

COURT FILE NO. 2301-01408
COURT COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE CALGARY
APPLICANT BRM CANADA GROUP INC.
RESPONDENTS KPMG INC. In its capacity as court Appointed Receiver of certain property of BRM CANADA GROUP INC.
DOCUMENT ORDER (Discharge of Receiver)

Clerk's Stamp

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
Reliance Legal Group LLP
Barristers & Solicitors
Suite 1101 3961-52 AVE NE
Calgary AB T3J 0J7
Phone 403-313-6470
Fax: 403-590-7800
Email: tj@rlglaw.ca

DATE ON WHICH ORDER WAS PRONOUNCED: **APRIL 16, 2024**
LOCATION OF HEARING OR TRIAL: **Calgary, Alberta**
NAME OF JUSTICE WHO MADE THIS ORDER: **The Honourable Madam Justice Sidnell**

UPON THE APPLICATION of BRM Canada Group Inc. ("**BRM**") for an order, among other things: (i) discharging KPMG Inc. in its capacity as receiver and manager of certain assets of BRM (in such capacity, the "**Receiver**"); (ii) authorizing and directing final distribution(s) of funds held by the Receiver; (iii) approving the Receiver's conduct and activities described in the Second Report dated 8, 2024 (the "**Second Report**"); (iv) approving the professional fees of the Receiver and its counsel; (v) approving the Receiver's statement of receipts and disbursements, (vi) declaring the indebtedness owing to Royal Bank of Canada ("**RBC**"); (vii) authorizing the return of the property that is the subject of this proceeding to BRM; and (viii) sealing the Confidential Supplement to the Second Report;

AND UPON reading the Receivership Order granted by the Honourable Justice C.C.J. Feasby on December 19, 2023 (the "**Receivership Order**"), the Sale Process Order granted by the Honourable
LEGAL*62331163.3

M.H. Hollins on February 28, 2024 (the “**Sale Process Order**”), the First Report of the Receiver dated February 22, 2024, the Second Report, the Affidavit of Jessica Chohan filed on November 9, 2023 (the “**First RBC Affidavit**”), the Affidavit of Jessica Chohan sworn on April 11, 2024 (the “**Second RBC Affidavit**”, and together with the First RBC Affidavit, the “**RBC Affidavit**”), and the Affidavit of Service of Stephanie Chan, sworn April 12, 2024 and the Affidavit of Service of Angeline Gagnon sworn [●], 2024 (collectively, the “**Service Affidavit**”); **AND UPON** hearing from counsel for BRM and counsel for the Receiver, counsel for RBC and counsel for any other persons present;

IT IS HEREBY ORDERED AND DECLARED THAT:

1. All capitalized terms used in this Order and not otherwise defined shall have the meaning ascribed to them in the Receivership Order.

Service of Application

2. Service of the Application and supporting materials (including the Second Report) in the manner described in the Service Affidavit is hereby declared to be good and sufficient, and time for service of this Application and supporting materials (including the Second Report) is abridged to that actually given.

Conduct, Activities & Professional Fees of the Receiver

3. The Receiver's accounts for fees and disbursements (including estimates to completion), as set out in the Second Report are hereby approved without the necessity of a formal passing of its accounts.
4. The accounts of the Receiver's legal counsel Cassels, Brock & Blackwell LLP (“**Cassels**”), for its fees and disbursements(including estimates to completion) as set out in the Second Report are hereby approved without the necessity of a formal assessment of its accounts.
5. The Receiver's activities as set out in the Second Report and in all of its other reports filed herein, and the estimated Final Statement of Receipts and Disbursements as attached to the Second Report, are hereby ratified and approved.

RBC Indebtedness and Final Distribution

6. There is outstanding, due and owing to the Plaintiff, RBC, (i) the sum of \$3,907,911.49 as at April 15, 2024, under and by virtue of Receiver’s Certificate(s) as authorized by the Receivership Order, and the loan, mortgage and such other security as detailed in the RBC

Affidavit (including such security documents referenced in Appendix "A" hereto) as applicable, plus (ii) any additional legal costs incurred by RBC for the completion of these proceedings on a solicitor and own client basis not to exceed \$5,000, plus (iii) interest accruing from and after April 15, 2024 at the *per diem* rate of \$413.04 (collectively, the "**RBC Indebtedness**").

