

I hereby certify this to be a
true copy of the original.

M. Holson
for Clerk of the Court

COURT FILE NUMBER 1103 00745
COURT COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE EDMONTON
PLAINTIFFS ROBERT MEWBURN AND CHARITY MEWBURN
DEFENDANTS JEREMY "JAY" PEERS, ROBERT PEERS, MARC
PEERS, DANIELLE PEERS, DAVID KAUFFMAN,
LALEENI SHARMA, DAWN VADER, DAVID LORD,
GERARD T. O'NEILL, AND MOWBREY GIL LLP
DOCUMENT Brought Under the *Class Proceedings Act*, S.A
2003, c. C-16.5.
ORDER TO DISCONTINUE CLASS PROCEEDINGS
pursuant to s. 35(2) of *Class Proceedings Act*

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT Racket Belzil LLP
100 Westgrove Professional Building
10230 – 142 Street
Edmonton, AB T5N 3Y6

Lawyer: Louis M.H. Belzil, Q.C.
Tel: (780) 392-3321
Fax: (780) 451-8460
File No.: 65041.2

DATE ON WHICH ORDER WAS PRONOUNCED:
May 15, 2013

LOCATION WHERE THIS ORDER WAS PRONOUNCED: Edmonton, Alberta

NAME OF JUSTICE WHO MADE THIS ORDER:
The Honourable J.D. Rooke, Associate Chief Justice of the Court of Queen's Bench of Alberta

UPON THE APPLICATION of the Plaintiffs; AND UPON having read the Affidavit of Harjit Toor; AND UPON hearing submissions of counsel for the Plaintiffs and counsel for the Defendants; AND UPON being satisfied that Section 35(2) of the *Class Proceedings Act* applies to the amendments to the Statement of Claim filed with this Honourable Court on October 11, 2012;

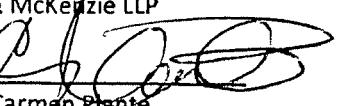
IT IS HEREBY ORDERED THAT:

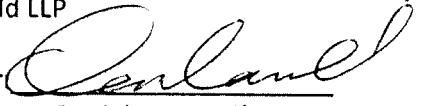


1. The Plaintiffs are hereby directed to give notice in the form of Schedule "A" to this order to prospective class members of their intention to discontinue the class proceedings in the following ways:
 - a. By posting the same on the website of the Trustee in Bankruptcy of Peers Foster Kristiansen Inc. and Federal Mortgage Corporation, <http://www.pwc.com/ca/en/can/pfk-and-fmc/index.jhtml>;
 - b. By correspondence to all 248 investors at the addresses compiled from the records of the Trustee in Bankruptcy, as described in the affidavit of Harjit Toor, paragraph 3.
 - c. By the issuance of a press release in the form attached as Schedule "B" to this order, which shall include a copy of Schedule "A", to the following print newspapers: Edmonton Journal, Calgary Herald, National Post and Globe and Mail.
2. Upon filing proof of giving notice of the intention to discontinue in the manner directed, and upon 90 days having lapsed from the date of notice having been deemed to have given pursuant to paragraph 1(b) of this order, the Plaintiffs shall have leave to submit an order for signature to the court, granting leave to amend the Statement of Claim in respect of the amendments of October 11, 2012, *nunc pro tunc*.
3. The redacted Affidavit of Harjit Toor, as provided to the defendants in this matter by the Plaintiffs on December 20, 2012, shall be filed with the court, and shall form part of the public record of these proceedings. The original affidavit of Harjit Toor dated December 5, 2012, shall also be filed, but shall be sealed until further order.
4. Costs of this application shall be costs in the cause.

John Roche
 Justice of the Court of Queen's Bench of Alberta
June 6/13

Approved as to form this <u>4</u> day of May, 2013: Racket Belzil LLP Per: Louis M H Belzil, Q.C. Counsel for the Plaintiffs	Approved as to form this <u>3</u> day of May, 2013: Norton Rose Canada LLP Per: Steven Leitl Counsel for Jeremy "Jay" Peers, Robert Peers, Marc Peers and Danielle Peers
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<p>Approved as to form this <u>3</u> day of May <i>June</i>, 2013:</p> <p>Witten LLP</p> <p>Per: </p> <p>Schuyler Wensel, Q.C. Counsel for David Kaufman</p>	<p>Approved as to form this <u>3</u> day of May <i>June</i>, 2013:</p> <p>Bishop & McKenzie LLP</p> <p>Per: </p> <p>Carmen Plante Counsel for Laleeni Sharma, Dawn Vader and David Lord</p>
<p>Approved as to form this ____ day of May, 2013:</p> <p>Field LLP</p> <p>Per: _____</p> <p>Daniel P. Carroll, Q.C. Counsel for Gerard T. O'Neill</p>	<p>Approved as to form this ____ day of May, 2013:</p> <p>Parlee McLaws LLP</p> <p>Per: _____</p> <p>Gregory W. Jaycock Counsel for Mowbrey Gil LLP.</p>

Approved as to form this ____ day of May, 2013: Witten LLP Per: _____ Schuyler Wensel, Q.C. Counsel for David Kaufman <i>rd</i>	Approved as to form this ____ day of May, 2013: Bishop & McKenzie LLP Per: _____ Carmen Plante Counsel for Laleeni Sharma, Dawn Vader and David Lord
Approved as to form this <u>3</u> day of May, 2013: Field LLP Per:  Daniel P. Carroll, Q.C. Counsel for Gerard T. O'Neill	Approved as to form this ____ day of May, 2013: Parlee McLaws LLP Per: _____ Gregory W. Jaycock Counsel for Mowbrey Gil LLP.

