



COURT FILE NUMBER **2301-01408**

COURT **COURT OF KING'S BENCH OF ALBERTA  
IN BANKRUPTCY AND INSOLVENCY**

JUDICIAL CENTRE **CALGARY**

**IN THE MATTER OF THE BANKRUPTCY AND  
INSOLVENCY ACT, RSC 1985, C B-3**

**IN THE MATTER OF THE RECEIVERSHIP OF  
BRM CANADA GROUP INC.**

APPLICANT **KPMG INC., IN ITS CAPACITY AS COURT APPOINTED  
RECEIVER OF BRM CANADA GROUP INC.**

DOCUMENT **FIRST REPORT OF THE RECEIVER**

DATE **February 22, 2024**

ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF PARTY  
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# *Table of Contents*

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Page

<b>1. INTRODUCTION AND PURPOSE OF REPORT .....</b>	<b>1</b>
<b>2. BACKGROUND AND OVERVIEW .....</b>	<b>3</b>
<b>3. ACTIVITIES OF THE RECEIVER.....</b>	<b>5</b>
<b>4. SALE PROCESS.....</b>	<b>12</b>
<b>5. STATEMENT OF RECEIPTS AND DISBURSEMENTS .....</b>	<b>17</b>
<b>6. FEES AND DISBURSEMENTS OF THE RECEIVER AND ITS COUNSEL .....</b>	<b>19</b>
<b>7. RECEIVER’S RECOMMENDATIONS .....</b>	<b>19</b>

# *Appendices*

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Appendix “A” – Notice and Statement of the Receiver pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 dated December 27, 2023

Appendix “B” – The Receiver’s Interim Statement of Receipts and Disbursements for the period December 19, 2023 to February 22, 2024

Appendix “C” – Books and records demand letter dated December 21, 2023 and January 11, 2024

Appendix “D” – Books and records demand letter to Harpreet Parmar Professional Corporation dated December 21, 2023

Appendix “E” – Termination letter of Calgary Auto Technician Ltd. for nonpayment dated February 8, 2024

Appendix “F” – Termination letter of Kash Automotive Group Ltd. for nonpayment dated February 8, 2024

Appendix “G” – Termination letter of Zealous Granite & Tile Ltd. and Icon Kitchen Cabinets Ltd. for nonpayment dated January 29, 2024

Appendix “H” – Termination letter of Canada Bangladesh Ltd. for nonpayment dated January 29, 2024

Appendix “I” – Corporate registry search of The Taste Factory Ltd.

Appendix “J” – Corporate registry search of BRM Canada Group Inc.

Appendix “K” – First Letter to Tenants dated December 19, 2023

Appendix “L” – Second Letter to Tenants dated December 22, 2023

Appendix “M” – Rent Demand letters dated January 8, 2024 and January 11, 2024

Appendix “N” – Sale process procedures

Appendix “O” – Listing Agreement between the Receiver and Avison Young

# ***1. INTRODUCTION AND PURPOSE OF REPORT***

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## **Introduction**

1. On December 19, 2023 (the “**Receivership Date**”) the Court of King’s Bench of Alberta (the “**Court**”) granted an order (the “**Receivership Order**”) appointing KPMG Inc. (“**KPMG**”) as receiver and manager (in such capacity, the “**Receiver**”), without security, of the following property of BRM Canada Group Inc. (“**BRM**” or the “**Company**”):

a) Lands legally and municipally described respectively as:

CONDOMINIUM PLAN 0814562  
UNITS 23-29, 31-33 AND 36  
AND ALL APPLICABLE ONE TEN THOUSANDTH SHARES IN THE  
COMMON  
PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

Units 2106, 2102, 2110, 2114, 2118, 2122, 2126, 3115, 3107, 3103, and 3119, 5150  
– 47 Street NE, Calgary, Alberta, T3J 4N4

(collectively, the “**Lands**”);

b) All present and future rents reserved, or payable under leases relating to the Lands, and all present or future leases relating to the Lands and the benefits and advantages to be derived therefrom; and

c) All property, assets, rights and undertakings of every nature and kind which is personal in nature (including bank accounts), that is located in or upon, arising out of or used in conjunction with the Lands;

(collectively, the “**Property**”), pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (“**BIA**”), section 13(2) of the *Judicature Act*, RSA 2000, c J-2, section 99(a) of the *Business Corporations Act*, RSA 2000, c B-9 and section 65(7) of the *Personal Property Security Act*, RSA 2000 c P-7.

2. The Receivership Order was granted following an application by Royal Bank of Canada (“**RBC**”) who at the Receivership Date was owed approximately \$3,661,000 pursuant to a loan facility (the “**RBC Facility**”) secured by a mortgage dated October 23, 2019 (the “**RBC Mortgage**”).

3. The Notice and Statement of Receiver prepared in these proceedings and dated December 27, 2023, is attached as **Appendix “A”**.

### **Purpose of the Report**

4. This is the Receiver’s first report to the Court (the “**First Report**” or this “**Report**”) to provide this Honourable Court with the following:
  - a) A brief overview and background of the Company;
  - b) Summary of the initial activities of the Receiver since the Receivership Date; and
  - c) The Receiver’s conclusions and recommendations and information pertaining to the Receiver’s application for an order (the “**Sale Process Order**”) seeking the following relief:
    - a. Approval of the conduct and activities of the Receiver to date in administering these receivership proceedings including those described in this First Report and the first confidential supplement to the First Report of the Receiver (the “**First Confidential Supplement**”) dated February 22, 2024;
    - b. Authorization of the Receiver to enter into a listing agreement (the “**Listing Agreement**”) with Avison Young Commercial Real Estate Services, LP (“**Avison**” or the “**Marketing Agent**”) in respect of the proposed marketing and sale of the Property;
    - c. Approval of the proposed sale and marketing process (the “**Sale Process**” or “**SP**”) for the Lands;
    - d. Approval of the Receiver’s Interim Statement of Receipts and Disbursements for the period December 19, 2023 to February 22, 2024 (the “**Feb 22 Interim SRD**”), which is attached hereto as **Appendix “B”**;
    - e. Approval of the Receiver’s fees and disbursements for the period December 19, 2023 to February 9, 2024, as set out herein;
    - f. Approval of the fees and disbursements of the Receiver’s independent legal counsel, Cassels Brock & Blackwell LLP (“**Cassels**”), for the period December 19, 2023 to January 31, 2024, as set out herein;

- g. A declaration requiring the directors of BRM, Choudhry Qadeer Akram, Bulland Cheema Bulland and Saima Qadeer, to comply with the Receivership Order including providing previously requested records and information of the Company to the Receiver; and
- h. Sealing the First Confidential Supplement.

### **Terms of Reference**

- 5. All materials filed with the Court and all orders granted by the Court in connection with the receivership proceedings will be made available to creditors and other interested parties in electronic format on the Receiver's website at [home.kpmg/ca/brmcanada](http://home.kpmg/ca/brmcanada) (the "**Receiver's Website**").
- 6. In preparing this Report, the Receiver has been provided with, and has relied upon, unaudited and other financial information, books and records (collectively, the "**Information**") prepared by the Company and/or their representatives, and discussions with the Company's management and/or representatives.
- 7. The Receiver has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants Handbook, and accordingly the Receiver expresses no opinion or other form of assurance in respect of the Information.
- 8. The information contained in this Report is not intended to be relied upon by any prospective purchaser or investor in any transaction with the Receiver.
- 9. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.

## ***2. BACKGROUND AND OVERVIEW***

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- 10. BRM is an Alberta corporation and operated as a lessor of industrial units in the northeast quadrant of Calgary, Alberta.
- 11. BRM is the registered owner of the Lands. At the Receivership Date, 6 tenants (collectively, the "**Tenants**") occupied the 11 units located on the Lands pursuant to leases of varying terms as follows:

- a) Kash Automotive Group Ltd. (“**Kash Auto**”) occupying units 2102, 2106 and 2110;
  - b) Calgary Auto Technician Ltd. (“**Calgary Auto**”) occupying unit 2114;
  - c) Icon Kitchen Cabinets Ltd. (“**Icon**”) occupying unit 2118;
  - d) Canada Bangladesh Ltd. (“**Bangla**”) occupying unit 2122;
  - e) Zealous Granite & Tile Ltd. (“**Zealous**”) occupying unit 2126; and
  - f) The Taste Factory Ltd. (“**Taste Factory**”) occupying units 3103, 3107, 3115 and 3119.
12. Aside from the Lands and the TD Account (as herein defined), the Receiver is not aware of any additional Property of the Company. However, as detailed further herein, the Receiver has not been provided access to the books and records (the “**Books and Records**”) of the Company, and therefore additional Property may exist that the Receiver is not aware of.
13. BRM is a mortgagor under the RBC Mortgage, which RBC Mortgage was registered in the Alberta Land Titles Registry on November 20, 2019 against the certificates of title for the Lands.
14. The RBC Facility was for an initial term of three years commencing November 1, 2019 and ending on November 1, 2022 (the “**Maturity Date**”) at which time the entire balance of the RBC Facility, including all principal and interest, was due and payable.
15. RBC agreed to extend the Maturity Date to January 1, 2023. BRM did not repay the RBC Facility on the extended Maturity Date and RBC demanded repayment in full on January 13, 2023.
16. On February 1, 2023, RBC commenced proceedings by filing a Statement of Claim. The Company filed a Statement of Defence several weeks later on April 12, 2023.
17. As described in detail in paragraphs 23 to 32 of the Affidavit of Jessica Chohan (the “**Chohan Affidavit**”) sworn November 8, 2023 and previously filed, RBC attempted to collect rents from the Tenants directly by issuing a notice of assignment requesting that the Tenants direct all present and future rent payments to RBC. However, RBC was unsuccessful in collecting any rent payments from the Tenants directly.
18. On November 9, 2023, RBC filed an application with the Court seeking to appoint KPMG as receiver and manager over the Property.

19. Further background and information regarding the Company can be found on the Receiver's Website.

### ***3. ACTIVITIES OF THE RECEIVER***

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#### **Initial Receivership Activities**

20. The Receiver's activities since the Receivership Date are summarized below:

- a) attended the Lands to take possession and control of the units;
- b) attempted to secure cash on hand of the Company (as discussed later in this report);
- c) opened a new trust account in the name of the receivership estate (the "**Receivership Trust Account**") and subsequently transferred all of the available funds in the TD Account to the Receivership Trust Account;
- d) engaged in discussions with the Tenants regarding the Receiver's appointment, the Receiver's direction with respect to outstanding and future rents (as discussed later in this report), and provided each of the Tenants with a copy of the Receivership Order;
- e) attended to various requests and discussions with the principals of BRM to attempt to obtain access the Company's Books and Records and related information;
- f) negotiated and entered into a property management agreement with Veranova Properties Limited (the "**Property Manager**" or "**Veranova**") dated December 20, 2023 to manage, operate, administer and maintain the Lands;
- g) prepared and issued all statutory reporting, as required pursuant to subsections 245(1) of the *Bankruptcy and Insolvency Act*;
- h) arranged for adequate insurance coverage for the Lands;
- i) engaged in numerous discussions with the Tenants and their counsel regarding rental arrears and ongoing lease arrangements (as described in more detail herein);
- j) engaged in numerous discussions with the Company regarding the receivership and collection of all outstanding and ongoing rent (the "**Rents**");



- k) issued letters via counsel (each a “**Books and Records Demand Letter**”) on December 21, 2023 and January 11, 2024 to the Company and on December 11, 2023 to the Company’s accountant, requesting that the Receiver be provided with access to the Books and Records of the Company. Copies of the letters to the Company are attached as **Appendix “C”** and a copy of the letter to the Company’s accountant is attached as **Appendix “D”**;
- l) issued termination letters to certain Tenants for nonpayment of Rents (the “**Termination Letters**”), attached as **Appendix “E”**, “**F**”, “**G**” and “**H**”;
- m) addressed a water leak which occurred due to a burst pipe, including submitting an insurance claim;
- n) issued a request for proposals (“**RFP**”) to seven realtors and negotiated the Listing Agreement with Avison;
- o) requested that Avison complete an updated appraisal for the Lands, a copy of which is attached as **Schedule “B”** to the First Confidential Supplement;
- p) requested Cassels to complete a review of RBC’s security and provide an opinion as to the validity and enforceability of the same (as discussed herein);
- q) provided regular updates and engaged in consultation with RBC regarding various matters in these proceedings;
- r) established and maintained the Receiver’s Website; and
- s) responded to various creditor/stakeholder inquiries.

## **Cash and Banking**

21. At the time of its appointment, the Receiver was aware of a single bank account (the “**TD Account**”) with TD Canada Trust (“**TD**”) used by the Company. The Receiver promptly issued a notice to TD advising of the Receiver’s appointment and requesting TD to immediately freeze all accounts of the Company. The Receiver was made aware that on the Receivership Date and prior to the TD Account being frozen, a withdrawal in the amount of \$14,500 (the “**Withdrawn Funds**”) was made from the TD Account, reducing the balance to \$368.04. The Receiver requested that the Company return the

Withdrawn Funds immediately on the basis that the TD Account formed part of the Property. Upon issuing a follow up notice via counsel, the Withdrawn Funds were returned to the TD Account.

22. Following the return of the Withdrawn Funds, the Receiver transferred all funds in the TD Account to the Receivership Trust Account.
23. The Receiver has issued a borrowing certificate to RBC in the amount of \$75,000, being part of the total principal sum of \$250,000 which the Receiver is authorized to borrow pursuant to the Receivership Order, for various receivership matters, including coverage of necessary expenses such as insurance, condo fees, and utilities.

