

COURT FILE NUMBER 25-1435267

COURT COURT OF QUEEN'S BENCH OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE BANKRUPTCY
OF COLIN JOSEPH BECKER

BANKRUPTCY AND INSOLVENCY
FAILLITE ET INSOLVABILITE
FILED
DEC 12 2012
JUDICIAL CENTRE
OF CALGARY

JUDICIAL CENTRE CALGARY

APPLICANTS JON MINTOFT and STONEBRIDGE
RESORTS CORPORATION

RESPONDENT HARDIE & KELLY INC.
TRUSTEE IN BANKRUPTCY

DOCUMENT **AFFIDAVIT OF JON MINTOFT**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

NORTON ROSE CANADA LLP
3700, 400 Third Avenue SW
Calgary, Alberta T2P 4H2
Phone: 403.267.8368
Fax: 403.264.5973
Email: gene.bodnar@nortonrose.com
Attention: Eugene J. Bodnar
File No. 01141170-0001

AFFIDAVIT OF JON MINTOFT

Sworn on December 12, 2012

I, JON MINTOFT, of the City of Calgary, in the Province of Alberta, Businessman, MAKE OATH AND SAY THAT:

1. I am a creditor of Colin Joseph Becker ("Becker" or the "Bankrupt") in my personal capacity. I am also the sole director and a shareholder of Stonebridge Resorts Corporation ("Stonebridge"), another creditor of the Bankrupt. As such, I have personal knowledge of the matters hereinafter deposed to, except where stated to be based on information, in which case I believe the same to be true.

2. Ownership of the shares in Stonebridge is split equally between Becker, another bankrupt individual by the name of William Lloyd Bradley ("Bradley"), and myself. That is, each of us owns 1/3 of the shares in the company. Becker and Bradley will be collectively referred to in this affidavit as the "Bankrupts".
3. I have submitted Proofs of Claim in this bankruptcy on behalf of myself and Stonebridge as creditors. The circumstances of my claims, and those of Stonebridge, against the Bankrupts are set forth below.

**The "Oppression Action" - Mintoft v. Becker, Bradley et al.
Court of Queen's Bench of Alberta Action No. 0401-04918**

4. Attached hereto and marked as Exhibit "A" to this my affidavit is a true copy of the Statement of Claim in the Oppression Action filed March 25, 2004.
5. Attached hereto and marked as Exhibit "B" to this my affidavit is a true copy of the transcript of the oral reasons for judgment of Mr. Justice P. M. Clark pronounced October 30, 2009. In these reasons for judgment, Justice Clark stated that this was "perhaps the most egregious case of oppression that I've experienced".
6. Attached hereto and marked as Exhibit "C" to this my affidavit is a true copy of the Order granted by Mr. Justice P. M. Clark on October 30, 2009 (the "Oppression Order").
7. Pursuant to paragraph 5 of the Oppression Order, an accounting and obligation to repay Stonebridge was directed. As a 1/3 shareholder in Stonebridge, I am a beneficiary of these amounts under principles of oppression law.
8. Attached hereto and marked as Exhibit "D" to this my affidavit is a true copy of an Order granted by Mr. Justice P. M. Clark on October 28, 2010 in which the Bankrupts were restrained from dealing with their shares in certain companies which they had incorporated for purposes of conducting the activities giving rise to the Oppression Action and other fraudulent activities. Those companies will be collectively referred to in this affidavit as the "River Run and Bridgecreek Companies".
9. Attached hereto and marked as Exhibit "E" to this my affidavit is a true copy of an Order granted by Mr. Justice P. M. Clark on November 26, 2010 in which I was appointed the sole director of the River Run and Bridgecreek Companies.

10. Attached hereto and marked as Exhibit "F" to this my affidavit is a true copy of an Order granted by Mr. Justice P. M. Clark on February 28, 2011 in which the Bankrupts' shares in the River Run and Bridgecreek Companies were cancelled and reissued in the name of Stonebridge.

**The "Fraudulent Preference Action" - Mintoft v. Becker, Bradley et al.
Court of Queen's Bench of Alberta Action 1001-10102**

11. Attached hereto and marked as Exhibit "G" to this my affidavit is a true copy of the Statement of Claim in the Fraudulent Preference Action filed July 8, 2010.
12. Attached hereto and marked as Exhibit "H" to this my affidavit is a true copy of an Order granted by Mr. Justice P. M. Clark on August 30, 2010 in which certain transfers of land involving the Bankrupts were declared to be void and ordered to be reversed.
13. Attached hereto and marked as Exhibit "I" to this my affidavit is a true copy of an Order granted by Mr. Justice P. M. Clark on October 8, 2010 in which certain additional transfers of land involving the Bankrupts were declared to be void and ordered to be reversed.
14. Attached hereto and marked as Exhibit "J" to this my affidavit is a true copy of a Consent Order granted by Mr. Justice P. M. Clark on October 28, 2010 in which the Bankrupts were restrained from dealing with lands and personal property itemized in the previous two Orders.
15. Attached hereto and marked as Exhibit "K" to this my affidavit is a true copy of an Order granted by Mr. Justice P. M. Clark on November 26, 2010 in which Bradley was directed to return the Minute Books for the River Run and Bridgecreek Companies to their registered office.

Additional Fraudulent Activity on the Part of Becker and Bradley

16. After the issuance of the Orders referred to above, I began to review the Minute Books and other records of the River Run and Bridgecreek Companies. My review of these records disclosed the existence of various amounts owing to Stonebridge and myself as a result of several fraudulent transactions effected by the Bankrupts. Examples of these transactions are referred to in paragraphs 17-20 below.

