Action No: 0601-09869

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF CALGARY

BETWEEN:

VECKENSTEDT HOLDINGS INC., HERB VECKENSTEDT, FRED PIPER, JOAN PIPER, LIPOTH CONSULTING, AND PAUL LIPOTH

Plaintiffs

- and -

INTEGRA INVESTMENT SERVICE LTD. AND RUNDLE DEVELOPMENT CO-OPERATIVE

Defendants

FOURTH REPORT OF THE RECEIVER OF

INTEGRA INVESTMENT SERVICE LTD.,
AURORA RIVER TOWERS INC.,
CARLING SPRINGS VILLAGE INC., AND
CARLING DEVELOPMENT (B.C.) INC.

ERNST & YOUNG INC.

May 22, 2007

INDEX TO THE FOURTH REPORT OF THE RECEIVER

LISTING OF APPENDICES

INTRODUCTION

1. On August 18, 2006, the Plaintiffs applied for and obtained an Order (the "IR Order") pursuant to s. 13(2) of the *Judicature Act*, R.S.A. 2000, c. J-2, as amended. Pursuant to the IR Order, Ernst & Young Inc. was appointed Interim Receiver of certain records of Integra Investment Service Ltd. ("Integra"), more fully described in Schedule A of the IR Order.

2. As Interim Receiver ("IR"), Ernst & Young Inc. filed three reports with the Court outlining the IR's efforts to execute the IR Order. As outlined in the report dated August 21, 2006, and the two reports dated August 24, 2006, the IR attended at various business and residential premises in an effort to secure the records of Integra.

3. On September 8, 2006, the Plaintiffs obtained a Receivership Order pursuant to s. 13(2) of the *Judicature Act* (the "Receivership Order"). Pursuant to the Receivership Order, Ernst & Young Inc. was appointed Receiver and Manager (the "Receiver") of the following corporations:

    a. Integra;

    b. Aurora River Towers Inc. ("ART");

    c. Carling Springs Village Inc. ("CSVI"); and

    d. Carling Development (B.C.) Inc. ("Carling BC")

    (collectively referred to as the "Integra Companies").

4. To date, Ernst & Young Inc., in its capacity as Receiver, has filed three reports with the Court dated September 22, 2006, October 25, 2006 and November 7, 2006. The reports issued to date outline:

    a. The Receiver's actions since its appointment;

    b. The Receiver's preliminary review of the financial records of the Integra Companies;

    c. The Receiver's preliminary findings with respect to certain funds transferred between Integra's Trust and General accounts (as defined in the Second Report of the Receiver);

    d. An analysis of the offer to purchase 16 Wolf Willow Ridge ("16 Wolf Willow"). The personal residence of Ms. Maxine Cooke ("Cooke"), the former principal of Integra; and

e. The Receiver's calculation of the amounts outstanding pursuant to the mortgages administered by Integra pertaining to certain properties owned by the Rundle Development Cooperative ("RDC").

5. On October 18, 2006, the Court granted a Consent Order pursuant to Part 13 of the *Cooperatives Act* (the "Inspector Order"). Pursuant to the Inspector Order Ernst & Young Inc. was appointed Inspector (the "Inspector") of RDC. RDC is not a party to the Receivership proceedings; however, its affairs are intertwined with Integra's, for reasons set out below.

6. As Inspector, Ernst & Young Inc. has filed three reports with the Court dated March 27, 2007, May 1, 2007 and May 18, 2007 (collectively referred to as the "Inspector's Reports"). The Receiver will refer to the Inspector's Reports throughout this Fourth Report (as defined below).

7. The purpose of this fourth report of the Receiver (the "Fourth Report") is to provide this Honourable Court with an update in respect of:

    a. The Receiver's actions since the Third Report of the Receiver;

    b. A detailed background of the Integra Companies;

    c. The requirement for the Receiver to complete a reconstruction of the financial records of Integra and the results of those efforts;

    d. An analysis of the properties, assets and liabilities of the Integra Companies;

    e. The Receiver's efforts to date to secure and realize upon the Integra Companies' assets;

    f. Proposed Proof of Investment Process and Proof of Claim Process; and

    g. Recommendations and a summary of the next steps contemplated by the Receiver.

8. Considerable time and effort has been expended by the Receiver in preparing this Fourth Report. The Receiver had to essentially reconstruct Integra's books and records from source documents to allow a full understanding of Integra's operations, as well as the quantum of liabilities and the nature of its assets. The Receiver does not believe a meaningful report on these matters could have been completed prior to the completion of the reconstruction of the accounting records, as discussed in further detail below.

9. All references to dollars in the Fourth Report are in Canadian currency unless otherwise noted.

COMMUNICATIONS WITH INVESTORS

10. The Receiver has established a website to provide Investors and creditors with an update on the status of proceedings in the Receivership. The website includes copies of all the Court Orders and Reports of the Receiver filed with the Court. The website also includes copies of documents related to the Interim Receivership. The address of the website is www.ey.com/global/content.nsf/Canada/Integra.

11. The Inspector also established a website that includes copies of the relevant Court Orders and Reports of the Inspector. The website address for the Inspector is www.ey.com/global/content.nsf/Canada/Rundle. The Receiver has provided the Inspector's website address given that:

   a. Certain of the assets of Integra relate to mortgages secured against properties owned by RDC; and

   b. The affairs of RDC and Integra were intertwined as the former principals of Integra were involved in the establishment of the RDC and were former members of the RDC board.

12. The Receiver has attended to several calls from Investors relating to the Receivership. Investors were also directed to the website mentioned above for copies of orders and reports. In addition, in conjunction with the issuance of this Report, the Receiver intends to send a letter to all Investors known or identified by the Receiver advising them of the Fourth Report, the above noted web-site addresses, and advising that future communications will be posted on the web-site.

BACKGROUND OF THE INTEGRA COMPANIES

13. As discussed above, the Receivership Order included the following four entities: Integra, ART, CSVI and Carling BC. The Receiver has provided below a brief background as to the Integra Companies.

Integra

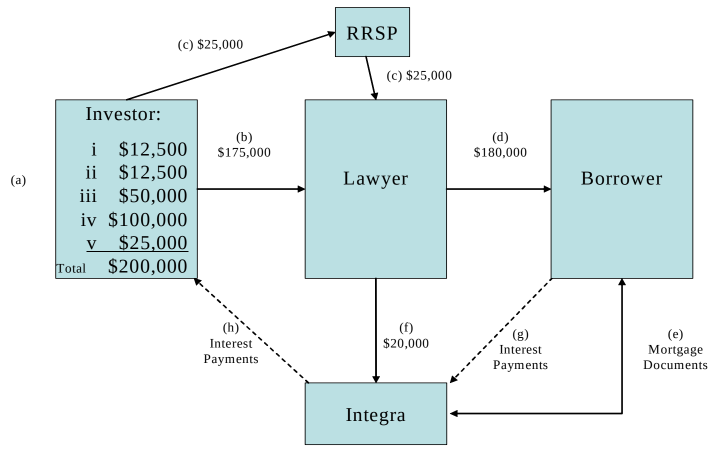
14. Integra is a corporation incorporated in Alberta that commenced operations in 1999. Integra's sole director and shareholder, at all times, was Cooke. The Receiver understands that Mr. Roy Jennix

(“Jennix”), her common law partner, was Integra’s marketing manager and at all material times was a *de* facto director of Integra. For the purpose of this report Jennix is considered a director and principal of Integra.

15. Integra operated as a mortgage broker that coordinated the raising of funds from individual investors (“Investors”) with the raised funds being syndicated and loaned (the “Loans”) to borrowers (the “Borrower”). The Investor would receive security and/or interests in the specific real estate project in exchange for the funds it advanced. The Loans were made to Borrowers on both a secured and unsecured basis with the secured Loans being secured by mortgages, general security agreements or guarantees. Integra acts as the bare trustee and holds the relevant security documents/mortgages on behalf of the Investors.

Illustration of the flow of funds for Integra

16. The table below provides an illustration of a typical transaction for Integra with respect to a Mortgage Investor (defined below):



Notes to the above table:

a. Integra approaches five Investors to participate in a particular project. Upon signing the appropriate forms (including a term sheet with Integra setting out the terms of the investment) the five Investors advance a total of $200,000;

b. Investors (i) to (iv) advance their funds outside a registered retirement savings plan (“RRSP”) and directly to Integra’s lawyer to be held in trust;

c. The RRSP Investor advances their respective funds of $25,000 to either Olympia Trust Company (“OTC”) or Canadian Western Trust (“CWT”). OTC and CWT administered all the RRSP related investments for Integra. OTC and CWT would advance the funds to Integra's lawyer to be held in trust.

d. Integra's lawyer receives $200,000 from the five Investors, and advances the net funds of $180,000 to the Borrower upon satisfactory execution of mortgage/security documentation;

e. Mortgages and other securities would typically be registered by Integra initially, with part of the mortgage being transferred to OTC and CWT as appropriate with the mortgages held by Integra, OTC and CWT all rank *pari passu (i.e. equally)*.

f. Integra's lawyer would pay Integra the commission for raising the funds for the Borrowers (in this example Integra earned a commission of $20,000 for raising $200,000);

g. Integra would act as the 'bare trustee' for the Investors and interest payments would be made by the Borrower to Integra or funded out of an interest reserve fund; and

h. Integra would flow the interest payments it received from the Borrower to the Investors.

17. The example above assumes a proper flow of funds; however, as discussed in further detail below, the above 'typical' transaction and related flow of funds did not always occur. This report will identify certain issues including:

a. Funds raised from Mortgage Investors for a particular project were at times in excess of the mortgage/security;

b. Funds raised from Mortgage Investors advanced to Integra with certain trust conditions such that those funds were to be held in trust until the mortgage/security documentation was in place at which point in time funds could be advanced to the Borrower. Integra did not maintain these funds in trust and subsequently used these monies to fund the general operations of Integra and for use by the former principals of Integra;

c. Integra paid itself commissions on funds raised that were not advanced to the Borrower; and

d. Certain amounts retained by Integra for commissions were, at times, unsupported or in excess of the Receiver's calculation of Integra's entitled commission amount.

Summary of funds raised by Integra

18. A summary of the funds raised by Integra by project is presented in the table below:

Projects		Funds Raised by Integra Cash	RRSP (OTC)	RRSP (CWT)	Total
Mortgage Investors					
RDC Projects					
RDC - 500 Block		976,000	918,000	311,000	2,205,000
RDC - 600 Block		1,722,500	1,545,500	-	3,268,000
603 - 11 Ave SE		519,000	31,500	80,000	630,500
		3,217,500	2,495,000	391,000	6,103,500
Other projects					
Kicking Horse		1,279,000	167,500	480,000	1,926,500
Community First - COP		1,465,500	-	-	1,465,500
Community First - MRI		1,129,500	496,500	120,500	1,746,500
Community First - 60 Sunpark		1,852,500	592,000	305,500	2,750,000
Manchester Place		2,031,000	209,000	80,000	2,320,000
Serendipity		749,000	206,000	162,000	1,117,000
Okanagan Hills		25,000	-	-	25,000
		8,531,500	1,671,000	1,148,000	11,350,500
Total Mortgage Investors	**a**	**11,749,000**	**4,166,000**	**1,539,000**	**17,454,000**
Membership Investors (RDC)	**b**	**3,953,000**	**-**	**-**	**3,953,000**
Carling Investors					
Carling Springs Village	**c**	607,100	-	-	607,100
Other		**unknown**	**unknown**	**unknown**	**unknown**
Total	**a+b+c**	**16,309,100**	**4,166,000**	**1,539,000**	**22,014,100**

19. As indicated in the table above, Integra raised approximately $22.0 million from approximately 470 individual Investors. The Receiver understands that Integra did not raise any new funds after a Cease and Desist order was issued by the Alberta Securities Commission ("ASC") in February 2005[1].

20. During its history, the funds raised from Investors can be categorized into three main groups, Mortgage Investors, Membership Investors, and Carling Investors (defined below).

[1] The Integra Companies were ordered to cease and desist the raising of further funds from Investors.

Mortgage Investors

21. Certain Investors advanced their funds directly to Integra or its legal counsel for a specific project, with the funds advanced being pooled with other Investors' funds to form a syndicated mortgage (referred to as "Mortgage Investors"). In these cases, Integra would act as the bare trustee on behalf of the Mortgage Investors and administer the syndicated loan (i.e. hold the mortgage documents, collect interest payments from the Borrower, pay interest to the Investors, etc). Integra would earn a commission for raising the funds and an administration fee for its services as the bare trustee.

22. Mortgage Investors were typically provided with an investment package which included the following (a copy is attached as Appendix A):

    a. An information sheet comprising a general letter from Integra to potential Investors advising them of the investment opportunity. The information sheet generally indicated the investment's security.

    b. A term sheet that outlined the specific investment terms including:

        - Interest rate of 12% per annum calculated and paid monthly not in advance;
        - Term of 1-4 years;
        - Amount of the total investment; and
        - Description of the property/security

    c. A "Co-Lender Commitment" that bound the individual Investors into a syndicated mortgage group, provided powers to Integra as administrator of the mortgage and indicated that the loan could only be subordinated to construction and long-term financing.

    d. Agreement to Lend and Power of Attorney form; and

    e. Acknowledgement & Waiver that indicated that the Investor has obtained or waived its right to independent legal advice with respect to the agreements and documents.

23. Mortgage Investors were required to review and sign-off on the appropriate forms prior to acceptance of their investment by Integra. The Mortgage Investors could invest their funds in the Integra-arranged project either through a RRSP or a direct cash investment.

Membership Investors

24. Certain Investors advanced their funds to purchase membership shares in RDC (referred to as "Membership Investors"). The Membership Investors would advance their funds to Integra, or Integra's legal counsel, and in return the Membership Investors would receive membership shares in RDC. Integra earned a commission for raising the funds, but had no further role as a bare trustee with respect to the Membership Investors as there was no mortgage security to administer.

25. Membership Investors received the information contained at Appendix B.

Carling Investors

26. Certain Investors advanced their funds to Carling Development Inc. ("CDI") and Carling Financial Corporation ("CFC") (collectively "CDI/CFC") on an unsecured basis ("Carling Private Investors") or a secured basis ("Carling Mortgage Investors") (collectively "Carling Investors"). Integra received a commission for the raising of funds and an administration fee relating to the management of the Carling Mortgage Investor funds. The Receiver understands that the majority of funds advanced by the Carling Investors were advanced directly to CDI/CFC and/or its legal counsel; therefore, the Receiver cannot accurately confirm the amount of funds raised from the Carling Investors nor can it confirm the identity of these Investors. The Receiver was only able to confirm approximately $0.6 million of Carling Mortgage Investors in the Carling Spring Village Project (defined below) as these funds were received by Integra's counsel.

27. Based on a review of Integra's books and records and the materials filed with the Court regarding the litigation between Carling (as defined below) and the Integra Companies, the Receiver believes that Integra raised approximately $4.1 million from Carling Private Investors and $2.2 million from Carling Mortgage Investors.

28. The Receiver understands that the Carling Mortgage Investors who originally had mortgages registered against property located in Ft. McMurray, Alberta (referred to as the "Aurora River Towers Project") were paid out in November 2005; the total investment was $1,424,000. The Receiver is further advised that the Carling Mortgage Investors with mortgages registered against property located in Airdrie, Alberta (referred to as the "Carling Springs Village Project") remain invested, with the mortgage on title registered for $775,000.

29. The issue of the Carling Investors is relevant to the Receivership of Integra as, prior to the Receivership, the Ft. McMurray Land (defined below) and the Airdrie Land (defined below) were originally owned by CDI/CFC and which the Receiver understands were acquired, at least in part, with the funds raised from the Carling Investors, were transferred by CDI/CFC to Integra-controlled companies which are now under the Receivership Order. The unsecured liabilities owing to the Carling Private Investors were not transferred in conjunction with the transfer of the land assets resulting in the assets being included under the administration of the Receiver, but not the potentially associated unsecured liabilities from the Carling Private Investors. The Carling Mortgage Investors have a secured charge against the Ft. McMurray Land and the Airdrie Land; therefore their claims may have recourse to assets in the possession of the Receiver.

30. The Receiver notes that CDI, CFC and their respective principals being Danny Cheng and Lisa Wong (collectively "Carling") believe the transfer of the assets was unlawful and commenced litigation against Integra. The issues between CDI/CFC and Integra are discussed in further detail below.

ART, CSVI and Carling BC

31. As discussed above, Integra appears to have raised funds for CDI/CFC from Mortgage Investors and also from Carling Private Investors. In about 2000 approximately $2.2 million was raised from Carling Mortgage Investors and a further $4.1 million from Carling Private Investors. The funds raised were apparently used for the following three projects (collectively the "Carling Projects"):

   a. Aurora River Tower Project which consisted of 1.82 acres of land located in Ft. McMurray, Alberta (the "Ft. McMurray Land");

   b. Carling Spring Village Project which consisted of 20.02 acres of land located in Airdrie, Alberta (the "Airdrie Land"); and

   c. Options to purchase certain parcels of land located in Surrey, British Columbia (referred to as the "Royal Villa Estates Project").

32. The Receiver understands that no substantial development occurred with respect to the Carling Projects and litigation resulted between Integra and Carling. What ensued next is unclear and the subject of litigation between Carling and Integra in result, the following occurred:

a. The Ft. McMurray Land was transferred to ART. Prior to the transfer of the land the Receiver understands that ART was a shell company and it's sole shareholders were Cooke and Jennix;

b. The Airdrie Land was transferred to CSVI. Prior to the transfer of the land, the Receiver understands that CSVI was a shell company and it's sole shareholders were Cooke and Jennix; and

c. The shares of Carling BC were transferred to Integra as Carling BC owned the options for the purchase of the land in Surrey, BC (the "Surrey Land Options").

33. It is alleged that Carling agreed to transfer the assets to entities controlled by Jennix and Cooke upon the understanding that the Carling Projects would be developed and sold and the profit from the development would be used to repay the Carling Investors who had advanced funds to Carling with respect to the Carling Projects.

34. The Receiver notes that Carling disputes the agreement to transfer the land and Carling believes that the transfer of the lands to ART and CSVI was unlawful and no development has occurred on any of these projects since.

35. At the time of the Receivership Order, the Receiver notes the following with respect to the ART, CSVI and Carling BC:

a. ART's only asset appears to be the Ft. McMurray Land;

b. CSVI's only asset appears to be the Airdrie Land;

c. The options held by Carling BC appear to have expired and the parcels of land in question have been purchased by another party;

d. The status and nature of the claims of both the Carling Private Investors and the Carling Mortgage Investors remain under review in a number of respects, including with respect to the projects and entities to which they have recourse, there relative priority and the enforceability of some aspects of their claims; and

e. Resolution of many of the issues related to the claims is impaired by the fact that the Receiver does not have any books and records relating to the Carling Private Investors, and the Receiver has limited information with regard to the Carling Mortgage Investors.

36. The Receiver has had considerable ongoing discussions with Carling and its legal counsel in an attempt to address the outstanding litigation between Carling and the Integra Companies relating to the transfer of the Ft. McMurray Land and the Airdrie Land. As discussed in further detail below, an agreement has been made to allow the Receiver access to the books and records related to the Carling Projects for the purpose of identifying the stakeholders and the respective assets owned by ART, CSVI and Carling BC, such that input can be sought from these stakeholders and the Receiver can move forward with recovery strategies with respect to these assets.

RECONSTRUCTION OF THE FINANCIAL RECORDS

Lack of proper and complete books and records

37. At the time of the appointment of the IR, the Integra Companies were effectively dormant. The Integra Companies had no operations and its books and records were being stored at the residence of Cooke.

38. As indicated in the Receiver's Second Report to the Court dated October 25, 2006 (the "Second Report"), Integra did not maintain accurate and complete books and records, maintained no complete set of financial statements and, in the Receiver's opinion, generally operated the business without regard to their duties as directors of Integra.

Deficiencies in the source documentation

39. Through the Receiver's review of the seized records and discussions with the former directors and the former administrator of the trust accounts, it was evident that Integra had no complete set of financial records and the deficiencies in the records include the following:

a. Integra had no complete set of financial statements[2];

b. Integra had no trial balances, accounting ledgers or other books of account;

c. Integra's banking records were incomplete;

d. Integra's Investor information was inconsistent and incomplete;

e. There were no complete copies of tax returns filed; and

f. The records obtained by the Receiver were extremely disorganized and consisted of approximately 55 boxes of information.

40. Upon further review of Integra's records, the Receiver determined that certain information which was critical to the reconstruction of Integra's financial records was not available including:

a. The books and records related to Integra from Michael Mackin ("Mackin") who acted as legal counsel for Integra from November 2003 to November 2004;

b. The trust account ledgers from Dawe Law Office who acted as legal counsel for Integra, relating to the Carling Projects;

c. Certain bank statements from the General Account and the Trust Account along with supporting documentation; and

d. Various other documents.