### **Books and Records**

24. On the Receivership Date, representatives of the Company advised the Receiver that all Books and Records were located in the office space of one of the Tenants, Taste Factory. Attached as **Appendix “I”** and **“J”** are the corporate registry search results of Taste Factory and BRM, respectively, confirming the entities are under common ownership. Upon the Receiver’s attendance at Taste Factory’s premises, the Receiver was informed that no Books and Records were located onsite.
25. The Receiver held discussions with directors of the Company who then advised all Books and Records remained with their accountants, Harpreet Parmar Professional Corporation (“**HPP**”). The Receiver contacted HPP and issued a letter via counsel, for HPP to produce any Books and Records in its possession. HPP subsequently advised the Receiver, it was not in possession of any Books and Records of the Company.
26. After further discussion with the directors of the Company, the Receiver was advised the Books and Records were not compiled and the Company would need to gather the Books and Records.
27. Certain of the Books and Records were provided on December 22, 2023. After multiple requests, on January 11, 2024, the Receiver issued the Books and Records Demand Letter via counsel requesting the following Books and Records and related information pertaining to the Company:
  - a) All notes referenced in and accompanying the financial statements previously provided for the years 2015 through 2022;

- b) Copies of the registration, loan/lease documents and current amounts owing in relation to the 2022 Dodge Ram 1500 (serial no. 1C6SRFVT8NN475790), 2014 BMW 528XI, 2023 Lexus LX600 and any other vehicles used in connection with the business;
- c) Certas H&A insurance policy;
- d) All loan documentation and statement of current amounts owing by BRM in relation to a Business Development Bank of Canada loan;
- e) All municipal, provincial and federal tax documents received for the period of January 2023 to present, to the extent not already in the possession of the Receiver;
- f) List of any other loan or credit obligations of BRM, and copies of all loan documentation and statements of current amounts owing in relation to same;
- g) Documentation of any other amounts owing by BRM to other creditors not already identified;
- h) Lease Renewal Agreement dated January 1, 2021 between BRM and Zealous Granite;
- i) Any correspondence sent or received in relation to the terms of the lease arrangement entered into with Icon Kitchen Cabinets Ltd;
- j) Details of any other bank accounts held by BRM or the existence of revenue in relation to the Lands deposited elsewhere, including bank statements for the preceding 24-month period; and
- k) List of any other property or assets of any nature or kind of BRM not already provided to the Receiver.

(collectively, the “**Missing Information**”).

28. As at the date of this First Report, neither the Receiver nor its counsel have been provided with the Missing Information and accordingly, the Receiver seeks an order to compel the Directors to provide the Missing Information to the Receiver forthwith.

## Property Manager

29. As noted above, on December 20, 2023, the Receiver engaged the Property Manager to, among other things, act as the representative of the Receiver for the Tenants, managing rent collections and any other day-to-day operations of the Lands.
30. The Property Manager completed initial inspection reports of the Lands which included taking photos of all units and providing details to the Receiver as to the condition of the units.
31. Veranova continues to manage the day-to-day requests of the tenants and attempt to collect on the Rents.

## Tenants

32. As stated above, at the Receivership Date, all 11 units located on the Lands were leased to six Tenants. Based on the information provided by the Company, the Tenants held different lease agreements with varying terms and length.
33. Based on discussions with RBC and the Company, the Receiver understands that all of the Tenants except for Taste Factory (collectively, the “**Arrears Tenants**”) had outstanding rental arrears for October, November and December 2023 (the “**Arrears**”). Based on initial conversations with the Arrears Tenants, the failure of the Arrears Tenants to pay the Arrears was due to the uncertainty of who rents were payable to.
34. On the Receivership Date, the Receiver spoke to all Tenants informing them of the Receivership and provided them with a letter (the “**First Letter to Tenants**”) indicating that all Rents were now due and payable to the Receiver and requested that each Tenant provide the Receiver with a copy of its lease agreement, any amendments to the lease agreements, and proof of payment of the Arrears, in the event any Arrears had previously been paid. A copy of the First Letter to Tenants is attached hereto as **Appendix “K”**.
35. The Receiver did not receive any of the above requested information or payment of the Arrears from the Arrears Tenants and on December 22, 2023, the Receiver issued a second letter to the Tenants (the “**Second Letter to Tenants**”). The Receiver once again requested that the Tenants provide the Receiver with copies of their lease agreements, as well as proof of payment of any Arrears by December 23, 2023. The Receiver also advised the Tenants that Veranova had been engaged as the

Property Manager and provided direction for payment of Rents. A copy of the Second Letter to Tenants is attached hereto as **Appendix “L”**.

36. The Receiver did not receive the requested information or payment of the Arrears from the Arrears Tenants, and:
  - a) On January 8, 2024, the Receiver issued a demand letter to the Arrears Tenants demanding payment of the Arrears (which now included January 2024 rent) by Friday, January 12, 2024; and
  - b) On January 11, 2024, the Receiver issued a demand letter to Taste Factory demanding payment of January 2024 rent, by Wednesday, January 17, 2024.

Attached as **Appendix “M”** are copies of the aforementioned demand letters (the **“Rent Demand Letters”**).

37. The Receiver received full payment of Arrears from Taste Factory on January 15, 2024. However, the Receiver did not receive payment of the Arrears from any of the remaining Arrears Tenants and began the process of terminating the leases with those Arrears Tenants, as described below.
38. On January 29, 2024, in accordance with the relevant lease provisions, the Receiver via Cassels, issued termination notices (each a **“Termination Notice”**) via courier and email to Zealous, Icon and Bangla for nonpayment of Rents. The Termination Notices were each subsequently hand delivered to the aforementioned Tenants on January 30, 2024, by Veranova.
39. After delivery of the Termination Notice, Bangla cooperated with the Receiver to begin the process of vacating the unit. The Receiver has now taken possession of this unit and currently this is the only vacant unit.
40. On February 2, 2024, the Receiver attended the Lands with the Property Manager and a locksmith in an attempt to take possession of the units of Zealous and Icon. The employees on site would not cooperate and did not permit the Receiver to take possession.
41. On February 8, 2024, the Receiver via Cassels, issued a Termination Notice to Kash Auto and Calgary Auto via courier and email. The Termination Notice was subsequently hand delivered to the aforementioned Tenants on February 9, 2024 by Veranova.

42. Following the issuance of the Termination Notice, Zealous, Icon, Kash Auto and Calgary Auto all contacted the Receiver and indicated that the Arrears were the result of a misunderstanding due to the confusion of who the Rents were to be paid to and that they were willing to pay the Arrears in full.
43. In light of the foregoing and in an effort to collect the Arrears, the Receiver offered the Arrears Tenants a new short-term lease agreement (the “**ST Lease**”) which provided for a lease term of three months and the option to enter into a month-to-month arrangement thereafter, on the condition that all Arrears were to be paid in full prior to the Receiver executing the ST Lease with each respective Tenant (the “**ST Lease Offer**”).
44. As of the date of this Report, Calgary Auto has accepted the ST Lease Offer and paid the Arrears. The Receiver continues to negotiate the ST Lease Offer with Kash Auto, Icon and Zealous.

### **Insurance Claim**

45. The Receiver obtained copies of the insurance policy from the Company’s broker (the “**Insurance Policy**”) which consisted of insurance coverage for building and/or contents, crime, rental income, equipment breakdown, flood and commercial general liability for \$3,000,000. The Receiver has continued the existing Insurance Policy held by the Company prior to the Receivership Date. The Receiver has been added as a loss payee to all policies.
46. On January 15, 2024 the Receiver was advised by Zealous and Icon they were experiencing issues with their water pressure in their units. Immediately, the Property Manager attended the Lands and discovered there was no heat in the middle unit belonging to Bangla. Due to the extreme cold weather at the time, the Property Manager was unable to find an available plumber to attend the unit immediately.
47. The Property Manager and HVAC contractor attended Bangla’s unit on January 16, 2024 and discovered a leak due to a burst pipe which had become frozen during an extreme cold period in the week of January 14<sup>th</sup>, 2024.
48. It was later discovered that there was no heat in the unit at the time the pipe burst due to nonpayment of utilities, which was the responsibility of Bangla under its lease agreement.
49. The Receiver initiated an insurance claim with the insurer of the Property and is working with the insurer to remedy any damages to the Property.

50. As discussed above, upon the termination of Bangla's lease agreement, Bangla vacated the premises and this unit remains vacant as of the date of this First Report.

### **Security Review**

51. The Receiver's counsel has reviewed the security documents provided by RBC's counsel and has provided a security opinion to the Receiver, subject to the customary qualifications and assumptions, that RBC's security is valid and enforceable in accordance with its terms and RBC has a valid financial charge over the Property.

52. The Receiver is not aware of any other priority claims over the Property, other than the following potential priority claims:

- a) a claim by Canada Revenue Agency for outstanding source deductions and/or GST; and
- b) a serial number registration by The Bank of Nova Scotia in the Alberta Personal Property Registry.

## ***4. SALE PROCESS***

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### **Overview**

53. The Receivership Order empowers and authorizes, but does not obligate the Receiver to, among other things:

- a) engage consultants, appraisers, agents and experts, etc. to assist the Receiver in exercising its powers and duties;
- b) market any or all of the Property, including advertising and soliciting offers in respect of the Property or any parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate; and
- c) apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchase or purchasers thereof, free and clear of any liens or encumbrances affecting such Property.

54. Notwithstanding the general power to engage agents and market and sell the Property, the Receiver is requesting that the Court issue an order approving the proposed Sale Process (as discussed in detail

below), attached hereto as **Appendix “N”**, and authorizing the Receiver to enter into the Listing Agreement, which is the result of a competitive selection process, as outlined below.

### **RFP Process**

55. On January 8, 2024, the Receiver issued an RFP to seven commercial realtors to market the Lands.
56. The Receiver gave an initial deadline of January 31, 2024 for responses; however, this deadline was extended for all prospective realtors by one week to February 7, 2024, at the request of a realtor who was intending on submitting a proposal.
57. The Receiver received proposals from four commercial realtors by the deadline (the “**Listing Proposals**”), which are summarized in **Schedule “A”** to the First Confidential Supplement.
58. Based on a combination of marketing strategy, competitive commission pricing and approach to maximizing sale value, the Receiver selected Avison to market the Lands.
59. The Receiver negotiated the Listing Agreement with Avison, which is attached hereto as **Appendix “O”**.
60. Key terms of the Listing Agreement are as follows:
  - a) the Land will be sold on a “as is, where is basis”;
  - b) The Lands will be listed unpriced, in an effort to maximize realizations from the Lands, rather than including a listing price that could act as a ceiling for potential offers;
  - c) The initial term is for 90 days (the “**Term**”), with an option to renew on a month-to-month basis thereafter;
  - d) The Listing Agreement is subject to Court approval; and
  - e) The commission structure is 3.00% of the gross purchase price excluding GST, or 4.00% of the gross purchase price excluding GST if the Purchaser is represented by an outside broker, which shall be split between Avison and the outside broker. In the event that the secured lender acquires the Lands, a commission of \$50,000 excluding GST is payable to Avison.



61. The marketing process proposed by Avison (the “**Proposed Marketing Process**”) will include contacting prospective purchasers via phone and meeting top prospects in person, assisting potential purchasers with the underwriting process, focused marketing in the surrounding community, and designing custom brochures including high quality imagery.
62. As the creditor with the most significant financial interest, RBC has reviewed the Proposed Marketing Process and is supportive.
63. The Receiver is of the view that the Proposed Marketing Process is reasonable and will provide sufficient market exposure to ensure the best possible recovery in a reasonable period of time and cost.

### **Proposed Sale Process**

64. The Sale Process will be facilitated by Avison, subject to Court approval, as the Marketing Agent, under the supervision of the Receiver and will be conducted on an “as is, where is” transaction basis.
65. The relevant timelines developed by the Receiver in consultation with the Marketing Agent are as follows:

<b>Milestone</b>	<b>Date</b>
Court Application for Sale Process Order	February 28, 2024
Phase I of the SP commences	March 1, 2024
Phase I Bid Deadline	March 30, 2024 (5:00 pm Calgary Time)
Notify the Phase I Qualified Bidders as to whether their respective bids constitute a Phase I Successful Bid	3 business days following the Phase I Bid Deadline
Phase II Bid Deadline	April 12, 2024 (5:00 pm Calgary Time)
Court hearing to approve Successful Bid(s)	As soon as possible following the Phase II Bid Deadline
Deadline for Closing of a Successful Bid(s)	14 days after Court Order Approving Sale Pronounced

66. The timeline above may be extended or modified by the Receiver, should it be deemed necessary.
67. An overview of the SP is provided below, all interested parties are advised to review the SP in detail. Capitalized terms not defined herein are defined in the SP.

### *Bid Process*

68. To participate in the SP and ultimately be considered for qualification as a potential bidder (“**Potential Bidder**”), an interested party must deliver to the Marketing Agent:
- a) A duly executed Confidentiality Agreement (“**CA**”);
  - b) A letter setting forth the identity of the party, contact information, and full disclosure of the direct and indirect owners of the party and their principals;
  - c) A form of financial disclosure and credit quality support or enhancement that allows the Receiver to make a reasonable determination as to the Potential Bidder’s financial and other capabilities to consummate a transaction; and
  - d) Written acknowledgement of receipt of a copy of the Court order approving the SP and agreeing to accept and be bound by the provisions contained therein.
69. Once an interested party has satisfied all of the requirements above, they will be deemed a Potential Bidder and be provided access to the Marketing Agent’s virtual data room that contains available due diligence materials and information relating to the Lands and may proceed to schedule viewings of the Lands with the Marketing Agent.

### *Phase I Bid*

70. A Potential Bidder must submit a non-binding letter of intent (an “**LOI**”) by March 30, 2024 (the “**Phase I Bid Deadline**”). An offer submitted by a Potential Bidder will be considered a qualified LOI (“**Qualified LOI**”) only if the offer complies with all of the requirements outlined in paragraphs 24 to 29 of the SP.
71. Following the Phase I Bid Deadline, the Marketing Agent and the Receiver, in consultation with RBC will assess the Qualified LOIs and determine whether such Phase 1 Qualified Bidder will be deemed a Phase II Qualified Bidder.
72. Following the determination of the manner in which to proceed to Phase II of the SP in accordance with paragraphs 31 and 34 of the SP, the Receiver, may prepare a bid process letter for Phase II to be sent by the Receiver to all Phase II Qualified Bidders as soon as practically possible following the Phase I Bid Deadline.

### *Phase II Bid*

73. Phase II Qualified Bidders that wish to make a formal offer to purchase the Lands shall submit a binding offer (a “**Phase II Bid**”), to the Receiver and the Marketing Agent, along with a deposit of 15% of the total purchase price. The Phase II Bid must comply with all of the requirements of the SP and be submitted by no later than 5:00 PM (Calgary Time) on April 12, 2024, or as may be modified in the Bid Process Letter (the “**Phase II Bid Deadline**”).
74. Subsequent to the Phase II Bid Deadline, the Receiver together with the Marketing Agent, and in consultation with RBC, will review the Phase II Bids, and complete any further negotiations or clarifications that may be needed. The Receiver will then identify the successful bid(s) or successful bidder(s) (the “**Successful Bid**”).
75. Upon notifying the Successful Bidder(s) the Receiver and the Successful Bidder(s) will promptly move to finalize the sale.
76. The Receiver shall apply to the Court as soon as practicable for Court approval of the Successful Bid(s) via a sale approval and vesting order (the “**SAVO**”).

### *Summary*

77. The Receiver has the right to modify the SP and the deadlines set out herein (including, without limitation, to terminate this SP) in its reasonable business judgment. In the event that there are no Qualified LOIs or none of the Qualified LOIs received were likely to be successful, the SP may be deemed to be terminated.
78. The Receiver is under no obligation to accept the highest or any Qualified LOI or to conclude any transaction.
79. All offers are subject to Court approval and the Receiver shall apply to Court to obtain approval of the Successful Bid and authorize the Receiver to enter into a definitive agreement.
80. The Receiver is of the view that the SP is appropriate for the following reasons:
  - a) the Sale Process provides a fair and transparent process which will be conducted in such a manner to give potential bidders equal access to the process and information respecting the Lands;

- b) no stakeholder will be prejudiced with this process, the main stakeholder has been consulted and supports the SP;
- c) the Receiver will be able to leverage the experience and knowledge of the Marketing Agent, who has experience in marketing distressed assets in similar circumstances; and
- d) the Lands will be widely exposed to the market for a sufficient length of time.

81. The Receiver therefore submits the foregoing for approval of the Sale Process.

### **Sealing of the Confidential Supplement**

82. The Confidential Supplement contains commercially sensitive information pertaining to the valuation of the Lands. Publication of the information contained in the Confidential Supplement could pose a serious risk to the commercial interests of stakeholders of the Lands and may adversely impact the eventual realization from the sale of the Lands.

83. As such, the Receiver is seeking to seal the contents of the Confidential Supplement until the earlier of: (i) the filing of a Receiver's certificate confirming that a transaction(s) for the sale of the Lands has been completed to the satisfaction of the Receiver; (ii) the discharge of the Receiver; or (iii) further order of the Court.

84. The Receiver is not aware of any party who would be prejudiced if the information in the Confidential Supplement is seal and is not aware of any commercially reasonable alternative to sealing the Confidential Supplement. Any interested party may apply, on notice to the Receiver, to vary the terms of an sealing order.

## ***5. STATEMENT OF RECEIPTS AND DISBURSEMENTS***

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85. The Receiver's Feb 22 Interim SRD is attached hereto as **Appendix "B"**, summarized below:

BRM Canada Group Inc.	
Interim Statement of Receipts and Disbursements	
December 19, 2023 - February 22, 2024	
	Amount
<b>Cash Receipts</b>	
Receiver certificate	75,000
Rental income	21,548
Cash	13,636
GST collected	1,078
<b>Total cash receipts</b>	<b>111,261</b>
<b>Cash disbursements</b>	
Condo fees	10,532
Property management fees	3,553
GST paid	604
Fees paid to Official Receiver	75
<b>Total cash disbursements</b>	<b>14,764</b>
<b>Excess receipts over disbursements</b>	<b>96,497</b>

86. Receipts relate to all cash on hand available as at the Receivership Date, the Receiver's borrowing certificate and rents collected to date, discussed below.
87. The Receiver's disbursements to date primarily relate to the operating expenses of the Lands.
88. As of the date of this report the Property Manager has received \$59,900, including GST, in partial payments (the "Collections"), of which \$37,275, including GST, were collect during the month of February 2024 and will form part of the month end operating costs reconciliation and remittance to the Receiver, in accordance with the terms of the agreement with Veranova.
89. A summary of Arrear Rents and Collections is as follows:

Summary of Outstanding Rent incl. GST				
Tenant	2023 Arrears	Jan - Feb 2024 Rent	Payments Received	Total Rent Outstanding
Kash Auto	33,600	23,100	-	56,700
Calgary Auto	11,025	7,350	18,375	-
Icon	11,183	7,455	3,725	14,913
Bangla	12,000	4,000	-	16,000
Zealous	11,183	7,455	-	18,638
Taste Factory	-	37,800	37,800	-
<b>Total</b>	<b>78,990</b>	<b>87,160</b>	<b>59,900</b>	<b>106,250</b>

**6. FEES AND DISBURSEMENTS OF THE RECEIVER AND ITS COUNSEL**

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90. The Receiver has unpaid fees in the amount of \$83,121 including GST for the period of December 19, 2023 to February 9, 2024. The Receiver’s counsel has unpaid fees in the amount of \$53,009 including GST for the period of December 19, 2023 to January 31, 2024 (together, the “Professional Fees”). A summary of the Professional Fees are set out below:

Summary of Professional Fees				
Service Period	Fees	Disbursements	GST (5%)	Total Amount
<b>KPMG Inc.</b>				
December 19, 2023 - February 9, 2024	78,241	969	3,912	83,121
Total KPMG Inc.	78,241	969	3,912	83,121
<b>Cassels</b>				
December 19 - December 31, 2023	14,629	150	738	15,516
January 1 - January 31, 2024	35,000	727	1,766	37,493
Total Cassels	49,629	877	2,504	53,009
<b>Total Professional Fees</b>	<b>127,869</b>	<b>1,846</b>	<b>6,416</b>	<b>136,131</b>

91. The Receiver is seeking approval of the Professional Fees. Copies of the invoices described therein, including detailed time analysis, will be made available to the Court, if requested.

92. The Receiver is of the view that the Professional Fees have been incurred in a prudent and economical manner and are fair and reasonable given the activities of the Receiver thus far, outlined in this First Report.

**7. RECEIVER’S RECOMMENDATIONS**

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93. For the foregoing reasons, the Receiver respectfully requests this Honourable Court grant orders:
- a) approving the conduct and activities of the Receiver to date in administering these receivership proceedings including this First Report and the Feb 22 Interim SRD;
  - b) approving the Proposed Sale Process for the Lands and authorizing the Receiver to enter into the Listing Agreement;
  - c) approving the Professional Fees;

- d) declaring the principals of BRM to comply with the Receivership Order and provide the requested records and information; and
- e) Sealing the First Confidential Supplement.

This Report is respectfully submitted this 22<sup>nd</sup> day of February 2024.

**KPMG Inc.**

**In its capacity as Court-appointed Receiver of  
BRM Canada Group Inc.  
and not in its personal or corporate capacity**



Per: Jackie Shellon  
*Vice President*



Per: Huey Lee  
*Senior Vice President*

**APPENDIX "A"**

**NOTICE AND STATEMENT OF THE RECEIVER**

**PURSUANT TO SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c**

**B-3, DATED DECEMBER 27, 2023**





KPMG Inc.  
205 5<sup>th</sup> Avenue SW  
Suite 3100  
Calgary, AB T2P 4B9  
Tel 403-691-8000  
Fax 403-691-8008

## Form 87

### Notice and Statement of the Receiver (Subsections 245(1) and 246(1) of the Act)

### In the Matter of the Receivership of BRM CANADA GROUP INC. of the Regional Municipality of Rocky View County, in the Province of Alberta

#### The Receiver gives notice and declares that:

1. On the 19<sup>th</sup> day of December, 2023, the undersigned, KPMG Inc., became the receiver and manager (the “**Receiver**”) in respect of the property of BRM Canada Group Inc. (the “**Company**”) (the “**Property**”).

The Property of the Company can be summarized as follows<sup>1</sup>:

- a) Multiple units within 5150 – 47 Street NE - The Company owns the following 11 commercial bays - Unit #2102,2103,2110,2114,2118,2122,2126,3103,3107,3115,3119, further described in the attached “Schedule A”.

Book value (as at April 30, 2021)	\$3,174,735
b) Cash (as at December, 19, 2023)	(800)

2. The undersigned became the Receiver in respect of the assets, undertakings and properties described above by virtue of being appointed by the Court of King’s Bench of Alberta File No. 2301-01408, Calgary Judicial Centre, dated December 19, 2023. A copy of the appointing order can be found on the receiver’s website at: [kpmg.com/ca/brmcanada](http://kpmg.com/ca/brmcanada).
3. The undersigned took possession or control of the Property described above on the 19<sup>th</sup> day of December, 2023. The Receiver continues efforts to obtain all books and records of the Company pertaining to the Property.
4. The following information relates to the Receivership:

- (a) Address of insolvent persons: 15 Abbey Road  
Rocky View County, AB T1Z 0A1

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<sup>1</sup> The above summary of estimated assets has been prepared based the limited books and records of the Company provided and may not accurately reflect the net realizable value of the Company’s assets.

*Notice and Statement of the Receiver (Subsections 245(1) and 246(1))*

- (b) Principal line of business: Commercial property owner
- (c) Location of business: 5150 – 47 Street NE  
Calgary, AB T3J 4N4
- (d) Amount owed by the Company to each creditor who holds security on the property described above<sup>2</sup>:

<b>Secured Creditor</b>	<b>Estimated Amount (CAD \$)</b>
Royal Bank of Canada	3,660,942
<b>Total</b>	<b>3,660,942</b>

- (e) The list of other creditors of the insolvent persons and the amount owed to each creditor (to the extent that it is known) and the total amount due by the insolvent persons is attached to this notice as “Schedule B”.
- (f) The intended plan of action of the Receiver during the receivership, to the extent that such a plan has been determined, is to put in place a sale process for the property in the Receiver’s possession and distribute net proceeds to the creditors.

- (g) Contact Person for Receiver:

Jacqueline Shellon  
KPMG Inc.  
Suite 3100, 205-5<sup>th</sup> Avenue SW  
Calgary, AB, T2P 4B9  
Telephone: (403) 450-6716  
Facsimile: (403) 691-8008  
Email: [jshellon@kpmg.ca](mailto:jshellon@kpmg.ca)

Andrew Brausen  
KPMG Inc.  
Suite 3100, 205-5<sup>th</sup> Avenue SW  
Calgary, AB, T2P 4B9  
Telephone: (403) 691-8092  
Facsimile: (403) 691-8008  
Email: [abrausen@kpmg.ca](mailto:abrausen@kpmg.ca)

Dated at the City of Vancouver in the Province of British Columbia, this 27<sup>th</sup> day of December 2023.

**KPMG Inc.**, in its capacity as receiver and manager of  
BRM Canada Group Inc.  
and not in its personal or corporate capacity



Per: Huey Lee, CPA, CIRP, LIT  
*Senior Vice President*

<sup>2</sup> Amount owing is based on records provided by Royal Bank of Canada as at November 6, 2023.

**SCHEDULE "A"**

**THE LANDS**

**Title No. 081 468 111**

CONDOMINIUM PLAN 0814562

UNIT 23

AND 233 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 081 468 112**

CONDOMINIUM PLAN 0814562

UNIT 24

AND 232 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 141 259 775**

CONDOMINIUM PLAN 0814562

UNIT 25

AND 325 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 121 069 022**

CONDOMINIUM PLAN 0814562

UNIT 26

AND 315 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 091 137 280**

CONDOMINIUM PLAN 0814562

UNIT 27

AND 316 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 091 085 140**

CONDOMINIUM PLAN 0814562

UNIT 28

AND 325 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 091 085 141**

CONDOMINIUM PLAN 0814562

UNIT 29

AND 325 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 121 069 023**

CONDOMINIUM PLAN 0814562

UNIT 31

AND 168 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 081 468 113**

CONDOMINIUM PLAN 0814562

UNIT 32

AND 285 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 121 069 024**

CONDOMINIUM PLAN 0814562

UNIT 33

AND 270 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 131 059 645**

CONDOMINIUM PLAN 0814562

UNIT 36

AND 168 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**- Creditor Mailing List -**

In the Matter of the Receivership of  
BRM Canada Group Inc.  
of the Regional Municipality of Rocky View County, in the Province of Alberta

Creditor Type	Name	Attention	Address	Claim \$
Director	Choudhry Qadeer Akram		15 Abbey Road Rocky View County AB T1Z 0A1	
Official Receiver	Calgary Industry Canada Bankruptcy Division		Suite 510 639 - 5 Avenue SW Calgary AB T2P 0M9 Fax: (403) 292-5188	
Secured	Royal Bank of Canada		1333 32 Ave NE Calgary AB T2E 7Z5	
Unsecured	Alberta Blue Cross		715 5 Ave SW Calgary AB T2P 0N2	1.00
	Business Development Bank of Canada		150 9th Ave SW, Suite 1310 Calgary AB T2P 3H9	1.00
	Canada Revenue Agency		Pacific Insolvency Intake Centre 9755 King George Boulevard Surrey BC V3T 5E1 Fax: (866) 219-0311 CRA-ARC_TAX-FISC_INS_T-F_G@cra-arc.gc.ca	1.00
	Certas Home and Auto Insurance		6300 Boulevard Guillaume-Couture Levis QC G6V 6P9	1.00
	City Of Calgary	Dept 8060	P.O. Box 2405, Station M Calgary AB T2P 3L9	1.00
	Direct Energy Regulated Services		P.O. Box 1515, Station M Calgary AB T2P 4K2	1.00
	Enmax		141 50 Ave SE Calgary AB T2G 4S7	1.00
	Epcor		2000-10423 101 Street NW Edmonton AB T5H 0E8	1.00
	Intact Insurance		Suite 1200, 321 - 6 Ave SW Calgary AB T2P 3H3	1.00
	ROGERS CABLE INC.	ACCOUNTS RECEIVABLE	333 BLOOR ST. EAST Toronto ON M4W 1G6	1.00
	Royal LePage Metro & Property Management		601 - 4656 Westwinds Dr NE Calgary AB T3J 3Z5	16,107.00
	The Bank of Nova Scotia		10 Wright Boulevard Stratford AB N5A 7X9	1.00
			Total	\$16,118.00

**APPENDIX "B"**

**THE RECIEVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS FOR  
THE PERIOD DECEMBER 19, 2023 TO FEBRUARY 22, 2024**

**BRM Canada Group Inc.****Interim Statement of Receipts and Disbursements****December 19, 2023 - February 22, 2024**

	<b>Notes</b>	<b>Amount</b>
<b>Cash Receipts</b>		
Receiver certificate		75,000
Rental income	1	21,548
Cash		13,636
GST collected		1,078
<b>Total cash receipts</b>		<b>111,261</b>
<b>Cash disbursements</b>		
Condo fees	2	10,532
Property management fees	3	3,553
GST paid		604
Fees paid to Official Receiver		75
<b>Total cash disbursements</b>		<b>14,764</b>
<b>Excess receipts over disbursements</b>		<b>96,497</b>

**Note**

- 1 Represents rental income that was received from The Taste Factory Ltd. and Icon Kitchen Cabinets Ltd. for the month of January 2024.
- 2 Represents condo fees payable by the Receiver from December 19, 2023 through February 29, 2024. Condo fees are payable monthly and are due on the first of each month.
- 3 Represents property management fees to date for oversight and overhead of the property as needed and by the direction of the Receiver. Invoice dated January 31, 2024 for the services received for the period of December 20, 2023 to January 31, 2024.

**APPENDIX "C"**

**BOOKS AND RECORDS DEMAND LETTER DATED DECEMBER 31,  
2023 AND JANUARY 11, 2024**





December 21, 2023

**Via Email**

**BRM Canada Group Inc.**  
c/o Registered Office  
14 Abbey Road  
Rocky View County, AB T1Z 0A1

kdavis@cassels.com  
tel: +1 587 441 3065  
file # 43436-18

**Attention: Choudhry Akram  
Bulland Cheema  
Saima Qadeer**

(email: [gadeeracheema@gmail.com](mailto:gadeeracheema@gmail.com))

**Reliance Legal Group LLP**  
Commonwealth Centre  
Unit 1101, 3961 - 52 Avenue NE  
Calgary, AB T3J 0J7

**Attention: Taylor L. Johnson**

(email: [tj@rqlaw.ca](mailto:tj@rqlaw.ca))

**Re: Alberta Court of King's Bench File No. 2301-01408  
In the Matter of the Receivership of BRM Canada Group Inc., et al.**

We are counsel to KPMG Inc., in its capacity as receiver and manager (in such capacity, the "**Receiver**") of the follow property of BRM Canada Group Inc. (the "**Debtor**"):

1. real property located at: 5150 47 Street NE, Units 2106, 2102, 2110, 2114, 2118, 2122, 2126, 3115, 3107, 3103 and 3119, Calgary, AB T3J 4N4 and legally described as:

CONDOMINIUM PLAN 0814562  
UNITS 23-29, 31-33 AND 36  
AND ALL APPLICABLE ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERAL

(the "**Lands**");

2. all present and future rents reserved or payable under leases relating to the Lands, and all present or future leases relating to the Lands and the benefits and advantages to be derived therefrom; and
3. all property, assets, rights and undertaking of every nature and kind which is personal in nature (including bank accounts), that is located in or upon, arising out of or used in conjunction with the Lands

(collectively, the “**Property**”).

The Receiver was appointed pursuant to a Court Order, pronounced December 19, 2023, (the “**Receivership Order**”). A copy of the executed Receivership Order is enclosed for your reference.

In particular, we direct your attention to paragraphs 4, 5 and 6 of the Receivership Order, which requires, among other things, the Debtor and the current and former directors, officers, employees, agents, accountants, legal counsel, shareholders and other parties as applicable (collectively, the “**Persons**” and each being a “**Person**”), to:

1. cooperate with the Receiver and shall grant immediate and continued access [to] the Property, and shall deliver all such Property to the Receiver upon the Receiver’s request;
2. advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Property, as well as permit the Receiver to make, retain and take away copies thereof and grant the Receiver unfettered access and use of accounting, computers, software and physical facilities relating thereto; and
3. As you are likely aware, other paragraphs of the Receivership Order require similar compliance of your client with respect to similar matters.

**Please be advised that the Receiver requires and demands immediate access to the Debtor’s records and to be provided with copies of the records of same, in order to facilitate the performance of its duties under the Receivership Order. In that regard, please be advised that if unfettered access to the records or satisfactory arrangements (in the sole discretion of the Receiver) to deliver the Records to the Receiver, are not made by 5pm (Calgary time) today (Thursday, December 21, 2023), the Receiver reserves the right to, *inter alia*, exercise its powers under the Receivership Order unilaterally at any time and seek further Court relief to compel compliance with same.**

The Receiver would prefer that it exercise its duties in a consensual matter with all Persons with the intention of minimizing the disruption and costs associated with this Court-ordered process. Accordingly, we strongly encourage one of the Debtor’s principals to contact Jackie Shellon at 403 450 6716.

Sincerely,

Cassels Brock & Blackwell LLP

Kara N. Davis  
Associate

KD/ag  
Enclosure

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January 11, 2024

**Via Email**

**BRM Canada Group Inc.**  
c/o Registered Office  
14 Abbey Road  
Rocky View County, AB T1Z 0A1

kdavis@cassels.com  
tel: +1 587 441 3065  
file # 43436-18

**Attention: Choudhry Qadeer Akram  
Bulland Cheema  
Saima Qadeer**

(email: [gadeeracheema@gmail.com](mailto:gadeeracheema@gmail.com))

**Reliance Legal Group LLP**  
Commonwealth Centre  
Unit 1101, 3961 - 52 Avenue NE  
Calgary, AB T3J 0J7

**Attention: Taylor L. Johnson**

(email: [tj@rqlaw.ca](mailto:tj@rqlaw.ca))

**Re: Alberta Court of King's Bench File No. 2301-01408  
*In the Matter of the Receivership of BRM Canada Group Inc., et al.***

As you are aware, we are counsel to KPMG Inc. in its capacity as receiver and manager (in such capacity, the "**Receiver**") of BRM Canada Group Inc. ("**BRM**"). We write in further response to the Receiver's previous emails to Mr. Akram's email correspondence dated December 27, 2023, January 2, 3 and 8, 2024.

Requirement to Provide the Remaining Books & Records of BRM

As indicated by the Receiver on multiple occasions since its appointment on December 19, 2023, the Receiver requires production of all books and records of BRM in order to carry out its mandate, as well as to respond to the majority of Mr. Akram's inquiries. To date, the Receiver has only received the following records:

1. lease agreements in relation to the following tenants:
  - a. Calgary Auto Technician Ltd., et al.,
  - b. Canada Bangladesh Ltd.,
  - c. Kash Automotive Group Ltd., et al. ("**Kash Auto**"),

- d. The Taste Factory Ltd., and
  - e. Zealous Granite & Tile Ltd., et al. ("**Zealous Granite**")
- (collectively, the "**Lease Agreements**");
2. financial statements for the years 2015 through 2022 (but excluding notes referenced as being attached to and necessary for the interpretation of same);
  3. 2023 property tax invoices;
  4. Desjardin vehicle insurance policies for 2022 Dodge/Ram Truck, 2014 BMW 528XI and 2023 Lexus LX600; and
  5. interim GST documents for the period ending October 2023.

The Receiver requires you to provide all remaining records of BRM to the Receiver immediately. In that regard, please find attached hereto as **Schedule "A"** (the "**Missing Information**"), a list of specific items the Receiver has identified as missing to date.

#### Receiver's Mandate & Authority

The Receiver previously advised you to retain insolvency counsel and specific advice regarding the legal duties and obligations of the principals of a debtor company in a receivership, as well as to explain the Receiver's role. The Receiver's mandate is to realize on the assets of BRM over which it is appointed (the "**Property**") and following the sale of the Property, the Receiver will seek Court approval to distribute the proceeds to creditors in order of legal priority, pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"). In particular, pursuant to paragraph 3 of the Receivership Order, the Receiver is empowered to, among other various things:

- abandon, dispose of, or otherwise release any interest in the property over which the Receiver is appointed (the "**Property**");
- continue to operate or discontinue any part or all of the business operations;
- decline to perform contractual obligations (e.g., pay amounts owing by BRM to third parties);
- settle or extend any indebtedness owing by or to BRM; and
- liquidate the assets of BRM.

Further, during the course of the receivership proceedings, no Court proceedings may be commenced or continued against or in respect of the Property without the written consent of the Receiver.

#### Costs of the Receivership Proceedings

Pursuant to paragraphs 18 to 25 of the Receivership Order, all costs of the administration of the receivership proceedings including the professional fees of the Receiver and its legal counsel, will be paid from the proceeds of the disposition of the Property, in priority to creditors of BRM. Accordingly, the principals of BRM are not personally obligated to fund the receivership or make any payments to the Receiver directly

during the course of the receivership. To the extent that any of the principals of BRM have provided personal guarantees requiring it to reimburse lenders for enforcement proceedings, we encourage you to seek the advice of insolvency counsel with respect to any personal obligations that may arise, should there not be sufficient funds in the estate to pay the costs of administration of these receivership proceedings.

## Monthly Expenses of BRM

We advise that typically speaking, all municipal, provincial and federal tax obligations of a debtor company, will be addressed prior to the Receiver's discharge, subject to certain exceptions. In accordance with the Receiver's mandate, the Receiver will review all information provided by you or creditors to determine whether each expense is a business or personal obligation, as the Receiver is not permitted to pay any personal obligations. Further, the Receiver is not required to pay any pre-receivership obligations in the ordinary course (e.g., the Canadian Emergency Business Account (CEBA) loan). As stated above, once the assets have been realized on, proceeds will be distributed to creditors in the manner and priority prescribed by the BIA and subject to Court approval.

To the extent you continue to have concerns about potential personal obligation and liability arising out of the non-payment of expenses of BRM, **we strongly encourage you to seek the advice of insolvency counsel.**

## Collection of Rent

As stated above, pursuant to the Receivership Order, the Receiver now has sole authority for operating the business. However, we can advise that the Receiver has issued demands in relation to the collection of all rental amounts owing to BRM for current and past rent.

In relation to the Lease Agreements, the Receiver requires you to provide the information and documents listed at nos. 7 and 8 of Schedule "A" hereto.

## Summary

As stated above, the Receiver requires you to provide all the Missing Information immediately and requires your continued cooperation to permit the Receiver to carry out the administration of these receivership proceedings in the most efficient manner possible. Any delay in providing the Missing Information only serves to increase the duration and cost of the receivership proceedings. Further, the Receiver has an obligation to report to the Court and creditors of the estate on its activities, including communications and issues encountered with the principals of the debtor company. Finally, as indicated in previous correspondence, if necessary, the Receiver will seek the advice and direction of the Court with respect to any continued noncooperation of the principals of BRM in these proceedings.

Please do not hesitate to contact the Receiver should you wish to discuss any of the above.

Sincerely,

Cassels Brock & Blackwell LLP

Kara N. Davis  
Associate

KD/ag

cc: KPMG Inc.

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## SCHEDULE "A"

### Missing Records & Information

1. All notes referenced in and accompanying the financial statements previously provided for the years 2015 through 2022.
2. Copies of the registration, loan/lease documents and current amounts owing in relation to the 2022 Dodge Ram 1500 (serial no. 1C6SRFVT8NN475790), 2014 BMW 528XI, 2023 Lexus LX600 and any other vehicles used in connection with the business.
3. Certas H&A insurance policy.<sup>1</sup>
4. All loan documentation and statement of current amounts owing in relation to the Business Development Bank of Canada loan.<sup>2</sup>
5. All municipal, provincial and federal tax documents received for the period of January 2023 to present that has not already been provided.<sup>3</sup>
6. List of any other loan or credit obligations of BRM and copies of all loan documentation and statements of current amounts owing in relation to same.
7. Documentation of any other amounts owing by BRM to other creditors not already identified.
8. Lease Renewal Agreement dated January 1, 2021 between BRM and Zealous Granite.<sup>4</sup>
9. Any correspondence sent or received in relation to the terms of the lease arrangement entered into with Icon Kitchen Cabinets Ltd.
10. Details of any other bank accounts held by BRM<sup>5</sup> or where revenue of BRM has been deposited, including bank statements for the preceding 24-month period.
11. List of any other property or assets of any nature or kind of BRM that you have not already advised the Receiver of the existence of.

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<sup>1</sup> Referenced in December 27, 2023 email from C. Akram.

<sup>2</sup> Referenced in December 27, 2023 email from C. Akram.

<sup>3</sup> Referenced in December 27, 2023 email from C. Akram.

<sup>4</sup> Referenced on the first page of the document containing the Zealous Granite Lease Agreement.

<sup>5</sup> The Receiver is already aware of TD Canada Trust Acct No. 5229667.

COURT FILE NUMBER      **2301-01408**

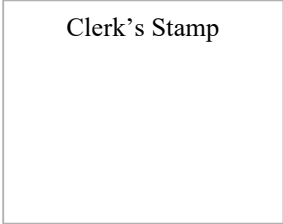
COURT                      COURT OF KING’S BENCH OF ALBERTA

JUDICIAL CENTRE        CALGARY

PLAINTIFF/  
APPLICANT                **ROYAL BANK OF CANADA**

DEFENDANTS/  
RESPONDENTS            **BRM CANADA GROUP INC., SAIMA QADEER and  
CHOUDHRY QADEER AKRAM**

DOCUMENT                **RECEIVERSHIP ORDER**



ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION  
OF PARTY FILING  
THIS DOCUMENT         Jack R. Maslen / Tiffany Bennett  
   Borden Ladner Gervais LLP  
   1900, 520 – 3<sup>rd</sup> Avenue SW  
   Calgary, AB T2P 0R3  
   Telephone: (403) 232-9790 / 9199  
   Facsimile: (403) 266-1395  
   Email: JMaslen@blg.com / TiBennett@blg.com  
   File No. 404600.000869

**DATE ON WHICH ORDER WAS PRONOUNCED:**                      **December 19, 2023**

**LOCATION WHERE ORDER WAS PRONOUNCED:**                      **Calgary, Alberta**

**NAME OF JUSTICE WHO MADE THIS ORDER:**                      **The Honourable Justice C. C. J.  
Feasby, K.C.**

**UPON THE APPLICATION** of the Plaintiff/Applicant, Royal Bank of Canada (“**RBC**” or the “**Bank**”), in respect of the Defendant/Respondent, BRM Canada Group Inc. (the “**Debtor**”); **AND UPON** having read the Application, the Affidavit of Jasdeep (Jessica) Chohan and the Affidavit of Service of Jennifer Gorrie filed on December 8, 2023, and other pleadings and materials filed in the within Action; **AND UPON** having read the consent of KPMG Inc. (“**KPMG**”) to act as court-appointed receiver and manager herein (the “**Receiver**”), filed; **AND UPON** having heard counsel for RBC, counsel for the Defendants, counsel for the proposed Receiver, and any other counsel or other interested parties present,

**IT IS HEREBY ORDERED AND DECLARED THAT:**



## SERVICE

1. The time for service of the notice of the Application for this order (the "**Order**") is hereby deemed good and sufficient, and this Application is properly returnable today, and service on any other person is hereby dispensed with.

