



FORCE FILED

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 KNOWN AS FRED ARAM

DEFENDANTS

NOTICE OF APPLICATION

Name of applicant: BDO Canada Limited, in its capacity as receiver and manager (in such capacity, the "**Receiver**") of Westcoast Appliance Centre 2014 Ltd. ("**Westcoast**") and Capital Iron (2022) Ltd. ("**Capital Iron**", along with Westcoast, collectively the "**Companies**")

To: The Service List, attached hereto as **Schedule "A"**

TAKE NOTICE that an application will be made by the applicant to the Honourable Justice Veënstra at the courthouse at 800 Smithe Street, in the City of Vancouver, in the Province of British Columbia, on April 8, 2026 at 9:00 a.m. for the order(s) set out in Part 1 below.

The applicant estimates that the application will take 1 hour.

This matter is not within the jurisdiction of an associate judge. The Honourable Justice Veenstra is seized of this matter.

Part 1: ORDER(S) SOUGHT

1. An Order substantially in the form attached hereto as **Schedule "B"** (the "**Auction Approval Order**");

- (a) abridging the time for service of this Notice of Application so that it is properly returnable on April 8, 2026;
 - (b) approving the auction services agreement between the Receiver and Able Solutions Inc. ("**Able Auctions**") dated March 28, 2026 (the "**Auction Services Agreement**") attached as Appendix "C" to the second report of the Receiver dated April 1, 2026 (the "**Second Report**"); and
 - (c) declaring that the inventory to be sold under the Auction Services Agreement is the property of the Companies.
2. Such further and other relief as this Honourable Court may deem just.

Part 2: FACTUAL BASIS

1. All capitalized terms used and not otherwise defined herein have the same meaning given to them in the Receiver's Second Report.

Background

2. On February 27, 2026, the Receiver was appointed receiver and manager, without security, of all of the assets, undertakings and properties of the Companies pursuant to the Order of Justice Veenstra made February 27, 2026 (the "**Receivership Order**"), upon the application of the Plaintiff, the Royal Bank of Canada ("**RBC**").
3. The principal business of the Companies was to operate as a home appliance, indoor furniture, and outdoor furniture retailer based in Victoria, British Columbia.
4. Westcoast operated from a leased premises located at 3090 Nanaimo St., Victoria, British Columbia (the "**Westcoast Premises**"). Capital Iron operated from leased premises located at 1900 Store St. and 1908 Store St., Victoria, British Columbia (the "**Capital Iron Premises**", together with the Westcoast Premises, the "**Companies Premises**"). The principal of the Companies is Fred Aram (the "**Principal**").

5. The Companies struggled with working capital deficiencies and ceased operations on February 20, 2026 (the “**Closing Date**”).
6. The primary secured creditors of each of the Companies are RBC, Cantrex Nationwide Group Inc. (“**Cantrex**”) and Wells Fargo Capital Finance Corporation Canada (“**Wells Fargo**”). Pursuant to paragraph 3 of the Receivership Order, the Court has directed the Receiver to prioritize a review of the priorities among RBC, Cantrex, and Wells Fargo and the collateral subject to any priority interests of Wells Fargo or Cantrex. The Receiver’s understanding of the priorities between the security interests of RBC, Cantrex and Wells Fargo are detailed in the First Report.
7. As detailed in the Second Report, since the date of the First Report, the Receiver has, among other things, done the following:
 - (a) attending the Companies’ Premises and ensuring that the inventory is identified by secured creditor, as described below;
 - (b) administering claims under the Wage Earner Protection Program for former employees;
 - (c) working with Cantrex, Wells Fargo, and RBC to identify assets subject to their respective priority security interests and assess priority among secured creditors;
 - (d) facilitating the seizure of inventory items from the Westcoast Premises by Cantrex and Wells Fargo subject to conditions to ensure compliance with any orders made regarding determination of priority claims to any proceeds;
 - (e) engaging in discussions with prospective parties in acquiring the Companies’ assets;
 - (f) liaising with the third-party IT provider, Resilient IT, to obtain access to the Companies’ cloud-based records;

- (g) reviewing the Companies' books and records, which the Receiver is still in the process of gathering; and
- (h) corresponding with customers regarding partially or fully paid orders that may be located at the Companies' Premises.