7. The Receiver is hereby authorized and directed to make the following distributions from the funds being held by the Receiver (or counsel to the Receiver) in relation to the within proceedings, including without limitation from the BRM Funds (as defined below):

(a) First towards the payment of:

- the professional fees referenced in paragraphs 3 and 4 herein; and
- any other remaining fees, costs and expenses associated with the Receiver's administration of the Property pursuant to the Receivership Order, including without limitation: (x) all of the unpaid fees and disbursements of the Receiver and its counsel, in each case at their standard rates and charges, secured by the Receiver's Charge; (y) all amounts secured by the Receiver's Borrowing Charge; and (z) all amounts owing by the Receiver under any contract or agreement between the Receiver and any third party (whether written or oral), including without limitation those agreements listed in Appendix "B" hereto;

(collectively, the "**Costs of Administration**")

(b) Second to RBC in the amount of the RBC Indebtedness; and

(c) Third all remaining funds (if any) held by the Receiver following the completion of the within receivership proceedings to the satisfaction of the Receiver in its sole discretion shall be returned to Reliance Legal Group LLP, on behalf of BRM.

8. Should there be insufficient funds available in the receivership estate to satisfy some or all of the Costs of Administration and RBC Indebtedness, BRM shall be obligated to pay such additional amounts necessary to cover the Costs of Administration and RBC Indebtedness in full (the "**Deficiency**"). Within five days of being notified of the Deficiency, BRM shall wire to the Receiver the full amount of the Deficiency in immediately available funds and without any conditions attached to such funds. Notwithstanding the filing of the Transition Certificate (as defined below), the Receiver's Charge and Receiver's Borrowings Charge shall continue to attach to the Lands (as defined in the Receivership Order and described in Schedule "A" to the

Receivership Order) in accordance with the Receivership Order, and the mortgage in favour of RBC as detailed in the RBC Affidavit shall continue to attach to the Lands, until such time as the Deficiency (if any) is paid in full and the Receiver files the Discharge Certificate (as defined below).

Creditor Claims

9. All claims of creditors of BRM that have not been satisfied as of the date of this Discharge Order shall be unaffected by this proceeding, and such creditors shall be entitled to pursue any remedy available at law as against BRM or the Property following the filing of the Discharge Certificate (as defined below).

Return of the Lands

10. Upon the Receiver filing a Receiver's certificate in substantially the form attached hereto as Appendix "C" (the "**Transition Certificate**"), certifying that BRM or its counsel has paid to the Receiver or its counsel funds in the amount of \$4,500,000 (the "**BRM Funds**") and that BRM (or its counsel) has confirmed in writing that there are no conditions to the release of the BRM Funds other than those contained in this Discharge Order:

- (a) the Listing Agreement (as defined in the Sale Process Order) shall be immediately terminated and of no further force and effect;
- (b) the Sale Process (as defined in the Sale Process Order) shall be immediately terminated;
- (c) the Property Management Agreement (as defined in Appendix "B") shall be immediately terminated and of no further force and effect;
- (d) all of the rights and obligations of the Receiver under the assigned leases set forth in Appendix "D" shall be deemed to be assumed by BRM; and
- (e) the Receiver's powers and authority to manage the Lands shall be terminated.

Discharge

11. On the evidence before the Court, the Receiver has satisfied its obligations under and pursuant to the terms of the Orders granted in the within proceedings up to and including the date hereof, and the Receiver shall not be liable for any act or omission on its part including, without limitation, any act or omission pertaining to the discharge of its duties in the within proceedings, the termination of the Listing Agreement, the Sale Process or Property Management

Agreement, save and except for any liability arising out of any in fraud, gross negligence or willful misconduct on the part of the Receiver, or with leave of the Court. Subject to the foregoing, any claims against the Receiver in connection with the performance of its duties are hereby stayed, extinguished and forever barred.

12. No action or other proceedings shall be commenced against the Receiver in any way arising from or related to its capacity or conduct as Receiver, except with prior leave of this Court on notice to the Receiver, and upon such terms as this Court may direct.

13. Upon the Receiver filing with the Clerk of the Court a certificate (the “**Discharge Certificate**”) substantially in the form attached as Appendix “E” hereto confirming that all matters set out in paragraphs 7 and 8 of this Order have been completed; and

then the Receiver shall be discharged as Receiver of the Property, provided however, that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of the Receiver in its capacity as Receiver.

