

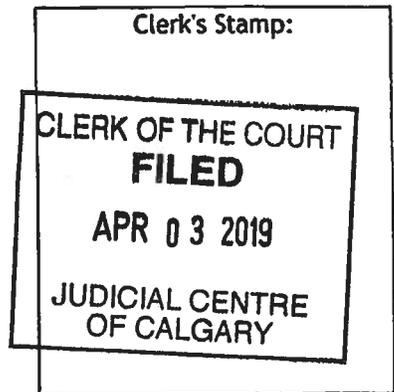
COURT FILE NUMBER 1501 - 11817  
COURT COURT OF QUEEN'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY  
APPLICANT EASY LOAN CORPORATION AND MIKE TERRIGNO

RESPONDENTS BASE MORTGAGE AND INVESTMENTS LTD. AND BASE FINANCE LTD., ARNOLD BREITKREUTZ, SUSAN BREITKREUTZ, SUSAN WAY AND GP ENERGY INC.

DOCUMENT THE SECOND SUPPLEMENTAL REPORT TO THE RECEIVER'S EIGHTH REPORT

DATED APRIL 3, 2019

PREPARED BY BDO CANADA LIMITED



ADDRESS FOR SERVICE AND  
CONTACT INFORMATION OF  
PARTY FILING THIS DOCUMENT

OSLER, HOSKIN & HARCOURT LLP  
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450 - 1<sup>st</sup> Street SW  
Calgary, Alberta T2P 5H1  
Lawyers: Randal Van De Mosselaer  
Phone Number: 403.260.7060  
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## **EXHIBITS**

1. **Email from Receiver's counsel to Mr. Mike Terrigno re: return of deposit, date March 27, 2019**
2. **Letter from Receiver's counsel to bank institution receiving the funds as per Mr. Mike Terrigno's instructions, date March 27, 2019**
3. **Assignment agreement executed by Mr. Quinn Breitkreutz, dated March 26, 2019**
4. **Bank draft from Mr. Quinn Breitkreutz, dated March 25, 2019**
5. **Email from Mr. Quinn Breitkreutz re: condition on offer, dated March 30, 2019**
6. **Emails from Mr. Mike Terrigno, dated March 30, 2019**
7. **Statement of Receipts and Disbursements for the period October 15, 2015 to April 3, 2019**

## INTRODUCTION

1. On October 15<sup>th</sup>, 2015, pursuant to an Ex Parte Order (the “Receivership Order”) issued by the Honourable Justice K. Yamauchi of the Court of Queen’s Bench of Alberta (the “Court”), pursuant to section 13(2) of the *Judicature Act*, R.S.A. 2000, c.J-2 and section 99(a) of *The Business Corporations Act*, R.S.A. 2000, c.B-9, BDO Canada Limited (hereinafter referred to as “BDO” or the “Receiver”) was appointed Receiver of all current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situated, of Base Mortgage & Investments Ltd. and Base Finance Ltd. (“Base Mortgage” and “Base Finance” respectively, or jointly the “Debtors” or the “Companies”), including (without limitation) certain specifically enumerated property (collectively, the “Property”).
2. On November 5, 2015, the First Report of the Receiver (“First Report”) was filed with the Court.
3. On November 6<sup>th</sup>, 2015, the Court granted an Order (the “Amended Receivership Order”) amending the Receivership Order and making certain directions against Mr. Arnold Breitreutz, Mrs. Susan Breitreutz, Ms. Susan Way, Mr. Brian Fox, and all corporations controlled by any of them.
4. On January 19, 2016, the Second Report of the Receiver (“Second Report”) was filed with the Court. On January 20, 2016, the Receiver filed the First Supplement to the Second Report.
5. On May 16, 2016, the Third Report of the Receiver (“Third Report”) was filed with the Court. On July 29, 2016, the Supplementary Report to the Third Report was filed with the Court.
6. On April 11, 2017, the Fourth Report of the Receiver (“Fourth Report”) was filed with the Court.
7. On May 5, 2017, the Fifth Report of the Receiver (“Fifth Report”) was filed with the court.
8. On August 23, 2017, the Sixth Report of the Receiver (“Sixth Report”) was filed with the Court.
9. On March 2, 2018, the Alberta Securities Commission (“ASC”) released a decision (the “ASC Decision”) on their investigations into various allegations against Arnold Breitreutz, Base Finance Ltd., Base Mortgage and Investments Ltd., and Susan Way. The ASC Decision concluded that the named parties had contravened s.93 (b) of the *Securities Act* by engaging in prohibited acts relating to securities that they knew would perpetrate a fraud on investors, including (a) deceiving investors into thinking that they were investing in mortgages held by Base Finance rather than in a loan to an undisclosed entrepreneur involved in oil and gas developments in the US, and (b) operating a Ponzi scheme that recirculated investors’ funds to pay purported returns to existing investors. Attached, as Exhibit D to the Supplemental Report to the Sixth Report is a copy of the ASC Decision.