The Inventory

8. As detailed in the First Report, the Companies had in excess of 200 inventory units located at the Westcoast Premises and in excess of 2,000 inventory units located at the Capital Iron Premises.
9. Wells Fargo and Cantrex have completed their respective inventory counts and identified the inventory at the Companies' Premises subject to their respective priority PMSIs.
10. As detailed in the Second Report, the Receiver facilitated the seizure and realization of inventory items subject to their respective priority PMSIs from the Westcoast Premises by Cantrex and Wells Fargo subject to each of Cantrex and Wells Fargo agreeing to provide a full accounting of each inventory item they realize upon and that they will each comply with any future Order of the Court regarding priorities and/or payments of any valid buyer's lien claims. Able Auctions has removed all other inventory units at the Westcoast Premises and is storing such units at its Vancouver location pending the auction pursuant to the Auction Services Agreement.
11. The Receiver is currently incurring occupation rent in respect of the Capital Iron Premises which carries significant costs, and the Receiver considers it prudent to vacate these premises as soon as practicable in order to minimize ongoing expenses.
12. The Receiver has engaged Able Auctions to action the inventory units and other assets of the Companies over which RBC holds a priority security interest.

13. The Receiver understands Able Auctions has entered into separate agreements with Cantrex and Wells Fargo for the liquidation of certain inventory that is subject to their respective priority PMSIs.
14. Able Auctions has indicated the intention is to hold the auction from April 10 – 12, 2026 to ensure a timely removal of all assets from the Capital Iron Premises by the end of April 2026.
15. Able Auctions has agreed to charge a flat commission of 10% on all items sold at auction. In the interest of time and in light of the ongoing occupation rent costs, Able Auctions has commenced preparations for the auction and logistical planning at the Capital Iron Premises.
16. The Receiver also held discussions with a retail appliance company that is seeking to enter the Victoria market. An offer was provided to the Receiver for a selection of inventory subject to RBC's priority security. However, upon review of the offer, the consideration provided, and the estimated value of assets subject to RBC's priority security, the Receiver does not believe the offer to be competitive.
17. The Receiver believes that an auction is the best method to liquidate the inventory in a timely and efficient manner as it allows for the inventory to be marketed for sale to the general public.
18. The Receiver has identified a limited number of items that relate to customer orders where a serial numbered inventory item ("**Serial Inventory**") has been assigned to a specific customer order. Management of the Companies informed the Receiver that serial numbers are assigned to a specific customer order the day prior to delivery.
19. The Receiver has given customers who have paid for Serial Inventory the opportunity to collect such inventory prior to Able Auctions conducting the Auction starting April 10, 2026, subject to confirmation such customers have not already received such inventory or will be receiving a refund from their credit card provider.

20. All other inventory has not been “unconditionally appropriated” to a specific customer under the wording of section 23(7) of the *Sale of Goods Act*, RSBC 1996, c 410. Such inventory remains the property of the Companies.
21. Accordingly, the Receiver seeks approval of the Auction Services Agreement.

Part 3: LEGAL BASIS

Approval of the Auction Services Agreement

1. This Court has jurisdiction under section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended (the “**BIA**”) to authorize the Receiver to take any action that the Court considers advisable.
2. The purpose and object of a receivership under the BIA is to facilitate and enhance the reservation and realization of the assets of an insolvent debtor for the benefit of creditors in accordance with their respective priorities. This necessarily involves the realization of assets with the principal objective of maximizing return to creditors.

***British Columbia v. Peakhill Capital Inc.*, 2024 BCCA 246 at para 21**

3. Pursuant to paragraphs 2(k), 2(l), and 2(m) of the Receivership Order, the Receiver was granted the power to sell the Companies’ property subject to the approval of this Court and to apply for a vesting order in connection with the same.
4. The relevant considerations when assessing whether to approve a sale proposed by a receiver are as follows:
 - (a) whether the receiver has made a sufficient effort to get the best price and has not acted improvidently;
 - (b) the interests of all parties;
 - (c) the efficacy and integrity of the process by which offers are obtained; and
 - (d) whether there has been unfairness in the sales process.

Royal Bank of Canada v. Soundair Corp., 1991 CanLII 2727 (ON CA)

5. In this instance, the Receiver submits the following reasons support approval of the Auction Services Agreement and liquidation of the Companies' assets through an auction process:
 - (a) the Receiver has made a sufficient effort to get the best price for the inventory units, and has not acted improvidently, and the auction process will obtain the best price for such assets;
 - (b) the auction is in the best interests of all parties, in particular to obtain the best price and remove inventory units from the Capital Iron Premises before the end of April to minimize rent costs; and
 - (c) the Receiver canvassed the market and considered competing offers for the inventory units and determined an auction is the most efficient method to liquidate the inventory in a timely and efficient manner as it allows for the inventory to be marketed for sale to the general public.

Part 4: MATERIAL TO BE RELIED ON

1. First Report of the Receiver, dated March 11, 2026.
2. Second Report of the Receiver, dated April 2, 2026.
3. Such further and other materials as counsel may advise and this Honourable Court may permit.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this notice of application, you must, within 5 business days after service of this notice of application or, if this application is brought under Rule 9-7, within 8 business days after service of this notice of application,

- (a) file an application response in Form 33,
- (b) file the original of every affidavit, and of every other document, that

- (i) you intend to refer to at the hearing of this application, and
 - (ii) has not already been filed in the proceeding, and
- (c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
- (i) a copy of the filed application response;
 - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
 - (iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7 (9).

Date: April 2, 2026



Signature of lawyer for the Receiver

Daniel Shouldice

To be completed by the court only:

Order made

in the terms requested in paragraphs _____ of Part 1 of this notice of application

with the following variations and additional terms:

Date: _____

Signature of Judge Associate Judge

APPENDIX

THIS APPLICATION INVOLVES THE FOLLOWING:

- discovery: comply with demand for documents
- discovery: production of additional documents
- other matters concerning document discovery
- extend oral discovery
- other matter concerning oral discovery
- amend pleadings
- add/change parties
- summary judgment
- summary trial
- service
- mediation
- adjournments
- proceedings at trial
- case plan orders: amend
- case plan orders: other
- experts
- none of the above

SCHEDULE "A"

No. S-261320
Vancouver Registry

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PLAINTIFF

AND:

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

DEFENDANTS

SERVICE LIST

(As of April 2, 2026)

<p>Dentons Canada LLP 20th Floor, 250 Howe Street Vancouver, BC V6C 3R8 Attention: Sherryl Dubo Email: sherryl.dubo@dentons.com dannis.yang@dentons.com <i>Counsel for the Plaintiff, Royal Bank of Canada</i></p>	<p>Westcoast Appliance Centre 2014 Ltd. Capital Iron (2022) Ltd. Aram Holdings Ltd. Tahamtan Aram aka Fred Aram Attention: Fred Aram Email: fred@westcoastappliance.ca fred@capitaliron.ca <i>Counsel for the Defendants</i></p>
<p>BDO Canada Limited 1100 – 1055 West Georgia St. Vancouver, BC V6E 3P3 Attention: Chris Bowra Email: cbowra@bdo.ca <i>Receiver</i></p>	<p>McMillan LLP Royal Centre, Suite 1500 1055 West Georgia Street, PO Box 11117 Vancouver, BC V6E 4N7 Attention: Daniel Shouldice Email: daniel.shouldice@mcmillan.ca <i>Counsel for the Receiver</i></p>