41. The Receiver undertook the following actions to locate the missing information:

a. The Receiver sent a letter to Mackin on November 14, 2006, requesting any records pertaining to the Integra Companies and requesting a copy of his trust account ledgers. On November 21, 2006, Mackin responded to the Receiver's request and sent a spreadsheet, which Mackin indicated to be a copy of his trust account ledger. To date the Receiver has not been provided with any documentation supporting Mackin's trust account ledger;

b. The Receiver's counsel corresponded directly with the Law Society of Alberta (the "Law Society"), as the Receiver was advised that the Law Society was in possession of certain of Mackin's records. The Receiver discussed this matter directly with a representative of the Law Society, who advised that the Law Society is in possession of one box of records for Mackin, but those records do not relate to Integra or the Integra Companies;

c. The Receiver contacted Mr. John Anderson at Dawe Law Office and requested copies of the missing trust account ledgers. The Receiver's counsel corresponded directly with Dawe Law

[2] Cooke provided copies of certain financial statements and tax returns to the Receiver on April 2, 2007.

Office and Graham Price, counsel to Mr. Anderson, requesting copies of the missing trust account ledgers and documentation from Mr. Anderson relating to RDC as he was a founding member, and the Carling Projects as the Receiver was advised that Mr. Anderson was Integra's counsel with regard to these projects;

d. The Receiver contacted TD Canada Trust to obtain copies of 27 missing bank statements, missing deposit slips and missing cancelled cheques. The Receiver estimates that the missing bank statements and deposit books comprised transactions totalling approximately $8.0 million since the commencement of Integra's operations to date. Accordingly, it was imperative for the Receiver to obtain the missing deposit books and bank statements in order for it to complete the reconstruction of the accounting records;

e. The Receiver met with and spoke to both Jennix and Ms. Rose Wiebe, the former trust administrator, on several occasions to understand the flow of funds and accounting maintained by Integra; and

f. On December 19, 2006 the Receiver's counsel sent a letter to Cooke's counsel requesting missing information from Cooke, specifically missing deposit books, corporate records and explanations for certain unidentifiable transfers made from the bank accounts.

Source information used by the Receiver

42. As a result of the deficiencies in the records (noted above) the Receiver was required to complete a full reconstruction of Integra's accounting records for the period from September 7, 1999 (the inception of Integra) to March 31, 2007 (the "Reconstruction Period"). In addition, the Receiver could not commence realization strategies on the various assets secured by Integra-arranged mortgages as there was no complete and accurate accounts indicating the quantum of funds advanced to the Borrowers.

43. The Receiver reconstructed Integra's accounting records from source documents retrieved from the following sources:

a. The records seized by the IR were provided to the Receiver;

b. Information provided by Ms. Rose Wiebe, the former administrator of the trust accounts of Integra;

c. Additional banking information provided by TD Canada Trust;

d. The Excel workbook provided by Mackin representing his trust account;

e. Copies of the trust account ledgers of Dawe Law Office. Dawe Law Office acted as Integra's legal counsel for the period from June 2002 to October 2003;

f. Copies of the trust account ledgers of Donald N. Larson Professional Corporate who acted as Integra's legal counsel from December 2004.

g. Michael Mackin, Dawe Law Office and Donald N. Larson Professional Corporation are collectively referred to as the "Lawyers";

h. The Receiver's counsel requested documents in the possession of Thackray Burgess LLP who acted as legal counsel to Integra at the time of the Receivership Order. Thackray Burgess LLP released approximately 25 boxes of records to the Receiver and the Receiver's counsel, after the Receiver obtained an appropriate Order;

i. In response to the Receiver's December 19, 2006 letter requesting information, on April 2, 2007 Cooke provided the computer she advised was used by Jennix during his tenure with Integra and the following information to the Receiver:

- Binder with supporting schedules for 2005 interest payments;
- Minute Book of CSVI and ART;
- Integra 2000, 2001 and 2005 Financial Statements;
- Integra 2003 and 2004 T2 Corporation Income Tax Return;
- Cooke T1 2001, 2002, 2004 and 2005;
- Integra General Account history – July 25, 2002 and June 23, 2004;
- Integra Trust Account Statements – January to December 2001;
- Integra Trust Account unused cheques;
- Integra Trust Account, deposit books;
- Integra Trust Account cheque book with stubs October 15, 2005 to May 15, 2006; and
- Integra General Account cheque book with stubs November 14, 2005 to July 29, 2006.

j. The Receiver commissioned a forensic image of Jennix's computer to allow for the recovery of any deleted files and to maintain the integrity of the computer's hard drive. The Receiver reviewed 35 Excel files and approximately 221 e-mails recovered from Jennix's computer;

k. The Receiver met with Jennix to obtain an understanding of the books and records maintained by Integra;

l. The Receiver met with Cooke to obtain an understanding of the books and records maintained by Integra;

m. The Receiver's counsel performed title searches on the properties relating to the Integra mortgages; and

n. The Receiver reviewed information provided by the Inspector.

Status of the Receiver's efforts to reconstruct the records

44. The Receiver, working with TD Canada Trust, obtained all of the missing bank statements but in certain circumstances, the Receiver was unable to find information supporting certain of the transactions referenced in the bank statements. In those circumstances, the nature of certain cash transactions remain unknown to the Receiver and will be discussed in further detail below.

45. In the Second Report, the Receiver provided a preliminary analysis of the cash transactions contained in Integra's two bank accounts (referred to as the Trust Account and the General Account). The Receiver reported that based on the information available at that time, the Receiver believed that inappropriate withdrawals were made from the Trust Account with the funds being deposited into the General Account. The Receiver further reported that through the unauthorized payments made indirectly from the Trust Account, the Receiver has a direct interest in 16 Wolf Willow and a claim against Cooke and Jennix. The Receiver questioned the validity of certain transfers from the Trust Account to the General Account and the amount that Integra earned for commissions and administrative fees. The Receiver also indicated that further analysis was required to confirm this information.

46. The Receiver has now substantially completed the reconstruction of Integra's accounting records and is now able to:

a. Provide a more detailed analysis of the financial records of Integra in this report; and

b. Further address the issues identified in the Second Report.

47. The Receiver cautions the reader that the information and analysis presented may be subject to revision if additional supporting information is found.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

48. The Receiver prepared a statement of receipts and disbursements ("R&D") for Integra based on the Receiver's review and analysis of Integra's bank accounts, the Lawyer's trust accounts and other supporting information obtained from the sources mentioned above. A summary of the R&D prepared by the Receiver for the Reconstruction Period is presented below:

Receipts	
Investor Receipts	
Mortgage Investors	18,061
Membership Investors	3,953
Total Investor Receipts	**22,014**
Unknown	838
Total Receipts	**22,852**
Disbursements	
Borrower and Investors	
To Borrowers	(11,564)
Payout to Investors	(3,406)
Interest to Investors	(2,571)
Total Borrower and Investors	(17,541)
Net Receipts Retained by Integra	**5,311**
Integra Disbursements	
Non-Business Related	(2,456)
Business Related	(1,784)
Commissions to associates	(910)
Admin fees	(156)
Unknown	(42)
Total	**(5,347)**
Net Cash on Hand	(36)

49. The Receiver notes the following with respect to the above R&D:

a. The R&D does not include any transactions relating to ART, CSVI and Carling BC as the Receiver does not believe these entities to have any bank accounts or operating activity;

b. The receipts exclude the majority of funds raised by Integra from Carling Investors which the Receiver estimates to be approximately $6.3 million in total (approximately $0.6 million is included in the analysis); and

c. Upon the appointment of the Receiver, the General Account did not have a positive cash balance. The Integra General Account remains in an overdraft position of approximately $52,900. The Trust Account contains approximately $16,500 which the Receiver believes is a result of one Electronic Funds Transfer with respect to the Serendipty (defined below) project.

Funds received by Integra

Mortgage Investors

50. Integra raised approximately $17.5 million from Mortgage Investors and a further $2.2 million from Carling Mortgage Investors. The Receiver confirmed the amounts raised from Mortgage Investors to bank statements and other supporting documentation and approximately $0.6 million of the $2.2 million from the Carling Mortgage Investors to bank statements and other supporting documentation. The Receiver believes the remaining $1.6 million in funds from Carling Mortgage Investors was paid directly to CDI/CFC and not through Integra's accounts; this is not included in the above R&D.

51. The Receiver prepared a list of Mortgage Investors summarized by project (the "Mortgage Investor Listing"). The Mortgage Investor Listing was compiled based on the Receiver's review of the Lawyers' trust accounts and Integra's books and records. The Mortgage Investor Listing is attached as Appendix C this list does not include the Carling Projects.

52. A summary of the principal advanced by the Mortgage Investors on a project by project basis is presented in the table below:

Project	Total Principal	Mortgage Registered	Difference	Notes
	a	b	a-b	
RDC Mortgage Investors				
RDC - 500 Block	2,205,000	2,220,000	15,000	
RDC - 600 Block	3,268,000	3,186,500	(81,500)	
603 - 11 Ave SE	630,500	850,000	219,500	
	6,103,500	6,256,500	153,000	
Other Mortgage Investors				
Kicking Horse	1,926,500	2,500,000	573,500	
Community First - COP	1,465,500	N/A	N/A	1
Community First - MRI	1,746,500	2,300,000	553,500	
Community First - 60 Sunpark	2,750,000	N/A	N/A	2
Manchester Place	2,320,000	N/A	N/A	3
Serendipity	1,117,000	N/A	N/A	3
Okanagan Hills	25,000	N/A	N/A	1
	11,350,500	4,800,000	1,127,000	
Sub-total - non-Carling	**17,454,000**	**11,056,500**	**1,280,000**	
Carling				
Carling Springs Village	607,100	775,000	(167,900)	
Other	unknown	unknown	unknown	
TOTAL	**18,061,100**	**11,831,500**	**1,112,100**	

Notes:
1. A mortgage was never registered against this property in the name of Integra, OTC or CWT.
2. This property was foreclosed upon in 2006.
3. The investors in this property were paid out in full.

53. In addition to confirming the Mortgage Investor Listing to bank statements, trust account ledgers and supporting information, the Receiver compared its findings with OTC and CWT with respect to the Investors who contributed through an RRSP. After considerable discussions and analysis, the Receiver reconciled its compiled records with that of CWT and OTC. Following the discussions with CWT and OTC, the following discrepancies remain:

a. The CWT records indicated three Investors with total investments of $69,000 in the Community First – COP (defined below) project. The Receiver could not however, trace these investments to the Lawyer and Trust accounts;

b. One Investor for $25,000 in the Okanagan Hills projects was not repaid and apparently was moved to another project. The Receiver could not however, confirm whether these funds were moved to another project or refunded to the Investor; and

c. OTC records indicated one additional Investor in one of the RDC projects for $15,000. The Inspector was not able to confirm this investment and OTC acknowledged that this cheque had not been cashed.

54. The Receiver believes that the above discrepancies can be resolved through the claims process proposed by the Receiver which is discussed in further detail below.

55. The Receiver notes that it was not provided with a complete accounting for Mackin's trust accounts. It is therefore possible that there are additional Mortgage Investors who were not included in the schedules contained in the Mortgage Investor Listing compiled by the Receiver. The Receiver is not able to identify these Mortgage Investors based on the information available. Any such Mortgage Investors will be identified through the proposed claims process.

Membership Investors

56. Integra, as agent to RDC, raised approximately $3.9 million from Membership Investors who purchased membership shares in RDC. The membership shares were purchased at a face value of $2,500 per share, with a one time fee of $1,000. The minimum investment was $10,000, which is equivalent to four shares in RDC.

Unknown

57. The 'unknown' amounts include receipts that the Receiver requires additional documentation to classify into one of the categories. The Receiver may receive additional information from TD Canada Trust which will assist in this classification, but the Receiver anticipates that certain receipts will remain unknown since the Mackin records remain unaccounted for and documentation to support some of the receipts may not assist the Receiver in classifying the payments into a specific category.

Disbursements of Integra

58. The Receiver's analysis indicates total disbursements of approximately $22.9 million over the Reconstruction Period comprising the following main categories:

a. Advances to Borrowers;

b. Investor Payouts;

c. Interest to Investors;

d. Commission and Administrative fees to agents;

e. Personal related payments; and

f. Business related payments.

Advances to Borrowers

59. During the Reconstruction Period Integra raised approximately $22.0 million from Mortgage Investors and Membership Investors, which can be traced to the Lawyer and Integra accounts. Of this amount, the net funds advanced to the Borrowers were approximately $11.6 million. This amount is net of receipts that Integra or the Lawyers received from the Borrowers. The Borrowers advanced funds for commission, interest, administrative fees, to payout Investors and in some instances, to assist with the acquisition of properties prior to all of the funds being raised.

60. Of the net $11.6 million advanced, the Borrowers used $8.5 million of the funds received to acquire property and an additional $3.1 million was received by the Borrowers beyond the cost of acquiring these properties. The Receiver understands that these funds were likely advanced to assist in developing the properties. The Receiver notes that all of the properties for which Integra still has a registered mortgage have not been developed.

Investor Payouts

61. During the Reconstruction Period, the Manchester Place and Serendipity projects were repaid by the Borrowers totalling approximately $3.4 million. Details of the Manchester Place and Serendipity projects are discussed in further detail below.

Interest to Investors

62. During the Reconstruction Period, Integra disbursed approximately $2.6 million in interest payments to Mortgage Investors.

63. When Integra raised funds on behalf of the various Borrowers, the funds raised included an interest reserve, typically covering two years of interest. Integra raised these additional funds as the Borrowers were purchasing properties for development and would not have immediate cash flow to make future interest payments. Integra also invoiced the Borrowers directly for interest payments, as reserve funds were depleted.

Net Receipts to Integra after payments to Borrowers and Investors

64. Integra received funds from both the Lawyers and Borrowers. In some instances, Integra received funds from the Lawyers before a mortgage was registered on title for a particular property. The Receiver also noted many instances where the Lawyers disbursed funds to Integra, without indicating the purpose for the advance (i.e. whether the funds were for commission, interest or administrative fees). After payments to Borrowers and Investors, Integra retained approximately $5.3 million of monies raised. Integra used the $5.3 million to fund the following expenditures:

   a. $2.5 million classified by the Receiver as “Non-Business Related” expenses;

   b. $1.7 million classified by the Receiver as “Business Related” expenses;

   c. $0.9 million in commissions to agents; and

   d. $0.2 million to certain third parties for administration fees.

Overpayment of commission and admin fees

65. During the course of the Receiver's review of the books and records the Receiver noted that it appeared Integra retained more funds then they were entitled to, therefore the Receiver prepared an analysis of funds received by Integra for commissions and administrative fees on an aggregate basis which is summarized by project in the table below:

Projects	Integra Entitlement per the Loan Agreements: Commission	Admin Fees	Total entitled	Retained by Integra	Excess (shortfall)
			a	b	b - a
RDC	1,458,795	130,615	1,589,410	1,759,579	170,169
Kicking Horse	309,203	61,841	371,044	334,823	(36,221)
Community First - COP	-	-	-	1,409,500	1,409,500
Community First - MRI	280,313	37,375	317,688	254,298	(63,390)
Community First - 60 Sunpark	441,375	29,425	470,800	749,554	278,754
Manchester Place	372,360	24,824	397,184	600,062	202,878
Serendipity	179,279	23,904	203,182	100,489	(102,693)
Aurora River Tower	142,400	30,474	172,874	161,009	(11,865)
Carling Spring Village	77,500	16,585	94,085	8,808	(85,277)
Royal Villa Estates	unknown	unknown	unknown	unknown	unknown
Okanagan Hills	N/A	N/A	N/A	-	N/A
Total	**3,261,225**	**355,042**	**3,616,267**	**5,378,123**	**1,761,855**
COP Interest Paid				(87,911)	(87,911)
Unreconciled difference				20,788	20,788
Total				**5,311,000**	**1,694,732**

66. The Receiver analyzed the commission and administrative fees Integra was entitled to receive based on the loan agreements between Integra and the Borrowers and compared it to the amounts actually retained by Integra. The analysis summarized in the table above indicates that Integra retained \$5.3 million for commission and administrative fees compared to the Receiver's calculation of Integra's actual entitled amount of \$3.6 million, resulting in approximately \$1.7 million in excess commissions, interest and fees being retained by Integra.

67. The Receiver notes the following with respect to the table presented above:

a. The Receiver could not find invoices to support all of the administrative fees Integra retained. The analysis summarized above includes those administrative fees that Integra was entitled to based on the loan agreements, regardless of whether or not they were invoiced to the Borrowers.

b. The First Report of the Inspector indicates that the current RDC Board is of the view that Integra is only entitled to a commission of 10% for all monies raised relating to RDC. The Inspector located two agreements between Integra and RDC, the first agreement indicates that Integra's commission is 10%; the second agreement indicates that Integra's revised commission (relating to the acquisition of future properties and Membership Investors) is 15%. The above analysis assumes that Integra earned the relevant commission on the funds raised that corresponded with the date of the two agreements. However, if Integra was entitled to commissions at 10% for all amounts raised on behalf of RDC, Integra's entitlement to commissions relating to funds raised on behalf of RDC would decrease by approximately $0.3 million and RDC may have an unsecured claim against Integra relating to the excess commission retained.

c. Integra retained approximately $1.4 million in funds to pay commission and administrative fees relating to the Community First – COP ("COP") project (defined below). The Receiver notes that mortgage documents were executed and the loan agreement was signed by Fred Johnston, President of COP. In addition, Mr. Johnston signed invoices authorizing Integra to pay commission, interest and administrative fees out of funds held by Integra in trust. However the transaction was never completed and the property was not acquired. As the transaction was not completed, the Receiver understands that Integra's legal counsel returned to the Investors all the funds advanced by the RRSP Mortgage Investors as well as funds advanced by four cash Mortgage Investors. The remaining 44 cash Mortgage Investors who advanced funds totalling approximately $1.4 million were returned by legal counsel to Integra to be held in 'trust'. The Receiver is of the view that Integra was not entitled to any commission or admin fees on any of the funds raised for the Community First – COP project as the transaction was not completed. As the funds were to be returned to the Investors, any admin fees or commissions retained by Integra would cause a shortfall in the repayment. The Receiver has not determined why the funds of the 44 Mortgage Investors were paid by Donald N. Larson Professional Corporation to Integra as opposed to Donald N. Larson

Professional Corporation repaying the Investors (as all other Investors of this project were re-paid) or why Integra did not repay the Investors once the project did not close.

Non-business related expenditures

68. The Receiver's analysis indicated approximately $2.5 million in net non-business related expenditures (as classified by the Receiver) during the Reconstruction Period including:

a. Net disbursements of approximately $0.9 million the Receiver has identified as relating to the matrimonial home of Cooke and Jennix, namely 16 Wolf Willow;

b. Net disbursement of approximately $0.5 million to Cooke; and

c. Net disbursement of approximately $1.1 million relating to personal expenditures.

69. The Receiver's analysis of the payments relating to 16 Wolf Willow is summarized below:

Category	**Amount in $000**	
	Receipts	**Disbursements**
Renovations		159.2
Landscaping		160.1
Wolf Willow Property	16.0	102.4
Furniture		81.2
Paradise Bay Hot Tub		65.8
Country Hills		58.6
Flooring		55.1
Decorating		50.8
Kitchen & Patio		47.4
Prestwick		36.2
Other		24.9
Erinwood		16.0
Utilities		20.4
Lighting	0.1	9.2
Queensland		9.2
Coral Springs		16.1
Repairs		8.2
Security		7.1
Insurance		6.9
Pennsburg	13.0	1.3
Cleaning		0.7
Total	**$ 29.1**	**$ 937.0**

70. The net payments related to Cooke can be categorized as follows:

a. Net transfers to her personal account of $0.3 million;

b. Unknown amounts of $0.2 million;

c. Loans of $0.1 million;

d. Commission payments of $0.07 million; and

e. Other payments of $0.13.

71. The Receiver understands that the former principals of Integra often deposited personal funds directly into Integra's General Account as the General Account was, at times, used by the former principals as a non-business/personal bank account.

72. For example, the Receiver understands that Cooke was employed by Westcor Mortgage while she was a director of Integra. The Receiver determined that receipts from Westcor Mortgage, related to commissions Cooke received, were deposited directly into Integra's General Account. The Receiver identified $0.3 million of receipts from Westcor Mortgage over the Reconstruction Period that has been offset against the advances to Cooke.

73. The Receiver categorized approximately $1.1 million of net disbursements from the General Account as items of a personal nature, which include payments to Jennix and related parties. These disbursements comprise over 2,500 individual transactions.

74. The Receiver has the following comments with respect to these disbursements:

a. Many of the disbursements identified as personal in nature would not be considered typical business expenses and therefore the Receiver believes these expenses are personal in nature. These would include: clothing, household, decorating and grooming expenses; and

b. The Receiver notes that cash withdrawals from a bank machine were commonplace and this type of withdrawal could only be done by the former directors of Integra. It is not a typical business practice to withdraw cash through a bank machine.

Business Related expenses

75. Business related net disbursements identified by the Receiver over the Reconstruction Period totalled approximately $1.8 million and include the following:

Category	**Amount in $000**
Operational Expenses	1,012
Legal Fees	477
Vehicle Expenses	202
Asia Trust and Loan	82
GST	11
Total	**1,784**

76. The identified business expenses include:

a. Operational expenses include salaries and wages, utilities, rent, office supplies and other typical business expenses.

b. Legal fees include payments to the Lawyers and other law firms retained by Integra.

c. Vehicle expenses include payments the Receiver identified specifically relating to motor vehicles.

d. Asia Trust and Loan payments include payments made by Integra with respect to construction financing for the Aurora River Tower project. The Receiver understands that these payments relate to a due diligence fee that Integra paid to Asia Trust and Loan. The Receiver notes that Integra never received any construction financing from Asia Trust and Loan.

