

Vancouver

01-Jun-26

REGISTRY

This is the 2nd affidavit of
Arden Vos in this case and
was made on June 1, 2026

NO. S-263823
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

NATIONAL BANK OF CANADA

PETITIONER

AND:

0993006 B.C. LTD., 1014669 B.C. LTD., 670805 B.C. LTD.
and 0859116 B.C. LTD.

RESPONDENTS

A F F I D A V I T

I, **Arden Vos**, of the City of Edmonton, in the Province of Alberta, **SWEAR THAT:**

I. INTRODUCTION

1. I am a Senior Director and Team Lead of the Special Loans Group for National Bank of Canada (the "**Lender**"). I have personal knowledge of the matters described in this affidavit, except where I say that my knowledge is based on information from others, in which case, I believe the same to be true. I am authorized to make this affidavit on behalf of the Lender.

2. I make this affidavit in support of a motion by the Lender for an order (the "**Amended and Restated CCAA and Receivership Order**"), amending and restating the order of the Honourable Madam Justice Fitzpatrick granted herein May 25, 2026 (the "**Initial CCAA and Receivership Order**"), to, among other things:

- (a) extend the Stay Period (as defined in the Initial CCAA and Receivership Order) to and including August 21, 2026;
- (b) increase the quantum of:
 - (i) the Administration Charge to a maximum amount of \$500,000; and

- (ii) the amount of principal that can be borrowed under the Interim Financing Facility (as defined below) to the maximum principal amount of \$3,000,000.

3. This affidavit is made further to my first affidavit made in these proceedings dated May 21, 2026 (the "**First Vos Affidavit**") and should be read in conjunction with same. All capitalized terms not otherwise defined herein have the meaning ascribed to them in the First Vos Affidavit.

4. All references to currency in this affidavit are in Canadian dollars. The Petitioner does not waive or intend to waive any applicable privilege by any statement herein.

II. BACKGROUND AND STATUS OF THESE PROCEEDINGS

5. In 2021, 0993006 B.C. Ltd. ("**0993006**"), 1014669 B.C. Ltd. ("**1014669**"), 670805 B.C. Ltd. ("**670805**") and 0859116 ("**0859116**" and together with 0993006, 1014669 and 670805, the "**Borrowers**") entered into a loan agreement dated May 5, 2021 (as amended and restated, the "**Loan Agreement**") with the Lender to finance the construction of a strata development, containing 93 residential units in a 6-storey building (the "**Project**").

6. The Project is located on a portion of lands municipally described as 8140/8148/8158 166th Street, Surrey, BC, and legally described as:

PID: 030-538-050
Lot 1, Section 25, Township 2, New Westminster District Plan
EPP72006 except part in Strata Plan EPS6268 (Phase 1)

(the "**Real Property**").

7. 1014669 and 0993006 (together, the "**Nominees**") hold legal title to the Real Property in trust for 0993006, 670805 and 0859116 as beneficial owners (together, the "**Beneficial Owners**").

8. Under the Loan Agreement, the Lender agreed to provide to the Borrowers certain credit facilities (the "**Credit Facilities**"). The Credit Facilities were due in full the earlier of demand and January 15, 2026 (the "**Maturity Date**"). The Credit Facilities were not paid on the Maturity Date and remain outstanding. The Lender has issued demands and notices of intention to enforce its security.

9. To secure the Obligations under the Credit Facilities, the Borrowers provided, among other things, a first-ranking mortgage and assignment of rents from the Nominees in respect of the Real Property and a beneficial mortgage by which 0993006 and the Beneficial Owners, as beneficial owners of the Real Property charged their beneficial interests in the Real Property and the personal property relating thereto in favour of the Lender.

10. As set out in the First Vos Affidavit, the Lender has a validly registered first-charge security interest in the Project and the interests of the Borrowers therein. The Lender was also granted subordination agreements for its security from Bancorp which provided construction financing to the Borrowers and Westmount which provided deposit insurance with respect to the Project.

11. Having regard to stabilising and protecting the Project and ensuring the best interests of the stakeholders of the Project, and after extensive review and careful consideration of the strategic options and alternatives available, the Lender commenced these proceedings.

12. The Petitioner now seeks additional relief intended to advance the purposes of these proceedings and facilitate the stabilisation, protection and completion of the Project.

III. THE AMENDED AND RESTATED INITIAL CCAA AND RECEIVERSHIP ORDER

13. The relief sought under the Initial CCAA and Receivership Order was circumscribed to provide the stability, breathing room and financing required to prevent further risk to the Project during the initial Stay Period. The Applicant now seeks to extend and expand certain of the limited relief granted under the Initial CCAA and Receivership Order pursuant to the proposed Amended and Restated Initial CCAA and Receivership Order.

14. The material relief sought under the proposed Amended and Restated Initial CCAA and Receivership Order is discussed below.

a. Extending the Stay Period

15. The Stay Period under the Initial CCAA and Receivership Order will expire on June 4, 2026. Pursuant to the proposed Amended and Restated CCAA and Receivership Order, the Applicants are seeking to extend the initial Stay Period to and including August 21, 2026.

16. The Stay Period has, and if extended will, continue to preserve the *status quo* and will, among other things:

- (a) avoid the adverse consequences associated with a bankruptcy or liquidation in respect of the CCAA Debtors; and
- (b) allow the Monitor to advance the construction of the Project and determine the best way to realise on it.