10. On March 14, 2018, the Supplemental Report to the Sixth Report of the Receiver (“Supplemental Sixth Report”) was filed with the Court.
11. On January 14, 2019, the Seventh Report of the Receiver (“Seventh Report”) was filed with the Court.
12. On February 21, 2019, the ASC released a decision, regarding sanctions against Base, Mr. Breitkreutz, Ms. Way, and (the “ASC Sanction Decision”). The table below summarizes the monetary sanctions against Mr. Breitkreutz and Ms. Way.

Name	Disgorgement	Administrative penalty	Costs	Total
Mr. Breitkreutz	\$2,671,406	\$1,000,000	\$100,000	\$3,771,406
Ms. Way	<u>362,049</u>	<u>150,000</u>	<u>50,000</u>	<u>562,049</u>
Total	<u>\$3,033,455</u>	<u>\$1,150,000</u>	<u>\$150,000</u>	<u>\$4,333,455</u>

In addition, to the monetary sanctions, there are nonmonetary sanctions against the parties.

13. On March 11, 2019, the Eighth Report of the Receiver (“Eighth Report”) was filed with the Court.
14. On March 28, 2019, the First Supplemental Report to the Receiver’s Eighth Report was filed with the Court.
15. A copy of the Receivership Orders, the Receivers Reports and various other relevant documents can be accessed by the public on BDO’s website at [www.extranets.bdo.ca/base/](http://www.extranets.bdo.ca/base/).

**PURPOSE OF THE REPORT**

16. The purpose of the Receiver’s Second Supplemental Report to the Eighth Report, is to provide this Honourable Court with further information regarding the offers received for the 69<sup>th</sup> Ave Property Claim (as that term is defined in the Eighth Report), as requested by the Court, for the Receiver’s applications to be heard April 9, 2019.

**DISCLAIMER**

17. The information contained in the Receiver’s Second Supplemental Report to the Eighth Report has been obtained from the records of the Company, publicly available information and/or based upon discussions with and representations made by the Company’s management and other professional advisors retained in this matter. The information was not audited nor otherwise verified by the Receiver as to its accuracy

or completeness, nor has it necessarily been prepared in accordance with generally accepted accounting principles, and the reader is cautioned that this report may not disclose all significant matters about the Company. Accordingly, we do not express an opinion or any other form of assurance on the information presented herein. The Receiver may refine or alter its observations as further information is obtained or is brought to its attention after the date of this Receiver's Second Supplemental Report to the Eighth Report.

18. The Receiver assumes no responsibility or liability for any loss or damage occasioned by any party because of circulation, publication, reproduction, or use of the Receiver's Second Supplemental Report to the Eighth Report. Any use that any party makes of this the Receiver's Second Supplemental Report to the Eighth Report or reliance on or decisions to be made based on its responsibility of such party.

#### APPLICATION ON MARCH 22, 2019

19. On March 22, 2019, the Receiver brought an application for the following three (3) matters:
- a) An Order granting the Receiver the authority to assign the Companies into bankruptcy;
  - b) An Order approving the fees of the Receiver to November 30, 2018, and the fees from its former legal counsel; and
  - c) An Order assigning the 69<sup>th</sup> Ave. Property Claim to Mr. Mike Terrigno.
20. On March 22, 2019, the Honourable Justice P.R. Jeffrey granted an Order giving the Receiver the authority to assign the Companies into bankruptcy, and adjourned the other two (2) matters to April 9, 2019, at 9:00 a.m. to be heard by the Honourable Justice P.R. Jeffrey.

#### 69th Avenue SW Property

21. As Reported in the First Supplemental Report to the Receiver Eighth Report, on March 23, 2019, Mr. Mike Terrigno sent Receiver's counsel an email purporting to withdraw his offer to purchase the 69<sup>th</sup> Ave. Property Claim and asking that the \$10,000 which is being held by Receiver's counsel be paid to a third party.
22. Upon further review of the correspondence between the Receiver's counsel and Mr. Terrigno, it was determined that the deposit of the \$10,000 would be returned as requested. Attached as Exhibit 1 is a copy of email correspondence between the Receiver's counsel and Mr. Terrigno. Attached as Exhibit 2 is a copy of the letter with a copy of the cheque refunding the \$10,000 as per Mr. Terrigno's instructions.

