



No. S-261320  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

ROYAL BANK OF CANADA

PLAINTIFF

AND

WESTCOAST APPLIANCE CENTRE 2014 LTD., CAPITAL IRON (2022) LTD.,  
ARAM HOLDINGS LTD., TAHAMTAN ARAM also know as FRED ARAM

DEFENDANTS

**APPLICATION RESPONSE**

**Application response of:** Cantrex Nationwide Inc. (“Cantrex”)

THIS IS A RESPONSE TO the Notice of Application of BDO Canada Limited (“BDO” or the “Receiver”) filed April 2, 2026.

The Application Respondent estimates that the Application will take 1 hour.

**Part 1: ORDERS CONSENTED TO**

The Application Respondent consents to the granting of the Orders set out in the following paragraphs of Part 1 of the Notice of Application on the following terms: NIL.

**Part 2: ORDERS OPPOSED**

The Application Respondent opposes the granting of the Orders set out in paragraphs NIL.

**Part 3: ORDERS ON WHICH NO POSITION IS TAKEN**

The Application Respondent takes no position on the granting of the Orders set out in paragraphs 1 and 2, provided that:

1. Cantrex is at liberty to continue its direct arrangement with Able Auctions respecting remaining inventory on the premises;
2. Cantrex reserves its right to apply under paragraph 30 of the initial Receivership Order in this proceeding dated February 27, 2026 (the “Receivership Order”) to allocate the Receiver’s

charge and Receiver's Borrowing Charge on the Property (as defined below) on Cantrex's collateral to \$0, taking effect retroactively to the commencement of these proceedings; and

3. Cantrex reserves its right to apply under paragraph 37 of the Receivership Order to vary the order on a *nunc pro tunc* basis.

#### **Part 4: FACTUAL BASIS**

1. Cantrex is a secured creditor of Westcoast Appliance Centre 2014 Ltd. ("**Westcoast**") and of Capital Iron (2022) Ltd. ("**Capital Iron**").
2. The Receivership Order appointed BDO receiver over all assets, undertakings, and property of the debtor, including all proceeds (the "**Property**"). The Receivership Order granted a Receiver's Charge on the Property as detailed in paragraph 23 of the Receivership Order (the "**Receiver's Charge**") and initially authorized a \$150,000 borrowing charge on the Property as detailed in paragraph 26 of the Receivership Order (the "**Receiver's Borrowing Charge**").
3. On March 13, 2026, the Receiver's Borrowing Charge was increased to \$380,000.

Order of the Honourable Justice Veenstra made March 13, 2026 at para. 3.

#### **Background: The Westcoast and Capital Iron Security**

4. On March 23, 2018, Cantrex executed a security agreement with Westcoast (the "**Westcoast GSA**"). The Westcoast GSA granted Cantrex security over the inventory, equipment, monetary obligations, and undertaking and property of Westcoast (the "**Westcoast Security**").

Affidavit #1 of Harry Ketchedjian ("**Ketchedjian #1**") at para. 12-13, Ex. H.

5. As of June 2019, Cantrex holds a Purchase Money Security Interest ("**PMSI**") over the Westcoast Security.

Ketchedjian #1 at para. 15, Ex. L.

6. On September 21, 2023, Cantrex executed a security agreement with Capital Iron (the "**Capital Iron GSA**").

Ketchedjian #1 at paras. 3-4, Ex. A.

7. Capital Iron and Westcoast have guaranteed each others' respective indebtedness to Cantrex. Mr. Aram and Aram Holdings have also guaranteed the debts of Capital Iron and Westcoast.

Ketchedjian #1 at paras. 5-6 and 14, Ex. B, C, I, J, and K.

8. Cantrex holds a PMSI over all inventory, equipment, monetary obligations, and undertaking and property of Capital Iron, specified in section 1 of the Capital Iron GSA (the “**Capital Iron Security**”).

Ketchedjian #1 at para 4, Ex. A, and para. 8, Ex. E.

9. The Capital Iron Security and Westcoast Security are registered in the Personal Property Security Registry.

Ketchedjian #1 at paras 11 and 17, Ex. G and O.

### **Priority of Cantrex’s Security**

10. Pursuant to a priority agreement between the Royal Bank of Canada (“**RBC**”), Cantrex, and Capital Iron (the “**Priority Agreement**”), RBC’s security with respect to Capital Iron was postponed and subordinated to Cantrex’s Capital Iron Security.

Ketchedjian #1 at paras. 9-10, Ex. F.

11. With respect to Westcoast, Cantrex holds priority over the inventory of which Cantrex financed the acquisition.

Ketchedjian #1 at paras. 15 and 17, Ex. L and O.

### **Cantrex Accelerates its Demand for Payment**

12. Section 8 of both the Capital Iron GSA and Westcoast GSA empowers Cantrex to declare any indebtedness owed by Capital Iron and Westcoast to be immediately due and payable.

Ketchedjian #1 at Ex. A, p. 3 and Ex. H, p. 3.

13. As of February 21, 2026, Cantrex was owed \$313,253.61 and \$2,274,408.37 by Capital Iron and Westcoast respectively. Consequently, Cantrex issued a demand letter to both entities demanding payment of these outstanding amounts in full.