17. On April 30, 2008 the Bankrupts passed a resolution as directors of River Run Corporation to sell certain of the lands subject to the above Orders to Becker for the sum of \$45,000.00. Attached hereto and marked as Exhibit "L" to this my affidavit are true copies of the said resolution and associated contract. On that same date, the Bankrupts passed a resolution as directors of River Run Vistas Corporation to purchase the exact same lands from Becker for the sum of \$2,700,000.00. Attached hereto and marked as Exhibit "M" to this my affidavit are true copies of the said resolution and associated contract. The transactions authorized by these resolutions proceeded and the lands in question were transferred to River Run Vistas Corporation. The net funds in the amount of \$2,655,000.00 are unaccounted for and I believe they were misappropriated by the Bankrupts and diverted for their own purposes.
18. On or about September 19, 2008, the Bankrupts passed resolutions as directors of River Run Corporation, River Run Plaza Corporation and River Run Vistas Corporation to mortgage certain of the lands subject to the above Orders in favour of Invesco Mortgage Inc. for the amount of \$4,000,000.00. Attached hereto and collectively marked as Exhibit "N" to this my affidavit are true copies of the said resolutions. The mortgage proceeds are unaccounted for and I believe they were misappropriated by the Bankrupts and diverted for their own purposes. The lands in question were appraised at \$11,000,000 and are now are in the process of being foreclosed.
19. On or about July 14, 2009, the Bankrupts caused Mountain Escapes Corporation to mortgage certain of the lands subject to the above Orders in favour of Holdings Happy Valley Quebec Ltee./Happy Valley Holdings Quebec Ltd. for the amount of \$150,000.00. Attached hereto and marked as Exhibit "O" to this my affidavit is a true copy of the mortgage. The mortgage proceeds are unaccounted for and I believe they were misappropriated by the Bankrupts and diverted for their own purposes. The mortgage is presently in default and the lands in question are at the risk of being lost.
20. On or about November 4, 2009, certain of the lands subject to the above Orders were transferred from 1474353 Alberta Ltd., a defendant in the Fraudulent Preference Action, to Becker. At the time of this transfer, Becker swore an Affidavit of Transferee stating that in his opinion, the value of the lands in question was \$300,000.00. However, the consideration set forth in the Transfer of Lands was only one dollar (\$1.00). Attached hereto and marked as Exhibit "P" to this my affidavit are true copies of these documents.

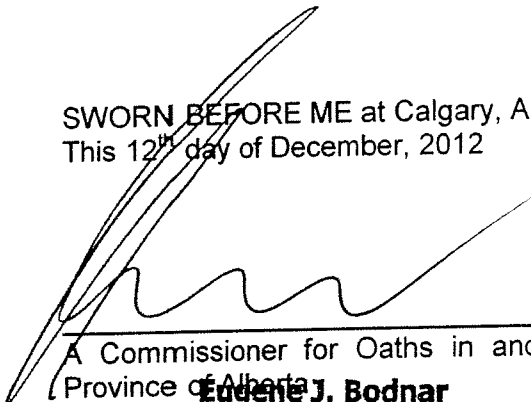
On or about November 12, 2009, the lands in question were mortgaged, together with certain other lands, for the amount of \$100,000.00. Attached hereto and marked as Exhibit "Q" to this my affidavit is a true copy of the mortgage. The mortgage proceeds are unaccounted for and I believe they were misappropriated by the Bankrupts and diverted for their own purposes. The lands in question have now been lost through foreclosure.


21. I intend to amend the Statements of Claim in either or both the Oppression Action and the Fraudulent Preference Action to plead that the actions of the Bankrupts in effecting the transactions set out in paragraphs 17-20 above constitute fraud or fraudulent breach of trust, and that the monies which the Bankrupts obtained as a result of these transactions were obtained by false pretences or fraudulent misrepresentation and resulted from embezzlement, misappropriation or defalcation of the Bankrupts while acting in a fiduciary capacity in regards to Stonebridge and myself.
22. Other fraudulent transactions effected by the Bankrupts which I have identified upon my ongoing review of the Minute Books and other records of the River Run and Bridgecreek Companies include the following:
 - (a) Causing Bridgegate Financial Corporation to improperly loan funds in the total amount of approximately \$9,770,000.00 to Bighorn Mountain Resort Corporation. These funds are unaccounted for and I believe they were misappropriated by the Bankrupts and diverted for their own purposes.
 - (b) Causing River Run Corporation to improperly loan funds in the total amount of approximately \$5,500,000.00 to Bridgecreek Development Corporation. These funds are unaccounted for and I believe they were misappropriated by the Bankrupts and diverted for their own purposes.
23. Whether intentional or not, it does not appear that these loans were properly documented by the Bankrupts. I continue to piece together the paper trail with respect to these loans and other suspicious transactions on the part of the Bankrupts.
24. There are additional affidavits which I swore in the Oppression Action and Fraudulent Preference Action in which I attest to the fraudulent activities of the Bankrupts in more detail.

25. I make this affidavit in support of an application for:

- (a) an Order refusing discharge of the Bankrupt, or requiring the Bankrupt to pay the defrauded monies as a condition of discharge;
- (b) a declaration lifting the stay of proceedings resulting from this bankruptcy with respect to the Oppression Action and the Fraudulent Preference Action; and
- (c) a declaration that an Order of Discharge, if granted, does not release the Bankrupt from debts or liabilities owing to Stonebridge and myself as claimed in the Oppression Action and the Fraudulent Preference Action.

SWORN BEFORE ME at Calgary, Alberta)
 This 12th day of December, 2012)


 _____)
 A Commissioner for Oaths in and for the)
 Province of Alberta)
Eugene J. Bodnar)
Barrister & Solicitor)


 _____)
 Signature)

 Print Name and Expiry)

Jon Mintoft.
 _____)
 Print Name)