23. As directed by the Court, any party wishing to make offers on the 69<sup>th</sup> Ave. Property Claim could do so until noon on April 1, 2019.

24. The Receiver has only received one offer additional offer. This offer is from Mr. Quinn Breitreutz is for \$15,000. Mr. Quinn Breitreutz has signed essentially the same assignment agreement that Mr. Terrigno signed on his withdrawn offer. Attached as Exhibit 3 is a copy of the assignment agreement. Attached as Exhibit 4 is a copy of the bank draft for \$15,000.

25. Having received no other offers for the 69<sup>th</sup> Ave. Property Claim, the Receiver recommends accepting the Mr. Quinn Breitreutz offer for \$15,000.

26. On March 30, 2019, Mr. Quinn Breitreutz, attempted to add a condition to his offer, namely, the discharge of the last three encumbrances registered against title to the 69<sup>th</sup> Ave Property, being:

a) 161 057 191  
02/03/2016  
Certificate of Lis Pendens

b) 161 016 599  
08/03/2016  
Caveat

c) 161 122 855  
27/05/2016  
Certificate of Lis Pendens

27. On March 30, 2019, the Receiver's legal counsel informed Mr. Quinn Breitreutz, that the Receiver cannot accept this condition and that it was not the basis on which the offer was made and accepted. Attached as Exhibit 5 are the emails regarding the attempted addition of a condition to Mr. Quinn Breitreutz's Offer.

## **MR. MIKE TERRIGNO BEHAVIOUR**

28. As detailed in previous reports, Mr. Mike Terrigno's behaviour and language continues to be abusive, insulting and threatening. Following the filing of the First Supplement to the Eighth Report, Mr. Terrigno sent a number of emails to Receiver's Counsel, including the following two emails on the evening of March 30, 2019:

At 5:51 p.m.:

You fukung retard. I questioned john manolescu on Dec 13 & 14.. the receiver used MY questioning to target john manolescu. It was MY questioning not Billington.. Get your facts straight. Also you are wrong about the other questioning dates.. . why don't you and your team of losers just go away. You are all too incompetent to deal with this file... Leave it to me and my team, the people who actually know how to get this done. You are wasting everyone's time..

And at 6:31 p.m.:

Randal go fuk urself.. play ur games ... we'll see who's laughing in the end..

29. Copies of each of these emails are attached here as Exhibit 6. These emails are included in this Report in order to keep the Court apprised of Mr. Terrigno's ongoing behaviour, and because these two emails were referenced in the Court hearing held on April 2, 2019 in this matter.

## **STATEMENT OF RECEIPTS AND DISBURSEMENTS**

30. Attached as Exhibit 7 to this Eighth Report is a Statement of Receipts & Disbursements for the period October 15, 2015, to April 1, 2019. As shown, over the history of this receivership the Receiver collected approximately \$1,691,316 to date mainly from the recovery of the sale of the Properties as defined in the Fourth Report.

31. The receivership has approximately \$137,140 remaining in its bank accounts to complete the outstanding tasks (including, subject to further direction from the Court, the Clawback Calculation and recovery of "net winnings") and if any funds remain, distribute them to the Investors of the Debtors.

## RELIEF SOUGHT

32. The Receiver has provided this report in support of its applications originally returnable March 22, 2019 and April 2, 2019.

BDO CANADA LIMITED, solely in its capacity As  
Court Appointed Receiver (as defined in the  
Order), and not in its personal Capacity

Per:  \_\_\_\_\_

David Lewis, CA, CPA, CIRP, LIT  
Vice-President

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**EXHIBIT 1**

**To the Second Supplemental Report to the  
Receiver's Eighth Report**

**Dated April 3, 2019**

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**Lewis, David**

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**From:** Van de Mosselaer, Randal <[rvandemosselaer@osler.com](mailto:rvandemosselaer@osler.com)>  
**Sent:** March 27, 2019 9:37 AM  
**To:** Mike Terrigno  
**Cc:** Lewis, David; Paplawski, Emily  
**Subject:** [EXT] RE: Base finance

Mike,

In answer to your questions:

1. Justice Jeffries' Order gave the Receiver the authority (not the obligation) to assign the Debtors into bankruptcy "if the Receiver deems it advisable to do so". The Order has not even been filed yet. Once it is filed, it is unclear when the Receiver will deem it advisable to exercise its authority to assign the Debtors into bankruptcy;
2. With respect to the \$10K payment for the 69<sup>th</sup> Ave. Property Claim, I have gone back through our emails and have spoken with the Receiver. We note that on March 4 I wrote to you saying: "Once the document is finalized, I would propose that we get it executed and you send the \$10K to us on our undertaking to hold those funds until if/when the Approval Order is granted, at which point the funds will be released to the Receiver, and if the Approval Order is not granted on March 22 we will return the funds to you or deal with them in accordance with any subsequent agreement we may reach." As the Approval Order was not granted on March 22, we agree that it would be appropriate for us to return the funds to you, so we will make arrangements to do so. I confirm that you have asked that we return these funds to "Jaroc Holdings Ltd." and their banking information is:

Private Banking, The Bank of Nova Scotia  
Brookfield Place, Suite 1700 – 225 6 Ave SW Calgary, AB T2P 1N2  
Attn.: **Angle Lacroix** | Associate Private Banker

I do not know if there is going to be any internal issues with us returning the funds to someone other than we received them from, or if we might require any further information from you, but we will get the ball rolling on this right away and I will contact you if we need anything further from you.

3. I gave you copies of those cases when we were in Court so you should have them.

Regards,

**OSLER**

Randal Van de Mosselaer

403.260.7060 DIRECT  
403.260.7024 FACSIMILE  
[rvandemosselaer@osler.com](mailto:rvandemosselaer@osler.com)

Osler, Hoskin & Harcourt LLP  
Suite 2500, TransCanada Tower  
450 - 1st Street S.W.  
Calgary, Alberta, Canada T2P 5H1

[osler.com](http://osler.com)

**From:** Mike Terrigno <mike@terrigno.ca>  
**Sent:** Wednesday, March 27, 2019 8:41 AM  
**To:** Van de Mosselaer, Randal <rvandemosselaer@osler.com>  
**Subject:** Base finance  
**Importance:** High

Randal,

- 1) Will you petition Base Finance into bankruptcy prior to our April 2, 2019 application. If not, then why.
- 2) Explain why you cannot release the \$10k deposit.
- 3) Please send me the caselaw you provided to justice Jeffrey regarding settlement of the receiver account.

Sincerely yours,  
Mike Terrigno [MBA, LL.B/J.D., REM (Harvard) CICA (tax)]

Privileged/Confidential information may be contained in this message and may be subject to legal privilege. Access to this e-mail by anyone other than the noted recipient herein is unauthorized. If you are not the intended recipient (or responsible for delivery of the message to such person), you cannot use, copy, distribute or deliver to anyone this message (or any part of its contents) or take any action in reliance on it. In such case, you should destroy this message, and notify us immediately. If you have received this email in error, please notify us immediately by e-mail or telephone and delete the e-mail from any computer. If you or your employer does not consent to internet e-mail messages of this kind, please notify us immediately. All reasonable precautions have been taken to ensure no viruses are present in this e-mail. As the sender cannot accept responsibility for any loss or damage arising from the use of this e-mail or attachments we recommend that you subject these to your virus checking procedures prior to use. The views, opinions, conclusions and other information expressed in this electronic mail are not given or endorsed by the sender unless otherwise indicated by an authorized representative independent of this message.

**From:** Van de Mosselaer, Randal <rvandemosselaer@osler.com>  
**Sent:** March 26, 2019 7:46 PM  
**To:** Mike Terrigno <mike@terrigno.ca>  
**Cc:** David Lewis <dlewis@bdo.ca>; Paplawski, Emily <EPaplawski@osler.com>  
**Subject:** RE: IMPORTANT Base finance

Further to your email below, we confirm that you wish to cancel the questioning on your affidavit which we had scheduled for April 18. We have therefore done so, and have now made other plans for April 18. Accordingly, if and when you intend to proceed with your application for leave to commence an action against the Receiver, we will want to question you on your affidavit on a date to be determined later.

Regards,

**OSLER**

**Randal Van de Mosselaer**

403.260.7060 DIRECT  
403.260.7024 FACSIMILE  
[rvandemosselaer@osler.com](mailto:rvandemosselaer@osler.com)

Osler, Hoskin & Harcourt LLP  
Suite 2500, TransCanada Tower  
450 - 1st Street S.W.  
Calgary, Alberta, Canada T2P 5H1

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**EXHIBIT 2**

**To the Second Supplemental Report to the  
Receiver's Eighth Report**

**Dated April 3, 2019**

---

Calgary

March 27, 2019

Randal Van de Mosselaer  
Direct Dial: 403.260.7060  
rvandemosselaer@osler.com  
Our Matter Number: 1196307

Toronto

Montréal

**Via Courier**

Ottawa

Private Banking, The Bank of Nova Scotia  
Brookfield Place  
Suite 1700  
225 6 Avenue S.W.  
Calgary, AB T2P 1N2

Vancouver

New York

Attention: Angie Lacroix

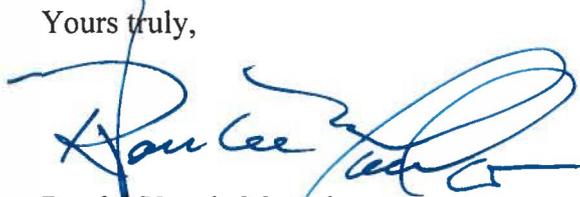
Dear Madam:

**BDO Canada Limited re Base Finance Ltd. and Base Mortgage & Investments Ltd.**

At the instructions of Mr. Mike Terrigno, please find enclosed a cheque in the amount of ten thousand dollars (\$10,000.00) payable to Jaroc Holdings Ltd. for deposit to that company's account.

Should you have any questions or concerns, please do not hesitate to contact me.

Yours truly,



Randal Van de Mosselaer  
Partner

RV:jn

Enclosure

Cc: Receiver  
Mike Terrigno

# Osler, Hoskin & Harcourt LLP

TransCanada Tower  
450 - 1st Street S.W. Suite 2500  
Calgary AB (Alberta) T2P 5H1 Canada  
403.260.7000 MAIN

TD Canada Trust  
751 3rd Street S.W.  
Calgary AB (Alberta) T2P 4K8

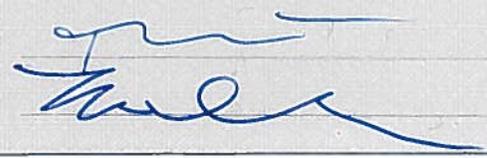
5266 bit 2

Date : 20190327  
YYYYMMDD

Pay : \*\*\*\*\*Ten thousand and 00/100 \*\*\*\$ 10,000.00

Pay to Jaroc Holdings Ltd  
the order of :

Trust Account



Memo :

⑈005266⑈ ⑆80629⑈004⑆ 0146⑈0302990⑈

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**EXHIBIT 3**

**To the Second Supplemental Report to the  
Receiver's Eighth Report**

**Dated April 3, 2019**

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## ASSIGNMENT AGREEMENT

THIS ASSIGNMENT AGREEMENT is made as of the 26 day of March, 2019

**BETWEEN:**

**BDO CANADA LIMITED**, in its capacity as  
Court-appointed Receiver of Base Mortgage & Investments Ltd. and Base Finance Ltd. (collectively, the  
"Debtors"), and not in its personal capacity

(the "Vendor")

- and -

Quinn Breithaupt  
an [individual/body corporate] resident in the City of Calgary, in the Province of Alberta

(the "Purchaser")

**RECITALS:**

A. The Vendor was appointed Receiver, without security, of all the Debtors' current and future assets, undertakings and properties of every nature and kind whatsoever and wherever situate (the "Property"), pursuant to the Order of the Honourable Mr. Justice K. Yamauchi, granted October 15, 2015, in Court of Queen's Bench Action No. 1501-11817 (as amended, the "Receivership Order").

B. Pursuant to the Receivership Order, the Vendor was empowered to, among other things: (i) take possession and control of the Property and any and all proceeds, receipts and disbursements arising out of or from the Property; (ii) initiate, prosecute, and continue the prosecution of any and all proceedings with respect to the Debtor, the Property or the Receiver, or to settle or compromise any such proceedings; and (c) sell, convey, transfer, lease or assign the Property or any part or parts thereof on the terms outlined therein.

C. The Receiver has identified the property located at 912A – 69 Avenue SW, Calgary AB (the "69<sup>th</sup> Ave Property") as potentially forming part of the Property.

D. The Purchaser wishes to purchase, acquire and assume from the Vendor all of its right, title and interest in, or to, any claim or chose of action which the Receiver may have with respect to the 69<sup>th</sup> Ave Property (the "Claim") and, in accordance with the terms of the Receivership Order, the Receiver wishes to sell, transfer and assign same to Purchaser.

**THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Vendor and the Purchaser (collectively, the "Parties") agree as follows:

**1. Transfer and Assignment**

Subject to section 2 below, the Vendor hereby sells, transfers and assigns to the Purchaser all of the Vendor's right, title and interest, both at law and at equity, in and to the Claim and all related rights, benefits and obligations thereto (the "Assigned Interest").

The Purchaser hereby purchases and acquires the Assigned Interest for a purchase price of \$ 15,000 CAD (the "Purchase Price") payable to the Vendor in accordance with section 2 below, and assumes all of the Vendor's obligations, right, title and interest in and to the Assigned Interest.

- 2 -

## 2. **Conditions Precedent**

The transfer and assignment of the Assigned Interest shall take effect on (the "Effective Date") and be subject to:

- a) Acceptance of the Purchaser's offer by the Vendor;
- b) the Vendor obtaining a Court Order approving this Assignment Agreement; and
- c) the Purchaser paying the Purchase Price by certified cheque or bank draft payable to the Vendor drawn by a Schedule I Canadian chartered bank, or such other method as agreed upon by the Parties.

The Vendor shall use all commercially reasonable efforts to seek the necessary Court Order and the Parties shall each act in good faith to obtain the Court Order and complete payment of the Purchase Price.

## 3. **"As Is, Where Is"**

The Purchaser acknowledges and agrees that it has done all appropriate and necessary investigations with respect to the Assigned Interest and the 69<sup>th</sup> Ave Property and that it is accepting the transfer and assignment thereof on an "as if, where is" basis.

## 4. **Representations and Warranties**

The Purchaser acknowledges and agrees that no representations and warranties of any kind whatsoever have been made by the Vendor or may be implied with respect to the Assigned Interest, the 69<sup>th</sup> Ave Property, or any outcome or value of the Claim.

## 5. **Vendor Support**

The Purchaser acknowledges and agrees that, from the Effective Date, the Vendor shall have no further obligations with respect to the Assigned Interest and the Purchaser shall not be entitled to, nor shall the Vendor be required to provide, any support or resources with respect to the Claim, the 69<sup>th</sup> Ave Property, or any other matter subject to this Assignment Agreement.

If, at the request of the Purchaser, and in the sole discretion of the Vendor, the Vendor incurs costs providing information to, or otherwise assisting the Purchaser with any matter relating to the Claim, the 69<sup>th</sup> Ave Property or the Assigned Interest, such costs shall be for the account of, and shall be paid by, the Purchaser.

## 6. **Indemnification**

The Purchaser acknowledges and agrees that the Purchaser will in no way bring or advance any claim, suit, action, proceeding or demand whatsoever against the Vendor for any claims, losses, expenses, costs, or damages suffered by the Purchaser in connection with the Assigned Interest, the Claim or the 69<sup>th</sup> Ave Property.

The Purchaser hereby indemnifies and saves the Vendor harmless from any and all claims, losses, expenses, costs, damages, suits, actions, proceedings, or demands which may be brought against or suffered by the Vendor subsequent to the Effective Date with respect to the Assigned Interest, the 69<sup>th</sup> Ave Property, or the Claim.

**7. Further Assurances**

Each of the Parties covenants and agrees to do such things as may be necessary to give effect to this Assignment Agreement.

**8. General**

- (a) The Parties confirm that the recitals hereto are true and correct.
- (b) This Assignment Agreement shall enure to the benefit of and be binding upon each of the parties and their respective heirs, executors, administrators, successors (including any successor by reason of amalgamation) and assigns.
- (c) No amendment, supplement, modification, waiver or termination of this Assignment Agreement and, unless otherwise specified, no consent or approval by any party, shall be binding unless executed in writing by the party to be bound thereby.
- (d) This Assignment Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no representations, warranties, covenants, conditions or other agreements, legal or conventional, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Assignment Agreement, except as specifically set forth in this Assignment Agreement. The Parties have not relied, and are not relying, on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Assignment Agreement.
- (e) If any provision of this Assignment Agreement shall be determined to be illegal, invalid or unenforceable, that provision shall be severed from this Assignment Agreement and the remaining provisions shall continue in full force and effect.
- (f) This Assignment Agreement shall be governed by, interpreted and enforced in accordance with the laws of the Province of Alberta and the federal laws of Canada applicable therein.
- (g) The Parties agree that this Assignment Agreement may be executed in counterpart and transmitted by facsimile or e-mail (PDF). Delivery of an executed signature page to this Assignment Agreement by any Party by facsimile or e-mail (PDF) will be as effective as delivery of a manually executed copy of the Assignment Agreement by any Party.

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF the Parties have executed this Assignment Agreement as of the date first written above.

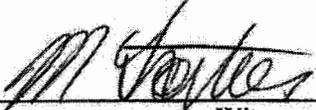
**BDO CANADA LIMITED**, in its capacity as Court-appointed Receiver of Base Mortgage & Investments Ltd. and Base Finance Ltd., and not in its personal capacity

By: \_\_\_\_\_

Name:

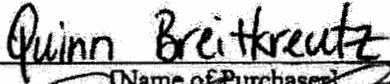
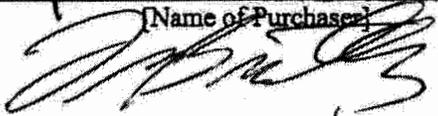
Title:

SIGNED & DELIVERED in the presence of:

  
\_\_\_\_\_  
Witness

Name: *Marcia Fortier*

Date: *March 26, 2019*

  
\_\_\_\_\_  
[Name of Purchaser]  


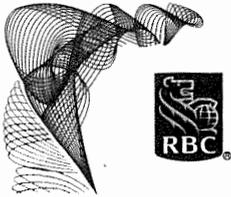
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**EXHIBIT 4**

**To the Second Supplemental Report to the  
Receiver's Eighth Report**

**Dated April 3, 2019**

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Royal Bank of Canada  
Banque Royale du Canada  
9815 98TH ST  
GRANDE PRAIRIE, AB

62494268 6-516

DATE 20190325  
Y/A M/M D/J

PAY TO THE ORDER OF  
PAYEZ À L'ORDRE DE

BDO CANADA LTD

\$15,000.00

EXACTLY \$15,000.00  
05949

AUTHORIZED SIGNATURE REQUIRED FOR AMOUNTS OVER \$5,000.00 CANADIAN. / SIGNATURE AUTORISÉE REQUISE POUR UN MONTANT EXCÉDANT 5,000.00 \$ CANADIENS

CANADIAN DOLLARS CANADIENS

RE/OBJET

QUINN BREITKREUTZ

PURCHASER NAME

NOM DE L'ACHÉTEUR

AUTHORIZED SIGNATURE / SIGNATURE AUTORISÉE

PURCHASER ADDRESS

ADRESSE DE L'ACHÉTEUR

412 A - 69 AVE S.W

Calgary, AB T2V 0P4

COUNTERSIGNED / CONTRESIGNÉ

*Julie Proch*  
*Julie Proch*  
H. Howe  
5-STAR

FORM 16516 (04-2017)

⑆ 6 2494 268 ⑆

⑆ 05949 ⑆ 003 ⑆

099 ⑆ 013 ⑆ 5 ⑆

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**EXHIBIT 5**

**To the Second Supplemental Report to the  
Receiver's Eighth Report**

**Dated April 3, 2019**

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**Lewis, David**

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**From:** Van de Mosselaer, Randal <rvandemosselaer@osler.com>  
**Sent:** April 2, 2019 6:01 PM  
**To:** Quinn Breitreutz  
**Cc:** Lewis, David; Paplawski, Emily  
**Subject:** [EXT] RE: Purchase of the Receiver's potential interest

We can't and don't accept those conditions and that wasn't the basis on which the offer was made and accepted.

This will be discussed with the Court on April 9.

**OSLER**

**Randal Van de Mosselaer**

403.260.7060 DIRECT  
403.260.7024 FACSIMILE  
[rvandemosselaer@osler.com](mailto:rvandemosselaer@osler.com)

Osler, Hoskin & Harcourt LLP  
Suite 2500, TransCanada Tower  
450 - 1st Street S.W.  
Calgary, Alberta, Canada T2P 5H1

[osler.com](http://osler.com)

**From:** Quinn Breitreutz <quinnb32@gmail.com>  
**Sent:** Tuesday, April 02, 2019 5:57 PM  
**To:** Van de Mosselaer, Randal <rvandemosselaer@osler.com>  
**Subject:** Purchase of the Receiver's potential interest

Attn: Randall Van de Mosselaer

Further to my offer of \$15,000 dated the 26th day of March 2019, to purchase the Receiver's potential claim in respect to my 912 69th Ave SW property, my offer is conditional to the last three encumbrances being discharged from the Title Registration Number 151 309 023; see below:

- 1) 161 057 191 02/03/2016 Certificate of Lis Pendens  
By - Easy Loan Corporation.  
By - Mike Terrigno  
By - Guiseppina Terrigno  
By - Maria Terrigno  
By - Investissement Adma Inc.