<p>McEwan Cooper Kirkpatrick LLP 900 - 980 Howe Street Vancouver, BC V6Z 0C8 Attention: David Gruber Email: dgruber@mcewanpartners.com <i>Counsel for Cantrex Nationwide Group Inc.</i></p>	<p>Miller Thomson LLP Scotia Plaza 40 King Street West, Suite 6600 Toronto, ON M5H 3S1 Attention: Bobby H. Sachdeva, Scott Turner and Balpreet S. Khatra Email: bsachdeva@millerthomson.com saturner@millerthomson.com bkhatra@millerthomson.com <i>Counsel for Wells Fargo Capital Finance Corporation Canada</i></p>
<p>Wells Fargo Capital Finance Corporation Canada Suite 900, 1290 Central Parkway West Mississauga, ON L5C 4R3 Attention: Rick Kanabar and Crystal L. Finley Email: rick.kanabar@wellsfargo.com crystal.l.finley@wellsfargo.com <i>Representatives of Wells Fargo Capital Finance Corporation</i></p>	<p>Business Development Bank of Canada 1500 – 1133 Melville Street Vancouver, BC V6E 4E5 Email: ronnell.francisco@bdc.ca</p>
<p>His Majesty the King in Right of Canada Department of Justice Canada 900 - 840 Howe Street Vancouver, BC V6Z 2S9 Email: AGC_PGC_VANCOUVER@JUSTICE.GC.CA</p>	<p>Ontap Capital Corp. 8750 Jane Street, Unit 6 Vaughan, ON L4K 2M9</p>
<p>Toyota Industries Commercial Finance Canada, Inc. 630 – 401 The West Mall Toronto, ON M9C 5J5</p>	<p>The Bank of Nova Scotia 10 Wright Boulevard Stratford, ON N5A 7X9</p>
<p>Merchant Capital Group LLC 2200 Biscayne Blvd Suite 200 Miami, FL 33137 USA</p>	<p>Canacap 4211 Yonge St Suite 402 Toronto, ON M2P 2A9</p>
<p>Ford Credit Canada Company PO Box 2400 Edmonton, AB T5J 5C7</p>	<p>BMO Financial Group 1 First Canadian Place, 20th Floor 100 King Street W Toronto, ON M5X 1A1 Attention: Elisabeth Patrick Email: elisabeth.patrick@bmo.com</p>

<p>Andrew Johnson 2740 Cumberland Road Courtenay, BC V9N 9P1 Telephone: 250.331.9690 (office) 250.714.4127 (cell) Email: andrew@wolflakelogging.ca; a.kjohnson@me.com</p>	<p>Resilient IT Solutions, Inc. #408 – 2626 Croydon Drive Surrey, BC V3Z 0S8 Attention: Ryan Hartzell Email: ryan@resilientit.ca</p>
<p>Ron Collins and Laura Collins 4130 Hawkes Avenue Victoria, BC V8Z 3Z1 Email: nannyogg86@gmail.com; nor55@shaw.ca</p>	<p>Cox Taylor Barristers & Solicitors 26 Bastion Square, Third Floor Victoria, BC V8W 1H9 Attention: Andrew W. Tomilson Email: tomilson@coxtaylor.ca <i>Counsel for Murray Gudmundson and Michael Pohlman</i></p>
<p>Kornfeld LLP Suite 1100 – 505 Burrard Street Vancouver, BC V7X 1M5 Attention: Douglas B. Hyndman Email: dhyndman@kornfeldllp.com <i>Counsel for Business Development Bank of Canada (BDC)</i></p>	<p>Ministry of Attorney General Legal Services Branch PO Box 9290 Stn Prov Govt Victoria, BC V7W 9J7 Attention: Duty Counsel Email: AGLSBRevTaxInsolvency@gov.bc.ca <i>Counsel for His Majesty the King in right of the Province of British Columbia</i></p>
<p>Dinning Hunter Law 813 Goldstream Avenue Victoria, BC V9B 2X8 Attention: Julie Katherine Ough Email: jough@dinninghunter.com <i>Counsel for Braden Moves & Delivers</i></p>	<p>Singleton Urquhart Reynolds Vogel LLP 925 West Georgia Street, Suite 1200 Vancouver, BC V6C 3L2 Attention: Mia Laity Email: mlaity@singleton.com <i>Counsel for US Bank/Elavon</i></p>
<p>Stikeman Elliott LLP 1155 René-Lévesque Blvd. West, 41st Floor Montréal, QC H3B 3V2 Attention: Amelie Metivier Email: ametivier@stikeman.com <i>Counsel for Nuvei</i></p>	

SCHEDULE "B"

No. S-261320
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IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

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ARAM HOLDINGS LTD.
TAHAMTAN ARAM ALSO KNOWN AS FRED ARAM

DEFENDANTS

ORDER MADE AFTER APPLICATION

BEFORE) HONOURABLE JUSTICE) APRIL 8, 2026
) VEENSTRA)
)