17. In connection with the petition for the Initial CCAA and Receivership Order, A&M, as proposed Monitor, conducted a cash flow analysis to determine the amount required to finance the ordinary course business operations of the CCAA Debtors and the stabilisation and construction of the Project, assuming the Initial CCAA and Receivership Order was granted, over the 13-week period from the week ending May 23, 2026 to August 21, 2026 (the "**Cash Flow Forecast**"). A copy of the Cash Flow Forecast was attached as Appendix B to the Pre-Filing Report of A&M dated May 22, 2026. I understand that the Monitor is preparing a revised Cash Flow Forecast through to August 21, 2026 which will be appended to the Monitor and Receiver's First Report. I understand that the revised Cash Flow Forecast will demonstrate that the Borrowers will have sufficient liquidity to meet their obligations through the proposed extension of the Stay Period provided the proposed Amended and Restated Initial CCAA and Receivership Order is granted.

18. In light of the foregoing, I believe that the proposed extension of the Stay Period is both necessary and in the best interests of the CCAA Debtors and stakeholders of the Project. The Lender is the primary economic stakeholder, and supports this extension.

19. The Monitor has advised that it is supportive of the proposed extension of the Stay Period and that it believes that such extension is reasonable and appropriate in the circumstances.

b. Increasing the Administration Charge

20. The Initial CCAA and Receivership Order provides for a court-ordered charge in favour of the Monitor, the Receiver, their legal counsel, and counsel to the Petitioner, over the Property, to secure payment of their respective fees and disbursements incurred in connection with services rendered in respect of these proceedings up to a maximum amount of \$150,000

(the "**Administration Charge**"). The proposed Amended and Restated CCAA and Receivership Order seeks to increase the Administration Charge to the amount of \$500,000. The increased quantum was determined in consultation with the Monitor and Receiver.

21. The expertise, knowledge, and continued participation of the proposed beneficiaries of the Administration Charge is required during these proceedings in order to complete a successful restructuring and ensuring the completion of the Project.

22. I believe that the increase to the Administration Charge is fair and reasonable in the circumstances, given the longer Stay Period sought. I understand that A&M, in its capacity as proposed Monitor and Receiver, is also supportive of the increase to the Administration Charge and that it is fair and reasonable in the circumstances. The Lender supports the increase to the Administration Charge.

c. Increasing Advances under the Interim Financing Facility

23. In connection with the commencement of these proceedings, the Lender (in such capacity, the "**Interim Lender**") provided an interim financing facility (the "**Interim Financing Facility**") pursuant to a financing agreement dated May 21, 2026 (the "**Interim Lending Term Sheet**") to assist with funding the Borrowers' ongoing business expenses and carrying costs related to the Project, immediate construction costs of the Project, legal costs of the Interim Lender, and the general cost of the Monitor, the Receiver, and their counsel.

24. As referenced above, the Initial CCAA and Receivership Order:

- (a) authorized the Monitor, on behalf of the CCAA Debtors, and the Receiver, on behalf of the Receivership Debtors, to borrow under the Interim Financing Facility up to the maximum principal amount of \$350,000; and
- (b) granted the Interim Lender a charge on the Property for the CCAA Debtors and the Receivership Debtors' respective obligations under the Interim Lending Term Sheet (the "**Interim Lender's Charge**").

25. The amount of the Interim Financing Facility to be funded during the initial Stay Period was limited to what was necessary to ensure the continued operation of the CCAA Debtors'

Business prior to hearing of the application for the Amended and Restated Initial CCAA and Receivership Order.

26. Having regard to the Cash Flow Forecast and the funding requirements during the Stay Period, the Lender now seeks to increase the quantum of principal which may be borrowed under the Interim Financing Facility from \$350,000 to \$3,000,000 – the maximum borrowings available under the Interim Financing Facility, all in accordance with the Interim Lending Term Sheet.

27. If the maximum borrowings under the Interim Financing Facility are not increased, neither the Monitor nor the Receiver will be able to obtain additional advances beyond \$350,000 which are necessary to maintain the Project and fund these proceedings during the Stay Period. These additional funds are necessary to ensure the preservation and realisation of value in the Project.

28. Pursuant to the Interim Lending Term Sheet, all advances under the Interim Financing Facility are to be secured by the Interim Lender's Charge.

29. A&M as the Monitor and the Receiver has advised that it is supportive of the proposed increase in borrowing under the Interim Financing Facility and that such increase is in the best interests of the Borrowers and their stakeholders in these circumstances.

IV. CONCLUSION

30. Since the granting of the Initial CCAA and Receivership Order, the Lender has acted in good faith and with due diligence. With the benefit of the relief proposed under the Amended and Restated Initial CCAA and Receivership Order, the Monitor and the Receiver will be able to oversee the completion of the construction of the Project and preserve the value of the pre-sale purchase agreements.

31. I believe that the relief sought on the within motion and described above is in the best interests of the Borrowers and their stakeholders. Such relief will advance the purposes of these proceedings and is supported by A&M, in its capacity as both Monitor and Receiver.

32. I acknowledge the solemnity of making a sworn statement/solemn declaration and acknowledge the consequences of making an untrue statement.