14. Upon filing of a copy of the Discharge Certificate, the Registrar of Land Titles (“**Land Titles Registrar**”) for the lands defined below (the “**Lands**”) shall and is hereby authorized, requested and directed to forthwith discharge and expunge the following encumbrance registered against title to the Lands:

Registration Number	Date	Particulars
241 037 731	03/02/2024	ORDER IN FAVOUR OF - KPMG INC. 3810,888-3 STREET SW CALGARY ALBERTA T2P5C5 RECEIVERSHIP ORDER

Sealing

15. The Confidential Supplement shall be sealed on the Court file notwithstanding Division 4, Part 6 of the *Alberta Rules of Court*, Alta Reg 124/2010 until the earlier of:

- (a) the filing of the Discharge Certificate; or
- (b) further order of this Honourable Court;

(collectively, the “**Unsealing Date**”).

16. Until the Unsealing Date, the Confidential Supplement shall be sealed and kept confidential, to be shown only to a Justice of the Court of King’s Bench of Alberta, and accordingly, shall be filed with the Clerk of the Court who shall keep the Confidential Appendices in a sealed envelope attached to a notice that sets out the style of cause of these proceedings and states:

THIS ENVELOPE CONTAINS CONFIDENTIAL MATERIALS FILED IN COURT FILE NO. 2301 01408. THE CONFIDENTIAL APPENDICES TO THE FIRST REPORT ARE SEALED PURSUANT TO THE SEALING ORDER ISSUED BY THE HONOURABLE JUSTICE SIDNELL ON APRIL 16, 2024.

17. Any person may apply to set aside paragraph 14 of this order upon providing the Receiver and all other interested parties with 5 days notice of such application.

18. This Order must be served only upon those interested parties attending or represented at the within application and service may be effected by facsimile, electronic mail, personal delivery or courier. Service is deemed to be effected the next business day following the transmission or delivery of such documents.

19. Service of this Order on any party not attending this application is hereby dispensed with.

J.C.C.K.B.A.

Appendix "A"
RBC Security Documents

1. Site-Specific Security Agreement dated October 23, 2019 granted by BRM Canada in favour Royal Bank of Canada with respect to the Mortgaged Properties (defined below).
2. General Security Agreement dated August 10, 2021 granted by BRM in favour of Royal Bank of Canada.
3. Commercial Mortgage dated as of October 23, 2019 in a principal amount of \$3,900,000.00 granted by BRM in favour of Royal Bank of Canada as to certain real property in Alberta legally described as:

CONDOMINIUM PLAN 0814562

UNIT 23

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

AND

CONDOMINIUM PLAN 0814562

UNIT 24

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

AND

CONDOMINIUM PLAN 0814562

UNIT 25

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

AND

CONDOMINIUM PLAN 0814562

UNIT 26

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

AND

CONDOMINIUM PLAN 0814562

UNIT 27

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

AND

CONDOMINIUM PLAN 0814562

UNIT 28

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

AND

CONDOMINIUM PLAN 0814562

UNIT 29

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

AND

CONDOMINIUM PLAN 0814562

UNIT 31

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

AND

CONDOMINIUM PLAN 0814562

UNIT 32

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

AND

CONDOMINIUM PLAN 0814562

UNIT 33

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

AND

CONDOMINIUM PLAN 0814562

UNIT 36

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

(collectively, the "**Mortgaged Properties**")

4. General Assignment of Rents dated as of October 23, 2019 granted by BRM in favour of Royal Bank of Canada with respect to the Mortgaged Properties.

**Appendix “B”
Receiver’s Agreements**

1. Property Management Agreement dated December 20, 2023 between the Receiver and Veranova Properties Limited (the “**Property Management Agreement**”).
2. Valuation Engagement Letter dated January 19, 2024 between the Receiver and Avison Young Valuation & Advisory Services, LP.
3. Listing Agreement dated February 21, 2024 between the Receiver and Avison Young Commercial Real Estate Services, LP.

Appendix "C"
Transition Certificate

COURT FILE NUMBER 2301-01408

COURT COURT OF KING'S BENCH OF ALBERTA

JUDICIAL CENTRE CALGARY

PLAINTIFF ROYAL BANK OF CANADA

DEFENDANT BRM CANADA GROUP INC., SAIMA
 QADEER and CHOUDHRY QADEER
 AKRAM

DOCUMENT **RECEIVER'S TRANSITION CERTIFICATE**



ADDRESS FOR SERVICE Cassels Brock & Blackwell LLP
AND 3810, Bankers Hall West
CONTACT INFORMATION OF 888 3 Street SW Calgary, AB T2P 5C5
PARTY FILING THIS
DOCUMENT Attention: Jeff Oliver / Danielle Marechal