Ketchedjian #1 at paras. 18-20, Ex. P, Q, and R.

### **RBC Seeks the Appointment of a Receiver**

14. On February 20, 2026, RBC filed an application to appoint BDO as the receiver of all assets, undertakings, and property of Westcoast and Capital Iron.

Notice of Application Filed February 20, 2026.

15. Cantrex opposed (a) the use of a receiver to enforce its security and expressed its intention to exercise its remedies under the PPSA; and (b) having a receiver’s charge prime its security and opposed having a receiver take possession of its collateral, instead seeking to exercise its remedies under the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 (the “**PPSA**”).

Ketchedjian #1 at para. 21-22.

16. On February 27, 2026, this Court appointed BDO as the receiver of all the assets, undertakings, and property of Westcoast and Capital Iron (*i.e.*, the Property).

Receivership Order at para. 1.

17. The Receivership Order granted leave for any interested party to apply to the Court for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the Property.

Receivership Order at para. 30.

18. The Receivership Order further granted leave to Cantrex to apply to vary the Receivership Order on a *nunc pro tunc* basis.

Receivership Order at para. 37.

19. Since BDO's appointment, Cantrex has worked with BDO to identify the Westcoast and Capital Iron assets subject to their security interests.

First Report of the Receiver dated March 11, 2026 ("**First Report**") at para. 18(f).

20. On March 11, 2026, the Receiver circulated its First Report to the Court. At paragraph 71, the Receiver wrote:

"... the Receiver understands that [Cantrex and Wells Fargo] wish to remove the majority of their collateralized inventory from the premises for realization through other channels. The Receiver is prepared to release inventory subject to priority PMSIs in favour of Cantrex and Wells Fargo, subject to Cantrex and Wells Fargo agreeing to provide a full accounting of the net sales proceeds on a per unit basis. Moreover, to ensure occupational rent and other costs are minimized, the Receiver requires certainty from Wells Fargo and Cantrex as to their timing to remove any inventory from the Companies' Premises."

21. Cantrex has since worked with BDO to remove the inventory subject to its priority PMSIs from the Westcoast Premises and has agreed to provide a full accounting of the realization of its proceeds to BDO.

Second Report at para. 17.

### **Cantrex's Independent Enforcement Efforts**

22. Consistent with its initial position, Cantrex has taken necessary steps to enforce its security. To that end, Cantrex has removed its authorized inventory and made an

independent arrangement with Able Auctions to auction that inventory, without the assistance or involvement the Receiver.

Second Report of the Receiver Filed April 2, 2026 (“**Second Report**”) at para. 18.

23. The Receiver’s Second Report, however, notes Royal Bank of Canada (“**RBC**”)’s concern about bearing the entirety of the receivership costs to date. The Receiver writes:

“The Receiver understands that the costs of the receivership should be allocated on a pro-rata basis based on the gross recovery from the inventory for each respective secured creditor, in accordance with the terms of the Receivership Order.”

Second Report at para. 18.

24. This paragraph is unaligned with Cantrex’s understanding of these proceedings. Cantrex is reserving its rights under the Receivership Order respecting the cost allocation of this receivership.

#### **Part 5: LEGAL BASIS**

25. Cantrex has maintained from the outset of these proceedings that it is capable of enforcing its security without the Receiver and continues to do so.
26. Cantrex takes no position on the Auction Approval Order, as defined in the notice of application of BDO Canada Limited, on the conditions outlined in Part 3, being that
- (a) Cantrex is at liberty to continue its direct arrangement with Able Auctions respecting remaining inventory on the premises - *i.e.*, that the Auction Approval Order has no impact or effect on the separate agreement between Cantrex and Able Auction for the liquidation of the inventory that is subject to Cantrex’s priority PMSIs;
  - (b) Cantrex does and is at liberty to reserve its right to apply under paragraph 30 of the Receivership Order to allocate \$0.00 of the Receivership Charge to its inventory; and
  - (c) Cantrex does and is at liberty to reserve the right to apply to otherwise vary the Receivership Order on a *nunc pro tunc* basis.

#### **Part 6: MATERIAL TO BE RELIED ON**

1. Affidavit #1 of Harry Ketchedjian filed February 27, 2026.
2. First Report of the Receiver dated March 11, 2026.
3. The Second Report of the Receiver to the Court filed April 2, 2026; and

4. Such further and other materials as counsel may advise and this Honourable Court may permit.
- The Application Respondent has filed in this proceeding a document that contains the Application Respondent's address for service.
- The Application Respondent has not filed in this proceeding a document that contains an address for service. The Application Respondent's ADDRESS FOR SERVICE is:

c/o David Gruber and Mila Ghorayeb  
McEwan Cooper Kirkpatrick LLP  
900-980 Howe Street  
Vancouver BC V6Z 0C8

Date: April 7, 2026



Signature of  application respondent  
 Lawyer for application respondent

David Gruber / Mila Ghorayeb

THIS APPLICATION RESPONSE was prepared by David Gruber and Mila Ghorayeb, of the firm of McEwan Cooper Kirkpatrick LLP, whose place of business and address for delivery is 900-980 Howe Street, Vancouver BC V6Z 0C8, Telephone: (604) 283-7740; Fax: (778) 300-9393.