

COURT FILE NUMBER 2503-13640

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE EDMONTON

IN THE MATTER OF THE *COMPANIES CREDITORS ARRANGEMENT ACT*, RSC 1985, c-36, as amended

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF COAST AUTOMOTIVE GROUP INC., COAST NORTH VANCOUVER AUTO SALES INC., COAST AUTO DRAYTON INC. and 2461765 ALBERTA LTD.

CROSS-APPLICANTS COAST AUTOMOTIVE GROUP INC, COAST NORTH VANCOUVER AUTO SALES INC., COAST AUTO DRAYTON INC., 2461765 ALBERTA LTD., SUNDEEP CHEEMA, DEEPAK PARMAR, HARJOT RANDHAWA, and DEERFOOT ATRIA PARTNERS LTD.

DOCUMENT **AFFIDAVIT**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT Blue Rock Law LLP  
700, 215 9<sup>th</sup> Ave SW  
Calgary, AB T2P 1K3

Attention: David W. Mann, KC and Scott Chimuk  
T. 403.605.3992 / 587.390.7041  
E. david.mann@bluerocklaw.com /  
scott.chimuk@bluerocklaw.com  
File: 1747-00001

**AFFIDAVIT OF JESSAL PARMAR**

**Sworn on December 8, 2025**

I, Jessal Parmar of Edmonton Alberta, swear and say that:

1. I am the sole shareholder and director of 2279341 Alberta Ltd., which holds ownership interest in Deerfoot Atria Partners Ltd. ("Deerfoot Atria") through its interest in the corporate partner of the Deerfoot structure.
2. I am a also a director of 2279341 Alberta Ltd., which has ownership interest in Deerfoot Atria, and am also a director of Deerfoot Atria. As such, I have direct knowledge, and I am authorized to swear this Affidavit on its behalf.

Deerfoot Atria

3. Deerfoot Atria is a separate legal entity whose business consists of owning and leasing real estate and is not a borrower, guarantor, or obligor under the Coast Auto Companies operating facilities.

J.P

4. Deerfoot Atria is owned equally by 2180735 Alberta Ltd., 2279341 Alberta Ltd., and Pass Holdings Ltd. Deerfoot Atria has four directors, and no single director has unilateral authority to bind the corporation.
5. Under the Alberta Business Corporations Act, and standard Alberta banking practice, third-party security (such as a mortgage granted by Deerfoot Atria for Coast's debt) requires:
  - a. a directors' resolution authorizing the security;
  - b. shareholder approval where the transaction is outside the ordinary course or constitutes financial assistance;
  - c. a certificate of incumbency or officer's certificate confirming directors, shareholders, and signing officers; and
  - d. in many instances, a legal opinion confirming corporate authority and enforceability.
6. None of these approvals or corporate documents were ever provided by Deerfoot Atria to BMO. No directors' resolution, shareholders' resolution, unanimous consent, delegation of authority, certificate of incumbency, or legal opinion was prepared, requested, or given in support of a mortgage over Deerfoot Atria's lands.
7. At no time did I call, attend, or participate in any meeting of the directors of Deerfoot Atria at which it was proposed that Deerfoot Atria grant a mortgage or other security in favour of BMO to secure indebtedness of the Coast Companies.
8. At no time did I receive, review, or sign any directors' resolution, shareholders' resolution, written consent, or unanimous shareholders' agreement authorizing Deerfoot Atria to grant a mortgage over its lands in favour of BMO.
9. I have reviewed Deerfoot Atria's corporate records and there are no such resolutions or approvals. If they existed, I would expect to find them in the minute book or to have been asked to sign them. I never was.
10. I did not authorize any person to sign a mortgage on behalf of Deerfoot Atria in favour of BMO.
11. I have reviewed the mortgage registered against the Deerfoot lands in favour of BMO (the "Deerfoot Mortgage").
12. The signature appearing on the Deerfoot Mortgage purports to be that of a person authorized to sign for Deerfoot Atria. That signature is not my signature. I did not sign the Deerfoot Mortgage, and I did not authorize anyone to sign it on my behalf.

13. Deerfoot Atria's primary lender is Servus Credit Union ("Servus"), which holds a first mortgage over the Deerfoot lands. Servus' security documentation requires that Servus consent to any additional mortgage or encumbrance over the Deerfoot lands.
14. No such consent was sought or obtained before the Deerfoot Mortgage in favour of BMO was executed and registered.
15. As a result, the registration of the Deerfoot Mortgage placed Deerfoot Atria in breach of its obligations to Servus. Servus has responded by increasing interest rates for its mortgage renewal and tightening conditions, thereby increasing Deerfoot Atria's financing costs and exposing it to a greater risk of enforcement.
16. The unauthorized mortgage has therefore caused direct financial harm to Deerfoot Atria and, indirectly, to its stakeholders.
17. Servus, as the first mortgagee over the Deerfoot lands, did not consent to the BMO mortgage and that its documentation required such consent before any further encumbrance could be registered. By proceeding to register an unauthorized mortgage on title despite the absence of corporate authority and senior lender consent, BMO created the false appearance that Deerfoot Atria had granted valid security to BMO. In my view, that registration amounted to a slander of Deerfoot Atria's title and directly contributed to increased costs and risk for Deerfoot Atria with Servus.

#### Bad Faith

18. I verily believe that BMO's conduct in registering the Deerfoot Atria Mortgage constitutes intentional, deceptive conduct designed to obtain security to which it was not legally entitled.
19. BMO is a sophisticated financial institution. It was fully aware that:
  - a. the purported mortgage required specific corporate resolutions from the directors and shareholders of Deerfoot Atria to be valid; and
  - b. the registration of a second mortgage required the prior written consent of the first charge holder, Servus, to avoid triggering an immediate default.
20. By registering an instrument it knew or ought to have known was invalid, BMO knowingly placed Deerfoot Atria in breach of its obligations to its senior lender and created a false appearance of security to the prejudice of the Plaintiffs in the Founder Claim.

#### Conclusion

21. Deerfoot Atria never validly authorized the Deerfoot Mortgage, no corporate approvals were obtained, Servus consent was not obtained, and the signature on the mortgage is not mine.

22. In these circumstances, the Deerfoot Mortgage is unauthorized, invalid, unenforceable, and voidable, and the registration of that mortgage has caused harm to Deerfoot Atria and its stakeholders.

23. I swear this Affidavit in support of the relief sought in the Cross-application, and for no improper purpose.

SWORN BEFORE ME two-way video  
conference at the City of Calgary, Alberta,  
this 8<sup>th</sup> day of December 2025.

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Jessal Parmar

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Commissioner for Oaths in and for the  
Province of Alberta

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CROSS-APPLICANTS COAST AUTOMOTIVE GROUP INC, COAST NORTH  
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**CERTIFICATE OF COMMISSIONER/NOTARY PUBLIC**

I, Mark Jacka, of the City of Airdrie in the Province of Alberta, SWEAR AND SAY THAT:

1. The Deponent, Jessal Parmar, was not physically present before me, but was linked with me utilizing video technology on December 8, 2025. I, Mark Jacka, confirm that while connected via video technology, Jessal Parmar, had shown to me the front and back of his government-issued photo identity document and I am reasonably satisfied it is the same person and the document is valid and current. I confirm that I have reviewed each page of this Affidavit and any exhibits with Jessal Parmar and verify that the pages are identical. I am satisfied that the process was necessary because was impossible or unsafe, for medical reasons, for the deponent and the commissioner to be physically present together.



Commissioner for Oaths in and for the  
Province of Alberta

**Mark D. Jacka**  
**Barrister & Solicitor**