Potential excess use of funds by Integra

77. As discussed above, the Receiver's analysis indicates that Integra retained approximately $1.7 million more in commissions and administrative fees than what the Receiver believes Integra was entitled to. In addition, the analysis above indicates that the former principals of Integra effectively used the bank accounts of Integra as a quasi 'personal' account.

78. In summary, Integra's operations were relatively straight-forward. Integra earned commissions and admin fees for the raising of funds. The commissions and admin fees earned by Integra were to fund its ongoing operating costs with the difference between the commissions earned and the operating costs representing the profit (or loss) which would be for the benefit of the shareholder.

79. The table below summarizes the sources of funds available to Integra (commission earned, admin fees and deposits by principals) and compares this to the expenditures of Integra (commissions paid, admin fees paid, business expenses and non-business related expenses).

	$000's
Entitled to funds of	
Commission Fees	3,261
Administrative Fees	355
Total	3,616
Uses of funds	
Commission, Admin	1,066
Business related	1,784
Non-Business related	2,456
Unknown	42
	5,348
Shortfall	**(1,732)**

80. The schedule above indicates that Integra's operating shortfall was approximately $1.7 million over the Reconstruction Period. The Receiver believes that the operating shortfall was mainly funded from COP Investor funds retained by Integra and not returned to the Investors and potentially over charging of commission to RDC.

Transfers between the trust and general accounts

81. As described above and in further detail in the Second Report, Integra's former principals transferred funds out of trust into Integra's General account in excess to Integra's entitlement. The former principals treated the Integra General Account as an extension of their personal bank accounts, as evidenced by the numerous disbursements identified by the Receiver from the General Account to fund these personal expenditures (as described in more detail above).

82. The Integra Trust Account was not treated as a proper trust account, transfers between the General Account and the Trust Account were commonplace without authorization or support and payments that the Receiver would have expected to be made from the Trust Account were paid out of the General Account and vice versa.

83. The Receiver analyzed the transfers from the Trust Account to the General Account. The following schedule provides a summary of the analysis:

Description	**Amount $ (000's)**
Commission and Administrative Fees	$ 1,463
Identified as relating to COP	517
Unsupported Transfers	515
Other	61
Total	**$ 2,556**

84. The table above indicates that Integra transferred approximately $1.5 million to the General Account for commission and administrative fees, plus $0.5 million directly relating to COP and a further $0.5 million of unsupported transfers (which the Receiver believes likely relates to COP), and $0.1 million of other payments total transfers of approximately $2.6 million. It is important to note that Integra retained approximately $1.7 million more than they were entitled to for commission and administrative fees (as described above), which is included in the total $2.6 million that was transferred between the two accounts.

85. The Receiver has found any documentation to verify the unsupported transfers from the Trust Account to the General Account.

ASSETS AND LIABILITIES OF INTEGRA

86. The Receiver has summarized a listing of Integra's assets and liabilities based on the following:

a. Analyzing the listing of receipts and disbursements compiled by the Receiver;

b. Review of the source documentation seized by the IR;

c. Review of the First Report of the Inspector; and

d. Discussions with Jennix, Cooke and Ms. Rose Wiebe.

Assets of Integra

87. The Receiver has identified the following potential assets of Integra and has summarized the Receiver's realization strategies with respect to these assets as discussed below.

a. Funds advanced indirectly from Integra's Trust Account for the renovations and/or improvement to 16 Wolf Willow causing Integra to have a direct interest in this property;

b. Claim against the former directors of Integra, Cooke and Jennix;

c. Mortgages owed by RDC to Integra in the principal amount of approximately $6.1 million secured by real estate located in Calgary, Alberta. The first report of the Inspector dated March 27, 2007 provides a full description of the security of the RDC mortgages;

d. A first charge mortgage registered against approximately 2.5 acres of undeveloped land located in Golden, BC (referred to as "Kicking Horse");

e. A first charge mortgage registered against unit 105 and a second charge mortgage registered against unit 101 located at 20 Sunpark SE in Calgary, AB (collectively referred to as "Community First – MRI");

f. A potential claim against ATL with respect to funds advanced purportedly for due diligence relating to failed financing, as described in greater detail above;

g. Claim against Community First Health Centre and the principals behind the numbered companies associated with Community First Health Centre. This is described in greater detail below; and

h. Assets owned by ART, CSVI and Carling B.C.

Liabilities of Integra

88. The Receiver has assembled a listing of Investors for the various projects. The Receiver however believes that a claims process is required to crystallize Integra's liabilities and set a definitive claims bar date. In addition, the Receiver believes that a claims process is required given the missing trust accounts from Mackin.

89. In addition, the Receiver is in the process of attempting to identify the Carling Private Investors and Carling Mortgage Investors and will work with the Carling Inspector (defined below) on these matters.

90. According to the information contained in the First Report of the Inspector, RDC loaned $130,000 to Integra on December 31, 2003 and this loan was supported by way of a promissory note dated December 31, 2003 indicating that the note was payable on June 30, 2004 in the amount of $150,000. This loan remains outstanding and would likely be considered an unsecured claim by RDC against Integra.

RESIDENCE OF THE FORMER DIRECTORS – 16 WOLF WILLOW

91. The Receiver's Second Report outlined the Receiver's findings to date with respect to certain allegations against the former directors of Integra.

92. The Receiver indicated in the Second Report that it believes that Integra, through the unauthorized payments made indirectly from the Trust Account, has a direct interest in 16 Wolf Willow. Furthermore, any funds that came from Integra may be trust funds and may have priority to existing secured charges registered against the property if those secured charges were advanced after the trust monies were applied towards 16 Wolf Willow.

93. The Receiver commenced an action in the Court of Queen's Bench bearing action number 0601-1194 against Cooke and Jennix concerning the unauthorized use of Integra's corporate funds. Specifically, the statement of claim alleges that Cooke and Jennix used Integra's corporate funds for the purpose of purchasing, renovating and furnishing 16 Wolf Willow.

94. To protect the interest of the Receiver in 16 Wolf Willow, a Certificate of Lis Pendens (the "CLP") was registered by the Receiver against the title of 16 Wolf Willow on October 23, 2006.

95. On December 21, 2006, an Order Nisi/Order for Judicial Listing was granted in favour of Jim Foster, Diane Shao and Tom Lee with respect to the second mortgage and foreclosure proceedings in relation to 16 Wolf Willow. Based on the Order, Cooke and Jennix had until April 21, 2007 to protect their interest and pay the amounts outstanding on the second mortgage. A copy of the Order is attached to this report as Appendix D.

96. The second mortgage was not repaid by April 21, 2007 and 16 Wolf Willow was listed for sale with Royal LePage Foothills.

97. On December 21, 2006, Cooke's lawyers brought an application to discharge all encumbrances against 16 Wolf Willow including the CLP; however, this application has been adjourned *sine die*.

98. The CLP remains registered against 16 Wolf Willow in favour of the Receiver and will have to be addressed upon the closing of any sale. The Receiver understands that no acceptable offers have been received to date.

99. The Receiver intends to continue its pursuit of the statement of claim filed against Jennix and Cooke and to monitor the sale efforts of 16 Wolf Willow.

100. The Receiver provides the following estimate of potential recovery to the Receiver with regard to the CLP registered on title of 16 Wolf Willow:

16 Wolf Willow	**$**	**Notes**
Estimate of Realization	4,150,000	1
Less:		
Commission (estimate)	(130,000)	
First mortgage (existing)	(950,000)	2
Second mortgage (existing)	(800,000)	2
CCRA claim	(114,362)	
	(1,994,362)	
Potential Equity for the CLP	2,155,638	3

Notes:

1. The Receiver is aware of two appraisals that were commissioned on this property, this estimate is the average amount of the two appraisals.

2. This only represents the principal amount registered on title.

3. This amount is before costs (legal fees, receiver's fees etc.).

101. The Receiver was advised on May 4, 2007 that Cooke had received an offer of $3.2 million on 16 Wolf Willow. On May 11, 2007 the Receiver's counsel sent a letter to Cooke's counsel advising that the Receiver would not agree to remove the CLP registered on title to 16 Wolf Willow or support the sale as the offer received was below the appraised values of the property.

102. The Receiver was advised on May 10, 2007 by Cooke's counsel that 16 Wolf Willow was no longer insured. The Receiver immediately notified our insurer and placed insurance coverage on the premises to protect the Receiver's interest in the property. The Receiver has placed coverage in the amount of $2.0 million to secure the estimated realizable value to the Receiver in relation to the CLP registered on title.

RDC PROJECTS

103. The First Report of the Inspector provides a detailed analysis of the RDC projects and the amounts raised by Integra in relation to these projects. A summary of the RDC projects is presented below:

RDC Projects	Total Principal	Mortgage Registered	Difference
	a	b	b-a
500 Block			
514 - 12 Ave	$ 470,000	$ 485,000	$ 15,000
518 - 12 Ave	400,000	400,000	-
520 - 12 Ave	660,000	660,000	-
525 - 11 Ave	675,000	675,000	-
	2,205,000	2,220,000	15,000
600 Block			
606 - 12 Ave	650,000	650,000	-
610 - 12 Ave	475,000	475,000	-
620 & 624 12 Ave	1,255,500	1,126,500	(129,000)
626 - 12 Ave	325,000	325,000	-
628 - 12 Ave	562,500	610,000	47,500
	3,268,000	3,186,500	(81,500)
500 & 600	5,473,000	5,406,500	(66,500)
603 - 11 Ave	630,500	850,000	219,500
Total	**$ 6,103,500**	**$ 6,256,500**	**$ 153,000**

Foreclosure of 603-11 Ave. S.E. ("603")

104. On September 29, 2006 TD Canada Trust sold 603 through a foreclosure sale. The net proceeds from that sale were used to payout the TD Canada Trust first mortgage on the property and other

fees relating to the foreclosure. The remaining funds, approximately $350,000, were paid into Court. The Receiver will be reporting to the Court on this matter to retrieve the funds from Court.

105. The total principal advanced by the Investors relating to 603 totalled $630,500 with the recovery from the proceeds in Court of $350,000 resulting in a shortfall of $280,500. The Receiver understands that Integra holds a promissory note issued by RDC and therefore, the Receiver intends to demand under the promissory note to RDC for the repayment of the shortfall. The Receiver anticipates a full recovery (before costs) on the amounts owed to the 603 Mortgage Investors after recovery from RDC under the promissory note.

Sale of the 500 Block

106. On October 11, 2006, RDC entered into an agreement of purchase and sale with TRL Capital Inc. ("TRL") for the sale of the 500 Block (which consists of four undeveloped lots on 11 Ave S.E.), for a purchase price of $3,000,000. The sale to TRL closed on December 15, 2006 and RDC's counsel is holding approximately $2,994,000 in trust with respect to this sale. The majority of these sale proceeds will be used to repay mortgage liabilities to Mortgage Investors associated with the 500 Block. The funds are being held in trust pending the completion of a claims process by RDC which is being administered by the Inspector. RDC received a claims process order from the Court on May 2, 2007 and has now commenced its claim process.

107. The Receiver is in the process of seeking the repayment of the principal balance owed by RDC to Integra with respect to the mortgages registered against the 500 Block. The amount of interest owed is currently being disputed by RDC and will be addressed as part of an application to Court made by the Inspector on May 23, 2007.

108. The Receiver anticipates a full recovery (before costs) of the Integra/OTC/CWT mortgages registered against the 500 Block as the sale price was $3,000,000 and the outstanding mortgages including accrued interest (compounded semi-annually) are approximately $2,800,000.

Sale of 600 Block

109. On February 9, 2007, RDC entered into an agreement of purchase and sale with TRL for the sale of the 600 Block (which consists of six undeveloped lots located on 12 Ave S.E.), for a purchase price of $10,300,000. The sale to TRL is scheduled to close on June 15, 2007.

110. The proceeds from the sale of the 600 Block will be held in trust pending the completion of the RDC claims process. The Receiver intends to seek the repayment of the principal amount of the mortgage as it does not believe this amount to be in dispute.

111. The Receiver anticipates a full recovery (before costs) of the Integra/OTC/CWT mortgages registered against the 600 Block as the purchase price is $10,300,000 and the outstanding mortgages secured against the 600 Block including accrued interest (compounded semi-annually) are approximately $4,200,000.

KICKING HORSE

112. Integra raised funds for 592992 British Columbia Ltd., referred to as Riverside Meadows Kicking Horse, pursuant to a loan agreement dated December 4, 2003. This project is referred to as Kicking Horse, which consists of 2.52 acres of undeveloped land located in Golden, B.C. Integra, along with CWT and OTC, have a first mortgage registered on title of this property for a combined value of $2.5 million.

113. The Receiver's analysis of the funds raised for Kicking Horse is presented below:

Mortgage Funds Raised:	
Cash Investors	1,279,000
OTC Investors	167,500
CWT Investors	480,000
Total Raised	**1,926,500**

114. The amount raised comprises of 29 Investors including 17 cash Investors, 8 OTC Investors and 4 CWT Investors, as indicated on the Mortgage Investor Listing which is attached as Appendix C.

115. The Receiver's analysis of the Borrowers obligations with respect to the mortgage for Kicking Horse is presented below:

Borrower Obligations:	
Funds advanced	1,360,358
Commission	309,203
Interest (net of receipts)	585,093
Admin Fees (net of receipts)	53,252
Total	**2,307,906.91**
Per Diem	**758.76**

116. The funds advanced to the Borrower include amounts to acquire the property as well as subsequent draws and advances. Commission, interest and administrative fees are determined in accordance with the loan agreement after offsetting amounts received from the Borrower with interest being accrued to April 23, 2007.

117. The Borrower is in default with respect to the mortgage on this property and the Receiver's counsel sent a demand letter to the Borrower on February 12, 2007. The Borrower did not reply to the demand letter and the Receiver commenced foreclosure proceedings on this property. The affidavit filed by the Receiver with respect to this matter indicates that the assessed value of this property is $585,000, which is significantly less than the amount owing to the secured Mortgage Investors.

118. On April 23, 2007 the Receiver obtained an Order Nisi and *Order for Conduct of Sale* providing the Receiver the authority of the Court to commence a sale of the property. The Receiver has commissioned appraisals on the property and will begin marketing the property shortly.

COMMUNITY FIRST - MRI

119. Integra raised $1,746,500 in funds for CommunityFirst Diagnostic Imaging Inc./960729 Alberta Inc., pursuant to a loan agreement dated August 16, 2004. This project is referred to as Community First - MRI. The Receiver understands that the funds raised were to be used by the Borrower to purchase an MRI machine and other equipment for a medical clinic. The Receiver understands that an MRI machine was never purchased with the funds advanced to the Borrower. The Receiver is uncertain as to the use of the funds by the Borrower.

120. As security for the loan, the Borrower granted Integra, OTC and CWT a mortgage against two properties. Integra, along with CWT and OTC, have a first mortgage registered on title of suite 105 and a second mortgage registered on title of suite 101, both mortgages are registered for a combined value of $2.3 million.

121. Integra, along with CWT and OTC originally had a first mortgage registered on title to suite 101, but the mortgage was postponed to 371562 Alberta Ltd. in January, 2005.

122. The Receiver's counsel investigated the postponement transaction in the context of the subsequent foreclosure proceedings brought by 371562 Alberta Ltd. against suite 101. No evidence was obtained through such investigation to suggest any wrongdoing on the part of 371562 Alberta Ltd. or its principals. Further investigation may be undertaken in relation to involvement of the Borrower and its principal in the postponement transaction.

123. The Receiver's analysis of the accounting of Community First – MRI is presented below:

Mortgage Funds Raised:	
Cash Investors	1,129,500
OTC Investors	496,500
CWT Investors	120,500
Total Raised	**1,746,500**

124. The amount raised comprises of 51 Investors including 35 cash Investors, 12 OTC Investors and 4 CWT Investors, as indicated on the Mortgage Investor Listing which is attached as Appendix C. The Receiver identified two additional term sheets, which are not included in the Mortgage Investor Listing however, if funds were advanced by these Investors with respect to these term sheets, the

Receiver was unable to trace these funds to the Lawyers or Integra accounts and therefore they are not included in the above mentioned amounts.

125. The Receiver's analysis of the Borrowers obligations with respect to Community First - MRI is presented below:

Borrower Obligations:	
Funds advanced	1,402,864
Commission	280,313
Interest	520,194
Admin Fees	37,375
Total	**2,240,746**

126. The funds advanced to the Borrower include amounts that were to be used to acquire certain medical equipment. Commission, interest and administrative fees are determined in accordance with the loan agreement. The Borrower did not pay any additional amounts to Integra. Unpaid interest has been accrued up to May 8, 2007.

127. The Borrower is in default with respect to the mortgage on this property and the Receiver's counsel sent a demand letter to the Borrower on February 23, 2007. The Borrower filed a Notice of Intention under the Bankruptcy and Insolvency Act on March 2, 2007, which stayed proceedings against the Borrower until March 31, 2007.

128. On March 28, 2007, the Borrower obtained an extension for filing its Proposal until April 27, 2007, which further stayed proceedings until that date.

129. On April 27, 2007, the Borrower applied to the Court of Queen's Bench of Alberta for a further extension on its deadline to file its Proposal. The Receiver's counsel opposed the application. The presiding Registrar dismissed the Borrower's application and the Borrower was automatically deemed to have assigned itself into bankruptcy.

130. The Receiver commissioned an appraisal for this property which indicates the estimated realizable value is $950,000. The Receiver filed a statement of claim on May 18, 2007 to commence the

foreclosure application. The Receiver intends to commence a marketing program for the property in the next two weeks.

60 SUNPARK MEDICAL CENTRE

131. Integra raised funds for 965485 Alberta Ltd., pursuant to an agreement dated March 5, 2004. This project is referred to as 60 Sunpark.

132. Integra, along with CWT and OTC originally had a first mortgage registered on title to this property, but the mortgage was postponed to Invesco Mortgage Inc. The postponement of their security resulted in Integra, CWT and OTC holding a second mortgage registered on title of this property for a combined value of $2,750,000 million.

133. The Receiver's analysis of the accounting of 60 Sunpark is presented below:

Mortgage Funds Raised:	
Cash Investors	1,852,500
OTC Investors	592,000
CWT Investors	305,500
Total Raised	**2,750,000**

134. The amount raised comprises of 74 Investors including 46 cash Investors, 19 OTC Investors and 9 CWT Investors, as indicated on the Mortgage Investor Listing which is attached as Appendix C.

135. The Receiver's analysis of the Borrower's obligations with respect to 60 Sun Park Plaza is presented below:

Borrower Obligations:	
Funds advanced	1,952,565
Commission	441,375
Interest (net of receipts)	47,890
Admin Fees (net of receipts)	29,425
Total	**2,471,255**

136. RSM Richter Inc. was appointed as receiver over this property by Order of the Honourable Madam Justice B.E.C. Romaine dated October 31, 2005. This property was sold by the receiver to 810912 Alberta Ltd. for a purchase price of approximately $3.6 million on April 19, 2006. The sale price was based on the purchaser assuming the first mortgage and paying the receiver's fees with the result being there were no funds available from the sale of this property for Integra's, OTC's and CWT's second mortgage.

137. The Receiver's counsel fully investigated the transaction to ensure that the transaction was legitimate.

138. The Receiver is working with its counsel to determine what steps are available to recover the funds raised by Integra which were advanced to the Borrower, since Integra no longer has a mortgage registered against this property (the Integra mortgage was cleared from title by the above sale of the receiver).

COMMUNITY FIRST - COP

139. Integra raised funds for CommunityFirst Health Centre – C.O.P. / 1121188 AB Inc., pursuant to a loan agreement dated August 16, 2004. This project is referred to as COP.

140. The Receiver understands that the property referenced in the loan agreement between 1121188 AB Inc. and Integra was never purchased by the Borrower. The current certificate of land titles indicates that the registered owner of the property is 618381 Alberta Inc. and it appears that this numbered company has owned this property since November 30, 1994. Integra does not have a mortgage registered on title for this property and the Receiver does not believe that any mortgage was ever held in favour of Integra relating to this project.

141. OTC advised the Receiver that their Investor cheques were returned in September 2005, uncashed, by Donald N. Larson Professional Corporation (Integra's legal counsel at the time). CWT advised the Receiver that the majority of their Investors cheques were returned, uncashed, by Donald N. Larson Professional Corporation. CWT further advised that three Investor cheques were not returned. The Receiver notes that the term sheets for these three individuals were marked "VOID" and the Receiver was unable to trace funds from these individuals into the Lawyer or Integra accounts.

142. Approximately 44 of Investors' representing $1.4 million in funds were transferred by Donald N. Larson Professional Corporation to Integra with the condition that the funds were to be held in trust by Integra. Attached as Appendix E is a copy of the letters from Donald N. Larson Professional Corporation to Integra imposing trust conditions. The Receiver is uncertain why the funds were transferred to Integra as opposed to being repaid by Donald N. Larson Professional Corporation to the individual Investors, or why Integra did not repay the Investors.

143. The Receiver's analysis of the accounting of COP is presented below:

Mortgage Funds Raised:	
Cash Investors	1,588,000
OTC Investors	640,000
CWT Investors	261,000
Total Raised	**2,489,000**

Funds Paid to Borrower	
Advances/Draws	(125,000)
Total to Borrower	**(125,000)**
Funds returned to Investors	
Cash Investors	(122,500)
OTC Investors	(640,000)
CWT Investors	(192,000)
	(954,500)
Retained by Integra	**1,409,500**

144. The amount raised comprises of 51 Investors including 48 cash Investors and 3 CWT Investors, as indicated on the Mortgage Investor Listing which is attached as Appendix C. The Receiver identified two additional term sheets which are not included in the Mortgage Investor Listing however, these term sheets could not be traced to the Trust Account and therefore they are not included in the above mentioned amounts.