Approved as to form this ____ day of May, 2013: Witten LLP Per: _____ Schuyler Wensel, Q.C. Counsel for David Kaufman	Approved as to form this ____ day of May, 2013: Bishop & McKenzie LLP Per: _____ Carmen Plante Counsel for Laleeni Sharma, Dawn Vader and David Lord
Approved as to form this ____ day of May, 2013: Field LLP Per: _____ Daniel P. Carroll, Q.C. Counsel for Gerard T. O'Neill	Approved as to form this <u>15</u> day of May, 2013: Parlee McLaws LLP Per: _____ Gregory W. Jaycock Counsel for Mowbrey Gil LLP.

Schedule "A"

COURT FILE NUMBER	1103 00745	Clerk's Stamp
COURT	COURT OF QUEEN'S BENCH OF ALBERTA	
JUDICIAL CENTRE	EDMONTON	
PLAINTIFFS	ROBERT MEWBURN AND CHARITY MEWBURN	
DEFENDANTS	JEREMY "JAY" PEERS, ROBERT PEERS, MARC PEERS, DANIELLE PEERS, DAVID KAUFFMAN, LALEENI SHARMA, DAWN VADER, DAVID LORD, GERARD T. O'NEILL, AND MOWBREY GIL LLP	
DOCUMENT	Brought Under the <i>Class Proceedings Act, S.A 2003, c. C-16.5.</i>	
	NOTICE OF INTENTION TO DISCONTINUE	
	(S. 35(2))	
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Rackel Belzil LLP 100 Westgrove Professional Building 10230 – 142 Street Edmonton, AB T5N 3Y6	
	Lawyer: Louis M.H. Belzil, Q.C. Tel: (780) 392-3321 Fax: (780) 451-8460 File No.: 65041.2	

TO: Prospective members of the class of investors who lost money as a result of the bankruptcy of Peers Foster Kristiansen Inc. and Federal Mortgage Corporation Ltd.

This matter was started as a class action on January 14, 2011, by Robert and Charity Mewburn, on behalf of all investors in Peers Foster Kristiansen Inc. and Federal Mortgage Corporation Ltd. As a class action, any settlement obtained by the plaintiffs might have been, subject to the approval of the court, distributed to prospective class members.

The Plaintiffs wish to discontinue the class action and continue the lawsuit as a regular proceeding on behalf of a group of investors who will hereafter be named plaintiffs.

On May 15, 2013, Associate Chief Justice J.D. Rooke of the Court of Queen's Bench of Alberta directed that you be given notice of the Plaintiffs' intention to discontinue the class proceedings. The court will permit the discontinuance of the class action 90 days after this notice has been sent to you. This period of time is intended to allow you to seek individual legal advice, or issue

individual proceedings, if you choose to do so. We strongly encourage you to seek legal advice immediately if you wish to take any further steps to recover your investment losses.

After the class action is discontinued, our office will continue to represent a group of individuals in legal proceedings to recover investment losses arising from the bankruptcy of PFK and FMC.

If you have any questions with respect to this notice, or with respect to the procedural matters addressed herein, kindly direct them via email to Louis M. H. Belzil, Q.C. at lbelzil@rackelbelzil.ca, copy to simagee@rackelbelzil.ca.

Dated at Edmonton, Alberta, this __ day of May, 2013

Rackel Belzil LLP

Per:

Louis M. H. Belzil, Q.C.

Schedule "B"

Press Release – For Immediate Release

May ___, 2013

To: The Globe and Mail: (email) newsroom@globeandmail.com
National Post: (fax) 1-416-383-2305
Edmonton Journal: (email) dbarnes@edmontonjournal.com
Calgary Herald: (fax) 1-403-235-7379

Re: **Mewburn v. Peers et al.**
Court of Queen's Bench of Alberta Action no. 1103 00745

In January, 2011, a class action was commenced on behalf of investors who lost money in the bankruptcy of Peers Foster Kristiansen Inc and Federal Mortgage Corporation Ltd.

On May 15, 2013, Associate Chief Justice J.D. Rooke of the Court of Queen's Bench of Alberta, gave the Plaintiffs leave to discontinue this action, provided that a Notice of Intention to Discontinue was given to prospective class members. His lordship directed that the Notice be given by a number of means, including by press release to the papers listed above.

The formal Notice of Intention to Discontinue is attached to this press release.

The complete decision of the court can be found at <http://www.albertacourts.ab.ca/index.php?p=167>, citing *Mewburn v. Peers*, 2013 ABQB 299.

Details on the bankruptcy of Peers Foster Kristiansen Inc. and Federal Mortgage Corporation Ltd. can be found on the website of the trustee in bankruptcy: <http://www.pwc.com/ca/en/car/pfk-and-fmc/index.jhtml>

Further inquiries may be made to:

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lbelzil@rackelbelzil.ca