ON THE APPLICATION of BDO Canada Limited, in its capacity as receiver and manager (in such capacity, the "**Receiver**") of Westcoast Appliance Centre 2014 Ltd. ("**Westcoast**") and Capital Iron (2022) Ltd. ("**Capital Iron**", along with Westcoast, collectively the "**Companies**" or the "**Debtors**"), dated April 1, 2026, coming on for hearing at Vancouver, British Columbia on April 8, 2026 and on hearing Daniel Shouldice, counsel for the Receiver, and those counsel as listed on Schedule "A" hereto, and no one else appearing, although duly served; AND UPON READING the material filed, including the Order of the Court made February 27, 2026 (the "**Receivership Order**"), the Receiver's First Report to Court dated March 11, 2026 (the "**First Report**") and the Receiver's Second Report to Court dated April 2, 2026 (the "**Second Report**").

THIS COURT ORDERS that:

SERVICE

1. The time for service of the Notice of Application for this Order is hereby abridged so that this application is properly returnable today and further service thereof is hereby dispensed with.

AUCTION SERVICES AGREEMENT

2. The transactions (the “**Transactions**”) contemplated by the Auction Services Agreement dated March 28, 2026 (the “**Auction Services Agreement**”) between the Receiver and Able Solutions Inc. (the “**Auctioneer**”), a copy of which is attached as Appendix “C” to the Second Report is hereby approved, and the Auction Services Agreement is commercially reasonable. The execution of the Auction Services Agreement by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions and for the conveyance to any buyer (each, a “**Buyer**”) of any of the Assets (as defined in the Auction Services Agreement).
3. The Assets are declared to be property of the Debtors within the meaning of the Receivership Order.
4. The Receiver and the Auctioneer are authorized to market and sell the Assets in accordance with the terms of the Auction Services Agreement, and upon sale of any of the Assets by the Auctioneer in accordance with the Auction Services Agreement and payment of the purchase price for any such Asset, all of the Debtors’ right, title and interest in and to such Assets shall vest absolutely in the Buyer, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise

(collectively, the “**Claims**”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Receivership Order; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* of British Columbia or any other personal property registry system; and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to such Assets are hereby expunged and discharged as against such Assets.

5. No authorization, approval or other action by and no notice to or filing with any governmental authority or regulatory body exercising jurisdiction over the Assets is required for the due execution, delivery and performance by the Receiver of the Auction Services Agreement.
6. For the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Assets (the “**Net Proceeds**”) shall stand in the place and stead of the Assets, and all Claims shall attach to the net proceeds from the sale of the Assets with the same priority as they had with respect to the Assets immediately prior to the sale under the Auction Services Agreement, as if the Assets had not been sold and remained in the possession or control of the person having had possession or control immediately prior to the sale.
7. Any Buyer of any of the Assets shall, by virtue of completion of the purchase of any Asset under this Order and the Auction Services Agreement, have no liability of any kind whatsoever in respect of any Claims.
8. Upon receipt of the Net Sale Proceeds and completion of the Transactions contemplated in the Auction Services Agreement, the Receiver shall file a certificate with this Court confirming the same.
9. Notwithstanding:
 - a. these proceedings;

- b. any applications for a bankruptcy order in respect of the Debtors now or hereafter made pursuant to the *Bankruptcy and Insolvency Act* and any bankruptcy order issued pursuant to any such applications; and
- c. any assignment in bankruptcy made by or in respect of the Debtors

the vesting of the Assets in a Buyer pursuant to this Order and the Auction Services Agreement shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute or be deemed to be a transfer at undervalue, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

- 10. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
- 11. The Receiver or any other party have liberty to apply for such further or other directions or relief as may be necessary or desirable to give effect to this Order.

GENERAL

12. Endorsement of this Order by parties and counsel appearing on this application other than counsel for the Receiver is dispensed with.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

By the Court

Signature of lawyer for the Receiver

Daniel Shouldice

Registrar

Schedule "A"
LIST OF COUNSEL

SCHEDULE "B"

No. S-261320
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DEFENDANTS

ORDER MADE AFTER APPLICATION

mcmillan

McMillan LLP
Barristers & Solicitors
Royal Centre, Suite 1500
1055 West Georgia Street
Vancouver, BC V6E 4N7
Telephone: 604.689.9111

Attention: Daniel Shouldice

File No. 325145