145. The Receiver is working with our counsel to determine what steps should be taken to recover the funds advanced to the Borrower since Integra does not have a mortgage registered against this property or any promissory note from the Borrower.

146. The Receiver is also working with its counsel to determine if an action should be commenced against the former directors of Integra, or its legal counsel, relating to the funds retained with respect to this property.

SERENDIPITY

147. Integra raised funds for Serendipity Development Ltd. pursuant to a loan agreement dated June 21, 2004. This project is referred to as Serendipity.

148. Serendipity Development Ltd. was a company owned by Cooke and Jennix. The Receiver reviewed the Integra accounts to confirm that no payments were made to Serendipity prior to the loan agreement referred to above. The Receiver confirms that no payments were made to Serendipity prior to June 2004.

149. Integra, along with CWT and OTC, had a first mortgage registered on title of this property for a combined value of $1.2 million.

150. The Receiver's analysis of the accounting of Serendipity is presented below:

Mortgage Funds Raised:	
Cash Investors	749,000
OTC Investors	206,000
CWT Investors	162,000
Total Raised	**1,117,000**

151. The Receiver understands that the Mortgage Investors relating to the Serendipity project were paid out in September 2006. An Electronic Fund Transfer for one of the Investors was returned to the Trust Account and the Receiver is investigating this matter.

MANCHESTER PLACE

152. Integra raised funds for MPlace Condominium Development Corp., pursuant to a loan agreement dated August 30, 2004. This project is referred to as Manchester Place.

153. Integra, along with CWT and OTC had a first mortgage registered on title of this property for a combined value of $2.3 million.

154. The Receiver's analysis of the accounting of Manchester Place is presented below:

Mortgage Funds Raised:	
Cash Investors	2,031,000
OTC Investors	209,000
CWT Investors	80,000
Total Raised	**2,320,000**

155. The Receiver understands that the Mortgage Investors relating to the Manchester Place project were paid out in December 2005.

OKANAGAN HILLS

156. Integra raised funds for Y-K Projects Ltd., in Okanagan Hills, pursuant to a loan agreement dated May 10, 2003. This project is referred to as Okanagan Hills throughout this report.

157. The Receiver understands that the principal behind Y-K Projects Ltd., Ms. Leona Snider, terminated the agreement with Integra. The funds raised by Integra for this property were either reimbursed or redirected to other projects based on instructions from the Investors.

158. The Receiver notes that the Mackin ledgers included an amount of $25,000 for one Investor in Okanagan Hills. The Receiver could not confirm if this amount had been transferred to another property or if had been reimbursed to the Investor since the records from Mackin are incomplete.

CARLING PROJECTS

Background to Legal Proceedings

159. On April 5, 2004 an action was taken against Carling, Carling Canada Group Inc., the Carling Group, John Anderson and Terrance Dawe, on behalf of the Carling Private Investors who purportedly had an interest the Airdrie Land.

160. On or about April 19, 2004, CDI and Danny Cheng entered into a forbearance agreement with certain Investors in all of the Carling Projects. The Receiver understands that Danny Cheng and Lisa Wong incorporated Wisdo Development Inc. ("Wisdo") and subsequent to the incorporation, Wisdo purchased title to a portion of the Surrey Land Options. This acquisition was not disclosed to the Investors, which was in breach of the forbearance agreement. The officers, directors and shareholders of Wisdo were Danny Cheng and Lisa Wong.

161. On September 30, 2005 Carling filed a statement of claim against the Integra Companies, Jennix, Cooke and Mackin (the "Carling Claim").

162. The Carling Claim describes the relationship between Integra and Carling with respect to the Carling Projects.

163. According to the information contained in the statements of claim and statements of defence, filed with respect to this matter in November 2003, Integra and Carling had an agreement in principal which is described as follows:

   a. Integra would attempt to recoup the Investors' monies with respect to the Carling Projects;

   b. Integra would assume the administrative obligations of Carling in respect of the Projects;

   c. The Carling Projects would be conveyed to Integra's nominees; and

   d. Mackin incorporated two new companies for this purpose – ART and CSVI. The agreement contemplated Integra taking ownership of Carling B.C., the company that owned the Surrey Land Options.

164. Carling alleges that in November 2003, Mackin unlawfully transferred ownership of the Ft. McMurray Lands, the Airdrie Lands and the Surrey Land Options to Integra, prior to the satisfaction of the trust conditions which would have made the transfer lawful.

165. On June 30, 2006 Integra filed a statement of defence, indicating that the transfer of ownership was lawful and appropriate.

Present Situation

166. The Ft. McMurray Land and the Airdrie Land are owned by ART and CSVI respectively, and these two companies are part of the Integra group of companies that are in Receivership.

167. The Surrey Land Options appear to have expired, as the options to purchase this land were never exercised.

168. Essentially the Ft. McMurray Land, the Airdrie Land and the Surrey Land Options are held by companies in Receivership, while the liabilities associated with these companies, namely the Carling Private Investor funds raised were created in companies outside the Receivership.

Discussions with Carling

169. The Receiver has held several meetings with Carling and its counsel to determine the most appropriate course of action with respect to this matter. After several meetings it was determined that the most appropriate course of action would be for the appointment of Ernst & Young Inc. as Court-Appointed Inspector of Carling (the "Carling Inspector"). In this capacity the Carling Inspector would have full access to the books and records of the Carling entities, which would allow the Carling Inspector to report on:

a. The status and priority of the Investors who advanced funds either directly or indirectly to the Carling Projects;

b. Whether any trust claims exist in respect of the Carling Projects;

c. Whether unsecured creditors should be pooled or segregated by project; and

d. An overall accounting between Carling, Integra and the Investors.

170. Upon completion of the Carling Inspectors investigation and reporting on the matters identified above, the Carling Inspector could facilitate a meeting with the Carling Private Investors to obtain

their input and eventually vote on the following alternative courses of action with respect to the Carling Projects:

a. The completion of an orderly sale of the Ft. McMurray Land and the Airdrie Land; or

b. A reorganization and development of the Ft. McMurray Land and the Airdrie Land.

171. Carling has consented to the order appointing the Carling Inspector and the order is in the process of being signed, entered and filed as this report is being finalized. Once the Consent Order is signed, entered and filed, the Carling Inspector will begin its review of the Carling records to identify the Investors that relate to the Airdrie Land the Ft. McMurray Land and the Surrey Land Options.

172. The Receiver has provided its understanding of the Carling Projects above but notes that the information will likely be revised based on the findings of the Carling Inspector.

Aurora River Tower

173. Integra raised funds for CDI pursuant to an agreement dated November 1, 2001. The Receiver understands that this projects main asset is the Ft. McMurray Land.

174. OTC advised the Receiver that their Mortgage Investors in this project were paid out in November 2005. The Receiver has reason to believe that the cash Mortgage Investors were also paid out, but cannot confirm this information as the Receiver does not have the trust account ledgers for Dawe Law Office pertaining to this project. The Receiver understands that this property was refinanced and Integra no longer has a mortgage registered on this property. The Receiver anticipates that the Carling Inspector can resolve this uncertainty.

175. The Receiver's analysis of the accounting of Aurora River Tower is presented below:

Mortgage Funds Raised:	
Cash Investors	530,000
OTC Investors	894,000
Total Raised	**1,424,000**

176. The Receiver will work with the Carling Inspector to confirm if the Carling Mortgage Investors in this project were paid out and to determine the quantum of Carling Private Investors that may have an interest in the Ft. McMurray Land. If they were not paid out, the Receiver will work with our counsel to determine what, if anything, can be done to recover funds advanced to the Borrower.

177. The Receiver notes that the property tax assessed value of the Ft. McMurray Land is approximately $2.9 million. The table below indicates the Receiver's estimate of potential equity in this property.

Ft. McMurray Land	**$**	**Notes**
Property Assessment	2,923,000	
Less:		
Commission (estimate)	(50,000)	
First mortgage (existing)	(1,500,000)	1
Liens	(512,000)	
	(2,062,000)	
Potential Equity for unsecureds	861,000	2

Notes:
1. This only represents the principal amount registered on title and is subject to the Receiver counsels legal review.
2. This amount is before costs (legal fees, receiver's fees etc.).

Carling Spring Village

178. Integra raised funds for Prairie Spring Village / Carling Spring Village Inc. pursuant to a loan agreement dated January 8, 2004. This projects main asset is the Airdrie Land.

179. The Receiver notes that this project is referred to as both Prairie Spring Village and Carling Spring Village in the accounting source documents. The Receiver confirmed that these names were used to identify the same project.

180. Integra, along with CWT and OTC, have a first mortgage registered on title of the Airdrie Land for a combined value of $775,000.

181. The Receiver's analysis of the accounting of Carling Spring Village is presented below:

Mortgage Funds Raised:	
Cash Investors	348,500
CWT Investors	426,500
Total Raised	**775,000**

182. The Receiver will also work with the Carling Inspector to determine what other stakeholders may have an interest in this project including the Carling Private Investors.

183. The Receiver was unable to confirm the property tax assessed value of the Airdrie Land prior to filing this report. The Carling Inspector will investigate this matter and report to the Court.

Royal Villa Estates

184. Integra raised funds for Carling B.C. pursuant to an agreement dated November 15, 2001.

185. The Receiver understands that Carling B.C. previously owned the Surrey Land Options. The purchase of this property was going to be financed by the Investors in Royal Villa Estates. This property was never purchased by Carling.

186. The Receiver understands that $1,759,780 was raised from Investors relating to the Surrey Land Options.

187. The Receiver will work with the Carling Inspector to confirm the Investor information. The Receiver will work with our counsel to determine what, if anything, can be done to recover funds advanced to the Borrower.

PROPOSED CLAIMS PROCESS

188. As discussed above, the Receiver has prepared a Mortgage Investor Listing by project. The Mortgage Investor Listing was prepared by the Receiver based on an extensive review of Integra's books and records. The Receiver compared the information contained in the Mortgage Investor Listing to information provided by OTC and CWT as well as tracing funds to the Lawyer trust accounts. The Receiver initially found 58 discrepancies and resolved all but four of these discrepancies. The four remaining discrepancies are noted in the Mortgage Investor Listing.

189. The Mortgage Investor Listing represents the investments of individual Investors in each of the Integra projects based on the information contained in Integra's books and records. The Mortgage Investor Listing does not include any of the Carling Mortgage Investors or the Carling Private Investors as the Receiver was not able to confirm this information.

190. The Proof of Investment Process and Proof of Claim Process described below **<u>excludes</u>** the Carling Mortgage Investors and the Carling Private Investors. A separate Proof of Investment and Proof of Claims Process will be required upon completion of the Carling Inspectors review of the books and records relating to the Carling Projects.

Proof of Investment process

191. The Receiver recommends to this Court that a procedure be implemented whereby each Investor would not be required to prove their investment with supporting documentation. The Receiver proposes that it send to each Investor a Proof of Investment form that would include a schedule of each individual Investors investment(s) in each of the Integra projects ("Individual Investor List"). The schedule would be in the same form as is attached Appendix F.

192. The Receiver will include this Individual Investor List with a Proof of Investment form, in the form attached as Appendix G.

193. Investors who agree with the information contained in the Individual Investor List must sign the Individual Investor List in the space provided and returning the Individual Investors List to the Receiver by 1:00 p.m. July 13, 2007 (the “Claims Bar Date”).

194. As indicated in the Proof of Investment form, if the Investor disagrees with the information contained in the Individual Investor List, they will be required to prove their investment with supporting documentation.

195. The Receiver acknowledges that the Mortgage Investor Listing may not include all of the individual Investors, since the Receiver was, and continues to work with, an incomplete set of financial records. To ensure that all Investors are provided with notice of the Proof of Investment process, the Receiver will place an advertisement in the Globe and Mail and the Calgary Herald on or before June 8, 2007 in the form attached as Appendix H.

196. The Receiver is proposing the following timeline for the Proof of Investment process:

Milestone	Date
Preparation of Individual Investor List	In Progress
Mail to all known Investors a Proof of Investment Form ("POI") and Individual Investor List	08-Jun-07
Post forms on the Integra Receivership web-site	08-Jun-07
Place advertisement in the Globe and Mail and the Calgary Herald	08-Jun-07
Deadline for Investors to file a POI with the Receiver	**13-Jul-07**
Deadline for the Receiver to review and either allow or disallow the amended POI	10-Aug-07
Deadline for the Investor to dispute the Notice of Disallowance	24-Aug-07

Proof of Claims process

197. In conjunction with the Proof of Investment process, the Receiver intends to run a Proof of Claim process to determine the scope and nature of the liabilities which are not related to the Investors. The Proof of Claim process will follow the timeline identified above for the Proof of Investment process.

198. The Receiver intends to mail a Proof of Claim to all known creditors, other than Investors, in the format attached as Appendix I.

199. The advertisement to be placed in the Globe and Mail and Calgary Herald will also serve as notice of the Proof of Claims Process.

200. The Receiver believes that since the reconstruction of the accounting records has been completed and recovery strategies are well underway, a claims process is the next logical step.

201. The Receiver intends to issue a further report to Court summarizing the results of the claims process and its proposed methodology for the distribution of funds recovered to the Investors.

OTHER MATTERS

Interview of Cooke

202. On January 25, 2007 Madame Justice directed that Cooke attend at an interview with the Receiver within 30 days. In preparation for the interview, Cooke was directed to produce a Statutory Declaration identifying the documents she has in her possession, once had in her possession and no longer has, and documents which have been destroyed, and she was required to produce the documents which she is in possession of prior to the interview. Cooke did not provide the Receiver with any dates to attend an interview and as such a case conference was scheduled for March 20, 2007 as the Receiver required advice and directions on how to proceed with this matter. The matter was put over until April 2, 2007.

203. On April 2, 2007 Cooke provided the Receiver with various documents and the computer used by Jennix during his tenure with Integra as discussed above. The Receiver has not yet received a Statutory Declaration from Cooke.

204. The Receiver held an interview with Cooke on April 18, 2007. The Receiver is unable to comment on the interview at this time as the Court has "sealed" the transcripts.

The Alberta Securities Commissions

205. The ASC, pursuant to an amended notice of hearing dated March 8, 2007 to be heard on March 26, 2007, has filed a complaint against several companies and individuals including Integra. The Receiver's counsel contacted the ASC and advised them of the stay of proceedings pursuant to the Receivership Order.

206. The ASC sent a letter to the Receiver's counsel on May 15, 2007 requesting the Receiver's permission to lift the stay of proceedings outlined in the Receiver's appointment Order, in addition

this letter indicated that the ASC would not enforce any monetary penalty against the Integra estate without either first obtaining the consent of the Receiver or an Order of the Court of Queen's Bench.

207. The Receiver's counsel sent a letter to the ASC on May 17, 2007 consenting to lift the stay of proceedings described in the Receiver's appointment Order dated September 8, 2006 to allow the ASC to prosecute the proceedings it has commenced against some of the debtors, with certain conditions.

208. At this time the Receiver is unable to comment on the validity of the allegations contained within this amended notice of hearing and the potential claim the ASC may put forward with respect to these allegations.

RECOMMENDATION AND SUMMARY OF NEXT STEPS

209. The Receiver intends to work with the Carling Inspector, to complete the accounting relating to the Carling Projects.

210. The Receiver recommends the approval to commence a Proof of Investment process and a Proof of Claims process in order to determine and confirm Integra's liabilities to its Investors and other creditors.

211. Upon the completion of the Proof of Investment and Proof of Claims process, the Receiver intends to issue a further report to the Court with its recommendation regarding how funds recovered should be distributed to the various stakeholders/creditors.

212. The Receiver intends to implement the various asset realization strategies identified above.

213. The Receiver is reviewing all of the potential claims the Receiver can assert against certain Borrowers and the former directors of Integra. The Receiver will assess the viability of pursuing these claims and will report to the Court on the Receiver's analysis at a later date.

All of which is respectfully submitted this 22nd day of May 2007.

ERNST & YOUNG INC.
Solely in its capacity as Court Appointed Receiver
of Integra Investment Service Ltd, Aurora River Towers Inc.,
Carling Springs Village Inc. and Carling Development (B.C.) Inc.

H. Neil Narfason, CA•CIRP, CBV
Senior Vice-President

Deryck Helkaa, CA•CIRP
Vice-President

Action No.: 0601-09869 2007

IN THE COURT OF QUEEN'S BENCH
OF ALBERTA

JUDICIAL DISTRICT OF CALGARY

BETWEEN:

VECKENSTEDT HOLDINGS INC., HERB VECKENSTEDT, FRED PIPER, JOAN PIPER, LIPOTH CONSULTING, AND PAUL LIPOTH

Plaintiffs

- and -

INTEGRA INVESTMENT SERVICE LTD. AND RUNDLE DEVELOPMENT COOPERATIVE

Defendants

RECEIVERSHIP ORDER:
INTEGRA INVESTMENT SERVICE LTD.,
AURORA RIVER TOWERS INC.,
CARLING SPRINGS VILLAGE INC., AND
CARLING DEVELOPMENT (B.C.) INC.

FOURTH REPORT OF THE RECEIVER

BORDEN LADNER GERVAIS LLP
Barristers and Solicitors
1000, 400 - 3rd Ave SW
Calgary, Alberta T2P 4H2

Attention: Josef Kruger
Telephone: (403) 232-9563
Fax: (403) 266-1395

FRASER MILNER CASGRAIN LLP
Barristers and Solicitors
30th Floor, 237- 4th Avenue S.W.
Calgary, Alberta T2P 4X7

Attention: David W. Mann
Telephone: (403) 268-7097
Fax: (403) 268-3100

RDC

"Rundle Development Co-operative"

1st Mortgage Investment Opportunity

Brought to you by

Integra Investment Service Ltd.

(A Safe & Secure Way to Invest)

Dear investor:

It is with great pleasure that we introduce to you, the "Rundle Village Estates Project", a new residential apartment concept, to be constructed in Calgary. Located at **606 - 12th Avenue S.E.** it is ideally situated in the Victoria community, on the North side of the proposed Stampede expansion area, just 1 block east of the main gate entrance to the Stampede grounds and within walking distance to all downtown amenities.

The investment opportunity is available by way of a fully secured, **first** mortgage. The estimated value to loan ratio exceeds normal lending criteria, thereby providing maximum security for the Co-Lenders. The Co-Lender's investment is fully secured by way of first mortgage, registered on title of the property.

This investment requires a minimum investment of ten thousand (**$10,000.00**) dollars. Two thousand five hundred (**$2,500.00**) dollar additional increments are available thereafter. The investment earns an annual rate of return of twelve (**12%**) percent per annum, **paid monthly**, not in advance. The investment term is for a minimum of one (**1**) year and a maximum of four (**4**) years.

Should you wish to participate please complete and return the documents; Term Sheet (put a check mark in the box, indicating your choice of investment), Co-lender Commitment, Agreement to Lend & Power of Attorney, Acknowledgement & Waiver. Upon receiving your reservation, Integra will forward the pertinent documents (Co-Lending Loan Administration & Agency Agreement and or RRSP Mortgage Direction & Undertaking) for your review and signature.

Should you have any questions, please do not hesitate to contact us at: **1** (403) **230–0418,**
Toll Free: **1 877 230 4660,** Fax: (403) **806–1277** or Email: **info@integrai.ca**

We urge you to compare this investment opportunity and invite you to join us in constructing the new standard of accommodations in Canada's Fastest Growing City, Calgary, Alberta.

"A smart way to make the most out of your money... Safely!"

___	RRSP
Appendix A	RRIF
___	LIRA
___	CASH

Term sheet
Syndicated Mortgage Investment Opportunity
RDC Rundle Development Co-operative

Date: October 9, 2003

Total loan amount: **$**________________

Yield to Co-Lender: **12.0%** Annually

INTRODUCTION

Rundle Development Co-operative (the "Borrower") wishes to arrange a mortgage to be secured by residential property located in the City of Calgary in the Province of Alberta for a project known as the "Rundle Village Estates" apartment project (with commercial facilities on the main floor) up to 17 plus floors, and in turn contribute to the revitalization of the Victoria community. Integra Investment Service Ltd. on behalf of all Co-Lenders will administer the loan and mortgage.

LOAN SUMMARY

(a) The real estate for the loan will be a mortgage on title to the property legally described as:

Plan C; Block 76; Lot 41 & 42
EXCEPTING THEREOUT ALL MINES AND MINERALS

(b)	Municipal Address:	606 - 12th Avenue SE, Calgary, Alberta
(c)	Current Land Value:	**$975,000.00** (*based on DP approval*)
(d)	Current Financing:	None
(e)	Purpose:	To be advanced to finance the purchase of the land and thereafter on a development and construction progress basis
(f)	Loan Amount:	**$**____________________
(g)	Contracted Borrower Interest Rate:	**12.0%** per annum, interest only, calculated and paid monthly, not in advance
(h)	Loan Term:	Minimum of **1**, maximum of **4** years
(i)	Anticipated first partial funding:	December 15, 2003

____
(Co-Lender Initials)

CO-LENDER COMMITMENT

Appendix A

To: **Integra Investment Service Ltd.**

From: ____ (*the "Co-Lender"*)

Re: Loan to Rundle Development Co-operative (*the "Borrower")* in the sum of **$**______________.

The undersigned Co-Lender hereby acknowledges receipt of a term sheet dated October 9, 2003 from the Borrower, providing details of a Syndicated Mortgage Co-Lending Opportunity referred to as the Rundle Development Co-operative mortgage loan (*the "Loan"*).

The Co-Lender hereby commits to participate in the loan by advancing (*the "Co-Lender Advance"*) the sum of ____________________________________ thousand dollars ($__________________) to fund a portion of the loan. The Co-Lender Advance shall be invested in accordance with the Provisions of the Co-Lender Loan Administration and Agency Agreement to be executed among all of the Co-Lenders and Rundle Development Co-operative.

The following terms shall apply to this Co-Lender Mortgage Investment:

(a) Contracted Borrower Rate: **12.0%** per annum paid monthly, not in advance.
(b) Term: minimum (**1**) and Maximum (**4**) years at the discretion of the Borrower
(c) Miscellaneous:
- payments shall be interests only on a monthly basis
- to be subordinate to other construction and long-term financing
- may be partially repaid and discharged after one year
- advances will be made to finance the acquisition of the property and then on a development and construction progress basis

Dated at ______________in the Province of Alberta this _________day of ________________, 2003.

Per: ______________________________________
Co-Lender Signature

Name ______________________________________ Email ______________________________________

Address ___________________________________ Telephone __________________________________

____

ACCEPTANCE

Accepted by Integra Investment Service Ltd. this _________day of ________________, 2003.

Integra Investment Service Ltd.

Per: ______________________________________
Maxine Cooke, President

AGREEMENT TO LEND AND POWER OF ATTORNEY

Appendix A

THIS AGREEMENT is made as of the date referred to below.

AMONG:

Integra Investment Service Ltd., a corporation incorporated under the laws of the Province of Alberta (*the" Corporation"*)

-and-

The person, corporation or other entity whose name and address is set forth at the bottom of this Agreement (*the" Co-Lender"*)

WHEREAS:

A. The Corporation and the Co-Lender propose to enter into a Co-Lending Loan Administration and Agency Agreement (*the "Agreement"*)

B. The Co-Lender agrees to lend either directly or through his/her RRSP/RRIF the sum of

$________________________.

1. In consideration of and upon the Corporation entering into the Agreement, the undersigned:

(a) agrees to be bound by as a party to, the terms of the agreement, as from time to time amended and in effect;
(b) hereby irrevocable nominates, constitutes and appoints the president of the Corporation, from time to time, with full power of substitution, as agent and true and lawful attorney to act for and on behalf of the undersigned with full power and authority in the name, place and stead of the undersigned to execute (under seal or otherwise), swear, acknowledge, deliver and record or file as and where required:

(i) the Agreement and any amendment thereto;
(ii) any instrument or certificate necessary to reflect any amendment to the Agreement;
(iii) any document required in connection with the dissolution or termination of the Agreement;
(iv) any document or other like instrument on behalf of and in the name of the undersigned as may be necessary to reflect the assignment of a unit or units; and
(v) any other instrument or document as may be deemed necessary by the Corporation to carry out fully the provisions of the Agreement in accordance of its terms.

2. The power of attorney granted herein is irrevocable, is a power coupled with an interest and, to the extent permitted by law, is valid and binding on the estate of the undersigned and will be exercisable during any subsequent legal incapacity of the undersigned, will survive the assignment by the undersigned of the whole or any part of the interest of the undersigned in the Agreement and extends to and is binding upon the heirs, executors, administrators and other legal representatives, and the successors and assigns of the undersigned and may be exercised by the Corporation for and on behalf of the undersigned in executing any instrument with a single signature as attorney.

IN WITNESS WHEREOF the parties have executed this Agreement effective the ____________________day of

________________________________, 2003.

____________________________	____________________________
Signature of Witness	Signature of Co-Lender (*or signing officer of Co-Lender*)
____________________________	____________________________
Name of Witness (*please print*)	Name of Co-Lender (*please print*)
____________________________	____________________________
Co-Lender's Address	Co-Lender's Social Insurance No. or Federal Tax No.
____________________________	____________________________
	Co-Lender's Telephone Number

INVESTOR'S ACKNOWLEDGEMENT & WAIVER Appendix A

TO: **Rundle Development Co-operative (*the "Borrower"*)**

AND TO: **Integra Investment Service Ltd. (*the "Trustee"*)**

AND TO: **Mackin Law Office, Barrister & Solicitors**

The undersigned is an investor/co-lender either directly or through the undersigned's RRSP/RRIF, in a mortgage in the sum of **$660,000.00** granted by Rundle Development Co-operative. The undersigned acknowledges that Mackin Law Office, Barrister & Solicitors, has not acted for the undersigned or given any legal, investment or other advice whatsoever to the undersigned in respect of any investment made by the undersigned directly or through the undersigned's RRSP/RRIF in a mortgage (*the "Mortgage"*) granted by Rundle Development Co-operative on certain lands known as the Rundle Village Estates Project, which lands are legally described as:

Plan C; Block 76; Lot 41 & 42
EXCEPTING THEREOUT ALL MINES AND MINERALS

Or in respect of the Mortgage and related security, Co-Lending Loan Administration and Agency Agreement, Power of Attorney and each dated effective October 9, 2003. The undersigned further acknowledges that the undersigned has obtained a copy of the Term Sheet, Commitment Letter, and the Co-Lender Loan Administration and Agency Agreement and Power of Attorney each in respect of the above lands, and has either obtained or waived independent legal advice in respect of these agreements and all documents necessarily related thereto.

I have read the foregoing and I am satisfied with its accuracy and content.

Dated at ____________________, Alberta this ___________ day of _________________, 2003.

______________________________	______________________________
Witness	**Investor's Signature**
	______________________________
	Print name of Investor

Appendix B

TWO SECURE INVESTMENT OPPORTUNITIES

MINIMUM INVESTMENT

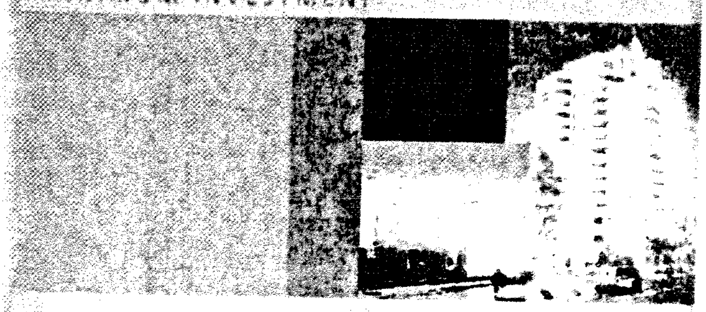
ESTATES

Earn 12% annual return paid monthly
Fully secured 1 to 4 year term
First Mortgage position

It is with great pleasure that we introduce to you, the "Rundle Village Estates", a new residential apartment concept, to be constructed in Calgary. Located at 620-12th Avenue SE, it is ideally situated on the North side of the proposed Stampede grounds expansion area, just 1 block East of the main entrance to the Stampede grounds and within walking distance to all downtown amenities.

Invest in Rundle Village Estates and watch your money grow.

MINIMUM INVESTMENT



COOPERATIVE

Become an owner/member and share in 100% of the tremendous profits of development

The Rundle Development Cooperative is new to the development scene in Calgary and Alberta. The Cooperative was created with the combined efforts of three companies that want to share with others an opportunity to buy and develop prime real estate property located on 12th Avenue SE in Calgary for an apartment building (with commercial facilities on the main floor) of up to 17 floors, and in return contribute to the revitalization of the Victoria Park community. Members of the cooperative, who will also invest in the capital of the Cooperative by purchasing membership shares, will play an active role in the decisions regarding the development, and will share in 100% of the profits generated from the development and sale of the project.

An investment you can count on without the roller coaster ride.

Suite 723, 933 17th Avenue SW, Calgary, Alberta T2T 5R6

For more information contact us at (403) 230 0418
or by email at integrai@telusplanet.net

RUNDLE DEVELOPMENT COOPERATIVE

INFORMATION SHEET

Date: November 12, 2002

Total Capital Amount: **$3,200,000.00**

Introduction

Rundle Development Cooperative is new to the development scene in Calgary and Alberta. It is being created by three small companies that want to share with others an opportunity to buy and develop prime property located on 12th Avenue S.E. in Calgary for an apartment building (with commercial facilities on the main floor) of up to 17 floors, and in turn contribute to the revitalization of the Victoria community. Members of the Cooperative, who will also invest in the capital of the Cooperative by purchasing membership shares, will play an active role in the decisions regarding the development, and in the acquisition and development of other properties.

Summary

Legal descriptions:	Plan "C", Block 76, Lots 32 to 36 Inclusive Plan "C", Block 76, Lots 30 and 31
Municipal Addresses:	620 - 12 Avenue S.E., Calgary, Alberta 624 - 12 Avenue S.E., Calgary, Alberta
Purchase Price:	$1,500,000.00
Purpose of funds:	To finance the purchase of the properties, to prepare the properties for development, and to pursue the acquisition and development of other properties.

RUNDLE DEVELOPMENT COOPERATIVE

MEMBERSHIP APPLICATION

DATE:

TO: RUNDLE DEVELOPMENT COOPERATIVE

AND TO: THE DIRECTORS THEREOF

I, ______________________________, apply for membership in Rundle Development Cooperative. I enclose the membership fee of One Thousand ($1,000.00) Dollars, payable to **Dawe Law Office**, the solicitors of Rundle Development Cooperative. The fee shall be refunded in full should my application for membership be rejected. I understand and acknowledge that Rundle Development Cooperative reserves the right to accept or reject any membership application.

I request that the said Membership be granted and issued to me and that a certificate representing such membership be issued in my name.

Dated this _______ day of ______________________, 2002.

____
Name

____
Print Name

____
Address

____
Telephone No./Fax No.

____
City, Province, Postal Code

____
Social Insurance Number

____
Citizenship

____
Place of Incorporation

Canadian controlled corporation: _____

ACCEPTANCE

The Board of Directors of Rundle Development Cooperative accepts the above membership application this _____ day of ______________________, 200 __.

Rundle Development Cooperative

Per: ____________________________

RUNDLE DEVELOPMENT COOPERATIVE
MEMBERSHIP SHARE SUBSCRIPTION

DATE:

NO. OF SHARES:

TOTAL PURCHASE PRICE:

TO: RUNDLE DEVELOPMENT COOPERATIVE

AND TO: THE DIRECTORS THEREOF

I, ______________________________, a member of Rundle Development Cooperative, wish to reserve ______ Membership Shares, and not less than 4 Membership Shares, in the capital of Rundle Development Cooperative for the purchase price of $ 2,500.00 for each share. I enclose a deposit of One Thousand Five Hundred ($1,500.00) Dollars, payable to **Dawe Law Office**, the solicitors of Rundle Development Cooperative. The deposit shall be refunded in full should this transaction not proceed. The balance of funds is due and payable by bank draft or certified cheque within 15 days. Rundle Development Cooperative reserves the right to accept or reject any subscription request submitted by a member.

The undersigned hereby requests that the said Membership Shares be allotted and issued to the undersigned and that a certificate representing such shares be issued in the name of the undersigned.

Dated this ______ day of ____________________, 2002.

____

COMMITMENT LETTER

To: **Rundle Development Cooperative**

From: ______________________________

Re: **Membership and Investment in Rundle Development Cooperative**

I, ______________________________, hereby acknowledge receipt of a Membership Application, Membership Subscription, and an Information Sheet from Rundle Development Cooperative, providing details of membership in the Cooperative and a land purchase and development opportunity available to the Cooperative located at 620 – 12th Avenue S.E., Calgary, Alberta.

I hereby commit to apply for membership in the Cooperative and pay the membership fee of <u>One Thousand</u> Dollars ($1,000.00), and participate in the land purchase and development opportunity by investing the sum of ______________ Thousand dollars ($________________) for ______ (not less than 4) membership shares, for a total of ______________ Dollars ($). At the request of Rundle Development Cooperative, I will provide a cheque or draft payable to its solicitors, Dawe Law Office, Barristers and Solicitors, #200, 1409 Edmonton Trail N.E., Calgary, Alberta T2E 3K8 for the membership fee and the membership shares, which will be disbursed by Dawe Law Office according to the instructions of the Cooperative.

I understand that Rundle Development Cooperative reserves the right to reject any commitment letter submitted by any prospective member at any time and this commitment letter does not constitute a membership or investment in the Cooperative, and that the Board of Directors is not obliged to accept my membership in the Cooperative.

Dated at Calgary, Alberta, this ______ day of ____________________, 2002.

____
Witness

____
Signature

____
Name of Witness

____
Name

____
Address

____
Telephone/Fax

ACCEPTANCE

The Board of Directors of Rundle Development Cooperative hereby accepts the above commitment letter this ______ day of ________________, 2002.

Rundle Development Cooperative

Per: ______________________________

ACKNOWLEDGEMENT & WAIVER

To: **Rundle Development Cooperative**

And to: **Integra Investment Service Ltd.**

And to: **Dawe Law Office, Barristers and Solicitors**

The undersigned wishes to become a member of Rundle Development Cooperative and participate as a member in a land purchase and development opportunity available to the Cooperative in the sum of $ ______________________ for membership and investment in Rundle Development Cooperative. The undersigned acknowledges that Dawe Law Office, Barristers and Solicitors, has not acted for the undersigned or given any legal, investment or other advice whatsoever to the undersigned either directly, or by Rundle Development Cooperative, Venture West Properties Ltd. or Integra Investment Service Ltd. The undersigned further acknowledges that Dawe Law Office are the solicitors for Rundle Development Cooperative and are not the solicitors of the undersigned, and as such will disburse the funds on the instructions of Rundle Development Cooperative.

The undersigned further acknowledges that the undersigned has obtained a copy of a Membership Application, Membership Subscription and Commitment Letter and has obtained or waived independent legal advice in respect of those agreements and all documents necessarily related thereto.

I have read the foregoing and I am satisfied with its accuracy and content.

Dated at __________, Alberta, this ______ day of ____________________, 2002.

______________________	______________________
Witness	Signature
______________________	______________________
Name of Witness	Name
	______________________
	Address
	______________________
	Telephone/Fax

MORTGAGE INVESTOR LISTING BY PROJECT

Investor Name	Type	Project	Principal	Notes
Hooyenga, Harry & Betty	CASH	514	50,000	
Horner, Yvonne	CASH	514	10,000	
Henderson, William	CASH	514	30,000	
Garvin W Pierce Med Corp	CASH	514	50,000	
McCann, Kevin and Stephanie	CASH	514	17,000	
Gosselin, Gerald	CASH	514	30,500	
Bilodeau, Heather	RRSP - OTC	514	20,000	
Lee, OiChi	RRSP - OTC	514	10,000	
Macleod, Carole	RRSP - OTC	514	20,000	
Macleod, Ronald	RRSP - OTC	514	34,500	
Miller, Patrick	RRSP - OTC	514	23,000	
Pack, Phillip	RRSP - OTC	514	80,000	
Ralph, Richard	RRSP - OTC	514	44,500	
Siebold, Mary Jane	RRSP - OTC	514	10,500	
Vrba, Cenek	RRSP - OTC	514	30,000	
Trylinski, Cheryl	RRSP - OTC	514	-	1
Ziegler, Jody	RRSP - OTC	514	10,000	
Total		**514**	**470,000**	
Luca, Charles	CASH	518	50,000	
Crocus Flats Ltd	CASH	518	44,000	
Hart, Oliver & Doreen	CASH	518	50,000	
Risseeuw, Eileen	CASH	518	10,000	
Crone, James & Myra	CASH	518	15,000	
Gooch, Dennis & Darlene	CASH	518	16,000	
Elliott, Kathleen	CASH	518	20,000	
Andrews, Rudy	RRSP - OTC	518	40,000	
Donovan, Penny	RRSP - OTC	518	15,000	
Edwards, Doug	RRSP - OTC	518	10,000	
Edwards, Vera	RRSP - OTC	518	10,000	
Evasiuk, Mike	RRSP - OTC	518	30,500	
Hill, Jason	RRSP - OTC	518	15,000	
Jane, Lisa	RRSP - OTC	518	10,000	
Maslen, Shirley	RRSP - OTC	518	20,000	
Michaud, Laurier	RRSP - OTC	518	14,500	
Sale, Roger	RRSP - OTC	518	30,000	
Total		**518**	**400,000**	

MORTGAGE INVESTOR LISTING BY PROJECT

Investor Name	Type	Project	Principal	Notes
Townsend, David	CASH	520	15,000	
Berg, Marvin	CASH	520	20,000	
Royko, Nathaniel & Eva	CASH	520	20,000	
Arens, Jean	CASH	520	25,000	
Clayburn, Lance	CASH	520	16,500	
Richards, Katherine	CASH	520	50,000	
Negrave, Helen	CASH	520	10,000	
Townsend, David	CASH	520	20,000	
Andrews, Rudy	RRSP - OTC	520	12,500	
Apfeld, John	RRSP - OTC	520	40,000	
Bartz-Rasmuson, Lois	RRSP - OTC	520	20,000	
Berg, Marvin	RRSP - OTC	520	10,000	
Budd, Julie	RRSP - OTC	520	10,000	
Reid, Shirley	RRSP - OTC	520	10,000	
Ross, Brent	RRSP - OTC	520	10,000	
Tkachuk, Ron	RRSP - OTC	520	20,000	
Rasmuson, Merle	RRSP - OTC	520	69,500	
Parsons, Ada	RRSP - OTC	520	38,000	
Brinson, Jason	RRSP - OTC	520	10,000	
Downey, Jeremy	RRSP - OTC	520	13,000	
Maxwell, David	RRSP - OTC	520	12,500	
Melanson, Rose	RRSP - OTC	520	20,000	
Miller, Lisa	RRSP - OTC	520	10,000	
Hann, Paula	RRSP - OTC	520	25,000	
Royko, Nathaniel	RRSP - CWT	520	99,000	
Royko, Eva	RRSP - CWT	520	30,000	
Huberdeau, Ovide	RRSP - CWT	520	24,000	
Total		**520**	**660,000**	
Gosselin, Gerald & Joyce	CASH	525	19,500	
Maggipinto, Lorraine	CASH	525	30,000	
Henry, Bruce & Carol	CASH	525	25,000	
Crocus Flats Ltd	CASH	525	14,000	
Feboretz, Garry & Betty	CASH	525	13,000	
Levesque, Rejean	CASH	525	28,000	
Hill, Duane	CASH	525	10,000	
White, Maureen	CASH	525	20,000	
Reister, Cheryl	CASH	525	60,000	

MORTGAGE INVESTOR LISTING BY PROJECT

Investor Name	Type	Project	Principal	Notes
Bremault, Patricia & Mitsue Noda	CASH	525	20,000	
718284 AB Ltd (Harold Skiba)	CASH	525	24,000	
Munro, Rose	CASH	525	16,500	
Reister, Cheryl	CASH	525	15,000	
Lipoth, Paul	CASH	525	30,000	
Bayes, Susan	CASH	525	22,000	
Great Divide Mktg Ltd (B Kirkwood)	CASH	525	10,000	
Schaffner, Thomas & Shirley	CASH	525	50,000	
Zdyb, Larry	RRSP - OTC	525	25,000	
Skjonsberg, Alfred	RRSP - OTC	525	15,000	
Denis, Michel	RRSP - OTC	525	20,000	
LeBlanc, Bertriz	RRSP - OTC	525	20,000	
LeBlanc, Jacques	RRSP - OTC	525	30,000	
Deitz, Dale	RRSP - CWT	525	10,000	
Fischl, Mary Louise	RRSP - CWT	525	11,000	
Huberdeau, Ovide	RRSP - CWT	525	10,000	
Henry, Carol	RRSP - CWT	525	13,000	
Lepp, D. Edward	RRSP - CWT	525	10,000	
Malmberg, Dale	RRSP - CWT	525	10,000	
Malmberg, Sharon	RRSP - CWT	525	10,000	
Tarleton, Roberta	RRSP - CWT	525	15,000	
Lyon, Wendy	RRSP - CWT	525	10,000	
Lyon, H. Dwight	RRSP - CWT	525	10,000	
Fenwick, Gerry	RRSP - CWT	525	24,000	
Guzda, Kenneth	RRSP - CWT	525	15,000	
Guzda, Arlene	RRSP - CWT	525	10,000	
Total		**525**	**675,000**	
White, Clifford & Frances	CASH	603	40,000	
Hengel, Pat	CASH	603	70,000	
Raffan, Doug	CASH	603	15,000	
Mark Almeda Consulting Inc	CASH	603	20,000	
271724 Alberta Ltd.	CASH	603	15,000	
Luketic, Denise	CASH	603	70,000	
Fenwick, Pearl	CASH	603	20,000	
Ruggles, Lynn & Roberta	CASH	603	20,000	
Quan, Martha	CASH	603	50,000	
Quan, Bryan	CASH	603	24,000	

