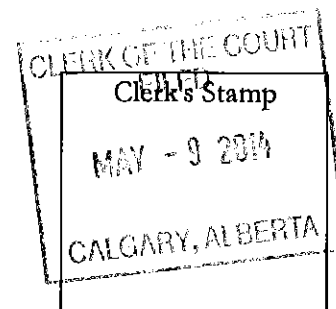




COURT FILE NUMBER	1201-15430
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFFS	STANLEY EISENBERG, BRENDA EISENBERG, JACK EISENBERG, LYNN EISENBERG and EISENBERG'S PROPERTIES LTD.
DEFENDANTS:	910234 ALBERTA LTD., RANDY CALMUSKY, THERESA CALMUSKY, KYLE CALMUSKY, CALE HUMENIUK and JORDAN RINTOUL
DOCUMENT	RECEIVER'S ELEVENTH REPORT May 8, 2014
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING DOCUMENT	<u>RECEIVER</u> Grant Thornton Limited 900, 833 – 4 th Avenue SW Calgary, AB T2P 3T5 Attention: Guy Odhams Telephone: (403) 296-3143 Facsimile: (403) 260-2571 E-Mail: Guy.Odhams@ca.gt.com <u>COUNSEL</u> Field LLP 400, 604 – 1 Street S.W. Calgary, AB T2P 1M7 Attention: Douglas S. Nishimura Telephone: (403) 260-8548 Facsimile: (403) 264-7084 E-Mail: dnishimura@fieldlaw.com

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Background

1. 910234 Alberta Ltd. ("**910**" or the "**Company**") is a corporation incorporated pursuant to the laws of the Province of Alberta. Randy Calmusky is the sole director of 910.
2. 910 was in the business of raising funds from investors for the purpose of investing in residential mortgages. Investors provided funds in the form of loans to 910, and those loans were to be documented through a series of mortgage sale and servicing agreements.
3. On December 6, 2012, Stanley Eisenberg, Brenda Eisenberg, Jack Eisenberg, Lynn Eisenberg and Eisenberg's Properties Ltd. (collectively the "**Eisenbergs**"), applied for, and were granted an Attachment Order by the Honourable Justice K. D. Yamauchi on December 6, 2012 (the "**Attachment Order**"). By various subsequent Orders, the Attachment Order was extended several times, most recently to May 13, 2014.
4. On December 10, 2012, the Eisenbergs applied for a Receivership Order against 910 and other parties. On December 12, 2013, a Receivership Order was granted by the Honourable Mr. Justice S. J. LoVecchio, appointing Grant Thornton Limited (the "**Receiver**") as Receiver of all of the assets of 910 (the "**Property**").
5. The Receiver filed an Initial Report to the Court on December 20, 2012. On December 21, 2012, an Order was granted by the Honourable Mr. Justice R. G. Stevens, extending the Attachment Order to January 14, 2013.
6. The Receiver filed its Second Report to the Court on January 9, 2013. On January 14, 2013, an Order (the "**Amended Receivership Order**") was granted by the Honourable Madam Justice K. M. Horner, expanding the Receiver's powers was granted.
7. The Receiver has filed ten Reports prior to this Report, dealing with various activities, recommendations and disputes, none of which affect the present application.
8. The purpose of this Eleventh Report is to provide the Court with information and recommendations to the Court on two outstanding matters.

Disclaimer and Limitations of Report

9. In preparing this Report, the Receiver has necessarily relied upon financial and other information and representations supplied by various parties. Although the information supplied has been reviewed for reasonableness, the Receiver has not independently verified the accuracy or completeness of the information nor has the Receiver conducted an audit and, as a result, the Receiver is not providing any form of assurance on the information subject to its review. The procedures the Receiver performed are limited in nature to those outlined in its report. As such, the Receiver's work may not necessarily disclose all the significant matters about 910 or any errors, misstatements, irregularities, or illegal acts, if such exist, on the part of 910 or its management, directors, and advisors or in the underlying information.
10. The findings contained herein are based primarily on review of various documents made available to the Receiver and discussions and communications with various parties. Due to the lack of summary financial records of 910, the Receiver has not had an opportunity to complete all of its potential work, as disclosed within the Report. The Receiver may refine or alter its observations as further information is obtained or is brought to its attention after the date of this Report.
11. The Receiver assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the circulation, publication, reproduction or use of this report. Any use which any party makes of this report, or any reliance on or decisions to be made based on it is the responsibility of such party.

Receiver's Activities

12. Aside from the matters dealt with in this Report, approval is not sought for the actions of the Receiver since the previous Report, which actions will form part of a future Report.

Outstanding Matters

13. The two matters deal with in this Report are as follows:

Extension of the Attachment Order which currently expires on May 13, 2014.

Approval of a settlement regarding 41 Everglen Crescent S.W., Calgary, AB, legally described as Plan 0613282. Block 26, Lot 10 (the "**41 Everglen Crescent**") which the Receiver has agreed to with parties holding an interest in the Property.

Current Attachment Order

14. The Attachment Order, which was extended by Order of this Court to May 13, 2014 on February 13, 2014, currently refers to three properties:

- (a) 41 Everglen Crescent;
- (b) 57 Everglen Crescent; and
- (c) 110 Hawk's Landing Drive.

(as defined in the Affidavit of Jack Eisenberg sworn December 4, 2012, and previous Receivers' Reports).

15. The first two properties relate to the "Trico Properties" referred to in previous Receiver's Reports. As mentioned above in paragraph 24 funds for the purchase of these two properties were advanced by 910 investors.
16. Pursuant to the Order of this Court dated April 14, 2014, 57 Everglen Crescent has been sold and the net proceeds are being held in trust until further order of the Court. As part of that sale, the Attachment Order was lifted in regard to that property.

17. The Receiver has now come to an agreement with the parties presently on title to 41 Everglen Crescent whereby those parties shall pay \$7,500.00 to the Receiver in exchange for a Release by the Receiver of any interest in the Property. The Receiver is to be relieved of any obligations, financial or otherwise, regarding 41 Everglen Crescent.
18. The Receiver believes that, given the value of 41 Everglen Crescent, the amounts owing under the mortgage currently in place, the cost of maintaining the mortgage and the contributions of the current title holders to 41 Everglen Crescent to its acquisition and debt financing, the sum to be received by the Receiver in the settlement is reasonable.
19. The foregoing agreement is subject to formal documentation and Court approval.
20. The Hawks Landing Property was in the joint names of Randy Calmusky and Theresa Calmusky until it was transferred solely to the name of Theresa Calmusky on May 4, 2011. As there are now established claims against Randy Calmusky and Theresa Calmusky, and evidence (as described in previous Receiver's Reports and Affidavits) that these individuals have previously transferred their property, the Receiver believes it to be appropriate for the Attachment Order to remain against this property or at least a lis pendens notice so that the Receiver is notified if the property is to be sold, allowing for a claim against the proceeds to be advanced.

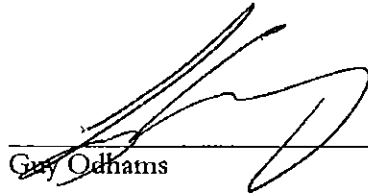
Recommended Course of Action

21. The Receiver makes the following recommendations with respect to future actions:
 - (a) The Court approve the settlement for 41 Everglen Crescent; and
 - (b) The Attachment Order should be extended for a further three months, subject to the removal of 57 Everglen Crescent and, upon finalization of the settlement of 41 Everglen Crescent, removal of that property from the Attachment Order.

Dated at Calgary Alberta, the 8th day of May, 2014.

GRANT THORNTON LIMITED

Per:


Gay Odhams