Form 27

[Rules 6.3 and 10.52(1)]

COURT FILE NUMBER

1401-12622

Clerk's Stamp

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

CLERK OF THE COURT

JUDICIAL CENTRE

CALGARY

MAR 2 4 2016 JUDICIAL CENTRE

OF CALGARY

APPLICANT

REAL ESTATE COUNCIL OF ALBERTA

RESPONDENTS

DEREK RYAN JOHNSON, aka "JOHN DAVIS" and "JOE RHEALESTATE" and DEREK RYAN

JOHNSON carrying on business as WWW.FREELISTCALGARY.COM and

WWW.JOERHEALESTATE.COM

DOCUMENT

APPLICATION

ADDRESS FOR SERVICE

AND CONTACT

INFORMATION OF PARTY FILING THIS DOCUMENT

Parlee McLaws LLP

3300 TD Canada Trust Tower

421 - 7 Avenue SW

Calgary, Alberta T2P 4K9

Attention: Emmett Scrimshaw Telephone: 403.294.7269 Fax: 403.767.8865 File No.: 52424-663

NOTICE TO RESPONDENT(S):

DEREK RYAN JOHNSON

ALLYSON JOHNSON

KEVIN MANJI

LAUREL CINNAMON

KEVIN KUMAR

NEW CENTURY REAL ESTATE INC.

SATORI INVESTMENT SOLUTIONS INC.

1827148 ALBERTA LTD.

This application is made against you. You are a respondent. You have the right to state your side of this matter before the master/judge.

To do so, you must be in Court when the application is heard as shown below:

Date:

April 20, 2016

Time:

10:00 a.m.

Where:

Calgary Court Centre

601 - 5 Street SW

Calgary, AB T2P 5P7

Before Whom: Justice in Chambers

Go to the end of this document to see what else you can do and when you must do it.

Remedy claimed or sought:

1. An Order abridging time for service of the within Application to the time actually given, and deeming service of the within Application on the respondents to be complete;

- 2. An Order declaring Derek Ryan Johnson to be in civil contempt of Court pursuant to Rule 10.52 of the Alberta *Rules of Court* and imposing sanctions in the form of one or more penalties set out in Rule 10.53 of the Alberta *Rules of Court*.
- With respect to the respondents Allyson Johnson, Kevin Manji, Laurel Cinnamon, Kevin Kumar, New Century Real Estate Inc., Satori Investment Solutions Inc. and 1827148 Alberta Ltd. (the "Johnson Associates"):
 - a. An Order declaring the Johnson Associates, or any of them, to be in civil contempt of Court pursuant to Rule 10.52 of the Alberta Rules of Court and imposing sanctions in the form of one or more penalties set out in Rule 10.53 of the Alberta Rules of Court;
 - b. In the alternative, an Order in Form 47 requiring each of the Johnson Associates, or any of them, to appear before this Court or ordering a peace officer to take the Johnson Associates into custody and to bring the person before the Court, to show cause why that person should not be declared to be in civil contempt of Court;
 - c. In the further alternative, a declaration that the Johnson Associates are subject to the same restraints imposed on Derek Ryan Johnson by the Order of Justice M.C. Erb dated December 11, 2014.
- 4. An Injunction directing the owner of the website <u>www.realestatecouncilofcanada.ca</u> and the host of that website to immediately remove the content visible at that domain name which relates to trading in real estate (as defined in the *Real Estate Act*) or dealing as a mortgage broker (as defined in the *Real Estate Act*), and restraining and enjoining any similar content from being posted.
- 5. An Injunction directing the owner of the website <u>www.canadapropertyguys.com</u> and the host of that website to immediately remove the content visible at that domain name which relates to trading in real estate (as defined in the *Real Estate Act*) or dealing as a mortgage broker (as defined in the *Real Estate Act*), and restraining and enjoining any similar content from being posted.
- 6. An Injunction directing the owner of the website www.ispeedprivatelending.com and the host of that website to immediately remove the content visible at that domain name which relates to trading in real estate (as defined in the Real Estate Act) or dealing as a mortgage broker (as defined in the Real Estate Act), and restraining and enjoining any similar content from being posted.
- 7. An Injunction directing the owner of the website <u>www.commissionfreesystems.com</u> and the host of that website to immediately remove the content visible at that domain name which relates to trading in real estate (as defined in the *Real Estate Act*) or dealing as a mortgage broker (as defined in the *Real Estate Act*), and restraining and enjoining any similar content from being posted.
- 8. Costs of the within application; and

9. Such further or other relief as this Honourable Court may deem just or necessary.

Grounds for making this application:

- 10. Justice M.C. Erb pronounced an Order in this action on December 11, 2014 (the "Injunction Order"), pursuant to which Derek Ryan Johnson and "anyone acting at his direction, on his behalf or associated with him" were restrained from carrying on certain activities, including:
 - a. Trading in real estate, as defined in the Real Estate Act;
 - b. Dealing as a mortgage broker, as defined in the Real Estate Act; and
 - Posting or facilitating real estate listings concerning the subject matter of trading in real
 estate or dealing in mortgages.
- 11. The Injunction Order was served in the following manner:
 - Derek Ryan Johnson was served with the Injunction Order by process server on December 13, 2014, as set out in the Affidavit of Corey Roberts sworn December 14, 2014.
 - Kevin Manji was served with the Injunction Order by process server on January 26, 2015, as set out in the Affidavit of Corey Roberts sworn January 27, 2015.
 - c. Kevin Kumar, the sole director of New Century Real Estate Inc., was served with the Injunction Order by process server on August 7, 2015, as set out in the Affidavit of Robert McMillan sworn August 10, 2015.
 - d. Laurel Cinnamon, the sole director of 1827148 Alberta Ltd. and Satori Investment Solutions Inc., was served with the Injunction Order by process server on August 7, 2015, as set out in the Affidavit of Robert McMillan sworn August 10, 2015.
- 12. The respondents breached the Injunction Order by continuing to trade in real estate and deal in mortgages, as those terms are defined in the *Real Estate Act*.
- 13. Derek Ryan Johnson breached the Injunction Order by:
 - a. Posting real estate listings on the website <u>www.joerhealestate.com</u> as of December 17, 2014;
 - Collaborating with Kevin Manji to obtain a \$30,000.00 deposit for the sale of a home on or about December 17, 2014;
 - Posting real estate listings on the website <u>www.kijiji.ca</u> on or about August 28, 2015, or alternatively directing his wife Allyson Johnson to do so;
 - Posting a real estate listing on the website <u>www.kijiji.ca</u> on or about October 21, 2015, and soliciting a real estate transaction by telephone with the owner of that property; and
 - e. Creating and maintaining the websites www.canadapropertyguys.com, and www.canadapropertyguys.com, a
- 14. Allyson Johnson is the wife of Derek Ryan Johnson. She breached the Injunction Order by posting real estate listings on the website www.kijiji.ca on or about August 28, 2015 on behalf of or in participation with Derek Ryan Johnson.
- 15. Kevin Manji is an associate of Derek Ryan Johnson. He breached the Injunction Order by:
 - Collaborating with Derek Ryan Johnson to obtain a \$30,000.00 deposit for the sale of a home on or about December 17, 2014;
 - Posting real estate listings on the website <u>www.kijiji.ca</u> from December 2014 through February 2015;

- Advertising real estate listings through email from December 2014 through February 2015; and
- Soliciting and negotiating real estate transactions by email, telephone and text message from December 2014 through February 2015.
- 16. Kevin Manji is the sole director and shareholder of New Century Real Estate Inc. and used the company name and the email address of newcenturyrealestate1@gmail.com to facilitate trading in real estate and dealing in mortgages.
- 17. Kevin Manji also used the company 1827148 Alberta Ltd. to facilitate trading in real estate and dealing in mortgages, specifically by having funds obtained from real estate customers deposited into that company's bank account.
- 18. Laurel Cinnamon is the sole director and shareholder of 1827148 Alberta Ltd. and Satori Investment Solutions Inc., and as such is aware of and responsible for her companies' involvement in trading in real estate and dealing in mortgages.
- 19. Kevin Kumar is Laurel Cinnamon's partner and represents himself to be the President of Satori Investment Solutions Inc. Kevin Kumar traded in real estate and dealt in mortgages after the date of the Injunction Order through the companies 1827148 Alberta Ltd. and Satori Investment Solutions Inc.
- 20. Kevin Kumar recruited and trained unlicensed members of the public to carry out trading in real estate and dealing in mortgages on behalf of him and Johnson after the date of the Injunction Order.
- 21. None of the respondents are authorized to trade in real estate or deal in mortgages. Trading in real estate or dealing in mortgages, as those terms are defined in the Real Estate Act, are breaches of s. 17 of the Real Estate Act. The respondents' activities in those areas are contrary to the public interest and have resulted in numerous complaints as well as criminal investigation.

Material or evidence to be relied on:

- 22. The Affidavit of Tricia Hickey sworn March 21, 2016, filed;
- 23. The Affidavit of Stephen Kent sworn March 21, 2016, filed;
- 24. The Affidavit of Tricia Hickey sworn November 18, 2014, filed;
- 25. The following affidavits of service of the Injunction Order filed in this action:
 - Affidavit of Corey Roberts, sworn December 14, 2014;
 - b. Affidavit of Corey Roberts, sworn January 27, 2015; and
 - c. Two affidavits of Robert McMillan, sworn August 10, 2015.
- 26. Scotia Mortgage Corporation v. Gutierrez, 2012 ABQB 683
- 27. 1158997 Alberta Inc. v. Maple Leaf Trust Company, 2013 ABQB 483.
- 28. The pleadings in the within Action; and
- 29. Such further and other material as counsel may advise and this Honourable Court may admit.

Applicable rules:

30. Rules 10.30, 10.31, 10.33, 10.51, 10.52 and 10.53.

Applicable Acts and regulations:

31. Real Estate Act, RSA 2000, c R-5, as amended, and all regulations thereto.

Any irregularity complained of or objection relied on:

32. None.

How the application is proposed to be heard or considered:

33. In person.

WARNING

If you do not come to Court either in person or by your lawyer, the Court may give the applicant(s) what they want in your absence. You will be bound by any order that the Court makes. If you want to take part in this application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of the form. If you intend to rely on an affidavit or other evidence when the application is heard or considered, you must reply by giving reasonable notice of the material to the applicant.