MORTGAGE INVESTOR LISTING BY PROJECT

Investor Name	Type	Project	Principal	Notes
Jackson, Aleith	CASH	603	10,000	
Jackson, Philip	CASH	603	30,000	
Jackson, Philip	CASH	603	30,000	
Jackson, Aleith	CASH	603	20,000	
Perras, Alain	CASH	603	10,000	
Davenport, Francsra	CASH	603	10,000	
Sangster, David & Lisette	CASH	603	25,000	
Oriole Energy Eastern Ltd	CASH	603	20,000	
Wayne, Hart	CASH	603	10,000	
Williams, Mel	CASH	603	10,000	
Wu, Minnie	RRSP - OTC	603	15,000	
Duckering, Ken	RRSP - OTC	603	10,000	
Kosinki, Wendy	RRSP - OTC	603	6,500	
Dyck, Nancy	RRSP - CWT	603	30,000	
Holst, Ron	RRSP - CWT	603	50,000	
Total		**603**	**630,500**	
Crone, James & Myra	CASH	606	125,000	
Henry, Carol	CASH	606	15,000	
Fink, Anthony & Kokts-Porietis, Sylv	CASH	606	15,000	
Symchysem, Darlene	RRSP - OTC	606	366,000	
Davis, Cindy	RRSP - OTC	606	13,000	
Evasiuk, Mike	RRSP - OTC	606	13,500	
Marier, Yvon	RRSP - OTC	606	20,000	
Rodgers, Ross	RRSP - OTC	606	12,500	
Elliot, Kathleen	RRSP - OTC	606	70,000	
Total		**606**	**650,000**	
Skjonsberg, Alfred & Florrie	CASH	610	20,000	
Hart, Dale Wayne	CASH	610	100,000	
Schindel, Wesley & Beverley	CASH	610	20,000	
Williams, Bryan & Sylvia	CASH	610	11,000	
Gourdeau, Paul & Mary	CASH	610	10,000	
Webster, Earl POA Jean Adams	CASH	610	41,000	
Sacrey, Rose	RRSP - OTC	610	18,500	
Rasmuson, Merle	RRSP - OTC	610	13,500	
Hanna, Catherine	RRSP - OTC	610	23,000	
Nash, Anthony	RRSP - OTC	610	10,000	

MORTGAGE INVESTOR LISTING BY PROJECT

Investor Name	Type	Project	Principal	Notes
Nash, Eta	RRSP - OTC	610	10,000	
Gauthier, Jacques	RRSP - OTC	610	10,000	
Arndt, Norma	RRSP - OTC	610	18,000	
Collins, JoAnn	RRSP - OTC	610	10,000	
Collins, Leslie	RRSP - OTC	610	10,000	
Crone, Myra	RRSP - OTC	610	45,000	
Dirks, Andrew	RRSP - OTC	610	25,000	
Filipowski, Ewa	RRSP - OTC	610	10,000	
Kinley, Marlene	RRSP - OTC	610	20,000	
Seyts, Linda	RRSP - OTC	610	20,000	
Tarcon, Steve	RRSP - OTC	610	30,000	
Total		**610**	**475,000**	
Leochko, Mike	CASH	620/624	10,000	
Edwards, Doug & Vera	CASH	620/624	250,000	
Skjonsberg, Florrie	CASH	620/624	20,000	
Liu, Raymond	CASH	620/624	10,000	
As-Pro Building Services Ltd.	CASH	620/624	10,000	
Rennich, Henry	CASH	620/624	10,000	
Rennich, Paulina	CASH	620/624	10,000	
Mignault, Jackie	CASH	620/624	10,000	
Leochko, Mike	CASH	620/624	10,000	
Gossenberger, Elfriede	CASH	620/624	10,000	
Gossenberger, Elfriede	CASH	620/624	175,000	
Skjonsberg, Alfred &Florrie	CASH	620/624	20,000	
Crone, James & Myra	CASH	620/624	30,000	
Edwards, Doug & Vera	CASH	620/624	50,000	
Henry, Carol	CASH	620/624	17,500	
Hasiuk, Suzanne	RRSP - OTC	620/624	10,000	
VanderMey, Peter	RRSP - OTC	620/624	13,600	
VanderMey, Peter	RRSP - OTC	620/624	2,900	
Berg, Marvin	RRSP - OTC	620/624	20,000	
Ziegler, Edith	RRSP - OTC	620/624	5,000	
Ziegler, Edith	RRSP - OTC	620/624	5,000	
Edwards, Susan	RRSP - OTC	620/624	18,000	
Cooke, Maxine	RRSP - OTC	620/624	10,000	
Fernandes, Brandon	RRSP - OTC	620/624	20,000	
Graff, Allan	RRSP - OTC	620/624	30,000	

MORTGAGE INVESTOR LISTING BY PROJECT

Investor Name	Type	Project	Principal	Notes
Hasiuk, Ed	RRSP - OTC	620/624	10,000	
Leahy, Jim	RRSP - OTC	620/624	20,000	
Nault, Carol	RRSP - OTC	620/624	10,000	
Race, Robert	RRSP - OTC	620/624	10,000	
Ronneseth, Ken	RRSP - OTC	620/624	11,000	
Skjonsberg, Florrie	RRSP - OTC	620/624	42,000	
Veckenstedt, Herb	RRSP - OTC	620/624	10,000	
Vrba, Cenek	RRSP - OTC	620/624	15,000	
Weigel, George	RRSP - OTC	620/624	10,000	
Durda, Darrin	RRSP - OTC	620/624	10,000	
Berger, Bruce	RRSP - OTC	620/624	30,000	
Berger, Deborah	RRSP - OTC	620/624	10,000	
Filipowski, Eva	RRSP - OTC	620/624	6,500	
Leclerc, Michael	RRSP - OTC	620/624	10,000	
Vrba, Cenek	RRSP - OTC	620/624	17,500	
Edwards, Vera	RRSP - OTC	620/624	13,500	
Edwards, Doug	RRSP - OTC	620/624	13,000	
Vaclavek, Sheila	RRSP - OTC	620/624	10,000	
Orlando, Thomas	RRSP - OTC	620/624	20,000	
Berg, Mary	RRSP - OTC	620/624	15,000	
Ziegler, Jody	RRSP - OTC	620/624	10,000	
Szabo, Attila	RRSP - OTC	620/624	60,000	
Schwann, Sandra	RRSP - OTC	620/624	13,500	
Schwann, Joseph	RRSP - OTC	620/624	13,500	
Rittinger, Randy	RRSP - OTC	620/624	10,000	
Orlando, Thomas	RRSP - OTC	620/624	20,000	
Nobert, Lillian	RRSP - OTC	620/624	10,000	
Knopp, Duke	RRSP - OTC	620/624	10,000	
Filipowski, Eva	RRSP - OTC	620/624	15,000	
Cooke, Maxine	RRSP - OTC	620/624	13,000	
Berryman, Craig	RRSP - OTC	620/624	10,000	
Total		**620/624**	**1,255,500**	
Crocus Flats Ltd	CASH	626	50,000	
Henry, Carol	CASH	626	20,000	
Christman, Larry	CASH	626	10,000	
Goudreau, Paul & Mary	CASH	626	20,000	
Risdon, Hazel	CASH	626	40,000	

MORTGAGE INVESTOR LISTING BY PROJECT

Investor Name	Type	Project	Principal	Notes
Edwards, Doug & Vera	CASH	626	20,000	
Gossenberger, Elfriede	CASH	626	30,000	
Precision Ceramics	CASH	626	37,000	
271724 Alta Ltd	CASH	626	18,000	
Reid, Shirley	RRSP - OTC	626	50,000	
Hassan, Fauzia	RRSP - OTC	626	15,000	
Hewitt, Mark	RRSP - OTC	626	15,000	
Total		**626**	**325,000**	
Hovila, Matthew	CASH	628	117,500	
Wilson, Perry	CASH	628	60,000	
Astasiewicz, Richard	CASH	628	20,000	
Hallgrimson, Glenn & Bea	CASH	628	20,000	
Kulak, Leslie	CASH	628	100,000	
Cummins, Eleanor	CASH	628	25,000	
Hawkins, William	CASH	628	39,000	
White, Clifford & Frances	CASH	628	66,500	
395492 AB Ltd.	CASH	628	30,000	
Brown, Frank	RRSP - OTC	628	10,000	
Downey, Arvilla	RRSP - OTC	628	27,500	
Downey, Natan	RRSP - OTC	628	27,000	
Duckering, Ken	RRSP - OTC	628	20,000	
Total		**628**	**562,500**	
395492 AB Ltd(Ricahard Caron)	CASH	KH	20,000	
592624 AB Ltd(Kevin Clifford)	CASH	KH	50,000	
Bondar, Chris & Rochelle Marr	CASH	KH	25,000	
Costello, Stephen	CASH	KH	20,000	
Factorcorp	CASH	KH	700,000	
Henderson, Micheal	CASH	KH	50,000	
Hoogendam, Shirley	CASH	KH	25,000	
Kulak, Leslie	CASH	KH	100,000	
Neale, David	CASH	KH	25,000	
PBI Leasing Ltd	CASH	KH	50,000	
Perras, Alain	CASH	KH	10,000	
Quan, Bryan	CASH	KH	24,000	
Quan, Martha	CASH	KH	50,000	
Sieb, Bunruan & Wayne	CASH	KH	10,000	

MORTGAGE INVESTOR LISTING BY PROJECT

Investor Name	Type	Project	Principal	Notes
Smith, Raymond	CASH	KH	30,000	
Villard, Frank	CASH	KH	50,000	
Walker, J & J and Weisdorff, C & N	CASH	KH	40,000	
Dalley, Hardy	RRSP - OTC	KH	47,000	
Dalley, Sandra	RRSP - OTC	KH	43,000	
Fox, Allan	RRSP - OTC	KH	15,000	
Kenchington, Raymonde	RRSP - OTC	KH	10,000	
Kenchington, Raymonde	RRSP - OTC	KH	3,500	
Kenchington, Raymonde	RRSP - OTC	KH	11,500	
Minard, Donald	RRSP - OTC	KH	22,500	
Skjonsberg, Florrie	RRSP - OTC	KH	15,000	
Best, Cldye	RRSP - CWT	KH	140,000	
McKenzie, Richard	RRSP - CWT	KH	72,000	
Tabbert, Thomas	RRSP - CWT	KH	260,000	
Tabbert, Thomas	RRSP - CWT	KH	8,000	
Total		**KH**	**1,926,500**	
592624 AB Ltd (Kevin Clifford)	CASH	60 Sunpark	125,000	
1058294 AB Inc (Rob Williams)	CASH	60 Sunpark	20,000	
Adams, Suzanne	CASH	60 Sunpark	10,000	
Cox, Terry	CASH	60 Sunpark	80,000	
Crocus Flats Ltd	CASH	60 Sunpark	35,000	
Crocus Flats Ltd	CASH	60 Sunpark	22,000	
Cummings, Elenor	CASH	60 Sunpark	20,000	
Davis, Thomas & Marion	CASH	60 Sunpark	30,000	
Deregowski, Stan	CASH	60 Sunpark	40,000	
Diversity Mgmt Inc(Lisa Handfield)	CASH	60 Sunpark	50,000	
Ewanchuk, Myron & Pat	CASH	60 Sunpark	50,000	
Fenwick, Pearl	CASH	60 Sunpark	25,000	
Ford, Catherine	CASH	60 Sunpark	20,000	
Godberson, Dean	CASH	60 Sunpark	20,000	
Great Divide (Bruce Kirkwood)	CASH	60 Sunpark	10,000	
Grunsten, Jack	CASH	60 Sunpark	10,000	
Henry, Bruce & Carol	CASH	60 Sunpark	20,000	
Hoogendam, Shirley	CASH	60 Sunpark	25,000	
Hooyenga, Harry & Betty	CASH	60 Sunpark	30,000	
Horner, Yvonne	CASH	60 Sunpark	10,000	
Hovila, Matthew	CASH	60 Sunpark	80,000	

MORTGAGE INVESTOR LISTING BY PROJECT

Investor Name	Type	Project	Principal	Notes
Joshi, Vilas	CASH	60 Sunpark	12,500	
Kulak, Gary	CASH	60 Sunpark	500,000	
Lac, Sam	CASH	60 Sunpark	10,000	
Lac, Sam	CASH	60 Sunpark	10,000	
Lawrence, Sandra	CASH	60 Sunpark	50,000	
Lazaruk, William	CASH	60 Sunpark	20,000	
Luca, Charles	CASH	60 Sunpark	40,000	
Luketic, Denise	CASH	60 Sunpark	10,000	
Luketic, Denise	CASH	60 Sunpark	5,000	
Maggipinto, Lorraine	CASH	60 Sunpark	30,000	
McClure, Bill	CASH	60 Sunpark	10,000	
Meyer, Wayne	CASH	60 Sunpark	25,000	
Negrave, Helen	CASH	60 Sunpark	15,000	
Oriole Energy Eastern Ltd	CASH	60 Sunpark	15,000	
Pohl, Norma Jeanne	CASH	60 Sunpark	30,000	
Reister, Cheryl	CASH	60 Sunpark	40,000	
Risdon, Hazel	CASH	60 Sunpark	60,000	
Schaffner, Thomas & Shirley	CASH	60 Sunpark	50,000	
Scott, Mary	CASH	60 Sunpark	20,000	
Shea, Rob	CASH	60 Sunpark	10,000	
Stephen Holdings Ltd	CASH	60 Sunpark	48,000	
Villard, Frank	CASH	60 Sunpark	50,000	
Vyskocil, Thomas & Olga	CASH	60 Sunpark	30,000	
White, Barrie	CASH	60 Sunpark	20,000	
Wu, QiWei	CASH	60 Sunpark	10,000	
Bamford, Tom	RRSP - OTC	60 Sunpark	100,000	
Clark, Charles	RRSP - OTC	60 Sunpark	50,000	
Cooke, Maxine	RRSP - OTC	60 Sunpark	16,500	
Creighton, Robert	RRSP - OTC	60 Sunpark	17,500	
Crone, Myra	RRSP - OTC	60 Sunpark	50,000	
Dorval, Guy	RRSP - OTC	60 Sunpark	12,500	
Foyer, Ron	RRSP - OTC	60 Sunpark	20,000	
Hermanutz, Derryl	RRSP - OTC	60 Sunpark	20,000	
Jenkins, Jane	RRSP - OTC	60 Sunpark	50,000	
Leslie, Sylvia	RRSP - OTC	60 Sunpark	20,000	
Maxwell, David	RRSP - OTC	60 Sunpark	12,500	
Maxwell, Susan	RRSP - OTC	60 Sunpark	10,000	
McPherson, Lisa	RRSP - OTC	60 Sunpark	15,000	

MORTGAGE INVESTOR LISTING BY PROJECT

Investor Name	Type	Project	Principal	Notes
McPherson, Roger	RRSP - OTC	60 Sunpark	20,000	
Mitchell, Brian	RRSP - OTC	60 Sunpark	73,000	
Pack, Phillip	RRSP - OTC	60 Sunpark	40,000	
Patel, Pallavi	RRSP - OTC	60 Sunpark	20,000	
Sale, Roger	RRSP - OTC	60 Sunpark	30,000	
Shah, Pan	RRSP - OTC	60 Sunpark	15,000	
Bakker, David	RRSP - CWT	60 Sunpark	25,000	
Bakker, Elizabeth	RRSP - CWT	60 Sunpark	10,000	
Brown, Janet	RRSP - CWT	60 Sunpark	21,000	
Ewanchuk, Pat	RRSP - CWT	60 Sunpark	17,500	
Hoogendam, Shirley	RRSP - CWT	60 Sunpark	33,000	
Kerr, Kim	RRSP - CWT	60 Sunpark	14,000	
Kirkwood, Margo	RRSP - CWT	60 Sunpark	10,000	
Pogue, Anthony	RRSP - CWT	60 Sunpark	100,000	
Pogue, Linda	RRSP - CWT	60 Sunpark	75,000	
Total		**60 Sunpark**	**2,750,000**	
540927 Alberta Ltd.	CASH	HH	50,000	2
718284Alberta Ltd.	CASH	HH	20,000	2
Barber, Lucille	CASH	HH	25,000	2
Better LifeSolutions Inc	CASH	HH	100,000	2
Buehler, Bryon & Gwen	CASH	HH	10,000	2
Dewan, Susheila & Sandra	CASH	HH	150,000	2
Diversity Mgmt Inc (Lisa Handfield	CASH	HH	50,000	2
Edattukaran, George	CASH	HH	20,000	2
Garvin Pierce Med Corp	CASH	HH	50,000	2
Holliday, Donna	CASH	HH	20,000	2
Neale, Lorraine	CASH	HH	25,000	2
Pidskalny, Jadwiga	CASH	HH	100,000	2
Prout, Paul & Milagros	CASH	HH	15,000	3
Quan, Bryan	CASH	HH	24,000	2
Quan, Martha	CASH	HH	50,000	2
White, Clifford & Frances	CASH	HH	40,000	2
Foyer, Ron	RRSP - OTC	HH	25,000	2
Gauthier, Jacques	RRSP - OTC	HH		4
Green, David	RRSP - OTC	HH		4
Kinley, Marlene	RRSP - OTC	HH		4
McInnes, Pete	RRSP - OTC	HH	60,000	2

MORTGAGE INVESTOR LISTING BY PROJECT

Investor Name	Type	Project	Principal	Notes
Petersen, Dennice	RRSP - OTC	HH	10,000	2
Proctor, Diane	RRSP - OTC	HH	22,500	2
Quiring, Howard	RRSP - OTC	HH	26,000	2
Trylinski, Gerald	RRSP - OTC	HH	62,500	2
Forest, Jeremy	RRSP - CWT	HH	12,500	2
Milley, Gary	RRSP - CWT	HH	50,000	2
Thompson, Josephine	RRSP - CWT	HH	67,000	2
Thompson, Marvin	RRSP - CWT	HH	32,500	2
Total		**HH**	**1,117,000**	
395492 AB Ltd(Ricahard Caron)	CASH	MRI	30,000	
Alicandro, Pascal	CASH	MRI	30,000	
Benemax Financial	CASH	MRI	10,000	
Benemax Financial	CASH	MRI	20,000	
Cameron, Hugh	CASH	MRI	10,000	
Dellaviola, Perry	CASH	MRI	20,000	
Diversity Mgmt Inc.(Lisa Handfield)	CASH	MRI	25,000	
Diversity Mgmt Inc.(Lisa Handfield)	CASH	MRI	15,000	
Diversity Mgmt Inc.(Lisa Handfield)	CASH	MRI	10,000	
Duckering, Rita	CASH	MRI	10,000	
Galina Design Service Ltd.	CASH	MRI	10,000	
Jahnke, Hugh	CASH	MRI	250,000	
Johnson, Irene & Dennis	CASH	MRI	10,000	
Kulak, Leslie	CASH	MRI	100,000	
Levenson, Beatrice (Reid has POA)	CASH	MRI	100,000	
Luketic, Denise	CASH	MRI	15,000	
Luketic, Denise	CASH	MRI	5,000	
Luketic, Denise	CASH	MRI	10,000	
Luketic, Denise	CASH	MRI	37,500	
Luketic, Frank & Denise	CASH	MRI	25,000	
MacLean, Ann	CASH	MRI	20,000	
Neale, David	CASH	MRI	25,000	
Orgis, Ingrid	CASH	MRI	10,000	
Penner, Linda	CASH	MRI	20,000	
Pidskalny, Ronald	CASH	MRI	50,000	
Pidskalny, Ronald	CASH	MRI	25,000	
Quan, Bryan	CASH	MRI	24,000	
Quan, Martha	CASH	MRI	50,000	

MORTGAGE INVESTOR LISTING BY PROJECT

Investor Name	Type	Project	Principal	Notes
Quinn, Joseph	CASH	MRI	20,000	
Rodrigue, Claire	CASH	MRI	20,000	
Sauve, Edward	CASH	MRI	10,000	
Sieb, Wayne & Bunruan	CASH	MRI	20,000	
Venuto, Brenda & Mauricio	CASH	MRI	13,000	
Wielinga, Henry	CASH	MRI	10,000	
Wright, Robert	CASH	MRI	70,000	
Bamford, Tom	RRSP - OTC	MRI	250,000	
Duckering, Rita	RRSP - OTC	MRI	10,000	
Kosinski, Wendy	RRSP - OTC	MRI	15,500	
Nordin, Phil	RRSP - OTC	MRI	20,000	
Over, James	RRSP - OTC	MRI	15,000	
Pack, Philip	RRSP - OTC	MRI	15,000	
Perera, Chandralal	RRSP - OTC	MRI	65,000	
Quiring, Howard	RRSP - OTC	MRI	30,000	
Sale, Roger	RRSP - OTC	MRI	30,000	
Savichenko, Galina	RRSP - OTC	MRI	10,000	
Vowk, Cindy	RRSP - OTC	MRI	15,000	
Vrba, Cenek	RRSP - OTC	MRI	21,000	
Danyluk, Carla Kim	RRSP - CWT	MRI	12,500	
Huculak, Morris	RRSP - CWT	MRI	36,500	
Park, James	RRSP - CWT	MRI	30,000	
Royko, Nathaniel	RRSP - CWT	MRI	41,500	
Total		**MRI**	**1,746,500**	**5**
395492 AB Ltd(Ricahard Caron)	CASH	COP	30,000	
519111 Alberta Ltd.	CASH	COP	29,000	
540927 A;berta Ltd.	CASH	COP	50,000	
592624 AB Ltd. (Kevin Clifford)	CASH	COP		6
1058294 AB Inc (Rob Williams)	CASH	COP	17,500	
Alicandro, Pascal	CASH	COP	20,000	
Almond, Shirley	CASH	COP	20,000	
Atkar, Shigara	CASH	COP	10,000	
Atkar, Shigara	CASH	COP	10,000	
Briese, Allan	CASH	COP	10,000	
Brown, Joseph	CASH	COP	25,000	
Crocus Flats	CASH	COP	15,000	
Dang, Cuong & Tracy	CASH	COP	25,000	