 P: 403.351.2921

 E: joliver@cassels.com / dmarechal@cassels.com

 File No.: 043436-18

RECITALS

- A. Pursuant to an Order of the Honourable Justice C.C.J. Feasby of the Court of King's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated December 19, 2023, KPMG Inc. was appointed as the receiver and manager (the "**Receiver**") of certain undertakings, property and assets of BRM Canada Group Inc. (the "**Debtor**").
- B. Pursuant to an Order of the Court dated April 16, 2024, the Court granted an Order (the "**Discharge & Transition Order**"), pursuant to paragraph 10 of which, upon the filing of a Receiver's certificate certifying that BRM or its counsel has paid to the Receiver or its counsel funds in the amount of \$4,500,000 (the "**Funds**") and that BRM (or its counsel) has confirmed that there are no conditions to the release of the Funds other than those contained in this Discharge & Transition Order, the Receiver's powers and authority to manage the Lands shall be terminated.
- C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Discharge & Transition Order.

THE RECEIVER CERTIFIES the following:

1. The Receiver has received the Funds and BRM or its counsel has confirmed in writing to the Receiver that there are no conditions to the release of the Funds other than those contained in the Discharge & Transition Order.
2. This Certificate was delivered by the Receiver at **[Time]** on **[Date]**.

KPMG INC., in its capacity as Receiver of certain undertakings, property and assets of BRM Canada Group In., and not in its personal capacity.

Per; _____

Name:

Title:

Appendix "D"
Assigned Leases

1. Lease Agreement dated February 16, 2024 between the Receiver, Calgary Auto Technician Ltd. (as tenant) and Sanjiv Kumar Malhotra (as guarantor).
2. Lease Agreement dated February 16, 2024 between the Receiver, Icon Kitchen Cabinets Ltd. (as tenant) and Zianullah Rahmani (as guarantor).
3. Lease Agreement dated February 16, 2024 between the Receiver, Zealouse Granite & Tile Ltd. (as tenant) and Mohammad Saeed (as guarantor).

Appendix "E"
Discharge Certificate

COURT FILE NUMBER	2301-01408
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	ROYAL BANK OF CANADA
DEFENDANT	BRM CANADA GROUP INC., SAIMA QADEER and CHOUDHRY QADEER AKRAM
DOCUMENT	RECEIVER'S DISCHARGE CERTIFICATE

Clerk's Stamp

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Cassels Brock & Blackwell LLP 3810, Bankers Hall West 888 3 Street SW Calgary, AB T2P 5C5 Attention: Jeff Oliver / Danielle Marechal P: 403.351.2921 E: joliver@cassels.com / dmarechal@cassels.com File No.: 043436-18
---	---

RECITALS

- A. Pursuant to an Order of the Honourable Justice C.C.J. Feasby of the Court of King's Bench of Alberta, Judicial District of Calgary (the "**Court**") dated December 19, 2023, KPMG Inc. was appointed as the receiver and manager (the "**Receiver**") of certain undertakings, property and assets of BRM Canada Group Inc. (the "**Debtor**").
- B. Pursuant to an Order of the Court dated April 16, 2024, the Court granted an order (the "**Discharge & Transition Order**"), pursuant to paragraph 13 of which, upon the filing of a Receiver's certificate confirming the completion of all matters set out in paragraphs 7 and 8 of the Discharge & Transition Order, KPMG Inc. ("**KPMG**") shall be discharged over the Property; provided that, notwithstanding its discharge: (i) KPMG shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership of the Property; and (ii) KPMG shall continue to have the benefit of the provisions of all order made in this proceeding, include all approvals, protections and stays of proceedings in favour of KPMG in its capacity as Receiver.

C. Unless otherwise indicated herein, capitalized terms have the meanings set out in the Discharge & Transition Order.

THE RECEIVER CERTIFIES the following:

1. The remaining matters outstanding to complete the administration of the receivership described in paragraphs 7 and 8 of the Discharge & Transition Order have been completed to the satisfaction of the Receiver.
2. A copy of the Receiver's final statement of receipts and disbursements is attached as Appendix "1" hereto.
3. This Certificate was delivered by the Receiver at **[Time]** on **[Date]**.

KPMG INC., in its capacity as Receiver of certain undertakings, property and assets of BRM Canada Group In., and not in its personal capacity.

Per; _____

Name:

Title: