



Affidavit #1 of Rana Khaliq
Sworn on May 27, 2020

No. **VLC-S-B-200207**
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN THE BANKRUPTCY AND INSOLVENCY**

IN THE MATTER OF THE NOTICE OF INTENTION

TO MAKE A PROPOSAL OF

B.C. CURRENCY EXCHANGE INC.

AFFIDAVIT OF RANA KHALIQ

I, RANA KHALIQ, President and Director of B.C. Currency Exchange Inc. ("BCCE" or "the Company"), of 10230 152nd Street, Surrey, British Columbia, MAKE OATH AND SAY AS FOLLOWS:

1. I am the President and Director of the Company and as such have personal knowledge of the facts and matters hereinafter deposed to save and except those based on information and belief and whereso stated I verily believe them to be true.
2. I am providing this information to the Court pursuant to my duty to assist pursuant to the Interim Receiver Order in these proceedings.
3. BCCE is a foreign exchange dealer that has been in operations in British Columbia for approximately 20 years. It operates its business across 4 stores in the lower mainland which are located in Vancouver, Surrey, White Rock and Abbotsford.
4. I acknowledge that the Company's current financial insolvent circumstances were by in large created by my mismanagement and lack of proper financial controls. The Company also suffered market losses as a result of currency exchange orders that were open during the month March, 2020. In addition, the Company experienced challenges as a result of the impact on business revenues created by COVID 19.
5. I also acknowledge that substantial amounts of funds flowed back and forth from the Company to a real estate development project owned by entities that were owned and controlled by myself.
6. I often considered them all part of one enterprise, even though I knew each of these entities was legally separate.

7. Over the years, I have established myself as a businessman in the Indo-Canadian community and as such I have attracted many clients, partners and willing financial participants in my various business ventures.

The La Voda Real Estate Development:

8. I am the sole shareholder and director of Conian Developments Inc, ("CDI"). CDI is the sole owner of Conian Development (La Voda) Inc. and Conian Development (La Voda II) Inc. and I am the sole director of all the Conian entities. This was the first time I was involved in a real estate development.
9. All three Conian entities are involved in the development of a real estate development project in Surrey known as the La Voda Development.
10. The La Voda Development involves a number of building development sites organized into in two phases. Phase One is approximately currently 35% completed and has an approximate value of \$35 million, based on recent Quantity Surveyor Reports. Phase II is bare land and a Development Proposal in respect of the land has been submitted to the City of Surrey. Phase II and has an approximate current value of \$16 or million.
11. The approximate total mortgage and financing charges against the La Voda Development are \$22 million.
12. The potential finished total value of the La Voda Development may be in excess of \$100 million.

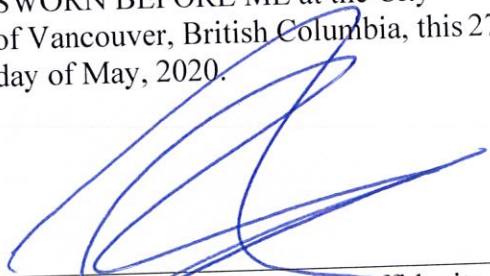
The Company's Efforts Since the NOI:

13. Since the appointment of McEown and Associates as Interim Receiver and Trustee ("McEown") in these proceedings, I have worked diligently with McEown to assist in providing financial information on the Company's bank accounts, access to the Company's books and records and is providing background on the currency exchange business as well as a real estate development project I own through a separate entities (described more fully below).
14. I have been diligently working with the Interim Receiver to update the Company's records to produce a fulsome accounting of the Company's cash flows, including transfers back and forth flowing between the Company and separate entities owned by me.

The Company's Restructuring Plans:

15. I have also been engaged in meaningful discussions with the Trustee to develop a Proposal in this proceeding which would include a potential transaction between Promerita Capital Management Corp. ("Promerita") and Conian Developments that could result in significant amounts of funds being brought back into the Company from the completion of La Voda Development.
16. In particular, the Company is in the process of negotiating a transaction with Promerita, and potentially other interested parties, that could see significant funds in excess of the \$12 million current value, with a potential return up to \$30 million to creditors, partners and willing financial participants in the Company.
17. If that Proposal is accepted, Conian Developments Inc. is prepared to assign the equity it has the La Voda Development to McEown and Associates, Trustee for the benefit of the creditors of the Company and the persons and/or entities whose funds flowed through the Company into the La Voda Development.
18. Attached hereto and marked as **Exhibit "A"** to this my Affidavit is the copy of a letter from William L. Roberts of Lawson Lundell LLP, solicitors for Promerita Capital Management Corp.
19. Attached hereto and marked as **Exhibit "B"** to this my Affidavit is a copy of the letter from H. Roderick Anderson of Harper Grey LLP, solicitors for Rana Khaliq and Conian Developments Inc.
20. I swear this affidavit in support of the Company's application to extend the time for filing a proposal under the *Bankruptcy and Insolvency Act* (the "BIA").

SWORN BEFORE ME at the City
of Vancouver, British Columbia, this 27th
day of May, 2020.



A Commissioner for taking Affidavits
In the Province of British Columbia.

MELDON ELLIS
Barrister & Solicitor
400 – 1681 Chestnut Street
Vancouver, B.C. V6J 4M6



RANA KHALIQ

Harper Grey LLP

BARRISTERS & SOLICITORS
3200 • 650 West Georgia Street
Vancouver BC Canada V6B 4P7
Tel. 604 687 0411 • Fax 604 669 9385

H. RODERICK ANDERSON
DIRECT LINE: 604 895 2849
randerson@harpergrey.com
www.harpergrey.com

This is Exhibit "A" referred to
in the Affidavit of

Rana Khaliq
Sworn before me this 27th day
of May, A.D. 2020

File Number: 147550

May 27, 2020

VIA EMAIL

McEown & Associates Ltd.
1140 - 800 West Pender Street
Vancouver, BC V6C 2V6

A Commissioner for Oaths in and for
the Province of British Columbia

Ellis Business Lawyers
Suite 400 - 1681 Chestnut Street
Vancouver, BC, V6J 4M6

Attention: John McEown

Attention: Meldon Ellis

Dear Sirs:

Re: BC Currency Exchange Inc./Rana Khaliq/Conian Developments Inc. et al

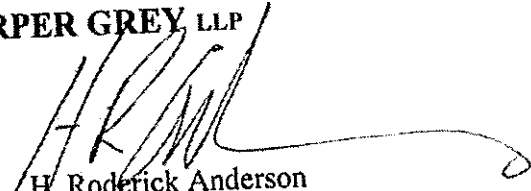
I am writing to confirm that I act for Rana Khaliq and Conian Developments Inc. Mr. Khaliq is the sole shareholder, director and officer of Conian Developments Inc. As you are aware, Conian Developments Inc. has two wholly owned subsidiaries, Conian Developments (La Voda) Inc. and Conian Developments (La Voda II) Inc. La Voda and La Voda II are involved in real estate developments in Surrey, British Columbia.

With respect to the proposal intended to be prepared on behalf of BC Currency Exchange Inc., Mr. Khaliq and Conian Developments Inc. are prepared to assign the equity they have in La Voda and La Voda II to McEown and Associates, Trustee for the benefit of the creditors of the BC Currency Exchange Inc. and the persons and/or entities whose funds flowed through the BC Currency Exchange Inc. into the La Voda developments referred to above if the proposal is accepted.

I trust the above is the information you require.

Yours truly,

HARPER GREY LLP


Per: H. Roderick Anderson
Law Corporation

HRA/mw

MEMBER OF THE TAGLAW INTERNATIONAL LEGAL NETWORK



Suite 1600 Cathedral Place
 925 West Georgia Street
 Vancouver, BC
 Canada V6C 3L2
 T: 604.685.3456

This is Exhibit "B" referred to
 in the Affidavit of

Rana Khaliq

Sworn before me this 20 day

of May A.D. 2020

A Commissioner for Oaths in and for
 the Province of British Columbia

William L. Roberts
 D: 604.631.9163
 F: 604.641.4401

wroberts@lawsonlundell.com

May 27, 2020

VIA EMAIL meldon@ellislawyers.com

Ellis Business Lawyers
 Suite 400 – 1681 Chestnut Street
 Vancouver, BC
 V6J 4M6

Attention: Meldon Ellis

Dear Sirs and Mesdames:

Re: **B.C. Currency Exchange Inc.**

We are solicitors for Promerita Capital Management Corp.. ("Promerita").

As discussed, Promerita has expressed an interest in acquiring the real estate projects owned by Conian Developments Inc. that are commonly referred to as La Voda I and La Voda II (the "La Voda Development"), with a view to funding and completing construction.

We understand that various creditors of BC Currency Exchange Inc. have advanced claims against Conian Developments and/or the La Voda Development. As such, in order to acquire good and clean title to the La Voda Developments, Promerita will need to address the claims of these creditors in some fashion. Promerita's current intention is to work with Rana Khaliq, the principal of both Conian Developments Inc. and BC Currency Exchange Inc., to make a Proposal to the creditors of BC Currency Exchange Inc. That Proposal will be 'funded' by way of a portion of the profits to be earned from the development and sale of the La Voda Developments, and will likely take the form of limited partnership units.

Given the various constituencies of investors and creditors of both the La Voda Development and B.C. Currency Exchange Inc., it is very unlikely that Promerita could pursue this transaction unless it is under a formal court proposal process, and preferably within the current Proposal process being administered by McEown and Associates Ltd.

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We trust the above is satisfactory.

Yours very truly,

LAWSON LUNDELL LLP

A handwritten signature in black ink, appearing to read 'WLR', with a large, stylized flourish extending to the right.

William L. Roberts

WLR/czc