## APPOINTMENT

2. Pursuant to section 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "*BLA*") section 13(2) of the *Judicature Act*, RSA 2000, c J-2, section 65(7) of the *Personal Property Security Act*, RSA 2000, c P-7 (the "*PPSA*"), section 99(a) of the *Business Corporations Act*, RSA 2000, c B-9 and section 49(1) of the *Law of Property Act*, RSA 2000, c L-7, KPMG is hereby appointed Receiver, without security, of the following property of the Debtor:

- (a) lands as more particularly described in Schedule "A" of this Order, together with all current or future improvements and fixtures thereon (the "**Lands**");
- (b) all present and future rents reserved or payable under leases relating to the Lands, and all present or future leases relating to the Lands and the benefits and advantages to be derived therefrom;
- (c) all property, assets, rights and undertaking of every nature and kind which is personal in nature (including bank accounts), that is located in or upon, arising out of or used in conjunction with the Lands

(collectively, the "**Property**").

## RECEIVER'S POWERS

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
  - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property (including, without limitation, the collection of rents and profits from the Property, prepaid rents or arrears of rents, any damage or security deposits, third party deposits or bank accounts of the Debtor

relating to the Property), which shall also include the Receiver's ability to abandon, dispose of, or otherwise release any interest in any of the Property;

- (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate and carry on any business of the Property, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor in respect of the Property;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel, property managers, maintenance staff, and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order. Without limiting the generality of the foregoing, the Receiver is hereby empowered and authorized, but not required, to enter into a property management agreement with a property manager (with the prior consent of the Plaintiff), without further approval or order of this Court;
- (e) to have unrestricted access to the Lands for the purpose of exercising its power and authority as Receiver;
- (f) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Property or any part or parts thereof;
- (g) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor relating to the Property and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor in relation to such amounts;
- (h) to settle, extend or compromise any indebtedness owing to or by the Debtor in respect of the Property;

- (i) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (j) to undertake environmental or workers' health and safety assessments of the Property;
- (k) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (l) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (m) to sell, convey, transfer or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$250,000.00; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,and in each such case notice under subsection 60(8) of the *PPSA* or any other similar legislation in any other province or territory shall not be required;
- (n) to lease the Property or any part or parts thereof out of the ordinary course of business with the prior consent of the Plaintiff and without the approval of this Court and in such case notice under subsection 60(8) of the *PPSA* or any other similar legislation in any other province or territory shall not be required;

- (o) to apply for any vesting order or other orders (including without limitation, confidentiality or sealing orders) necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (p) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (q) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property (including, without limitation, the Lands), and when submitted by the Receiver for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, or any other similar government authority, notwithstanding section 191 of the *Land Titles Act*, RSA 2000, c L-4, or the provisions of any other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles shall accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver hereunder and not in its personal capacity;
- (r) to apply for any permits, licences, approvals or permissions in respect of the Property as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (s) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for the Lands;
- (t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtor, and without interference from any other Person (as defined below).

## DUTY TO PROVIDE ACCESS AND COOPERATION TO THE RECEIVER

4. (i) The Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property (including, without limitation, any rents or profits from the Property, prepaid rents or arrears of rents, any damage or security deposits, third party deposits or bank accounts of the Debtor relating to the Property) in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
5. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Property, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") and all damage or security deposits and post-dated cheques received from or in respect of the Property in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with

all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names, and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

7. No proceeding or enforcement process in any court or tribunal (each a “**Proceeding**”) shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

#### **NO PROCEEDINGS AGAINST THE PROPERTY**

8. No Proceeding against or in respect of the Property or in any way connected to or affecting the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Property or in any way connected to or affecting the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph 8; and (ii) affect a Regulatory Body’s investigation in respect of the Property or an action, suit or proceeding that is taken in respect of the Property by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. “**Regulatory Body**” means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a Province.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

9. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Property, the Receiver or in any way connected to or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided, however, that nothing in this Order shall:
  - (a) empower the Receiver to carry on any business that the Debtor is not lawfully entitled to carry on in respect of the Property;

- (b) prevent the filing of any registration to preserve or perfect a security interest;
  - (c) prevent the registration of a claim for lien; or
  - (d) exempt the Debtor from compliance with statutory or regulatory provisions relating to health, safety, or the environment relating to the Property
10. Nothing in this Order shall prevent any party from taking an action against the Debtor's interest in respect of the Property where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Receiver at the first available opportunity.

#### **NO INTERFERENCE WITH THE RECEIVER**

11. No Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate, or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor with respect to the Property, except with the written consent of the Receiver, or leave of this Court.

#### **CONTINUATION OF SERVICES**

12. All persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services in respect of the Property; or
  - (b) oral or written agreements or arrangements with the Debtor in respect of the Property, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Debtor

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending, or terminating the supply of such goods or services as may be required for the Property or exercising any other remedy provided under such agreements or arrangements. The Receiver, in managing the Property or otherwise performing its powers and duties hereunder, shall be entitled to the continued use of the Debtor's premises, telephone numbers, facsimile numbers, internet addresses and domain names as may be related to the Property, provided in each case that the usual

prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with the payment practices of the Debtor, or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

#### **RECEIVER TO HOLD FUNDS**

13. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

#### **EMPLOYEES**

14. Subject to employees' rights to terminate their employment, all employees of the Debtor in any way connected to or affecting the Property shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "**BIA**"), other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, SC 2005, c.47 ("**WEPPA**").
15. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c 5, the Receiver shall be entitled to disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to



the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

#### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

16. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
- (i) before the Receiver's appointment; or
  - (ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
- (i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:
    - (1) complies with the order, or
    - (2) on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
  - (ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the

order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by,

- (1) the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
  - (2) the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
- (iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

#### **LIMITATION ON THE RECEIVER'S LIABILITY**

17. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, section 14.06, 81.4(5) or 81.6(3) of the *BIA*.

#### **RECEIVER'S ACCOUNTS**

18. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to the benefits of and are hereby granted a charge (the "**Receiver's Charge**") on the Property, which charge shall not exceed an aggregate amount of \$500,000.00, as security for their professional fees and disbursements incurred at the normal rates and charges of the Receiver and such counsel, both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the *BIA*.
19. The Receiver and its legal counsel shall pass their accounts from time to time.
20. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its

counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

#### FUNDING OF THE RECEIVERSHIP

21. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000.00 (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge.
22. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
23. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "**B**" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
24. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.
25. The Receiver shall be authorized to repay any amounts borrowed by way of Receiver's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

#### GENERAL

26. The Receiver may, from time to time, apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

27. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, AR 124/2010, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Receiver's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
28. Nothing in this Order shall prevent the Receiver from acting as a receiver or trustee in bankruptcy of the Debtor.
29. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction 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, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.
30. The Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.
31. RBC shall have its costs of this Application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis, including legal costs on a solicitor-and-own-client, full indemnity basis.
32. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

#### **RENTAL PAYMENTS**

33. Without limiting the generality of any other provision of this Order, forthwith upon service of a copy of this Order, any Person (including tenant) who occupies a unit in the Lands pursuant to any lease, agreement to lease, license or other form of agreement, whether written or oral (for purposes of this paragraph, each a "**Lease**") shall pay to the Receiver (or its agent, delegate or manager, as directed by the Receiver) all rent which may then be due or may thereafter become due to the

Debtor pursuant to the terms of such Lease. For greater certainty and clarity, payment of rents by a Person to the Receiver pursuant to a Lease shall discharge any such Person from the obligation to pay such rents to the Debtor.

34. A copy of this Order shall be served upon the tenants presently occupying or in possession of the Lands or any part thereof, which service may be sufficiently effected by placing a copy of this Order in the mail receptacle at each rental units of all buildings comprising the Lands.
35. In the event that any Person shall be served with a copy of this Order and neglects or refuses to pay rents to the Receiver pursuant to paragraph 33 hereof, the Receiver may distrain for rent in arrears in the same manner and with the same right of recovery as a landlord.

## FILING

36. The Receiver shall establish and maintain a website in respect of these proceedings at [www.home.kpmg.com/ca/brmcanada](http://www.home.kpmg.com/ca/brmcanada) (the "**Receiver's Website**") and shall post there as soon as practicable:
  - (a) all materials prescribed by statute or regulation to be made publicly available; and
  - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
37. Service of this Order shall be deemed good and sufficient by:
  - (a) serving the same on:
    - (i) the persons listed on the service list created in these proceedings or otherwise served with notice of these proceedings;
    - (ii) any other person served with notice of the application for this Order; and
    - (iii) any other parties attending or represented at the application for this Order, and
  - (b) posting a copy of this Order on the Receiver's Website,and service on any other person is hereby dispensed with.

38. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

A handwritten signature in black ink, consisting of stylized, cursive letters that appear to be 'M. J.' followed by a flourish.

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Justice of the Court of King's Bench of Alberta

**SCHEDULE "A"**

**THE LANDS**

**Title No. 081 468 111**

CONDOMINIUM PLAN 0814562

UNIT 23

AND 233 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 081 468 112**

CONDOMINIUM PLAN 0814562

UNIT 24

AND 232 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 141 259 775**

CONDOMINIUM PLAN 0814562

UNIT 25

AND 325 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 121 069 022**

CONDOMINIUM PLAN 0814562

UNIT 26

AND 315 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 091 137 280**

CONDOMINIUM PLAN 0814562

UNIT 27

AND 316 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 091 085 140**

CONDOMINIUM PLAN 0814562

UNIT 28

AND 325 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 091 085 141**

CONDOMINIUM PLAN 0814562

UNIT 29

AND 325 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 121 069 023**

CONDOMINIUM PLAN 0814562

UNIT 31

AND 168 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 081 468 113**

CONDOMINIUM PLAN 0814562

UNIT 32

AND 285 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 121 069 024**

CONDOMINIUM PLAN 0814562

UNIT 33

AND 270 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 131 059 645**

CONDOMINIUM PLAN 0814562

UNIT 36

AND 168 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS



**SCHEDULE “B”**

**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. **THIS IS TO CERTIFY** that KPMG Inc., the receiver and manager (the “**Receiver**”) of the lands legally described as

CONDOMINIUM PLAN 0814562  
UNITS 23-29, 31-33 AND 36  
AND ALL APPLICABLE ONE TEN THOUSANDTH SHARES IN THE  
COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

and municipally described as Units 2106, 2102, 2110, 2114, 2118, 2122, 2126, 3115, 3107, 3103, and 3119, 5150 – 47 Street NE, Calgary, Alberta, T3J 4N4 (the “**Lands**”), together with all assets, undertakings and properties of the Debtor located thereon, and any rents, profits and other receipts arising therefrom (collectively with the Lands, the “**Property**”), appointed by Order of the Court of King’s Bench of Alberta dated December 19, 2023 (the “**Order**”) made in action number 2301-01408, has received as such Receiver from the holder of this certificate (the “**Lender**”) the principal sum of \$[●], being part of the total principal sum of \$[●] that the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [●] after the date hereof at a notional rate per annum equal to the rate of [●] per cent above the prime commercial lending rate of [●] from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at [●].
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order

DATED the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**KPMG Inc.**, solely in its capacity as Receiver of the Property (as defined in the Order), and not in its personal capacity

Per: \_\_\_\_\_

Name:

Title:

**APPENDIX "D"**

**BOOKS AND RECORDS DEMAND LETTER TO HARPREET PARMAR**

**PROFESSIONAL CORPORATION DATED DECEMBER 21, 2023**



December 21, 2023

**Via Email**  
([hparmar@hppcorp.ca](mailto:hparmar@hppcorp.ca))

**HPP Corp.**  
218, 7 Westwinds Crescent NE  
Calgary, AB T3J 5H2

[kdavis@cassels.com](mailto:kdavis@cassels.com)  
tel: +1 587 441 3065  
file # 43436-18

**Attn: Harpreet Parmar, CPA, CGA**

**Re: Alberta Court of King's Bench File No. 2301-01408**  
***In the Matter of the Receivership of BRM Canada Group Inc., et al.***

We are counsel to KPMG Inc., in its capacity as receiver and manager (in such capacity, the "**Receiver**") of the follow property of BRM Canada Group Inc. (the "**Debtor**"):

1. real property located at: 5150 47 Street NE, Units 2106, 2102, 2110, 2114, 2118, 2122, 2126, 3115, 3107, 3103 and 3119, Calgary, AB T3J 4N4 and legally described as:

CONDOMINIUM PLAN 0814562  
UNITS 23-29, 31-33 AND 36  
AND ALL APPLICABLE ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERAL

(the "**Lands**");

2. all present and future rents reserved or payable under leases relating to the Lands, and all present or future leases relating to the Lands and the benefits and advantages to be derived therefrom; and
3. all property, assets, rights and undertaking of every nature and kind which is personal in nature (including bank accounts), that is located in or upon, arising out of or used in conjunction with the Lands

(collectively, the "**Property**").

The Receiver was appointed pursuant to a Court Order, pronounced December 19, 2023, (the "**Receivership Order**"). A copy of the executed Receivership Order is enclosed for your reference.

In particular, we direct your attention to paragraphs 5 and 6 of the Receivership Order, which require, among other things: (i) all persons (including accountants) to advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other information of any kind related to the affairs or business of the Property; and shall provide to the Receiver or permit the Receiver to make, retain or take away copies thereof and grant the Receiver unfettered access to same.

Following its appointment, upon the Receiver requested access to the books and records relating to the Property from the Debtor, Mr. Akram advised that you are the Debtor's accountant and in possession of the books and records of the Debtor. The Receiver contacted you yesterday in relation to same and you advised you did not possess any current records of the Debtor that would be helpful or useful. However, you did indicate you may have certain documents, such as past tax returns or other records of the Debtor in your possession.

Accordingly, the Receiver will need to review all such records to determine whether they are relevant. **The Receiver hereby demands you to provide copies of all records of the Debtor in your possession or control by no later than Friday, December 22, 2023.** Please contact Andrew Brausen at 403 691 8092, to arrange to provide copies or access to the records.

