;
 - b. the Defendants have defaulted under the loan agreements and the security, and these defaults entitle the Plaintiff to enforce its security and appoint a receiver;

- c. further, the Defendants consented to the appointment of a receiver in these circumstances pursuant to the terms of the Forbearance Agreement;
- d. the Plaintiff has lost confidence in the ability of the Defendants to effect an out-of-court solution, whether through a sale, refinancing or investment;
- e. the appointment of a receiver is the most efficient means to enforce the security, maximize return to the Plaintiff, and preserve equity for other stakeholders to the extent possible, as it will facilitate:
 - (i) a court officer accessing the premises to take control of the Defendants' property, including inventory;
 - (ii) a court officer assessing whether to operating and sell the business as a going concern, and to effect an efficient sale of the business and/or liquidation of inventory and other assets;
 - (iii) permit investigation into the Defendants' books and records to identify any other assets;
 - (iv) provide an efficient process to collect any outstanding accounts receivables and supplier rebates; and
 - (v) provide a single venue to resolve any disputes arising from the foregoing processes;
- e. the Defendants do not appear to have the ability to satisfy the indebtedness to the Plaintiff and there appears to be no reasonable prospect of recovering the indebtedness for the Plaintiff without enforcement actions; and
- f. the balance of convenience favours the appointment of a receiver in the circumstances.


14. In the circumstances it is just and convenient that this Court appoint BDO Canada Limited as receiver.

Plaintiff's address for service:	Dentons Canada LLP 20 th Floor, 250 Howe Street Vancouver, BC V6C 3R8
Fax number address for service (if any):	N/A
E-mail address for service (if any):	sherryl.dubo@dentons.com and dannis.yang@dentons.com
Place of trial:	Vancouver, British Columbia

The address of the registry is:

800 Smithe Street,
Vancouver, British Columbia V6Z 2E1

Date: February 20, 2026



Signature of Sherryl Dubo
Chloe Ducluzan per Lawyer for plaintiff

Rule 7-1 (1) of the Supreme Court Civil Rules states:

- (1) Unless all parties of record consent or the court otherwise orders, each party of record to an action must, within 35 days after the end of the pleading period,
 - (a) prepare a List of Documents in Form 22 that lists
 - (i) all documents that are or have been in the party's possession or control and that could, if available, be used by any party at trial to prove or disprove a material fact, and
 - (ii) all other documents to which the party intends to refer at trial, and
 - (b) serve the list on all parties of record.

APPENDIX

Part 4: CONCISE SUMMARY OF NATURE OF CLAIM:

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Part 5: THIS CLAIM ARISES FROM THE FOLLOWING:

A personal injury arising out of:

- a motor vehicle accident
- medical malpractice
- another cause

A dispute concerning:

- contaminated sites
- construction defects
- real property (real estate)
- personal property
- the provision of goods or services or other general commercial matters
- investment losses
- the lending of money
- an employment relationship
- a will or other issues concerning the probate of an estate
- a matter not listed here

Part 6: THIS CLAIM INVOLVES:

- a class action
- maritime law
- aboriginal law
- constitutional law

- conflict of laws
- none of the above
- do not know

Part 7:

- Builders Lien Act
- Court Order Interest
- Insurance (Motor Vehicle) Act
- Insurance (Vehicle) Act
- Motor Vehicle Act
- Occupiers Liability Act
- Supreme Court Act
- Wills Variation Act
- Other _____

[delete if no enactments to be listed]

**ENDORSEMENT ON ORIGINATING PLEADING OR PETITION
FOR SERVICE OUTSIDE BRITISH COLUMBIA**

The plaintiff(s) claim(s) the right to serve this pleading/petition on the defendant(s),
_____, outside British Columbia on the grounds that