MORTGAGE INVESTOR LISTING BY PROJECT

Investor Name	Type	Project	Principal	Notes
Davenport, Francesra	CASH	COP		6
DeSilva, Ceceilia	CASH	COP	40,000	
Dewan, Rick & Susheila	CASH	COP	150,000	
Deregowski, Stan	CASH	COP	20,000	
Diversity Management Inc.	CASH	COP	25,000	
Ford, Catherine	CASH	COP	40,000	
Henry, Bruce & Carol	CASH	COP	80,000	
Jackson, Aleith	CASH	COP	10,000	
JARP Holding Inc.	CASH	COP	20,000	
Kern, Ross or Margaret	CASH	COP	50,000	
Kilmury, Norma & Lloyd	CASH	COP	10,000	
Lund, James & Doreen	CASH	COP	50,000	
Lund, James & Doreen	CASH	COP	60,000	
Mark Almeda Consulting Inc	CASH	COP	20,000	
MacMillan, Hugh & Pat	CASH	COP	10,000	
McGregor, Kenneth & Smith, Lois	CASH	COP	40,000	
Neale, Lorraine	CASH	COP	25,000	
Negrave, Helen	CASH	COP		6
Nelson, Charlotte & Kenneth	CASH	COP	10,000	
Onofrychuk, Dean	CASH	COP	10,000	
Picone, Bruno & Francis	CASH	COP		6
Pidskalny, Jadwiga	CASH	COP	50,000	
Pidskalny, Jadwiga	CASH	COP	25,000	
Pierce, Michael	CASH	COP	45,000	
Pohl, Norma Jeanne	CASH	COP	10,000	
Quan, Bryan	CASH	COP	24,000	
Quan, Martha	CASH	COP	50,000	
Rangwala, Shabana & Huseni	CASH	COP	10,000	
Sharma, Rajinder & Sushila	CASH	COP	20,000	
Sieb, Bunruan & Wayne	CASH	COP	10,000	
Stephen, Donald	CASH	COP	70,000	
United Dental Laboratory Ltd	CASH	COP	110,000	
Wilmot, Gwen	CASH	COP	40,000	
Wright, Robert	CASH	COP	70,000	
Bamford, Tom	RRSP - OTC	COP		6
Doell, Robert	RRSP - OTC	COP		6
Foyer, Ron	RRSP - OTC	COP		6
Handfield, Kurtis	RRSP - OTC	COP		6

MORTGAGE INVESTOR LISTING BY PROJECT

Investor Name	Type	Project	Principal	Notes
Hurtubise, Marcel	RRSP - OTC	COP		6
Kenchington, Mike	RRSP - OTC	COP		6
Kenchington, Mike	RRSP - OTC	COP		6
Kenchington, Mike	RRSP - OTC	COP		6
Kosinski, Bernard	RRSP - OTC	COP		6
Larivieve, Marie	RRSP - OTC	COP		6
Limkilde, David	RRSP - OTC	COP		6
Luketic, Frank	RRSP - OTC	COP		6
Luketic, Frank	RRSP - OTC	COP		6
Perera, Chandralal	RRSP - OTC	COP		6
Pierce, Michael	RRSP - OTC	COP		6
Wheeler, Roy	RRSP - OTC	COP		6
Hallgrimson, Beatrice	RRSP - CWT	COP		7
Henry, Kody	RRSP - CWT	COP		7
Kerns, Thomas	RRSP - CWT	COP		7
Total		**COP**	**1,465,500**	
395492 AB Ltd(Richard Caron)	CASH	MPLACE	30,000	2
Aerotex Interiors Inc	CASH	MPLACE	110,000	2
Atkar, Shigara	CASH	MPLACE	10,000	2
Benemax Financial	CASH	MPLACE	10,500	2
Canlanka Ventures Ltd (Gaston Rajad	CASH	MPLACE	25,000	2
Diversified Telecom Inc	CASH	MPLACE	48,000	2
Edattukaran, George	CASH	MPLACE	25,000	2
Fleming, Jimmy & Myrna	CASH	MPLACE	15,000	2
Fraser, Chris	CASH	MPLACE	30,000	2
Gooch, Mabel	CASH	MPLACE	30,000	2
Jahnke, Hugh	CASH	MPLACE	250,000	2
Kelbert, Beverly	CASH	MPLACE	15,000	2
Kern, Ross or Margaret	CASH	MPLACE	50,000	2
King, James M	CASH	MPLACE	10,000	2
Kosinski, Bernard & Wendy	CASH	MPLACE	100,000	2
Magda, Ulla	CASH	MPLACE	10,000	2
McGowan, Kevin	CASH	MPLACE	10,000	2
Otomo, Keiko &Churphongphun, Cha	CASH	MPLACE	80,000	2
Piovesan, Sharon	CASH	MPLACE	10,000	2
Pyper, Dan	CASH	MPLACE	100,000	2
Robert T Balic Prof Corp	CASH	MPLACE	100,000	2

MORTGAGE INVESTOR LISTING BY PROJECT

Investor Name	Type	Project	Principal	Notes
Robertson, Edna	CASH	MPLACE	10,000	2
Roots, Sue	CASH	MPLACE	20,000	2
Royko, Nathaniel or Eve	CASH	MPLACE	100,000	2
Rutkauskas, Roland	CASH	MPLACE	12,500	2
Schaffner, Thomas & Shirley	CASH	MPLACE	25,000	2
Stang, Paul & Jackie	CASH	MPLACE	600,000	2
Summers-Beveridge, Lynda	CASH	MPLACE	10,000	2
Turner, Dean	CASH	MPLACE	10,000	2
Vermette, Rene	CASH	MPLACE	25,000	2
White, Clifford & Frances	CASH	MPLACE	40,000	2
Wolff, Edith	CASH	MPLACE	10,000	2
Woywitka, Nick	CASH	MPLACE	100,000	2
Dennehy, Timothy	RRSP - OTC	MPLACE	30,000	2
Evans, Bradley	RRSP - OTC	MPLACE	72,000	2
Jordan, Aaron	RRSP - OTC	MPLACE	75,000	2
MacDonald, Heather	RRSP - OTC	MPLACE	32,000	2
Cummer, Larry	RRSP - CWT	MPLACE	21,000	2
Fedoretz, Garry	RRSP - CWT	MPLACE	26,000	2
Penner, Kevin	RRSP - CWT	MPLACE	33,000	2
Total		**MPLACE**	**2,320,000**	
Hoogendam, S	CASH	Y-K	25,000	8
		Y-K	**25,000**	
TOTAL BEFORE CARLING PROJECTS			**17,454,000**	

Notes

1 This cheque for $15,000 was not cashed.
2 These investors were paid out.
3 This investor was not paid out, the electronic funds transfer was returned to Integra.
4 The Receiver could not confirm these investments to the trust accounts. OTC records indicate that these annuitants invested in this project:

Gauthier, Jacques	10,000
Green, David	10,000
Kinley, Marlene	10,000
	30,000

5 The Receiver located two additional term sheets for investors in this project:

DeSilva, Cecilia	22,000
German, Anne	10,000
	32,000

The Receiver could not confirm these investments to the trust accounts.

6 The cash Investor was paid out, OTC confirmed that the balance in these Investors accounts is nil.
7 Receiver was unable to trace funds from these investors to the trust accounts. CWT records indicate that these annuitants invested in this project:

Hallgrimson, Beatrice	19,000
Henry, Kody	30,000
Kerns, Thomas	20,000
	69,000

8 Confirmed receipt of funds into Michael Mackins account. All other investors in this project either transferred their investment or were paid out, we have no further information with respect to this investment.

Vickers & Associates

Barristers & Solicitors
#600, 805 - 10th Avenue S.W.
Calgary, Alberta
T2R 0B4

Telephone: (403) 269-9400
Fax: (403) 266-2447

December 22, 2006

Our File No.: 24761
Your File No.: 413255-000005

Borden Ladner Gervais LLP
Barristers and Solicitors
#1000, 400 Third Avenue S.W.
Calgary, Alberta
T2P 4H2

Attention: Frank Tosto

Dear Mr. Tosto:

Re: COOKE, Maxine
Second Mortgage and Foreclosure by Foster/Shao/Lee
16 Wolfwillow Ridge, Elbow Valley, Alberta, T3Z 2Z4
Your Clients: Ernst & Young Inc.

Please find enclosed, for your information, copy of the filed Order Nisi/Order for Judicial Listing granted in relation to the above-reference matter.

Yours truly,
VICKERS & ASSOCIATES
Per:

Denise M. Hendrix
DMH*nmm
Enclosure

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF CALGARY

BETWEEN: Action #0601-13342

JIM G. FOSTER, DIANE SHAO and TOM LEE

Plaintiffs

- and -

MAXINE E. COOKE

Defendant

BEFORE	)	At the Court House, Calgary, Alberta
MASTER J Hanebury	)	on Thursday, the 21st day of December,
IN CHAMBERS	)	A.D. 2006.

ORDER NISI/ORDER FOR JUDICIAL LISTING

UPON THE APPLICATION of the Plaintiffs; AND UPON READING the Statement of Claim and evidence of service thereon, the Affidavit of Default and the Affidavit of Value, filed; AND UPON HEARING Counsel for the Plaintiff;

AND UPON IT APPEARING that the Plaintiffs holds a valid and enforceable Mortgagee on the lands in question in the within action by virtue of a Memorandum of Mortgage.

IT IS HEREBY ORDERED THAT:

1. IT IS DECLARED that there is due and owing under the said Mortgage as at the 21st day of December, 2006, the sum of **$844,040.21** being the total of $831,030.71 for total balance outstanding as at November 1, 2006, plus $13,009.50 for interest from November 2, 2006 to December 21, 2006 and that the said amount shall be realized by a sale of the mortgage lands, in default of which foreclosure may be ordered as hereinafter provided.

2. The Defendant or anyone entitled so to do, paying to the Plaintiffs or into Court to the credit of this cause on or before ~~March~~ April "JH" 21, 2007 and before the Plaintiffs obtains an Order for Foreclosure, the sum of **$844,040.21** and subsequent costs, together with any other sums which the Plaintiffs shall pay to protect its security, with interest on all such sums from the date of payment and on the said Judgment at the rate set out in the said Mortgage, IT IS ORDERED that the Plaintiffs do execute and deliver to the person so paying or from whom the said monies shall have been received, at the expense of the said person, a discharge or transfer as the case shall require, of the said Mortgage security in the Statement of Claim mentioned, and deliver up all documents relating to the mortgaged premises, namely:

> **Condominium Plan 9813459**
> **Unit 23**
> **And 82 Undivided One Ten Thousandth Shares In The Common Property**
> **Excepting Thereout All Mines and Minerals**

and municipally described as: 16 Wolfwillow Ridge
Elbow Valley, Alberta, T3Z 2Z4

3. The Defendant, **Maxine E. Cooke**, shall be served with a copy of this Order by telecopier to her solicitor, Horne Wytrychowski, Attention: Todd Wytryschowski @912-3570, and that subsequent encumbrancers may be served by ordinary mail at the address set out on the Certificate of Title, save and except for Roy Marshall Jennix who will be served by courier to #201, 4515 Varsity Terrace NW Calgary, Alberta. "JH"

4. Subsequent to ~~March~~ April "JH" **22, 2007** the mortgaged premises shall be offered for sale by Judicial Listing with a licensed Real Estate Agent selected at the sole discretion of the Plaintiffs' (hereinafter referred to as the "Realtor") upon the terms and conditions mentioned in the Residential Judicial Sale Listing annexed hereto as Schedule "A" and approved by me.

5. The Realtor to be selected by the Plaintiffs shall be entitled to post a "FOR SALE" sign customarily posted by the Realtor at a conspicuous location on the property, which sign shall remain during the currency of the Listing Agreement and shall not be interfered with by any person under any circumstances.

6. The Defendant and any owner and/or occupant of the property shall make the property available to viewing by any representative or any other Realtor and/or prospective Purchaser upon receiving twenty-four (24) hours verbal notice given by the Realtor.

7. The Defendant and any owner and/or occupant of the property shall cooperate with the Realtor, and all reasonable requests of the Realtor during the currency of the Judicial Listing.

8. In the event the subject property becomes vacant during the currency of the Judicial Listing, the Plaintiffs', or its duly authorized agent, or the Realtor, shall be granted permission to enter onto and to do any and all things necessary to preserve the subject property and to show the subject property to prospective purchasers. In this regard, the Plaintiffs' and/or such agent or Realtor shall not be considered a Mortgagee in possession or a trespasser.

9. Any and all existing Listings relative to the subject property are hereby cancelled subsequent to ~~March~~ April 21, 2007 (the expiry of the Redemption Period). "JH"

10. The Court may, at any time and upon application by any interested party, vary the terms of the Judicial Listing. or the terms of this Order "JH"

SCHEDULE "A"

RESIDENTIAL JUDICIAL SALE LISTING

To: ______________________________ (the "Realtor")

Re: Jim G. Foster, Diane Shao and Tom Lee (the "Plaintiffs")

Condominium Plan 9813459
Unit 23
And 82 Undivided One Ten Thousandth Shares In The Common Property
Excepting Thereout All Mines and Minerals ("Legal Description")

(the "Property")

---

1. You are hereby given authority as an officer of the Court to list for sale the Property with the Multiple Listing Service or any other appropriate listing service (which may be an exclusive listing) in effect in the area in which the Property is located.

2. The Property shall be offered for sale subject to the following encumbrances registered prior to the Plaintiff's mortgage against the Property:

Registration #	Date	Description
981 386 876	09/12/1998	Agreement
981 387 733	10/12/1998	Agreement
981 389 117	11/12/1998	Encumbrance
001 361 248	16/12/2000	Easement
051 109 284	04/04/2005	Mortgage

3. The listing price shall be determined by the realtor but shall be no less then fair market value and as agreed upon by the Plaintiffs' solicitor at the time of this Judicial Listing.

"JH"

4. This Judicial Listing shall take effect on ~~**March**~~ April **22, 2007** and shall continue for a period of ninety (90) days thereafter.

5. In the event that, as a result of this Judicial Listing, a purchaser is introduced, whose offer is accepted by the Court, and the transaction is completed by the Purchaser paying the full Purchase Price and title is transferred to the Purchaser, then in such event, you will receive a commission as follows:

   7% of the first $100,000.00
   3% of the balance.
   Plus G.S.T.

   You shall have a first charge against the sale proceeds in the amount of any commissions payable. If the Court accepts an Offer to Purchase and the Purchaser fails to complete the purchase, and the Court does not order relief from forfeiture of the deposit, you will retain, as compensation for services rendered, fifty (50%) percent of the said deposit (provided such amount does not exceed the commission payable had the sale been completed) and you will pay the balance of the deposit to the solicitors for the Plaintiffs to be applied against the outstanding indebtedness owed to the Plaintiffs.

6. Within a reasonable period of time of receiving any offer or offers you shall forward a true copy of the said offer(s) to the solicitors for the Plaintiffs, Jim G. Foster, Diane Shao and Tom Lee via fax at **(403) 266 - 2447** Attention: **Denise M. Hendrix - Vickers & Associates**. The Solicitor for the Plaintiffs may reject any offer(s) received and in the event that an offer is reasonable, the solicitor for the Plaintiffs shall apply to the Court on notice for consideration of that offer.

7. In the event that no offers are received during the Judicial Listing period, you shall so advise the solicitors for the Plaintiff in writing, immediately following the expiry of the listing.

8. In the event that the Defendant, any subsequent encumbrancers, or anyone else entitled to do so, redeems at any time after the Judicial Listing takes effect, there shall be paid as part of the costs of redemption, a reasonable fee for services rendered and expenses incurred by you as the listing agent and any further amount of compensation as may be fixed by this Honourable Court to be payable to you for your efforts in this matter.

9. All Real Estate Purchase Contracts shall:

   a) be in writing and signed by the Offeror;
   b) be subject to the approval and acceptance of this Court on terms it considers appropriate;
   c) provide for a possession date to be determined by this Court;
   d) be subject to Schedule "B" attached hereto, and
   e) be accompanied by a certified cheque or money order payable to your real estate firm for the deposit amount referred to therein.

10. Nothing in this Judicial Listing shall:

    a) affect the Defendant or any subsequent encumbrancer(s)' s right to redeem or sell the mortgaged property;

    b) affect the Plaintiffs' right to make a proposal to purchase the property or otherwise acquire the property after the expiry of this Judicial Listing without any liability for real estate commissions;

    c) create or impose any liability on the Plaintiffs or the Court for the payment of any real estate commission or compensation arising out of this Judicial Listing.

11) Where there is a conflict or discrepancy between the terms and conditions in this Order and the terms and conditions in the Agreement of Purchase and Sale, the terms and conditions in this Order shall supercede and shall apply in place of such other conflicting terms and conditions.

Approved this 21st day of December, A.D., 2006.

"J. Hanebury"

M. C. Q. B. A.

Schedule "B"

This is Schedule "B" to the Real Estate Purchase Contract

entered into between:

The Court of Queen's Bench of Alberta

(The "Seller")

- and -

____

(The "Buyer")

Of

16 Wolfwillow Ridge, Elbow Valley, Alberta, T3Z 2Z4

(The "Property")

The terms of this schedule replace, modify or add to the terms of the agreement of purchase and sale (the "Real Estate Purchase Contract") to which this schedule is attached. Where there is any inconsistency between the terms of this Schedule and the Real Estate Purchase Contract, the provisions of this Schedule shall prevail.

"AS IS - WHERE IS"

1. The Buyer acknowledges and agrees to purchase the Property, all buildings and improvements located on the Property, and any and all fixtures ("Attached Goods") included in the Real Estate Purchase Contract or included in the sale of the Property "as is" and "where is" ***as of the date of Possession***, and agrees with the Seller that neither the Seller, nor its agents or representatives have made any representations or warranties with respect to the Property, any buildings or improvements located on the Property, or any Attached Goods included in the sale of the Property. Without limiting the generality of the foregoing, the Buyer agrees that neither the Seller nor its agents have made any representations or warranties with respect to:

(a) the condition of any buildings or improvements located on the Property;

(b) the existence or condition of any Attached Goods or Unattached Goods included in the Real Estate Purchase Contract or otherwise sold with the Property;

(c) whether the Property complies with any existing land use or zoning bylaws or regulations, or municipal development agreements or plans;

(d) the location of any buildings and other improvements on the Property and whether such location complies with any applicable municipal bylaws or regulations;

(e) whether or not any buildings or improvements located on the property encroach onto any neighboring lands or any easements or rights of way;

(f) whether or not any buildings or improvements located on any neighboring lands encroach onto the Property;

(g) the size and dimensions of the Property or any buildings or improvements located thereon;

(h) whether or not the Property is contaminated with any hazardous substance within the meaning of the *Environmental Protection and Enhancement Act*; and

(i) whether or not any of the buildings or other improvements located on the Property have been insulated with urea formaldehyde insulation.

The Buyer shall not call for compliance with, or satisfaction of, any work orders, deficiency notices, orders to comply, or any other Building Code, Fire Code or Regulations, whether environmental or otherwise, and whether imposed by law, equity or any regulatory authority.

OWNERSHIP OF UNATTACHED GOODS

2. The Buyer agrees that the Seller is selling only such interest as it may have in any Attached Goods referred to in the Real Estate Purchase Contract which may be located on the Property as at the date of Possession, and the Seller does not warrant that it has title to such Attached Goods. The Seller specifically warrants it has no interest in the Unattached Goods and that no unattached goods are being sold, transferred, or conveyed hereunder. Further, the Buyer agrees that the Seller will not be liable for or responsible for the removal of any Unattached goods found or left on the Property prior to or on the date of Possession. On closing, the Buyer may have possession of the Attached Goods which are then on or about the Property on an "as is" basis, subject to the rights claimed by the prior registered owner, and the Seller will not provide a Bill of Sale, Warranty, or other title document to the Buyer. Further, there will be no adjustment or abatement of any kind to the Purchase Price with respect to any Attached Goods or Unattached Goods.

REAL PROPERTY REPORT

3. The Seller will not and is not required to provide the Buyer with a real property report. The Seller will not provide any other documentation, titles, copies of encumbrances , etc. to the Buyer.

CONDOMINIUM

4. If the Property is a condominium:

(a) the Seller is not required to provide any condominium documentation to the Buyer, and the Buyer shall be solely responsible to obtain any condominium documentation he may require. Without limiting the generality of the foregoing, the Buyer must obtain on his own and at his sole cost and expense any estoppel certificate, copy of the condominium bylaws, certificate of insurance and financial statements for the Condominium Corporation that he may require;

(b) the Buyer must satisfy himself with the condition of the condominium unit, the common property, and the financial condition of the condominium corporation and agrees that neither the Seller, nor its agents, have made any representations or warranties pertaining to same including, without limiting the generality of the foregoing, the adequacy of any reserve fund the condominium corporation might have, any potential special assessments which might be levied by the condominium corporation, or the existence of any legal actions pending against the condominium corporation;

(c) the Seller shall be responsible for amounts payable up to the closing date on account of any condominium fees and special assessments levied by the condominium corporation.