Sincerely,

Cassels Brock & Blackwell LLP

Kara N. Davis  
Associate

KD/ag  
Enclosure

LEGAL\*61252934.4

COURT FILE NUMBER      **2301-01408**

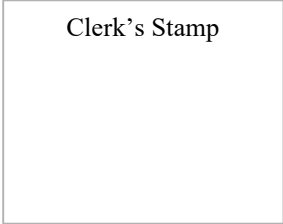
COURT                      COURT OF KING’S BENCH OF ALBERTA

JUDICIAL CENTRE        CALGARY

PLAINTIFF/  
APPLICANT                **ROYAL BANK OF CANADA**

DEFENDANTS/  
RESPONDENTS            **BRM CANADA GROUP INC., SAIMA QADEER and  
CHOUDHRY QADEER AKRAM**

DOCUMENT                **RECEIVERSHIP ORDER**



ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION  
OF PARTY FILING  
THIS DOCUMENT        Jack R. Maslen / Tiffany Bennett  
Borden Ladner Gervais LLP  
1900, 520 – 3<sup>rd</sup> Avenue SW  
Calgary, AB T2P 0R3  
Telephone: (403) 232-9790 / 9199  
Facsimile: (403) 266-1395  
Email: JMaslen@blg.com / TiBennett@blg.com  
File No. 404600.000869

**DATE ON WHICH ORDER WAS PRONOUNCED:**                      **December 19, 2023**

**LOCATION WHERE ORDER WAS PRONOUNCED:**                      **Calgary, Alberta**

**NAME OF JUSTICE WHO MADE THIS ORDER:**                      **The Honourable Justice C. C. J.  
Feasby, K.C.**

**UPON THE APPLICATION** of the Plaintiff/Applicant, Royal Bank of Canada (“**RBC**” or the “**Bank**”), in respect of the Defendant/Respondent, BRM Canada Group Inc. (the “**Debtor**”); **AND UPON** having read the Application, the Affidavit of Jasdeep (Jessica) Chohan and the Affidavit of Service of Jennifer Gorrie filed on December 8, 2023, and other pleadings and materials filed in the within Action; **AND UPON** having read the consent of KPMG Inc. (“**KPMG**”) to act as court-appointed receiver and manager herein (the “**Receiver**”), filed; **AND UPON** having heard counsel for RBC, counsel for the Defendants, counsel for the proposed Receiver, and any other counsel or other interested parties present,

**IT IS HEREBY ORDERED AND DECLARED THAT:**

## SERVICE

1. The time for service of the notice of the Application for this order (the "**Order**") is hereby deemed good and sufficient, and this Application is properly returnable today, and service on any other person is hereby dispensed with.

## APPOINTMENT

2. Pursuant to section 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "*BLA*") section 13(2) of the *Judicature Act*, RSA 2000, c J-2, section 65(7) of the *Personal Property Security Act*, RSA 2000, c P-7 (the "*PPSA*"), section 99(a) of the *Business Corporations Act*, RSA 2000, c B-9 and section 49(1) of the *Law of Property Act*, RSA 2000, c L-7, KPMG is hereby appointed Receiver, without security, of the following property of the Debtor:
  - (a) lands as more particularly described in Schedule "A" of this Order, together with all current or future improvements and fixtures thereon (the "**Lands**");
  - (b) all present and future rents reserved or payable under leases relating to the Lands, and all present or future leases relating to the Lands and the benefits and advantages to be derived therefrom;
  - (c) all property, assets, rights and undertaking of every nature and kind which is personal in nature (including bank accounts), that is located in or upon, arising out of or used in conjunction with the Lands(collectively, the "**Property**").

## RECEIVER'S POWERS

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
  - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property (including, without limitation, the collection of rents and profits from the Property, prepaid rents or arrears of rents, any damage or security deposits, third party deposits or bank accounts of the Debtor

relating to the Property), which shall also include the Receiver's ability to abandon, dispose of, or otherwise release any interest in any of the Property;

- (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate and carry on any business of the Property, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor in respect of the Property;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel, property managers, maintenance staff, and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order. Without limiting the generality of the foregoing, the Receiver is hereby empowered and authorized, but not required, to enter into a property management agreement with a property manager (with the prior consent of the Plaintiff), without further approval or order of this Court;
- (e) to have unrestricted access to the Lands for the purpose of exercising its power and authority as Receiver;
- (f) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Property or any part or parts thereof;
- (g) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor relating to the Property and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor in relation to such amounts;
- (h) to settle, extend or compromise any indebtedness owing to or by the Debtor in respect of the Property;



- (i) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (j) to undertake environmental or workers' health and safety assessments of the Property;
- (k) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (l) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (m) to sell, convey, transfer or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$250,000.00; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,and in each such case notice under subsection 60(8) of the *PPSA* or any other similar legislation in any other province or territory shall not be required;
- (n) to lease the Property or any part or parts thereof out of the ordinary course of business with the prior consent of the Plaintiff and without the approval of this Court and in such case notice under subsection 60(8) of the *PPSA* or any other similar legislation in any other province or territory shall not be required;

- (o) to apply for any vesting order or other orders (including without limitation, confidentiality or sealing orders) necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (p) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (q) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property (including, without limitation, the Lands), and when submitted by the Receiver for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, or any other similar government authority, notwithstanding section 191 of the *Land Titles Act*, RSA 2000, c L-4, or the provisions of any other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles shall accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver hereunder and not in its personal capacity;
- (r) to apply for any permits, licences, approvals or permissions in respect of the Property as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (s) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for the Lands;
- (t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtor, and without interference from any other Person (as defined below).

## DUTY TO PROVIDE ACCESS AND COOPERATION TO THE RECEIVER

4. (i) The Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property (including, without limitation, any rents or profits from the Property, prepaid rents or arrears of rents, any damage or security deposits, third party deposits or bank accounts of the Debtor relating to the Property) in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
5. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Property, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") and all damage or security deposits and post-dated cheques received from or in respect of the Property in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with

all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names, and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

7. No proceeding or enforcement process in any court or tribunal (each a “**Proceeding**”) shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

#### **NO PROCEEDINGS AGAINST THE PROPERTY**

8. No Proceeding against or in respect of the Property or in any way connected to or affecting the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Property or in any way connected to or affecting the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph 8; and (ii) affect a Regulatory Body’s investigation in respect of the Property or an action, suit or proceeding that is taken in respect of the Property by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. “**Regulatory Body**” means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a Province.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

9. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Property, the Receiver or in any way connected to or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided, however, that nothing in this Order shall:
  - (a) empower the Receiver to carry on any business that the Debtor is not lawfully entitled to carry on in respect of the Property;

- (b) prevent the filing of any registration to preserve or perfect a security interest;
  - (c) prevent the registration of a claim for lien; or
  - (d) exempt the Debtor from compliance with statutory or regulatory provisions relating to health, safety, or the environment relating to the Property
10. Nothing in this Order shall prevent any party from taking an action against the Debtor's interest in respect of the Property where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Receiver at the first available opportunity.

#### **NO INTERFERENCE WITH THE RECEIVER**

11. No Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate, or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor with respect to the Property, except with the written consent of the Receiver, or leave of this Court.

#### **CONTINUATION OF SERVICES**

12. All persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services in respect of the Property; or
  - (b) oral or written agreements or arrangements with the Debtor in respect of the Property, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Debtor

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending, or terminating the supply of such goods or services as may be required for the Property or exercising any other remedy provided under such agreements or arrangements. The Receiver, in managing the Property or otherwise performing its powers and duties hereunder, shall be entitled to the continued use of the Debtor's premises, telephone numbers, facsimile numbers, internet addresses and domain names as may be related to the Property, provided in each case that the usual

prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with the payment practices of the Debtor, or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

#### **RECEIVER TO HOLD FUNDS**

13. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

#### **EMPLOYEES**

14. Subject to employees' rights to terminate their employment, all employees of the Debtor in any way connected to or affecting the Property shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the "**BIA**"), other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, SC 2005, c.47 ("**WEPPA**").
15. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c 5, the Receiver shall be entitled to disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to

the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

#### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

16. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
- (i) before the Receiver's appointment; or
  - (ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
- (i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:
    - (1) complies with the order, or
    - (2) on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
  - (ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the

order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by,

- (1) the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
  - (2) the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
- (iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

#### **LIMITATION ON THE RECEIVER'S LIABILITY**

17. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, section 14.06, 81.4(5) or 81.6(3) of the *BIA*.

#### **RECEIVER'S ACCOUNTS**

18. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to the benefits of and are hereby granted a charge (the "**Receiver's Charge**") on the Property, which charge shall not exceed an aggregate amount of \$500,000.00, as security for their professional fees and disbursements incurred at the normal rates and charges of the Receiver and such counsel, both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the *BIA*.
19. The Receiver and its legal counsel shall pass their accounts from time to time.
20. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its



counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

#### FUNDING OF THE RECEIVERSHIP

21. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000.00 (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge.
22. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
23. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "**B**" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
24. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.
25. The Receiver shall be authorized to repay any amounts borrowed by way of Receiver's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

#### GENERAL

26. The Receiver may, from time to time, apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

27. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, AR 124/2010, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Receiver's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
28. Nothing in this Order shall prevent the Receiver from acting as a receiver or trustee in bankruptcy of the Debtor.
29. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction 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, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.
30. The Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.
31. RBC shall have its costs of this Application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis, including legal costs on a solicitor-and-own-client, full indemnity basis.
32. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

#### **RENTAL PAYMENTS**

33. Without limiting the generality of any other provision of this Order, forthwith upon service of a copy of this Order, any Person (including tenant) who occupies a unit in the Lands pursuant to any lease, agreement to lease, license or other form of agreement, whether written or oral (for purposes of this paragraph, each a "**Lease**") shall pay to the Receiver (or its agent, delegate or manager, as directed by the Receiver) all rent which may then be due or may thereafter become due to the

Debtor pursuant to the terms of such Lease. For greater certainty and clarity, payment of rents by a Person to the Receiver pursuant to a Lease shall discharge any such Person from the obligation to pay such rents to the Debtor.

34. A copy of this Order shall be served upon the tenants presently occupying or in possession of the Lands or any part thereof, which service may be sufficiently effected by placing a copy of this Order in the mail receptacle at each rental units of all buildings comprising the Lands.
35. In the event that any Person shall be served with a copy of this Order and neglects or refuses to pay rents to the Receiver pursuant to paragraph 33 hereof, the Receiver may distrain for rent in arrears in the same manner and with the same right of recovery as a landlord.

## FILING

36. The Receiver shall establish and maintain a website in respect of these proceedings at [www.home.kpmg.com/ca/brmcanada](http://www.home.kpmg.com/ca/brmcanada) (the "**Receiver's Website**") and shall post there as soon as practicable:
  - (a) all materials prescribed by statute or regulation to be made publicly available; and
  - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
37. Service of this Order shall be deemed good and sufficient by:
  - (a) serving the same on:
    - (i) the persons listed on the service list created in these proceedings or otherwise served with notice of these proceedings;
    - (ii) any other person served with notice of the application for this Order; and
    - (iii) any other parties attending or represented at the application for this Order, and
  - (b) posting a copy of this Order on the Receiver's Website,and service on any other person is hereby dispensed with.

38. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

A handwritten signature in black ink, consisting of stylized, cursive letters that appear to be 'M. J.' followed by a flourish.

---

Justice of the Court of King's Bench of Alberta

**SCHEDULE "A"**

**THE LANDS**

**Title No. 081 468 111**

CONDOMINIUM PLAN 0814562

UNIT 23

AND 233 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 081 468 112**

CONDOMINIUM PLAN 0814562

UNIT 24

AND 232 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 141 259 775**

CONDOMINIUM PLAN 0814562

UNIT 25

AND 325 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 121 069 022**

CONDOMINIUM PLAN 0814562

UNIT 26

AND 315 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 091 137 280**

CONDOMINIUM PLAN 0814562

UNIT 27

AND 316 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 091 085 140**

CONDOMINIUM PLAN 0814562

UNIT 28

AND 325 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 091 085 141**

CONDOMINIUM PLAN 0814562

UNIT 29

AND 325 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 121 069 023**

CONDOMINIUM PLAN 0814562

UNIT 31

AND 168 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 081 468 113**

CONDOMINIUM PLAN 0814562

UNIT 32

AND 285 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 121 069 024**

CONDOMINIUM PLAN 0814562

UNIT 33

AND 270 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 131 059 645**

CONDOMINIUM PLAN 0814562

UNIT 36

AND 168 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**SCHEDULE “B”**

**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. **THIS IS TO CERTIFY** that KPMG Inc., the receiver and manager (the “**Receiver**”) of the lands legally described as

CONDOMINIUM PLAN 0814562  
UNITS 23-29, 31-33 AND 36  
AND ALL APPLICABLE ONE TEN THOUSANDTH SHARES IN THE  
COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

and municipally described as Units 2106, 2102, 2110, 2114, 2118, 2122, 2126, 3115, 3107, 3103, and 3119, 5150 – 47 Street NE, Calgary, Alberta, T3J 4N4 (the “**Lands**”), together with all assets, undertakings and properties of the Debtor located thereon, and any rents, profits and other receipts arising therefrom (collectively with the Lands, the “**Property**”), appointed by Order of the Court of King’s Bench of Alberta dated December 19, 2023 (the “**Order**”) made in action number 2301-01408, has received as such Receiver from the holder of this certificate (the “**Lender**”) the principal sum of \$[●], being part of the total principal sum of \$[●] that the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [●] after the date hereof at a notional rate per annum equal to the rate of [●] per cent above the prime commercial lending rate of [●] from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at [●].
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order

DATED the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**KPMG Inc.**, solely in its capacity as Receiver of the Property (as defined in the Order), and not in its personal capacity

Per: \_\_\_\_\_  
Name:  
Title:



**APPENDIX "E"**

**TERMINATION LETTER OF CALGARY AUTO TECHNICIAN LTD.**

**FOR NONPAYMENT DATED FEBRUARY 8, 2024**

# Cassels

February 8, 2024

**Hand Delivered**

**Calgary Auto Technician Ltd.**

2114, 5150 47<sup>th</sup> St NE  
Calgary, AB T3J 4N4

c/o Registered Office  
284 Taralake Terr NE  
Calgary, AB T3J 0A1

(e: [registrysa@gmail.com](mailto:registrysa@gmail.com))

c/o Primary Agent for Service  
Iqbal Singh Sidhu  
202, 2656 Westwinds Dr NE  
Calgary, AB T3J 3Z5

(e: [registrysa@gmail.com](mailto:registrysa@gmail.com))

**Sufyan Iqbal**

144 Strathmore Lakes Common  
Strathmore, AB T1P 1Y7

(e: [sufyan.ca@gmail.com](mailto:sufyan.ca@gmail.com))

**Sanjiv Kumar Malhotra**

284 Taralake Terr NE  
Calgary, AB T3J 0A1

**Kash Automotive Group Ltd.**

2106, 5150 47<sup>th</sup> St NE  
Calgary, AB T3J 4N4

(e: [sufyan.ca@gmail.com](mailto:sufyan.ca@gmail.com))

c/o Primary Agent for Service  
Sufyan Iqbal  
144 Strathmore Lakes Common  
Strathmore, AB T1P 1Y7

(e: [ufyan.ca@gmail.com](mailto:ufyan.ca@gmail.com))

[kdavis@cassels.com](mailto:kdavis@cassels.com)

tel: +1 587 441 3065

file # 43436-18

**Re: Notice of Termination of Lease Agreement between BRM Canada Group Inc. and Kash Automotive Group Ltd. dated October 27, 2022, as amended (the "Lease"), over the premises municipally known as 2115, 5150 47 St NE Calgary, AB (the "Premises") and assigned to Calgary Auto Technician Ltd. (the "Assignee") and guaranteed by Sufyan Iqbal ("Iqbal") and Sanjiv Kumar Malhotra ("Malhotra" and together with the Assignee and Iqbal, the "Tenant")**

We are counsel to KPMG Inc. in its capacity as receiver and manager (in such capacity, the "**Receiver**") of certain property of BRM Canada Group Inc. ("**BRM**"). As you are aware from previous correspondence sent to the Tenant by the Receiver on December 19 and 22, 2023 (the "**December Correspondence**"), pursuant to an order of the Alberta Court of King's Bench pronounced December 19, 2023, KPMG Inc. was appointed as receiver and manager over certain property of BRM, including the Premises and the Lease.

