

**ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)**

THE HONOURABLE *MR*)
Justice CL Campbell)

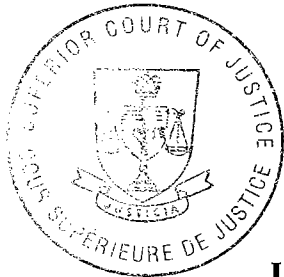
TUESDAY, THE 8TH DAY OF
AUGUST, 2006

BETWEEN:

Claude Millard and Roger Grisé

Plaintiffs

– and –



North George Capital Management Limited, Triple A Financial Services Inc., North George Capital Limited Partnership, North George Capital II Limited Partnership, North George Capital III Limited Partnership, North George Capital IV Limited Partnership, North George Capital V Limited Partnership, Lionaird Capital Corp., Roderick Alton, Michael Magee, Robert McGillen, Kenneth Gill, Anne Gilmour, Michael Goselin, Goselin & Associates, Stewart and Associates, McColl Turner, Irv Dyck, M.R.S. Trust Company, Alan Lawson, Fisher Inc., the Trustee of the Estate of Roderick Alton, a Bankrupt, Richard Killen & Associates Ltd, the Trustee of the Estate of Michael Goselin, and KPMG Inc., the Trustee of the Estate of Michael Magee, a Bankrupt

Defendants

Proceeding Under the Class Proceedings Act, 1992

ORDER

THIS MOTION, made by the Plaintiffs for an Order, *inter alia*, approving and implementing the terms of a settlement agreement (the "Settlement Agreement") made between

the Plaintiffs and the Defendants Michael Goselin, Goselin & Associates, and Richard Killen & Associates Ltd., the Trustee of the Estate of Michael Goselin (the "Settling Defendants"), was heard on August 8, 2006 at 393 University Avenue, Toronto.

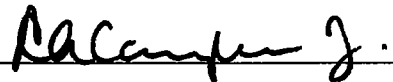
ON READING the Settlement Agreement, the consent of the Settling Defendants and on hearing the submissions of the Settling Defendants and of counsel for the Plaintiffs,

1. **THIS COURT ORDERS** that the Settlement Agreement is fair, reasonable and in the best interests of the Goselin Subclass, as that term is defined in the Order of the Honourable Mr. Justice Farley dated April 11, 2000, and is hereby approved.
2. **THIS COURT ORDERS** that the Goselin Subclass shall be bound by the terms of the Settlement Agreement.
3. **THIS COURT ORDERS** that upon the granting of judgment in accordance with the Settlement Agreement, all claims for contribution, indemnity, subrogation or other claims over by any Settling Defendant against any Non-Settling Defendant for or in respect of the claims of the Goselin Subclass which are the subject matter of the Action, whether direct, subrogated, asserted or unasserted or asserted in a representative capacity, shall be released, discharged and forever barred.
4. **THIS COURT ORDERS** that the Plaintiffs and any Non-Settling Defendant may, with leave of the Court upon notice to the Settling Defendants, obtain:
 - (a) documentary discovery and an Affidavit of Documents in accordance with the Rules of Civil Procedure from any Settling Defendant;
 - (b) oral discovery of any Settling Defendant, the transcript of which may be read in at trial;
 - (c) an undertaking to testify at trial.

Unless otherwise ordered by the Court, the Settling Defendants shall not be entitled to their costs in relation to any such motion or in relation to their continued participation in the Action.

5. **THIS COURT ORDERS** that, except as otherwise provided herein, the Settlement Agreement and this Order shall not prejudice or in any way interfere with the rights of the Goselin Subclass to pursue all of their rights and remedies against all Non-Settling Defendants; no waiver, release or discharge of any Non-Settling Defendant shall arise as a result hereof or thereof and the joint and several liability of all Non-Settling Defendants shall not be affected hereby or thereby.

6. **THIS COURT ORDERS** that a notice in the form attached to the Settlement Agreement as Schedule C shall be sent by regular mail to each Class Member at the last known address of such Class Member.
7. **THIS COURT ORDERS** that it shall remain seized of this matter for the purpose of any further approvals that may be required.
8. **THIS COURT ORDERS** that service is validated.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

AUG 09 2006

PER/PAR: 

NOTICE OF SETTLEMENT

TO: ALL PURCHASERS OF NOTES OF LIONAIRD CAPITAL CORP.
AND TO: ALL PURCHASERS OF UNITS OF NORTH GEORGE CAPITAL LIMITED PARTNERSHIP, NORTH GEORGE CAPITAL II LIMITED PARTNERSHIP, NORTH GEORGE CAPITAL III LIMITED PARTNERSHIP, NORTH GEORGE CAPITAL IV LIMITED PARTNERSHIP, NORTH GEORGE CAPITAL V LIMITED PARTNERSHIP

**Please read this notice carefully.
It affects your legal rights.**

On August 8, 2006, the Ontario Superior Court of Justice (Commercial List) approved an agreement (the "Settlement Agreement") providing for the settlement of the claims of the Goselin Subclass against Michael Goselin ("Goselin"), Goselin & Associates, and Richard Killen & Associates Ltd., the Trustee of the Estate of Michael Goselin. You have been sent this Notice because you are or may be a member of the Goselin Subclass.

Prior to the execution of the Settlement Agreement, Goselin was discharged from bankruptcy. His discharge from bankruptcy released and discharged all claims made against Goselin and Goselin & Associates pursuant to the Class Action. Since there are other defendants remaining in the Class Action, Class Counsel obtained an Order in the bankruptcy proceedings to permit the Class Action to proceed despite the bankruptcy. Since members of the Goselin Subclass could no longer enforce any claims against Goselin or Goselin & Associates upon Goselin's discharge from bankruptcy, the purpose of the settlement agreement was solely to conclude the proceedings against Goselin, Goselin & Associates and Richard Killen & Associates Ltd., the trustee in bankruptcy of the Estate of Michael Goselin, in a manner that does not prejudice class members whatsoever.

Pursuant to the Settlement Agreement, a judgment has been granted against Goselin and Goselin & Associates. Although the judgment has a face value of \$500,000, class members cannot enforce the judgment or collect any money from Goselin or Goselin & Associates. Therefore, you will not be receiving any money from this settlement.

If you wish to obtain further information about the Settlement Agreement, please contact the class members' lawyers, Steven Sofer of Gowling Lafleur Henderson LLP at 416-369-7240 or Jeffrey D. Glatt at 416-484-7498.

Publication of this Notice has been approved by the Court.

Claude Millard, et al
- Plaintiffs -

v. **North George Capital Management Limited, et al**
- Defendants -

ONTARIO
SUPERIOR COURT OF JUSTICE
(PROCEEDING COMMENCED AT TORONTO)

ORDER
August 8, 2006

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