- 2) 161 061 599 08/03/2016 Caveat  
Re: Order  
Caveator - Base Mortgage & Investments Ltd.

**Caveator - Base Finance Ltd.**

**Both of:**

**Attn: Financial Recovery Services**

**BDO Canada Limited**

**620, 903 - 8 Ave SW**

**Calgary, Alberta T2P 0P7**

**Agent - Richard Hayles**

**3) 161 122 855 27/05/2016 Certificate of Lis Pendens**

**By - Easy Loan Corporation**

**By - Mike Terrigno**

**By - Guiseppina Terrigno**

**By - Maria Terrigno**

**By - Investissement Adma Inc.**

**Thank-you, to your attention to this matter.**

**Yours truly,**

**Quinn Breitreutz.**

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.....

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**EXHIBIT 6**

**To the Second Supplemental Report to the  
Receiver's Eighth Report**

**Dated April 3, 2019**

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**Lewis, David**

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**From:** Mike Terrigno <mike@terrigno.ca>  
**Sent:** March 30, 2019 5:51 PM  
**To:** Van de Mosselaer, Randal  
**Cc:** Lewis, David; Paplawski, Emily  
**Subject:** RE: Base Finance

You fukung retard. I questioned john manolescu on Dec 13 & 14.. the receiver used MY questioning to target john manolescu. It was MY questioning not Billington.. Get your facts straight. Also you are wrong about the other questioning dates.. . why don't you and your team of losers just go away. You are all too incompetent to deal with this file... Leave it to me and my team, the people who actually know how to get this done. You are wasting everyone's time..

Sincerely yours,  
Mike Terrigno [MBA, LL.B/J.D., REM (Harvard) CICA (tax)]

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**Lewis, David**

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**From:** Mike Terrigno <mike@terrigno.ca>  
**Sent:** March 30, 2019 6:31 PM  
**To:** Van de Mosselaer, Randal  
**Subject:** Re: Base Finance

Randal go fuk urself.. play ur games ... we'll see who's laughing in the end...

Sincerely yours,

Mike Terrigno ( *MBA, LL.B/J.D., REM (Harvard), CICA (tax)* )

(Sent from my smartphone)

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**EXHIBIT 7**

**To the Second Supplemental Report to the  
Receiver's Eighth Report**

**Dated April 3, 2019**

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**BDO CANADA LIMITED**  
**INTERIM STATEMENT OF RECEIPTS AND DISBURSMENTS FOR**  
**BASE FINANCE LTD. AND BASE MORTGAGE & INVESTMENT LTD.**  
**FOR THE PERIOD FROM OCTOBER 15, 2015 - APRIL 1, 2019**

**Receipts:**

Sale of assets enbloc	\$ 1,478,129	
Sale of Ceduna property	203,944	
Recoverable expenses paid by Trustee	16,728	
Cash on hand	5,381	
Interest	6,157	
Miscellaneous income	3,465	Note 1
Insurance refund	357	
Utilities refund	109	
<b>Total receipts</b>	<b>\$ 1,714,270</b>	

**Disbursements:**

Legal fees	\$ 747,643	
Receiver's fees	624,687	
Pre and post Receivership costs settlement	90,476	
GST on Legal fees	41,897	
GST on Receiver's fees	32,110	
Administrative disbursement	17,457	
Insurance	15,744	
Commission	3,890	
Bailiff	1,000	
Consulting fees	921	
Change of locks	486	
GST on Disbursements	329	
Rental fees	285	
Fees paid to the Official Receiver	140	
Travel	65	
<b>Total disbursements</b>	<b>\$ 1,577,130</b>	

<b>Funds on hand at March 26, 2019</b>	<b>\$ 137,140</b>
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**Notes**

- (1) These funds are attributable to the payment of invoices of professional fees and copy charges for document reviews facilitated by the Receiver, as per the Document Review protocol established at the onset of the receivership.
- (2) The business operations of Base Finance Ltd. and Base Mortgage & Investments Ltd. were co-mingled and effectively possessed the same assets. The Court Order appointing the Receiver dated October 15, 2015 refers to the Companies collectively as the Debtor and the Receiver attributes any realizations for the Debtor to be for the benefit of both Companies. For efficiency, the Receiver has used the receivership account of Base Finance Ltd. as the general operating account for the entities of the receivership and will from time-to-time transfer funds to cover the general administrative costs of the receivership estate of Base Mortgage & Investment Ltd., as necessary.