We write further to the December Correspondence and correspondence sent to the Tenant on January 8, 2024 (the "**Notice of Default**"), wherein the Receiver demanded, among other things:

1. payment of overdue rent owing pursuant to the Lease and due on January 1, 2024 in the amount of \$3,500 plus GST;
2. payment of overdue rent owing pursuant to the Lease and due on February 1, 2024 in the amount of \$3,500 plus GST;
3. payment of or proof of payment of overdue rent for the months of October, November and December 2023, in the aggregate amount of \$10,500, plus GST,

for a total outstanding rent owing in the amount of \$17,500 plus GST (the "**Outstanding Rents**"). To date, the Receiver has not received payment of the Outstanding Rents and is in default of the Lease (the "**Default**").

Take notice that, pursuant to sections 15 and 18 of the Lease and the Tenant's failure to cure the Default within 30 days of the Notice of Default, **the Receiver hereby terminates the Lease effective Thursday, February 8, 2024. The Receiver intends to re-enter the Premises, change the locks and take possession of the Premises immediately. Entry to the Premises for the removal of any remaining goods, chattels, equipment and other personal property of the Tenant (the "Tenant's Property") may be done only with the prior written permission of the Receiver. Any attempt to gain entry to the Premises without prior permission will be an unlawful trespass and will be dealt with accordingly.**

Notwithstanding the Receiver's termination of the Lease, the Receiver reserves its right to hold the Tenant responsible for the Outstanding Rents and all other amounts and charges in arrears under the Lease and owing as a result of the Default or otherwise throughout the term (including what would have been the remaining term) of the Lease, accelerated rent and for all future damages as a result of the Receiver losing the benefit of the Lease over its unexpired term and all charges, costs and expenses incurred by or on behalf of the Receiver with respect to the Default, including without limitation: (i) brokerage fees; (ii) bailiff fees; (iii) legal fees and disbursements on a solicitor-and-own-client, full indemnity basis and any other professional fees or other fees incurred with enforcing the Receiver's rights under the Lease; (iv) expenses of keeping the premises in good order; (v) costs of repairing the premises and preparing it for reletting; and (vi) taxes and interest on the foregoing, calculated in accordance with applicable law and the Lease.

If any of the Tenant's Property (other than leaseholder improvements and Tenant trade fixtures which may damage the Premises if removed) remains on the Premises as of the date of this notice that the

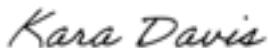
Tenant wishes to remove and which is permitted to be removed pursuant to the Lease, contact Andrew Brausen at 403 691 8092 or [abrausen@kpmg.ca](mailto:abrausen@kpmg.ca) immediately. Notwithstanding the foregoing, **the Tenant has 5 days from the date of this notice to remove all of the Tenant's Property from the Premises.** The Receiver reserves the right to remove and liquidate the Tenant's Property remaining on the Premises after 4:00pm (Calgary time) on Tuesday, February 13, 2024 and apply the proceeds to the Obligations; or alternatively, store the Tenant's Property at the Tenant's sole cost, without the Receiver incurring any liability in any case whatsoever with respect thereto.

This notice is without prejudice to any of the Receiver's rights, powers, privileges, remedies and defences available now or arising hereafter, all of which are expressly reserved.

Finally, copies of the December Correspondence, Notice of Default and Receivership Order are enclosed for your reference.

Sincerely,

Cassels Brock & Blackwell LLP



Kara N. Davis  
Associate

KD/ag  
Enclosures

cc: KPMG Inc.

LEGAL\*61535069.2



KPMG Inc.  
DA – Restructuring & Turnaround  
205 5<sup>th</sup> Avenue SW  
Suite 3100  
Calgary, AB T2P 4B9  
Tel 403-691-8000  
Fax 403-691-8008  
www.kpmg.ca

December 19, 2023

Attention: Tenant

**Re: BRM Canada Group Inc. (the “Company”) – in Receivership**

Please take notice that on December 19, 2023, KPMG Inc. was appointed receiver and manager (the “Receiver”) over the assets, properties and undertaking of the Company pursuant to an Order of the Court of King’s Bench of Alberta (the “Order”). Please find attached for your records and reference a copy of the Order.

We understand that the Company entered into a lease agreement with you prior to the receivership. We request that you kindly provide our office with a copy of this lease agreement, any amending agreement(s) and proof of rent payment for the months of October, November and December 2023.

**All rent payments will now be payable to “KPMG Inc., Receiver of BRM Canada Group Inc.”, and can be paid via cheque mailed to the above noted address.** Payment to the Company or any other party will constitute a breach and result in immediate action.

The Receiver will provide further information regarding the specifics of the situation once they become available. If you have any questions please contact my colleague, Andrew Brausen, by phone at (403) 691-8092 or by email at abrausen@kpmg.ca.

Yours very truly,

**KPMG Inc.**, in its capacity as receiver  
and manager of BRM Canada Group Inc.,  
and not in its personal or corporate capacity

A handwritten signature in black ink, appearing to read 'J. Shellon'.

Jacqueline Shellon, Vice President

COURT FILE NUMBER      **2301-01408**

COURT                      COURT OF KING'S BENCH OF ALBERTA

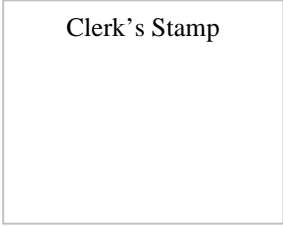
JUDICIAL CENTRE        CALGARY

PLAINTIFF/  
APPLICANT                **ROYAL BANK OF CANADA**

DEFENDANTS/  
RESPONDENTS            **BRM CANADA GROUP INC., SAIMA QADEER and  
CHOUDHRY QADEER AKRAM**

DOCUMENT                **RECEIVERSHIP ORDER**

ADDRESS FOR  
SERVICE AND  
CONTACT  
INFORMATION  
OF PARTY FILING  
THIS DOCUMENT         Jack R. Maslen / Tiffany Bennett  
   Borden Ladner Gervais LLP  
   1900, 520 – 3<sup>rd</sup> Avenue SW  
   Calgary, AB T2P 0R3  
   Telephone: (403) 232-9790 / 9199  
   Facsimile: (403) 266-1395  
   Email: JMaslen@blg.com / TiBennett@blg.com  
   File No. 404600.000869



**DATE ON WHICH ORDER WAS PRONOUNCED:**                      **December 19, 2023**

**LOCATION WHERE ORDER WAS PRONOUNCED:**                      **Calgary, Alberta**

**NAME OF JUSTICE WHO MADE THIS ORDER:**                      **The Honourable Justice C. C. J.  
Feasby, K.C.**

**UPON THE APPLICATION** of the Plaintiff/Applicant, Royal Bank of Canada (“**RBC**” or the “**Bank**”), in respect of the Defendant/Respondent, BRM Canada Group Inc. (the “**Debtor**”); **AND UPON** having read the Application, the Affidavit of Jasdeep (Jessica) Chohan and the Affidavit of Service of Jennifer Gorrie filed on December 8, 2023, and other pleadings and materials filed in the within Action; **AND UPON** having read the consent of KPMG Inc. (“**KPMG**”) to act as court-appointed receiver and manager herein (the “**Receiver**”), filed; **AND UPON** having heard counsel for RBC, counsel for the Defendants, counsel for the proposed Receiver, and any other counsel or other interested parties present,

**IT IS HEREBY ORDERED AND DECLARED THAT:**

## **SERVICE**

1. The time for service of the notice of the Application for this order (the “**Order**”) is hereby deemed good and sufficient, and this Application is properly returnable today, and service on any other person is hereby dispensed with.

## **APPOINTMENT**

2. Pursuant to section 243 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”) section 13(2) of the *Judicature Act*, RSA 2000, c J-2, section 65(7) of the *Personal Property Security Act*, RSA 2000, c P-7 (the “**PPSA**”), section 99(a) of the *Business Corporations Act*, RSA 2000, c B-9 and section 49(1) of the *Law of Property Act*, RSA 2000, c L-7, KPMG is hereby appointed Receiver, without security, of the following property of the Debtor:
  - (a) lands as more particularly described in Schedule “A” of this Order, together with all current or future improvements and fixtures thereon (the “**Lands**”);
  - (b) all present and future rents reserved or payable under leases relating to the Lands, and all present or future leases relating to the Lands and the benefits and advantages to be derived therefrom;
  - (c) all property, assets, rights and undertaking of every nature and kind which is personal in nature (including bank accounts), that is located in or upon, arising out of or used in conjunction with the Lands(collectively, the “**Property**”).

## **RECEIVER’S POWERS**

3. The Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:
  - (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property (including, without limitation, the collection of rents and profits from the Property, prepaid rents or arrears of rents, any damage or security deposits, third party deposits or bank accounts of the Debtor

relating to the Property), which shall also include the Receiver's ability to abandon, dispose of, or otherwise release any interest in any of the Property;

- (b) to receive, preserve and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate and carry on any business of the Property, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor in respect of the Property;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel, property managers, maintenance staff, and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order. Without limiting the generality of the foregoing, the Receiver is hereby empowered and authorized, but not required, to enter into a property management agreement with a property manager (with the prior consent of the Plaintiff), without further approval or order of this Court;
- (e) to have unrestricted access to the Lands for the purpose of exercising its power and authority as Receiver;
- (f) to purchase or lease machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Property or any part or parts thereof;
- (g) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor relating to the Property and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor in relation to such amounts;
- (h) to settle, extend or compromise any indebtedness owing to or by the Debtor in respect of the Property;



- (i) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (j) to undertake environmental or workers' health and safety assessments of the Property;
- (k) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding, and provided further that nothing in this Order shall authorize the Receiver to defend or settle the action in which this Order is made unless otherwise directed by this Court;
- (l) to market any or all the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (m) to sell, convey, transfer or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$250,000.00; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,and in each such case notice under subsection 60(8) of the *PPSA* or any other similar legislation in any other province or territory shall not be required;
- (n) to lease the Property or any part or parts thereof out of the ordinary course of business with the prior consent of the Plaintiff and without the approval of this Court and in such case notice under subsection 60(8) of the *PPSA* or any other similar legislation in any other province or territory shall not be required;

- (o) to apply for any vesting order or other orders (including without limitation, confidentiality or sealing orders) necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (p) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (q) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property (including, without limitation, the Lands), and when submitted by the Receiver for registration this Order shall be immediately registered by the Registrar of Land Titles of Alberta, or any other similar government authority, notwithstanding section 191 of the *Land Titles Act*, RSA 2000, c L-4, or the provisions of any other similar legislation in any other province or territory, and notwithstanding that the appeal period in respect of this Order has not elapsed and the Registrar of Land Titles shall accept all Affidavits of Corporate Signing Authority submitted by the Receiver in its capacity as Receiver hereunder and not in its personal capacity;
- (r) to apply for any permits, licences, approvals or permissions in respect of the Property as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (s) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for the Lands;
- (t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtor, and without interference from any other Person (as defined below).

## **DUTY TO PROVIDE ACCESS AND COOPERATION TO THE RECEIVER**

4. (i) The Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property (including, without limitation, any rents or profits from the Property, prepaid rents or arrears of rents, any damage or security deposits, third party deposits or bank accounts of the Debtor relating to the Property) in such Person’s possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver’s request.
5. All Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Property, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) and all damage or security deposits and post-dated cheques received from or in respect of the Property in that Person’s possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or documents prepared in contemplation of litigation or due to statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with

all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names, and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

7. No proceeding or enforcement process in any court or tribunal (each a “**Proceeding**”) shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

#### **NO PROCEEDINGS AGAINST THE PROPERTY**

8. No Proceeding against or in respect of the Property or in any way connected to or affecting the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Property or in any way connected to or affecting the Property are hereby stayed and suspended pending further Order of this Court, provided, however, that nothing in this Order shall: (i) prevent any Person from commencing a proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such proceeding is not commenced before the expiration of the stay provided by this paragraph 8; and (ii) affect a Regulatory Body’s investigation in respect of the Property or an action, suit or proceeding that is taken in respect of the Property by or before the Regulatory Body, other than the enforcement of a payment order by the Regulatory Body or the Court. “**Regulatory Body**” means a person or body that has powers, duties or functions relating to the enforcement or administration of an Act of Parliament or of the legislature of a Province.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

9. All rights and remedies of any Person, whether judicial or extra-judicial, statutory or non-statutory (including, without limitation, set-off rights) against or in respect of the Property, the Receiver or in any way connected to or affecting the Property are hereby stayed and suspended and shall not be commenced, proceeded with or continued except with leave of this Court, provided, however, that nothing in this Order shall:
  - (a) empower the Receiver to carry on any business that the Debtor is not lawfully entitled to carry on in respect of the Property;

- (b) prevent the filing of any registration to preserve or perfect a security interest;
  - (c) prevent the registration of a claim for lien; or
  - (d) exempt the Debtor from compliance with statutory or regulatory provisions relating to health, safety, or the environment relating to the Property
10. Nothing in this Order shall prevent any party from taking an action against the Debtor's interest in respect of the Property where such an action must be taken in order to comply with statutory time limitations in order to preserve their rights at law, provided that no further steps shall be taken by such party except in accordance with the other provisions of this Order, and notice in writing of such action be given to the Receiver at the first available opportunity.