GOODS AND SERVICES TAX (G.S.T.)

5. In addition to the purchase price payable hereunder, the Buyer shall pay to the Seller and indemnify the Seller against all Goods and Services Tax ("G.S.T.") payable on the purchase price as required by the *Excise Tax Act*. The Seller will not provide to the Buyer a Certificate of Exempt Supply, or any other certificate certifying that this purchase and sale transaction is not subject to the Goods and Services Tax. Should the Seller fail to collect G.S.T. from the Buyer, it shall not be construed by the Buyer as a certification by the Seller that no G.S.T. is payable by the Buyer hereunder, and the Buyer shall remain liable for any G.S.T. which might be payable with respect to this transaction.

FORECLOSURE PROCEEDINGS

6. If this offer is being made pursuant to or in a Court of Queen's Bench foreclosure proceedings, such offer may only be accepted by order of said Court and is subject to the terms of that Order. Any agreement arising out of the Seller's acceptance of this offer is conditional upon the approval thereof of the said Court. The Buyer acknowledges that in the event of redemption of the mortgage or sale of the property by the Defendant, then this Agreement shall be at an end and the deposit will be returned to the Buyer without interest or deduction, and the parties will have no further obligations hereunder.

CASH TO CLOSE

7. Possession of the property will not be provided to the Purchaser until such time as the entire cash to close is paid and unconditionally released to the Seller.

Buyer's Initials

Date:

"J Hanebury"

M.C.Q.B.A.

~~ENTERED this 21st day of December, 2006.~~

~~CLERK OF THE COURT~~

Entered this 21 day of December 2006

Clerk of the Court

V.A. BRANDT

COURT SEAL

No. 0601- 13342 2006

IN THE COURT OF QUEEN'S BENCH
OF ALBERTA
JUDICIAL DISTRICT OF CALGARY

BETWEEN:

JIM G. FOSTER, DIANE SHAO and TOM LEE

Plaintiffs

- and -

MAXINE E. COOKE

Defendant

ORDER NISI/ORDER FOR JUDICIAL LISTING

VICKERS & ASSOCIATES
Barristers and Solicitors
600, 805 10th Avenue S.W.
Calgary, Alberta
T2R 0B4

Denise M. Hendrix
(403)269-9400

File No.24761/kt

Appendix E

Donald N. Larson
Professional Corporation
Barrister • Solicitor

Mount Royal Village
S-10, 880 - 16th Avenue S.W.
Calgary, Alberta T2R 1J9
email: dnlarson@telus.net
Tel: (403) 209-5860
Fax: (403) 209-1887

File: 412.005

January 13, 2005

HAND DELIVERED

Integra Investment Service Ltd.
800, 933-17th Avenue SW
Calgary, Alberta
T2T 5R6

Attention: Maxine Cooke, President
Roy Jennix, Manager

Dear Sir/Madam:

Re: Community First Health Centre
Plan Bowness Calgary 5565 AH, Block D
Mortgage

Further to the above, please find enclosed my trust cheque in the amount of $20,000.00 representing funds forwarded in trust to this office in accordance with those certain Term Sheets, Co-Lender Commitment, Agreement to Lend and Power of Attorney, Investor's Acknowledgment & Waiver and Co-Lending Loan Administration and Agency Agreement (hereinafter collectively referred to as the "Agreements") bearing the dates set-out below, by the parties noted herein and for the amounts specified:

	Investor:	Date:	Amount:
1.	J.A.R. Pharmaceuticals Ltd.	January 6, 2005	$20,000.00

These funds are forwarded to your office in accordance with the terms and conditions of the Agreements and Integra Investment Service Ltd.'s ("Integra") specific undertakings to comply in every respect with the terms and conditions of the Agreements and, without restricting the generality of the foregoing, Integra's obligation under Article 6.1 of the Co-Lending Loan Administration and Agency Agreement to establish and maintain an account at a Canadian chartered bank in which it shall keep and deposit all monies received by Integra for the account of the Co-Lenders (as the same is defined in the agreements) until such time as the funds are advanced to the Borrower and secured by the Mortgage.

In the event that Integra is unable to comply with the terms and conditions or the undertakings as set-out herein, or in the Agreements, you are to immediately return the funds forwarded herein, to this office for immediate return to the individuals so noted above.

I would request that you please acknowledge receipt of this letter and the funds so enclosed and Integra's agreement with the terms and conditions and undertakings herein, by executing both copies of this letter and returning one (1) fully executed copy to this office. Thank-you.

Yours truly,

Donald N. Larson
Barrister & Solicitor

Acknowledged and Agreed to as to the terms and conditions and undertakings set-out in this letter and to the receipt of the funds enclosed this 14 **day of** January**,** **200**5**.**

Integra Investment Service Ltd.

Per:

INTEGRA COMPANIES **APPENDIX F**

Investor: **NAME**
ADDRESS

Loan:	Project Name	Project Name	Project Name	Project Name	TOTAL
Loan Amount ($):	$0,000.00	$0,000.00	$0,000.00	$0,000.00	0.00
Repayments of Principal					
1					0.00
Integra Records	0.00	0.00	0.00	0.00	0.00

I am in agreement with the information provided in this exhibit.

Name: ______________________________ Signature: ______________________________
Print Name

Date: ______________________________

If you are in agreement with this exhibit, please sign and date in the spaces provided and fax or mail to:

FAX **Attention: Jessica Caden**
Fax: (403) 206-5075

MAIL
Ernst & Young Inc.
Receiver and Manager of the Integra Companies
Ernst & Young Tower
1000, 440 2nd Avenue SW
Calgary, Alberta T2P 5E9
CANADA

Attention: Jessica Caden

PROOF OF INVESTMENT

IN THE MATTER OF: **Integra Investment Service Ltd., Aurora River Tower Inc., Carling Springs Village Inc. and Carling Development (B.C.) Inc. ("Integra" and collectively the "Integra Companies")** and the investment of:

Investor Name: ____

Address: ____

____

Phone No.: ____

Facsimile No.: ____

Email Address: ____

(the "Investor")

1. I, ________________________________ of ____________________________________ do hereby certify;

2. THAT I have knowledge of all the circumstances connected with this investment.

3. THAT as at September 8, 2006, the Investor had invested the principal amount of $______________________ in relation to an investment in the project defined as ________________________ with Integra, which is not reflected in the information contained in Exhibit "A" to this Proof of Investment. Please attach documentation to support your Proof of Investment.

DATED AT ____, this _____day of ______________________, 2007.

____
Print name of person signing

____
Signature of Witness

____
Signature

____
Position

INSTRUCTIONS TO INVESTORS RESPECTING PROOF OF INVESTMENT FORM

Note: A properly completed and supported Proof of Investment form must be submitted to the Receiver in order to have notice of the affairs of Integra and in order to be eligible for any potential dividend distributions.

Please follow these instructions:

Heading: Provide the complete name and address of all Investors (individuals or corporations) including postal code, where all notices or correspondence regarding your investment are to be forwarded. Please note that a separate Proof of Investment must be completed by each separate Investor.

Clause 1: Print your name or the company name if applicable.

Clause 2: No action needed.

Clause 3: If you are not in agreement with the information contained in Exhibit A, provide the (principal only) amount of all your investment in Canadian funds. If you have invested in more than one project please attach a separate sheet listing the principal amount invested in each project including those projects which have been fully repaid by Integra (please indicate if the amount was repaid). Please provide supporting documentation to the Receiver in support of your Proof of Investment. The following is a list of supporting documentation, which may be provided to the Receiver:

a) Copy of executed Term Sheet (one per investment).
b) Copy of cheque(s) relating to each investment (a cancelled cheque is preferable).
c) Copy of RRSP application (for each investment), if applicable.

NOTE: DO NOT INCLUDE ANY INVESTMENTS IN THE CARLING PROJECTS: AURORA RIVER TOWERS, CARLING SPRING VILLAGE/PRAIRIE SPRING VILLAGE AND ROYAL VILLA ESTATES

THE CARLING PROJECTS WILL BE DEALT WITH IN A SEPARATE PROOF OF INVESTMENT PROCESS TO BE COMPLETED AT A LATER DATE.

Mail the completed Proof of Investment form together with “Exhibit A” as soon as possible (and no later than July 13, 2007 at 1:00 p.m.) to:

ERNST & YOUNG Inc.
Receiver of the Integra Companies
c/o Jessica Caden
1000, 440 - 2 Avenue S.W.
Calgary, AB T2P 5E9

or Fax to: 403-206-5075, Attention: Jessica Caden

Court File No. 0601-09869

IN THE COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL DISTRICT OF CALGARY

AND IN THE MATTER OF THE RECEIVERSHIP
INTEGRA INVESTMENT SERVICE LTD., AURORA RIVER TOWERS INC.,
CARLING SPRINGS VILLAGE INC., AND
CARLING DEVELOPMENT (B.C.) INC.

NOTICE TO CREDITORS AND OTHERS

DATE OF RECEIVERSHIP: SEPTEMBER 8, 2006

NOTICE OF LAST DAY (CLAIMS BAR DATE) FOR THE FILING OF PROOFS OF CLAIM OR PROOFS OF INVESTMENT

TO: CLAIMANT AND TO ANY OTHER PERSON OR PARTIES

PLEASE TAKE NOTICE that, pursuant to an Order of the Court of Queen's Bench of Alberta, Judicial District of Calgary made [DATE] (the "Claims Bar Order"), any persons with a Claim (as defined hereafter) relating to Integra Investment Service Ltd., Aurora River Towers Inc., Carling Springs Village Inc. and Carling Development (B.C.) Inc. (the "Claimants") arising prior to September 8, 2006, including any right or claim of any person, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind, which indebtedness, liability or obligation is in existence, and any interest that may accrue thereon which there is an obligation to pay, and costs which such person would be entitled to receive pursuant to the terms of any contract with such person or at law or in equity, by reason of the commission of a tort (intentional or unintentional), any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty), any right of ownership of or title to property or assets or to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise) against any property or assets, whether or not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, not matured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, or any right or ability of any person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, (collectively a "Claim") must file a Proof of Claim or Proof of Investment , if applicable, with Ernst & Young Inc. (the "Receiver"), in its capacity as court appointed Receiver of Integra Investment Service Ltd., Aurora River Towers Inc., Carling Springs Village Inc. and Carling Development (B.C.) Inc. (the "Integra Companies"), **by no later than 1:00 pm Mountain Standard Time on July 13, 2007 (the "Claims Bar Date").**

PLEASE TAKE NOTICE that, pursuant to the provisions of the Claims Bar Order, any Claim not filed on or before the Claims Bar Date shall be extinguished and the Claimant shall be forever barred from asserting a claim or interest against the Integra Companies and their property and the holder of the Claim shall be barred, unless otherwise ordered by the Court.

PLEASE TAKE NOTICE that Claimants can download a copy of the Proof of Claim form or the Proof of Investment form at:

http://www.ey.com/global/content.nsf/Canada/Integra

Claimants must file their Proofs of Claim or Proofs of Investment with the Receiver by mail, fax, courier or hand delivery, so that the Proof of Claim or Proof of Investment is actually received by **1:00 pm Mountain Standard Time on July 13, 2007 at the following address:**

Ernst & Young Inc.,
Receiver and Manager of
The Integra Companies
c/o Jessica Caden
Ernst & Young Tower
1000, 440 2nd Avenue SW
Calgary, Alberta T2P 5E9
CANADA
Phone: (403) 206-5153
Fax: (403) 206-5075

DATED: Calgary, Alberta, CANADA
June 8, 2007

Proof of Claim
(Section 50.1, subsections 65.2(4), 81.2(1), 102(2), 124(2), 128(1), and paragraphs 51(1)(e) and 66.14(b) of the Act)

(*All notices or correspondence regarding this claim must be forwarded to the following address):*

____

____

In the matter of the receivership of **Integra Investment Service Ltd., Aurora River Tower Inc., Carling Springs Village Inc. and Carling Development (B.C.) Inc. ("Integra" and collectively the "Integra Companies")** of Calgary, Alberta and the claim of ____, creditor.

I, _______________________________________ (*name of creditor or representative of the creditor*), of __________________________ (*city and province*), do hereby certify:

1. That I am a creditor of (check all that apply):

   ☐ **Integra Investment Service Ltd.**

   ☐ **Aurora River Tower Inc.**

   ☐ **Carling Springs Village Inc.**

   ☐ **Carling Development (B.C.) Inc.**

(*or* that I am _________________________ of _______________________________
(*state position or title*) (*name of creditor*)).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of receivership, namely the **8th day of September 2006,** and still is, indebted to the creditor in the sum of $________________, as specified in the statement of account (*or* affidavit *or* solemn declaration) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (*The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.*)

4. Check and complete appropriate category:

   ☐ A. UNSECURED CLAIM OF $__________________

That in respect of this debt, I do not hold any assets of the debtor as security and
(*Check either (i) or (ii) description.*)

(i) ☐ Regarding the amount of $_______________, I do not claim a right to a priority.

(ii) ☐ Regarding the amount of $______________, I claim a right to a priority under section 136 of the Act.

(*Set out on an attached sheet details to support priority claim.*)

☐ B. CLAIM OF LANDLORD FOR DISCLAIMER OF A LEASE $______________

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are attached as follows:

(*Give full particulars of the claim, including the calculations upon which the claim is based*)

□ C. SECURED CLAIM OF $____________________

That in respect of this debt, I hold assets of the debtor valued at $_____________ as security, particulars of which are as follows:

(*Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.*)

☐ D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF $_____________.

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of $_____________.

(*Attach a copy of sales agreement and delivery receipts.*)

5. That, to the best of my knowledge, I am (*or* the above-named creditor is) (*or* am not *or* is not) related to the debtor within the meaning of section 4 of the Act.

6. That the following are the payments that I have received from, and the credits that I have allowed to, the debtor within the three months (*or, if the creditor and the debtor are related within the meaning of section 4 of the Act,* within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Act: (*Provide details of payments and credits.*)

Dated at ________________________________, this ______ day of __________, 2007.

___________________________ ________________________________

Witness Creditor

Phone Number: _________________
Fax Number : _________________
E-mail Address : _________________

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

Appendix I

INSTRUCTIONS TO CREDITORS RESPECTING PROOF OF CLAIM FORM

Note: A properly completed and supported Proof of Claim form must be submitted to the Receiver in order to be eligible for any potential dividend distributions.

Please follow these instructions:

Heading:
- a) The name of the debtor has been supplied.
- b) Provide the complete name and address, including postal code, where all notices or correspondence regarding your claim are to be forwarded.
- c) Provide an account number, if applicable.

Clause 1: Please provide name and position of individual completing the form.

Clause 2: No action is needed.

Clause 3:
- a) The date of the receivership has been supplied.
- b) Provide the amount of your claim in Canadian funds. The amount claimed for debts owing should be calculated to the **DATE OF RECEIVERSHIP ONLY**.
- c)
  - i) A Statement of Account must be attached in support of the amount claimed.
  - ii) Ensure that the final balance on your Statement of Account agrees to the amount claimed on the Proof of Claim form.
  - iii) The Statement of Account must specify each voucher/invoice and/or other evidence in support of the claim, together with the date of each charge and the amount thereof. A schedule which indicates only the **BALANCE OF ACCOUNT IS NOT SUFFICIENT.** The Statement of Account must be clearly marked "Exhibit A" and be attached to the Proof of Claim form submitted. If "Exhibit A" is not attached, your Proof of Claim will be returned.
  - iv) The Statement of Account must also include the last three months transactions, or if the creditor and the bankrupt are related as defined in Section 4 of the Bankruptcy and Insolvency Act (copy attached), the last twelve months transactions. These transactions must include payments and credits received from or allowed to the bankrupt as well as contra items (if any).

Clause 4: Choose the appropriate section (a), (b), (c) or (d) which properly applies to the status of your claim and check the appropriate line.
- a)
  - (i) Applies if you are a creditor without any security or priority.
  - (ii) Applies if you are a creditor to whom any subsection of Section 136 is applicable. A copy of this section of the Bankruptcy and Insolvency Act is enclosed for your convenience. Please give details in the space provided.
- b) Applies to landlords.
- c) Applies if you are a creditor with a statutory or contractual claim against some specific asset of the debtor. Ensure you record the value of your security.
- d) Applies if you are a Farmer, Fisherman or Aquaculturist.

Clause 5: Copy of Section 4 of the Bankruptcy and Insolvency Act is provided for your convenience. Delete the inapplicable wording to indicate whether the creditor is related or not.

Clause 6: Complete this section if you have received any payments or issued any credits within three months prior to the date of receivership.

Closing: Ensure that the form is dated, witnessed and signed in the appropriate places. You must also print your name and indicate your position.

Mail the completed Proof of Claim form together with "Exhibit A" as soon as possible and no later than July 13, 2007 at 1:00 p.m. MST to:

ERNST & YOUNG INC.
Ernst & Young Tower
1000, 440 - 2 Avenue S.W.
Calgary, Alberta T2P 5E9
Attention: Jessica Caden

Excerpt: Section 4 of the Bankruptcy and Insolvency Act

4(1) In this section

"related group" means a group of persons each member of which is related to every other member of the group;
"unrelated group" means a group of persons that is not a related group.

4(2) For the purposes of this Act, persons are related to each other and are "related persons" if they are:

a) individuals connected by blood relationship, marriage or adoption;
b) a corporation and
   i. a person who controls the corporation, if it is controlled by one person,
   ii. a person who is a member of a related group that controls the corporation, or
   iii. any person connected in the manner set out in paragraph (a) to a person described in subparagraph (i) or (ii); or
c) two corporations
   i. controlled by the same person or group of persons,
   ii. each of which is controlled by one person and the person who controls one of the corporations is related to the person who controls the other corporation,
   iii. one of which is controlled by one person and that person is related to any member of a related group that controls the other corporation,
   iv. one of which is controlled by one person and that person is related to each member of an unrelated group that controls the other corporation,
   v. one of which is controlled by a related group, a member of which is related to each member of an unrelated group that controls the other corporation, or
   vi. one of which is controlled by an unrelated group, each member of which is related to at least one member of an unrelated group that controls the other corporation.

4(3) For the purposes of this Section,

a) where two corporations are related to the same corporation within the meaning of subsection (2), they shall be deemed to be related to each other;
b) where a related group is in a position to control a corporation, it shall be deemed to be a related group that controls the corporation whether or not it is part of a larger group by whom the corporation is in fact controlled;
c) a person who has a right under a contract, in equity or otherwise, either immediately or in the future and either absolutely or contingently, to, or to acquire, shares in a corporation, or to control the voting rights of shares in a corporation, shall, except where the contract provides that right is not exercisable until the death of an individual designated therein, be deemed to have the same position in relation to the control of the corporation as if he owned the shares;
d) where a person owns shares in two or more corporations, he shall, as shareholder of one of the corporations, be deemed to be related to himself as shareholder or each of the other corporations;
e) persons are connected by blood relationship if one is the child or other descendant of the other or one is the brother or sister of the other;
f) persons are connected by marriage if one is married to the other or to a person who is connected by blood relationship to the other; and
g) persons are connected by adoption if one had been adopted, either legally or in fact, as the child of the other or as the child of a person who is connected by blood relationship (otherwise than as a brother or sister) to the other. 1966-67, c.32, s.l.

Excerpt: Section 136 of the Bankruptcy and Insolvency Act

SCHEME OF DISTRIBUTION

136(1) Subject to the rights of secured creditors, the proceeds realized from the property of a bankrupt shall be applied in priority of payment, as follows:

(a) in the case of a decreased bankrupt, the reasonable funeral and testamentary expenses incurred by the legal personal representative of the deceased bankrupt;
(b) the costs of administration, in the following order,
   i. the expenses and fees of the Trustee, and
   ii. legal costs;
(c) the levy payable under Section 147;
(d) wages, salaries, commissions or compensation of any clerk, servant, travelling salesman, labourer or workman for services rendered during the six months immediately preceding the bankruptcy to the extent of two thousand dollars in each case, together with, in the case of a travelling salesman, disbursements properly incurred by that salesman in and about the bankrupt's business, to the extent of an additional one thousand dollars in each case, during the same period, and for the purposes of this paragraph commissions payable when goods are shipped, delivered or paid for, if shipped, delivered or paid for within the six month period, shall be deemed to have been earned therein (effective August 1, 1992);
(e) municipal taxes assessed or levied against the bankrupt within the two years immediately preceding the bankruptcy and that do not constitute a preferential lien or charge against the real property of the bankrupt, but not exceeding the value of the interest of the bankrupt in the property in respect of which the taxes were imposed as declared by the Trustee;
(f) the landlord for arrears of rent for a period of three months immediately the bankruptcy and accelerated rent for a period not exceeding three months following the bankruptcy if entitled thereto under the lease, but the total amount so payable shall not exceed the realization from the property on the premises under lease, and any payment made on account of accelerated rent shall be credited against the amount payable by the Trustee for occupation rent;
(g) the fees and costs referred to in subsection 70(2) but only to the extent of the realization from the property exigible thereunder;

136(2) Subject to the retention of such sums as may be necessary for the costs of administration or otherwise, payment in accordance with subsection (1) shall be made as soon as funds are available for the purpose.

136(3) A creditor whose rights are restricted by this Section is entitled to rank as an unsecured creditor for any balance of claim due to him. R.S., c.14, s.95.