#### **NO INTERFERENCE WITH THE RECEIVER**

11. No Person shall accelerate, suspend, discontinue, fail to honour, alter, interfere with, repudiate, terminate, or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor with respect to the Property, except with the written consent of the Receiver, or leave of this Court.

#### **CONTINUATION OF SERVICES**

12. All persons having:
- (a) statutory or regulatory mandates for the supply of goods and/or services in respect of the Property; or
  - (b) oral or written agreements or arrangements with the Debtor in respect of the Property, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Debtor

are hereby restrained until further order of this Court from discontinuing, altering, interfering with, suspending, or terminating the supply of such goods or services as may be required for the Property or exercising any other remedy provided under such agreements or arrangements. The Receiver, in managing the Property or otherwise performing its powers and duties hereunder, shall be entitled to the continued use of the Debtor's premises, telephone numbers, facsimile numbers, internet addresses and domain names as may be related to the Property, provided in each case that the usual

prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with the payment practices of the Debtor, or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

#### **RECEIVER TO HOLD FUNDS**

13. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the “**Post Receivership Accounts**”) and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

#### **EMPLOYEES**

14. Subject to employees’ rights to terminate their employment, all employees of the Debtor in any way connected to or affecting the Property shall remain the employees of the Debtor until such time as the Receiver, on the Debtor’s behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”), other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, SC 2005, c.47 (“**WEPPA**”).
15. Pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, SC 2000, c 5, the Receiver shall be entitled to disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to

the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

#### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

16. (a) Notwithstanding anything in any federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arose or environmental damage that occurred:
- (i) before the Receiver's appointment; or
  - (ii) after the Receiver's appointment unless it is established that the condition arose or the damage occurred as a result of the Receiver's gross negligence or wilful misconduct.
- (b) Nothing in sub-paragraph (a) exempts a Receiver from any duty to report or make disclosure imposed by a law referred to in that sub-paragraph.
- (c) Notwithstanding anything in any federal or provincial law, but subject to sub-paragraph (a) hereof, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, the Receiver is not personally liable for failure to comply with the order, and is not personally liable for any costs that are or would be incurred by any person in carrying out the terms of the order,
- (i) if, within such time as is specified in the order, within 10 days after the order is made if no time is so specified, within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, or during the period of the stay referred to in clause (ii) below, the Receiver:
    - (1) complies with the order, or
    - (2) on notice to the person who issued the order, abandons, disposes of or otherwise releases any interest in any real property affected by the condition or damage;
  - (ii) during the period of a stay of the order granted, on application made within the time specified in the order referred to in clause (i) above, within 10 days after the

order is made or within 10 days after the appointment of the Receiver, if the order is in effect when the Receiver is appointed, by,

- (1) the court or body having jurisdiction under the law pursuant to which the order was made to enable the Receiver to contest the order; or
  - (2) the court having jurisdiction in bankruptcy for the purposes of assessing the economic viability of complying with the order; or
- (iii) if the Receiver had, before the order was made, abandoned or renounced or been divested of any interest in any real property affected by the condition or damage.

### **LIMITATION ON THE RECEIVER'S LIABILITY**

17. Except for gross negligence or wilful misconduct, as a result of its appointment or carrying out the provisions of this Order the Receiver shall incur no liability or obligation that exceeds an amount for which it may obtain full indemnity from the Property. Nothing in this Order shall derogate from any limitation on liability or other protection afforded to the Receiver under any applicable law, including, without limitation, section 14.06, 81.4(5) or 81.6(3) of the *BIA*.

### **RECEIVER'S ACCOUNTS**

18. The Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case, incurred at their standard rates and charges. The Receiver and counsel to the Receiver shall be entitled to the benefits of and are hereby granted a charge (the "**Receiver's Charge**") on the Property, which charge shall not exceed an aggregate amount of \$500,000.00, as security for their professional fees and disbursements incurred at the normal rates and charges of the Receiver and such counsel, both before and after the making of this Order in respect of these proceedings, and the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise in favour of any Person but subject to section 14.06(7), 81.4(4) and 81.6(2) of the *BIA*.
19. The Receiver and its legal counsel shall pass their accounts from time to time.
20. Prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including the legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its



counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

#### **FUNDING OF THE RECEIVERSHIP**

21. The Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000.00 (or such greater amount as this Court may by further order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, deemed trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge.
22. Neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
23. The Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "**B**" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
24. The monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.
25. The Receiver shall be authorized to repay any amounts borrowed by way of Receiver's Certificates out of the Property or any proceeds, including any proceeds from the sale of any assets without further approval of this Court.

#### **GENERAL**

26. The Receiver may, from time to time, apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

27. Notwithstanding Rule 6.11 of the *Alberta Rules of Court*, AR 124/2010, unless otherwise ordered by this Court, the Receiver will report to the Court from time to time, which reporting is not required to be in affidavit form and shall be considered by this Court as evidence. The Receiver's reports shall be filed by the Court Clerk notwithstanding that they do not include an original signature.
28. Nothing in this Order shall prevent the Receiver from acting as a receiver or trustee in bankruptcy of the Debtor.
29. This Court hereby requests the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in any foreign jurisdiction 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, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order.
30. The Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.
31. RBC shall have its costs of this Application, up to and including entry and service of this Order, provided for by the terms of the Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis, including legal costs on a solicitor-and-own-client, full indemnity basis.
32. Any interested party may apply to this Court to vary or amend this Order on not less than 7 days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

#### **RENTAL PAYMENTS**

33. Without limiting the generality of any other provision of this Order, forthwith upon service of a copy of this Order, any Person (including tenant) who occupies a unit in the Lands pursuant to any lease, agreement to lease, license or other form of agreement, whether written or oral (for purposes of this paragraph, each a "**Lease**") shall pay to the Receiver (or its agent, delegate or manager, as directed by the Receiver) all rent which may then be due or may thereafter become due to the

Debtor pursuant to the terms of such Lease. For greater certainty and clarity, payment of rents by a Person to the Receiver pursuant to a Lease shall discharge any such Person from the obligation to pay such rents to the Debtor.

34. A copy of this Order shall be served upon the tenants presently occupying or in possession of the Lands or any part thereof, which service may be sufficiently effected by placing a copy of this Order in the mail receptacle at each rental units of all buildings comprising the Lands.
35. In the event that any Person shall be served with a copy of this Order and neglects or refuses to pay rents to the Receiver pursuant to paragraph 33 hereof, the Receiver may distrain for rent in arrears in the same manner and with the same right of recovery as a landlord.

## FILING

36. The Receiver shall establish and maintain a website in respect of these proceedings at [www.home.kpmg.com/ca/brmcanada](http://www.home.kpmg.com/ca/brmcanada) (the “**Receiver’s Website**”) and shall post there as soon as practicable:
  - (a) all materials prescribed by statute or regulation to be made publicly available; and
  - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, or served upon it, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
37. Service of this Order shall be deemed good and sufficient by:
  - (a) serving the same on:
    - (i) the persons listed on the service list created in these proceedings or otherwise served with notice of these proceedings;
    - (ii) any other person served with notice of the application for this Order; and
    - (iii) any other parties attending or represented at the application for this Order, and
  - (b) posting a copy of this Order on the Receiver’s Website,and service on any other person is hereby dispensed with.

38. Service of this Order may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following transmission or delivery of this Order.

A handwritten signature in black ink, consisting of stylized, cursive letters that appear to be 'MJS'.

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Justice of the Court of King's Bench of Alberta

**SCHEDULE "A"**

**THE LANDS**

**Title No. 081 468 111**

CONDOMINIUM PLAN 0814562

UNIT 23

AND 233 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 081 468 112**

CONDOMINIUM PLAN 0814562

UNIT 24

AND 232 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 141 259 775**

CONDOMINIUM PLAN 0814562

UNIT 25

AND 325 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 121 069 022**

CONDOMINIUM PLAN 0814562

UNIT 26

AND 315 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 091 137 280**

CONDOMINIUM PLAN 0814562

UNIT 27

AND 316 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 091 085 140**

CONDOMINIUM PLAN 0814562

UNIT 28

AND 325 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 091 085 141**

CONDOMINIUM PLAN 0814562

UNIT 29

AND 325 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 121 069 023**

CONDOMINIUM PLAN 0814562

UNIT 31

AND 168 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 081 468 113**

CONDOMINIUM PLAN 0814562

UNIT 32

AND 285 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 121 069 024**

CONDOMINIUM PLAN 0814562

UNIT 33

AND 270 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**Title No. 131 059 645**

CONDOMINIUM PLAN 0814562

UNIT 36

AND 168 UNDIVIDED ONE TEN THOUSANDTH SHARES IN THE COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

**SCHEDULE “B”**

**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. **THIS IS TO CERTIFY** that KPMG Inc., the receiver and manager (the “**Receiver**”) of the lands legally described as

CONDOMINIUM PLAN 0814562  
UNITS 23-29, 31-33 AND 36  
AND ALL APPLICABLE ONE TEN THOUSANDTH SHARES IN THE  
COMMON PROPERTY  
EXCEPTING THEREOUT ALL MINES AND MINERALS

and municipally described as Units 2106, 2102, 2110, 2114, 2118, 2122, 2126, 3115, 3107, 3103, and 3119, 5150 – 47 Street NE, Calgary, Alberta, T3J 4N4 (the “**Lands**”), together with all assets, undertakings and properties of the Debtor located thereon, and any rents, profits and other receipts arising therefrom (collectively with the Lands, the “**Property**”), appointed by Order of the Court of King’s Bench of Alberta dated December 19, 2023 (the “**Order**”) made in action number 2301-01408, has received as such Receiver from the holder of this certificate (the “**Lender**”) the principal sum of \$[●], being part of the total principal sum of \$[●] that the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [●] after the date hereof at a notional rate per annum equal to the rate of [●] per cent above the prime commercial lending rate of [●] from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at [●].
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order

DATED the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**KPMG Inc.**, solely in its capacity as Receiver of the Property (as defined in the Order), and not in its personal capacity

Per: \_\_\_\_\_  
Name:  
Title:





KPMG Inc.  
DA – Restructuring & Turnaround  
205 5<sup>th</sup> Avenue SW  
Suite 3100  
Calgary, AB T2P 4B9  
Tel 403-691-8000  
Fax 403-691-8008  
www.kpmg.ca

December 22, 2023

**IMMEDIATE ATTENTION REQUIRED**

Attention: Calgary Auto Technician Ltd. (Unit 2114)

**Re: BRM Canada Group Inc. (the “Company”) – in Receivership**

As you have been previously advised, on December 19, 2023, KPMG Inc. was appointed receiver and manager (the “Receiver”) over the assets, properties and undertaking of the Company pursuant to an Order of the Court of King’s Bench of Alberta (the “Order”).

You have previously been requested to provide the following documentation:

1. A copy of your current lease agreement with the Company;
2. Proof of payment for rent for the months of October, November and December 2023.

**The Receiver hereby demands you to provide the above listed items by no later than 5:00 PM, Saturday December 23<sup>rd</sup>, 2023.**

As you are aware, the Receiver has engaged Veranova Properties Limited for property management services, who will provide direction on payment of January 2024 rent payments as well as a contact person.

If you have any questions please contact my colleague, Andrew Brausen, by phone at (403) 691-8092 or by email at [abrausen@kpmg.ca](mailto:abrausen@kpmg.ca).

Yours very truly,

**KPMG Inc.**, in its capacity as receiver  
and manager of BRM Canada Group Inc.,  
and not in its personal or corporate capacity

Jacqueline Shellon, CPA, CIRP, LIT  
Vice President



KPMG Inc.  
DA – Restructuring & Turnaround  
205 5<sup>th</sup> Avenue SW  
Suite 3100  
Calgary, AB T2P 4B9  
Tel 403-691-8000  
Fax 403-691-8008  
www.kpmg.ca

January 8, 2024

**IMMEDIATE ATTENTION REQUIRED**

Attention: Calgary Auto Technician Ltd. (Unit 2114) (the “Unit”)

**Re: BRM Canada Group Inc. (the “Company”) – in Receivership**

As you have been previously advised, on December 19, 2023, KPMG Inc. was appointed receiver and manager (the “Receiver”) over certain assets, properties and undertakings of the Company pursuant to an Order of the Court of King’s Bench of Alberta (the “Order”). The Order grants the Receiver the exclusive authority to manage and administer the Company’s interest in the Unit and the Company’s lease with you.

Based on your lease agreement, rent is due on the first day of the month. January 1, 2024 has passed without the Receiver having been paid rent. Furthermore, you have previously been requested to provide proof of payment for rent for the months of October, November and December 2023, and no such proof has been provided. Therefore, rent for October, November, and December 2023 and January 2024 (the “Outstanding Rents”) are considered outstanding and due. Paragraph 4 of your lease agreement also states that you are to provide twelve post-dated cheques in advance each year to cover rents. The Receiver is therefore requesting that you provide post-dated cheques for the months of February, March and April 2024 (the “Post-dated Cheques”).

We draw your attention to paragraph 33 of the Order, which states “any Person (including tenant) who occupies a unit in the Lands pursuant to any lease, agreement to lease, license or other form of agreement, whether written or oral (for purposes of this paragraph, each a “Lease”) shall pay to the Receiver (or its agent, delegate or manager, as directed by the Receiver) all rent which may then be due or may thereafter become due to the Debtor pursuant to the terms of such Lease.”

As you are aware, the Receiver has engaged Veranova Properties Limited (“Veranova”) for property management services, who has provided you with direction on payment of the Outstanding Rents.

**The Receiver hereby demands you to provide payment of the Outstanding Rents and Post-dated Cheques by no later than 5:00 PM, Friday January 12, 2024.**

Should payment not be received by the above deadline, the Receiver reserves the right to seek any legal relief that it deems necessary for the benefit of the estate including, but not limited to, canceling/terminating the lease.



If you have any questions please contact my colleague, Andrew Brausen, by phone at (403) 691-8092 or by email at [abrausen@kpmg.ca](mailto:abrausen@kpmg.ca).

Yours very truly,

**KPMG Inc.**, in its capacity as receiver  
and manager of BRM Canada Group Inc.,  
and not in its personal or corporate capacity

A handwritten signature in black ink, appearing to read 'J. Shellon'.

Jacqueline Shellon, CPA, CIRP, LIT  
Vice President